

Swedfund

sustainable
people
returns



The focus of our Annual and Sustainability Report this year is Sustainable Returns. The title reflects the core of Swedfund's mission: to create long-term, sustainable results for both people and communities through investments. We measure value creation based on an overall view of impact on society, sustainability and financial viability. It is a long-term commitment to creating tangible and measurable results for sustainable local development.

INVESTMENT: AGDEVCO
LOCATION: NAKURU COUNTY, KENYA



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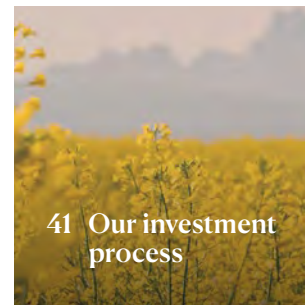
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Project Accelerator

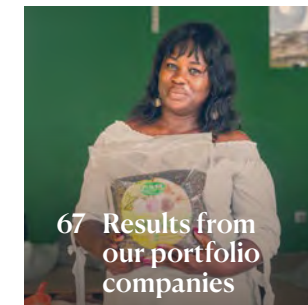
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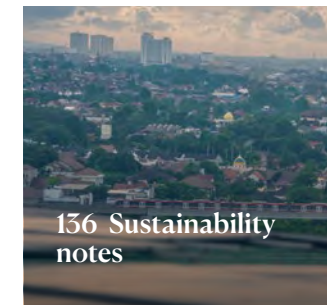
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Poverty reduction through sustainable investments

Swedfund is Sweden's development finance institution with the mission of reducing poverty through sustainable investments in developing countries. Our work contributes to the implementation of the 2030 Agenda and the Paris Agreement.

Swedfund has two tools to deliver on our mission: we invest in the private sector and finance feasibility studies in the public sector through the Project Accelerator. These are mutually reinforcing processes that enable us to work holistically towards our mission as a development finance institution.

Swedfund invests in companies that create jobs with decent working conditions and increased access to essential products and services such as electricity, food and digital connectivity. Our investments promote innovation, ensure that more companies meet international standards, and increase local value creation. Swedfund also invests in decarbonisation, adaptation and resilience to support a green transition in developing countries. Our business model demonstrates that sustainable investments with good returns are possible even in complex geographies.

The Project Accelerator lays the foundations for more sustainable and investable infrastructure projects in developing countries through feasibility studies and capacity building efforts in the public sector. Well-developed infrastructure is vital for poverty reduction, for economic development and increased trade, where Swedish companies can be part of the solution to the challenges.

Swedfund was established in 1979 and is a state-owned enterprise managed by the Ministry of Finance. Our operations are financed by reflows from the portfolio and through capital injections from the development cooperation budget for which the Ministry for Foreign Affairs is responsible.

Similar development finance institutions exist in 14 other European countries, all of which are members of the Association of European Development Finance Institutions (EDFI).



Swedfund's mission is to help create better standards of living for people living in poverty and facing oppression





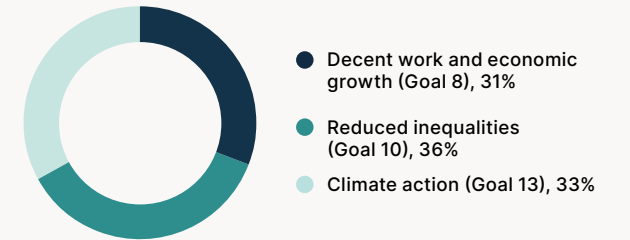
Breakdown of portfolio

Objectives in line with the UN's Sustainable Development Goals

Swedfund's mission is to contribute to poverty reduction through sustainable investments in developing countries (SDG 1). To accelerate delivery of this mission, we have chosen to focus on four prioritised goals where the needs are great and Swedfund's experience is particularly strong: Decent Work and Economic Growth (SDG 8), Climate Action (SDG 13), Reduced Inequalities (SDG 10) and Gender Equality (SDG 5). Digitalisation and increased connectivity also permeate all our investments and operations and serve as important enablers for achieving results.



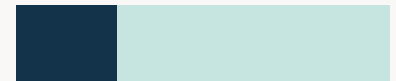
Prioritised SDGs¹



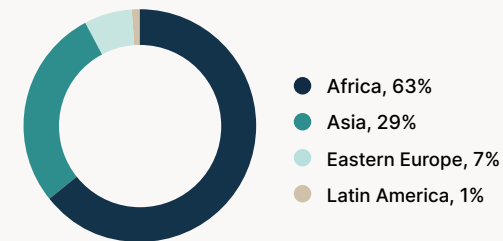
Goal 5²
Gender equality



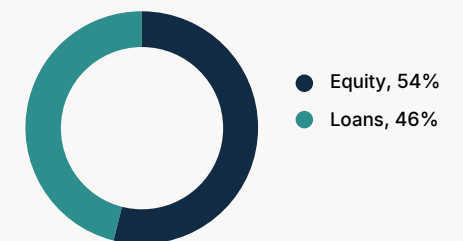
Digital investments²



Geography¹



Investment form¹



1. Relates to Swedfund's portfolio, percentage of total contracted amount less repayments (%)
2. Relates to Swedfund's portfolio, percentage of total number of investments (%)

Impact and performance at a glance

Swedfund's mission is to contribute to poverty reduction through sustainable investments in developing countries that create impact while also being financially viable.

Swedfund's growing portfolio enables more job opportunities, increased energy production and access to capital for smallholders, among other things. A third of our investments are in low-income countries and almost 60 percent contribute to women's economic empowerment. Swedfund's investments contribute to sustainable and inclusive digitalisation, and around 30 percent of the portfolio consists of investments where digital business models play a central role. Overall, Swedfund has a portfolio with stable returns and tangible, measurable results for sustainable local development.

The performance of our portfolio companies pertains to 2024 as it is reported with a one-year lag, except for some indicators that are based on investments contracted in 2025.

Read more about our portfolio companies' performance on pages 67-83



Selected key performance indicators



Decent work and economic growth

488,000

number of direct jobs in the portfolio in 2024 (2023: 421,000)

50%

proportion of portfolio companies that recruited additional employees during 2024 (2023: 48%)



Reduced inequalities

36%

proportion of investments in low-income countries in 2025 (2024: 37%)

61,000

small-scale farmers empowered through access to capital in 2024 (new metric)



Climate action

14 TWh

energy production through our portfolio companies in 2024 (2023: 13 TWh)

75,000 tonnes

of GHG emissions (CO₂e) avoided in 2024 (2023: 76,000)



Gender equality

30%

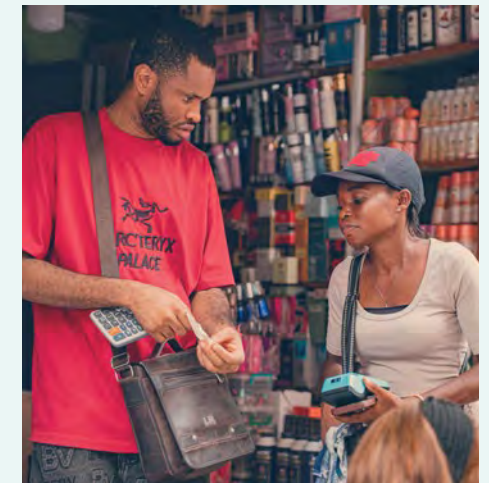
proportion of women in senior positions in 2024 (2023: 31%)



Digitalisation

27%

of our investments support digital development (new metric)



Swedfund's role in a more uncertain world

2025 was marked by geopolitical tensions, wars and conflicts, economic uncertainty and increasing climate challenges. Multilateral structures are weakening and the pace of change is rapid. In such an environment, experience in complex markets, regional presence and the ability to manage risk become critical. In many low- and middle-income countries, development slowed while investment needs increased. With five years remaining to achieve the goals of the 2030 Agenda, the pace must accelerate if the goals are to be met.

Swedfund's mission is to contribute to poverty reduction through sustainable investments. That mission is more relevant than ever. Swedfund operates in a rapidly changing environment where risk levels have increased in many countries. Despite this, Swedfund's portfolio has continued to deliver stable results. In a context of high uncertainty, experience in complex markets, regional presence and strong risk management capabilities are critical. In many low- and middle-income countries, development has slowed, while the need for long-term capital, expertise and partnerships is increasing.

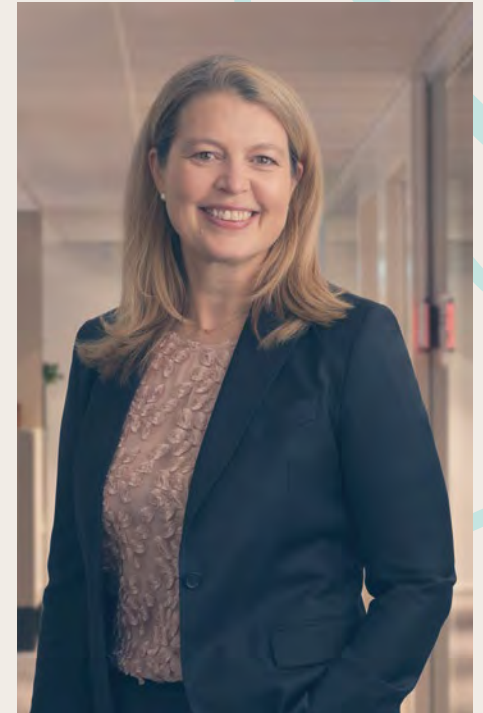
Today, around 839 million people live in extreme poverty, defined as an income below three US dollars per day. Poverty is not only

about lack of income. It also concerns limited access to jobs, electricity, food, financial services, infrastructure and digital connectivity. Breaking these patterns requires investments that create jobs with decent working conditions, strengthen companies, scale innovative business models and contribute to inclusive economies where women and men can participate on equal terms.

In dialogue with companies, public actors and partners in the countries where we operate, the picture is clear. Investment needs are great, but so are the opportunities. Africa is the continent with the fastest growing population, with a young generation driving entrepreneurship and demand. Companies with strong momentum and

innovative business models are scaling solutions in energy, digitalisation and financial services. The ambition to grow and create jobs is clear. Economic growth in Africa is estimated to have reached 3.9 percent in 2025, with a forecast of 4.3 percent for 2026. At the same time, Swedfund closely monitors the risks posed by conflicts and regional instability, as these can quickly have consequences for both people and investments.

Swedfund's strategy for the period 2024 to 2030 addresses these structural needs. Our ambition is to triple our portfolio to scale our impact through investments in the private sector and through feasibility studies and capacity building in public infrastructure via the Project



In a more uncertain world, sustainable investments are crucial for reducing poverty and building resilience.

Accelerator. Geographically, we prioritise Sub Saharan Africa, South and Southeast Asia and Ukraine. Two years into the strategy period we can conclude that the portfolio and our results are developing in line with the strategy.

At the end of 2025, the value of Swedfund's portfolio amounted to approximately SEK 14 billion, with an internal rate of return (IRR) of 5.1 percent. During the year we made 22 new investments, and the Project Accelerator initiated 36 projects. Together this reflects both a high level of activity and our role as an additional and catalytic actor in countries where access to long-term capital is limited.

For 2025 the Swedish Parliament decided on a capital contribution to Swedfund of SEK 1.8 billion, of which SEK 600 million was earmarked for climate investments and up to SEK 500 million for investments in Ukraine. Together with reflows from the portfolio this enabled an investment volume of approximately SEK 3.7 billion during the year. The Project Accelerator was allocated SEK 270 million, of which SEK 110 million was earmarked for Ukraine and the surrounding region. Together, this strengthens our ability to invest in businesses and infrastructure that contribute to job creation, strengthened women's economic empowerment, reduced emissions and increased resilience.

During the year we continued to increase our investments and projects in Ukraine. Swedfund has opened a local office and strengthened its presence by building investment and sustain-

ability expertise on site. Long-term investments are crucial for Ukraine's economic resilience. A functioning private sector and robust infrastructure create jobs, stability and confidence in the future. Through investments and feasibility studies in critical infrastructure, Swedfund can contribute to sustainable solutions and lay the foundation for long-term reconstruction.

At the same time, more than two thirds of Swedfund's investments remain concentrated in Sub Saharan Africa, and one third of the portfolio is in countries classified as fragile and least developed.

Our business model, which rests on three pillars – development impact, financial sustainability and sustainability – demonstrates that sustainable investments with strong returns are possible even in complex contexts. This confirms the robustness of the model and its ability to deliver in line with our specific public mission. Swedfund achieves the targets that follow from the mission, including women's economic empowerment, jobs in accordance with the ILO core conventions, climate action, capital mobilisation and the profitability of portfolio companies.

Swedfund's financial target means that adjusted operating profit (EBIT) should be positive measured over a five-year period. At the end of 2025 this target had been achieved through an accumulated adjusted operating profit of SEK 45 million. The return of the investment portfolio, measured as internal rate

of return (IRR) excluding exchange rate effects, amounted to 5.1 percent at the end of the year compared with 5.6 percent the previous year. The outcome reflects a year of high volatility, but also a portfolio that over time is financially sustainable in relation to our mission.

Operating profit (EBIT) for the full year 2025 amounted to SEK -589 million. The result has been negatively affected by currency effects, where the majority relates to unrealised translation effects that do not reflect the underlying development of the portfolio. Excluding currency effects, operating profit (EBIT) for the full year amounts to SEK 69 million, which shows an underlying stable financial performance.

I would like to extend a warm thank you to all employees for your commitment and your work during the year. Our role is clear. With impact as our guiding principle, Swedfund invests to reduce poverty and create sustainable growth in the world's most vulnerable countries. Our business model shows that sustainable investments with good returns are possible even in complex countries, and that through partnerships and risk sharing we can mobilise additional capital.

From investments in renewable energy and financial inclusion in Africa to efforts supporting the reconstruction of Ukraine's infrastructure, Swedfund's work contributes to long-term development and shows the way forward.

Maria Hammarskjöld Håkansson,
CEO



With impact as its guiding principle, Swedfund invests to reduce poverty and create sustainable growth in the world's most vulnerable countries.



Investments that contribute to development create lasting value

Poverty reduction is the foundation of Swedfund's mission. The work requires a long-term perspective, responsibility and a clear focus on results.



Global developments continue to be characterised by uncertainty. Geopolitical tensions, economic challenges and climate change affect the conditions for development in many countries. At the same time, progress towards the 2030 Agenda remains slow. For people living in poverty, this means that the need for long-term investments that contribute to development is increasing.

Through sustainable investments in companies and projects within critical infrastructure, Swedfund contributes to strengthening economies and creating jobs with decent working conditions in portfolio companies. Swedfund can contribute to change that has an impact far beyond the individual investment. The work requires perseverance and a clear focus on what should be achieved over the longer term. The organisation is characterised by strong commitment, deep expertise and a focus on results in our work to deliver on the mission.

During the year, a revised Owner Instructions and an updated ownership policy for state owned companies were adopted. For Swedfund, this clarifies the framework governing the company. The mission to contribute to poverty reduction through sustainable investments remains unchanged. Operations must be conducted on a commercial basis, with transparency and with care for how capital is used. The role of the Board is to follow this direction and safeguard the trust on which the mission depends. During 2025, Swedfund

achieved very good results against its targets and invested significantly more than the capital contribution decided by the Swedish Parliament. As in previous years, Swedfund was able to finance both operating costs and growth through its ongoing results.

Swedfund operates in countries where access to capital is often limited and where investments can play an important role in economic development. Swedfund often operates in challenging and difficult contexts associated with high risk. This requires careful judgement and thorough analysis. Development impact, sustainability and financial sustainability must be weighed together in every decision, taking sector specific considerations and the local context into account. Swedfund's strategy, which takes its starting point in the impact we aim to create, a well-functioning business model and robust processes, forms the basis for our work and for our ability to deliver strong results in line with our mission. Another important aspect of the work is cooperation with our partners, such as other development finance institutions and civil society. Partnerships help us develop, share risk and lead to a deeper understanding of the contexts in which we operate.

During 2025, Swedfund continued to receive the confidence to use capital contributions from development cooperation for investments in poverty reduction, climate and Ukraine. The Project



Development impact, sustainability and financial sustainability must be weighed together in every decision.

Accelerator was also able to continue expanding its work with technical feasibility studies and critical infrastructure projects in Ukraine and developing countries. I would like to take this opportunity to thank you for the confidence placed in Swedfund. Together with the Board and the company, I will continue working to ensure that we achieve our mission objectives, deliver measurable results and provide transparent reporting of our operations.

Poverty reduction is the foundation of Swedfund's work. It is a task that engages many people and requires both knowledge and a long-term perspective. Through sustainable investments and technical feasibility studies, Swedfund can contribute to development and lasting results in the countries where the needs are greatest.

Catrin Fransson
Chair of the Board

Our mission

Swedfund invests to create jobs, support gender equality and contribute to the climate transition. We have a portfolio with stable returns and tangible, measurable results for sustainable local development.

A special public policy assignment

Swedfund's public policy assignment focuses on jobs with decent working conditions, strengthening women's economic empowerment, increased digitalisation, and increased access to electricity, food and healthcare. Swedfund also invests to combat the effects of climate change and increase resilience. It is on this basis that Swedfund has chosen to prioritise a number of the UN's Sustainable Development Goals.

Investments in sustainable infrastructure are needed for economic development, the green transition and to reduce inequality. Through the Project Accelerator, Swedfund contributes to the development and financing of long-term, sustainable and essential projects in our partner countries.

Our focus

According to our Owner instructions, Swedfund's remit is to operate in developing countries. Swedfund has chosen a geographical focus on sub-

Saharan Africa, parts of Southeast Asia and Ukraine. 63 percent of our investments are made in Africa.

How we operate

Swedfund's work is based on a Theory of Change that describes how each investment or project can enable positive change and what direct and indirect impact can be achieved. Our business model is based on a good balance between our three pillars: Impact on society, Sustainability and Financial viability. Swedfund follows up and reports on several indicators linked to each pillar and investment area, and our overall performance reflects the impact our capital has created. Swedfund's investments must be financially sustainable and generate long-term returns. This is a prerequisite for operating over time and contributing where the needs are greatest. Through our investments we contractually commit to the change we want to see and that is possible. We also contribute expertise and technical assistance where it is required to support development in a sustainable direction.

Goals for sustainable value creation

As a state-owned enterprise, Swedfund has strategic goals for sustainable value creation that are decided by the Board of Directors. In 2025, the owner adopted a new owner instruction, which has clarified how these goals are to be formulated. The strategic goals for sustainable value creation focus on the company's strategic priorities, considering material external factors, sustainability

aspects and the specific public policy assignment. The goals are ambitious, market-based and measurable, and aim to promote long-term value creation in the company. Their purpose is to clearly and transparently communicate the Board's view of the company's strategic and long-term direction. For the Project Accelerator, the Board decided in 2025 on two strategic goals related to Swedish interest and to ensuring that feasibility studies lead to actual implementation.

As part of our mission, Swedfund reports on how we deliver on our mission objectives and strategic goals, including in this annual report. We also describe our work in areas such as business integrity, environmental and social management systems and tax, which are important components of our value creation.

Swedfund also has a financial goal that is aligned with our mission to be additional and catalytic and to invest in high-risk environments where our capital can make the biggest difference and contribute to development impact.

Additionality

Swedfund's mission is to be additional, meaning we enable investments that would otherwise not have been made.

Swedfund assesses additionality according to the OECD Development Assistance Committee's definition which includes financial, value and development additionality. Within value additionality we assess an investment's sustainability and societal impact. The definition of financial addi-

tionality includes contributing to the mobilisation of private capital and investing in contexts where there is a shortage of long-term capital for the private sector.

Swedfund is additional by:

- investing in the private sector, mobilising capital and building capacity to promote development and growth;
- carrying out feasibility studies and capacity building measures for sustainable development of public infrastructure, where Swedish companies can be part of the solution.

Risk management

Taking risk is a key part of Swedfund's mission and operations as a development finance institution. We are additional by taking risks and showcasing opportunities with sustainable investments. Making sustainable investments and undertaking projects that create both impact and financial return is central to our mission and has an important demonstrative purpose.

Our risk management method aims to achieve risk optimisation based on our mission objectives and business model, rather than risk minimisation in every respect.

Read more about risk management on page 30



Our tools

Swedfund has two tools to deliver on our mission: We make investments in the private sector and finance feasibility studies in the public sector through our Project Accelerator. Both are mutually reinforcing processes that enable Swedfund to work holistically to deliver on our mission as a development finance institution.



Investments

With impact as its guiding principle, Swedfund invests to reduce poverty and create sustainable growth in developing countries. Our investments create more jobs, strengthen local economies, increase gender equality and support the green transition. We have a portfolio with stable returns and tangible, measurable results for sustainable local development.

Swedfund has several financial instruments for our investments: equity, loans and guarantees. The choice of investment form depends on the financing requirements of each company, and we strive to achieve a good balance of instruments in our combined portfolio. We also have access to EU guarantees allowing us to take greater risks where the need is greatest.

Our work is based on our Theory of Change. This means that we carry out an analysis of how a potential investment can contribute to change and what direct and indirect impact it creates.

[Read more about investments and the process on pages 35-43](#)



Project Accelerator

Swedfund's Project Accelerator carries out feasibility studies, environmental and social impact assessments and capacity building measures in critical infrastructure in developing countries. These could, for example, involve creating conditions for better access to electricity, secure connectivity, clean water and transport. Projects are always based on local needs and priorities that are in line with the 2030 Agenda.

By getting involved at an early stage and providing support for planning, development, structuring and procurement, we help ensure that more infrastructure projects meet the sustainability requirements necessary to secure financing and be executed successfully. In many cases, projects correspond to sectors in which Swedish companies can offer sustainable solutions by participating in competitive procurement processes.

[Read more about the Project Accelerator and the process on pages 55-60](#)



Goals for sustainable returns

Mission objectives and strategic goals for sustainable value creation

		Result	Goal
Socially sustainable investments	Compliance by all of the Company's investments with decent working conditions in accordance with the ILO's Declaration on Fundamental Principles and Rights at Work within no more than three years from the date of investment.	97%	100%
	Greater gender equality in the Company's investment portfolio in terms of the 2X criteria, or comparable criteria to be met in no less than 60 percent of the Company's investments no later than three years from the date of investment.	58%¹	60%
The Company's additional role	The Company's investment portfolio is to mobilise no less than 30 percent of private capital.	28%	30%
Economically sustainable investments	Turnover and profitability to increase in at least 60 percent of the Company's investments during the holding period, where a base year corresponds to the investment year.	56%	60%
Environment and climate-related sustainable investments	The Company's investment portfolio is to be climate-neutral by 2045 meaning that GHG emissions from the portfolio must be net zero as defined by the IPCC. The portfolio's total greenhouse gas emissions per invested krona, 2024.	23 tCo₂e <small>(23.9 tCo₂e, 2023)</small>	Reduce over time with 2020 as the base year

Read more about our portfolio companies' performance on pages 67-83 →

1. Of the company's investment portfolio.

Goals for sustainable returns, cont'd.

Financial goal

Economically sustainable investments

Operating profit to be greater than zero over a five-year period. Goal and result refer to EBIT excluding Ukraine.

Result

45 MSEK

Goal

> 0

Strategic goals for sustainable value creation

Project implementation

At least 60 percent of completed feasibility studies (stage 1) should progress to stage 2. Stage 2 means that the feasibility study has been carried out as planned and has led to further decisions or actions by the project owner, such as additional studies or preparations for implementation.

89%²

60%

At least 40 percent of projects that reach stage 2 should progress to stage 3. Stage 3 means that the project owner has decided on financing and/or implementation.

59%²

40%

The objective is monitored on a rolling basis over a five-year period.

Percentage of Swedish content

Percentage of projects in the portfolio with direct Swedish interest should be 50-60 percent on a rolling basis over a five-year period.

41%²

50-60%

The result excluding Ukraine is 53 percent.

Read more about our portfolio companies' performance on pages 67-83 →

2. New measurement for 2025.

Operating model

Swedfund's operating model describes how we work to carry out our mission: to help reduce poverty through sustainable investments in developing countries.

In geographical terms, Swedfund prioritises investments and projects in Africa, South and South East Asia, Ukraine and Latin America. Each investment and project is assessed based on the three pillars of Swedfund's business model: Impact on society, Sustainability and Financial viability. We create value and report performance based on these pillars.



Mission

SWEDFUND'S MISSION is to help reduce poverty by making sustainable investments in developing countries. The 2030 Agenda, Swedfund's mission objectives and Theory of Change form the basis of our strategy.



Strategy

SWEDFUND'S STRATEGY 2024–2030 sets out the priorities that will guide the work to deliver on our mission. The goal is for Swedfund to triple its portfolio by 2030 to scale impact.

- No poverty (SDG 1), Gender equality (SDG 5), Decent work and economic growth (SDG 8), Reduced inequalities (SDG 10), Climate action (SDG 13) and Digitalisation.



- Geography: Africa, parts of South and Southeast Asia, Ukraine and Latin America.
- Sectors investments: Energy & Climate, Financial Inclusion and Food Systems.
- Sectors Project Accelerator: Clean Energy, Sustainable Transportation, Circular Solutions, Digitalisation and Healthcare.
- Instruments: Equity, loans, guarantees and Project Accelerator.

Business model

SWEDFUND'S BUSINESS MODEL has been developed to optimise risk and deliver results in line with the goals set for Swedfund's special public policy assignment.

- Impact on society
- Sustainability
- Financial viability

Capital

SWEDFUND'S CAPITAL consists of returns from the portfolio and capital contributions from our owner. Our financing is tied to requirements and support in the form of capital, expertise and technical assistance, EU guarantees, partners and networks.

Results and performance monitoring

SWEDFUND MEASURES IMPACT AND FINANCIAL PERFORMANCE.

We follow up and report on our mission objectives, strategic goals for sustainable value creation and other relevant indicators, and present the results in this integrated annual report.

Strategy put into practice

Swedfund's business model is built on three pillars: Impact on Society, Sustainability and Financial viability. In the 2024–2030 strategy, we have chosen to prioritise our investments in gender equality (SDG 5), decent work and economic growth (SDG 8), reduced inequalities (SDG 10), climate action (SDG 13) and digitalisation.

The State's Ownership Policy for State-Owned Enterprises, Swedfund's special public policy assignment, the Board of Directors' strategic goals for sustainable value creation, in which the company's financial objective constitutes a core component, as well as the needs in developing countries have formed the cornerstones of our strategy.

2025 was the second year of the strategy adopted by Swedfund's Board of Directors for the period 2024-2030. The aim is for Swedfund to triple our portfolio to scale our impact created through investments, feasibility studies and local capacity building by 2030.

During this period, we will continue to invest to create more jobs with decent working conditions, strengthen resilience and increase economic empowerment, particularly for women, as well as in climate solutions that contribute to emissions reductions and climate adaptation in

developing countries. This will take place through the three sectors Energy & Climate, Financial Inclusion and Food Systems.

Swedfund will continue to prioritise Africa, South and Southeast Asia and Ukraine geographically. Our local presence through our three regional offices in Ukraine, East and West Africa respectively plays an instrumental role in executing the strategy by identifying new investments and sustainable value creation.

Swedfund also continues developing our sustainability efforts. To help create long-term sustainable businesses, our portfolio companies must offer jobs with decent working conditions, introduce management systems to manage environmental and social risks and human rights, and actively work to promote business integrity.

During the strategy period, we intend to continue expanding our work on technical feasibility

studies, with a focus on Ukraine and developing countries in Asia, Latin America and Africa. During this period, we intend to continue working with other actors within the Team Sweden partnership to enable Swedish companies to be part of the solution to local needs in developing countries. Furthermore, our relationships with development banks will be strengthened to enable financing of the implementation of the critical infrastructure initiatives that the Project Accelerator has laid the foundation for.

During the strategy period, Swedfund also intends to address how a greater share of private and institutional capital can be mobilised in developing countries. Swedfund also intends to continue deepening cooperation with civil society organisations, institutional investors, embassies and other actors relevant to our mission and financing during this period.

Updated governance 2025

Swedfund is part of the state-owned enterprise portfolio, which is governed by the State's Ownership Policy. In 2025, the government decided on a new policy for state-owned enterprises replacing the previous Ownership Policy from 2020.

The policy includes provisions stating that the government shall actively manage state-owned enterprises in order to ensure the best possible long-term economic value growth and that the public policy assignments decided by the Swedish Parliament are performed well. State-owned enterprises must act in a commercial, sustainable and exemplary manner that maintains public confidence. In the Ownership Policy, the government sets out important principles and overall objectives regarding the governance and management of state-owned enterprises.

In 2025, Swedfund's Owner instructions were reviewed and updated. The mission objectives that previously guided the organisation remain unchanged. Geographically, investments in low-income countries and lower middle-income countries should be prioritised. As before, investments may be made in upper middle-income countries in certain cases, where the updated Owner instructions specify that these investments should focus on green and digital transition, effective emissions reduction and capital mobilisation.

Swedfund's Project Accelerator is included in the Owner instructions and it is also clarified that the Project Accelerator is the main tool used by Swedfund to create synergies with Swedish companies. Activities may focus on markets and sustainable solutions that boost Swedish companies' opportunities to contribute to sustainable development in the partner country.

Highlights during the year

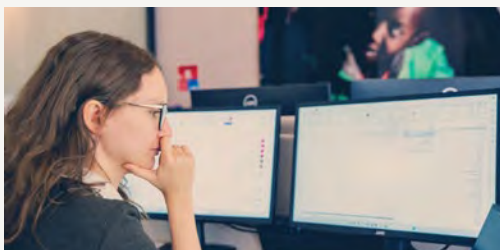
2025 was another exciting year for Swedfund. Here we highlight a selection of milestones related to our impact, operations, partnerships and strategic work.

Capital contribution

JANUARY: The government's budget for 2025 included a capital contribution to Swedfund of MSEK 1,800, of which MSEK 600 is earmarked for climate-related investments and up to MSEK 500 for Ukraine. The Project Accelerator was awarded a grant of MSEK 270, with MSEK 110 earmarked for initiatives in Ukraine and its immediate surroundings.

Business integrity

APRIL: Transparency International Sweden launches Business Integrity Tool. This tool provides impact investors with practical support in identifying and managing integrity risks in the investment process, especially when investing in high-risk markets. It has been developed with support from Swedfund and Ethics Insight and is based on the **Investing with Integrity II** report from Transparency International UK, which was initiated by BII and supported by Swedfund.



Local presence

APRIL: Swedfund strengthened its local presence by opening a regional office in Ukraine. Presence on the ground provides a deeper understanding of local needs, supports dialogue with partners and contributes to better conditions in a complex context. Read more in the interview with our new Regional Manager Olena Smyrnova on page 27.

Reduced financing gap

JULY: To reduce the financing gap for small and medium-sized enterprises in Zambia, Growth Investment Partners Zambia was launched, a new platform offering long-term and flexible capital in local currency. Swedfund is one of the anchor investors together with BII and pension fund NAPSA. Swedfund was present at the launch where President Hakainde Hichilema officiated.



Stakeholder dialogue

JULY AND DECEMBER: During Almedalen Week, Swedfund engaged in dialogue with civil society organisations that are important sources of knowledge for its operations. In December, a stakeholder dialogue was held on various aspects of Swedfund's mission and to learn about civil society's priority issues ahead of the continued work on implementing our strategy.

Growing needs

SEPTEMBER: Swedfund reaches the milestone of 100 portfolio companies, 100 ongoing projects through the Project Accelerator and 100 employees. The milestone reflects Swedfund's growing operations and increased capacity to carry out investments and projects in developing countries in an uncertain global environment.

Strengthened gender equality

OCTOBER: The first participants completed Power Women, a programme financed through technical assistance for portfolio company Scatec, which operates solar farms in Ukraine. Through technical training, paid internships, career support and networks, women are being prepared to operate and develop energy parks in a sector with high demand for labour and a need for greater gender equality. Read more about our work in Ukraine on page 25.

1,800

Capital contribution 2025 (MSEK)

3,752

Contracted investments 2025 (MSEK)

22

New investments during the year

→ Read more about investments during the year on pages 46–51.



36

Started new critical infrastructure projects

→ Read more about selected projects on pages 63–65.

Our context

S

This is Swedfund

Our context

Investments

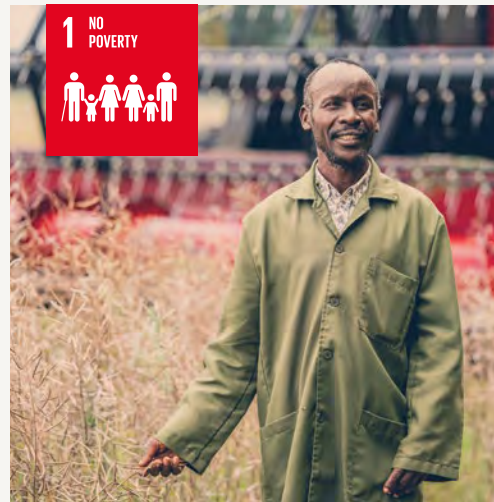
Project Accelerator

Results and governance

Sustainability notes and other information

Opportunities and challenges in the world around us

The external environment overview outlines key global trends and development challenges that affect both our mission and the conditions for our investments. It is structured around our prioritised SDGs: no poverty, decent work and economic growth, reducing inequalities, climate action, gender equality and digitalisation.



No poverty

Global development is characterised by heightened geopolitical tensions and considerable uncertainty in the world economy. Developing countries are affected by several interacting factors: trade restrictions, armed conflicts, climate change, declining aid flows and high levels of debt. With only five years left to deliver on the 2030 Agenda, almost half of the UN's Sustainable Development Goals (SDGs) are making insufficient progress, and 18 percent of the goals have even regressed compared to 2015 baselines. This affects poverty levels, labour markets and key areas such as health and education. The ongoing war in Ukraine continues to have major humanitarian and economic consequences. There is a significant need for long-term and sustainable investment to help with the country's reconstruction and integration into the EU, and to ensure continued perseverance and resilience.

The first of the UN's SDGs, No poverty, is one of the most fundamental goals in the 2030 Agenda and is closely linked to several other goals. Poverty is influenced by factors such as access to jobs with decent working conditions, gender equality, inclusive economic growth, the effects

of climate change and the challenges and opportunities presented by rapid digital development.

Progress towards the 2030 Agenda

Progress towards sustainable and inclusive development has been made in several areas. Since 2015, millions of people have gained access to basic services. More than half of the world's population is now covered by some form of social protection, an increase of ten percentage points over the past decade. Child marriages and maternal and infant mortality have declined and more young people, especially girls, are completing their schooling. The representation of women in parliament has increased globally and access to electricity, renewable energy and the internet has improved significantly. Despite these advances, progress towards achieving the goals is too slow. Conflicts, the climate crisis, geopolitical tensions and economic shocks continue to slow progress. Today, more than 800 million people live in extreme poverty, and without decisive action, only one in five countries is expected to halve its national poverty rate by 2030. The financing gap for sustainable development is also

large and growing. Developing countries need an additional USD four trillion in funding each year in order to achieve the goals of the 2030 Agenda. Foreign direct investment (FDI) to the least developed countries increased by nine percent in 2024, but still accounts for only two percent of global flows. At the same time, many countries are under pressure from high debt levels and reduced international aid from several major donor countries.

Opportunities through partnership

Challenges of this magnitude require partnerships. At the International Conference on Financing for Development held in Seville in 2025, several important steps were taken to boost the global work on sustainable development. The conference led to the adoption of the Sevilla Commitment, which lays out a joint plan to close the annual SDG financing gap. It is the first inter-governmentally agreed financing for development framework since 2015 and marks a significant step towards achieving the goals of the 2030 Agenda. The next phase will focus on implementation and translating ambition into tangible outcomes. Emphasis here will be on the need to mobilise the private sector and development finance institutions as key implementers. The aim is to unlock the potential of many developing countries, including a young and growing population, innovative SMEs and a strong entrepreneurial spirit.



Decent work and economic growth

A job is the most effective route out of poverty and jobs with decent working conditions are key to sustainable economic growth. UN SDG 8 calls for the promotion of inclusive and sustainable economic growth and full and productive employment with decent working conditions for all. Today, more than half of the world's workers are in informal employment, often with low wages and limited access to training and social safety nets.

Achieving this goal requires growth that is more inclusive, creating more jobs with decent working conditions, closing the gap between men and women in the labour market and harnessing the potential of digitalisation.

Global economic growth remains weak

Economic growth in the least developed countries remains well below the target of seven percent per annum and poses a serious obstacle to poverty reduction, economic resilience and the green transition. Economic volatility and geopolitical uncertainty are high. Since the new US administration took office, the political direction of the United States has shifted. The US has discontinued USAID and withdrawn from several multilateral organisations and agreements, including the Paris Agreement. This poses challenges for multilateralism even though the institutions have quickly adapted to the new geopolitical situation and reduced funding.

Having said that, macroeconomic conditions in sub-Saharan Africa have gradually improved and the World Bank recently revised its growth forecast for the region upwards. The increased resilience is primarily attributable to stronger regional trade, more stable currencies and lower inflation. Falling inflation has enabled interest rate cuts, which in turn boost both private consumption and investment.

Thanks to their relatively low dependence on trade with the US, countries in sub-Saharan Africa are better placed to withstand the effects of higher US tariffs, although there is considerable uncertainty surrounding both their introduction and their duration. At the same time,

many countries are struggling with high debt levels, which increases their vulnerability and means that a large proportion of government revenue goes towards interest payments rather than to investment in areas such as education, health and infrastructure. In addition, global economic uncertainty is at its highest level in decades, and economic growth is considered insufficient to create the jobs needed for a rapidly growing population.

Asia continues to be the fastest growing region in the world, although growth has slowed somewhat since the pandemic. South and Southeast Asia are experiencing the strongest growth, while several Central Asian economies are affected by developments in Russia's economy and commodity price fluctuations. Countries such as Pakistan, Sri Lanka and Laos have also been struggling with economic crises and slower development. While inflation has begun to fall globally, it remains high in many countries and food prices remain a significant source of volatility. Asia's strong integration into global value chains means that the heightened tensions between the US and China create both opportunities, when production can be moved to neighbouring countries, and risks due to greater trade uncertainty.

Over the past year, extensive 'Gen Z' protests have taken place in several countries in Asia and sub-Saharan Africa. Three governments have fallen to date and many demonstrators have been killed. The demonstrations are named after the group of young people born between 1997 and 2010, Generation Z, who started them. The protests have been in response to declining standards of living, high youth unemployment and dissatisfaction with political governance.

Limited access to financing

Economic growth is closely linked to the creation of jobs. Given the growing population and an increasing proportion of young people entering the labour market, around 600 million new jobs will need to be created globally by 2030. Nine out of ten jobs are created in the private sector, and investment is crucial for companies to grow, employ more people and contribute to higher tax revenues. Small and medium-sized companies often struggle to access capital to expand, increase productivity or develop their business. In today's economic climate, small businesses are particularly vulnerable. Greater financial inclusion for SMEs can help close gaps and ensure that companies have the opportunity to develop even in times of economic uncertainty.

Informal labour market as an obstacle

A large informal labour market means that a significant proportion of the workforce works outside the formal system, without registration and without the protection of laws and regulations. This presents major challenges for both individuals and communities. Employees in informal jobs often lack basic social safety nets such as health insurance, pensions, unemployment benefits and sick pay. They are not covered by protection for workers' human rights, such as rules on working time, minimum wages and safe working environments. Since 2015, the proportion of informal employees has increased. In 2024, almost nine out of ten employees in sub-Saharan Africa and in the least developed countries were in informal employment. Women are particularly vulnerable in regions where informal work prevails. In addi-

tion, employees outside the formal sector often have limited access to financial services such as bank accounts, loans or insurance. This makes it difficult to save, borrow or participate in the formal economy. For countries with a large informal sector, tax revenues also decline, limiting resources for public infrastructure, education, healthcare and other important public services. Because informal jobs are typically low-productivity and lack access to new technologies or training, productivity growth in these sectors is difficult to achieve. As a result, economic growth in countries with a large informal sector is often slower.

Digitalisation

Digitalisation is a key driver of economic growth and increased productivity in the labour market. Expanded digital infrastructure and access to the internet enable more people and businesses to participate in the digital economy and gain increased access to products and services, such as financial services. The use of digital technology can also streamline traditional sectors such as agriculture and manufacturing, by improving processes and in turn increasing productivity and profitability, as well as by connecting sellers and buyers, in agriculture, for example. At the same time, the digital transition creates new platforms that promote entrepreneurship and innovation, and can promote transparency, which in turn reduces the risk of corruption.



Reduced inequalities

The UN's SDG 10 is about reducing inequalities within and between countries, which is one of the biggest challenges for sustainable and inclusive development. With five years to go until 2030, significant differences remain between women and men, urban and rural areas, different socioeconomic groups and backgrounds, as well as between countries. Inequalities between countries are at risk of increasing further because of the global situation, unequal trade conditions and differences in access to digital technol-

ogy. Digitalisation creates new opportunities, but also carries the risk of widening the gap between economies with strong digital infrastructure and those lacking basic conditions.

Inequalities between countries

Global trade is affected by increased protectionism, trade barriers and conflict-related disruptions. Trade can contribute to sustainable development, but developing countries still account for a very small share of the world's exports. For the least developed countries, the share is around one percent, a far cry from the global goal of doubling exports.

The flow of foreign direct investment to developing countries has declined and is now at its lowest level since 2005. Many developing countries are stuck in a structure where they mainly export raw materials, while the real value creation takes place elsewhere in the value chain. This leads to vulnerability to price fluctuations, limited employment and lower tax revenues. Building local value creation instead is crucial for long-term and inclusive growth. When companies are owned and operated locally, there is greater incentive to reinvest profits, develop skills and help build domestic capital markets. Consequently, it is important not only to focus on attracting foreign investment, but also on creating conditions in the local region. Mobilisation of local pension capital plays an important role here. Many countries have growing pension systems and insurance funds with long-term commitments – capital that is fundamentally well suited for investment in infrastructure, housing, energy and productive businesses. Under the right conditions, this capital

can be channelled to a greater extent into domestic investment, rather than being mainly invested in government securities or foreign assets.

The cost per remittance, money sent across borders mainly by migrant workers, remains more than twice as high as the target of three percent. International development cooperation decreased by nine percent in 2024 and a reduction of between 9 and 17 percent is expected in 2025. This is the first time in nearly 30 years that major donor countries such as France, Germany, the UK and the US have simultaneously reduced their official development cooperation. The serious security policy situation in Europe is a major contributing factor, as more countries have chosen to reduce their development cooperation budgets in favour of defence spending. At the same time, many developing countries are struggling with high levels of debt. The cost of repayments has more than doubled over the last decade, reaching two percent of GDP in 2024. The number of countries in sub-Saharan Africa that are in a debt crisis or at high risk of debt problems almost tripled between 2014 and 2023.

Inequality within countries

Inequality within countries refers to how resources, power and opportunities are distributed among different individuals and groups in society. The differences can be seen in incomes, which are rising faster for the richest than for the poorest, inequality between men and women, or differences between urban and rural areas. High inequality can lead to social unrest, conflicts and slower economic growth. Countries with large gaps are also at much higher risk of experiencing

democratic decline. Inequality within countries has decreased since 2015. The incomes of the poorest 40 percent of the population have increased faster than the national average in most countries, even though the pandemic slowed this trend to some extent. However, there are still major regional differences. In addition, reports of discrimination are increasing globally, with a higher incidence in cities, against women, people with disabilities, people with lower levels of education and the poorest. Globally, women participate less in the labour market than men. The proportion is even lower in developing countries, where the informal sector is larger. However, progress has been made in terms of the representation of women on boards and management teams, although women are still underrepresented, and the proportion varies greatly between different regions. Getting SDG 10 back on track requires additional support for vulnerable population groups, stronger action against discrimination and social safety nets that protect wages and investments. Reforms are also needed to stimulate economic growth. Inequality threatens long-term social and economic development, hinders poverty reduction and undermines trust in social institutions and democracy. Greater efforts are needed to eradicate extreme poverty and hunger and to invest in health, education, social protection and decent work – especially for young people, migrants, refugees and other vulnerable groups.

Digitalisation

Digitalisation is an important enabler of greater inclusion and an accelerator for sustainable

development, but the digital divide remains wide. This refers to differences between groups who have access to technology and the internet and those who do not. The gaps are evident in several areas, including geography, gender, education, age, income and company size. Many poorer countries lack the digital infrastructure that is essential for bridging these gaps. In many developing countries, there is also a lack of companies with digital business models that can further accelerate development as well as sufficient knowledge and expertise in the development of digital solutions. Reducing these differences is crucial for a more inclusive digital future.

Despite significant progress, around a third of the world's population still lacks access to the internet. Internet usage is strongly linked to development levels, with sub-Saharan Africa lagging furthest behind, where only 37 percent of the population are connected. Women often have less access to technology and the internet than men. The digital divide between the genders is greatest in the world's least developed countries, where the difference amounts to almost 33 percent. Digitalisation also intensifies the need for robust data security and clear efforts to minimise risks. This area has been given greater priority in the EU, and the term 'trusted vendors' is used to describe companies that may be used in the development of critical digital infrastructure, particularly 5G networks. To strengthen security, all EU countries adopted the common EU 5G Toolbox framework in 2020. This toolbox should be used, among other things, to identify and exclude high-risk suppliers from sensitive parts of the network.

Development of AI risks widening the gaps

The development of artificial intelligence has accelerated rapidly in recent years and has the potential to revolutionise industries around the world. Technology can drive innovation and increase productivity in many sectors. However, AI risks reinforcing economic and social inequalities due to uneven levels of investment, adoption and use. The emerging AI divide means that high-income countries are benefiting disproportionately from developments, while low- and middle-income countries, particularly in Africa, are lagging due to inadequate digital infrastructure. One problem is that much of the data available in developing countries has not yet been digitised. When data is missing in digital format, it cannot be used to train and develop AI systems, which means that the systems are largely based on data from countries and groups where digitalisation is more advanced. This risks leading to the development of AI solutions with built-in biases that do not reflect local conditions, needs or population groups, and which reinforce existing global and social inequalities.



Climate action

Climate change continues unabated, hampering efforts to achieve sustainable development and reduce poverty. According to the UN, up to 132 million people could be driven into extreme poverty because of climate change by 2030. UN SDG 13 calls for immediate action to combat climate change and its consequences. Developing countries in Asia and sub-Saharan Africa bear a disproportionate burden of the effects of climate change.

Sub-Saharan Africa accounts for only three to four percent of global greenhouse gas emissions, while countries in the region lose an estimated five percent of their annual GDP due to climate-related challenges. In Asia,

temperatures are rising twice as fast as the global average and sea levels are rising faster than the global average, leading to more weather-related natural disasters. The fact that climate change is already having an impact shows the urgent need to increase funding for emissions reduction, adaptation measures and resilience.

Women disproportionately affected

Women are particularly impacted by the effects of climate change. They often face greater obstacles to leaving disaster-affected areas, partly due to a lack of financial resources and limited rights to land and property. Women are also at greater risk than men of being affected by food insecurity, suffering from mental illness and dying in extreme weather events. Women-led organisations working to mitigate climate change also face greater challenges in securing funding.

Challenges in achieving the Paris Agreement goal

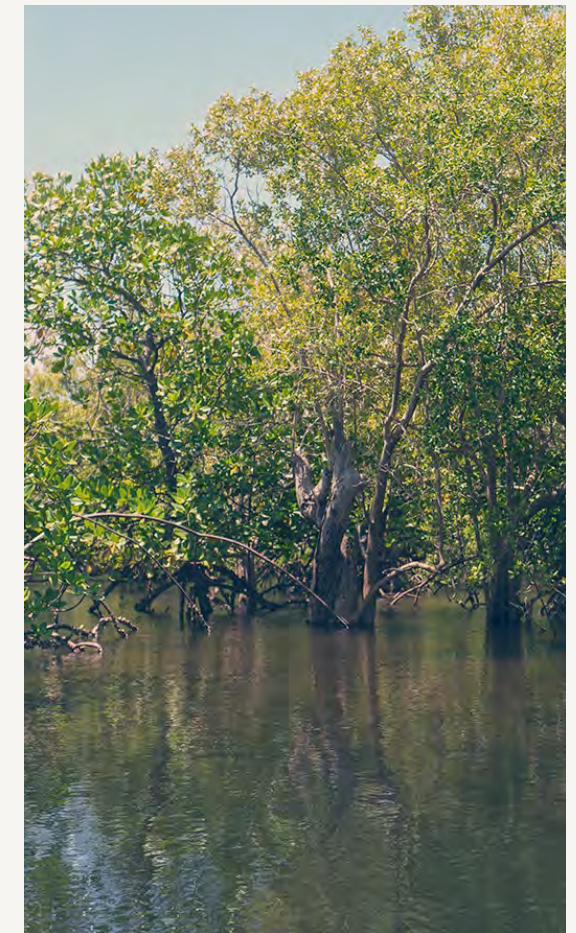
Research shows that it is not too late to slow down this trend. 2025 marks the tenth anniversary of the Paris Agreement and the midpoint of a crucial decade for reducing greenhouse gas emissions. It is also the deadline for countries to submit updated national climate plans, or nationally determined contributions (NDGs) to targets for 2035. At the same time, 2024 was the warmest year ever recorded, around 1.55 °C above pre-industrial levels. A single year above the 1.5°C limit does not mean that the Paris Agreement has been breached, but is a clear warning sign that global efforts are far from what is required. To succeed in keeping to the 1.5°C limit set out in the Paris Agreement, investments

in adaptation, resilience and emissions reduction need to increase rapidly, especially in regions that are vulnerable to climate change. The cost of inaction exceeds the cost of action, and the window of opportunity to secure a habitable and sustainable future is closing quickly.

Multilateral agreements not enough

The COP30 global climate summit, which took place in November 2025, was a crucial opportunity to correct the course and highlight the importance of multilateral cooperation on climate issues. The negotiations were marked by disagreements between different groups of countries, and the outcome was not the expected boost to the implementation of the countries' national climate plans. No formal agreement on a global phase-out plan for fossil fuels could be adopted and the final text made no mention of fossil fuels. At the same time, it is positive that the final document includes a promise to triple climate adaptation financing for developing countries, even if the level does not correspond to the financing and capacity shortfall that exists. A new Just Transition Mechanism will support communities in the transition to renewable energy and climate adaptation, through technical support, capacity building and knowledge sharing. COP30 also adopted an action plan to integrate gender equality into climate policy for the first time. In addition, the governance of nature, forests and biodiversity was given a clearer focus. A new instrument for financing the protection of tropical forests was also introduced. To achieve the jointly agreed targets, efforts must be made to reduce emissions. Both in middle- and high-income countries, which are major carbon emitters,

and in developing countries, which need to build a sustainable energy infrastructure. At the same time, significant resources must be invested in building resilience and adapting to the climate changes that are already occurring. Currently, less than ten percent of all climate financing goes to adaptation.



The importance of access to renewable energy

Access to energy is crucial for economic and social development, but the world is far from achieving the goal of universal energy access by 2030. At the current rate, it is estimated that around 660 million people will still be without electricity in 2030. Sub-Saharan Africa is particularly affected. At the same time, the rapid expansion of renewable energy has slowed the increase in global emissions. Without technologies such as solar and wind power, the increase in emissions since 2019 would have been around three times greater. The share of renewable energy in total global energy consumption increased from ten to 13 percent between 2015 and 2022. However, the expansion is unevenly distributed. In East and Southeast Asia, capacity has tripled in ten years, from 207 to 741 watts per person between 2013 and 2023. In sub-Saharan Africa, levels are significantly lower, at only around 40 watts per person.

Biodiversity

The loss of biodiversity is a major obstacle to sustainable development. When ecosystems weaken, human health, food security and livelihoods are affected, which in turn increases vulnerability, migration flows and the risk of poverty. Despite these links, biodiversity investments account for only around seven percent of total development financing. Private financing for this area has more than doubled but is still modest compared to areas such as emissions reduction. Achieving the financing targets requires greater mobilisation of both private and public flows to the area.

Innovative financing methods are on the rise

Climate change and biodiversity loss are closely linked, as are the solutions. The development and dissemination of climate technology is crucial to mitigating the impacts of climate change and building resilient and sustainable societies. A key focus during COP30 was therefore to develop and share technical solutions for reducing emissions. Nature-based solutions, measures that protect, restore and strengthen nature through its own processes, are some examples. When properly designed, various nature-based solutions have the potential to improve air quality in cities, adapt agriculture and forestry to climate change and strengthen public health, for example.

Digitalisation can provide new solutions

The environmental impact of digitalisation through energy consumption and resource use is significant, but technology can also be a powerful tool for climate action. Digital solutions can improve energy efficiency, optimise transport and industrial processes and strengthen climate resilience through better data and early warning systems. Technology also creates new opportunities in agriculture, where satellite data and digital forecasts can help farmers plan irrigation, fertiliser use and harvesting more efficiently. In areas with limited infrastructure, digital solutions can also enable the monitoring of energy consumption and support the use of solar panels and microgrids in remote areas.

Read more about Swedfund's work to address these opportunities and challenges in its strategy on page 15



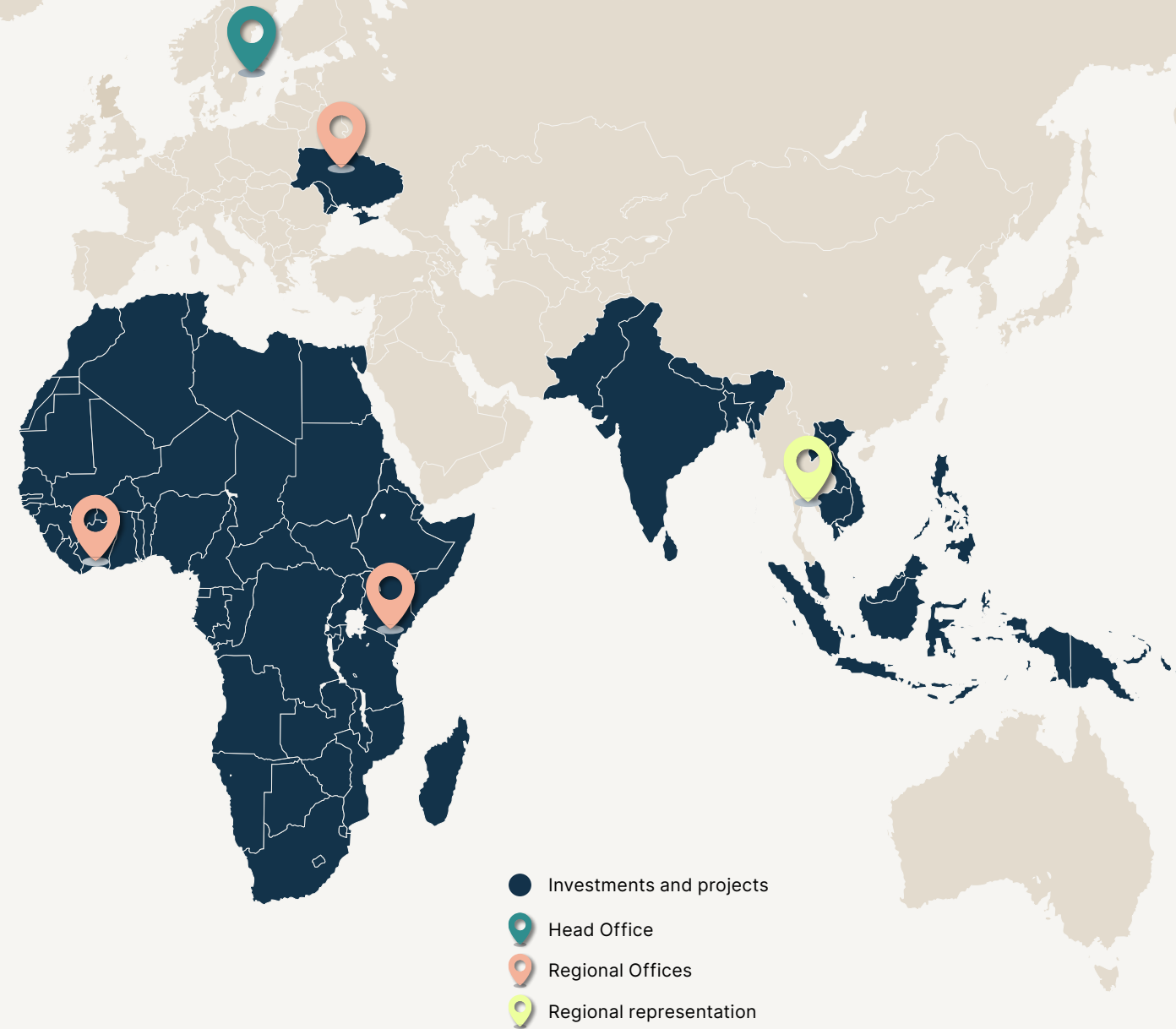
INVESTMENT: XURYA
LOCATION: JAKARTA, INDONESIA



Geographies in focus

Swedfund's investments and projects are carried out in countries where there is a great need for development financing and where our efforts can produce tangible and measurable results. We prioritise eligible countries in Africa, South and Southeast Asia and Ukraine. Our regional presence provides better knowledge of local conditions and makes the implementation of our strategy more efficient.

Investments in upper middle-income countries are only made if we can contribute to the green or digital transition, emission reductions or the mobilisation of capital. In Latin America, we carry out feasibility studies in infrastructure, while investments are made opportunistically, with a focus on climate.



Swedfund strengthens Ukraine's resistance

Ukraine has shown strong resilience since Russia's full-scale invasion in 2022. Despite the serious consequences of the invasion for the population, society and economy, Ukraine has shown great resilience and endurance. However, the reality is that recovery and reconstruction must take place in parallel, and the need for long-term investment remains high.

Economic resilience during an ongoing war

Ensuring long-term economic resilience is crucial for Ukraine's recovery and future development. In 2025, Ukraine's GDP grew slightly, mainly driven by consumption and investment in critical infrastructure. Growth is constrained by weak agricultural exports, damaged energy infrastructure and labour shortages. Unemployment of 12 percent

is the lowest since the start of the war, but recruitment remains difficult due to mobilisation into the Ukrainian armed forces and emigration as a result of the war. The private sector plays a key role in economic resilience through job creation, access to goods and services, export revenues and the government's tax base. This requires a long-term perspective and access to capital.

As a development finance institution, Swedfund has a special role to play in this complex context. The ability to act long-term despite high levels of risk makes Swedfund's efforts particularly important.

Capital for growth and job creation

In 2025, Swedfund invested in MHP SE (MHP), a key player in Ukraine's food system and a

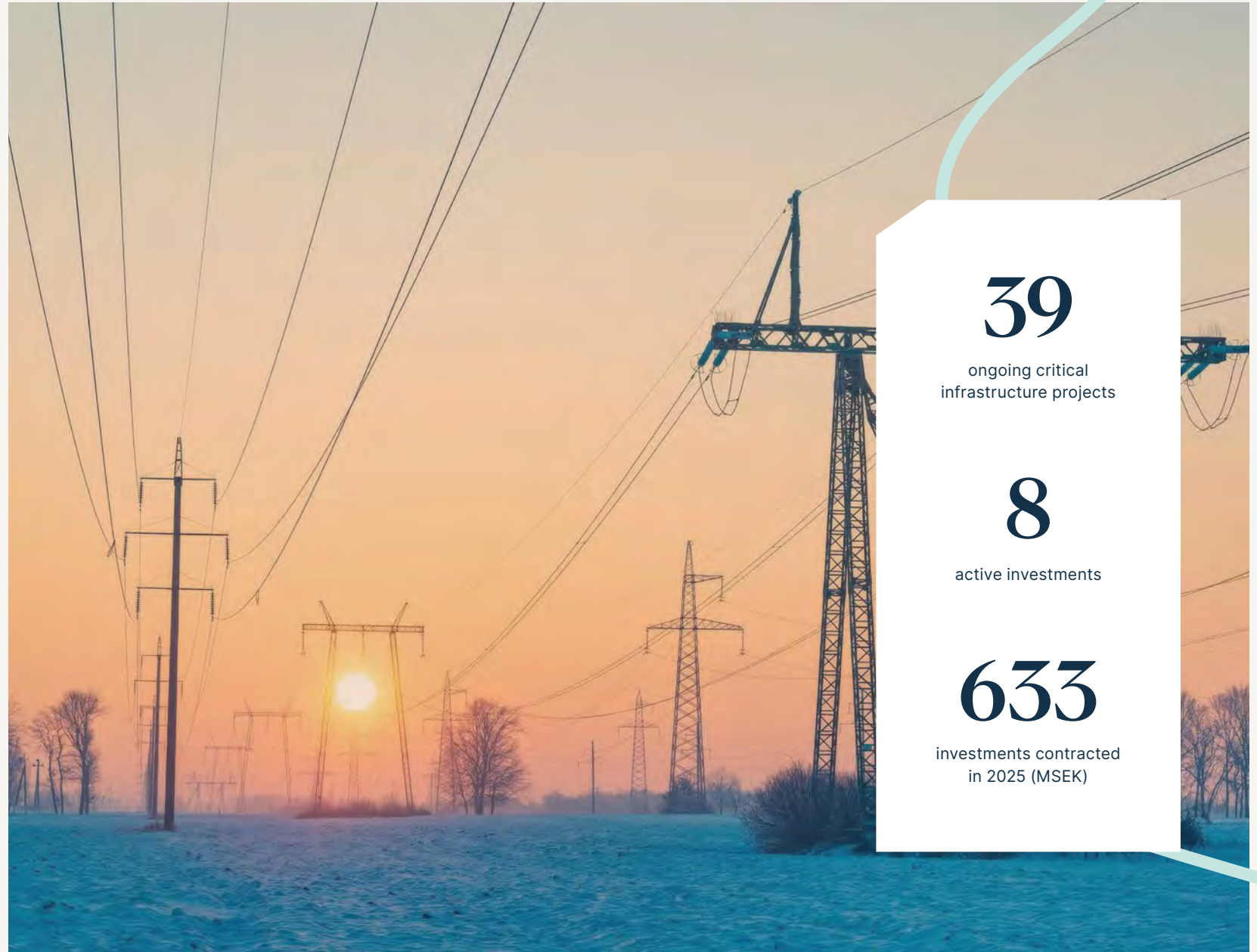


leading producer of poultry and sunflower oil. MHP employs over 30,000 people, more than 40 per cent of whom are women. This investment helped secure jobs and maintain tax and export revenues, which is key to Ukraine's economic resilience.

During the year, Swedfund also invested in three additional investment platforms focused on strengthening Ukraine's economic resilience. Swedfund invests in infrastructure, digitalisation, innovation and companies in essential sectors. Investing in companies that contribute to increased productivity and technological development in a market with limited access to labour creates conditions for a more inclusive labour market, including the reintegration of veterans into the workforce.

Support for skills and sustainability

Through the granted funds for technical assistance, we are working to strengthen sustainability efforts and impact in the portfolio company Scatec, which operates solar farms in central Ukraine. The Power Women programme addresses both the acute labour shortage and the need for greater gender equality in the energy sector. The programme



39

ongoing critical infrastructure projects

8

active investments

633

investments contracted in 2025 (MSEK)

offers women training in operating and developing renewable energy parks, a sector with a high demand for labour as a result of defence mobilisation. The programme includes technical training, paid internships, career development support and a professional network.

Infrastructure for long-term construction

Alongside investment in the private sector, we support the development of critical infrastructure in the public sector through the Project Accelerator. Ukraine's reconstruction needs are vast, with investment requirements estimated to exceed EUR 500 billion over the next decade. Project Accelerator initiatives prepare the ground for future investment by offering technical advice, building a basis for decision-making and enhancing the capacity of public actors.

One example is an ongoing project in the Poltava region aimed at strengthening Ukraine's energy security and reducing greenhouse gas emissions. Since the start of the war, Russia has repeatedly targeted heat and electricity generation facilities, significantly reducing the country's installed electricity capacity. The project aims to provide the documentation required to procure

and finance a combined heat and power plant with solar energy and a battery storage system.

Project Accelerator initiatives also support Ukraine's digital infrastructure. The war has caused extensive damage to telecommunications infrastructure in large parts of the country, however the need for stable connectivity is crucial for both public services and business. Ukraine is working to increasing 4G coverage and the overall objective of the ongoing project is to optimise how mobile frequencies are allocated between operators. The initiative aims to maximise socio-economic benefits and promote inclusive digital connectivity throughout the country.

By combining investment in the private sector with project development that strengthens essential infrastructure, we are contributing to Ukraine's recovery here and now, whilst laying the foundations for long-term economic development and resilience. In 2025, Swedfund set up a regional office in Kyiv. With a local presence and continued close cooperation with Ukrainian and international partners, we intend to remain an active and long-term actor in Ukraine's construction.

Interview with Olena Smyrnova, Regional Manager Ukraine

Olena has been Regional Manager at Swedfund's office in Kyiv since April 2025.



How would you describe the situation in Ukraine today?

This winter has been one of the most challenging since 2022. Although people continue to show incredible strength and resilience, it is important to recognise that the situation is far from normal. From daily power cuts to security risks, everyday life is fraught with constant stress, and the country continues to pay a high price for its independence and future.

What are the most urgent needs in Ukraine right now, and what opportunities do you see?

Investment will be important for Ukraine's recovery and long-term growth, but the investment climate remains extremely challenging and requires geopolitical stabilisation in order to improve. However, there is a clear role and opportunities for development finance institutions. Swedfund is able to take risks that other actors cannot take, strengthen sustainability efforts and provide much needed support for critical infrastructure projects.

Can you describe the role of Swedfund's office in Kyiv?

Swedfund's office in Kyiv provides an important local presence at a time when travel is difficult and the war is creating a very special situation. 2025 was a record year for Swedfund's investments in Ukraine, which totalled over MSEK 630. Being on the ground allows us to make more accurate risk assessments, maintain close dialogue with portfolio companies and adapt to the changing conditions in real time, which strengthens both the quality and impact of investments.

The Sustainability Policy now also includes nature and biodiversity, in line with the Kunming-Montreal Global Biodiversity Framework.

Ethical compass to guide our operations

Swedfund's ethical compass consists of the policies, international commitments, guidelines and transparency commitments that we follow. The compass ensures that Swedfund contributes to development sustainably.

Swedfund's ethical compass

The ethical compass has been developed based on Swedfund's mission and the needs that we have identified in close dialogue with our owner, partners and other stakeholders. Dialogue with our stakeholders is particularly important for us to develop and be challenged, and fulfil our mission as a development finance institution. Challenges exist in certain contexts where national legislation is limited, but through clear requirements in our business model and targeted support via technical assistance, Swedfund is actively working to address these. Read more about our stakeholder and materiality analysis on pages 136-137.

Swedfund's Code of Conduct, Policy for Sustainable Development, Business Integrity Policy and Tax Policy are key policies adopted by the Board of Directors and communicated to our stakeholders via our website. The commitments in our policies extend beyond compliance with

INVESTMENT: COFINA
LOCATION: ABIDJAN, COTE D'IVOIRE

existing legislation, as Swedfund is also committed to complying with voluntary international guidelines. Our employees' adherence to our Code of Conduct and implementation of our Policy on Sustainable Development, Business Integrity Policy and Tax Policy, amongst others, is crucial to fulfilling our mission as a responsible investor.

The ethical compass is an important part of the induction programme for new employees. To boost sustainability competence internally, Swedfund provides continuous training on international guidelines and commitments, our policies and issues such as climate action, gender equality, human rights, business integrity and corporate governance. The policies and commitments in the ethical compass apply to Swedfund as a company and, where relevant, also to our portfolio companies.

Updated policies

Swedfund's Policy for Sustainable Development underwent a review and minor revision in 2025. Swedfund's contribution to the UN's Sustainable Development Goals was clarified in line with our strategy, the policy relating to Project Accelerator activities, nature and biodiversity were included more clearly in the policy with reference to the global Kunming-Montreal Global Biodiversity Framework for biodiversity and the commitment to decent working conditions was clarified. In addition, our requirements for the portfolio companies were clarified and the policy was supplemented with Swedfund's stakeholder dialogue.

Ethical compass provides guidance

Swedfund policies

- Code of Conduct
- Policy for Sustainable Development
- Business Integrity Policy
- Tax Policy
- Transparency and Disclosure Policy

International commitments

- UN Global Compact
- UN Principles for Responsible Investment (UNPRI)
- EDFI Principles on Responsible Financing
- World Bank Framework for Corporate Governance Development
- EDFI Exclusion Lists
- 2X Challenge – Financing for Women
- EDFI Statement on Climate and Energy Finance
- Paris Development Banks Statement on Gender Equality and Women's Empowerment
- Taskforce on Nature-related Financial Disclosures (TNFD) Forum

Guidelines

- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights
- IFC Operating Principles for Impact Management
- IFC Performance Standards on Environmental and Social Sustainability
- IFC Environmental, Health and Safety Guidelines
- EDFI Harmonised Environmental and Social Standards for direct investments, financial institutions and fund investments
- EDFI Guidelines for OFCs

Transparency commitments

- The International Framework for Integrated Reporting
- Global Reporting Initiative (GRI) Standards
- UN Global Compact Communication on Progress (CoP)
- UN Principles for Responsible Investment (UNPRI)
- Open Aid
- IFI Harmonized Development Results Indicators for Private Sector Investment Operations
- Task Force on Climate-Related Financial Disclosures (TCFD)
- OECD DAC PSI Reporting

Read more about business integrity on page 81



Risk and risk management

Taking risk is a pivotal part of Swedfund's mission and operations as a development finance institution. We should be additional and catalytic. By investing where access to commercial capital is limited, we accept risks that many other investors are not prepared to bear.

Effective and appropriately designed risk management is therefore a prerequisite for delivering on our mission and ensuring responsible management of public funds.

In 2025, Swedfund further developed the risk management framework, including through the establishment of a consolidated Risk and Compliance function.

Risk management framework

Swedfund's risk management is governed by a risk policy established by the Board of Directors that describes the overall framework for risk management, including roles and responsibilities, risk management process, risk appetite and risk strategies.

Swedfund's risk appetite is driven by our mission. This means that Swedfund accepts greater strategic and financial risk in order to achieve impact, while tolerance is low for risks that could

jeopardise long-term financial sustainability, Swedfund's credibility, regulatory compliance, operational effectiveness, staff security or result in adverse environmental or social impact. Risk-taking is deliberate and structured, supported by appropriate controls designed to limit unintended risk.

Risk management

The Board of Directors has overall responsibility for Swedfund's risk management and determines the risk policy, including risk appetite and limits, annually. The CEO is responsible for ensuring that the risk management framework is implemented and applied effectively within the organisation.

Swedfund applies the three lines model to clarify roles and responsibilities in risk management:

- First line: Operational management are responsible for identifying, assessing and managing risks within their respective areas of responsibility.

- Second line: The Risk and Compliance Function provides independent oversight, supports the development of the risk management framework and monitors adherence to internal policies and regulatory requirements.
- Third line: Internal Audit conducts independent reviews of risk management and internal governance and control, and reports to the Board of Directors and the Audit Committee.

Risk culture

A strong risk culture underpins effective risk management. Swedfund promotes a culture characterised by openness, learning and accountability, where employees are encouraged to raise concerns and address issues proactively. The Board of Directors and management set the tone by clearly demonstrating their commitment to sound risk governance and by ensuring that risk is taken into account in strategic and operational decisions.



In this section, we break down and describe our risks and how we manage them. We manage risks at different levels according to the categories below. Proper risk management is a prerequisite for the business and an enabler of better development impact.

Strategic risks

Description of risk

Strategy execution and impact delivery risk

Risks related to Swedfund's ability to deliver on strategic objectives and achieve intended development impact. Such risks may arise from constraints in executing strategic priorities, or if investments and projects do not sufficiently generate the desired impact, for example due to insufficient financial viability or or context-specific challenges.

External environment and country context risk

Risks linked to geopolitical events, macroeconomic volatility and the context in the countries and markets in which Swedfund operates. These include, among other things, political instability, conflicts and risks associated with weak institutions and regulatory uncertainty.

Reputation and trust risk

Risk that events or perceived deficiencies in Swedfund's operations or performance lead to a loss of trust among owners and stakeholders, such as partners and the general public, which may affect Swedfund's reputation or its ability to conduct its operations effectively.

Financing risk

Swedfund is financed through annual capital contributions from the owner and returns from the portfolio. Changing political priorities or external conditions could therefore affect the availability or predictability of long-term financing, and constrain Swedfund's ability to deliver on its mission.

Climate risk

Risk that physical climate impact, such as extreme weather and long-term climate change in the countries where Swedfund operates, or transition risks associated with the global shift towards a low-emission economy, will affect Swedfund, portfolio companies or projects and lead to operational, financial or reputational consequences.

Management of risk

- Swedfund's strategy is developed in line with its mission and mandate. Strategy execution and impact are continuously monitored.
- Decisions on investments and projects are guided by the strategy and supported by due diligence, covering Swedfund's three pillars: Impact on society, Sustainability and Financial viability.
- Swedfund maintains an active dialogue with portfolio companies and project partners throughout the investment and project cycle to identify and manage impact-related risks. For investments, this includes monitoring action plans and, where relevant, technical assistance.

- Swedfund monitors geopolitical and country-specific conditions through country and market analyses as well as dialogue with partners. Swedfund's regional presence plays an important role in this.
- Portfolio diversification across countries, regions, sectors and instruments helps to limit overall risk exposure.
- Country and contextual risks are taken into account in connection with due diligence and followed up in close dialogue with portfolio companies and project partners.

- Risks associated with reputation and trust are managed through strong governance, mission alignment, and robust business and support processes.
- Transparent reporting and dialogue with owners and stakeholders.
- Issues involving potential impact on reputation are identified, escalated and handled through established processes, including whistleblowing and complaint mechanisms.

- Swedfund works to deliver results in accordance with the company's special public policy assignment and financial objectives.
- Structured dialogue with owners and other stakeholders supports alignment on of Swedfund's role and mission.
- Portfolio design and robust due diligence processes support long-term financial viability and stable returns.

- Climate considerations are embedded in due diligence, investment decisions and ongoing monitoring, including assessments of physical and transition risks based on country vulnerability and project-specific exposure.
- Swedfund works with portfolio companies to identify and manage climate risks and provides technical assistance where relevant.
- Exposure to transition risks is limited as a result of Swedfund's long-term focus on investment in renewable energy production.

Operational risks

Description of risk

Risks related to failures in internal processes, systems, human factors or external events that could disrupt operations or reduce efficiency. These include risks related to personnel, IT and security, as well as risks associated with deficiencies in processes, data and contractual commitments. Swedfund has a low risk appetite for operational risks and strives to limit both the probability and consequences of disruptions.

Management of risk

- Operational risks are managed through established processes and controls, clear governance and ongoing development of working methods.
- Risks associated with IT, security and continuity are managed through appropriate controls, technical safeguards and contingency planning.
- Personnel risks are managed through skills and resource planning, workforce planning, learning, development and knowledge management, as well as well as a clear organisational structure with well-defined roles and responsibilities.
- Risks associated with processes, data and contracts are mitigated through established procedures, quality assurance and legal and contractual safeguards.



Financial risks

Description of risk

Credit and equity price risk

Risk of financial loss due to counterparty default, non-performance or decline in the valuation of Swedfund's equity and debt investments. Exposure is inherent in Swedfund's mandate to invest in high-risk markets.

Liquidity risk

Risk that Swedfund may not have sufficient liquid resources to meet financial obligations, including contracted disbursements and operational needs.

Currency risk

Risk that currency fluctuations may adversely affect the value of Swedfund's assets, obligations and liquidity positions, or financial reporting and performance objectives. Swedfund's commitments are mainly denominated in USD and EUR, while financial results are reported in SEK and accounting translation effects could result in volatility in reported results. Portfolio companies are also often exposed to local currencies, which may affect their financial performance and thus Swedfund's credit and equity price risk.

Interest rate risk

Risk that changes in market interest rates will affect future cash flows or the fair value of Swedfund's interest-bearing assets and liquidity placements.

Management of risk

- The risk is managed on an ongoing basis throughout the investment process, from thorough due diligence prior to investment decisions, active ownership and ongoing monitoring through to exit.
- Portfolio diversification and limits set by the board for country and counterparty exposure reduce concentration risk.
- Guarantees and similar instruments can be used, where available and commercially viable, to reduce risk exposure.

- Swedfund's liquidity is managed in accordance with the Financial Policy and invested in low-risk instruments in currencies that match Swedfund's contractual obligations.
- Swedfund's loan portfolio provides recurring cash flows and strengthens the predictability of Swedfund's cash flows.

- The cash flow exposure of currency fluctuations in USD and EUR is limited in part by the fact that funds are largely reinvested in USD and EUR
- Swedfund generally hedge currency exposure in accordance with the finance Policy, but monitors exposure by tracking currency trends and performing scenario analyses. The risk strategy is evaluated regularly based on updated assessments.
- Liquidity is managed in accordance with the currency principles set out in the Finance Policy to ensure coverage of commitments in the relevant currency.

- Swedfund's loan portfolio contains a mix of fixed and variable interest rates, and pricing takes account of counterparty risk and prevailing market conditions.
- Liquidity placements are kept with short interest periods and limited duration, in line with the Finance Policy.

Sustainability risks

Description of risk

Risk of adverse impact on people or the environment linked to Swedfund's operations, investments and projects. Sustainability risks include human rights and working conditions, climate and environmental impact, gender equality and other sustainability-related issues. If these risks are not managed appropriately, they could lead to adverse consequences for affected people or the environment, financial consequences for portfolio companies or projects and damage to Swedfund's reputation.

Management of risk

- Sustainability risks are identified and assessed throughout the investment process and requirements are incorporated into contracts. If deficiencies are identified, action plans are drawn up and monitored, with support from technical assistance where relevant.
- For projects, sustainability aspects are assessed during preparation and reflected in project design and execution through defined sustainability requirements.
- Swedfund strives to limit adverse impact from its own operations, including through climate-related commitments, responsible travel and sustainability requirements for its suppliers.
- Grievance and whistleblowing mechanisms are available to identify and address sustainability-related concerns.

Business ethics and compliance risks

Description of risk

Business ethics risk

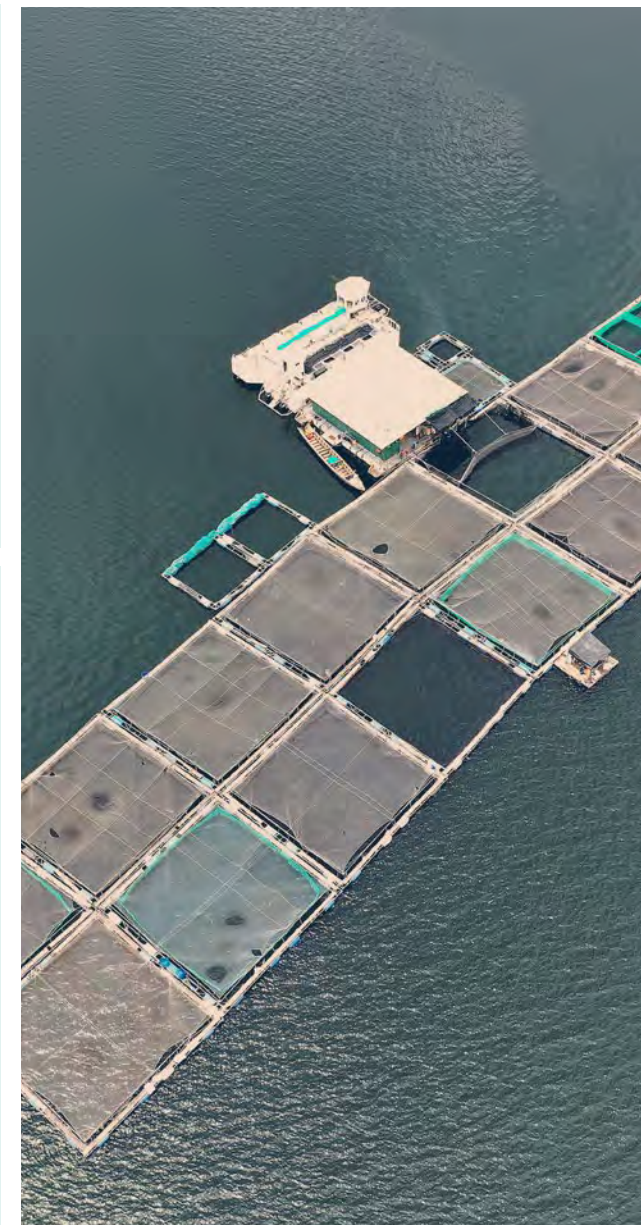
Risk of corruption, fraud, money laundering, terrorism financing, sanctions violations or other financial crime in connection with Swedfund's operations, investments or projects. Swedfund's mission involves operating in environments where business ethics risks are often elevated, which underlines the need for systematic work and robust controls.

Compliance risk

Risk of non-compliance with applicable laws, regulations, standards and obligations, or with Swedfund's Code of Conduct and policy documents.

Management of risk

- Business ethics risks are assessed and monitored for investments and projects, with relevant requirements incorporated into agreements and contracts. Portfolio companies are required to have, or introduce, appropriate business ethics management systems.
- Swedfund maintains a systematic approach to business ethics in accordance with established policies and codes of conduct. This includes, but is not limited to, relevant policy documents, procedures and controls, and the provision of training.
- Internal and external whistleblower channels enable reporting and handling of suspected irregularities.
- Swedfund monitors changes in applicable laws, regulations, standards and external obligations, as well as internal changes that may affect compliance risks.
- Internal policy documents and training courses contribute to consistent application within the organisation.
- The Risk & Compliance function supports sound risk management and compliance throughout the organisation.



Investments





Investments

Swedfund invests in companies that contribute to sustainable growth, jobs with decent working conditions, reduced emissions and increased access to essential products and services, such as electricity, food and digital connectivity.

Swedfund's investments focus on the UN's Sustainable Development Goals where we have the greatest opportunity to make an impact: Decent Work and Economic Growth (SDG 8), Reduced Inequalities (SDG 10) and Climate Action (SDG 13). We also invest in Gender Equality (SDG 5) and digitalisation, which are priority areas regardless of instrument, geography or sector.

Delivering on our goals requires both deep contextual understanding and specialist expertise. Swedfund's investment teams combine financial analysis, risk analysis and legal expertise, specialist knowledge of our sectors, and impact and sustainability (ESG) with the local expertise and market insights of our regional offices. This provides us with excellent conditions for identifying

new investment opportunities, analysing and reducing risks, as well as creating long-term value for our portfolio companies.

From 2026, Swedfund organise our investing activities into three sectors: Energy & Climate, Food Systems and Financial Inclusion. The former sector Sustainable Enterprises has been integrated into the other sectors.

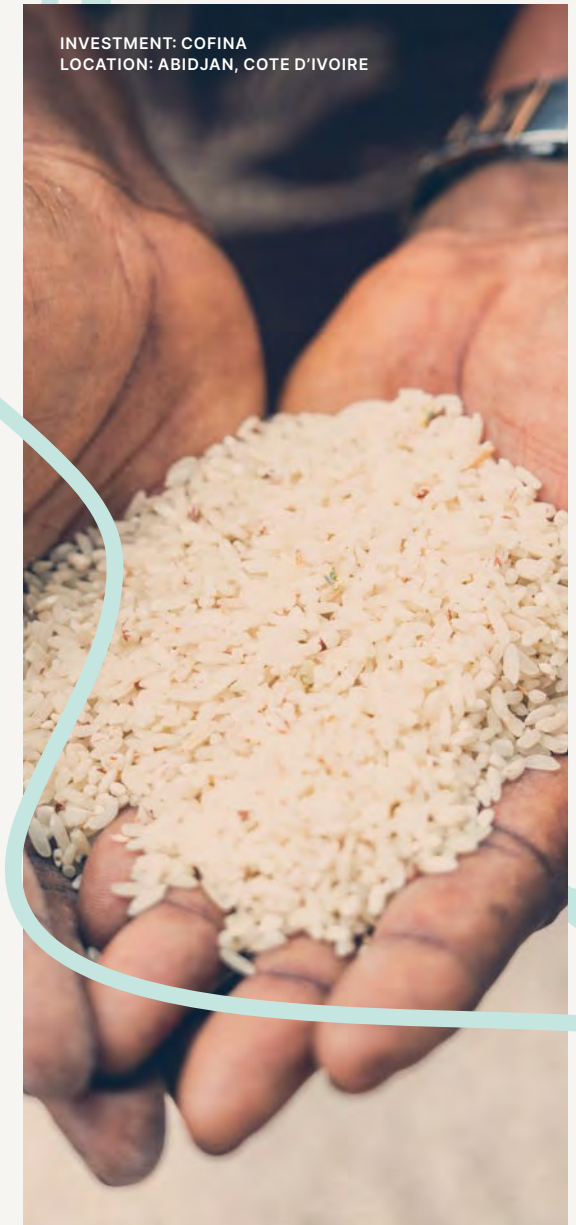
Local presence where the need is greatest

Swedfund invests in eligible countries in Africa, South and Southeast Asia and Ukraine: regions where needs are great and Swedfund's investments can make the biggest difference. Swedfund has a local presence through regional offices in Nairobi (Kenya), Abidjan (Côte d'Ivoire)

and Kyiv (Ukraine) as well as representation in Bangkok (Thailand). All offices employ local specialists with expertise in finance, sustainability and impact on society.

Swedfund's local presence provides valuable insights that are essential for making well-informed investment decisions and creating lasting value in the markets where we invest. This local presence is central throughout the investment process and enables us to identify investment opportunities based on local needs, analyse risks and opportunities on the ground, and build long-term relationships with our portfolio companies. As an active owner, Swedfund works closely with its portfolio companies over time, with the regional offices playing an important role.

INVESTMENT: COFINA
LOCATION: ABIDJAN, COTE D'IVOIRE



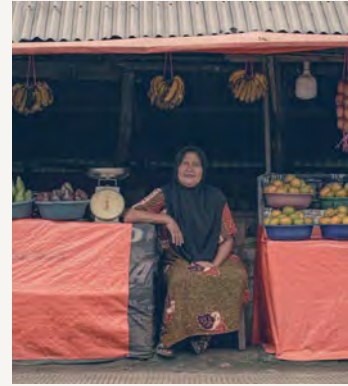
Business model

The business model for Swedfund's investing activities is based on achieving results within three pillars: **Impact on society, Sustainability and Financial viability.**

When Swedfund invests in companies, the pillars characterise every step of the investment process, from the initial assessment in the investment phase and the active ownership phase, through to all follow-up of results and final exit from the investment. Impact is always the starting point for all investments.

In addition to the indicators presented here, Swedfund has also developed sector-specific indicators to calculate and monitor our results.

Read more about how Swedfund monitors its portfolio companies' performance per pillar on pages 67-83 →



Impact on society

Swedfund assesses how investments can contribute to impact on society and create the desired impact, such as inclusive economic growth, private sector development and strengthening of local communities.

We measure performance based on the following indicators:

- Jobs
- Gender equality and women's economic empowerment
- Climate impact
- Tax revenue



Sustainability

Swedfund invests in long-term sustainable companies that create jobs with decent working conditions, comply with international standards, introduce management systems to manage environmental and social risks, ensure that human rights are respected and actively promote business integrity.

We measure performance based on the following indicators:

- Decent working conditions
- Management systems for environmental and social issues, including human rights
- Management systems for business integrity



Financial viability

Swedfund's investments create opportunities to build profitable and financially sustainable companies. Profitable companies can grow, contribute to creating more jobs with decent working conditions, increase their tax contributions and strengthen women's economic empowerment.

We measure performance based on the following indicators:

- Turnover and profitability
- Fund IRR
- Capital mobilisation

Swedfund
uses sector-specific
indicators to measure
and monitor
performance.

INVESTMENT: AGDEVCO
LOCATION: NAKURU COUNTY, KENYA

Sectors

Swedfund's competence is key to our ability to deliver on both our strategy and the UN's Sustainable Development Goals. Swedfund has in-depth knowledge and broad expertise in our three sectors: Energy & Climate, Food Systems and Financial Inclusion.

By organising our operations into sectors, Swedfund can focus its resources and accelerate progress towards our priority objectives. We have developed a tailored theory of change for each sector, illustrating how an investment is expected to create both direct and indirect development impact. Swedfund uses sector-specific impact indicators to relevant, comparable and consistent performance measurement.

Through our sectors, we contribute to climate change mitigation, jobs with decent working conditions, adaptation and resilience, improved access to capital for entrepreneurs and SMEs, and increased food security along the value chain. Gender equality and digitalisation permeate all the investments Swedfund makes. In all areas, we also use investment platforms to share risk, mobilise capital and increase the impact of our investments.

Sectors for the greatest impact

Energy & Climate

A sustainable energy supply is a prerequisite for productivity, job creation, digitalisation, functioning essential services and reduced climate impact. Access to energy for companies and individuals is a decisive factor for economic growth and poverty reduction, while the transition to sustainable energy is important for reducing emissions. In many countries, this involves both expanding access to electricity and transitioning energy systems towards more sustainable solutions. In Ukraine, investments in the energy sector are also central to reconstruction and long-term resilience.

Within the Energy & Climate sector, Swedfund only invests in renewable energy sources. The expansion of sustainable energy supplies requires a broad approach and innovative solutions. Through our investments, we finance both grid-connected power sources as well as stand-alone, so-called off-grid solutions that enable households, villages and communities to utilise locally produced energy.

Swedfund also finances broader climate investments, where we focus particularly on adaptation to and increased resilience against climate change. The sector also includes green infrastructure, such as water and waste management, digital infrastructure, forestry and other carbon sinks as well as biodiversity projects.

Digital infrastructure enables more efficient use of energy and resources.

We invest in

- Renewable energy (including production and distribution)
- Resource efficiency (e.g. water, waste) and energy efficiency
- Sustainable forestry and other nature-based solutions
- Green and digital infrastructure
- Other climate-related investments (mitigation and adaptation)



Food Systems

Global hunger affects around two billion people and weakens health systems, hampers economic growth and perpetuates cycles of poverty and instability. In Africa, one in five people from hunger. Despite favourable conditions for agriculture and food production, it is estimated that Africa imports up to 65 percent of the continent's food.

Two thirds of those living in extreme poverty are subsistence farmers. This often means low and unstable incomes for farmers and roles in the food sector value chains that are poorly compensated and insecure. In many countries, large quantities of food never reach the market but become waste, hence it is also important to address the low level of processing. At the same time, food security is exacerbated by factors such as climate change, geopolitics, war and population growth.

In the Food Systems sector, Swedfund invests to increase food production, decrease waste during production and increase sustainability throughout the value chain. Investing in the food sector creates formal jobs, promotes economic empowerment and increases food security through increased production and improved resource and energy efficiency.

Digital solutions and business models are key enablers in this sector helping to increase

We invest in

- Input products
- Agriculture/primary production
- Warehousing and logistics
- Local manufacturing and processing
- Trade, distribution and sales
- Digital solutions and business models across the entire value chain

availability, productivity and efficiency. When designed appropriately, investments can be climate-adapted to better respond to climate change and reduce negative impacts on biodiversity.



Financial Inclusion

In developing countries, micro, small and medium-sized enterprises (MSMEs) account for the majority of all jobs. One of the most decisive factors for companies' survival is access to capital. Women are particularly hard hit, even though businesses owned by women employ a large proportion of the workforce. Investment is needed to enable companies to grow, employ more people and contribute to countries' economic and social development.

Swedfund's investments in Financial Inclusion are made in regulated banks and microfinance institutions in order to increase access to debt capital for entrepreneurs, MSMEs and low-income earners, or in local investment platforms, local companies or through so-called private equity funds to increase access to equity capital for MSMEs. We apply similar requirements regardless of the investment form, which helps institutions, platforms and companies to develop their work on sustainability and corporate governance, which are important aspects of inclusive growth.

Swedfund makes thematic investments that, for example, promote women's economic empowerment, digitalisation and healthcare, which aim to increase access to essential goods and services. Swedfund requires microfinance institutions to strengthen their work on responsible lending through the Customer Protection Principles (CPP), which certify that they actively promote responsible credit practices and management.

We invest in

- Increased financing for micro, small and medium-sized enterprises, with a particular focus on underserved groups and sectors such as smallholder farmers and women
- Financial inclusion through microfinance institutions
- Insurance solutions
- Digital business models



Interview with Jane Niedra, Investment Director, Financial Inclusion

Financial inclusion driving growth and jobs.



What does Swedfund do to strengthen financial inclusion in our countries?

In Financial Inclusion, Swedfund invests to increase access to capital for micro, small and medium-sized enterprises (MSMEs), so that they can grow and develop their businesses. Banks and other financial institutions are an effective way to reach MSMEs, and through digital lending platforms we increase access to financial services, not least for women.

What challenges and opportunities do you see in the work to strengthen financial inclusion?

The need for funding is huge. The World Bank estimates that around 65 million formal MSMEs in developing countries lack sufficient access to capital, equivalent to approximately USD 5.2 trillion. MSMEs account for 70-80 percent of all jobs and women entrepreneurs are particularly hard hit with a credit shortfall of around USD 1.7 trillion globally. At the same time, more than 600 million jobs need to be created by 2030, making increased access to capital crucial for employment and economic inclusion.

Can you give an example of a portfolio company and what impact it contributes to?

Swedfund works closely with our portfolio companies to create impact. Our investment in Victoria Commercial Bank provides long-term capital to small and medium-sized enterprises in manufacturing, trade and agriculture that play a key role in Kenya's economy by creating jobs and growth. The bank works actively on gender equality, and through technical assistance, Swedfund has offered female employees training in leadership and inclusion.

Our instruments

Equity

When Swedfund invests in equity, we are a minority shareholder. We may invest directly in a company, but we also selectively choose to invest in local investment platforms or private equity funds that allow us to reach smaller companies, mobilise private capital and ensure risk diversification. We have ample opportunity to exert influence and usually have a seat on the company's board of directors or the platform's LPAC. Equity investments also mean that Swedfund takes risks in local currency.

As a shareholder, we aim to be a long-term investor, but to sell our shares as soon as we are no longer needed. Swedfund remains a shareholder as long as there is an opportunity to make a positive difference and contribute financial resources and knowledge, for example in terms of sustainability and impact on society. When deciding whether to sell shares, we consider a range of factors, including the new shareholder's ambitions and the possibility of continuing to run the company in a sustainable way in markets where exit processes are often complex and may require a long-term perspective.

Loans

A loan is based on a company's need for financing and entails less risk compared to an equity investment, although the general level of risk in Swedfund's markets is always high. We can provide loans directly to an institution or a company, but we also selectively choose to grant loans through local investment platforms that allow us to reach more smaller companies, mobilise private capital and ensure risk diversification.

Requirements regarding sustainability, reporting and further development of sustainability work exist in the same way as for other forms of financing, but our influence is slightly less once the loan has been disbursed. It is therefore vital for Swedfund to agree on these requirements in the loan agreement. Many jobs are created in small companies that need small loans or micro-loans. Using a loan instrument is an effective way of reaching many smaller companies and entrepreneurs.

Technical assistance

Funds for technical assistance are a strategic tool used for quality-enhancing initiatives in the portfolio companies. As an active owner, Swedfund can set requirements and provide support to strengthen the capacity of our portfolio companies in line with our mission and objectives. The funds will prioritise initiatives linked to impact, gender equality and sustainability, including the environment and climate, decent working conditions and business integrity.

Our potential, current and closed investments may benefit from technical assistance and we may engage external partners for the implementation of projects. The maximum budget for each project is MSEK 2. Technical assistance cannot be used for activities that are deemed to be part of the portfolio companies' day-to-day operations, such as replacing obsolete equipment or employing specific expertise.

As a pillar accredited development finance institution, we also have access to technical assistance from the EU when using guarantee instruments.

Guarantees

Swedfund is pillar-accredited by the EU. This means we are able to utilise the EU's instruments for private sector development. We are also a shareholder in a management company, EDFI MC, through which we have access to EU guarantees worth EUR 1.28 billion. The guarantee programmes can be used in areas such as renewable energy, financing for micro, small and medium-sized enterprises, digitalisation, climate and health-care. The EU guarantees reduce the financial risk of the investments and enable Swedfund to carry out more and larger investments in markets where risk levels are high, particularly in the least developed countries.

Swedfund also invests in thematic investment platforms and fund structures to increase access to healthcare, digitalisation and renewable energy, for example. We are often involved in LPAC, an association of the largest investors. We may agree with the platform on what is known as an 'opt out right', which entitles us to refrain from an investment that does not meet our requirements, for example regarding the geography of investment or certain sectors. Swedfund is also often involved in platforms' sustainability committees to support their sustainability work.

Path to a sustainable investment

This is Swedfund

Our context

Investments

Project Accelerator

Results and governance

Sustainability notes and other information

Sourcing

- Local presence
- Needs
- Priorities
- Business opportunities
- Overall strategy

Potential investment

Evaluation

Pillars Strategy

Due diligence

Financial
ESG
Impact
Business integrity
Legal
Site visit

Analysis

Agreement

Active ownership

- Constant engagement and ongoing dialogue
- Active involvement on boards and other advisory bodies
- Measure through regular reporting of data
- Follow-up both impact and financial development
- Help with technical assistance and boost competence

Exit

Evaluation of results according to our pillars

Goal:

Financially viable companies with high ambitions in environmental and social responsibility that create specific and measurable results.



Concept clearance

Decision

CONTRACT NEGOTIATION AND REQUIREMENTS ACCORDING TO OUR PILLARS

EXPERIENCE FEEDBACK



The investment process in practice

Swedfund's thorough investment process follows the same phases regardless of sector or investment instrument.



Investment phase

Prior to investment decision

Initial assessment

Swedfund actively works to identify different local opportunities, investment needs and the regional offices play an important role here. A wide variety of investment proposals are evaluated every year. Initial assessments examine whether the proposal is consistent with Swedfund's investment strategy and criteria, and how the investment can contribute to Swedfund's mission objectives. With impact as the starting point, Swedfund conducts an overall assessment of the country, the company and its business plan, expected returns, risks and Swedfund's potential role. In every investment, Swedfund's role must be additional, which means that we provide resources which are crucial to the development of the investment that would otherwise not have been available.

Concept clearance

Following the initial assessment, the investment team draws up a proposed decision (concept clearance) which is then presented to Swedfund's Investment Committee. The Committee consists of members of the management team and the person responsible for Special Operations. The Committee has both an advisory and a decision-making role. Together with the investment team, key opportunities and the greatest risks associated with the investment, which must be analysed during the due diligence process, are identified and discussed.

Due diligence

If a decision is made to proceed, the investment proposal will continue to the due diligence phase. A thorough analysis of the company is initiated. Examples of areas analysed include business idea, business model, market, financial history, forecast and viability, investment calculation, partners, legal aspects, expected impact on society

as well as sustainability risks and impacts, including the environment, working conditions, human rights, tax, risk of corruption, gender equality and climate issues.

During the due diligence phase, the investment team meets representatives from different areas of the company to gain a deeper understanding of the company, its processes and procedures, and the documentation provided. Swedfund's regional offices possess local expertise and knowledge. If necessary, external expertise is used to examine specific issues. Before the meeting, the company will be asked to complete a comprehensive questionnaire on environmental, social and corporate governance.

The due diligence process forms the basis for decision-making, including the required and contractual ESG Action Plan (ESGAP), which describes the changes that the company needs to make in order to meet Swedfund's sustainability requirements.

Screening and Decision by the Board of Directors

Once the due diligence process is complete, the Investment Committee meets to decide whether the investment meets Swedfund's requirements and whether it should be presented to the Board of Directors. If the investment is not approved at this stage, it may be because new information has come to light during the due diligence process. It is not uncommon for new questions to be raised, which the team then examines further in the final stage of the due diligence process. After screening, the Board of Directors decides on the proposed investment. In some cases, the CEO make the decision if it falls within the investment mandate granted by the Board of Directors.

Negotiation

If the investment is approved, negotiations begin to determine the terms of the agreement. The investment agreement will also include clear requirements on sustainability, reporting of indicators within the three pillars, incident reporting and a commitment to the continued development of sustainability practices.



Active ownership phase

Ongoing work and follow-up

Once the contract has been signed and the money disbursed, the work initiated earlier in the investment phase continues. Swedfund works actively and regularly with our portfolio companies, focusing on the issues identified during the due diligence phase, both in terms of financial viability and returns, as well as risk and sustainability-related issues. The regional offices play an important role in the ongoing follow-up.

During the period in which Swedfund is a shareholder in or lender to a company or platform, usually seven to ten years, we maintain ongoing dialogue and close contact with portfolio companies to follow up on risks and results, achievement of objectives and fulfilment of contractual conditions. This is done through agreements, active board work and dialogue, as well as through the company's annual status reports. Both internal audits and third-party audits are conducted. In connection with platform investments, Swedfund may have direct contact with the underlying holdings of the platforms, for example through visits, analyses, ESG initiatives and impact, with support from technical assistance and through their reports.

Investment managers are responsible for following up and ensuring that companies comply with the contractual conditions, relevant parts of our policies and ESGAP. Companies must achieve Swedfund's strategic sustainability goals within three years of the date of disbursement. To help companies achieve these goals, Swedfund may allocate funds in the form of technical assistance, which can be used for training or consultancy, for example.

Special Operations

Some of Swedfund's investments may require extra time or measures. There may be several underlying causes as to why a portfolio company does not develop as planned, such as poor market development, war and conflict, difficult divestment or liquidation situations or other aspects related to a company's governance. The Special Operations function exists to support portfolio companies in such situations.

In Special Operations, Swedfund conducts an in-depth analysis and draws up an action plan to help reverse the trend. For companies in Special Operations, it can be an advantage to receive extra support in areas where there are challenges, such as financing, strategy or ESG issues. The move to Special Operations can be advantageous as a different team can shed new light on the investment and the assessment of risks and opportunities, as well as provide the investment with dedicated time to deal with the situation that has arisen.



Exit

Results, learning and experience

Swedfund is a long-term investor, not a permanent owner. We exit an investment either by selling our equity, the loan being repaid or when a platform closes once the underlying holdings have been divested.

The exit phase generally begins when Swedfund considers that the goals established for the investment have been achieved or when we cease to be 'additional'. Selling shares in the markets in which we operate can be a difficult and protracted process. Ahead of the exit process, the portfolio company is analysed based on Swedfund's three pillars, and an assessment is made as to whether further measures are required.

An exit report is prepared for each exit, where Swedfund analyses the results achieved, what we have learned and what relevant knowledge and experiences we can take into future investments. The report must also clearly describe how the investment has met Swedfund's requirements and contributed to the goals decided on at the time of investment.

From farm to table – creating impact through- out the value chain

Swedfund has invested in AgDevCo, which provides long-term investments and technical assistance for agribusinesses in sub-Saharan Africa throughout the entire value chain. The aim is to strengthen the livelihoods of smallholders, create more jobs and improve food security. The investment will enable AgDevCo to grow and reach more businesses across the entire value chain.

Agriculture in sub-Saharan Africa

Around half of the population in sub-Saharan Africa works in agriculture, but large parts of the region are still characterised by uncertain access to food. An interplay of structural barriers has contributed to both dependence on imports and high prices. A large proportion of the continent's food is produced by smallholders, who often operate in fragmented value chains where

a lack of capital, processing facilities and logistics leads to low yields, high losses and limited incomes. Climate change and extreme weather, such as droughts and floods, make it even harder for people to grow food and earn a living.

Investments that strengthen the value chain

AgDevCo invests both knowledge and capital in local agribusinesses. By investing in the entire chain, businesses can modernise their production, become more efficient and better able to cope with climate change. This leads to higher yields, more stable incomes and more jobs.

AgDevCo also invests with a particular focus on sustainable practices, products and knowledge that promote both agriculture and biodiversity in the region. Over half of AgDevCo's primary production investments use regenerative



agriculture practices that keep soil fertile, reduce erosion, conserve water and help sequester carbon in the soil.

Examples of businesses in which AgDevCo has invested include Agventure, Cashew Coast and Tropo Farms. Agventure is a Kenyan company and agricultural cooperative that aggregates, processes and markets a range of food crops. The company supports its farmers not only by providing market access but also by promoting the adoption of regenerative agricultural practices through training, including minimum tillage and crop rotation, and by facilitating access to inputs such as improved seed varieties that increase yields and are more resilient to climate change. Cashew Coast produces cashew nuts in partnership with local smallholders and uses digital solutions for payment methods, increased traceability and efficient production. Tropo Farms farms tilapia fish in Lake Volta, Ghana, and contributes to both job creation and supporting the local food supply by combining modern and sustainable fish production.

How capital creates sustainable value

AgDevCo's investments so far have improved smallholders' access to markets, increased productivity and created more stable incomes. Strengthening small and medium-sized agribusinesses creates more jobs with decent working conditions, boosts local value creation and

”

Sustainable practices promote both agriculture and biodiversity.

greater gender equality. In 2024, over 2.7 million smallholder farmers, traders and consumers, 52 percent of whom were women, benefited from markets and income opportunities linked to AgDevCo's portfolio companies.

Swedfund's investment bolsters AgDevCo's ability to reach more agribusinesses in the regions and grow its business. As a development finance institution, we provide long-term capital in contexts where we see the greatest opportunity for impact. The investment is complemented by active ownership that focuses on environmental and social management systems, human rights, business integrity and gender equality.

The equity investment, totalling MUS\$ 85, was made in 2024 together with British International Investment (BII) and Norwegian Norfund. It comprises up to MUS\$ 20 from Swedfund, MUS\$ 50 from BII and MUS\$ 15 from Norfund.

INVESTMENT: AGDEVCO, TROPO FARMS
LOCATION: LAKE VOLTA, GHANA



Investments during the year

NMB Bank Plc

Type: Loan
Country/Region: Tanzania
SDG: Decent work and economic growth (SDG 8)
Amount: MUSD 35

Many small and medium-sized enterprises in Tanzania have limited access to financing. This hampers entrepreneurship and growth, especially in agriculture and among marginalised groups.

Swedfund has invested MUSD 35 in NMB Bank Plc, Tanzania's leading bank for retail and small business customers. The investment will boost the bank's capacity to increase lending to small and medium-sized enterprises, thereby contributing to job creation and financial inclusion throughout the country.

In addition to providing capital, Swedfund is working with NMB to further develop the bank's ability to manage environmental and social risks, meet climate challenges and develop gender equality. The investment is a joint initiative with Citibank and Japanese development cooperation agency JICA, and is expected to contribute to inclusive economic growth in Tanzania.



Ukraine Phoenix Tech Fund

Type: Equity
Country/Region: Ukraine
SDG: Decent work and economic growth (SDG 8)
Amount: MEUR 5

The tech sector is an important part of Ukraine's economy and contributes to both employment and exports. Despite the war, the sector has shown great resilience, but the lack of capital makes it difficult for entrepreneurs to grow and retain talent.

Swedfund has invested in Ukraine Phoenix Tech Fund to support Ukrainian technology companies. The investment will contribute to innovation, secure skilled jobs and boost the country's economic resilience during the ongoing war.

By providing long-term capital, Swedfund helps to maintain economic activity and local value creation in a highly vulnerable context, in line with SDG 8 Decent work and economic growth. Other investors include EIB, Bpifrance and Proparco.

Rebuild Ukraine Fund (REBUF)

Type: Equity
Country/Region: Ukraine
SDG: Reduced inequalities (SDG 10)
Amount: MEUR 15

Since the full-scale invasion of Ukraine, access to long-term capital has declined sharply, and many companies have continued to operate under very difficult conditions. A functioning private sector is crucial for employment, economic activity and access to essential goods and services.

Swedfund has invested in the Rebuild Ukraine Fund platform to strengthen small and medium-sized enterprises and contribute to the country's economic recovery. The fund investment in companies in healthcare, financial services, agriculture, trade and technology.

Through this investment, Swedfund is helping to safeguard jobs and boost economic resilience in a conflict-ridden country, in line with SDG 10. The investment is being made together with IFC, EBRD and Norfund.



Amber Dragon Ukraine Infrastructure Fund I

Type: Equity
Country/Region: Ukraine
SDG: Reduced inequalities (SDG 10), Climate action (SDG 13)
Amount: MEUR 20

The full-scale invasion of Ukraine has caused extensive damage to the country's energy system and critical infrastructure. Disruptions in electricity supply, transport and digital services are hampering business operations,

job creation and access to basic public services.

Swedfund has invested in Amber Dragon Ukraine Infrastructure Fund I, which focuses on renewable energy, logistics and digital infrastructure projects. The investment will help with the reconstruction and modernisation of essential functions. A significant proportion of the capital is expected to go towards renewable energy, which will strengthen the energy supply and contribute to reduced emissions. The investment is being made together with EIB, EBRD, IFC and IFDK.

Helios CLEAR Fund

Type: Equity
Country/Region: Africa
SDG: Climate action (SDG 13)
Amount: MUS\$ 20

Africa accounts for a very small proportion of global emissions, but is also one of the regions hardest hit by climate change. The continent's energy needs are expected to triple by 2050 and many communities are already vulnerable to extreme weather and climate-related risks. To meet these challenges, investments are needed that both reduce emissions and boost the long-term resilience of local communities.

Swedfund has agreed to invest in the Helios Climate, Energy, Adaptation and Resilience (CLEAR) Fund, a pan-African platform that supports companies that

contribute to reducing emissions, increasing climate adaptation and creating jobs. The investment will enable more capital to reach companies that drive climate-efficient growth in areas such as renewable energy, sustainable transport, climate-adapted agriculture, resource efficiency and digital climate solutions.

The investment is expected to lead to significant emissions reductions and boost the ability of both companies and smallholders to manage the impact of climate change. The investment is part of Swedfund's work towards green, inclusive and long-term sustainable development in Africa. The platform is managed by Helios Investment Partners and invests in companies that achieve clear results in both climate mitigation and climate adaptation.

Emerging Markets Infrastructure Debt Fund (EMID)

Type: Loan
Country/Region: Africa, Latin America, Middle East, Asia
SDG: Climate action (SDG 13), Reduced inequalities (SDG 10)
Amount: MUS\$ 40

In many low- and middle-income countries, access to finance for investments in energy, transport, water and digital infrastructure is limited. A lack of long-term financing hinders the execution of projects that require capital with longer maturities, which in turn hampers the development of critical infrastructure and the climate transition.

Swedfund has agreed to invest MUS\$ 40 in the Emerging Markets Infrastructure Debt Fund (EMID), which is managed by Ninety One. The investment is directed at infrastructure projects that need long-term debt financing in order to be built, operated and contribute to regional development. They invest in areas of great importance for economic growth and climate resilience, such as electricity generation, electricity grids, transport, digital infrastructure and water and sanitation.

The investment is expected to contribute to the expansion of energy and transport infrastructure and increase access to renewable energy with lower emissions over time.

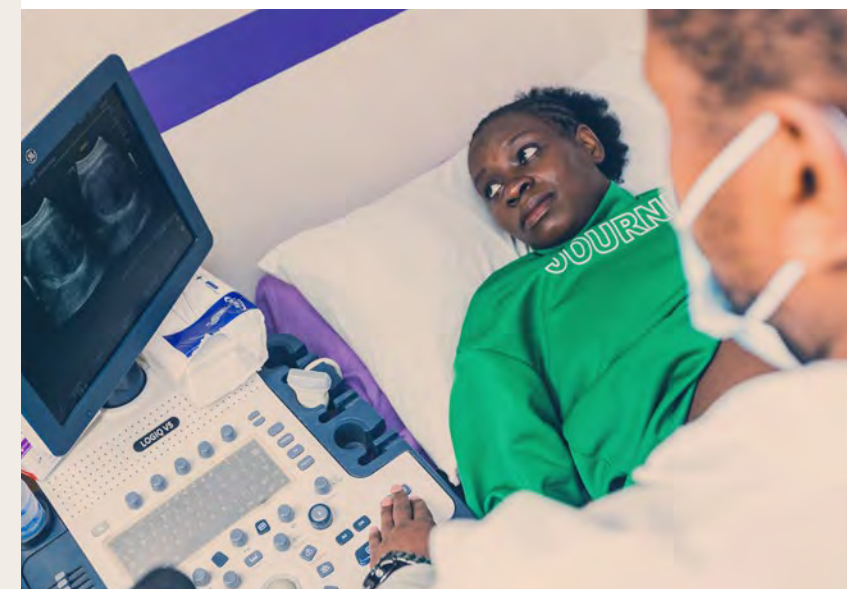
Jacaranda Maternity

Type: Loan
Country/Region: Kenya
SDG: Reduced inequalities (SDG 10)
Amount: MUS\$ 0.6

The health of mothers and newborns in Kenya remains a major challenge. Public healthcare services are often under severe strain, and many women in low- and middle-income areas lack access to affordable and safe maternity care. Private providers offering basic healthcare services at reasonable cost can play an important role in complementing public healthcare and improving access to essential care.

Swedfund has agreed to invest USD 600,000 in Jacaranda Maternity to enable an expansion of the maternity hospital network, improve neonatal intensive care and broaden access to life-saving care for women and children in socio-economically disadvantaged areas. The investment will enable more patients to access affordable, high-quality services, and existing facilities will be upgraded to meet growing needs.

This is an additional investment related to a loan of USD 0.8 million signed in March 2020. The investment is made together with UBS Optimus and J&J Impact Venture.



EVF Finance JSC

Type: Loan

Country/Region: Vietnam

SDG: Reduced inequalities (SDG 10),
Climate action (SDG 13)

Amount: MUSD 20

Access to finance is crucial for micro, small and medium-sized enterprises to grow, create jobs and contribute to sustainable economic development. In Vietnam, the financial sector is still underdeveloped, limiting companies' access to long-term capital, especially for climate-related investments and companies owned by women.

Swedfund has invested in EVF General Finance JSC, a financial institution that offers loans to micro, small and medium-sized enterprises. The loan will support access to capital for these companies; 40 percent of the proceeds are earmarked for climate-related investments, such as renewable energy and emissions reduction measures, and 30 percent for companies owned by women. The investment will thus contribute to both climate transition and greater economic equality.

The loan is part of a financing package totalling MUSD 40 that has been arranged together with OeEB.

Arya

Type: Equity

Country/Region: India

SDG: Reduced inequalities (SDG 10),
Climate action (SDG 13)

Amount: MUSD 7.5

The agricultural sector employs around 40 percent of India's population and is crucial for food security and livelihoods in rural areas. However, many smallholders are facing growing challenges linked to climate change, limited access to financing and significant post-harvest losses, due among other factors to lack of storage facilities.

Swedfund has invested MUSD 7.5 in Arya, an Indian agritech company that

combines efficient warehousing, financing and digital solutions. Through the investment, Arya can scale its technology platform, which, among other things, creates opportunities for improved storage, access to loans with harvests as collateral, and connects sellers with potential buyers. This can contribute to reduced losses and improved liquidity for smallholder farmers, which in turn can lead to increased resource efficiency across the value chain. The investment will also help increase climate adaptation in agriculture.

The investment is made together with the GEF Capital Partners' South Asia Growth Fund III, International Finance Corporation (IFC) and British International Investment (BII).

Moniepoint

Type: Equity

Country/Region: Nigeria

SDG: Reduced inequalities (SDG 10)

Amount: MUSD 10

Micro, small and medium-sized enterprises are a key part of Nigeria's economy but have limited access to formal financial services, making it difficult for them to grow, invest and create jobs. Many companies operate in the informal sector and lack the payment solutions and financing options required to grow their businesses.

Swedfund made an agreement an equity investment in Moniepoint, one of Africa's fastest growing fintech companies with an extensive digital and physical distribution network. The investment is expected to enable Moniepoint to expand its services to more micro, small and medium-sized enterprises that have limited access to banking and payment services. This will contribute to greater financial inclusion and create better conditions for local job creation, innovation and economic growth.

The investment also aims to support improved working conditions through capacity building and the integration of environmental, social and governance (ESG) principles into the company's operations. Swedfund is investing together with fund manager DPI and development finance institutions IFC and Proparco.



Select Africa Finance Limited

Type: Loan

Country/Region: Eswatini, Lesotho, Malawi

SDG: Reduced inequalities (SDG 10)

Amount: MUSD 15

Many low-income earners in sub-Saharan Africa have limited access to traditional banking services because they lack collateral or are considered high-risk customers. Select Africa's customers in southern Africa typically have employment but lack access to loans from traditional banks, for example for housing or education. Improved access to financing can make it possible to strengthen household finances and develop additional income-generating activities.

Swedfund has agreed on a loan to Select Africa, a micro-finance institution that provides financing to individuals. Many of the company's customers work in the public sector, where repayments are made through salary deductions. This creates stable credit flows and makes it possible to reach more customers with limited access to credit. The investment contributes to increased financial inclusion in markets where the need is high and is expected to strengthen economic resilience and local livelihoods.

Select was established in 1999 and primarily provides salary-based loans that enable customers to build a formal credit history and develop income-generating activities.

Excelsior Capital Vietnam Fund II

Type: Equity

Country/Region: Vietnam

SDG: Decent work and economic growth (SDG 8)

Amount: MUSD 15

Vietnam has experienced strong economic growth and significant poverty reduction in recent decades, but SMEs continue to have limited access to long-term financing. The financial system is still under development and many companies lack the capital to expand, increase employment and boost their competitiveness. At the same time, the labour market is dominated by a large informal sector, which limits access to formal jobs with decent working conditions.

Swedfund has agreed to invest in the Excelsior Capital Vietnam Fund II, an investment platform that provides growth capital to medium-sized companies in Vietnam. The investment is expected to improve conditions for companies in sectors such as retail, manufacturing, healthcare, education and technology to develop and create more jobs. The platform also contributes to improved industry standards and increased participation in the formal economy.

As a fund aligned with the 2X Challenge framework, Excelsior II is committed to increasing women's economic empowerment by promoting greater female representation, both in the workforce and in management positions.



Growth Investment Partners Zambia (GIP Zambia)

Type: Equity

Country/Region: Zambia

SDG: Decent work and economic growth (SDG 8), Reduced inequalities (SDG 10)

Amount: MUSD 15

Small and medium-sized enterprises form the backbone of Zambia's economy but have limited access to long-term and flexible capital. Financing solutions are often designed for larger companies and are characterised by high collateral requirements, short maturities and limited lending in local currency, which makes it difficult for local companies to grow and create jobs.

Swedfund has agreed to make an equity investment in Growth Investment Partners Zambia (GIP Zambia), a new investment platform being established together with British International Investment (BII) and Zambia's pension authority NAPSA. Through the partnership, both international capital and local institutional capital from NAPSA are mobilised, helping to strengthen Zambia's capital market and increase access to long-term financing in local currency for companies in the country.

GIP Zambia builds on experience from a similar model in Ghana and targets, among others, locally led and women-owned companies in sectors such as agriculture, manufacturing and financial services. Through flexible financing solutions and complementary business support, the platform aims to strengthen companies' opportunities to grow and contribute to Zambia's long-term economic development.

MHP SE (MHP)

Type: Loan

Country/Region: Ukraine

SDG: Reduced inequalities (SDG 10)

Amount: MEUR 20

The ongoing war in Ukraine has created major challenges for the country's economy and made it difficult for companies to access international financing. The food and agriculture sector is important for the country's self-sufficiency and export revenue. At the same time, the sector is a significant source of employment with many local jobs.

Swedfund agreed a loan to MHP SE, a leading Ukrainian producer of poultry and sunflower oil. The investment is being made together with the European Bank for Reconstruction and Development (EBRD) and British International Investment (BII) as part of a joint financing package totalling MEUR 100. The investment will enable MHP to maintain and develop its operations, helping to secure jobs, support the reintegration of veterans into the labour market, strengthen local food production and preserve important export opportunities under difficult conditions.

The loan will be used to invest in increased production efficiency, including the modernisation of sunflower processing equipment and upgrades to agricultural machinery. By supporting a financially sound and strategically important company in Ukraine's food sector, the investment contributes to strengthened economic resilience and continued local value creation.

BluePeak Private Capital Fund II

Type: Loan

Country/Region: Africa

SDG: Decent work and economic growth (SDG 8)

Amount: MUSD 20

Many medium-sized companies in Africa have limited access to long-term bank financing, making it difficult to invest in expansion and capacity development. A lack of collateral and formal credit history means that many companies cannot obtain loans through traditional banks, despite playing a key role in employment and economic growth.

Swedfund has agreed to invest in BluePeak Private Capital Fund II, a platform that provides flexible capital to medium-sized companies across Africa. The platform has a clear focus on social impact and inclusive growth, investing in sectors such as food production, pharmaceuticals, industrial packaging solutions and financial services. The investment is expected to give more companies access to the financing they need to grow sustainably, create jobs and support access to essential goods and services.

Swedfund's investment was made together with development finance institutions FMO (the Dutch development bank), BII (British International Investment) and SIFEM (Swiss Investment Fund for Emerging Markets), and builds on Swedfund's previous investment in BluePeak's first platform in 2022.

Platcorp Holdings Limited

Type: Loan

Country/Region: Kenya, Tanzania, Zambia, Uganda

SDG: Reduced inequalities (SDG 10)

Amount: MUSD 10

Small businesses in Eastern and Southern Africa have long had limited access to financing, making it difficult to invest in growth, job creation and increased economic resilience. The need for flexible and long-term financing solutions is significant.

Swedfund has agreed on a loan to Platcorp Holdings Limited to strengthen the company's lending to micro, small and medium-sized enterprises in Kenya, Uganda, Tanzania and Zambia. The loan is expected to increase access to financing for companies that often struggle to obtain loans from traditional banks, including women-owned businesses and companies engaged in climate-adaptive agriculture. The investment also contributes to strengthening Platcorp's work on environmental and social issues.

Swedfund previously granted loans to Platcorp in 2018, 2020 and 2022, and the company has steadily improved its management of environmental and social issues, including work on customer protection and gender equality. Half of the current loan is backed by a guarantee from the European Union under EFSD+ as part of the EU's Global Gateway strategy.



Amartha

Type: Loan

Country/Region: Indonesia

SDG: Reduced inequalities (SDG 10)

Amount: MUSD 25

Access to formal financing is limited for many micro and small entrepreneurs in Indonesia, especially for women entrepreneurs in rural areas who often lack access to banking services and need to rely on informal lenders. Limited access to capital makes it difficult for businesses to grow, create jobs and strengthen the local economy.

Swedfund has agreed to provide a loan to Amartha, a lead-

ing microfinance technology platform seeking to integrate micro-entrepreneurs into the digital economy. The loan will give Amartha the opportunity to reach more women entrepreneurs and to continue developing its digital infrastructure. The investment is expected to contribute to greater economic resilience, more jobs and financial inclusion through increased access to financial services for businesses operating in the informal sector.

The loan is being granted together with development finance institutions Finnfund and Belgian BIO under the leadership of the International Finance Corporation (IFC).

AfricInvest Financial Inclusion Vehicle (FIVE)

Type: Equity

Country/Region: Africa

SDG: Decent work and economic growth (SDG 8), Reduced inequalities (SDG 10)

Amount: MEUR 26

Today, only a fifth of Africa's population has access to formal financial services, which limits entrepreneurship, job creation and the ability to withstand economic shocks.

Swedfund has agreed on an equity investment in AfricInvest Financial Inclusion Vehicle (FIVE), a platform that strengthens the capital base of select financial institutions across Africa. By investing in both traditional and digital financial service providers – such as banks, insurance companies and fintechs – FIVE enables a wider reach, the development of inclusive financial ecosystems and increased use of digital technology. The investment is expected to help more small businesses and households gain access to financial services that can promote job creation, economic growth and strengthen resilience.

FIVE has a particular focus on gender equality and women's economic empowerment, which is expected to create positive impact in both portfolio companies and local communities. The platform was established in 2017 by AfricInvest. Other development finance institutions that have invested include Norway, Denmark, Germany, the Netherlands and Belgium, as well as African multilateral institutions and pension funds.

TLG Africa Growth Impact Fund II (TLG II)

Type: Loan

Country/Region: Africa

SDG: Decent work and economic growth (SDG 8)

Amount: MUSD 15

Small and medium-sized companies play a key role in employment and economic development in Africa, but access to long-term and flexible debt capital is limited. Companies that are viable but have limited capital often struggle to obtain financing through commercial banks, making it difficult for them to retain labour and continue to grow.

Swedfund has agreed to invest in the TLG Africa Growth Impact Fund II (TLG II), a platform aimed at small and medium-sized companies in several African countries. The platform combines long-term, flexible debt with equity participation and guarantees issued by local banks. This allows companies with sustainable potential to strengthen their operations and grow over time.

The investment is expected to give more companies access to the financing needed to maintain and create jobs with decent working conditions.

TLG II is a co-investment alongside development finance institutions Norfund, IFC (International Finance Corporation) and BPI France, and follows on from Swedfund's previous involvement in the manager's first credit fund in 2018.

Mutual Trust Bank PLC (MTB)

Type: Loan

Country/Region: Bangladesh

SDG: Reduced inequalities (SDG 10),
Climate action (SDG 13)

Amount: MUSD 20

Bangladesh is one of the world's most climate-vulnerable countries and faces major challenges linked to both rapid population growth and limited access to basic services. Micro, small and medium-sized enterprises play an important role in employment and economic development, but often struggle to access long-term financing that can support growth and job creation.

Swedfund has agreed to provide a loan to Mutual Trust Bank PLC (MTB) to expand the bank's lending to micro, small and medium-sized enterprises as well as to projects in renewable energy and energy efficiency. A significant part of the loan is earmarked for climate-related financing, which will enable companies and households to invest in solar energy, biogas solutions and energy-efficient technology. The investment is expected to give more companies, many of which are led by women, access to financing that can contribute to job creation, increased resilience and a reduced climate footprint.

MTB has a track record of cooperation with development finance institutions; Norfund is currently the single biggest shareholder.

Credit Access Grameen Ltd

Type: Loan

Country/Region: India

SDG: Reduced inequalities (SDG 10)

Amount: MUSD 20

Women with low incomes in rural India often have limited access to formal financial services, making it difficult to start up and grow businesses. This creates barriers to economic participation and reduces opportunities to make a living. Responsible microfinance can enable more women to be included in the formal economy and contribute to local development.

Swedfund has agreed to provide a loan to CreditAccess Grameen Ltd, India's leading microfinance institution with operations across the country. The loan aims to increase access to financing for female micro-entrepreneurs, especially in rural areas where the need is greatest. The investment is expected to contribute to more jobs, greater economic empowerment and increased resilience in communities where access to capital is limited.

Since 2021, Swedfund has had a loan with CreditAccess Grameen, and the work also focuses on further developing the company's environmental and social standards and improving the monitoring of social impact. The company offers microloans through a joint liability model and currently operates in 433 districts in 16 states and one union territory with a clear focus on rural areas.



Solar Saver

Type: Equity

Country/Region: South Africa, Namibia, Botswana,
Zambia

SDG: Climate action (SDG 13)

Amount: MUSD 10

Companies in South Africa are significantly affected by power shortages, high energy costs and limited access to reliable electricity. This creates barriers to growth, competitiveness and job creation at a time when the region is facing a pressing need to transition to renewable energy.

Swedfund has agreed to invest in Solar Saver, a company that develops, owns and operates small-scale

solar and battery systems that supply power directly to companies under power purchase agreements or through rent-to-own solutions. The investment is expected to enable Solar Saver to expand its operations in South Africa, Namibia, Botswana and Zambia, thereby expanding access to stable and affordable power for small and medium-sized enterprises.

As an active owner, Swedfund will work together with the company to strengthen its environmental and social governance through a joint action plan. This investment is part of a MUSD 60 equity round led by Inspired Evolution's Evolution III Fund alongside Dutch development bank FMO.

Technical assistance for enhanced impact

Technical assistance is a tool that Swedfund uses to enhance sustainability efforts and impact in its portfolio companies.

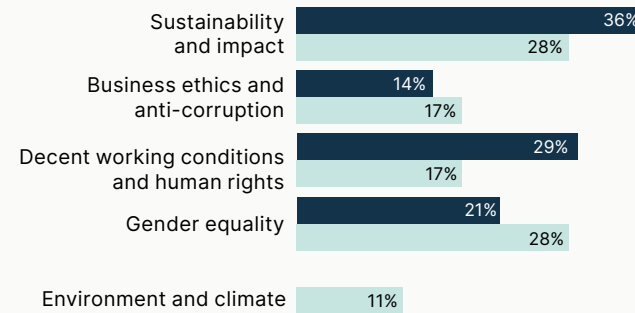
Swedfund sets rigorous standards for sustainability, gender equality and business ethics in our investments. In some cases, portfolio companies need to strengthen their capacity to meet these requirements. Through technical assistance, Swedfund can implement measures to improve the quality of the portfolio in line with its mission to contribute to sustainable development and poverty reduction.

Technical assistance is used for initiatives that enhance sustainability and impact, including human rights, gender equality, the environment and climate, decent working conditions, business ethics and business

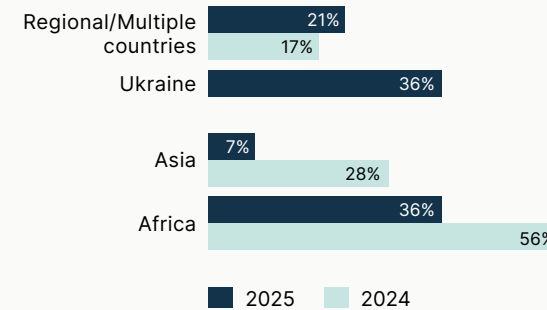
integrity. During the year, Swedfund launched initiatives to strengthen the portfolio companies' capacity in the areas of human rights, gender equality, climate action, as well as capacity-building and quality-enhancing measures within ESG.

In 2025, decisions were made on 14 projects with a total value of MSEK 17.0. Swedfund also had access to EU-financed technical assistance funds linked to the EFSD+ guarantee programmes during the year. These funds are used for capacity-building measures and to develop investments covered by or that can be implemented with the support of a guarantee.

TA projects by subject



TA projects by region



14
technical assistance initiatives approved in 2025



The majority of approved TA projects are implemented in Africa. Most of the TA projects approved in 2025 aim to strengthen sustainability and development impact, followed by initiatives related to decent working conditions and human rights, as well as gender equality. Capacity building using TA funds helps the portfolio companies progress towards a more sustainable direction, meet international standards and, over time, mobilise additional capital to grow and generate further development impact. Five of the approved TA projects are aimed at Ukraine, promoting employment and improved working conditions, sustainability as well as preventive measures in the area of business ethics and anti-corruption.

Technical assistance

Selected initiatives during the year

Gender equality

Swedfund launched an initiative for portfolio companies in South-east Asia aimed at increasing the proportion of women in management roles. The work involves building a long-term network and a programme to identify, develop and match top-level women to senior positions on boards or investment committees.



Women4Growth

Women4Growth is Swedfund's programme that strengthens women's empowerment and helps portfolio companies create more inclusive workplaces. The programme is based on participants identifying obstacles themselves and developing solutions for greater gender equality, thereby enabling better use and management of the expertise within the portfolio companies. During the year, Swedfund completed the final module of phase II of the programme in an energy company and further developed the programme through increased resources, as well as concluded a pilot for an e-learning initiative to broaden participation in the gender equality programme.

Improved working conditions

Swedfund launched an initiative for portfolio companies in Ukraine aimed at boosting employment and social inclusion for people with disabilities. The work focuses on creating more accessible workplaces and inclusive working environments in four departments at portfolio companies in the country.

Climate action

Swedfund implemented a climate initiative aimed at strengthening fund managers' methods for calculating and monitoring the portfolio companies' climate impact. The work focuses on developing methodologies and processes for emissions reporting, including the management of emissions avoided in accordance with established international guidelines.

Capacity and quality-enhancing initiatives within ESG

An initiative has been implemented to update and further develop the portfolio companies' policies and environmental and social management systems. The initiative also includes training initiatives in the areas of environment, social responsibility and business integrity to strengthen companies' risk management and performance monitoring.

Preventive initiative in the area of business ethics and anti-corruption

Preventive initiatives in the area of business ethics and anti-corruption in Ukraine aim to boost the capacity of potential investments and existing portfolio companies. The work focuses on developing competence and working methods to identify, manage and prevent corruption risks.



Project Accelerator





Project Accelerator

Swedfund offers technical and financial support to public actors through the Project Accelerator. This support encompasses both project preparation and project support initiatives based on local needs. As a partner, we contribute to the development, financing and long-term sustainability of critical infrastructure projects in developing countries.

By getting involved at an early stage in the project cycle, Swedfund can help projects meet the relevant standards and requirements needed to obtain the external funding necessary for implementation. In this way, the Project Accelerator acts as an important bridge between development cooperation, trade and investment, ultimately contributing to more inclusive growth and the green transition.

The Project Accelerator operates in regions with significant needs, focusing on developing countries that are economically vulnerable and face various challenges. Our main portfolio is in Africa, parts of Asia and Latin America, as well as Ukraine and its surrounding region – a priority region for which we have received earmarked funds.

The sectors Swedfund focuses on are Clean Energy, Sustainable Transport, Circular Solutions,

Digitalisation and Healthcare. There are major needs in developing countries in these sectors, however in many cases there are good opportunities for Swedish companies to be part of the solution by participating in competitive procurement.

The Board of Directors has set two strategic goals for sustainable value creation. The first is that at least 60 percent of completed feasibility studies should progress to implementation or lead to further decisions or actions by the project owner. Of these, 40 percent should subsequently progress to decisions on financing and/or implementation. The second goal is that 50–60 percent of projects should have a direct Swedish interest. Both goals are measured on a rolling basis over a five-year period, with 2025 as the starting year.



Business model

The business model for Swedfund's Project Accelerator is based on achieving results within three pillars: **Impact on society, Sustainability and Financial viability.**

When Swedfund finances feasibility studies and projects, the pillars shape every step of the process, from evaluation of new projects to execution and follow-up of further financing and completion.

Read more about Swedfund's goals for the Project Accelerator on page 13



Impact on society

Swedfund's Project Accelerator assesses the possibility of increasing access to critical infrastructure in developing countries. The aim is to contribute to impact such as access to affordable and sustainable infrastructure, job creation, increased economic activity, facilitation of trade, strengthening of environmental protection and reducing the impact of climate change. As Swedish companies offer sustainable solutions to many of the challenges facing society, the majority of projects should be in line with the interests and expertise of Swedish companies.

Swedfund measures performance using indicators such as the number of sustainable projects developed and completed, reduced climate emissions (at project level) and gender equality (at project level).



Sustainability

Swedfund's project support initiatives are to contribute to the implementation of long-term sustainable infrastructure. Swedfund supports analytical studies such as environmental and social impact assessments to address project-specific sustainability aspects.

Swedfund's evaluation includes a project-specific analysis of how sustainability aspects have been included in the procurement documentation, final report or other documentation relevant to the project. International standards such as the IFC Performance Standards are taken into account.



Financial viability

Swedfund's project support initiatives must be financially viable. A financially viable project has the right conditions for obtaining financing, execution, increasing access to critical infrastructure and opening up opportunities for Swedish companies.

Swedfund works to find the most suitable financing solution for the local partner, which may include financing from a development bank, the EU or a Swedish export credit solution.

Swedfund follows up on the number of projects covered by financing agreements, which provides a measure of how many investments are progressing towards implementation.

Sectors based on local needs

The projects are in the sectors Clean energy, Sustainable transport, Circular solutions, Digitalisation and Healthcare. These sectors have been selected based on identified needs and priorities in developing countries and are also relevant to Swedish companies. All projects aim to create positive impacts on society and contribute to the 2030 Agenda.

Clean energy

Access to reliable and affordable energy can promote economic growth and create jobs. The Clean energy sector includes projects that strengthen electricity grids, transmission, renewable energy and energy storage. By investing in these areas, the Project Accelerator contributes to long-term sustainable energy systems that increase energy security and reduce vulnerability. Greater energy availability also improves quality of life by enabling better heating and lighting, education, digital communication and healthcare, which can contribute to both increased productivity and welfare. As a result, clean energy can lay the foundation for inclusive economic development and social engagement.

Sustainable transport

Public transport plays a crucial role in sustainable and inclusive development. In many developing countries, access to public transport is often limited, which has a negative impact on people and the environment. Projects in the Sustainable Transport sector include urban transport such as bus rapid transit systems, railways and other types of transport systems. The projects contribute to increasing the availability of public transport for communities, reducing carbon emissions, improving safety and, by extension, economic growth.

Circular solutions

Access to clean water and sanitation reduces the incidence of waterborne diseases and can improve general public health. Proper waste management can prevent pollution of natural waterways, protecting ecosystems and biodiversity. The Circular Solutions sector includes projects in areas such as water and wastewater treatment, waste management and waste-to-energy recovery. Through such projects, the Project Accelerator can contribute to fair access to water and sanitation services, thereby helping to reduce inequalities and promote social inclusion.

Digitalisation

Increased access to the internet, digital tools and e-services gives people better opportunities for education, entrepreneurship and participation in society. Digitalisation includes projects that increase access to phone services and the internet in rural areas, improve cybersecurity and telecommunications infrastructure, stimulate network expansion and connect residents digitally with essential emergency services. Through such initiatives, the Project Accelerator can promote economic growth by creating new business opportunities, increasing productivity, building necessary infrastructure for growth and providing access to markets.

Healthcare

Well-developed and accessible healthcare is crucial for reducing child mortality, combating infectious diseases and improving people's quality of life. Good health enables more people to work, study and contribute to the development of society. Projects in the Healthcare sector include, for example, increased access to hospital care and radiotherapy. Through such efforts, the Project Accelerator contributes to ensuring that more people have access to safe and effective care, which leads to improved health, reduced infant and maternal mortality and, in the long run, increased productivity and economic development.

Our initiatives

The Project Accelerator is often active throughout the project development process and includes various forms of support and initiatives depending on the project.

Swedfund's mission is to finance studies for project preparation and support as well as capacity-building measures that are needed in order to enable decision-making and financing.

By adopting a structured approach, Swedfund ensures that resources are used efficiently, risks are managed and goals are achieved in line with the agreed timetable and budget. Throughout the project cycle, Swedfund gets to know the project owner's aims, capacity and local conditions, allowing us to tailor our support to each individual project.

By entering the project phase early and offering our project managers' technical expertise, we become a trusted and strategic partner for the project owner. This allows us to influence the design of projects and enable a sustainable solution to be procured in line with the respective parties' needs and priorities. The studies are carried out by international consultants, who are procured through a competitive process in accordance with local laws and regulations.

All projects also have access to one or more advisers with significant industry experience, who work together with Swedfund and the local

project team. This approach ensures a transfer of knowledge and boosts the capacity of the local teams, creating a lasting ability to run projects efficiently and responsibly in the future. As such, our work goes beyond financial support and contributes to long-term sustainable development.

Swedfund is involved throughout the project cycle, often determining the scope of the study together with the local project owner and approving the selection of the consultant to conduct the study. The consultant participates in a competitive procurement process, which also contributes to enhancing the local partner's capacity and competence in sustainable procurement, and transparency in line with international standards.

To turn the feasibility study into a project, external financing is required from a Swedish export credit solution or a development bank, for example. This is why, Swedfund partners with actors in Team Sweden, which includes Business Sweden, SEK, EKN and Sida, as well as with EIB, AfDB and EBRD, on many projects.

Feasibility studies

A feasibility study is an early analysis to assess the feasibility of a project before significant resources are invested. The purpose of a feasibility study is to identify potential barriers, estimate costs and benefits, and evaluate different options to ensure that the project meets the needs and aims of the local project owner.

Environmental and social impact assessments

Environmental and social impact assessment means identifying, predicting and evaluating the environmental and social impacts of a proposed project. The purpose is to identify risks and potential opportunities in these areas before the project starts. It may include assessing the impact on natural resources, ecosystems, communities and human health, as well as developing strategies to manage risks and opportunities.

Technical feasibility studies

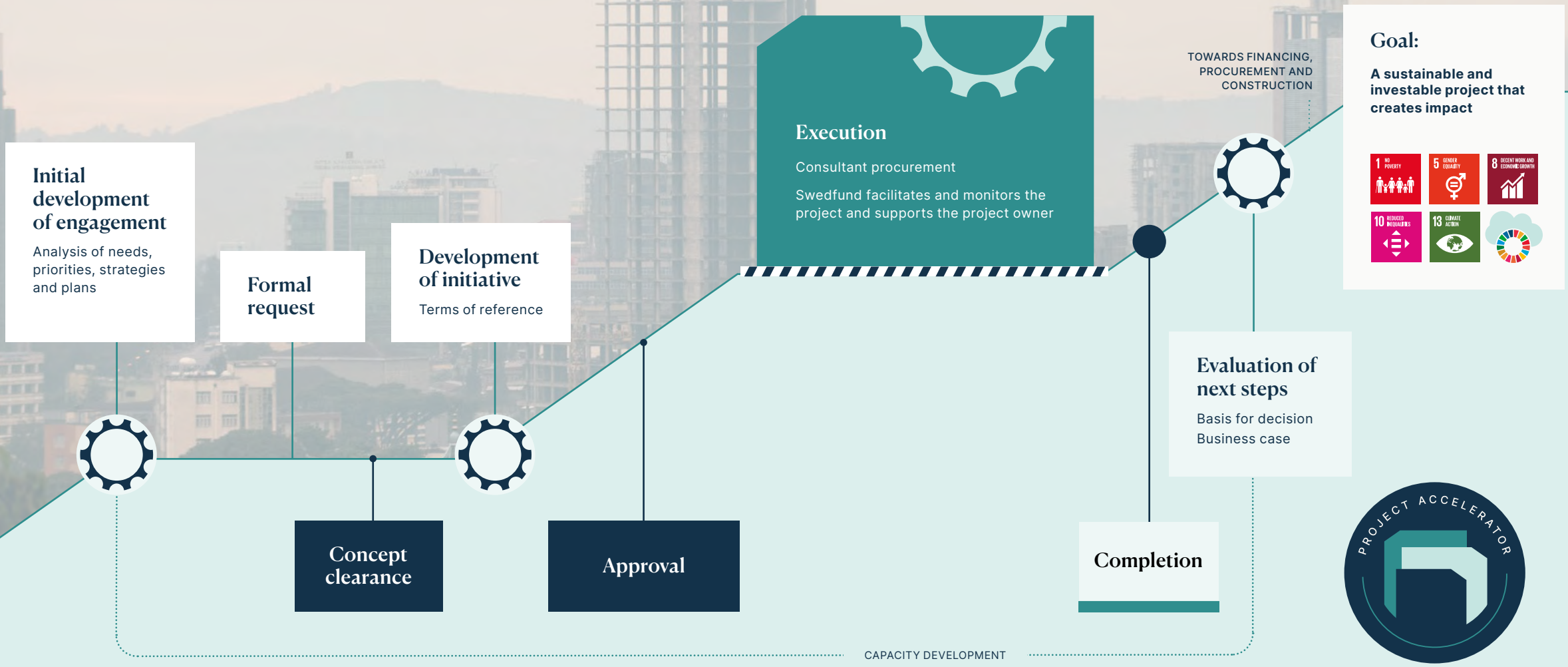
A technical feasibility study is an analysis that evaluates the technical aspects of a project to determine its feasibility. It examines whether the required technology, equipment and technical expertise are available and whether these can be used effectively to meet the needs identified locally and achieve the project owner's aims. A study can also identify potential technical challenges and risks.

Capacity-building measures

Capacity-building measures involve strengthening and developing the skills, knowledge and resources required to effectively plan, undertake and evaluate projects. These include training staff, improving organisational structures and processes, and providing the necessary tools and technologies. The aim is to ensure that the project owner's organisation has sufficient capacity to manage the project successfully and make informed decisions.

Path to a sustainable and financeable project

This is Swedfund
Our context
Investments
Project Accelerator
Results and governance
Sustainability notes and other information



Our process

Swedfund follows a standardised process to identify and initiate new engagements to support the development of sustainable infrastructure projects. Swedfund works closely with the project owner during execution, which allows us to adapt our support or supplement it with new initiatives if necessary.



Initial development of initiative

Swedfund evaluates all potential projects to ensure they are in line with our mission, our goals and the 2030 Agenda. We also assess environmental, social and business integrity risks. We assess the local project owner's capacity, the interest of Swedish companies, the likelihood that the project will be implemented and that funding may be available for implementation.

Formal request

Together with the local project owner, Swedfund determines the scope of the project and assesses how risks can be mitigated. The local partner then submits a formal request for support from us.

Concept clearance

Once a formal request has been evaluated and deemed to comply with the requirements, a decision is made as to whether to include the project for discussion in Swedfund's decision-making committee.

Development

The project is developed in close cooperation with the local project owner. A more detailed plan is developed in terms of the scope of the study and terms of reference, which form the basis for a competitive procurement to be carried out by the local partner. A senior adviser with deep sector and/or sustainability expertise is included in the project team.

Approval

The project manager responsible, who has in-depth sector expertise and experience with working on complex infrastructure, presents the project for initial concept clearing (IC) – a decision-making forum led by the department manager. The next step in the decision-making process is to present the project to the decision-making committee, which is chaired by the department manager and includes the CEO, Chief Legal Counsel, CFO, Chief Investment Officer and Chief Sustainability Officer. The committee decides whether to approve the project and allocate the budget.

Execution

The local project team leads the work of procuring a consultant with the skills required in a competitive procurement process. Swedfund supports the work and has to approve the local project owner's choice of consultant based on our own analysis of the tender documentation.

An agreement is negotiated between the consultant and the local project team. This agreement clearly states that Swedfund is financing the study. Swedfund has the right to refuse financing if the choice of consultant is not in line with the defined requirements. Once a consultancy agreement has been signed, work on the study begins. The Project Accelerator often visits a project while work is underway, maintains the partnership with the local project team and performs follow-

up during the project development phase. Execution may also include dialogue with Team Sweden actors or with a development bank that intends to finance the project.

Completion

Once a project has been completed, Swedfund follows up and evaluates project execution and results. We may also decide on any additional support, studies or capacity development locally in order to facilitate project implementation, as needed. Infrastructure projects have long lead times and Swedfund has limited opportunities to influence or speed up the process. Several projects have now been completed and reached the required maturity level, giving us the opportunity to evaluate project realisation.

Evaluation of next steps

The work carried out during an initiative aims to help the project owner take the next step in the project development process, which varies depending on the nature of the project and the phase in which we have provided support. For example, it could be an approved infrastructure project, a granted licence or secured financing from a development bank.

We follow up on completed projects regularly to check if funding has been secured, whether the project has been implemented, or whether further support is needed.

Swedfund strengthens digital infrastructure for more equitable connectivity

PROJECT: NIGERIAN COMMUNICATIONS COMMISSION (NCC)
LOCATION: NIGERIA

With 225 million inhabitants, Nigeria is the largest country in Africa in terms of population. The country is also one of Africa's largest digital markets, with over 190 million mobile subscribers and rapidly growing use of smartphones and digital services. Despite this progress, around 40 million people still lack access to basic telecommunications services such as mobile telephony, broadband and data networks. The growing gap between urban and rural areas is exacerbated when investment is mainly directed towards cities, which risks reinforcing digital inequality and limiting opportunities for inclusive economic development.

A sector undergoing rapid but uneven change

The Nigerian mobile market is dominated by older GSM services (2G), but the availability of 4G and 5G is increasing, especially in larger cities. However, large sections of the population are limited to low-performing services and insufficient or no coverage. There is a significant discrepancy between the digital progress in urban areas and the limited connectivity in sparsely populated areas.

The Nigerian Communications Commission (NCC) intends to increase access to high-quality and affordable telecom services across the country. The NCC has the task of creating the



right conditions for competition, improving service quality and ensuring that public funds are used efficiently.

Despite these ambitions, obstacles still remain. The investment required to expand network infrastructure in sparsely populated areas is hampered by insufficient commercial incentives. There are also risks associated with transparency, accountability and the complex relationships between public and private actors. To meet the growing demand, it is estimated that around 80,000 new telecommunications towers will need to be built in rural areas, a significant challenge both financially and technically.

Swedfund's efforts create the conditions for reaching more people

Swedfund is working with the NCC to strengthen digital infrastructure in areas that currently have insufficient or no coverage. The project maps user experience and network performance by collecting and processing real-time data on network performance from open sources ('Crowdsourcing Quality of Experience'). This analysis provides a clear picture of where the needs are greatest and consequently which investments can have the greatest impact in reaching more people.

The project provides the NCC and other decision-makers with a technical framework for prioritising resources, designing relevant policies and improving the monitoring of operators. Greater transparency improves competition and better enables public funds to be directed to areas where they are needed most. It also creates a more predictable investment climate for private actors, including Swedish suppliers such as Ericsson.

The initiative is being implemented in close dialogue with relevant authorities and operators in the sector, including the Swedish Embassy in Abuja and the Swedish Post and Telecom Authority (PTS). The collaboration creates opportunities for knowledge sharing on regulation, digital development and sustainable infrastructure solutions.

Digital infrastructure as a driving force for inclusive development

An expanded and well-functioning mobile network in Nigeria has the potential to create significant social impact. Access to stable connectivity is a prerequisite for increasing digitalisation in education, healthcare, financial services and public services. For the private sector, better digital infrastructure means more opportunities to reach customers, streamline operations and create new jobs. A more robust digital ecosystem also enhances the innovative capacity of the country.

By identifying cost-effective solutions to improve grid performance in previously unreachable areas, the project helps to make investments financially viable. This enables targeted investment where the benefit to society is greatest. The project also contributes to the conditions required for a more sustainable expansion of grid infrastructure where alternative energy solutions, such as the use of renewable energy to operate base stations in areas without a reliable electricity supply, can be incorporated as part of the planning.

Towards a more inclusive digital future

By strengthening the NCC's capacity to analyse needs and prioritise investment in regions with lower connectivity, Swedfund's Project Accelerator can help reduce the digital divide in Nigeria. This lays the foundation for more inclusive and sustainable development in the long term, where more people have access to the digital tools needed for education, economic opportunities and financial services.

The project shows how data-driven analytics, greater transparency and efficient resource allocation can support the development of a more robust and equitable digital infrastructure, thereby helping to strengthen Nigeria's long-term development.



A more robust digital ecosystem enhances the innovative capacity of the country's technology sector.

Selected projects

Environmental and social support for Tanzania Railways Corporation

Country: Tanzania

Sector: Sustainable transport

Decision: May 2023

Estimated cost: MSEK 5

Status: Agreed

Tanzania is developing a new electrified railway system to boost regional social and economic development through modern and sustainable transport solutions. The new railway, which will con-

nect Dar es Salaam with the interior and neighbouring countries, is expected to contribute to lower emissions, more efficient logistics and more jobs during both construction and operation. As part of the financing, the project must meet IFC environmental and social standards. Swedfund is supporting the Tanzania Railways Corporation in assessing and the development of its Environmental and Social Management System ahead of the operational phase to enable and facilitate a more sustainable transport system in the country.



Feasibility study for sustainable public transport in Iloilo

Country: Philippines

Sector: Sustainable transport

Decision: June 2023

Estimated cost: MSEK 6.6

Status: Agreed

In many Philippine cities, road-based public transport is crucial for access to work, education and healthcare, but shortcomings in terms of capacity, reliability and safety lead to long travel times, congestion and increased emissions. To address these challenges, the country is developing more integrated and climate-smart transport systems. Swedfund is supporting the city of Iloilo through a feasibility study for a more coherent public transport system covering both the city and neighbouring municipalities. The aim is to strengthen capacity, improve service levels, reduce emissions and increase climate resilience in a rapidly growing urban area.



Modernisation of wastewater treatment at Novovolynsk

Country: Ukraine

Sector: Circular solutions

Decision: May 2024

Estimated cost: MSEK 6.6

Status: Agreed

Novovolynsk in north-western Ukraine has a population of around 50,000 and faces significant environmental and health risks due to wastewater treatment plants that do not meet emissions standards. Inadequate treatment threatens

the Western Bug and Vistula rivers, which flow into the Baltic Sea, as well as local groundwater. The equipment is also outdated and energy-intensive. Swedfund is supporting the city with a feasibility study to modernise the wastewater treatment and management system. The goals are to improve treatment quality, increase energy efficiency, increase potential for sludge recycling and ensure that the system meets existing EU requirements. A draft feasibility study has been delivered and dialogue is being held with potential finance institutions.

Modernisation of wastewater treatment in Bila Tserkva

Country: Ukraine

Sector: Circular solutions

Decision: March 2025

Estimated cost: MSEK 8.8

Status: Agreed

Bila Tserkva in central Ukraine, with approximately 219,000 inhabitants, has outdated water supply and wastewater systems that experience frequent operational disruptions and have inadequate treatment capacity. This poses risks of pollution, waterborne diseases and adverse effects on nearby ecosystems. Modernised equipment can significantly reduce emissions and energy consumption. Swedfund is supporting the city with a feasibility study to modernise the wastewater treatment and collection system for the city. The goals are to improve the reliability of the system, increase energy efficiency and improve treatment quality for residents in compliance with EU requirements. The feasibility study will also include an assessment of the possibilities of producing biogas from wastewater sludge.



Biomass-based heat production in Slavutych

Country: Ukraine

Sector: Clean energy

Decision: May 2025

Estimated cost: MSEK 6.6

Status: Agreed

Slavutych, a city with around 25,000 inhabitants built after the evacuation from Chernobyl, has a district heating system that is currently powered by three older and inefficient 50 MW gas turbines. Production is oversized in relation to the city's heating needs, leading to high emissions and costs. The

city has therefore asked for support to investigate the possibility of replacing the current facilities with a biofuel boiler and possibly a heat pump. Swedfund is supporting the work with a feasibility study analysing heating needs, technical solutions and environmental and social impact. The project aims to reduce the use of fossil fuels, increase energy efficiency and develop appropriate production solutions that strengthen Ukraine's energy security and support its climate goals.

New combined heat and power plant in the Dnipropetrovsk region

Country: Ukraine

Sector: Clean energy

Decision: November 2024

Estimated cost: MSEK 28.8

Status: Agreed

Ukraine's energy infrastructure has been severely damaged during the ongoing war, creating an urgent need to restore electricity and heat production while continuing the country's long-term green transition. Modern CHP plants are far more efficient than older generation units and can be

designed to support future energy systems with a high proportion of renewable energy. Swedfund's Project Accelerator is supporting a feasibility study to establish a new CHP plant in the Dnipropetrovsk region. The work is proceeding alongside Swedish government backing to finance key equipment, and the EBRD has agreed to finance implementation.

Since its inception, the Project Accelerator has also granted funds for ESIA and the Owner's Engineer to support project execution. The project will strengthen Ukraine's energy security, reduce emissions and help reconstruct the country's critical infrastructure.



Modernisation of the electricity grid in Iquitos

Country: Peru

Sector: Clean energy

Decision: April 2025

Estimated cost: MSEK 8.8

Status: Agreed

Iquitos, the largest city in the Peruvian Amazon, is completely isolated from the country's national grid and fully dependent on fossil fuel-based electricity generation. The weak and unstable electricity infrastructure limits the possibilities for integrating new solar power projects that are currently being planned in the region.

Enabling a more reliable and low-emission electricity supply requires extensive upgrades to the grid and its control systems. Swedfund is supporting state-owned company Electro Oriente with a feasibility study for the modernisation of the electricity grid. The aim is to create the conditions for integrating renewable energy, meet growing demand, improve operational reliability and enhance the digitalisation of the system. The project is expected to help reduce emissions and boost economic development in the region.



Digital infrastructure in rural areas of Indonesia

Country: Indonesia
Sector: Digitalisation
Decision: May 2025
Estimated cost: MSEK 8.8
Status: Agreed

Indonesia consists of over 17,000 islands and large geographical distances mean that access to stable internet connectivity is uneven, especially in remote regions. A lack of digital infrastructure limits access to basic essential services such as health-care, education and public services. Swedfund is supporting

a strategic initiative to strengthen digital connectivity in rural areas of Indonesia within the framework of the Global Gateway initiative. This strategic initiative covers over 2,000 villages in Papua, Maluku, Kalimantan, Sulawesi and East Nusa Tenggara and targets approximately 1.7 million people. The goal is to contribute to a secure and reliable digital infrastructure, reduce the digital divide and support Indonesia's ambition to reach 98% mobile broadband coverage by 2029. The initiative is expected to boost both social and economic development in the regions.

New specialist hospital in Cahul

Country: Moldova
Sector: Healthcare
Decision: April 2022
Estimated cost: MSEK 23.1
Status: Agreed

Moldova wants to expand the population's access to hospital care in a system that is already extensive but financially strained, not least due to an ageing population and the increased demand linked to refugee arrivals from Ukraine. A new specialist hospital in Cahul will improve access to expert care for groups who are currently struggling to travel to larger cities, while modern premises and medical equipment will improve the quality of care. Swedfund's Project Accelerator has financed a feasibility study that reviewed the plans and ensured that the project complies with international standards and meets the requirements for financing from the EIB. The feasibility study and concept design are in their final stages and have led to a signed loan agreement with the EIB. Swedfund continues to support the project by financing a consultant who is assisting the project owner during the implementation phase.

Expanded radiotherapy capacity in Jakarta

Country: Indonesia
Sector: Healthcare
Decision: February 2025
Cost: MSEK 9.9
Status: Agreed

Cancer incidence in Indonesia is increasing, yet access to radiotherapy covers only a small percentage of national needs. The Ministry of Health plans to expand treatment capacity by establishing a new radiotherapy facility at the Dharmas National Cancer Centre in Jakarta. Increased access to treatment is expected to improve survival rates and reduce regional disparities in care, particularly for women affected by rising cases of breast and cervical cancer. The Ministry has previously considered proton treatment, but found the technology to be economically unsustainable and now needs to evaluate more cost-effective alternatives. Swedfund is supporting this work by assessing the most appropriate and financially sustainable solutions, including a comparison between MR Linac and a combination of MR Linac and proton technology. The results will also provide a basis for the design of a new, more energy-efficient healthcare building.

Planning for large-scale integration of renewable energy in Colombia

Country: Colombia
Sector: Clean energy
Decision: July 2024
Estimated cost: MSEK 6.6
Status: Agreed

Colombia's energy system is dominated by hydropower and thermal energy generation from fossil fuels. Although the system is relatively decarbonised, it makes the country vulnerable to droughts. Colombia also has ambitious goals to strengthen its energy security and reduce dependence on fossil fuels by rapidly increasing solar and wind power capacity. To cope with a growing population and industry, and to ensure stability in a more weather-dependent energy system, a planned and efficient expansion of both production and infrastructure is required. Swedfund's Project Accelerator is supporting a feasibility study to develop a plan to enable large-scale integration of renewable electricity generation while maintaining the reliability and capacity of the system. The goal is to contribute to a responsible phasing out of fossil fuel-based energy and support Colombia's long-term green transition.



Results and governance



Results from our portfolio companies

This section, which opens the Directors' Report, presents the results of Swedfund's investment portfolio. It also describes how Swedfund works to achieve its stated goals and to support implementation of the 2030 Agenda. The results are presented for all three pillars (Impact on society, Sustainability and Financial viability), and are illustrated using a number of metrics.



The structure of the analysis and the selected indicators are based on the mission objectives adopted for Swedfund by the Annual General Meeting. The performance indicators are defined in the objectives set out in the Owner instructions, which have also constituted the adopted goals for sustainable value creation approved by the Board of Directors since 2020. In order to shed further light on the performance within each pillar, Swedfund reports on the additional performance indicators within the pillars Impact on Society and Sustainability in line with the business strategy adopted by the Board of Directors. The new State's Ownership Policy and Guidelines for State-Owned Enterprises are also taken into account. As in previous years, Swedfund reports the performance of portfolio companies with a one-year lag, which means that this year's report is based on the performance of the portfolio companies in 2024.

The portfolio companies continue to show growth in the number of direct jobs. The number of indirect jobs created through supply chains, consumption and access to finance and energy has also continued to increase. 50 percent of the portfolio companies showed an increase in the number of employees, which is in line with the objective. In terms of gender equality and women's economic empowerment, 58 percent of the portfolio companies met at least one 2X criterion, slightly below the target level of 60 percent. The year-on-year decrease is mainly due to a revision of the 2X criteria framework, making it more



stringent. The proportion of female employees has been stable in recent years, and the proportion of women in management positions is in line with the previous year.

Total greenhouse gas emissions from Swedfund's portfolio rose during the year, as the portfolio grew. However, emissions per Swedish krona invested continued to fall. Emissions avoided were in line with the previous year. Sustainability indicators for jobs with decent working conditions and environmental and social management systems are in line with the previous year.

56 percent of direct investments reported an increase in turnover and profit compared with the investment year; an increase from 54 percent in the previous year. Tax payments from portfolio companies increased during the year.

Performance in line with mission objectives

	Indicator	Type of goal	Goal	Definition
Impact on society	 Climate impact	Mission objective	The company's investment portfolio to be climate-neutral by 2045 meaning that GHG emissions from the portfolio must be net zero as defined by the IPCC. The portfolio's combined emissions of greenhouse gases (measured in CO ₂ equivalents) per invested Swedish krona to therefore decrease over time with 2020 as the base year	Total CO ₂ e emissions per Scope (thousand tonnes) Development of emissions per SEK invested (tCO ₂ e/MSEK) Total emissions avoided (tCO ₂ e)
	 Gender equality and women's economic empowerment	Mission objective	Improved gender equality in the Company's investment portfolio. Target level > 60% of investments to meet 2X criteria or equivalent no later than three years from the investment date	Proportion of investments meeting at least one 2X criterion
		Other goal	Increase in the proportion of women on company boards, in senior positions and in the overall workforce	Development of the proportion of women on boards, in senior positions and in total percentage
	 Jobs	Other goal	Increase in the number of employees in the majority of companies in the portfolio	Number of jobs in the portfolio Number and proportion of companies showing growth in jobs Number of indirect jobs connected to the portfolio
	 Tax revenue	Other goal	Increased tax revenues overall in the portfolio	Taxes and other similar items (corporation tax as a minimum) translated into Swedish kronor (SEK)
Sustainability	 Decent working conditions	Mission objective	Decent working conditions in accordance with the ILO's Declaration on Fundamental Principles and Rights at Work to be provided by all the Company's investments within no more than three years from the date of investment	Proportion of investments that comply with the ILO's Declaration on Fundamental Principles and Rights at Work
		Other goal	An environmental and social management system to be introduced by all of the Company's investments within three years of the date of investment	Proportion of investments that have introduced environmental and social management systems
	 Business integrity management system	Other goal	A management system for combating corruption to be introduced by all of the Company's investments within three years of the date of investment	Proportion of investments that have introduced a business integrity management system
Financial viability	 Economically sustainable investments	Mission objective	Turnover and profitability to increase over a five-year period, with the investment year as the base year. Target level > 60%	Proportion of investments reporting increased turnover and profitability with the investment year as the base year
		Other goal	Increased proportion of holdings in the fund portfolio with a positive return	Proportion of funds in the fund portfolio reporting a positive IRR
		Mission objective	Increased mobilisation of private capital. Target > 30% mobilised capital in investments made by Swedfund	Total private capital mobilised relative to Swedfund's contracted investment volume

Definitions, sources and presentation

A general overview is provided on the right of the methodology employed for data collection, as well as the definitions and assumptions used in reporting and presenting the trends in the performance of portfolio companies across the three pillars.

Reporting cycle

Swedfund and Swedfund's portfolio companies prepare their annual reports during the same period, which means that the information used for the portfolio companies' performance reports cannot be presented for the current year. Swedfund has therefore opted to present trends in the performance of the portfolio companies with a one-year lag, which means that the following report on performance is based on 2024.

In the few cases where portfolio companies have a financial year that does not coincide with the calendar year, the cut-off date is 31 March, i.e. the figures for 2024 correspond to financial information in the annual report for the financial year 1 April 2024 to 31 March 2025.

Sources

The indicators described in the sections below are based on reports from portfolio companies and the underlying holdings of funds. The underlying data for the reports primarily consist of the following:

- Sustainability Reports (prepared and distributed by Swedfund)
- Annual E&S Monitoring Reports (prepared and distributed by other DFIs)
- Annual reports
- Fund reports

Annual reports

The annual reports of the portfolio companies constitute the source, in full or in part, of the following indicators:

- Carbon footprint indicator (CO₂e calculation)
- Tax indicator
- Indicators for women's empowerment
- Indicators for job creation
- Indicators for financial viability of direct investments and funds

Sustainability Reports (prepared and distributed by Swedfund)

Swedfund requires portfolio companies to submit information annually concerning the pillars 'Impact on society' and 'Sustainability' in Sustainability Reports prepared by Swedfund. Data are collected via Sustainability Reports through system support and a largely digitalised process. Information from the Sustainability Reports distributed by Swedfund constitutes the source, in full or in part, of the following indicators:

- Carbon footprint metric (CO₂e calculation)
- Emissions avoided indicator
- Metrics for women's empowerment
- Indicators for job creation
- Tax indicator
- Decent working conditions indicator
- Environmental and social management system indicator
- Business integrity management system indicator

The Sustainability Reports are tailored to the type of investment concerned; direct investments (equity or loans), financial institutions or funds. Reports intended for direct investments contain more detailed questions regarding management systems for sustainability issues, etc., while those intended for investments in financial institutions and funds are more process-oriented. This is because Swedfund's evaluation focuses primarily on the procedures, expertise and guidelines that have been established to ensure that the financial institutions' customers and the funds' holdings in turn comply with the requirements and conditions which Swedfund imposes on its portfolio companies. Sustainability reports for the underlying holdings of funds are prepared by the fund managers.

Annual E&S Monitoring Reports (prepared and distributed by other DFIs)

In some cases, the sources used for Swedfund's performance reports consist of Annual E&S Monitoring Reports prepared by another development finance institution, where the results are provided to Swedfund in its capacity as co-financier. These Annual E&S Monitoring Reports are evaluated by Swedfund's sustainability experts and included in the aggregated performance reports. For 2024, this applies to fewer than ten investments.

Fund reports

Fund reports consist of both financially oriented quarterly reports and sustainability reports.

Scope of performance reports

Aggregated portfolio information

In this Integrated Report, Swedfund presents the aggregated performance of the investments in the portfolio. Swedfund does not present trends in the performance of individual investments, partly because Swedfund sees the investments as a portfolio, and partly because, in many cases, the investment agreements that Swedfund enters into and the information that is collected under each agreement (such as financial reports and sustainability reports) constitute confidential information.

Sample

The portfolio sample/composition that is presented may vary depending on the indicator presented in the following sections. Unless stated otherwise, three main samples, including the number of investments, are presented:

Sample	2022	2023	2024
Portfolio companies	58	65	76
Portfolio companies and co-financing facilities including the funds' underlying holdings	258	306	327
Direct investments in equity and loans	28	28	33

The sample that is presented in the following sections comprises all investments that are part of the portfolio at the end of the respective year (unless stated otherwise).

Direct investments

The sample includes all direct investments in the form of equity and loans.

Portfolio companies

The sample includes all direct investments in the form of equity and loans as well as indirect investments via funds.

Portfolio companies and co-financing facilities including the funds' underlying holdings

The sample includes all direct investments in the form of equity and loans, indirect investments via funds, co-financing facilities and the funds' underlying holdings.

When an investment is included in the sample

An investment is included in the sample for performance reporting from the year in which the first disbursement for the investment takes place.

The portfolio of investments presented in the following sections consists of the investments that were part of the portfolio at the end of the respective year (unless stated otherwise), which means that investments which have been closed are not included in the calculation for the year in which the investment was actually closed.

Weighting based on participating interest or share of financing

When reporting trends in the performance of portfolio companies, funds and co-financing facilities' underlying holdings, the overall outcome is considered, i.e. no weighting is carried out in relation to Swedfund's participating interest or share of the company's financing. This follows an established principle for reporting within EDFI. The exceptions to this principle are the 'carbon footprint' (CO₂e) and 'emissions avoided' indicators, for which weighting is based on Swedfund's participating interest/share in the investment.

Non-availability of information

For a number of portfolio companies and underlying holdings in funds and co-financing facilities, no reports are available for one or more years. In some cases, the reported information is incomplete or of

poor quality, which has a variable impact on the calculation of one or more indicators. This means that the reporting of indicators only covers holdings and years for which data have been obtained.

Presentation and comparisons

The following sections present trends in the portfolio's performance. In order to clarify the investment phases and age structure of the portfolio, some indicators are presented in the phases of the investment process as a supplement to reporting the respective indicator for the entire portfolio.

Phases of the investment process

In order to reflect how Swedfund operates with investments over their lifetime, the organisation's investments have been divided into the following three categories in the report on certain indicators under the pillars 'Impact on society' and 'Sustainability':

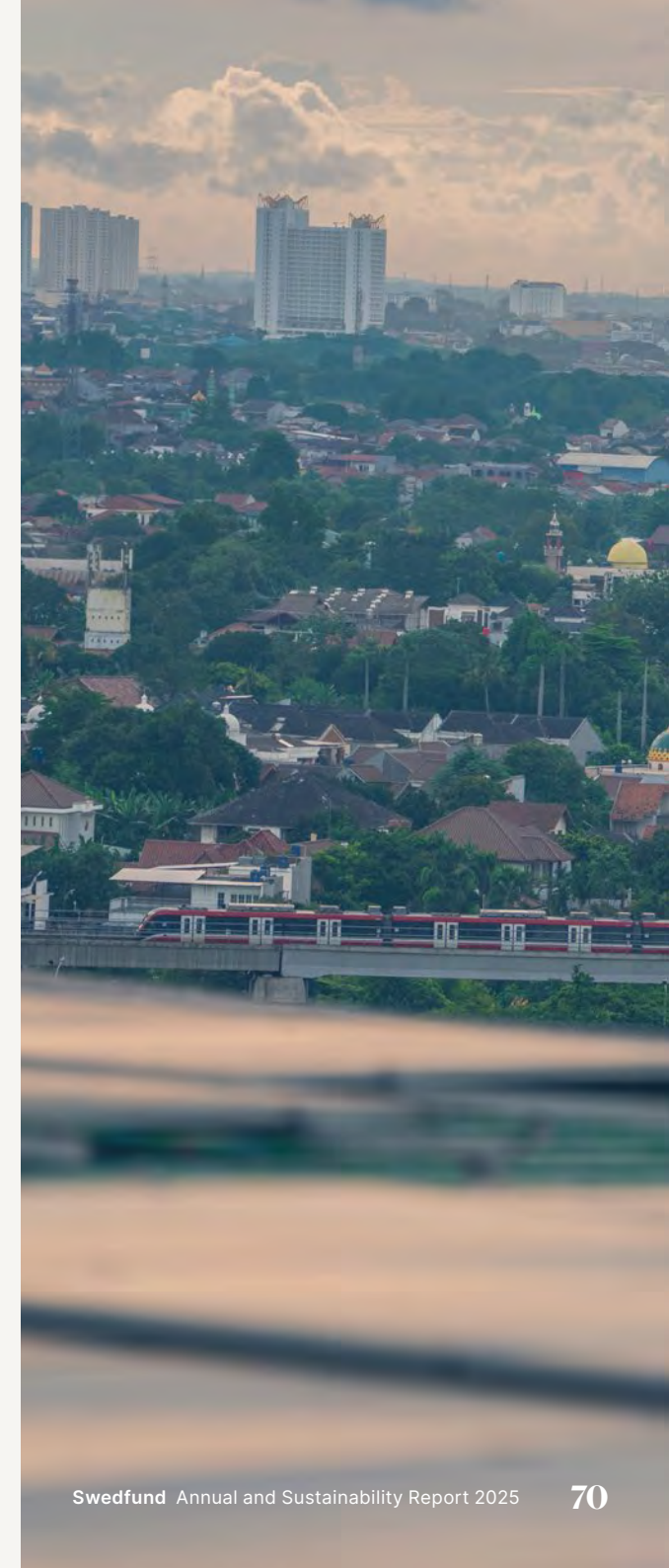
1. Active ownership phase, part 1 – Investments held for 3 years or less.
2. Active ownership phase, part 2 – Investments held for more than 3 years
3. Exit phase – Investments, which at the end of the respective reporting period, have been identified for closure.

Swedfund is a long-term investor, not an indefinite one. Swedfund closes investments and terminates partnerships either by selling its equity holding, by a loan being repaid or expiry of a fund's term. The exit phase generally begins when Swedfund considers that the investment is achieving results within all three pillars. The absence of any scope to pursue active ownership may be the reason why an investment is closed.

See also the description of the investment process on pages 41-43.

Comparative year

In the case of indicators where relevant historical data are available, indicators for the reporting year and four comparative years are presented.



PILLARS

Impact on society

Environment and climate-related sustainable investments

TYPE OF GOAL Mission objective



Introduction

Combating climate change and its consequences is a key element in Swedfund's mission. People living in poverty are among those hardest hit by climate change, although the countries in which Swedfund invests contribute the least to global greenhouse gas emissions. Climate action is one of Swedfund's prioritised areas which permeates all investments. Swedfund is committed to aligning its operations with the goals of the Paris Agreement and invests in initiatives aimed at reducing global warming and increasing adaptation and resilience to the effects of climate change. Since 2014, Swedfund has only invested in renewable energy and transitioned its portfolio to reduce emissions.

Furthermore, Swedfund sees biodiversity as an important component of sustainable development and long-term value creation. Swedfund is committed to aligning its operations with global biodiversity goals using the Kunming-Montreal Global Biodiversity Framework as a guiding principle.



Policies and frameworks

Environmental and climate action work, including biodiversity, is incorporated into the investment process, based on [Swedfund's Policy for Sustainable Development](#) and [Guiding Note on Climate](#).

Swedfund's Policy for Sustainable Development describes Swedfund's climate commitment, framework and definitions. The definition of climate financing is based on the multilateral development banks' (MDB) common principles for monitoring climate mitigation and adaptation financing, and uses the OECD's Rio Climate Markers based on the EU taxonomy criteria. Swedfund's Guiding Note on Climate Action describes Swedfund's approach to assessing climate impact as well as vulnerability and risks in investments.

Consideration for nature and biodiversity is incorporated into our environmental and social management system. We apply international standards such as IFC Performance Standard 6 to evaluate and minimise risks to nature and biodiversity at project level. Furthermore, Swedfund's definition of financing for nature is based on MDB's common principles for monitoring nature positive financing and the OECD's Rio biodiversity markers. Our approach focuses on managing risks related to biodiversity and identifying opportunities to achieve nature positive outcomes wherever possible.

Materiality

Work to manage the consequences of climate change and poverty are closely interlinked, but Swedfund seeks to find a balance between its development and climate goals. Investments in sectors such as food systems, local production and SME financing create employment, improve access to essential products and services and generate local income. This strengthens economic activity, but can also lead to increased greenhouse gas emissions in the portfolio. To achieve our climate ambitions, we work at portfolio, sector and portfolio company level.

Climate action and biodiversity are two separate but closely interlinked areas. Businesses influence and depend on nature. In 2025, Swedfund joined the Taskforce for Nature-related Disclosures (TNFD) to benefit from its recommendations and guidance on how we assess and report nature-related dependencies, impacts, risks and opportunities in our portfolio.

Goals and key performance indicators

Swedfund has the following environmental and climate goals and the following performance indicators to measure progress towards these goals:

- The company's investment portfolio to be climate neutral by 2045 at the latest, i.e. the portfolio to have net zero greenhouse gas emissions as defined by the Intergovernmental Panel on Climate Change (IPCC). The portfolio's total emissions of greenhouse gases (measured in carbon dioxide equivalents) per invested Swedish krona to therefore decrease over time with 2020 as the base year.
- Key performance indicators (KPI): Total carbon dioxide equivalent emissions per Scope (thousand tonnes), emissions per SEK invested (tCO₂e/MSEK), alignment of the portfolio with the Paris Agreement and emissions avoided.

Actions

In 2024, we updated our climate strategy and modelled development of the portfolio towards a climate-neutral and resilient portfolio aligned with the Paris Agreement. The latest evaluation was carried out in 2025 and showed that 97 percent of direct investments and 91 percent of indirect investments were considered aligned with the Paris Agreement 2030. The relatively high degree of alignment is a result of Swedfund's investment strategy. Furthermore, Swedfund has modelled the development of its portfolio towards climate neutrality by using three different scenarios, and estimates that between 20 and 30 percent of the portfolio could be climate neutral by 2030. To meet its climate commitments, Swedfund focuses on investments in low-emission solutions, supports the work of portfolio companies to reduce emissions and plans to invest in measures to remove carbon dioxide, which include nature-based solutions.

Swedfund has reported the portfolio's greenhouse gas emissions in accordance with the GHG Protocol since 2016. In 2021, Swedfund adopted the PCAF Global Standard for the Financial Industry to report the portfolio's financed emissions, in line with the European development finance institutions' (EDFI) harmonisation work. According to the PCAF method, the portfolio companies' own reported emissions (primary data) are used where they are considered reliable and estimated in accordance with the GHG Protocol. In other cases, modelling has been carried out using financial and other data reported by the portfolio companies, which have then been converted into emissions using emission factors based on sector and geography. First, the total emissions of all the portfolio companies are estimated using the Joint Impact Model (JIM). Swedfund's financed share of these emissions is then determined. Swedfund supports its portfolio

companies in developing emissions reduction plans and calculation tools through environmental and social action plans, as well as in the form of technical assistance.

Result

Total CO₂e emissions per Scope (thousand tonnes)

The total emissions from the portfolio amounted to approximately 154,000 tonnes of CO₂e in 2024, which is around 22,000 tonnes more than the previous year. A large part of the portfolio's emissions come from one of Swedfund's older investments, a gas-fired power plant in Nigeria (2013). Emissions from this gas-fired power plant account for just under 20 percent of the portfolio's total emissions. The remaining emissions come from the funds' underlying holdings. A handful of portfolio companies contribute just under 40 percent to financed emissions, and the remaining emissions are distributed across several companies, where each individual company's contribution to total emissions is relatively low. The portfolio's Scope 3 emissions account for 67 percent of total emissions, Scope 1 for 28 percent and Scope 2 for 5 percent. These percentages vary annually depending on the composition of the portfolio and the availability of data, but Scope 3 emissions from indirect sources are generally the most significant.

Emissions per invested Swedish krona (tCO₂e/MSEK)

The 'emissions per invested Swedish krona' (tCO₂e/MSEK) indicator is based on the portfolio's total emissions and Swedfund's commitment report. This is an important key performance indicator in our monitoring of the efforts being made to achieve the emissions reduction target. In 2024, emissions per invested Swedish krona fell from 23.93 tCO₂e per MSEK invested in 2023 to 23.01 tCO₂e per MSEK invested in 2024. The portfolio grew during the year through new investments, which led to higher total emissions in absolute terms. However, emissions intensity decreased, which meant lower emissions per SEK invested and therefore improved carbon efficiency in the portfolio.

Emissions avoided

Swedfund invests a large proportion of its portfolio in the production of renewable energy. This indicator describes the impact of investments that replace emissions from fossil-based energy. This is particularly important in fossil-fuel dependent economies, such as India, South Africa and Indonesia. Swedfund applies the methodology of the International Financial Institutions Technical Work-

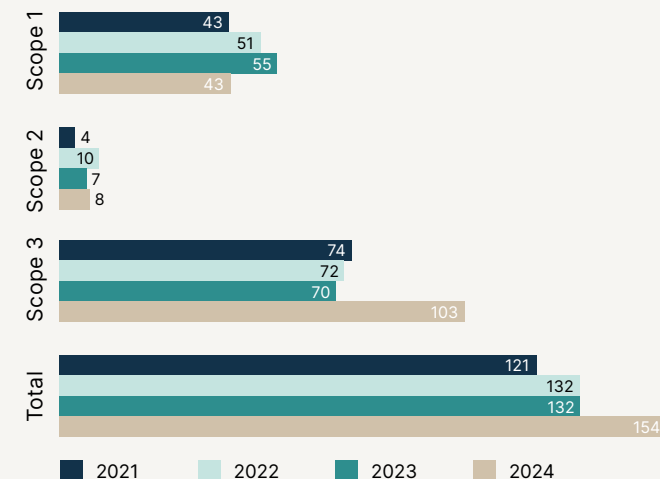
ing Group (IFI TWG) for calculating emissions avoided, as agreed by EDFIs. Both large-scale grid-connected energy production and off-grid production are included and weighted against Swedfund's share of financing. Emissions avoided from grid-connected energy production are calculated based on annual energy production data from primarily solar, wind and hydropower and using IFI TWG's electricity grid emission factors. Emissions reductions from off-grid projects are calculated according to standardised factors ('impact metrics') from the Global Off-Grid Lighting Association (GOGLA). In 2024, the portfolio contributed to emissions reductions equivalent to 75,000 tonnes of CO₂e (2023: 76,000 tonnes¹). 70 percent comes from grid-connected production and 30 percent from off-grid production. Compared to last year, emissions reductions from grid-connected investments increased. This is attributable to new direct investments in countries that are heavily dependent on fossil fuels for energy production.

Risks and opportunities

To achieve our goal of a greenhouse gas neutral portfolio by 2045, we will continue to invest in projects that make a positive contribution to the Paris Agreement and, together with other development finance institutions, further develop our climate assessment of new investment opportunities. We will reduce the portfolio's emissions by setting requirements for our portfolio companies while supporting them in estimating, monitoring and reducing their emissions – thereby contributing to a green transition. However, the total emissions from our portfolio may increase as a result of an increased portfolio, increased investments in the food sector and growing investments in companies that produce goods locally. We also work with investments in carbon capture or storage, initially through investments in sustainable forestry and nature-based solutions. It remains crucial that each investment opportunity actively contributes to poverty reduction and aligns with our overall goals within our three pillars. We continue to coordinate with other EDFIs and refine data collection in order to improve primary data and accuracy of emissions. We closely monitor the development of the methodology and adjust our strategy as necessary to improve the accuracy of reporting and comparability with other investors. Furthermore, Swedfund will continue to build capacity internally and together with partners to strengthen our biodiversity work. Swedfund plans to adapt future reporting to the TNFD guidelines and incorporate these in an appropriate manner.

1. Recalculated

Total CO₂e emissions per Scope (thousand tonnes)



Emissions from Swedfund's portfolio, i.e. the emission categories of the portfolio companies:

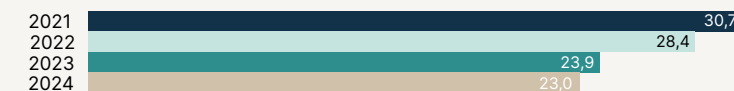
Scope 1: Direct greenhouse gas emissions over which the company has direct control, e.g. from the company's own vehicles and the combustion of fuels in production.

Scope 2: Indirect emissions from the consumption of purchased energy distributed via a network (not generated by the company), i.e. the consumption of electricity, district heating and district cooling.

Scope 3: Other indirect emissions, which occur outside the boundaries of the business, either upstream or downstream, such as purchased goods and services, purchased transport, waste, business travel, hired equipment, distribution, use of products and investments.

The results were calculated using the Joint Impact Model, a web-based tool for impact investors in developing markets developed by Steward Redqueen, in coordination with BII, FMO, BIO, Proparco, AfDB and FinDev Canada. The results are calculated using User Guide JIM 3.1. They are based on economic modelling and do not represent actual figures, but are estimates and should be interpreted as such.

Emissions per invested Swedish krona



Gender equality and women's economic empowerment

TYPE OF GOAL Mission objective



Introduction

Swedfund works to promote fair, inclusive and sustainable global development, women's economic empowerment and gender equality, which is both a goal in itself and an important factor fundamentally linked to Swedfund's mission to contribute to poverty reduction. Gender equality and women's economic empowerment have long been important issues for Swedfund and are systematically taken into account in the investment process in accordance with the Owner's instructions and the Company's strategy.



Policies and frameworks

Swedfund applies a gender equality perspective in its investment process, based on [Swedfund's Policy on Sustainable Development](#) and [Guiding Note on Gender Equality](#). The goal is to contribute to conditions that prevent and counteract sexual exploitation, abuse and harassment (SEAH), whilst enabling economic empowerment and positive gender equality outcomes in workplaces and communities. The gender equality perspective is anchored in international standards and Swedfund's own ethical compass, including the ILO's Declaration on Fundamental Principles and Rights at Work, ILO Convention (No. 190) on the elimination of violence and harassment at work and the 2X criteria.

The 2X Criteria is a global framework for identifying and evaluating investments to promote women's entrepreneurship and ownership, leadership and labour opportunities, and access to capital, products and services that can contribute to economic empowerment and gender equality. The framework was initiated by the G7 but now serves as an industry standard that unites efforts to increase gender equality amongst finance institutions, companies and other stakeholders worldwide.

Materiality

Swedfund has identified that, as a development finance institution, it can promote gender equality and women's economic empowerment, particularly in the following three areas:

Women as owners, entrepreneurs and leaders: Swedfund works to promote meaningful and equal participation for women as owners and entrepreneurs, as well as in senior positions and on investment committees and boards.

Women as employees: Swedfund works to create safe, meaningful and equal opportunities and conditions for women to develop both at their workplace and in working life generally.

Women as consumers: Swedfund encourages the development and financing of products, services and business models that contribute to improving the situation and the participation of women and girls in society.

In addition to this, Swedfund also works to ensure that workplaces in its portfolio companies are free from gender discrimination and violence.

Goals and key performance indicators

Swedfund has the following mission objectives and performance indicators to measure progress towards its gender equality goal:

- Gender equality in Swedfund's investment portfolio to increase in accordance with the 2X Criteria or comparable criteria. At least 60 percent of Swedfund's investments to meet these criteria no later than three years from the investment date.
- Key performance indicators (KPI): Proportion of investments that meet at least one 2X criterion or comparable criteria; proportion of women on company boards, in senior positions and in the overall workforce.

Actions

When evaluating new investment opportunities, actions and opportunities to promote gender equality and women's economic empowerment are identified and subsequently incorporated into the environmental and social action plans included in the investment agreements. Swedfund also supports portfolio companies on gender equality issues through technical assistance. In 2025, we continued to offer the Women4Growth programme to our portfolio companies and supported women with leadership potential to take part in The Female Future programme. The first group of participants completed the Power Women programme in Ukraine during the year. This is an important step in strengthening women's career opportunities in the energy and climate sector. This initiative, which is supported by Swedfund together with partners such as Scatec ASA, EdEra, FMO and IFC, offers technical training, mentorship, paid internships and networking opportunities to help women enter and succeed in the solar energy industry, as well as address the labour shortage caused by the war.

Result

In 2024, 58 percent of the investments in Swedfund's portfolio met at least one of the 2X Criteria. This represents a decrease compared to the previous year (66 percent) and is largely due to the revised framework for the 2X Criteria. The framework was revised to more accurately reflect differences between sectors and countries.

The proportion of investments that meet at least one of the 2X criteria is highest (71 percent) in the Financial Inclusion sector. Banks in particular have a relatively high number of female employees and specific policies and programmes that support employment opportunities for women.

Many of the banks also have a relatively high proportion of women on their boards and in senior positions, or market products and services aimed at women, resulting in a high proportion of female customers. For Energy & Climate investments, the proportion of investments meeting at least one of the 2X criteria decreased from 59 percent in 2023 to 56 percent in 2024. The work to strengthen gender equality is particularly challenging in this sector, as it is traditionally relatively male-dominated.

Data from 2024 show that 19 percent of all board members in Swedfund's reporting holdings were women. Over the past three years, the proportion of female board members has been around

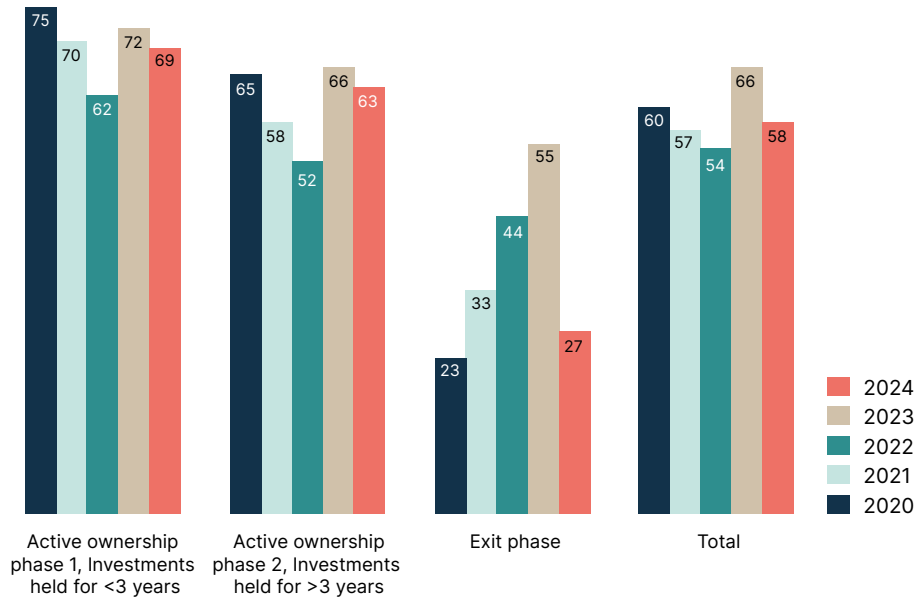
14-18 percent. As in previous years, a significant proportion of portfolio companies reported that they either have no female board members or only one female board member, confirming the need to continue our efforts in this area. The proportion of women in senior positions in Swedfund's portfolio was 30 percent. Financial institutions, such as banks and microfinance institutions, as well as direct equity investments, had a higher proportion of women in senior positions. The proportion of female employees has stabilised between 33 and 35 percent over the past three years and was 33 percent in 2024. The largest contribution here comes from companies financed via funds.

Risks and opportunities

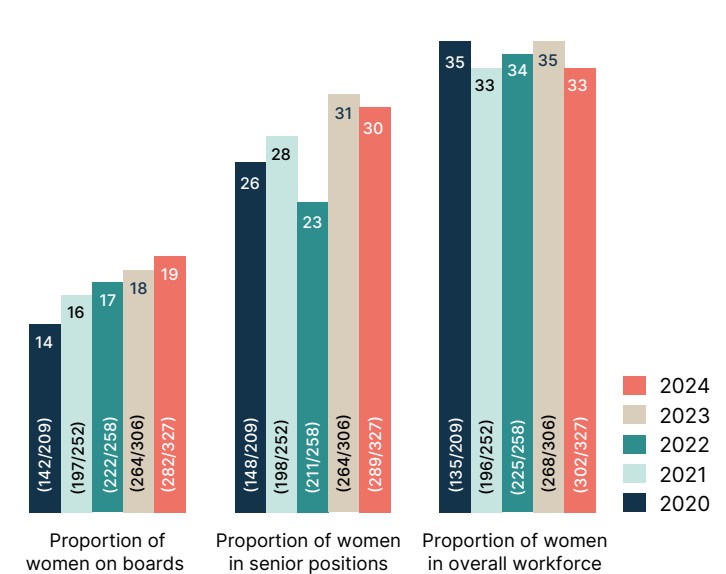
Continuous evaluation is an important part of Swedfund's strategy to promote gender equality and women's economic empowerment. Swedfund systematically reviews both its existing port-

folio and potential investments to assess their contribution and performance in this area. This process enables Swedfund to identify opportunities and challenges, monitor progress and take corrective action where necessary – both by directing funding to women and businesses that can promote their economic empowerment and gender equality, and by influencing industries and contexts where gender disparities persist. Going forward, Swedfund will continue to apply its gender equality perspective in all investment processes and actively cooperate with its portfolio companies on gender-related initiatives. As part of the technical assistance with a focus on gender equality, Swedfund will launch a new e-learning course, Together4Growth, to support men's engagement in gender equality in the workplace. This training will be offered to Swedfund's portfolio companies, together with the Women4Growth programme, as part of Swedfund's Inclusion4Growth programme.

Proportion of investments meeting at least one 2X criterion (% per phase)



Proportion of women on boards, in senior positions and overall



Jobs

TYPE OF GOAL: Other goal



Introduction

Jobs with decent working conditions is key to Swedfund's mission to reduce poverty. This requires long-term and sustainable investments that contribute to responsible businesses that can grow and employ more people. We monitor trends in the number of direct jobs in the portfolio and strive to increase this number over time in the majority of Swedfund's investments. Our portfolio companies also contribute to creating indirect jobs through supply chains, increased consumption and better access to financing and energy.



Policies and frameworks

Swedfund's Policy on Sustainable Development is based on the ILO's Decent Work Agenda, which involves an integrated strategy for development and economic growth that takes into account both the quantity and quality of jobs. Furthermore, the [Guiding Note on Decent Work](#) describes how work-related considerations are incorporated into the investment process.

Materiality

Support for decent work is an important part of Swedfund's commitment to achieving the Sustainable Development Goals (SDGs), with a particular focus on SDG 8 Decent work and economic growth. Swedfund's work is based on the ILO's Decent Work Agenda, which is based on four pillars: employment creation and promoting jobs, guaranteeing rights at work, expanding social protection and promoting social dialogue, with gender equality as an overarching theme. Swedfund invests in countries where informal employment dominates and access to decent work is far from secure, which makes this task particularly important.

Goals and key performance indicators

Swedfund has the following goals and key performance indicators to measure progress with regards to employment:

- Majority of portfolio companies to increase their number of employees.
- Key performance indicators (KPI): The number of jobs in Swedfund's portfolio, growth in the number of jobs and an estimate of the number of indirect jobs.

Actions

Part of Swedfund's strategy is designed to contribute to SDG 8 Decent work and economic growth. Decent working conditions are an integral part of the investment process, which means that all investments are analysed based on relevant risks and opportunities in this area. In addition, Swedfund also supports the portfolio companies through technical assistance, and in 2025 we continued to support our portfolio companies in their efforts to strengthen the implementation of decent working conditions based on our Decent Work Handbook.

Result

Number of jobs in Swedfund's portfolio

In 2024, Swedfund's portfolio companies employed 488,000 people, compared to 421,000 in 2023. This is an increase of approximately 67,000 direct jobs compared to the previous year. The increase is linked to both the expansion of Swedfund's portfolio and organic growth, where existing portfolio companies employed additional personnel. Of the total of 488,000 direct jobs in 2024, approximately 325,000 (67 per cent) were in companies financed through funds.

An alternative way to analyse the creation of jobs within Swedfund's portfolio is to analyse comparable entities. Focusing on the 247 companies in the portfolio in both 2023 and 2024 (not including new or divested investments), 230 companies reported employment figures for both years. Within this comparable group, 50 percent of companies increased their workforce in 2024 (including 20 percent of companies that experienced significant growth, defined as an increase of more than 50 employees). At the same time, 34 percent of companies reduced their workforce during the year. When these changes are combined, around 45,000 new jobs were created by the growing companies, while around 22,000 jobs were lost, resulting in a net gain of around 23,000 jobs among comparable investments.

Indirect jobs

Swedfund's investments also enable indirect jobs in our markets. Initially, investing in a portfolio company can generate increased demand for products and services at subcontractor level, which helps to create more jobs. At the same time, people with higher incomes generally increase their consumption of goods and services, which in turn can generate more work and increased income for people other than those directly employed. An investment that supports access to financing and energy can also enable the establishment and expansion of companies, which in turn leads to the creation of more jobs and poverty reduction.

Using the Joint Impact Model (JIM), Swedfund estimates that its portfolio supported around 3 million indirect jobs in the broader economies of its markets in 2024. This figure is

consistent with development finance benchmarks which indicate that each direct job in such investments typically generates 5 to 7 indirect jobs. In Swedfund's case, the ratio in 2024 corresponded to approximately 6.2 indirect jobs per direct job.

The main driver was increased consumption among employees (spent wages), which corresponded to approximately 1,011,000 indirect jobs. The next important factor was improved access to financing (around 1,008,000 of the indirect jobs are related to this), which reflects the impact of Swedfund's focus on financing small and medium-sized enterprises. Supply chain effects (jobs created at suppliers as a result of purchases from portfolio companies) contributed approximately 632,000 jobs. Finally, improved access to energy (through investments in energy projects) contributed to approximately 384,000 indirect jobs.

Risks and opportunities

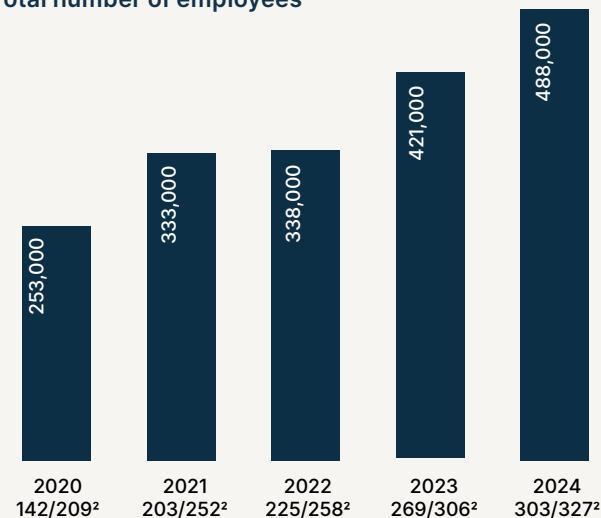
Swedfund's focus on creating jobs entails both opportunities and risks. Our portfolio companies need to grow and achieve profitability in order for impact to remain intact in the longer term. Economic downturns, market challenges or company-specific problems can lead to slower recruitment or even cutbacks. This means that Swedfund must monitor its portfolio and provide support where possible. Furthermore, Swedfund's emphasis on good working conditions is crucial to ensuring that every job is decent and sustainable.

Total number of indirect jobs (estimated)

	2021	2022	2023	2024
Through increased wages spent	417,000	683,000	837,000	1,011,000
Through supply chains	283,000	468,000	421,000	632,000
Through increased access to financing	650,000	428,000	1,015,000	1,008,000
Through increased access to energy	179,000	259,000 ¹	223,000	384,000
Total	1,529,000	1,839,000	2,496,000	3,035,000

1. Revised.

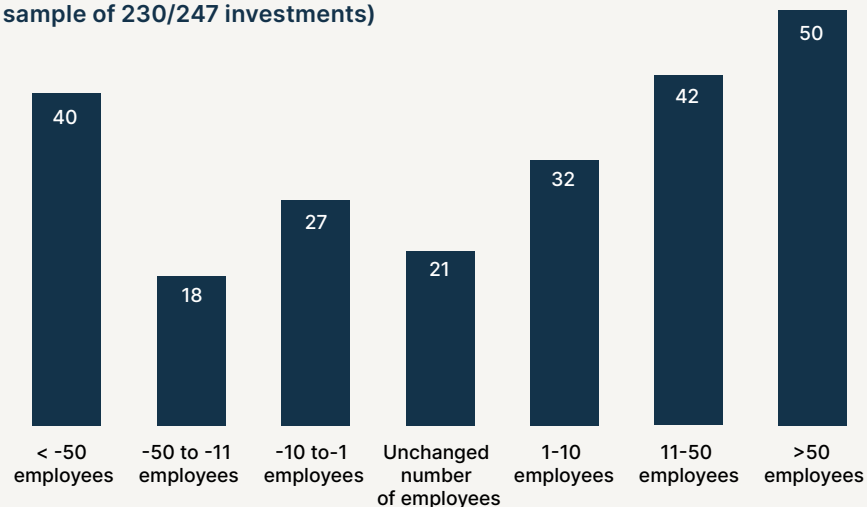
Total number of employees



488 000
Swedfund's portfolio companies contributed to 488 000 jobs in 2024

2. Number of companies with reported data out of the total number of companies in the sample.

Number of companies with change in number of employees (-/+ between 2023 and 2024 per category (comparable entities, sample of 230/247 investments)



Tax

TYPE OF GOAL: Other goal



Introduction

Tax is one of Swedfund's material issues and an important indicator. Profitable and growing companies generate tax revenues, which gives the state more opportunities to finance welfare and economic growth and help reduce poverty. Before investing, we review projects and their structure from a tax perspective.



Policies and frameworks

In line with Swedfund's Tax Policy, our main focus is that taxation should take place where value is created, i.e. in the country of operation, and that the structure through which we invest does not contribute to tax evasion. For example, Swedfund does not participate in investments via intermediate jurisdictions that have not been assessed as complying (to a sufficient extent) with the requirements adopted by the OECD, or that are included on the EU tax blacklist.

Materiality

Swedfund has been collecting data on portfolio companies' taxes and reported taxes by country for many years, as tax payments are considered to be material for Swedfund's development goals. They are a reflection of how investments contribute to economic development: taxes finance public services and welfare, driving poverty reduction. Tax transparency and accountability are also signs of good corporate governance.

Goals and key performance indicators

Swedfund has the following key performance indicators to measure progress with regard to tax:

- Increased tax revenue
- Key performance indicators (KPI): Taxes and other similar items (at least corporation tax), translated into SEK.

Actions

Before an investment is made, Swedfund reviews the project's structure from a tax perspective. We require our portfolio companies to report their tax payments and account for their tax circumstances annually, and encourage them to adopt an active approach to tax matters and to act responsibly regarding taxes. Parallel to this, Swedfund also promotes responsible tax management through ongoing dialogue and advocacy work with other co-investors and partners. Tax data are collected through annual sustainability reports. The definition of the indicator is harmonised with

other development finance institutions and includes taxes and tax-like charges paid to authorities in the country of investment. The geographical distribution of taxes is based on the most recently updated country list. This means that the geographical distribution, particularly for funds with investments in several countries, consists of estimates in some cases.

Result

In 2024, companies financed by Swedfund paid approximately SEK 24.4 billion in tax, an increase compared to SEK 16.9 billion in 2023. The increase reflects improved financial results among the portfolio companies, as well as a larger number of companies reporting tax. Four countries, India, Kenya, Georgia and Nigeria, together accounted for

almost half (45 percent) of the total taxes reported in 2024. In addition, the ten largest tax-paying investments accounted for approximately 74 percent of total taxes. In 2024, Africa accounted for 61 percent of taxes paid and Asia for 38 percent, compared to 66 percent and 33 percent respectively in 2023.

Risks and opportunities

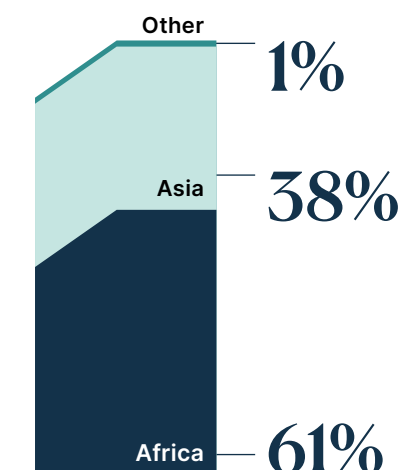
Swedfund is aware that the tax impact may vary depending on the economic situation in a particular market or within the portfolio companies. In addition, changes in exchange rates may affect the carrying amount of tax contributions. Swedfund's approach to responsible taxation also enables collaboration with partners to strengthen sound tax management in various economies.

Tax – countries with the largest tax revenues in 2024 (10 largest (MSEK))

Country	Tax, MSEK			Proportion of portfolio in 2024 (%)
	2022	2023	2024	
India	2,218	2,378	3,064	12.56%
Kenya	3,343	2,761	2,853	11.69%
Georgia	1,077	1,133	2,562	10.5%
Nigeria	2,804	2,146	2,503	10.26%
Vietnam	174	1,057	1,933	7.92%
Egypt	592	647	1,115	4.57%
South Africa	1,110	831	1,101	4.51%
Tanzania	1,494	726	1,069	4.38%
Côte d'Ivoire	752	544	1,023	4.19%
Uganda	407	704	866	3.55%
Other ¹	4,232	3,869	6,313	25.87%
Total	18,203	16,916	24,402	100%

1. The table shows the countries where the portfolio reported the highest tax amounts in 2024 and the respective countries' tax amounts for previous years.

Share of total tax by region in 2024



PILLARS

Sustainability

Decent working conditions

TYPE OF GOAL: Mission objective



Introduction

The core of Swedfund's mission, which is also part of our public policy assignment, is to create more jobs so that people can get out of poverty. It is equally important that these jobs offer decent working conditions.



Policies and frameworks

Swedfund's commitment to decent working conditions follows the ILO's Decent Work Agenda and adheres to IFC Performance Standards, in accordance with Swedfund's Policy for Sustainable Development. The Guiding Note on Decent Work describes how decent working conditions are incorporated into the investment process.

Materiality

Swedfund operates in markets where working conditions in accordance with our requirements are far from given. Swedfund therefore incorporates issues relating to decent working conditions into the investment process to identify, prevent and manage work-related risks. This includes promoting fair pay, ensuring safe and healthy working conditions, counteracting discrimination, supporting freedom of association and collective bargaining, and eliminating unacceptable working conditions such as forced labour, child labour and harassment.

Goals and key performance indicators

Swedfund has the following goals and key performance indicators to measure progress in its efforts to ensure decent working conditions:

- All investments must meet the requirements for decent working conditions in accordance with the ILO's Declaration on Fundamental Principles and Rights at Work within three years of the date of investment.
- Key performance indicators (KPIs): Proportion of investments that comply with the ILO's Declaration on Fundamental Principles and Rights at Work.

Actions

In order to determine whether a portfolio company is complying with the ILO's Declaration on Fundamental Principles and Rights at Work, an assessment is made of whether the company is acting in line with the following principles and rights:

- Freedom of Association and Protection of the Right to Organise, ILO 87, 98.
- Abolition of Forced Labour, ILO 29, 105.
- Equal Remuneration, ILO 100.
- Discrimination (Employment and Occupation), ILO 111.
- Minimum Age and Worst Forms of Child Labour, ILO 138, 182.
- Occupational Health and Safety, ILO 155, 187.

Swedfund's ongoing efforts also encompass the monitoring of developments in the ILO's basic working conditions:

- Hours of Work and Overtime, ILO 1.
- Minimum Wage, ILO 26, 131.

In parallel with the evaluation of a potential investment, the current working conditions are assessed and opportunities for improvement are identified. If Swedfund decides to proceed with the investment, the requirements for improvements will be included in the environmental and social action plan. As active owners, we follow up on action plans and work actively with our portfolio companies.

Result

Swedfund monitors the work on decent working conditions through regular assessments, follow-up and reporting. The following key performance indicators from 2024 illustrate the results in relation to the goals at different stages of the investment cycle:

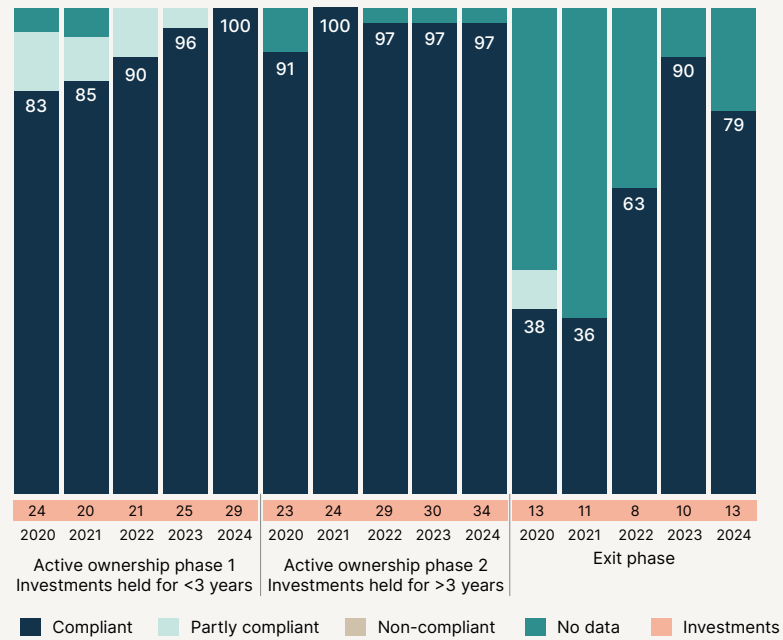
- Active ownership phase 1 (Investments held for ≤ 3 years): 100 percent of these portfolio companies were assessed to act in accordance with the ILO's Declaration on Fundamental Principles and Rights at Work; an improvement compared to the previous year's results for this phase (96 percent).
- Active ownership phase 2 (Investments held for > 3 years): 97 percent of these portfolio companies reported acting in accordance with the ILO's Declaration on Fundamental Principles and Rights at Work, which is in line with the previous year's performance (97 percent). The remaining 3 percent reported no data.
- Exit phase (Investments in divestment process): 79 percent of the holdings in the exit phase were assessed as acting in accordance with the ILO's Declaration on Fundamental Principles and Rights at Work. The remaining 21 percent reported no data. For investments made prior to 2013, our ability to require comprehensive reporting is limited.

Risks and opportunities

Operating in emerging markets means that international labour standards are not always adhered to. However, this represents an opportunity for Swedfund to drive improvements through active ownership, as we may invest in companies that initially do not meet our requirements. In some cases, such as investments made before

2013, limited contractual influence may impede progress and lead us to consider divestments. To support the implementation of the Decent Work Agenda, Swedfund has developed the Good Practice Handbook on Decent Work – a comprehensive and practical guide with tools to help portfolio companies implement decent working conditions in line with international standards. Swedfund will continue this work by producing a series of videos that highlight the concept and benefits to business of decent working conditions, the four pillars of the ILO's Decent Work Agenda and how the handbook can further support the portfolio companies.

Compliance with ILO's Declaration on Fundamental Principles and Rights at Work 2020-2024 (% , per phase of investment process)



Environmental and social management system

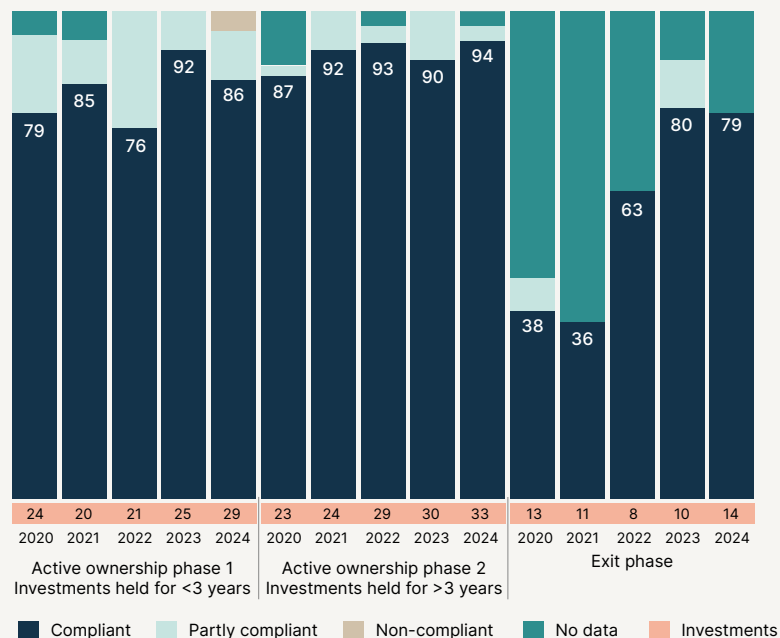
TYPE OF GOAL: Other goal



Introduction

Swedfund's business model and strategy emphasise the importance of building long-term sustainable companies. We required our portfolio companies to have environmental and social management systems in place. It is crucial that such systems are not only established, but also implemented, where companies take active responsibility for managing environmental and social challenges.

Existence of sustainability management systems 2020-2024 (% , per phase of the investment process)



Policies and frameworks

In accordance with Swedfund's Policy for Sustainable Development, we require our portfolio companies to introduce an environmental and social management system that meets key criteria based on IFC Performance Standards. We assess whether the system includes a formal sustainability policy adopted by management, a process to identify relevant sustainability risks and impacts, regular performance monitoring (measurement and evaluation over time within identified areas), clear allocation of responsibility and competence for sustainability issues (e.g. a responsible person in management), emergency response plans for accidents and critical events, regular reporting on sustainability work (at least annually to the company's management, board of directors and to Swedfund), as well as mechanisms for identifying stakeholders, dialogue and transparency.

Materiality

As part of its efforts to manage environmental and social risks and impacts, each portfolio company should identify its material issues and take steps to address them. Setting requirements for international standards, including management systems for sustainability, promotes sustainable development and facilitates the mobilisation of capital and access to other markets.

Goals and key performance indicators

Swedfund has the following goals and key performance indicators for measuring progress in the work on environmental and social management systems:

- An environmental and social management system to be introduced in all investments within three years from the date of investment.
- Key performance indicators (KPI): Proportion of investments where environmental and social management systems have been introduced.

Actions

If the assessment of a potential investment identifies deficiencies in the company's environmental and social management system, these are included in the environmental and social action plans incorporated into the investment agreements. Swedfund also supports the portfolio companies through technical assistance in order to help them introduce or strengthen their management systems. Read more about these initiatives on page 52. Many companies that initially only partially met our requirements have

made progress, and most portfolio companies now have functioning environmental and social management systems in place.

Result

Swedfund monitors the work on introducing environmental and social management systems through regular assessments, follow-up and reporting. The following key performance indicators from 2024 illustrate the results in relation to the goals at different stages of the investment cycle:

- Active ownership phase 1 (Investments held for ≤ 3 years): 86 percent of the portfolio companies held for a maximum of three years were considered to meet all the requirements for environmental and social management systems. 10 percent of the remaining companies met the requirements in part. A new investment made in 2024 is not yet considered to comply with the requirements.
- Active ownership phase 2 (Investments held for > 3 years): 94 percent of companies (90 percent in 2023) held for more than three years met all the requirements in full. This shows that a long-term commitment leads to improvements, with 3 percent considered to meet the requirements in part. The remaining 3 percent have not reported any data.
- Exit phase (Investments in divestment process): 79 percent of the companies in the exit phase were considered to meet the requirements, which is in line with the previous year's result (80 percent). The remaining 21 percent have not reported any data. For investments made prior to 2013, our ability to require comprehensive reporting is limited.

Risks and opportunities

Investing in companies that do not meet our requirements in full at the time of investment involves both risks and opportunities. Such companies may face environmental or social incidents or lack adequate safeguards, which may pose both developmental and financial risks. Swedfund therefore requires these portfolio companies to strengthen their environmental and social management systems and offers technical assistance where needed, to ensure that sustainable systems are established. There is also a risk that in some cases (especially older investments made under previous conditions prior to 2013), we have limited opportunities to require improvements or reporting. Wherever possible, we work with the companies to strengthen their systems over time. In cases where our influence is limited, we may consider exit strategies.

Business integrity management system

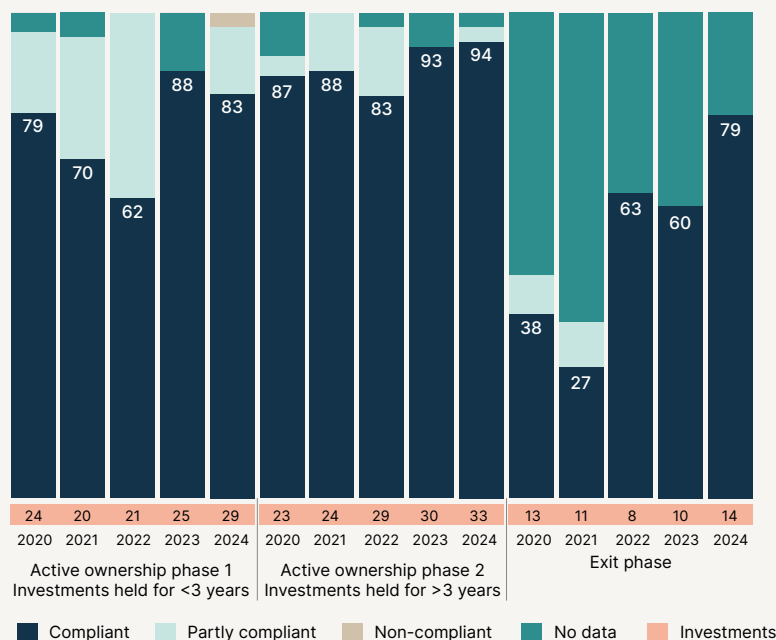
TYPE OF GOAL: Other goal



Introduction

In order for Swedfund to be able to contribute to the development of long-term sustainable companies, we have for many years stipulated a basic requirement: each portfolio company must introduce a business integrity management system.

Existence of business integrity management systems 2020-2024 (% , per phase of the investment process)



Policies and frameworks

In line with Swedfund's Business Integrity Policy, we require each portfolio company to introduce a risk-based business integrity management system (BIMS). The system must have the following key components: a business integrity policy, division of responsibilities in the form of a designated manager, a system of controls to detect and prevent risks related to business integrity, competence in the form of awareness and targeted training for key persons, and regular reporting on business integrity issues. These measures ensure that companies work actively and systematically to prevent corruption and manage integrity-related issues.

Materiality

In the markets where Swedfund invests, the risk of corruption is high, and measures for business integrity are crucial for us to achieve our goals. Business integrity is therefore considered a material issue for Swedfund's investments. We are aware that even with established systems, we can never fully guarantee that individuals will not sometimes make incorrect decisions or that corruption will not occur. We cannot completely rule out the occurrence of irregularities and therefore business integrity remains a priority issue over time.

Goals and key performance indicators

Swedfund has the following goals and key performance indicators for measuring progress in the work on BIMS:

- A business integrity management system to be introduced in all investments within a maximum of three years from the date of investment.
- Key performance indicators (KPI): Proportion of investments where a business integrity management system has been introduced.

Actions

If the assessment of a potential investment identifies deficiencies in the company's business integrity management system (BIMS), these are included in the action plans incorporated into the investment agreements. Swedfund also supports the portfolio companies through technical assistance in order to help them introduce or strengthen their BIMS. Read more about these initiatives on page 52. Many companies that initially only partially met our requirements have made progress, and most portfolio companies now have functioning business integrity manage-

ment systems in place. In 2025, we also continued our collaboration with Transparency International Sweden and UK development finance institution BII, and launched a tool for assessing business integrity risks in order to support our fund managers in preventing and managing business integrity risks.

Result

Swedfund monitors the work on introducing a BIMS through regular assessments, follow-up and reporting. The following key performance indicators from 2024 illustrate the results in relation to the goals at different stages of the investment cycle:

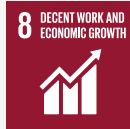
- Active ownership phase 1 (Investments held for ≤ 3 years): 86 percent of the portfolio companies held for up to three years were considered to meet all the requirements for business integrity management systems. 10 percent partly compliant and 3 percent non-compliant.
- Active ownership phase 2 (Investments held for > 3 years): 94 percent of companies held for more than three years met all the requirements. This shows that a long-term commitment leads to high compliance. 3 percent were considered to meet the requirements in part, which is an improvement compared to the previous year (7 percent). The remaining 3 percent have not reported any data.
- Exit phase (Investments in divestment process): 79 percent of the companies in the exit phase were considered to meet the requirements; an increase compared with the previous year's result (60 percent). The remaining 21 percent have not reported any data. The majority of these companies are investments made before 2013. This limits our ability to require full reporting. For investments made prior to 2013, our ability to require comprehensive reporting is limited.

Risks and opportunities

Corruption risk is an inherent challenge in the regions where Swedfund invest – even with management systems in place, we cannot guarantee that individuals will not act unethically. At the same time, the requirement for integrity systems and active cooperation with companies means that we not only protect our investments, but also strengthen companies' ability to meet international standards and access capital. Swedfund will continue to collaborate with the portfolio companies to strengthen their BIMS and offer technical assistance when needed, to ensure that sustainable systems are built with a long-term perspective.

PILLARS

Financial viability



Economically sustainable investments

TYPE OF GOAL: Mission objective

Introduction

The Financial viability pillar in Swedfund's business model is based on the premise that sustainable development is achieved through long-term profitability and growth in the portfolio companies. As part of Swedfund's investment strategy, we seek to mobilise private capital by facilitating co-investments with private sector operators. Capital mobilisation aims to support the development of financially viable companies that contribute to economic and social progress.



Policies, objectives and key performance indicators

Swedfund's Owner instructions state that Swedfund's operations should contribute to long-term sustainable impact and include the following mission objectives related to the financial sustainability and additionality of investments:

- Turnover and profitability to increase in at least 60 percent of the company's investments during the holding period, with the investment year as the base year.
- Swedfund's investment portfolio to mobilise at least 30 percent commercial capital.
- Key performance indicators (KPIs): Proportion of investments that increase both turnover and profitability with the investment year as the base year. Proportion of funds in the portfolio with positive internal rate of return (IRR). Volume of capital mobilised.

Actions

Swedfund's mission is to be additional, meaning we enable investments that would otherwise not have been made. We support the development of economically sustainable companies. For many years, Swedfund has acted as a catalyst and helped to mobilise private capital through co-investments with private operators. The multi-lateral development banks have developed a method for calculating mobilised capital and Swedfund reports annually to EDFI in accordance with this method.

Result

Proportion of investments that increase both turnover and profitability

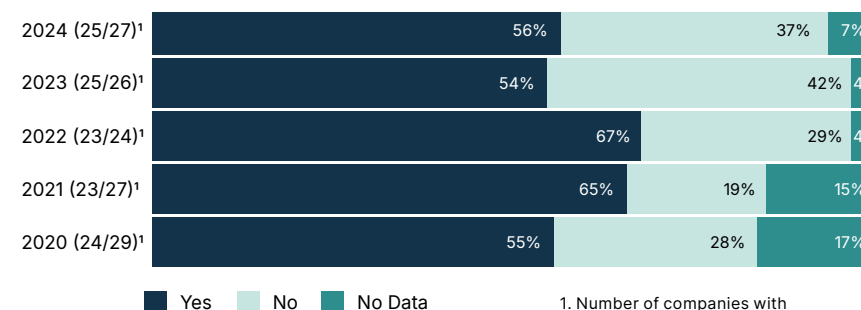
Swedfund's investments are evaluated annually to assess how well they are meeting the mission objectives. In 2024, the number of direct holdings evaluated increased, reflecting the growth of the portfolio. Financial performance also improved, with 56 percent of companies showing growth in both turnover and profitability, up from 54 percent in 2023, but still below the 67 percent recorded in 2022. The results vary due to macro-economic factors such as inflation, global uncertainties and currency volatility.

Proportion of funds with a positive IRR

As per 31 December 2025, 37 percent of the active funds reported a positive IRR. The return is calculated in USD as net IRR, i.e. the accumulated average annual return where both realised and unrealised changes in value are compared with the amount actually invested.

The majority of the funds are relatively young, which explains why most have not yet generated positive results; during this phase, returns are typically negative or low, before value creation and realisations materialise later in the fund's life cycle. The fact that a high proportion of fund holdings can report a positive return over time is an important indicator that

Proportion of direct investments that increase both turnover and profit with the investment year as the base year



■ Yes ■ No ■ No Data

1. Number of companies with reported data out of the total number of companies in the sample.

the investments are economically sustainable and that the funds' underlying holdings demonstrate financial viability.

Capital mobilisation

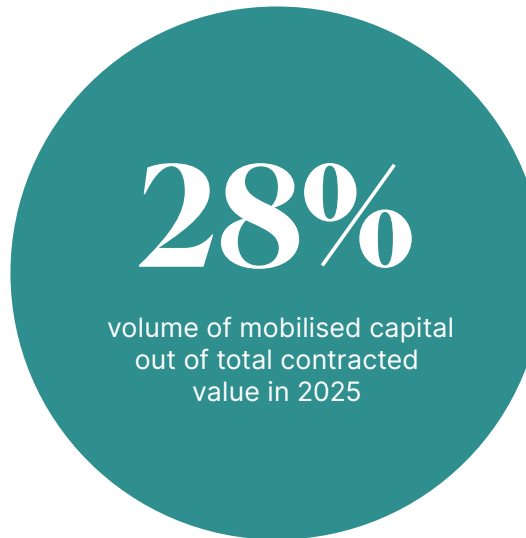
Capital mobilisation, based on the share of private capital in relation to the total value of contracted investments, was estimated at 28 percent in 2025. For the whole of the period 2020 to 2025, the share of mobilised private capital was 31 percent of Swedfund's contracted value, which is slightly above the target level of 30 percent.

Mobilised capital for 2025 is primarily attributable to investments in and co-investments with a number of funds. A financial services company in West Africa stands out as the investment with the highest share of mobilised capital in 2025. A higher proportion of investments in Ukraine influenced the share of mobilised private capital in relation to the total contract value during the year. This is because the projects contracted in Ukraine mainly have other development finance institutions and development banks as co-investors and only a marginal share of private capital.

Risks and opportunities

The financial performance of Swedfund's portfolio in 2024 was affected by external risks, including inflation, currency fluctuations and global economic uncertainty. In addition, the increase in younger funds in the portfolio, which typically require longer time horizons to show returns, impacted the overall IRR performance. The heightened uncertainty and greater risks in the global economy have generally had a negative impact on foreign direct investment in developing countries, making it more challenging to mobilise private capital. Through the investments contracted in recent years, Swedfund has helped attract more long-term private investors and more capital. To scale up its capital mobilisation efforts, Swedfund intends to work actively to mobilise additional capital.

Proportion of indirect investments (funds) with a positive IRR (net)



Grant-funded activities

A variety of tools are needed to increase the overall impact that our operations generate. Swedfund receives grants for initiatives relating to project preparation and support in developing countries.

The government's decision states that the Project Accelerator's mission is to strengthen the capacity of public project owners in low- and middle-income countries to develop projects and carry out procurement that promotes sustainable investments. Grants may be used to fully or partially finance project preparation and project support activities in markets that boost Swedish companies' opportunities to contribute to sustainable solutions and the development of the partner country. Opportunities to support sustainable solutions through digitalisation should be considered.

Funding for technical assistance is used for quality-enhancing initiatives among portfolio companies. In

line with the government's decision, the funds will be used to develop and support Swedfund's investments with a primary focus on sustainability and impact, across environment and climate, human rights, gender equality, decent working conditions, business ethics and business integrity. The funds may be used to develop several investable objects.

Project Accelerator

Swedfund's Project Accelerator is a vital tool in the efforts being made to deliver on the 2030 Agenda for Sustainable Development, the UN's blueprint for people, the planet and prosperity. The initiative aims to support public sector project owners in countries receiving aid, so that more renewable energy, circular solutions, sustainable transport, healthcare and digitalisation projects can be developed and completed. The Project Accelerator acts as a complement to Swedfund's investment activities, particularly in the field of energy. The initiative is also a specific example of how synergies between trade and development cooperation can be utilised and developed.

The need for the Project Accelerator is linked not only to the fact that too few investable projects are being developed, but also to the fact that sustainability aspects are often not considered to the desired extent in the projects that are developed, procured and implemented.



Swedfund's financing is intended to strengthen the capacity for project development and sustainable procurement. In this way, the Project Accelerator helps to ensure that project owners do not commit to costly solutions and technologies that are not sustainable in the long term, and helps to boost business opportunities for companies that offer sustainable and long-term profitable solutions.

The Project Accelerator has been in use since autumn 2016 and is funded through annual grants. The grants for 2025 originate from Expense Area 7 (International Development Cooperation) and amounted to MSEK 270 in total. Of this amount, MSEK 110 was earmarked for initiatives in Ukraine and the surrounding region. The allocated funding includes management costs. In 2025, two new employees were recruited to support the expanded mission and growing project portfolio.

Ongoing initiatives are in different phases of engagement and activity. A total of 36 initiatives were initiated in 2025 and a number of previous initiatives were wound up. Projects are usually preceded by a comprehensive anchoring process before a decision is taken concerning the initiative. The project itself is then carried out over a period of around one to two years, depending on the procurement process and the scope of the initiative. The immediate outcome of the work is normally used as a basis for decision-making, which in turn forms the basis for procuring a sustainable solution to meet the needs of the country concerned. The timing of the procurement will depend on the national, local and financial circumstances of the project owner, particularly its financial situation.

In 2025, operations continued with a strong focus on Ukraine. The war in Ukraine and the economic impacts at the macroeconomic level have been felt in many of the countries in which the Project Accelerator operates. Many countries are experiencing fiscal problems as a result of high inflation and higher interest rates, making it difficult for them to manage their debt levels. In the long run, this will also reduce the scope for investment. The Project Accelerator's coop-

eration with various development banks therefore remained pivotal in 2025 as demand for soft financing increased.

In 2025, Swedfund's Board of Directors decided on strategic goals for sustainable value creation for the Project Accelerator. The proportion of Swedish content will continue to be reported with the goal that 50-60 percent of portfolio projects will be of direct Swedish interest over a five-year period. This includes projects directly connected to Team Sweden (HPO/SPO) or projects in which a Swedish company has expressly confirmed its interest. Other projects contribute to building a pipeline of investment opportunities that may, over time, become relevant for Swedish companies. The second goal aims to measure the implementation of a feasibility study across several different stages. The objective is that 40 percent of the projects where implementation has started will be followed by decisions on financing and/or implementation. This will also be monitored on a rolling basis over a five-year period to account for year-to-year variations.

Project Accelerator, general status

Aggregate	Number
Ongoing	106
Initiatives closed	57

New initiatives began in the following countries in 2025: Colombia, Costa Rica, Dominican Republic, Egypt, India, Indonesia, Kenya, Moldova, Nigeria, Peru, Tanzania, Uganda, Ukraine and Zambia.

Since 2016, the Project Accelerator has also initiated initiatives in the following countries: Albania, Angola, Bolivia, Brazil, Burkina Faso, Côte d'Ivoire, the Philippines, Georgia, Cameroon, Laos, Lesotho, Malawi, Malaysia, Mozambique, Myanmar, Namibia, Rwanda, Senegal, South Africa, South Sudan, Sri Lanka, Vietnam as well as regional initiatives in southern Africa.

The projects are being carried out in Swedfund's sectors Circular solutions, Digitalisation, Sustainable energy, Sustainable transport and Healthcare.

Funds for Technical Assistance (TA)

Technical assistance funds are used to develop and support Swedfund's investments mostly relating to sustainability and impact, including human rights, gender equality, the environment and climate, decent working conditions, business ethics and business integrity. The funds can be used to develop several investment opportunities. TA funds may be used in any country in which Swedfund operates, in accordance with the annual letter of allocation. For 2025, Swedfund was allocated MSEK 18.0 for Technical Assistance, of which MSEK 1.8 was allocated to the administration of initiatives. In addition to the above funds, Swedfund reallocated funds from completed projects to new TA projects in 2025. A total of 14 decisions to fund projects with a combined value of MSEK 17.0 were made in 2025. MSEK 1.8 was used for administration purposes in 2025.

EU TA funds

In 2025, Swedfund had access to EU-financed TA funds linked to the EFSD+ guarantee programmes. These can only be used if an investment utilises the guarantee or if we build a pipeline of projects that can become investable under the guarantee. The funds can be used for capacity-building measures, investment readiness and other activities promoting development in line with the objectives of the different guarantee programmes and EU requirements.





This is Swedfund

Our context

Investments

Project Accelerator

Results and governance

Sustainability notes and other information

TA initiatives - approved 2025	Description
Initiative in the area of human rights	Project to conduct an expanded assessment of human rights in conflict areas and to strengthen a portfolio company's working methods and capacity in this area.
Women4Growth	Additional funding for activities under the ongoing Women4Growth programme aimed at increasing women's empowerment.
Capacity and quality-enhancing initiatives within ESG	Capacity-building training initiative focused on corporate governance and business ethics for board members of portfolio companies in Africa.
Additional funding for capacity-building measures in E&S, human rights and gender equality	Supplementary funds for activities aimed at developing a fund manager's environmental and social management system and strengthening the fund's processes and working methods in the areas of human rights, gender equality and climate action, taking into account the high-risk context of the area.
Investment preparation initiative	Support to an investment platform in Africa aimed at strengthening and preparing small and medium-sized enterprises through targeted initiatives that build and develop their capacity and investment readiness.
Initiative to improve working conditions	Activity in Ukraine to train women in technical and practical skills for the operation of and employment in renewable energy plants, thereby addressing skills shortages and supporting future investments in the local energy sector.
Women4Growth	Implementation of a third phase of the gender programme to strengthen gender equality and inclusion in Swedfund's portfolio companies.
Preventive initiative in the area of business ethics and anti-corruption	Framework project in Ukraine to boost potential investments and existing portfolio companies' capacity and working methods to identify, mitigate and address corruption risks.

TA initiatives - approved 2025	Description
Model for measuring impact	Support for a third phase aimed at institutionalising and disseminating the Impact Measurement and Management System (IMMS) that has been developed for Swedfund's portfolio companies to boost impact.
Initiative to improve working conditions	Initiative for portfolio companies in Ukraine aimed at promoting employment and social inclusion of people with disabilities by creating accessible workplaces and inclusive office environments in four departments at portfolio companies in Ukraine.
Initiative to improve working conditions	Supplementary funding for projects to promote employment and social inclusion at portfolio companies in Ukraine.
Capacity and quality-enhancing initiatives within ESG	Project with aims to assist potential and existing portfolio companies in Ukraine to become investable by supporting companies in developing, introducing and maintaining effective systems to identify and manage environmental and social risks.
Gender equality	Activity for portfolio companies in Southeast Asia aimed at increasing women's representation in management roles by building a sustainable network and programme that identifies, develops and matches senior women to management positions, e.g. board and investment committee roles.
Capacity and quality-enhancing initiatives within ESG	Activity to update and develop portfolio company policy and procedures and provide training in the areas of environment, social responsibility and business integrity to underpin the company's risk management and performance monitoring.

Swedfund's performance

Swedfund is Sweden's development finance institution with the mission of reducing poverty through sustainable investments in developing countries. Swedfund is wholly owned by the State and managed by the Ministry of Finance. Its business operations are financed through capital contributions from the owner and from the returns generated by the investment portfolio. Swedfund invests in equity and loan instruments, in companies and financial institutions and through funds. This section presents Swedfund's performance and financial position for the 2025 financial year, as well as follow-up on the financial goals defined by the owner.

Investing activities

Portfolio

In 2025, work on developing and changing the composition of the portfolio continued in line with Swedfund's strategy to invest within four sectors: Energy & Climate, Financial Inclusion, Sustainable Enterprises and Food Systems. In 2026, the sector classification will be adjusted to three sectors, where investments in sustainable growth companies are integrated into the other sectors. In 2025, Swedfund contracted twenty-two (22) investments, of which nineteen (19) were new portfolio holdings and three (3) were additional investments in existing portfolio holdings. The total contracted value of all investments contracted during the year was just over MSEK 3,750, split between ten (10) equity investments (of which five (5) through private equity funds and three (3) co-investments) and twelve (12) loan investments (of which two (2) through credit funds). The investments contracted in 2025 are described below under the sections for the relevant sector. One port-

folio holding was closed completely during the year. This related to a loan that was repaid in full. Net capital gains during the financial year from the sale of equity and participating interests amounted to MSEK 207 (244) net, where the capital gain in 2025 was attributable in its entirety to partial divestments in a number of equity funds; a partial divestment in South Asia Growth Fund II in Q2 had the greatest individual impact on net profit/loss for the year. The book value of Swedfund's portfolio of equity, fund units and loans amounted to MSEK 7,550 (6,121) as of 31 December 2025. At the end of the year, unrealised surplus values of shares and fund units amounted to MSEK 497 (1,107), measured at fair value. Together with contractually agreed, but as yet unpaid commitments of MSEK 5,981 (5,931), the total value of the portfolio was MSEK 14,028 (13,159) at the end of the year. The change in value of the portfolio was mainly due to the twenty-two contracted investments, the total value of which was significantly higher than the value of portfolio holdings that were partially or completely closed during

the year. In 2025, the value of the portfolio expressed in Swedish kronor (SEK) was adversely affected by currency translation, as the SEK strengthened significantly during the year, particularly against the USD, which is the most common transaction currency in Swedfund's investment portfolio. The return on the investment portfolio, expressed as IRR, fell slightly in 2025 and is expected to amount to 5.1 percent at the end of the year, compared with 5.6 percent at the end of the previous year. IRR is calculated in USD, which is the main transaction currency, and relates to the total portfolio with the 2013 investment year as the base year.

Investments Energy & Climate Sector

In 2025, Swedfund continued to invest in the Energy & Climate sector, with a focus on renewable energy investments and other solutions that contribute to reduced emissions and climate adaptation. Access to cost-effective, reliable and sustainable energy is one of the UN's Sustainable Development Goals.

The technical prerequisites for energy supply through renewable sources are often very good in developing countries, yet many energy projects cannot be implemented due to lack of knowledge or funding. The Energy & Climate sector's share of the contracted value of the total portfolio fell slightly during the year and was 38 percent as of 31 December 2025. Four (4) investments were agreed in the Energy & Climate sector during the year. These are presented below:

- An investment in Solar Saver of up to MUSD 10 in equity capital was contracted in Q4. Solar Saver develops, owns and operates small-scale solar and battery plants that supply power directly to businesses. The company operates in South Africa, Namibia, Botswana and Zambia and currently operates over 700 plants with a combined capacity of around 140 MW. Swedfund's investment in Solar Saver is expected to contribute to reduced carbon emissions, a more reliable power supply and increased competitiveness for small and medium-sized businesses. The investment is a co-investment with Dutch development finance

institution FMO and the Evolution III fund, in which Swedfund has previously invested as a shareholder.

- Equity investment in Helios Climate, Energy. Swedfund committed up to MUSD 20 to the Adaption and Resilience Fund (Helios CLEAR) in Q4. Helios CLEAR is a pan-African growth equity fund managed by Helios Investment Partners. The investment in Helios CLEAR is expected to contribute to cuts in emissions, strengthened resilience and more green jobs - three crucial factors for sustainable and inclusive growth.
- Another equity investment in Q4 was a commitment of MEUR 20 to Amber Dragon Ukraine Infrastructure Fund I (ADUIF). This is an equity fund that invests in renewable energy, logistics, mobility and digital infrastructure in Ukraine. The investment in ADUIF is expected to help the reconstruction of Ukraine and support the country's economic resilience. Swedfund made the investment in the fund's first close together with Danish development finance institution IFDK and a number of multilateral development banks.
- A loan investment of up to MUSD 40 was agreed in Q4. The investment will be made through a loan to a major infrastructure fund where co-investors include development banks, development finance institutions and a number of private investors. The fund has a broad geographical investment mandate in developing countries in Latin America, Africa and Asia. Swedfund's investment will focus on climate action and digital infrastructure and is also expected to help mobilise private capital.

Financial Inclusion sector

In developing countries, small and medium-sized enterprises account for the majority of all jobs and are therefore a driving factor for the countries' economic and social development. The lack of funding is one of the most restrictive factors in terms of

SME growth. Swedfund's investments in the Financial Inclusion sector may be made directly in regulated banks, financial institutions and microfinance institutions as well as through credit funds. The sector showed strong growth during the year and accounted for 35 percent of Swedfund's total investment portfolio at the end of 2025. Eleven (11) investments were agreed in the Financial Inclusion sector during the year:

- A loan agreement of up to MUSD 25 was contracted with Indonesian company PT Amarta Mikro Fintek (Amarta) in Q1 2025. Founded in 2010, Amarta is now a leading microfinance technology platform seeking to integrate micro and small entrepreneurs into the digital economy. Amarta's loan products are mainly aimed at women entrepreneurs who run micro, small and medium-sized enterprises in rural Indonesia. Swedfund's investment will enable Amarta to reach more women entrepreneurs through responsible lending, creating more job opportunities and advancing digital innovation and capacity building. Swedfund is providing the loan together with a number of other international development finance institutions under the leadership of the International Finance Corporation (IFC).
- An equity investment was agreed in Q1 through a commitment of up to MEUR 26 in AfricInvest's Financial Inclusion Vehicle (FIVE). FIVE is a platform established in 2017 by AfricInvest to support financial institutions in Africa. Other former investors in the platform include the Norwegian, Danish, German, Dutch and Belgian development finance institutions as well as African multilateral development banks and pension funds. Through its investment in FIVE, Swedfund will contribute to strengthening the capital base of selected financial institutions in Africa. FIVE invests in a mix of traditional and digital financial service providers – including banks, insurance companies and fintechs – which can enable the development

of the financial ecosystem, job creation and economic growth in Africa.

- An investment of up to MUSD 15 in TLG Africa Growth Impact Fund II (TLG II) was contracted in Q2. TLG II is a credit fund that focuses on small and medium-sized enterprises (SMEs) in several African countries. The fund is based on an innovative structure that combines flexible and long-term loans to SMEs with capital commitments and guarantees from local banks. The investment in TLG II is expected to help give more small and medium-sized enterprises in Africa access to loan capital to develop and grow their businesses. Swedfund has invested in the manager's previous fund, TLG Credit Opportunities Fund, since 2018 and invests in TLG II together with Norfund, IFC and BPI France.
- A loan investment via credit funds was contracted in the period through a commitment of up to MUSD 20 in BluePeak Private Capital Fund II (BluePeak II). Like TLG II, BluePeak II focuses on the whole of Africa, but with the difference that medium-sized enterprises are the primary target group. BluePeak II has a clear focus on social impact and inclusive growth, and is expected to invest in loan instruments in a number of sectors such as food production, pharmaceuticals, packaging solutions and financial services. The fund is 2X Challenge qualified, which means that investments actively support women's economic empowerment. Swedfund participated in the fund's first close together with other development finance institutions such as FMO, BII and SIFEM. Swedfund has invested in the fund manager's first credit fund since 2022.
- A loan agreement of up to MUSD 20 was reached with Mutual Trust Bank PLC (MTB) in Bangladesh in Q2. The loan to MTB is intended to be used primarily for the bank's lending activities to micro, small and medium-sized enterprises (MSMEs) and more than a third of the loan is earmarked for climate financing in renewable energy and energy efficiency projects. The loan to MTB complements Swedfund's investment portfolio by being the first investment in Bangladesh.
- An additional loan agreement with a new portfolio company was contracted in Q2 through a commitment of up to MUSD 35 with NMB Bank Plc (NMB) in Tanzania. NMB is one of the largest banks in Tanzania and is considered a systemically important bank. Swedfund's investment in NMB is focused on the bank's lending in the MSME segment, where increased access to financing creates conditions for sustainable economic growth and job creation. The loan to NMB is a syndicated transaction led by Citibank. Swedfund provides long-term financing, which complements Citibank's shorter-term financing and enables a larger overall financing package for the bank.



- An extended loan commitment of up to MUSD 10 to existing portfolio holding Platcorp Holdings Ltd was contracted in Q2. Platcorp is a microfinance institution focused on lending to MSMEs in a number of African countries. Swedfund's loan will be used for Platcorp's continued development of its lending operations in Kenya, Uganda, Tanzania and Zambia. The investment will help strengthen financial services in communities with limited access to capital, and will support Swedfund's overall goal of inclusive and sustainable economic development in low-income countries. Swedfund has previously invested in three loans to Platcorp, two of which have been repaid in full.
- Up to MUSD 15 in equity capital for the newly established investment platform Growth Investment Partners Zambia (GIP Zambia) was contracted in Q3. GIP Zambia is an initiative launched together with British development finance institution BII and Zambia's pension authority NAPSA, with total capital initially invested in the platform amounting to MUSD 70. The investment aims to strengthen Zambia's private sector, which, through increased access to long-term and flexible financing in local currency for small and medium-sized enterprises (SMEs), is expected to contribute to more jobs and sustainable economic growth.
- A loan of up to MUSD 15 to Select Finance Africa Ltd (Select) was contracted in Q3. Select is a microfinance institution operating mainly in Eswatini, Lesotho and Malawi. Lending is primarily aimed at private individuals in employment who do not have the opportunity to obtain loans and financial services from a traditional bank. The loans provided by Select are mainly used for investments in housing, training and the development of micro-enterprises. Swedfund's loan to Select will enable continued growth in lending and potential expansion to new markets.

- A loan of up to MUSD 20 was contracted with EVF General Finance JSC (EVF) in Q4. EVF is one of Vietnam's leading non-banking financial institutions offering a wide range of financial services focused on lending to micro, small and medium-sized enterprises. Through the loan to EVF, Swedfund is providing long-term financing that is crucial for small business growth, climate transition and job creation. The loan is specifically aimed at climate action projects and businesses owned by women. The transaction was carried out together with Austrian development bank OeEB.
- An additional loan of MUSD 20 to existing portfolio holding Credit Access Grameen, an Indian microfinance institution, was also agreed in Q4. Credit Access has been a portfolio holding since 2021 and is the largest non-banking microfinance institution in India. The extended loan will contribute to Credit Access's ability to grow in its priority segments, which are primarily women-led micro and small enterprises in rural areas.

Sustainable Enterprises sector

Strengthening the growth and resilience of small and medium-sized enterprises in developing countries is crucial for local job creation, the accessibility of products and services, tax revenue and women's economic empowerment. The Sustainable Enterprises sector is helping to increase venture capital, which in turn will strengthen the business community in the countries in which Swedfund invests. The sector invests broadly in a range of industries where digital business models, gender equality and health are priority issues. Investments are usually made using equity as an instrument, both directly and through funds. The sector's share of Swedfund's total investment portfolio was 22 percent at the end of 2025, and a total of five (5) investments were contracted during the year.

- An equity investment of up to MUSD 10 in Nigerian company Moniepoint Inc. was contracted in Q3.

Moniepoint is a fintech company offering payment solutions and financial services to MSMEs and private individuals. A large proportion of the adult population in Nigeria lacks access to basic financial services and players such as Moniepoint can play a crucial role in giving more individuals and companies access to payment solutions and financing. Swedfund's investment is made as a co-investment in a consortium led by fund manager Development Partners International (DPI) and its third fund African Development Partners III, in which Swedfund has previously invested as a shareholder.

- A commitment of up to MUSD 15 in equity fund Excelsior Capital Vietnam Fund II (Excelsior) was contracted in Q3. Excelsior is a private equity fund focused entirely on investments in SMEs in Vietnam across a range of sectors, including consumer services, healthcare, education, food systems, manufacturing and digital services. The investment in Excelsior will increase access to financing for SMEs in Vietnam and thereby contribute to economic growth and local job creation.
- An agreement on an additional investment in existing portfolio company Jacaranda Maternity was reached in Q4. Jacaranda is a private health-care company operating maternity and childbirth clinics in Kenya. The investment consists of an additional convertible loan of up to TUSD 600, where the capital will be used primarily for ongoing expansion of the business by increasing the number of clinics and care capacity.
- An equity investment of up to MUSD 15 in the Rebuild Ukraine Fund (REBUF) was contracted in Q4. REBUF is a generalist fund with the primary objective of supporting reconstruction in Ukraine through private sector development. The fund is managed by Dragon Capital, which has been operating in Ukraine since 2000. Swedfund is investing in REBUF together with a number of development banks and development finance

institutions and the investment is considered to have a high degree of additionality and to contribute to strengthening Ukraine's economic resilience.

- Another equity investment in Ukraine was contracted in Q4 through a commitment of up to MEUR 5 in the Ukraine Phoenix Tech Fund (UPTF). The fund is a venture capital (VC) fund focused on investing in small technology and IT-driven companies in the early phase through equity capital. Swedfund invested in the fund's first close together with a number of other development and investment banks. The investment is expected to help strengthen Ukraine's economic resilience, job creation and sustainable growth, as well as have a positive impact on the country's ecosystem for technology-driven startups.

Food Systems sector

In developing countries, agriculture and food production employ a high proportion of the population and constitute an important part of many countries' economies. Despite good conditions for agriculture and food production in many cases, it is estimated that Africa imports up to 65 percent of the continent's food. In many countries, a large proportion of the food produced never reaches the market and becomes waste. At the same time, food security is exacerbated by factors such as climate change, geopolitics, war and rapid population growth. In the Food Systems sector, Swedfund aims to invest across the entire value chain for agriculture and food production. At the end of 2025, the sector's share of the total investment portfolio amounted to just over 4 percent after two (2) investments were contracted during the year.

- In the Food Systems sector, an investment through a loan commitment of up to MEUR 20 in MHP SE (MHP), a leading Ukrainian producer of poultry and sunflower oil, was agreed in Q3. MHP employs over 30,000 people in Ukraine, more

than 40 percent of whom are women. Through its investment in MHP, Swedfund is contributing to Ukraine's economic resilience and helping to secure local jobs and export opportunities. The investment is part of a financing package totalling MEUR 100 together with the European Bank for Reconstruction and Development (EBRD) and UK development finance institution BII.

- In this sector, an equity investment in Arya Collateral Warehousing Services Private Ltd (Arya) through a commitment of up to MUSD 7.5 was agreed in Q4. Arya is an agri-tech company in India that uses its commercial platform to connect local farmers with buyers of grain and other agricultural products. The investment in Arya is a co-investment through a consortium led by GEF Capital partners and the South Asia Growth Fund III, in which Swedfund has invested as a shareholder since 2024. The investment in Arya is expected to help boost resource efficiency and economic and climate resilience for small-scale farmers in rural India.

Disposals

In 2025, one (1) portfolio holding was closed completely in relation to a loan.

Divestments of equity and participating interests

No portfolio holdings were divested in full in 2025.

Termination of loan

In 2025, one loan was repaid in full; a loan of MUSD 10 to financial institution LOLC in Sri Lanka was repaid in full as per the terms of the agreement.

Earnings performance

Financial goal

Swedfund's financial objective is that the operating result (EBIT), excluding the impact from earmarked investments in Ukraine, should be positive over a

rolling five-year period. This objective requires the Company's operations to be financially viable and cost-effective for taxpayers. The financial goal is long-term and has to be evaluated over an extended period of time. Swedfund reports positive EBIT for 2025, excluding currency effects. A summary of EBIT for the last five-year period 2021-2025 (Five-year summary, page 93 shows that total operating profit amounted to MSEK 45, which means that the financial goal was achieved at the end of 2025. Performance and the achievement of objectives are largely affected by exchange rate effects. The impact of currency on earnings is characterised by high volatility, given that no currency hedging has been applied.

EBIT for the 2025 financial year amounted to MSEK -589.0 (376.4). The negative performance in 2025 was largely influenced by currency, the majority of which was due to unrealised exchange rate effects in Swedfund's loan portfolio and unrealised exchange rate effects included in the revaluation of shares and participating interests. Given the limited size of the investment portfolio, individual transactions and exchange rate effects can have a major impact on EBIT, which can therefore fluctuate significantly, both negatively and positively, and between quarters and years. EBIT excluding exchange rate effects (or other key performance indicator) amounted to MSEK 68.6 (68.7) during the year and is presented in more detail in Note 8.

Comments on the return on investing activities

One holding in the portfolio was closed completely during the year, which was a loan. Swedfund's return on investing activities during the 2025 financial year was MSEK -399.6 (538.1). The weakening of the Swedish krona against the USD and EUR in particular during the year had a negative impact on the return from investing activities through unrealised exchange rate effects when valuing the holdings in the portfolio. For the loan portfolio, the effects from

currency are reported in the exchange rate effects line item, while the effects from currency for shares and participating interests are included in the net impairment line item. In addition to exchange rate effects, earnings during the year were positively affected by capital gains from partial divestments in a number of equity funds.

Shares and fund units

Shares and participating interests in the investment portfolio had a book value of MSEK 4,279 (3,638) and a reported excess of MSEK 497 (1,107) at the end of the financial year, see Note 22. Swedfund's investing activities generated dividend income of MSEK 49.8 (31.1) in 2025. Dividend income during the year is relatively evenly distributed between reflows from credit funds and equity funds. Net capital gains from the sale of equity and participating interests for the full year 2025 amounted to MSEK 206.5 (243.7). Transactions during the year with the greatest impact on net capital gains came from partial divestments in the GEF South Asia Growth Fund II. No full exits of direct equity holdings were completed in 2025.

Net interest income

Loan receivables in the investment portfolio had a book value of MSEK 3,272 (2,483) at the end of the year. Net interest income for the full year 2025 amounted to MSEK 240.5 (224.7). The interest income has during the year been positively affected by increased lending and negatively affected by currency translation.

Other portfolio income and portfolio expenses

Other portfolio income refers to, for example, board fees in portfolio companies. Other portfolio expenses refer to direct costs attributable to active projects and investments, such as legal expenses and fees paid to external advisers, as well as other costs in connection with due diligence. The net amount of other portfolio income and other portfolio expenses

for the full year 2025 was MSEK -10.1 (-8.9). Swedfund's growing investment portfolio, with a higher number of projects in the late evaluation phase, is the main reason behind the higher other portfolio expenses compared with the previous year.

Exchange rate effects

Reported exchange rate effects for the 2025 financial year amounted to MSEK -408.9 (179.9). The profit/loss line includes both realised exchange rate gains and losses as well as unrealised exchange rate effects for loans receivable, which were affected by the strengthening of the Swedish krona in 2025. Given Swedfund's strategy of not hedging loan receivables against currency, reported exchange rate effects correlate with exchange rate fluctuations in the currency market between Swedish kronor and particularly USD and EUR.

Impairments (measured at fair value) and credit losses

Swedfund operates in difficult geographical markets whilst the size of the portfolio is limited. For the valuation of shares and fund units (including holdings of equity in group companies, associated companies and joint ventures), Swedfund follows the IFRS by applying RFR2. This means that impairment is recognised in the income statement in cases where the fair value is less than the book value. This can lead to large variations in impairments (net) between different reporting periods. If a surplus value compared with the acquisition cost can be shown when measuring at fair value, this surplus value is reported in the notes. As of 31 December 2025, the unrealised surplus amounted to MSEK 497 (1,107), see also Note 22. For the 2025 financial year, impairments of shares and fund units (net) amounted to MSEK -408.8 (-60.0). Currency translation had a negative impact on impairments during the year of approximately MSEK 253,3 which means that the underlying change in the value of equity and fund holdings recognised in the income statement is approximately

MSEK -155,5. Changes in value mainly affect equity investments (Sustainable investments), but also equity investments in Energy & Climate. The valuation of loans under IFRS 9 had a negative impact in 2025 due to expected credit losses, resulting in an effect on profit of -68.6 MSEK (-72.5). The negative effect on earnings during the year was mainly due to higher loss provisions for a loan.

Comments on operating profit (EBIT) and financial expenses

Swedfund's operating profit (EBIT) for 2025 was MSEK -589.0 (376.4). The negative performance and the difference compared with the previous year were primarily due to currency translation effects and capital gains from the sale of fund units.

Recurring income from net interest and dividends also exceeded operating expenses by a good margin in 2025. As the effects of currency translation have a significant impact on reported earnings, Swedfund has introduced an alternative key performance indicator as of 2022, where the exchange rate effects on net income from investing activities are not included in reported operating profit. Currency effects on net income arise primarily from the revaluation of portfolio holdings, where exchange rate effects from loan instruments are reported on a separate line in the income statement, while the corresponding exchange rate effect for shares and fund units is recognised in the income statement through net impairments. In addition to this, certain exchange rate effects are also recognised in the

income statement through shares and fund units as well as net interest income. For further information on the alternative key performance indicator, see Note 8. For the full year 2025, EBIT excluding exchange rate effects was MSEK 68.6 (68.7). The positive performance in 2025 was mainly due to capital gains from the divestment of fund units that exceeded the total effect on earnings of the year's impairments and expected credit losses.

Other operating income and expenses

The separate lines in the income statement 'Other operating income' and 'Other operating expenses' relate to the activities within Technical Assistance and Swedfund Project Accelerator, which are funded through separate grants. These income and expenses

amounted to MSEK 0 (0) net for the 2025 financial year. Swedfund's costs are normally covered in full by the grants, which means that these activities do not have a direct impact on the Company's financial results.

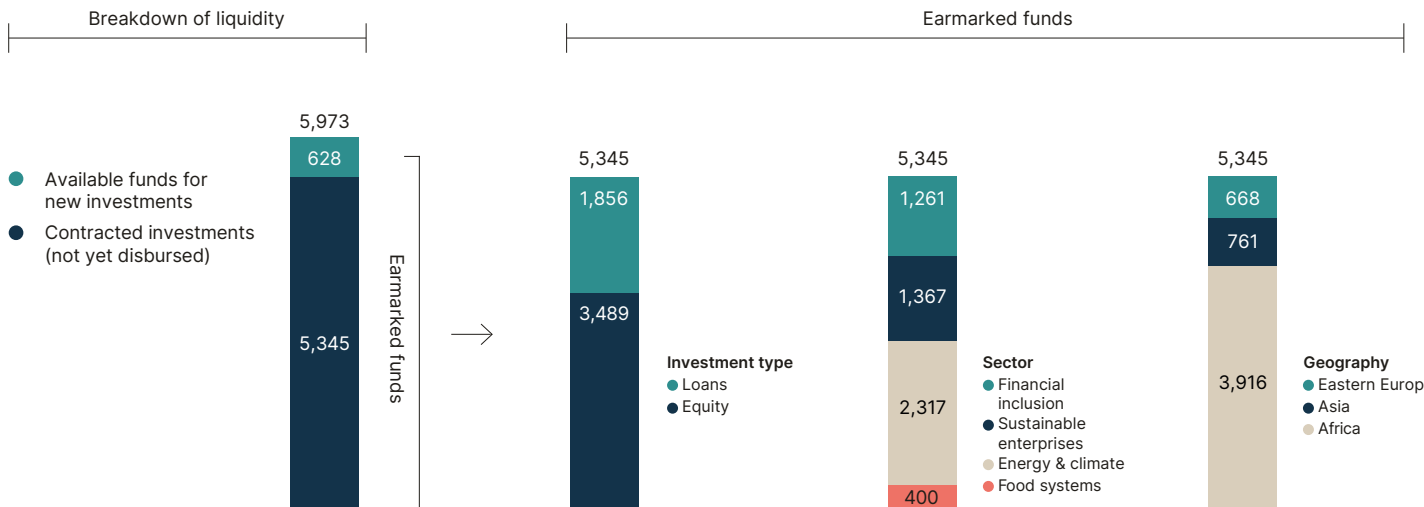
Other external costs and personnel costs

The Company's other external costs amounted to MSEK -55.9 (-51.6) in the 2025 financial year, where the increase in costs is mainly due to IT-related costs, licences, external consultants and costs for office premises. Personnel costs during the year amounted to MSEK -130.8 (-108.6), where the increase in costs during the year is explained mainly by continued growth in the average number of employees, including through the establishment of regional offices in Kyiv and Bangkok and the expansion of the regional offices in Côte d'Ivoire and Kenya.

Other financial items

Net income from other financial items in 2025 amounted to MSEK -344.1 (547.3) and is attributable to Swedfund's financial management in the form of cash and cash equivalents and interest-bearing securities. Surplus liquidity is managed in low-risk securities with a short duration in accordance with the Company's Financial Policy. During the year, surplus liquidity was invested in fixed-income securities in the same currency as Swedfund's contractual commitments and in Swedish kronor. As a large proportion of liquidity management is invested in interest-bearing instruments in USD and EUR, this entails a currency translation effect, which had a negative impact on other financial items during the year.

Distribution of own funds as of 31 December 2025, MSEK



Taxes

The estimated tax recoverable on net profit/loss for the year was MSEK 157.4 (tax liability -153.8) in the 2025 financial year. See also Note 10 for calculation of tax on profit for the period.

Financial position

With the exception of Technical Assistance and the Project Accelerator, which are funded through grants, Swedfund is financed through equity, i.e. capital contributions and accumulated profit. For 2025, the government approved a capital contribution of MSEK 1,800, which was called off in full. At least MSEK 600 of this capital contribution will be used for increased climate investments and a maximum of MSEK 500 will be used for investments in Ukraine. The financial position is strong and the equity/assets ratio as of 31 December 2025 was 95 percent (95). For 2026, the Swedish Parliament has decided to allocate a capital contribution of MSEK 1,800 to Swedfund in the government budget. At least MSEK 600 of this capital contribution will be used for increased climate investments and a maximum of MSEK 700 will be used for investments in Ukraine. Swedfund's cash and cash equivalents, including interest-bearing securities, amounted to MSEK 6,621 (7,138) as of 31 December 2025, of which MSEK 5,974 (6,595) relates to funds that Swedfund can have at its disposal for investing activities. Reserved 'earmarked funds' for contracted investments amounted to MSEK 5,345 (5,320) as of 31 December 2025, while funds available for new investments amounted to MSEK 628 (1,274). Cash and cash equivalents are reserved for contracted investments in order that the Company is able to fulfil its future obligations in connection with payment. 100 percent is reserved for direct investments in equity and loans, while 50-90 percent of the contractual commitment is reserved for co-financing facilities and funds. Reserved and earmarked funds for future investments

corresponded to 71 percent of Swedfund's contracted commitments at the end of 2025.

Cash flow

Cash flow from operating activities, before changes in working capital, was negative and amounted to MSEK -248.9 (561.1). Including changes in working capital, cash flow from operating activities was MSEK -231.4 (509.3). Cash flow from investing activities amounted to MSEK -2,189.6 (-887.0) and shows a continuing high level of investment in 2025. The growth in the portfolio through the acquisition of new financial assets significantly exceeds disposals. Cash flow from financing activities amounted to MSEK 1,800.0 (1,760.0), which corresponds to the capital contribution for 2025. Total cash flow for the year amounted to MSEK -621.0 (1,382.3).

Employees

The average number of employees in 2025 was 98 (85). On average, 86 employees worked at the office in Stockholm, six employees at the office in Nairobi (Kenya) and six employees at the office in Abidjan (Ivory Coast). See also Note 5.

Risks

As a development finance institution, risk is pivotal to our business. Swedfund invests in countries and environments where the risks are more numerous and potentially more serious than in developed markets. Read more about risks and risk management in Swedfund's operations on pages 30-33 and about financial risks in Note 21.

Corporate governance

In accordance with the Swedish Annual Accounts Act and the Swedish Corporate Governance Code, a separate corporate governance report with a section on internal control has been prepared. The Corporate Governance Report is included on pages 125-129 of this Integrated Report.

Board of Directors

At the Annual General Meeting on 25 April 2025, Catrina Ingelstam, Josefine Ekros Roth, Roshi Motman, Catrin Fransson, Anna Stelling Caroleine af Kleen and Johan Mörnstam were re-elected as Board members. Torgny Holmgren resigned as a member of the Board of Directors. Catrin Fransson was re-elected as Chair of the Board.

Proposal for appropriation of profit

The Board proposes that profit be appropriated as follows:

	2025
The following funds are at the disposal of the Annual General Meeting:	
Retained earnings	12,129,382,539
Capital contribution	1,800,000,000
Net profit/loss for the year	-775,605,593
The Board of Directors proposes that the funds available to the Annual General Meeting be allocated as follows:	
To be carried forward	13,153,776,946



Five-year summary

Amount in MSEK	2025	2024	2023	2022	2021
Income Statement					
Income from shares and fund units	256	275	89	103	126
Net income from group companies, associated companies and joint ventures	-	-	3	2	-
Income from interest-bearing instruments	240	225	228	114	85
Net income from other portfolio income and portfolio expenses	-419	171	-91	142	54
Net result from write-downs, credit losses and foreign exchange effects	-477	-132	-201	-107	19
Income from investing activities	-400	538	27	255	284
Net income from other operating income and expenses	-189	-162	-131	-104	-87
Operating profit (EBIT)	-589	376	-103	151	197
Operating profit (EBIT), excluding Ukraine	-576	376	-103	151	197
Income from other financial items	-344	547	95	166	47
Earnings before tax	-933	924	-8	317	244
Financial goal					
EBIT - rolling 60 months, not incl Ukraine	45	249	-86	28	-73
Alternative key performance indicators					
Income from investing activities excluding exchange rate effect	258	230	115	49	118
Operating profit (EBIT) excluding exchange rate effect	69	69	-16	-55	31
Operating result ¹	101	94	132	33	26
Financial position					
Shares and fund units	4,258	3,617	2,788	2,185	1,704
Participating interests in group companies, associated companies and joint ventures	20	20	20	20	27
Loan receivables	3,272	2,483	2,182	1,916	1,560
Equity	13,745	12,721	10,191	8,768	7,314
Total assets	14,431	13,409	10,669	9,160	8,221
Equity/assets ratio (%)	95%	95%	96%	96%	89%

Amount in MSEK	2025	2024	2023	2022	2021
Investing activities					
Capital contribution	1,800	1,760	1,460	1,200	1,000
New (contracted) investments	3,752	2,726	2,540	2,097	1,109
Contracted portfolio including surplus values	14,028	13,159	10,073	8,435	5,864
Portfolio return expressed as IRR (%)	5.1%	5.6%	4.6%	5.1%	5.4%
Number of investments in the portfolio	103	85	73	64	61
Grant-funded activities					
Project Accelerator					
Allocated funds	270	240	175	85	70
Number of projects decided	36	41	23	13	11
Number of active projects in the portfolio	104	82	57	43	33
Accrued expenses	176	104	66	50	24
Technical assistance					
Allocated funds	18	18	15	15	15
Number of approved projects	14	18	13	23	20
Accrued expenses	8	19	20	12	11
Other key performance indicators					
Average number of employees	98	85	70	62	52

¹ Operating result consists of the income statement lines Dividends received, Income from interest-bearing instruments and Net income from other operating income and expenses.

Amount in MSEK	2025	2024	2023	2022	2021	Total 2021-2025
Financial goal, Ukraine						
EBIT	-589	376	-103	151	197	32
Of which Ukraine	-13	-	-	-	-	-13
EBIT, not including Ukraine	-576	376	-103	151	197	45

Income Statement

Amount in TSEK	Note	31.12.2025	31.12.2024
Shares and fund units			
Dividend received	3	49,816	31,142
Proceeds from sales	3	310,417	347,675
Acquisition cost of sold shares and fund units		-103,911	-103,971
Income from shares and fund units		256,322	274,847
Group companies, associated companies and joint ventures			
Dividend received	3	0	-
Proceeds from sales	3	0	-
Acquisition cost of sold shares		0	-
Net income from group companies, associated companies and joint ventures		0	-
Interest income and expenses			
Interest income	3	240,452	225,067
Interest expenses		0	-418
Income from interest-bearing instruments		240,452	224,650
Other portfolio income and portfolio expenses			
Other portfolio income	3	1,339	975
Other portfolio expenses		-11,462	-9,829
Exchange rate effects		-408,877	179,945
Net income from other portfolio income and portfolio expenses		-419,001	171,091
Expected write-downs and credit losses			
Write-downs of shares and fund units, net		-408,786	-59,982
Write-downs for credit losses, net		-68,587	-72,488
Net result from write-downs and credit losses		-477,373	-132,470
INCOME FROM INVESTING ACTIVITIES		-399,600	538,117

Amount in TSEK	Note	31.12.2025	31.12.2024
Other operating income			
Other operating income	3, 4	184,873	122,830
Capitalised work for own account			816
Operating expenses			
Other external expenses	6, 7	-55,910	-51,598
Personnel expenses	5	-130,783	-108,556
Other operating expenses	4	-184,873	-122,830
Depreciation/amortisation of tangible and intangible assets	11, 12	-2,705	-2,386
Net income from other operating income and expenses		-189,398	-161,724
OPERATING PROFIT (EBIT)	8	-588,998	376,394
Income from other financial items			
Other financial income	9	242,962	552,892
Other financial expenses	9	-587,018	-5,546
Income from other financial items		-344,056	547,346
EARNINGS AFTER FINANCIAL INCOME/EXPENSE		-933,054	923,739
EARNINGS BEFORE TAX		-933,054	923,739
Tax on profit/loss for the period	10	157,448	-153,773
PROFIT/LOSS FOR THE PERIOD		-775,606	769,966
THE COMPANY'S STATEMENT OF COMPREHENSIVE INCOME			
Profit/loss for the period		-775,606	769,966
Other comprehensive income		-	-
COMPREHENSIVE INCOME FOR THE PERIOD		-775,606	769,966

Balance Sheet

Assets

Amount in TSEK	Note	31.12.2025	31.12.2024
Fixed assets			
Intangible assets			
Capitalised development expenses	11	1,420	1,820
Tangible fixed assets			
<i>Buildings and land</i>			
Cost of improvements to leased property	12	2,448	3,845
<i>Tangible fixed assets</i>			
Equipment	12	2,623	3,020
Total		6,492	8,684
Financial assets			
Shares and fund units	13, 22, 23	4,258,252	3,617,393
Participating interests in group companies, associated companies and joint ventures	14, 22, 23	20,469	20,469
Loan receivables	15, 16, 22, 23, 26	3,271,611	2,483,382
Other non-current securities	22, 23	3,424	2,113
Other non-current financial assets	22, 23	8,600	8,600
Deferred tax assets	10	157,935	487
Total		7,720,290	6,132,444
Total fixed assets		7,726,782	6,141,128

Amount in TSEK	Note	31.12.2025	31.12.2024
Current assets			
Accounts receivable	22, 23	4,753	666
Other receivables	18, 22, 23	12,935	77,283
Prepaid expenses and accrued income	19, 22, 23	65,739	51,138
Total		83,427	129,088
Interest-bearing securities	20, 22, 23, 26	5,224,592	5,751,009
Cash on hand and bank balances	22, 23, 26	1,384,467	1,375,779
Retained funds on behalf of other party	22, 23, 26	11,672	11,619
Total		6,620,731	7,138,407
Total current assets		6,704,158	7,267,495
TOTAL ASSETS		14,430,940	13,408,623

Equity and liabilities

Amount in TSEK	Note	31.12.2025	31.12.2024
Equity			
Share capital		50,000	50,000
Statutory reserve		540,000	540,000
Fund for development expenses	11	1,420	1,820
Total		591,420	591,820
Retained earnings		13,929,383	11,359,017
Profit/loss for the period		-775,606	769,966
Total		13,153,777	12,128,983
Total equity		13,745,197	12,720,803
Liabilities			
<i>Provisions</i>			
Other provisions	16, 25, 26	11,871	12,137
Total		11,871	12,137
<i>Current liabilities</i>			
Accounts payable	7, 22, 23, 27	2,568	3,845
Tax liabilities	27	16,418	93,950
Other liabilities	7, 22, 23, 27	18,717	20,253
Accrued expenses and deferred income	7, 22, 23, 28	636,168	557,635
Total		673,872	675,683
Total provisions and liabilities		685,742	687,820
TOTAL EQUITY AND LIABILITIES		14,430,940	13,408,623

Statement of changes in equity

Amount in TSEK	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Fund for development expenses	Retained earnings	Net profit/loss for the year	
Opening equity as of 1 January 2024	50,000	540,000	1,181	9,636,595	-36,939	10,190,837
Transfer to fund for development expenses	-	-	639	-639	-	-
Reversal result previous year	-	-	-	-36,939	36,939	-
Profit/loss for the period	-	-	-	-	769,966	769,966
Other comprehensive income for the year	-	-	-	-	-	-
Comprehensive income for the year	50,000	540,000	1,820	9,599,017	769,966	10,960,803
Capital contribution	-	-	-	1,760,000	-	1,760,000
Transactions with owners	-	-	-	1,760,000	-	1,760,000
Closing equity as of 31 December 2024	50,000	540,000	1,820	11,359,017	769,966	12,720,803
Opening equity as of 1 January 2025	50,000	540,000	1,820	11,359,017	769,966	12,720,803
Transfer to fund for development expenses	-	-	-400	400	-	-
Reversal result previous year	-	-	-	769,966	-769,966	-
Profit/loss for the period	-	-	-	-	-775,606	-775,606
Other comprehensive income for the year	-	-	-	-	-	-
Comprehensive income for the year	50,000	540,000	1,420	12,129,383	-775,606	11,945,197
Capital contribution	-	-	-	1,800,000	-	1,800,000
Transactions with owners	-	-	-	1,800,000	-	1,800,000
Closing equity as of 31 December 2025	50,000	540,000	1,420	13,929,383	-775,606	13,745,197

The share capital consists of 50 shares with a quota value of 1,000.

Cash flow statement

Amount in TSEK	Note	2025	2024
Operating activities			
Earnings after financial income/expense		-933,054	923,739
Adjustment for items not affecting cash flow	8, 30	761,699	-237,803
Income tax paid		-77,532	-124,851
Cash flow from operating activities before changes in working capital		-248,887	561,085
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in operating receivables		45,059	-73,429
Increase (+)/Decrease (-) in operating liabilities		-27,599	21,613
Cash flow from operating activities		-231,427	509,269
Investing activities			
Acquisition of intangible assets (-)		0	-816
Acquisition of tangible assets (-)		-717	-2,471
Acquisition of financial assets (-)		-2,454,820	-1,231,385
Disposal of financial assets (+)		265,977	347,675
Cash flow from investing activities		-2,189,560	-886,997

Amount in TSEK	Note	2025	2024
Financing activities			
Capital contribution		1,800,000	1,760,000
Change in blocked funds		-	-
Cash flow from financing activities		1,800,000	1,760,000
Cash flow for the year		-620,987	1,382,272
Cash and cash equivalents at the beginning of the year¹		6,594,721	5,212,449
Cash and cash equivalents at the end of the year¹		5,973,733	6,594,721

1. This item has been reduced by cash and cash equivalents relating to Swedpartnership, TA funds and Swedfund Project Accelerator.

Notes

Note 1 | Significant accounting policies

Introduction

The Report covers Swedfund International AB (556436-2084), a limited liability company registered in Sweden with its head office at Drottninggatan 92-94, 103 65 Stockholm, Sweden.

On 26 March 2026, the Board of Directors approved this Annual Report, which will be presented to the Annual General Meeting on 27 April 2026.

Basis of accounting

Swedfund International AB has produced this Annual Report in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and as adopted by the EU. In addition, the standards of the Swedish Financial Reporting Board and its recommended RFR 2 Supplementary Accounting Rules for Legal Entities have also been applied. Thus, in accordance with RFR 2, Swedfund applies a series of exemptions from IFRS based on the relationship between taxation and accounting in the Swedish Annual Accounts Act.

Swedfund does not prepare consolidated financial statements in accordance with Chapter 7, Section 3a of the Swedish Annual Accounts Act.

Changes in accounting policies

Changes to standards in 2024 have not had a significant impact.

Classification

Fixed assets and non-current liabilities essentially comprise amounts that are expected to be recovered or paid more than twelve months after the reporting date. Current assets and liabilities essentially comprise amounts that are expected to be recovered or paid within twelve months of the reporting date.

Functional currency

The Company's functional currency is the Swedish krona, (SEK) which is also its reporting currency. All amounts are in SEK thousands unless

stated otherwise. Functional currency is the currency in the primary economic environments in which the companies conduct their business.

Transactions in foreign currency

Transactions in foreign currency are translated into the functional currency at the exchange rates prevailing on the transaction date. Monetary assets and liabilities in foreign currencies are translated into the functional currency at the exchange rates prevailing on the reporting date. Foreign exchange gains and losses arising on translation are recognised in net profit/loss for the year. Non-monetary assets and liabilities recognised at historical cost are translated at the exchange rate prevailing on the transaction date.

Government grants

Swedfund has received government grants for development cooperation (framework grants), for Technical Assistance and Swedfund Project Accelerator (support for project preparatory efforts).

Assets under management are recognised in the balance sheet (cash and cash equivalents, receivables from recipients and liabilities to the funding body) until the initiatives/projects are completed.

See also below in the Revenue section.

Cash flow statement

The cash flow statement is prepared using the indirect method. 'Cash and cash equivalents' means interest-bearing securities and bank balances, excluding loan collateral and liquid assets within Technical Assistance and Swedfund Project Accelerator.

Revenue

Swedfund is an investment company whose operations mainly involve the acquisition, development and sale of equity and participating interests in, as well as lending to, listed and unlisted companies. The main revenue consists of dividends, proceeds from the sale of equity and participating interests and interest income. Swedfund applies IFRS 15 for revenue accounting.

Other operating income consists of government grants for Technical Assistance (TA) and Swedfund Project Accelerator. Revenue is based

on actual resources consumed. The production method is therefore used as a method for calculating performance commitments. Framework grants are subject to systematic allocation to net profit/loss for the year in the same way and in the same periods as the expenses the grant is intended to offset.

Income from shares and fund units

Dividends received from shares and fund units are reported in the item 'Dividends received' when the right to receive payment has been determined. Income from the sale of shares and dividends relates to the Company's equity and fund holdings.

Sales revenue is recognised when the transfer is made in accordance with the terms of sale and at the amount liquidity is expected to be received.

Income from participating interests in group companies, associated companies and joint ventures

Dividends received from participating interests in group companies, associated companies and joint ventures are recognised under the item 'Dividends received' when the right to receive payment has been determined. Proceeds from sales and dividends relate to the Company's shareholdings.

Sales revenue is recognised when the transfer is made in accordance with the terms of sale and at the amount liquidity is expected to be received.

Income from interest-bearing instruments

Income from interest-bearing instruments refers to interest income and expenses related to loan receivables and liabilities to credit institutions. The item 'Income from interest-bearing instruments' includes any realised changes in value and any interest compensation from early repayment.

Interest income on receivables and interest expenses on liabilities are calculated and recognised using the effective interest method. The effective interest rate is the rate that discounts all estimated future cash payments or receipts during the expected fixed-interest period

NOTE 1, CONT'D.

to the initially recognised carrying amount of the financial asset or liability. Where appropriate, interest income and expenses include accrued amounts of fees received that are included in the effective interest rate, transaction costs and any discounts, premiums and other differences between the initial value of the financial asset/liability and the amount settled at maturity. Interest income is calculated using the effective interest method on gross amounts, i.e. excluding provisions for expected credit losses, except for credit-impaired assets (Stage 3 or issued credit-impaired assets).

Leases

All of the Company's leases are reported as operating leases in accordance with the exception in RFR 2. Payments made during the term of the lease (less any incentives from the lessor) are carried as an expense in the income statement on a straight-line basis over the lease term. Any benefits received in connection with the signing of a lease are recognised in net profit/loss for the year as a reduction of the leasing charges on a straight-line basis over the term of the lease. Variable fees are carried as an expense in the periods in which they arise.

The Company is not a lessor.

Salaries and other remuneration to employees

Remuneration to employees consists of salaries, paid leave, paid sick leave and other payments and pensions.

The Company mainly has defined contribution pension plans for its employees. For these defined contribution pension plans, the Company pays fixed contributions to a separate legal entity and in doing so fulfils its commitment to the respective employee. Defined contribution pension plans are recognised as an expense in the period to which paid premiums are attributable.

Taxes

Income tax for the year consists of current tax and deferred tax. Taxes are recognised in the income statement unless the underlying transaction is recognised in other comprehensive income or directly in equity, in which case the associated tax effect is also recognised there.

Current tax is the tax calculated on the taxable income for the period. The taxable income differs from the reported income in that it has been adjusted for non-taxable and non-deductible items. Current tax is the amount of tax payable or recoverable for the current year and may be adjusted for current tax relating to prior periods.

Deferred tax is recognised for differences between the carrying amounts of assets and liabilities and their corresponding tax bases. Changes in recognised deferred tax assets or liabilities are recognised as an expense or income in the income statement unless the tax relates to items recognised in other comprehensive income, or directly in equity.

Associated companies and joint ventures

An associated company is a company over which the Company has significant influence, but does not exert any controlling influence over its operational and financial management. This is usually brought about by the Company's shareholdings facilitating between 20 and 50 percent of the voting rights. Participating interests in associated companies are recognised at cost as of the date on which the significant influence is obtained. Significant influence may, for example, involve participation by the holding company in decisions relating to a company's financial and operational strategies, but does not imply a controlling influence or joint controlling interest over these strategies.

A 'joint venture' is a cooperative business arrangement where the parties with a joint controlling influence are entitled to the net assets of the business arrangement. Shares are recognised at cost.

Financial instruments

Within the framework of RFR 2, accounting in legal entities, there is a choice of applying IFRS 9 in full or applying recognition based on cost. Swedfund has chosen to recognise financial instruments at cost.

A financial instrument is recognised in the balance sheet when the Company becomes a party to the contractual terms of the instrument. Financial instruments reported in the statement of financial position include, on the asset side, cash and cash equivalents, loan receivables, accounts receivable and financial investments. Liabilities include accounts payable, loan liabilities and other liabilities.

A financial asset is removed from the balance sheet when the rights to receive benefits have been realised, expired or the Company loses control over them. The same applies to a component of a financial asset. Financial liabilities are removed from the balance sheet when the contractual obligation has been discharged or extinguished in some other way. The same applies to a component of a financial liability.

A financial asset and a financial liability are offset and reported at a net amount in the balance sheet only when there is a legal right to offset the amounts and the intention is to settle the items at a net amount or to simultaneously realise the asset and settle the liability.

Classification and measurement

Financial instruments are initially recognised at cost which corresponds to the fair value of the instrument plus transaction costs. A financial instrument is classified on initial recognition based on, inter alia, the purpose for which the instrument was acquired. The classification determines how the financial instrument is measured after initial recognition.

The Company recognises financial instruments in the following categories:

- Shares and fund units
- Participating interests in group companies, associated companies and joint ventures
- Loan receivables
- Other non-current securities
- Interest-bearing securities
- Cash on hand and bank balances
- Other financial liabilities

Acquisitions and disposals of financial assets are recognised on the transaction date. The transaction date is the date on which the Company undertakes to acquire or dispose of the asset.

Swedfund recognises and measures its financial assets and financial liabilities under RFR 2 in relation to IFRS 9, i.e. on the basis of cost. Fair value is presented in the disclosures and forms the basis for the impairment of investments in shares and fund units as well as participating interests in group companies, associated companies and joint ventures.

In cases where these instruments constitute interest-bearing securities, accounting is based on the lowest value principle by reporting the lower of cost and fair value. Other financial assets are recognised at cost or amortised cost with impairment for expected credit losses.

Shares and fund units

Shares and fund units are measured at cost with any impairment based on fair value.

Any surplus values for shares and fund units which, when measuring fair value, show a fair value that exceeds cost are presented in Note 22.

NOTE 1, CONT'D.

Other non-current securities

Other holdings of non-current securities are measured at amortised cost using the principles of impairment testing and loss risk provisioning in IFRS 9 Expected Credit Losses.

Loan receivables

Loan receivables are non-derivative financial assets with fixed or determinable payments that are not listed in an active market. These assets are measured at amortised cost. Amortised cost is calculated based on the effective interest method used at initial recognition. When calculating the net realisable value of loan receivables, the principles of impairment testing and loss risk provisioning are applied in accordance with IFRS 9 Expected Credit Losses.

Interest-bearing securities

Interest-bearing securities are recognised at amortised cost using the principles of impairment testing and loss risk provisioning in IFRS 9 Expected Credit Losses.

Cash on hand and bank balances

Cash on hand and bank balances consist of cash, demand deposits with banks and similar institutions and short-term deposits with an original term of three months or less, which are subject to an insignificant risk of changes in value.

Other financial liabilities

Loans and other financial liabilities, such as accounts payables, are included in this category. Liabilities are measured at amortised cost.

Effective interest rate and effective interest rate method

Long-term loan receivables and other long-term securities are recognised at amortised cost using the effective interest rate method with impairment for expected credit losses.

The effective interest rate is the interest rate that accurately discounts the estimated future payments received and made over the expected maturity of the financial asset or financial liability to the initially recognised gross carrying amount of a financial asset or to the accrued cost of a financial liability. When calculating the effective interest rate, a company must estimate expected cash flows by taking into account all contractual terms of the financial instrument (such as options for early redemption, extensions, purchases or similar) but does not have to take into account expected credit losses. The calculation

includes all charges and items paid or received by the contracting parties that are an integral part of the effective interest rate, transaction expenses and any other premiums or discounts. It is assumed that the cash flows and expected maturity term of a group of similar financial instruments can be estimated reliably. However, in the rare cases where it is not possible to reliably estimate cash flows or the remaining time to maturity of a financial instrument (or a group of financial instruments), the Company must use the contractual cash flows over the entire maturity of the financial instrument (or group of financial instruments). The effective interest rate method is used to calculate the accrued cost of a financial asset or financial liability and for accrual and recognition of interest income or interest expense in profit or loss during the relevant period.

Impairment of financial assets**Impairment based on fair value**

Financial assets in the form of equity and participating interests in group companies, associated companies and joint ventures are impaired, as and when necessary, based on fair value. Impairments are assessed on an individual basis per holding. Swedfund's methods for determining fair value are described in more detail in Note 22.

Impairment based on expected credit losses

In the case of cost-based accounting, impairment testing and loss risk provisioning are applied in accordance with IFRS 9 Expected Credit Losses. This means that Swedfund sets aside provisions for expected credit losses on initial recognition. Provisions for expected credit losses are made for financial instruments in the form of financial assets and current assets. For Swedfund, this primarily entails provision for expected credit losses on loan receivables. Credit losses are assessed on an individual basis.

Upon initial recognition and on subsequent reporting dates, a credit loss provision is recognised for the next 12 months, or a shorter period depending on the remaining time to maturity, for financial assets in the form of loan receivables, but also for interest-bearing securities and certain other smaller items. Interest income is calculated using the effective interest rate method on the gross carrying amount (excluding credit loss provision) (Stage 1).

If the credit risk of the financial instrument has increased significantly since initial recognition, a credit loss provision is recognised instead for the entire remaining time to maturity. In this case, interest income is also calculated on the gross carrying amount (excluding credit loss provision) (Stage 2).

For credit-impaired assets, a provision continues to be made for the entire remaining time to maturity, but interest income is calculated on amortised cost (excluding credit loss provision) (Stage 3).

The credit risk of a financial asset may change over the maturity term, which affects the provision for expected credit losses.

A credit loss provision is not recognised initially for loan receivables with renegotiated loan terms that are recognised as new loans and constitute credit-impaired financial assets. At each reporting date, the change in expected credit losses for the entire remaining time to maturity is recognised as an impairment gain or loss. Interest income is calculated on the accrued cost (excluding credit loss provision) and the initially determined credit-adjusted effective interest rate.

Swedfund has developed methods for assessing and setting aside provisions for expected credit losses in accordance with IFRS 9. These methods are based on the Company's risk classification model and take into account any collateral for Swedfund's loan receivables, loan commitments and interest-bearing securities.

Swedfund's methods for calculating expected credit losses are described in more detail in Note 22.

Intangible assets**Capitalised development expenses**

Swedfund's intangible fixed assets consist of capitalised development expenses. Proprietary intangible assets are only recognised in the balance sheet if they meet the following criteria:

- it is technically feasible to complete the intangible asset so that it can be used,
- the Company intends to complete the intangible asset and use or sell it,
- the prerequisites for using or selling the intangible asset are met,
- the Company is able to demonstrate how the intangible asset generates likely future economic benefits,
- adequate technical, financial and other resources are available to complete the development and use or sell the intangible asset, and
- the expenditure attributable to the intangible asset during its development can be calculated reliably.

Capitalised development expenses are recognised at cost less accumulated depreciation and impairment losses. Cost includes expenses for the purchase of services and materials necessary to bring the asset into use. Other development expenses are recognised in the income

NOTE 1, CONT'D.

statement as costs when they arise. The corresponding amount recognised as capitalised development expenses is included as restricted equity in the fund for development expenses.

Depreciation principles

Capitalised development expenses are depreciated from the date on which the asset is completed. Depreciation is calculated on a straight-line basis over the estimated useful life of assets, as follows:

- capitalised development expenses, 3–5 years

Tangible fixed assets

Tangible fixed assets are reported in the Company at cost less accumulated depreciation and any impairment losses. Cost includes the purchase price and any expenditure directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended.

The carrying amount of a tangible asset is removed from the balance sheet upon divestment or disposal, or when no future economic benefits are expected from the use or the retirement/disposal of the asset. Gains or losses arising from the disposal or divestment of an asset are the difference between the selling price and the asset's carrying amount less direct costs to sell. Gains and losses are reported under other operating income/expense.

Additional expenditure

Additional expenditure is included in the cost only when it is probable that future economic benefits associated with the asset will flow to Swedfund and the cost can be measured reliably. All other additional expenditure is recognised as an expense in the period in which it is incurred. Repairs are recognised as an expense as incurred.

Depreciation principles

Depreciation is calculated on a straight-line basis over the estimated useful life of assets. The estimated useful life periods are:

- Leasehold improvements: 7 years (corresponding to the lease term)
- Equipment: 5 years

The depreciation methods used, residual values and useful lives are reviewed at the end of each financial year.

Impairment of non-financial assets

Tangible fixed assets and any intangible fixed assets that are depreciated are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount is not recoverable. An impairment loss is recognised at the amount where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use. In measuring value in use, future cash flows are discounted using a discount rate that reflects the risk-free rate of interest and the risks specific to the asset.

Previously recognised impairment is reversed if the recoverable amount is deemed to exceed the carrying amount. However, reversal does not take place at an amount greater than the carrying amount of what it would have been if impairment had not been recognised in previous periods.

Provisions

A provision differs from other liabilities in that there is uncertainty about the date of payment or the size of the amount required to settle the provision. A provision is recognised in the statement of financial position when there is a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the effect of the time value of money is material, provisions are estimated by discounting expected future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions for expected credit losses are also made for loan commitments issued and are reported as other provisions until payment of loan receivables takes place.

Contingent liabilities

A contingent liability is recognised when a possible obligation arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, or when there is an obligation which is not recognised as a liability or provision because it is not probable that an outflow of resources will be required to settle the obligation.

Note 2 | Significant accounting estimates and judgements

Introduction

Preparation of financial statements in compliance with IFRS often requires management to make critical judgements, accounting estimates and assumptions which affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expenses.

Judgements are based on estimates and assumptions that are considered reasonable and properly assessed at the time the judgement is made. However, with other judgements, assumptions or estimates, the result may be different and events may occur that may require a substantial adjustment to the carrying amount of the asset or liability concerned. The actual outcome may therefore differ from these estimates.

Estimates and assumptions are evaluated regularly. Changes in accounting estimates are recognised in the period of the change if the change only affects that period. Changes are recognised in the period of the change and future periods if the change affects both.

The following represent the key accounting policies, the application of which is based on such judgements, and the main sources of uncertainty in estimates that the Company considers may have the most significant impact on the Company's reported earnings and financial position.

Shares and fund units, participating interests in group companies, associated companies and joint ventures

Main sources of uncertainty in estimates

Shares and fund units are recognised at cost and tested for impairment at fair value. Measuring unlisted equity and fund holdings in developing countries at fair value involves significant inherent uncertainty.

Judgements when applying accounting policies

For unlisted shares and fund units, the fair value is a judgement in accordance with the measurement methods applied. The methods applied are formulated in accordance with IFRS 13 Fair Value and International Private Equity and Venture Capital Valuation Guidelines (IPEV Guidelines).

See also the description of accounting policies in Note 22.

NOTE 2, CONT'D.

Other financial instruments**Main sources of uncertainty in estimates**

A judgement is made of expected credit losses for loan receivables, long-term securities holdings, accounts receivable, other receivables and loan commitments. Measuring receivables in developing countries at fair value involves significant inherent uncertainty.

Judgements when applying accounting policies

Expected credit losses shall be estimated in a manner that reflects an objective and probability-weighted amount determined by evaluating a range of possible outcomes. The provision for expected credit losses is based on Swedfund's judgement of the size of these expected losses. The measurement shall take into account reasonable and verifiable information that is available without unnecessary costs or effort on the reporting date for past events, current circumstances and forecasts of future economic conditions.

See also the description of accounting policies in Note 22.

Note 3 | Revenue distributed by geographical area and revenue type

The Company's revenues are distributed across different geographical areas as indicated below.

2025	Africa	Asia	Latin America	Eastern Europe	Total
Equity sales	88,096	222,321	-	-	310,417
Distribution of shares	46,790	2,914	-	112	49,816
Group and/or associated companies' sales	-	-	-	-	-
Group and/or associated companies' dividends	-	-	-	-	-
Interest income	143,749	64,543	-	32,161	240,452
Other portfolio income	1,305	34	-	-	1,339
Total	279,940	289,812	-	32,273	602,024

The division of revenue is based on how business activities and information are regularly reviewed and followed up by the executive management in order to evaluate the business activities.

	2025	2024
Other operating income		
TA and the Project Accelerator	184,873	122,779
<i>Date of revenue recognition in accordance with IFRS 15</i>		
Services transferred over time, management fee Swedpartnership	-	51
Total	184,873	122,830

Note 4 | Swedpartnership, Technical Assistance and Project Accelerator

Swedpartnership	2025	2024
Other operating income	-	51
Other operating expenses	-	-51
Total	0	0

Technical assistance	2025	2024
Other operating income	8,532	18,632
Other operating expenses	-8,532	-18,632
Total	0	0

Project Accelerator	2025	2024
Other operating income	176,341	104,147
Other operating expenses	-176,341	-104,147
Total	0	0

Note 5 | Board of Directors, employees and personnel costs

Gender distribution of Board of Directors, CEO and other senior executives

	2025		2024	
	Total	Of which male	Total	Of which male
Board of Directors	7	1	8	2
CEO	1	–	1	–
Other senior executives	6	2	7	3

Average number of employees

Country	2025		2024	
	Total	Of which male	Total	Of which male
Côte d'Ivoire	6	33%	3	33%
Kenya	6	33%	5	20%
Sweden	86	45%	77	47%
Total	98	43%	85	45%

Salaries, other benefits and social security contributions

	2025		2024	
	Salaries and other benefits	Social security contributions	Salaries and other benefits	Social security contributions
	86,945	42,896	74,777	37,341
<i>(of which pension costs)</i>	0	(17,967) ^{1,2}	(0)	(15,690) ^{1,2}
Total	86,945	42,896	74,777	37,341

1. Of pension costs, 723 (689) relates to the CEO.

2. For all employees, defined contribution and thus equivalent pension premiums are paid in accordance with the law and collective agreements, which were expensed during the year.

Salaries and other employee benefits (Board of Directors, CEO, senior executives and other employees) by country

	2025		2024	
	Board of Directors, CEO and other senior executives	Other employees	Board of Directors, CEO and other senior executives	Other employees
Sweden	13,269	65,819	14,154	55,648
<i>(of which remuneration to the Board of Directors)</i>	(1,073)		(1,134)	
<i>(of which pension to former CEO)</i>	–		–	
<i>(of which salary to CEO)</i>	(2,588)		(2,380)	
<i>(of which other management salaries)</i>	(9,608)		(10,640)	
Kenya and Côte d'Ivoire, representative offices		8,930		6,109
Total	13,269	74,749	14,154	61,757

Remuneration paid to current and former members of the Board of Directors

Board member	Position	Agreed fee	Board fees in portfolio companies
Catrin Fransson	Chair of the Board of Directors	290	0
Catrina Ingelstam	Member of the Board of Directors and Chair of the Audit Committee	186	0
Roshi Motman	Board member	141	0
Caroline af Kleen	Member of the Board of Directors and member of the Audit Committee	174	0
Josefine Ekros Roth	Board member and member of the Audit Committee	–	0
Johan Mörnstam	Board member	141	0
Anna Stellingner	Board member	141	0
Total		1073	

Remuneration of the Chair of the Board of Directors and Board members is as adopted by the Annual General Meeting. No board remuneration has been paid to board members in portfolio companies.

Attendance of Board members at meetings during the year

Board member	1/25	2/25	3/25	4/25	5/25	6/25	7/25	8/25	9/25	10/25
Catrin Fransson	●	●	●	●	●	●	●	●	●	●
Torgny Holmgren ¹	●	●	●							
Roshi Motman	●	●	●	●	●	●	●	●	●	●
Catrina Ingelstam	●	●	●	●	●	●	●	●		●
Anna Stellingner		●	●	●		●	●	●	●	●
Caroline af Kleen	●	●	●	●	●	●	●	●		●
Josefine Ekros Roth	●	●	●	●	●		●	●	●	●
Johan Mörnstam	●	●	●	●	●	●	●	●		●

1. Vacated post in April 2025.

Total sick leave amounted to 2.10% (previous year: 1.66%) of employees' total regular working hours. For privacy reasons, sick leave has not been reported by age group or gender.

Salary to the CEO and other senior executives, severance pay, etc.

The CEO and other senior executives are paid a fixed monthly remuneration. No variable remuneration is paid. In the event of termination by the Company, the CEO has an agreement on severance pay corresponding to salary during the notice period of six months, severance pay in the form of 12 months' fixed salary (pension provisions are not included). Severance pay is not paid after the age of 65.

For other senior executives and the CEO, defined-contribution and thus equivalent pension premiums are paid in accordance with the law and collective agreements, which are recognised as an expense during the year. In the event of termination by the Company, the rules set out in the collective agreement apply to other senior executives.

Salaries to senior executives

Name	Other benefits	Annual salary paid as fixed remuneration	Pension contributions paid	Total	
CEO		3	2,588	723	3,314
Other senior executives (6)	18	9,608	2,800	12,426	
Total	21	12,196	3,523	15,740	

Note 6 | Auditor's fees and expenses

Ernst & Young AB	2025	2024
Auditing	1,030	1,030
Other services	144	-
Total	1,174	1,030

Note 7 | Leasing

Operating leases mainly includes leases for the Company's business premises in Stockholm, Nairobi and Abidjan, for which a substantial part of the risks and benefits of ownership are retained by the lessor. Leasing costs for operating leases for the year amounted to TSEK 10,672 (TSEK 9,726). Future payment commitments as of 31 December are distributed as follows:

Future minimum lease payments	31.12.2025	31.12.2024
Within 1 year	9,836	9,475
Between 1-5 years	40,092	28,056
More than five years	-	-
Total	49,927	37,531

Expensed fees for operating leases amount to:	2025	2024
Minimum lease payments	10,672	9,726
Variable fees	-	-
Total leasing costs	10,672	9,726

The Company's lease agreements usually contain no variable fees. Lease agreements for premises contain terms that give the right to extend the respective lease for a predetermined period of time.

The Company does not act as a lessor.

Note 8 | EBIT excluding exchange rate effect (alternative key performance indicator)

	2025			2024		
	Income Statement	Exchange rate effect	Excl. exchange rate effect	Income statement	Exchange rate effect	Excl. exchange rate effect
Income from shares and fund units ¹	256,322	7,764	248,558	274,847	51,808	223,039
Net income from group companies, associated companies and joint ventures ¹	0	0	0	0	0	0
Net income from interest-bearing instruments ¹	240,452	-3,064	243,516	224,650	23,404	201,247
Net income from other portfolio income and portfolio expenses ²	-419,001	-409,027	-9,974	171,091	179,945	-8,854
Net result from write-downs and credit losses ³	-477,373	-253,265	-224,108	-132,470	52,517	-184,986
Income from investing activities	-399,600	-657,592	257,992	538,117	307,672	230,446
Net income from other operating income and expenses ⁴	-189,398	0	-189,398	-161,724	0	-161,724
Operating profit (EBIT)	-588,998	-657,592	68,595	376,394	307,672	68,722

1. Profit/loss excluding exchange rate effect calculated by translating income in local currency into SEK at the acquisition exchange rate.

2. Profit/loss excluding exchange rate effect calculated by excluding the item 'Exchange rate effects'.

3. Profit/loss excluding exchange rate effect calculated by excluding the change in exchange rates during the period compared with the previous period.

4. Profit/loss excluding exchange rate effect has not been translated compared with the income statement.

As the effects of currency translation have such a significant impact on reported earnings, Swedfund has implemented an alternative performance measure which shows EBIT excluding any exchange rate effect.

Note 9 | Financial income and financial expenses

	2025		2024	
	2025	2024	2025	2024
Other financial income	242,962	291,892		
Interest income	242,962	291,892		
Unrealised exchange differences	-	261,000		
Total	242,962	552,892		
Other financial expenses				
Impairment of financial assets			-	-
Other financial expenses			-2,290	-5,546
Unrealised exchange differences			-584,728	-
Total			-587,018	-5,546

Note 10 | Taxes

	2025	2024
Current tax expense(-)/tax income(+)		
Tax expense/tax income for the year	-	-153,773
Deferred tax expense(-)/tax income(+)		
Deferred tax on temporary differences	157,448	-
Reported tax	157,448	-153,773
Reconciliation of effective tax rate	2025	2024
Earnings before tax	-933,054	923,739
Tax on reported earnings in accordance with current tax rate	192,209	-190,290
Tax effect of:		
Non-taxable dividend	1,238	1,429
Non-deductible impairment of financial assets	-79,301	-45,433
Non-taxable reversal of impairment of financial assets	11,057	21,401
Non-taxable realised capital gains	45,536	49,721
Non-deductible realised capital losses	-11,439	-
Non-deductible other expenses	-466	-986
Deductible expenses from previous years	273	0
Non-taxable income	2	48
Non-deductible expenses	-	-
Deferred tax on temporary differences	-687	-196
Utilisation of loss carryforwards for which no deferred tax asset has been recognised previously	-	0
Tax attributable to previous year's reported profit	-	11,249
Other	-973	-716
Reported tax	157,448	-153,773
Effective tax rate	17%	-17%

The Company has no tax items that are recognised in Other comprehensive income or directly in equity.

Disclosures on deferred tax assets and liabilities

The following table specifies the tax effect of temporary differences:

	31.12.2025	31.12.2024
Deferred tax assets		
Tangible fixed assets	487	487
Tax loss carried forward	157,448	-
Carrying amount	157,935	487

The tax loss originates from the period's negative result. A deferred tax asset has been recognized as the company assesses that the loss can be utilized in the foreseeable future, based on prepared forecasts of future taxable profits.

Note 11 | Intangible assets

Capitalised development expenses

	31.12.2025	31.12.2024
Accumulated acquisition cost		
Opening balance	1,997	1,181
New acquisitions	0	816
Total acquisition cost	1,997	1,997
Scheduled accumulated depreciation		
Opening balance	-177	-
Scheduled depreciation for the year	-400	-177
Total depreciation	-577	-177
Scheduled residual value at year-end	1,420	1,820

Note 12 | Tangible assets

Buildings and land

	31.12.2025	31.12.2024
Cost of improvements to leased property		
Accumulated acquisition cost		
Opening balance	9,438	8,290
New acquisitions	68	1,148
Total acquisition cost	9,506	9,438
Scheduled accumulated depreciation		
Opening balance	-5,593	-4,260
Scheduled depreciation for the year	-1,464	-1,333
Total depreciation	-7,057	-5,593
Scheduled residual value at year-end	2,448	3,845

Equipment, tools and fixtures and fittings

	31.12.2025	31.12.2024
Equipment		
Accumulated acquisition cost		
Opening balance	7,703	6,380
New acquisitions	650	1,323
Divestments and disposals	-	-
Total acquisition cost	8,353	7,703
Scheduled accumulated depreciation		
Opening balance	-4,683	-3,684
Divestments and disposals	-	-
Scheduled depreciation for the year	-1,047	-999
Total depreciation	-5,730	-4,683
Scheduled residual value at year-end	2,623	3,020



Note 13 | Portfolio investments, shares and fund units

Portfolio investments, shares and fund units

Accumulated acquisition cost	31.12.2025	31.12.2024
Opening balance	4,155,602	3,265,993
Investments during the year	1,172,823	942,159
Sales during the year	-123,178	-52,551
Total acquisition cost	5,205,248	4,155,602
Accumulated impairment losses	31.12.2025	31.12.2024
Opening balance	-538,210	-478,227
Reversed impairments for the year attributable to sales	0	0
Reversals for the year		72,274
Impairment loss for the year	-408,786	-132,256
Total impairments at year-end	-946,996	-538,210
Book value at year-end	4,258,252	3,617,393

NOTE 13, CONT'D.

Breakdown of the Company's directly owned holdings of shares and fund units

Company	Sector	Business operations	Share class	31.12.2025		31.12.2024	
				Ownership share, %	Cost	Ownership share, %	Cost
Africa							
Accion Digital Transformation	Financial Inclusion	Fund	Fund units	9.8	77,592	9.9	89,312
Afrinord Hotel Investment A/S, Africa	Other	Hotels	Stock	20.0	470	20.0	470
Africa Renewable Energy Fund II (AREF)	Energy & Climate	Fund	Fund units	8.4	72,093	8.4	50,184
African Development Partners II (DPI), Africa	Sustainable Enterprises	Fund	Fund units	2.1	62,858	2.1	79,284
African Development Partners III (DPI), Africa	Sustainable Enterprises	Fund	Fund units	2.8	204,238	2.8	200,777
African Infrastructure Investment Fund 4	Energy & Climate	Fund	Fund units	3.6	108,428	3.6	98,067
African Rivers Fund III	Financial Inclusion	Fund	Fund units	17.0	122,557	17.0	122,779
African Rivers Fund IV	Financial Inclusion	Fund	Fund units	10.6	96,379	15.2	58,656
AfricInvest Fund III LLC, Africa	Sustainable Enterprises	Fund	Fund units	2.9	60,023	2.9	62,212
Africinvest FIVE	Financial Inclusion	Financing platform	Stock	11.9	283,245	–	–
AfricInvest Small Cap Fund	Sustainable Enterprises	Fund	Fund units	21.1	29,047	–	–
Amethis Fund III	Sustainable Enterprises	Fund	Fund units	5.6	39,092	8.5	43,638
Apis Growth Fund I, Africa	Sustainable Enterprises	Fund	Fund units	2.6	9,940	2.6	13,069
Apis Growth Fund II, Africa	Sustainable Enterprises	Fund	Fund units	2.7	109,528	2.7	98,914
Apis Growth Markets Fund III	Sustainable Enterprises	Fund	Fund units	7.4	80,555	8.5	46,586
AFIG Fund II	Sustainable Enterprises	Fund	Fund units	7.4	69,497	7.4	69,869
Arya Collateral Warehousing Services	Energy & Climate	Resource efficiency (in agri-tech)	Stock	2.4	70,235	–	–
ASEAN Frontier Markets Fund (AFMF)	Sustainable Enterprises	Fund	Fund units	19.8	42,619	19.8	38,331
BluePeak I	Financial Inclusion	Fund	Fund units	12.6	134,150	12.6	167,726
BluePeak II	Financial Inclusion	Fund	Fund units	24.5	39,123	–	–
Catalyst Fund II	Sustainable Enterprises	Fund	Fund units	6.6	59,982	6.6	58,900
Climate Investor One	Energy & Climate	Fund	Fund units	4.7	131,066	4.7	88,491
Climate Investor II	Energy & Climate	Fund	Fund units	3.6	105,443	4.6	124,594
E3 Low Carbon Economy Fund I	Energy & Climate	Fund	Fund units	16.2	41,105	16.2	43,009
ECP Africa Fund III PCC, Africa	Sustainable Enterprises	Fund	Fund units	3.1	70,238	3.1	77,210
Evolution II	Energy & Climate	Fund	Fund units	6.9	108,568	6.9	117,768
Evolution II D.light Limited	Energy & Climate	Manufactures and distributes solar energy solutions	Stock	17.3	64,408	17.3	64,408
Evolution III LP	Energy & Climate	Fund	Fund units	10.5	80,024	12.5	57,155
Frontier Energy Fund II	Energy & Climate	Fund	Fund units	5.7	110,570	5.7	110,336
GIP Zambia	Financial Inclusion	Financing platform	Stock	21.3	17,769	–	–
Helios CLEAR Fund	Energy & Climate	Fund	Fund units	8.0	13,048	–	–
Hospital Holdings Investment BV	Sustainable Enterprises	Health platform	Stock	14.4	126,995	14.4	126,995
Inside Equity Fund II	Sustainable Enterprises	Fund	Fund units	13.9	8,573	18.3	3,067
JCM Solar Capital Ltd.	Energy & Climate	Solar and wind turbines	Stock	21.2	227,570	21.2	227,570

NOTE 13, CONT'D.

Company	Sector	Business operations	Share class	31.12.2025		31.12.2024	
				Ownership share, %	Cost	Ownership share, %	Cost
Joliba Capital Fund I	Sustainable Enterprises	Fund	Fund units	15.0	29,968	15.0	28,059
Kasha Global Inc.	Sustainable Enterprises	E-commerce platform for healthcare	Preference	4.5	9,280	4.5	9,280
Metier Sustainable Capital Fund II	Energy & Climate	Fund	Fund units	9.6	133,190	9.6	125,258
Moniepoint Inc.	Financial Inclusion	Digital payment and banking services	Stock	1.2	94,298	–	–
Ninety One Private Equity Fund 2 L.P.	Sustainable Enterprises	Fund	Fund units	4.1	56,522	4.1	64,146
Novastar III Africa People + Planet Fund	Sustainable Enterprises	Fund	Fund units	10.9	38,397	15.9	8,291
Norsad Finance Limited, Africa	Financial Inclusion	Credit institution	Stock	16.7	50,052	16.7	50,052
Serengeti Energy	Energy & Climate	Energy producer	Stock	12.1	194,768	12.1	194,768
Solar Saver	Energy & Climate	Solar energy	Stock	9.2	69,265	–	–
Sturdee Holdings LTD	Energy & Climate	Solar and wind turbines	Stock	22.5	77,923	19.8	55,588
The Urban Resilience Fund (TURF)	Energy & Climate	Fund	Fund units	17.0	66,678	15.7	43,127
TLG Africa Growth Impact Fund II	Financial Inclusion	Fund	Fund units	16.7	44,220	–	–
TLG Credit Opportunities Fund	Financial Inclusion	Fund	Fund units	18.1	59,571	17.7	59,571
Transform Health Fund	Sustainable Enterprises	Fund	Fund units	11.4	47,884	11.2	18,424
TIDE Africa Fund II	Sustainable Enterprises	Fund	Fund units	6.5	42,938	6.5	38,163
Vantage Mezzanine IV (Vantage)	Financial Inclusion	Fund	Fund units	8.7	176,705	8.7	144,869
Total Africa					4,068,689		3,178,975
Asia							
Baring India Private Equity Fund II Ltd, Mauritius	Sustainable Enterprises	Fund	Fund units	7.1	35,304	7.1	35,304
Dolma Impact Fund II	Energy & Climate	Fund	Fund units	13.9	67,024	13.9	58,056
Excelsior Capital Vietnam Fund II	Sustainable Enterprises	Fund	Fund units	11.1	46,615	–	–
GEF South Asia Growth Fund II	Energy & Climate	Fund	Fund units	7.8	65,457	7.8	75,021
GEF South Asia Growth Fund III	Energy & Climate	Fund	Fund units	5.7	147,915	5.8	115,083
HealthQuad Fund II	Sustainable Enterprises	Fund	Fund units	9.4	130,708	9.4	122,933
Husk Power Systems Inc	Energy & Climate	Mini-power grid – hybrid type	Stock	9.8	82,080	9.8	82,080
Quadria Capital Fund II	Sustainable Enterprises	Fund	Fund units	4.1	117,535	4.1	117,535
Renewable Energy Asia Fund II L.P.	Energy & Climate	Fund	Fund units	7.4	130,625	7.4	130,789
Southeast Asia Clean Energy Fund II	Energy & Climate	Fund	Fund units	6.8	38,267	6.9	31,710
SUSI Asia Energy Transition Fund	Energy & Climate	Fund	Fund units	9.2	103,384	9.2	101,432
Xurya Pte. Ltd.	Energy & Climate	Solar energy	Stock	6.8	102,912	4.2	54,573
Total Asia					1,067,826		924,515
Eastern Europe							
Horizon Capital Growth Fund IV	Sustainable Enterprises	Fund	Fund units	4.3	59,242	4.3	46,861
Total Eastern Europe					59,242		46,861
Capitalised costs for the year							5,251
Total acquisition cost					5,205,248		4,155,602

Note 14 | Participating interests in group companies, associated companies and joint ventures

Portfolio investments in group companies, associated companies, joint ventures

	31.12.2025	31.12.2024
Accumulated acquisition cost		
Reclassification (due to transition to IFRS/RFR 2)	-	-
Opening balance	35,105	35,105
Investments during the year	0	-
Reclassification	-	-
Sales during the year	-	-
Total acquisition cost	35,105	35,105
Of which: Listed securities	0	0
Unlisted securities	35,105	35,105

	31.12.2025	31.12.2024
Accumulated impairment losses		
Reclassification (due to transition to IFRS/RFR 2)	-	-
Opening balance	-14,636	-14,636
Reversed impairments for the year attributable to sales	-	-
Reclassification	-	-
Reversals for the year	0	0
Impairment loss for the year	0	0
Total impairments at year-end	-14,636	-14,636
Book value at year-end	20,469	20,469

Breakdown of the Company's directly owned holdings in associated companies and joint ventures

31.12.2025				Ownership share, %	Number of shares	Share of votes and capital %	Cost
Associated companies	Sector	Business activities					
<i>Company, corporate identity no. and registered office</i>							
Africa							
Emerald Addis Hotels plc, Ethiopia	Other	Hotels		27.0	37,104	27.0	23,399
Gamma Knife Centre S.A.F, Egypt	Sustainable Enterprises	Gamma knife clinic		24.3	27,000	24.3	6,756
Kinyeti Venture Capital Ltd, South Sudan	Sustainable Enterprises	Investment company		49.0	1,470	49.0	4,951
Total Africa							35,105
Total acquisition cost							35,105

31.12.2024				Ownership share, %	Number of shares	Share of votes and capital %	Cost
Associated companies	Sector	Business activities					
<i>Company, corporate identity no. and registered office</i>							
Africa							
Emerald Addis Hotels plc, Ethiopia	Other	Hotels		27.0	37,104	27.0	23,399
Gamma Knife Centre S.A.F, Egypt	Sustainable Enterprises	Gamma knife clinic		24.3	27,000	24.3	6,756
Kinyeti Venture Capital Ltd, South Sudan	Sustainable Enterprises	Investment company		49.0	1,470	49.0	4,951
Total Africa							35,105
Total acquisition cost							35,105

Note 15 | Loan receivables

	31.12.2025	31.12.2024
Outstanding loan receivables, gross		
Swedish currency	–	–
Foreign currency	3,614,512	2,761,619
Total	3,614,512	2,761,619
Accumulated impairment losses		
Opening balance	-278,237	-172,757
Of which		
Individual impairment:	-124,027	-134,207
Reversed impairments:	59,363	28,727
Exchange rate/translation differences for the year	–	–
Total accumulated impairment losses	-342,902	-278,237
Carrying amount	3,271,611	2,483,382

Breakdown of loan portfolio by country and currency

Country	Currency	31.12.2025		31.12.2024	
		Loan amount	Of which impaired	Loan amount	Of which impaired
Bangladesh	USD	184,184	-3,592	–	–
Burkina Faso	EUR	12,451	-97	14,575	-114
Burkina Faso	USD	45,585	-889	–	–
Central African Republic	USD	8,371	-2,093	11,645	-608
Egypt	USD	3,002	-23	3,857	-30
Côte d'Ivoire	EUR	144,881	-7,562	153,677	-2,997
Côte d'Ivoire	USD	90,761	-1,784	59,313	-1,081
Ethiopia	EUR	4,463	-1,116	11,730	-5,865
Philippines	USD	15,361	-120	10,372	-81
Georgia	USD	138,138	-2,694	330,291	-6,441
Ghana	EUR	39,824	-311	3,823	-30
Ghana	USD	14,160	-422	11,694	-171
Honduras	USD	3,460	-865	5,457	-1,364
India	USD	414,832	-14,540	424,032	-15,486

Country	Currency	31.12.2025		31.12.2024	
		Loan amount	Of which impaired	Loan amount	Of which impaired
Cambodia	USD	230,230	-1,796	–	–
Jordan	USD	25,644	-2,072	22,846	-655
Cambodia	USD	7,049	-55	9,221	-72
Kenya	EUR	46,338	-361	135,249	-2,469
Kenya	USD	468,462	-13,663	341,249	-6,788
Democratic Republic of Congo	EUR	36,040	-281	–	–
Lesotho	USD	18,418	-144	–	–
Lebanon	USD	644	-161	896	-47
Liberia	USD	10,236	-80	6,911	-54
Madagascar	EUR	36,040	-281	–	–
Madagascar	USD	644	-161	896	-47
Malawi	USD	14,115	-1,046	12,296	-335
Mongolia	USD	956	-7	1,904	-15
Mozambique	EUR	36,040	-281	201,599	-100,799
Mozambique	USD	234,760	-161,687	–	–
Nepal	USD	81,860	-1,596	110,097	-859
Nigeria	EUR	36,040	-281	–	–
Nigeria	USD	304,864	-7,890	153,582	-5,760
Pakistan	USD	3,521	-183	5,371	-82
Rwanda	USD	14,398	-736	11,565	-249
Senegal	EUR	71,359	-3,725	75,691	-1,476
Senegal	USD	644	-161	896	-47
Sierra Leone	EUR	36,040	-281	–	–
Sri Lanka	USD	–	–	22,019	-429
Somalia	EUR	36,040	-281	–	–
Swaziland	USD	73,673	-575	–	–
South Africa	EUR	32,337	-7,017	45,206	-7,741
South Africa	USD	18,467	-300	19,580	-192
South Sudan	USD	18,418	-359	22,019	-172
Tanzania	EUR	1,622	-13	23,740	-436
Tanzania	USD	69,771	-33,786	53,832	-20,604

Country	Currency	31.12.2025		31.12.2024	
		Loan amount	Of which impaired	Loan amount	Of which impaired
Thailand	USD	644	-161	896	-47
Turkiye	EUR	505	-126	919	-230
Uganda	EUR	4,865	-38	44,994	-853
Uganda	USD	83,977	-9,055	32,257	-4,929
Ukraine	EUR	51,532	-30,971	81,826	-46,490
Vietnam	USD	315,714	-6,156	235,910	-4,600
Zambia	EUR	–	–	7,799	-152
Zambia	USD	9,521	-386	1,791	-94
Zimbabwe	EUR	36,040	-281	38,098	-37,249
Zimbabwe	USD	27,574	-20,358	–	–
Total		3,614,512	-342,902	2,761,619	-278,237

Convertible loan receivables and participation loans

Borrower	Currency	Outstanding loan amount in currency	Interest and equivalent	Conversion rights
Addis Emerald Hotel	EUR	1,023	Interest	Yes
d.light	USD	4,280	Interest	Yes
Jacaranda Maternity	USD	800	Interest	Yes



Note 16 | Loan receivables ECL

Loan receivables recognised at amortised acquisition cost	2025				2024			
	Stage 1 ²	Stage 2 ³	Stage 3 ⁴	Total	Stage 1 ²	Stage 2 ³	Stage 3 ⁴	Total
As of 31 December								
Loan receivables by gross amount	2,861,870	422,603	330,040	3,614,513	2,132,171	233,276	396,172	2,761,619
Provision for expected credit losses	-42,769	-35,777	-264,355	-342,902	-35,803	-12,915	-229,519	-278,237
Amortised acquisition cost recognised in the balance sheet	2,819,100	386,826	65,685	3,271,611	2,096,368	220,361	166,653	2,483,382
Provision for expected credit losses on loan commitments	-11,871	-	-	-11,871	-12,137	-	-	-12,137
Loss provision for loan receivables at amortised acquisition cost (total)¹								
Loss provision as of 1 January	-47,382	-12,835	-232,155	-292,371	-31,315	-18,008	-125,552	-174,875
Investments in loan receivables	-25,402	-	-	-25,402	-10,035	-208	-1,878	-12,121
New loan commitments	-7,792	-	-	-7,792	-9,412	-	-	-9,412
Outgoing loan commitments	8,059	-	-	8,059	409	-	-	409
Repayments, including amortisations	13,534	2,234	38,943	54,711	1,855	875	19,761	22,490
Amount written off (recorded credit loss)	-	-	-	-	-	-	-	-
Transfers								
To 12 months of expected credit losses (Stage 1)	-	-	-	-	1,116	-	-	1,116
To expected credit losses for the remaining time to maturity – non-credit-impaired loans (Stage 2)	4,902	-13,672	-	-8,770	-	4,506	-	4,506
To expected credit losses for the remaining time to maturity – credit-impaired loans (Stage 3)	-	-	-85,202	-85,202	-	-	-124,486	-124,486
At year-end	-54,081	-24,273	-278,414	-356,768	-47,382	-12,835	-232,155	-292,371

Total amount of non-discounted expected credit loss for credit-impaired loans accrued during the year.

Written-off amounts still outstanding, but still subject to compliance measures.

1. Includes expected credit loss on loan commitments and loss provision on accrued interest.

2. 12-month expected credit losses.

3. Expected credit losses for the remaining maturity period - non credit-impaired loans. Expected credit losses are measured on a collective basis, except for loans receivables to banks.

4. Expected credit losses for the remaining maturity period - credit-impaired loans. Expected credit losses are measured on an individual basis.



NOTE 16, CONT'D.

Gross value of loans at amortised acquisition cost (total) ¹	2025				2024			
	Stage 1 ²	Stage 2 ³	Stage 3 ⁴	Total	Stage 1 ²	Stage 2 ³	Stage 3 ⁴	Total
Gross value as of 1 January	2,278,136	213,103	406,955	2,898,194	1,886,941	314,398	183,573	2,384,912
Investments in loan receivables	1,867,346	–	–	1,867,346	668,144	3,985	1,878	674,007
Repayments, including amortisations	-804,202	-34,099	-90,316	-928,617	-101,757	-14,546	-27,460	-143,763
Amount written off (recorded credit loss)	–	–	–	–	–	–	–	–
Transfers								
To 12 months of expected credit losses (Stage 1)	-285,977	–	–	-285,977	-175,192	–	–	-175,192
To expected credit losses for the remaining time to maturity – non-credit-impaired loans (Stage 2)	–	261,598	–	261,598	–	-90,734	–	-90,734
To expected credit losses for the remaining time to maturity – credit-impaired loans (Stage 3)	–	–	-1,299	-1,299	–	–	248,964	248,964
At year-end	3,055,302	440,602	315,340	3,811,245	2,278,136	213,103	406,955	2,898,194

1. Includes accrued interest.

2. 12-month expected credit losses

3. Expected credit losses for the remaining maturity period - non credit-impaired loans. Expected credit losses are measured on a collective basis, except for loans receivables to banks.

4. Expected credit losses for the remaining maturity period - credit-impaired loans. Expected credit losses are measured on an individual basis.

Note 17 | Collateral received

Swedfund AB may have collateral in the form of buildings, machinery, etc. in connection with loans. Given the markets in which Swedfund's borrowers operate, this collateral is not considered to have any value.

Note 18 | Other receivables

	31.12.2025	31.12.2024
Other receivables	4,984	69,332
Amortisation loan receivable (Swedpartnership)	7,951	7,951
Total	12,935	77,283

Note 19 | Prepaid expenses and accrued income

	31.12.2025	31.12.2024
Prepaid expenses	6,318	6,371
Accrued interest income, interest-bearing securities	18,646	19,488
Accrued interest income, loan receivables	35,553	19,824
Other accrued income	5,221	5,456
Total	65,739	51,138

Note 20 | Interest-bearing securities

Breakdown of securities	Rating	Average maturity, years	31.12.2025		
			Gross value	Provision for expected credit losses (Stage 1)	Carrying amount
Treasury bills	AAA	0.60	625,054	-	625,054
Government bonds	AAA	7.80	130,112	-	130,112
Covered bonds	AAA	1.39	885,788	-	885,788
Municipal bills	AAA	0.55	352,515	-	352,515
Government securities US	AAA	1.00	1,452,737	-	1,452,737
Government securities DE	AAA	1.05	441,498	-	441,498
Intergovernmental organisations	AAA	0.86	1,336,888	-	1,336,888
Total bonds and other interest-bearing securities			5,224,592	-	5,224,592

All interest-bearing securities are attributed to Stage 1, i.e. there has been no significant credit impairment since initial recognition.

Breakdown of securities	Rating	Average maturity, years	31.12.2024		
			Gross value	Provision for expected credit losses (Stage 1)	Carrying amount
Treasury bills	AAA	0.36	984,780	-	984,780
Government bonds	AAA	8.55	75,316	-	75,316
Covered bonds	AAA	1.19	948,709	-	948,709
Municipal bills	AAA	0.58	426,156	-	426,156
Government securities US	AAA	1.13	1,878,988	-	1,878,988
Government securities DE	AAA	0.84	424,586	-	424,586
Intergovernmental organisations	AAA	0.65	1,012,474	-	1,012,474
Total bonds and other interest-bearing securities			5,751,009	-	5,751,009

As the Financial Policy only allows for investment in government/municipality guaranteed securities and covered bonds, the estimated provision for expected credit losses is intangible and therefore not recorded. As of 31 December 2025, the provision for expected credit losses amounted to approximately TSEK 0.

Note 21 | Financial risks

Introduction

Taking risk is a pivotal part of Swedfund's mission and operations as a development finance institution. By investing where access to commercial capital is limited, we accept risks that many other investors are not prepared to bear. Effective and appropriately designed risk management is therefore a prerequisite for delivering on our mission and ensuring responsible management of public funds.

Swedfund's risk management framework describes the types of risk to which the company is exposed and forms the basis for Swedfund's risk management, formalised through relevant governing documents. The management of financial risks is regulated by Swedfund's Finance Policy adopted by the Board of Directors. The Finance Policy sets out overarching requirements, principles and limits for the management of financial risks.

Capital structure

The dimensioning of Swedfund's equity is governed by its mission from the State. Swedfund is financed, with the exception of Technical Assistance and the Swedfund Project Accelerator, which are grant funded, through capital injections from the State, accumulated earnings from operations and, where applicable, external borrowing.

Financial risk categories

Swedfund's financial risk management is based on the company's risk management framework and the risk appetite established by the Board of Directors. Financial risks are categorised into four main categories to clarify the company's exposure and enable structured governance and monitoring. The risk categories are defined and described in more detail below.

The financial risks comprise:

- Credit and equity price risk
- Interest rate risk
- Currency risk
- Liquidity risk

Credit and equity price risk

Credit and equity price risk is defined as the risk of financial loss due to counterparty default or non-performance, or a decline in the value of Swedfund's equity and debt investments. Exposure is inherent in Swedfund's mandate to invest in high-risk markets.

Risk management

The risk is managed on an ongoing basis throughout the investment process, from thorough due diligence prior to investment decisions, active ownership and continuous monitoring through to exit. Portfolio diversification and limits set by the Board of Directors for country and counterparty exposure reduce concentration risk. Guarantees and similar instruments may be used, where available and commercially viable, to reduce risk exposure.

Interest rate risk

Interest rate risk refers to the risk that changes in market interest rates will affect future cash flows or the fair value of Swedfund's interest-bearing assets and liquidity placements.

Interest rate risk may thus consist both of changes in value and in future interest-related cash flows. A significant factor affecting interest rate risk is the fixed-rate period. Swedfund is exposed to interest rate risk both in relation to its loan portfolio and its liquidity portfolio of interest-bearing securities.

Sensitivity analysis - fixed-rate period

As of 31 December 2025, the duration of Swedfund's interest rate exposure in the investment portfolio is 13.5 months. See table below regarding fixed-rate periods in Swedfund's lending and borrowing.

Interest rate conditions	Loan portfolio		
	USD	EUR	SEK Total
Variable	1,997,095	60,596	2,057,690
Fixed	576,554	494,083	1,070,637
Mix ¹	97,044	46,239	143,284
Total	2,670,693	600,917	3,271,611

1. Loans within the ICCF/EFP facilities are a mix of floating and fixed interest rates.

Sensitivity analysis - interest rate risk

A change in the market interest rate of +/- 1 percentage point, calculated on the net of Swedfund's lending to investments as of 31 December 2025, would have an impact on profit before tax of +/- 26,735 TSEK. A corresponding calculation for short-term liquidity placements per the reporting date would result in an interest rate increase of 1 percentage point on the reporting date having an impact on profit before tax of +/- 56,543 TSEK. However, given the short maturities in the liquidity portfolio (see also Note 20 and Note 23), the likelihood of this scenario is low.

Risk management

Swedfund's loan portfolio contains a mix of fixed and variable interest rates, and pricing takes account of counterparty risk and prevailing market conditions.

- Liquidity placements are kept with short fixed-rate periods and limited duration, in line with the Finance Policy.

NOTE 21, CONT'D.

Currency risk

Currency risk is the risk that currency fluctuations may adversely affect the value of Swedfund's assets, obligations and liquidity positions, or financial reporting and performance objectives. Swedfund's commitments are mainly denominated in USD and EUR, while financial results are reported in SEK, and accounting translation effects may result in volatility in reported results. Portfolio companies are also often exposed to local currencies, which may affect their financial performance and thus Swedfund's credit and equity price risk.

31.12.2025	USD	EUR	Equivalent SEK ¹
Shares and fund units	392,033	41,596	4,258,252
Participating interests in group companies, associated companies and joint ventures	1,383	966	20,469
Loan receivables	290,312	56,145	3,271,611
Interest-bearing securities	298,300	44,701	5,224,592
Cash on hand and bank balances	30,031	25,846	1,384,467
Total	1,012,060	169,254	14,159,390

1. Balance sheet.

Sensitivity analysis - exchange rate risk

A change of +/- 10 percent in the Swedish krona against other currencies as of 31 December 2025 would entail a change in profit before tax of TSEK 988,067. The sensitivity analysis is based on the assumption that all other factors remain unchanged.

Risk management

The cash flow exposure of currency fluctuations in USD and EUR is partly limited by the fact that funds are largely reinvested in these currencies.

- Swedfund does not generally hedge currency exposure in accordance with the Finance Policy, but monitors exposure through currency trend analysis and scenario analysis. The risk strategy is evaluated regularly based on updated assessments.
- Liquidity is managed in accordance with the currency principles set out in the Finance Policy to ensure coverage of commitments in the relevant currency.

Liquidity risk

Liquidity risk is the risk that Swedfund may not have sufficient liquid resources to meet financial obligations, including contracted disbursements and operational needs.

Swedfund has substantial liquidity on its balance sheet, although availability is partly restricted. A portion of liquidity is reserved for contracted but undisbursed commitments in accordance with the Finance Policy. The remaining liquidity constitutes available funds for future investments, unforeseen events and the company's operating activities.

Risk management

Swedfund's liquidity is managed in accordance with the Finance Policy and is invested in low-risk instruments in currencies that match Swedfund's contractual obligations.

- Swedfund's loan portfolio provides recurring cash flows and strengthens the predictability of Swedfund's cash flows.



Note 22 | Financial instruments

Measurement of financial assets and liabilities as of 31 December 2025

	Financial assets and liabilities measured at cost				Fair value
	Loans	Other financial assets	Other financial liabilities	Total carrying amount	
Financial assets					
Shares and participating interests	-	4,258,252	-	4,258,252	4,752,290
Participating interests in group companies, associated companies and joint ventures	-	20,469	-	20,469	23,625
Loan receivables	3,271,611	-	-	3,271,611	3,271,611
Other non-current securities	-	3,424	-	3,424	3,424
Other non-current financial assets	-	8,600	-	8,600	8,600
Accounts receivable	4,753	-	-	4,753	4,753
Other receivables	-	12,935	-	12,935	12,935
Accrued income	-	-	-	65,739	65,739
Interest-bearing securities	5,224,592	-	-	5,224,592	5,228,024
Cash on hand and bank balances	1,384,467	-	-	1,384,467	1,384,467
Retained funds on behalf of other party	-	11,672	-	11,672	11,672
Total	9,885,423	4,315,351	-	14,266,513	14,767,139
Financial liabilities					
Accounts payable	-	-	2,568	2,568	2,568
Other liabilities	-	-	18,717	18,717	18,717
Accrued expenses	-	-	636,168	636,168	636,168
Total	-	-	657,453	657,453	657,453

Measurement of financial assets and liabilities as of 31 December 2024

	Financial assets and liabilities measured at cost				Fair value
	Loans	Other financial assets	Other financial liabilities	Total carrying amount	
Financial assets					
Shares and participating interests	-	3,617,393	-	3,617,393	4,719,816
Participating interests in group companies, associated companies and joint ventures	-	20,469	-	20,469	24,848
Loan receivables	2,483,382	-	-	2,483,382	2,483,382
Other non-current securities	-	2,113	-	2,113	2,113
Other non-current financial assets	-	8,600	-	8,600	8,600
Accounts receivable	666	-	-	666	666
Other receivables	-	77,283	-	77,283	77,283
Accrued income	43,671	7,467	-	51,138	51,138
Interest-bearing securities	5,751,009	-	-	5,751,009	5,759,408
Cash on hand and bank balances	1,375,779	-	-	1,375,779	1,375,779
Retained funds on behalf of other party	-	11,619	-	11,619	11,619
Total	9,654,507	3,744,944	-	13,399,452	14,514,653
Financial liabilities					
Accounts payable	-	-	3,845	3,845	3,845
Other liabilities	-	-	20,253	20,253	20,253
Accrued expenses	-	-	557,635	557,635	557,635
Total	-	-	581,732	581,732	581,732

NOTE 22, CONT'D.

Introduction

Fair value is the price that would be received when selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Methods for determining fair value**Financial instruments listed on an active market**

For financial instruments listed on an active market, fair value is determined on the basis of the asset's quoted purchase price on the reporting date without the addition of transaction costs (e.g. commission) on initial recognition. A financial instrument is considered to be listed on an active market if quoted prices are readily available on a stock exchange, from a trader, broker, trade association, company providing current price information or regulatory authority, and these prices represent actual and regularly occurring market transactions on commercial terms. Any future transaction costs in the event of disposal are not taken into account. For financial liabilities, fair value is determined based on the listed selling price. Instruments listed on an active market can be found in the balance sheet under Shares and fund units and Interest-bearing securities. Most of the Company's financial instruments are measured at fair value at prices quoted on an active market.

Financial instruments not listed on an active market

If the market for a financial instrument is not active, the Company measures the fair value using a measurement technique. The measurement techniques used are based as far as possible on market data and Company-specific data are used as little as possible. The Company calibrates the measurement technique at regular intervals and tests its validity by comparing the outcome of the measurement technique with prices from observable current market transactions in the same instrument. Measurement techniques are used for the following classes of financial instruments: interest-bearing securities (when prices on an active market are not available), shares (when prices on an active market are not available), other interest-bearing assets and liabilities. The measurement models applied are calibrated so that the fair value on initial recognition amounts to the transaction price and changes in fair value are then reported on an ongoing basis based on the changes that have taken place in the underlying market risk parameters.

Shares and interest-bearing securities

The fair value of financial instruments is calculated (i) with reference to financial instruments that are essentially the same or to recent

transactions in the same financial instrument, or if such information is not available, to (ii) future cash flows of principal amounts and interest discounted at current market interest rates on the reporting date. In cases where discounted cash flows have been used, future cash flows are calculated based on the management's best estimate. The discount rate used is the market-based interest rate on similar instruments on the reporting date. If other measurement models have been used, input data is based on market-related data on the reporting date.

Holdings in unlisted shares are recognised at cost in cases where a reliable fair value cannot be determined. The reason for not being able to measure them reliably at fair value is that, according to the Company's management, there is too much uncertainty in future cash flows and the risk adjustment that needs to be made on the discount rate. The Company does not intend to sell its unlisted shares in the near future.

The carrying amount of accounts receivable, other receivables, cash and cash equivalents, trade payables and other liabilities constitutes a reasonable approximation of fair value.

The table below shows financial instruments measured at fair value, based on how the classification in the fair value hierarchy has been carried out. The various levels are defined as follows:

Level 1 - Listed prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Other observable inputs for assets or liabilities than quoted prices included in Level 1. This category includes instruments that are valued based on quoted prices in active markets for similar instruments, quoted prices for identical or similar instruments traded on markets that are not active, or other measurement techniques where all material inputs are directly and indirectly observable in the market (i.e. either directly, as price quotations) or indirectly, derived from price quotations).

Level 3 - Inputs for assets or liabilities that are not based on observable market data (i.e. non-observable inputs and where the measurement technique has a material impact on measurement).

Transfers between Level 1 and Level 2

IFRS also requires disclosure of material transfers of instruments between Level 1 and Level 2 as well as the reasons for these transfers and the principles used to determine when a transfer is considered to have taken place. Transfers to each level should be described separately from transfers from each level.

According to IFRS, examples of principles for determining the timing of transfers are:

- Date of the event that prompted the transfer
- End of the reporting period

There were no transfers between Level 1 and Level 2 in Swedfund's portfolio in either 2024 or 2025.

Reconciliation of fair values in Level 3

According to IFRS, disclosures should be made in the form of a reconciliation of changes from the opening balance to the closing balance in the fair value of instruments measured according to Level 3 in the measurement hierarchy. With regard to transfers between levels, according to IFRS, disclosures must provide the reasons for these and the principles used to determine when a transfer is considered to have taken place.

According to IFRS, unrealised earnings on such assets and liabilities that are still owned at the end of the year should also be disclosed.

Measurement techniques and material non-observable inputs

In accordance with IFRS, a description of the measurement technique or techniques and the inputs used in the measurement at fair value should be provided for recurring and non-recurring fair value measurements attributable to Levels 2 and 3 in the fair value hierarchy.

Methods for calculating expected credit losses

Financial assets other than shares and fund units and participating interests in group companies, associated companies and joint ventures are covered by provisions for expected credit losses. Provisions for expected credit losses also cover issued loan commitments.

The IFRS 9 expected credit loss model is forward-looking and a loss allowance is recognised when there is an exposure to credit risk, usually on first recognition of an asset or receivable, but also for issued loan commitments. Expected credit losses reflect the present value of all cash flow deficits attributable to default either for the next 12 months or for the expected remaining time to maturity of the financial instrument, depending on the asset class and credit deterioration since initial recognition. Expected credit losses reflect an unbiased, probability-weighted outcome that considers multiple scenarios based on reasonable and supportable forecasts.

Swedfund applies the general method for its loan receivables, cash and cash equivalents and interest-bearing securities. The general method applies a three-stage impairment model, depending on the development of credit risk during the term of the receivable. For issued

NOTE 22, CONT'D.

credit-impaired loan receivables, there is no allocation of the loan receivable to different stages.

Expected credit losses are measured based on the product of probability of default, loss given default and exposure at default, except in cases where expected credit losses are measured based on historical credit loss percentage and exposure at default. Management's forward-looking assessments in the form of Company-specific information, macroeconomic factors and country risk are also included. For credit-impaired assets and receivables, an individual assessment is made based on an analysis of cash flow that takes into account historical, current and forward-looking information. The measurement of expected credit losses takes into account any collateral and guarantees.

Financial assets are recognised in the balance sheet at amortised cost, i.e. net of gross value and loss provision. A credit loss provision for loan commitments is recognised as other provisions until the loan is paid out.

Changes in loss provisions are recognised in the income statement as write-downs for credit losses.

Loan receivables

Loans receivable are divided into two segments: financial and non-financial companies. Stage 1 of the credit loss provisioning methodology for non-financial companies is based on historical credit loss percentage combined with forward-looking factors. Stage 1 financial companies are impaired individually using a credit rating-based methodology based essentially on an external credit rating and an assessment of loss given default.

Loans receivable are considered to have a significant increase in credit risk, Stage 2, when the loan has been forgiven or the official credit rating has been downgraded by one notch. In addition, the Company has also established a number of criteria that constitute indications or confirmation of a significant increase in credit risk for individual loans or for groups of loan receivables. For loan receivables in Stage 2, credit loss provisions are made in accordance with the management's

assessment of probability-weighted expected cash flows, taking into account the expected time of default compared with contracted cash flows. Assessments are made on an individual basis.

Loans receivable are considered credit-impaired, Stage 3, when there is an imminent risk of bankruptcy. In addition, the Company's management also has a number of criteria that constitute indications or confirmations of a loan receivable being considered credit-impaired for individual loan receivables or for groups of loan receivables. For loan receivables in Stage 3 and for credit-impaired issued loan receivables, credit loss provisions are formed in accordance with the management's assessment of probability-weighted expected cash flows, taking into account the expected time of default compared with contracted cash flows. Assessments are made on an individual basis.

Interest-bearing securities and cash at hand and bank balances

Interest-bearing securities and cash and cash equivalents consist of municipality and government bonds as well as cash and cash equivalents, which essentially constitute bank balances in banks with an investment grade rating. Interest-bearing securities and cash and cash equivalents are impaired in accordance with a credit rating-based method based on external rating and management's assessment of loss given default. Financial assets are considered to have a significant increase in credit risk if the debtor receives a credit rating downgrade below investment grade rating.

Liabilities to credit institutions (interest-bearing liabilities)

For disclosure purposes, the fair value of interest-bearing liabilities is measured by discounting future cash flows of principal amounts and interest discounted at the current market rate.

Current receivables and liabilities

For current receivables and liabilities, such as accounts receivable and accounts payable, with a life of less than six months, the carrying amount is considered to reflect fair value.

NOTE 22, CONT'D.

Assets and liabilities measured at fair value

31.12.2025	Level 1	Level 2	Level 3	Total
Financial assets				
Shares and participating interests	-	-	4,752,290	4,752,290
Participating interests in group companies, associated companies and joint ventures	-	-	23,625	23,625
Loan receivables	-	-	3,271,611	3,271,611
Other non-current securities	-	3,424	-	3,424
Other non-current financial assets	-	-	8,600	8,600
Accounts receivable	-	4,753	-	4,753
Other receivables	-	12,935	-	12,935
Accrued income	-	65,739	-	65,739
Interest-bearing securities	5,228,024	-	-	5,228,024
Cash on hand and bank balances	1,384,467	-	-	1,384,467
Retained funds on behalf of other party	-	11,672	-	11,672
Total	6,612,491	98,523	8,056,125	14,767,139
Financial liabilities				
Accounts payable	-	2,568	-	2,568
Other liabilities	-	18,717	-	18,717
Accrued expenses	-	636,168	-	636,168
Total	-	657,453	-	657,453

Assets and liabilities measured at fair value

31.12.2024	Level 1	Level 2	Level 3	Total
Financial assets				
Shares and participating interests	-	-	4,719,816	4,719,816
Participating interests in group companies, associated companies and joint ventures	-	-	24,848	24,848
Loan receivables	-	-	2,483,382	2,483,382
Other non-current securities	-	2,113	-	2,113
Other non-current financial assets	-	-	8,600	8,600
Accounts receivable	-	666	-	666
Other receivables	-	77,283	-	77,283
Accrued income	-	51,138	-	51,138
Interest-bearing securities	5,759,408	-	-	5,759,408
Cash on hand and bank balances	1,375,779	-	-	1,375,779
Retained funds on behalf of other party	-	11,619	-	11,619
Total	7,135,187	142,820	7,236,646	14,514,653
Financial liabilities				
Accounts payable	-	3,845	-	3,845
Other liabilities	-	20,253	-	20,253
Accrued expenses	-	557,635	-	557,635
Total	-	581,732	-	581,732

Note 23 | Maturity analysis

31.12.2025

Maturity information

Remaining contractual time to maturity (non-discounted value) and expected time of recovery	Non-discounted cash flows - remaining contractual time to maturity									Total nominal cash flows
	On demand	< 3 months	> 3 months < 6 months	> 7 months < 1 year	> 1 year < 2 years	> 2 years < 3 years	> 3 years < 5 years	> 5 years	Without maturity	
Assets										
Shares and fund units	-	-	-	-	-	-	-	-	4,258,252	4,258,252
Participating interests in group companies, associated companies and joint ventures	-	-	-	-	-	-	-	-	20,469	20,469
Loan receivables	-	324,319	82,015	230,663	903,951	407,647	849,288	473,728	-	3,271,611
Other non-current securities	-	-	-	-	-	-	-	-	3,424	3,424
Other non-current financial assets	-	-	-	-	-	-	-	-	8,600	8,600
Accounts receivable	-	4,753	-	-	-	-	-	-	-	4,753
Other receivables	-	12,935	-	-	-	-	-	-	-	12,935
Accrued income	-	65,739	-	-	-	-	-	-	-	65,739
Interest-bearing securities	-	1,124,135	889,206	1,336,511	1,056,553	584,078	115,587	118,522	-	5,224,592
Cash on hand and bank balances	1,384,467	-	-	-	-	-	-	-	-	1,384,467
Retained funds on behalf of other party	11,672	-	-	-	-	-	-	-	-	11,672
Total	1,396,139	1,531,881	971,221	1,567,175	1,960,504	991,724	964,875	592,250	4,290,784	14,266,513
Liabilities										
Accounts payable	-	2,568	-	-	-	-	-	-	-	2,568
Other liabilities	-	18,717	-	-	-	-	-	-	-	18,717
Accrued expenses	-	636,168	-	-	-	-	-	-	-	636,168
Total	-	657,453	-	-	-	-	-	-	-	657,453
Off-balance sheet commitments										
Unrecognised loan commitments	-	1,278,395	121,746	121,746	-	-	-	-	-	1,521,886
Operating leases	-	2,849	2,849	5,355	10,249	9,916	18,709	-	-	49,927
Total	-	1,281,244	124,595	127,100	10,249	9,916	18,709	-	-	1,571,813

NOTE 23, CONT'D.

31.12.2024

Maturity information

Remaining contractual time to maturity (non-discounted value) and expected time of recovery	Non-discounted cash flows - remaining contractual time to maturity									Total nominal cash flows
	On demand	< 3 months	> 3 months < 6 months	> 7 months < 1 year	> 1 year < 2 years	> 2 years < 3 years	> 3 years < 5 years	> 5 years	Without maturity	
Assets										
Shares and fund units	-	-	-	-	-	-	-	-	3,617,393	3,617,393
Participating interests in group companies, associated companies and joint ventures	-	-	-	-	-	-	-	-	20,469	20,469
Loan receivables	-	95,358	162,489	224,139	884,794	562,446	387,408	166,747	-	2,483,382
Other non-current securities	-	-	-	-	-	-	-	-	2,113	2,113
Other non-current financial assets	-	-	-	-	-	-	-	-	8,600	8,600
Accounts receivable	-	666	-	-	-	-	-	-	-	666
Other receivables	-	77,283	-	-	-	-	-	-	-	77,283
Accrued income	-	51,138	-	-	-	-	-	-	-	51,138
Interest-bearing securities	-	937,551	1,444,934	1,522,597	1,364,015	406,596	-	75,316	-	5,751,009
Cash on hand and bank balances	1,375,779	-	-	-	-	-	-	-	-	1,375,779
Retained funds on behalf of other party	11,619	-	-	-	-	-	-	-	-	11,619
Total	1,387,398	1,161,997	1,607,423	1,746,736	2,248,810	969,042	387,408	242,063	3,648,575	13,399,451
Liabilities										
Accounts payable	-	3,845	-	-	-	-	-	-	-	3,845
Other liabilities	-	20,253	-	-	-	-	-	-	-	20,253
Accrued expenses	-	557,635	-	-	-	-	-	-	-	557,635
Total	-	581,733	-	-	-	-	-	-	-	581,733
Unrecognised loan commitments	-	450,942	368,369	736,739	-	-	-	-	-	1,556,050
Operating leases	-	2,380	2,380	4,715	12,403	12,192	3,462	-	-	37,531
Total difference	-	453,322	370,749	741,454	12,403	12,192	3,462	-	-	1,593,581

Note 24 | Offsetting of financial assets and liabilities

Swedfund has no financial assets or liabilities that are covered by legally binding framework agreements on netting or similar agreements with a contractual right to offset.

Note 25 | Provision for expected credit losses on loan commitments

	31.12.2025	31.12.2024
Carrying amount at the beginning of the period	12,137	3,134
Provisions in the period	7,792	9,412
Amounts utilised during the period	-2,791	-
Unutilised amounts reversed during the period	-	-
Increase/decrease in discounted amounts during the period	-5,268	-409
Other	-	-
Carrying amount at the end of the period	11,871	12,137



Note 26 | Credit risk exposure

Credit risk exposure, gross and net, as of 31 December 2025	Credit risk exposure (before impairment)	Impairment/Provision	Carrying amount	Credit risk exposure with respect to collateral	Collateral utilised
Cash on hand and bank balances	1,384,467	-	1,384,467	1,384,467	-
Loan receivables	3,614,512	-342,901	3,271,611	3,271,611	-
Bonds and other interest-bearing securities					
Government securities and other public bodies					
AAA	4,338,804	-	4,338,804	-	-
Other issuers					
AAA	885,788	-	885,788	-	-
Total	5,224,592	-	5,224,592	-	-
Total	10,223,571	-342,901	9,880,670	4,656,078	-
Other assets					
Issued loan commitments					
	1,521,886	-11,871	1,510,015	1,510,015	-
Total	1,521,886	-11,871	1,510,015	1,510,015	-
Total credit risk exposure	11,745,457	-354,772	11,390,685	6,166,094	-
Credit risk exposure, gross and net, as of 31 December 2024	Credit risk exposure (before impairment)	Impairment/Provision	Carrying amount	Credit risk exposure with respect to collateral	Collateral utilised
Cash on hand and bank balances	1,375,779	-	1,375,779	1,375,779	-
Loan receivables	2,761,619	-278,237	2,483,382	2,483,382	-
Bonds and other interest-bearing securities					
Government securities and other public bodies					
AAA	4,858,401	-	4,858,401	4,858,401	-
Other issuers					
AAA	892,608	-	892,608	892,608	-
Total	5,751,009	-	5,751,009	5,751,009	-
Total	9,888,407	-278,237	9,610,170	9,610,170	-
Other assets					
Issued loan commitments					
	1,556,050	-12,137	1,543,913	1,543,913	-
Total	1,556,050	-12,137	1,543,913	1,543,913	-
Total credit risk exposure	11,444,457	-290,374	11,154,083	11,154,083	-

Concentration of credit risk, 31 December	2025			2024		
	Number of borrowers	% total number of customers	% share of carrying amount	Number of borrowers	% total number of customers	% share of carrying amount
Loan receivables						
Exposure MSEK < 50	20	54%	15%	14	46	15
Exposure MSEK 50-100	5	12%	11%	5	17	15
Exposure MSEK >100	14	34%	74%	11	37	70
Total	39	100	100	30	100	100

The three largest borrowers account for 23% (35%) of loans.

Note 27 | Other liabilities

	31.12.2025	31.12.2024
Accounts payable	2,568	3,845
Tax liabilities	16,418	93,950
Withholding tax, staff	2,397	2,101
Other liabilities	16,320	18,152
Total	37,703	118,048

None of the Company's liabilities become due for payment more than five years after the reporting date.

Note 28 | Accrued expenses and deferred income

	31.12.2025	31.12.2024
Accrued holiday pay	7,044	6,792
Accrued social security contributions	10,764	7,039
Accrued interest expenses, liabilities to credit institutions	0	–
Other accruals	9,077	38,234
Deferred income (Technical Assistance, Project Accelerator)	609,284	505,570
Total	636,168	557,635

Note 29 | Contingent liabilities

The Company is involved from time to time in various processes and legal proceedings that have arisen from its day-to-day business operations. These claims relate to, but are not limited to, the Company's business practices, HR matters and tax issues. With regard to matters that do not require any provisions, the Company considers, on the basis of information currently available, that these will not have a significant adverse effect on the Company's financial performance.

	31.12.2025	31.12.2024
Commitments		
Contracted unpaid portfolio commitments	5,978,891	5,931,469
Total	5,978,891	5,931,469

Note 30 | Cash flow statement

	31.12.2025	31.12.2024
Adjustment for items not affecting cash flow		
Depreciation, amortisation and impairment	480,283	134,979
Unrealised exchange differences	443,748	-138,080
Capital result from sale of fixed assets	-162,066	-243,705
Other non-cash items	-266	9,003
Total	761,699	-237,803

Note 31 | Related party transactions

Related party transactions are based on accepted commercial terms in the industry and have been entered into under normal commercial terms.

For information on salaries and other remuneration, costs and obligations relating to pensions and similar benefits for the Board of Directors, CEO and other senior executives, see Note 5.

Moreover, no transactions took place between Swedfund and related parties during the financial year that had a material impact on the Company's position and performance.

Note 32 | Events after the reporting date

Per Alnefelt was appointed Interim CFO and succeeded Johan Selander.

Note 33 | Proposal for appropriation of profit

SEK	31.12.2025	31.12.2024
The following profit is available to the AGM:		
Retained earnings	12,129,382,539	9,599,016,713
Capital contribution	1,800,000,000	1,760,000,000
Net profit/loss for the year	-775,605,593	769,966,418
	13,153,776,946	12,128,983,131
To be distributed as follows:		
To be carried forward	13,153,776,946	12,128,983,131
	13,153,776,946	12,128,983,131



Corporate Governance Report

Corporate governance at Swedfund

Swedfund is a limited company wholly owned by the Swedish government with a specific public policy assignment, which is set out in the Owner instructions.

This assignment means that Swedfund is required to help achieve the Swedish parliament's goal for Sweden's international development cooperation to create conditions for better living standards for people living in poverty and oppression. The Company's operations must contribute to sustainable development in accordance with the 2030 Agenda and the UN's Sustainable Development Goals. Together with strategic partners, the Company must contribute to investments that are not considered feasible with commercial financing alone. Swedfund must ensure that its investments are sustainable from an economic, environmental, climate and social perspective.

The Owner instructions set out a number of mission objectives for the organisation. These are described in more detail in the Director's Report under the Portfolio companies' performance section on pages 67–83.

Both external and internal regulations form the basis for Swedfund's governance. Swedfund applies the Swedish Corporate Governance Code. Deviations from this Code in the financial year are explained below. The main reason behind such non-conformities is Swedfund's ownership circumstances, with Swedfund being a wholly state-owned company and thus not a listed company with dispersed ownership. The Company's auditors have conducted a statutory review of the corporate governance report.

The State's Ownership Policy, the Owner instructions for the Company, the Articles of Association and the objectives established by the Annual General Meeting and the Board of Directors govern the Company's operations. Swedfund's strategy and policy documents form the starting point for the performance of its assignment. Swedfund's policies form a key part of the Company's values, governance and internal control, and are regularly

incorporated into working methods and agreements. The training of Swedfund staff and external board members in direct holdings is ongoing. The Company is also affiliated to a number of international conventions and regulations which have impacted the working methods that are followed in different ways.

Swedish Corporate Governance Code

The Swedish Corporate Governance Code forms part of the State's corporate governance framework. Swedfund adheres to this Code in accordance with the Owner instructions.

Deviations from the Code

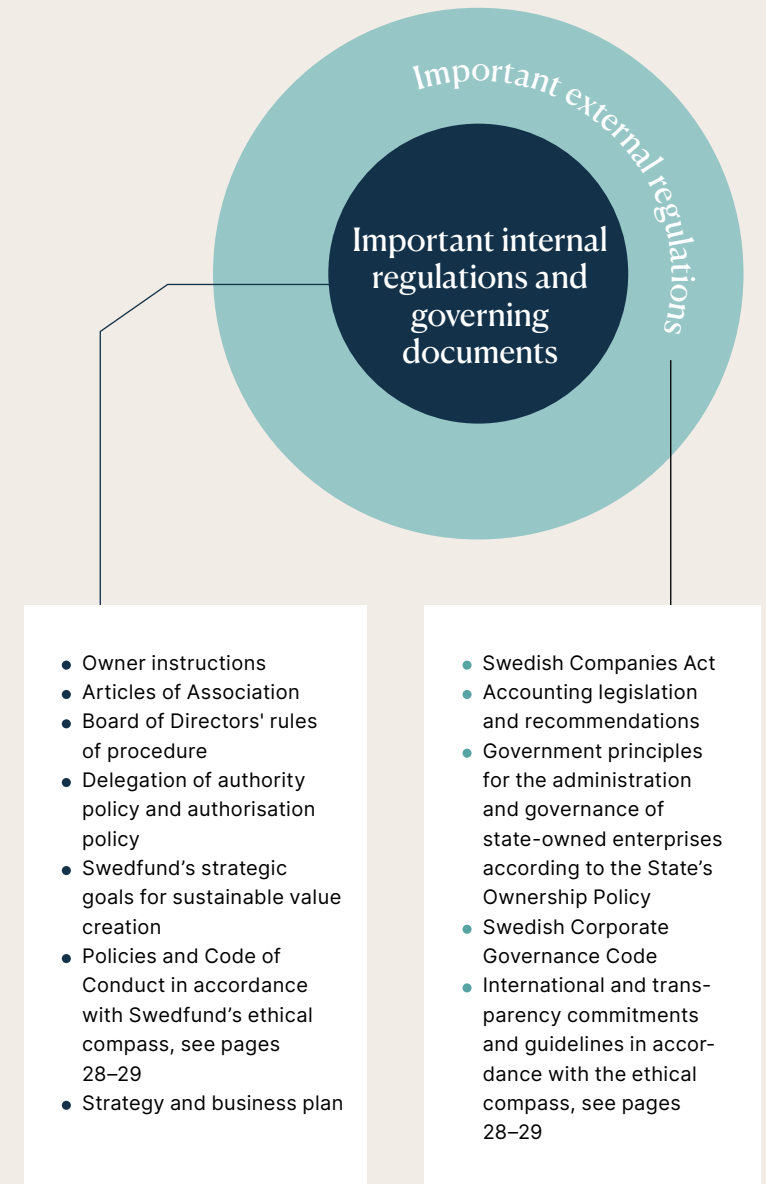
Swedfund deviated from the provisions of the Code in the 2025 financial year on the following points:

- i. Nomination committee. Due to its ownership structure, Swedfund has no nomination committee. Instead, the nomination process for Board members and election of the Chair of the Board of Directors and auditors is based on a separate process for state-owned enterprises in accordance with the State's Ownership Policy.
- ii. The Board of Directors' independence in relation to the owner. In accordance with the State's Ownership Policy, Swedfund does not report whether or not Board members are independent of the owner.
- iii. Remuneration committee. The Board of Directors has instead opted to perform this task.

Corporate governance amongst the portfolio companies

As regards investments through equity, Swedfund normally has a role as a minority shareholder, but usually endeavours to ensure that it holds a board position. In connection with fund investments, Swedfund is often represented on the fund's advisory board.

Governing documents



Through active ownership, based on the three pillars (Impact on society, Sustainability and Financial viability), governance and follow-up take place through board work, reporting, monitoring and advocacy work. The management of Swedfund's investments involves incorporating the Company's policies into investment agreements as and when appropriate. Funds for Technical Assistance (TA) can also be used as a tool for quality-enhancing initiatives among the portfolio companies. Information on the development of the portfolio companies is obtained through regular dialogues with the companies and co-investors, the follow-up of annual reports and other agreed information. Swedfund strives to maintain an active dialogue with stakeholders such as owners, business partners, civil society organisations, trade unions and the media. For further information, see Swedfund's stakeholder and materiality analysis on pages 136–137.

Votes and owners

The Annual General Meeting is the supreme decision-making body within Swedfund, and it is through attendance at this meeting and participation in owner dialogue that the Swedish government exercises its influence on the Company. The Ministry of Finance is responsible for managing the State's ownership of Swedfund, while the Ministry of Foreign Affairs is responsible for the Company's development cooperation policy. Notice of annual general meetings and extraordinary general meetings where amendments to the Articles of Association are on the agenda must be issued no earlier than six weeks and no later than four weeks prior to the meeting. Notice is issued through publication in the official Swedish gazette, Post- och Inrikes Tidningar, and on Swedfund's website. Members of Parliament have the right to attend the meeting and to ask the Company questions during the meeting. Under normal circumstances, the meeting is also open to the general public.

Annual General Meeting 2025

Swedfund's Annual General Meeting was held on Friday 25 April at Westmanska Palatset in Stockholm. The meeting was open to the general public, and the minutes of the Annual General Meeting are available on the company's website. The Annual General Meeting adopted the presented income statement and balance sheet as of 31 December 2024 and discharged the members of the Board of Directors and the CEO from liability for the 2024 financial year. The Annual General Meeting also presented proposals for the appropriation of profit and proposals concerning guidelines for the remuneration of senior executives, and pre-

pared the remuneration report for 2024. Ernst & Young AB was re-elected as auditor by the Annual General Meeting with Carl Rudin as new lead auditor.

Board of Directors

According to the Articles of Association, the Board of Directors must consist of at least six and not more than nine members, without deputies. The Annual General Meeting shall appoint the Chair of the Board of Directors. If the Chair resigns during their term of office, the Board of Directors must elect a Chair from amongst its members for the period through until the end of the Annual General Meeting when a new Chair is elected by the meeting.

Composition of the Board

Board member, Torgny Holmgren resigned at the 2025 Annual General Meeting. At the Annual General Meeting, Catrina Ingelstam, Josefine Ekros Roth, Roshi Motman, Catrin Fransson, Anna Stellingner, Caroline af Kleen and Johan Mörnstam were re-elected as Board members. Following the Annual General Meeting, the Board of Directors consisted of seven members, six women and one man. Catrin Fransson was re-elected as Chair of the Board. No member of Swedfund's executive management is a member of the Board of Directors. Information about the members of the Board of Directors is provided on pages 130–131.

Responsibilities and duties of the Board of Directors

The Board of Directors is required to assess the Company's financial situation on an ongoing basis, and ensure that the Company achieves the objectives that have been set and manages its resources appropriately. The Board of Directors is required to ensure that the Company's organisation is such that accounting, financial management and the Company's financial circumstances are generally subject to satisfactory controls. The Board of Directors must ensure that the Company has effective systems in place for monitoring and controlling the Company's operations, and must keep abreast of and evaluate how the Company's internal control systems are functioning. The Board of Directors makes business decisions on matters that fall outside the scope of day-to-day management and the delegated mandate of the CEO, which includes, for example, major investment decisions. The Board of Directors is responsible for setting goals and establishing a strategy for the Company's operations, including strategic goals and sustainable value creation. It is the responsibility of the Board of Directors to incorporate sustainable enterprise into the Company's business

Key matters for the Board of Directors in 2025



strategy and business development, and to establish strategic goals for sustainable value creation in accordance with the Ownership Policy. The Board of Directors has overall responsibility for Swedfund's compliance and risk management and determines the risk policy, including risk appetite and limits, annually. This means that the Board of Directors is responsible for ensuring that risks associated with the Company's operations are regularly identified, analysed and managed appropriately, and that there is adequate control over the Company's compliance with laws and other rules that apply to the Company's operations. The Board of Directors is also responsible for establishing, implementing and following up the policy documents and other forms of governing documents relevant to the organisation, such as the rules of procedure for the Board of Directors and the Audit Committee, and the CEO's instructions. Amongst other things, these policy documents set out how responsibilities and authorities are delegated between the Board of Directors, the Chair of the Board of Directors and the CEO.

The Board of Directors has set up an integrated Audit Committee whose duties are aimed at the quality assurance of external financial and sustainability reporting and ensuring that the Company has appropriate risk management in place, that established principles for external reporting and internal control are complied with, and that Swedfund undergoes qualified, effective and independent auditing. The Audit Committee also prepares sustainability-related

matters, such as sustainability policy and business integrity policy, as well as material sustainability issues for consideration by the Board of Directors. A board trip and a number of training sessions were also organised.

The Audit Committee consists of three Board members appointed annually by the Board. Since the inaugural Board meeting in 2025, the Audit Committee has consisted of Catrina Ingelstam (Chair), Josefine Ekros Roth and Caroline af Kleen.

The Board of Directors is responsible for maximising long-term value creation at Swedfund and for ensuring that operations are conducted in a way that promotes sustainable development from a financial, social, environmental and climate perspective. The Board of Directors is responsible for the Company's organisation and management of its affairs in the interests of the Company and the shareholders. It is also responsible for ensuring that the Company acts in a business-like, sustainable and exemplary manner that maintains public confidence. The Board of Directors appoints the Chief Executive Officer (CEO) and determines the salary and other benefits of the CEO.

Chair of the Board

The Chair is responsible for evaluating the work of the Board of Directors on an annual basis and for ensuring that the evaluation is reported as and when relevant to the owner's nomination administrator. The 2025 Board evaluation was carried out within the Board and involved a collective evaluation of the work

and expertise of the Board of Directors. As and when necessary, the Chair is involved in connection with important contacts and represents the Company in relation to ownership matters. Furthermore, it is incumbent upon the Chair of the Board of Directors to inform the owner and request a special strategic review if the Company faces radical strategic changes in its operations.

The work of the Board of Directors and the Audit Committee in 2025

The Board met on ten occasions during the year, which included seven ordinary meetings, one extraordinary meeting and two meetings per capsulam. Amongst other matters, the meetings considered investment cases and business operations based on the three pillars (Impact on society, Sustainability and Financial viability), annual and interim financial statements and related reports, CSRD, budget and business objectives, policy and compliance issues, organisational and staffing issues, IT strategy, preparedness and security issues, and evaluation of the work of the Board of Directors and the CEO. Ordinary Board meetings were held in the form of physical meetings. Furthermore, a board trip (to Zambia) took place during the year as well as advanced training on human rights.

In 2025, the Audit Committee met on seven occasions, with the meetings being held in both digital and physical format. Amongst other things, the Audit Committee prepared questions regarding interim reports and integrated reporting for 2024 (including the Annual Report, Sustainability and Corporate Governance Report), risk/internal control, policy updating, CSRD, audit plans for internal and external audits, reporting and follow-up of audit reports and previous observations, and evaluation of internal and external audits.

CEO and Company management

Maria Hammarskjöld Håkansson has been CEO of Swedfund since 2018. The CEO is responsible for the day-to-day management of the Company's operations with the care and to the extent necessary

to ensure that operations are carried out in accordance with applicable legislation, the Articles of Association, the CEO's instructions, the Board of Director's instructions, within the established risk appetite, and the State's Ownership Policy. The CEO signs on behalf of the Company with regard to the ongoing administration of the Company within the adopted budget. Decisions within the CEO's own decision-making remit are reported to the Board of Directors at the next meeting.

Management work is coordinated by a management team based on Swedfund's organisation. At the end of 2025, in addition to the CEO, the management team consisted of seven people, the Chief HR & Administration Officer, Chief Legal Counsel, Chief Financial Officer, Chief Strategy & Communications Officer, Chief Investment Officer and Chief Sustainability Officer. The management team is responsible for proposing and implementing strategies and business plans, budgets and operational planning, governance and organisational issues, and for monitoring Swedfund's financial development and initiatives relating to sustainability.

Auditors

Proposals for the appointment of auditors and auditor's fees in state-owned enterprises are submitted by the Board of Directors for decision by the Annual General Meeting. Auditors are normally appointed for a term of one year. The auditors are accountable to the owner at the general meeting and submit audit reports concerning Swedfund's integrated reports and the Board of Directors' management. The auditors submit a summary report on the audit to the Audit Committee and the Board of Directors, firstly in connection with the management audit and the limited assurance review of the interim report for January to September, and secondly, in connection with the audit of the annual financial statements. The external auditors attended five of the Audit Committee's meetings in 2025 and one board meeting. The remuneration paid to the auditors is presented in Note 6.

Member	Position	Board of Directors' meetings	Audit Committee
Catrin Fransson	Chair of the Board of Directors	10/10	
Catrina Ingelstam	Member of the Board, Chair of the Audit Committee	9/10	7/7
Roshi Motman	Board member	10/10	
Anna Stellingner	Board member	8/10	
Caroline af Kleen	Member of the Board of Directors, Member of the Audit Committee	9/10	7/7
Josefine Ekros Roth	Member of the Board of Directors, Member of the Audit Committee	9/10	7/7
Johan Mörnstam	Board member	9/10	

Remuneration of senior executives

Swedfund applies the remuneration principles set out in the State's Ownership Policy, see Guidelines for the remuneration of senior executives at Swedfund International AB, which can be found on Swedfund's website. The pay conditions for the CEO and other senior executives are presented in Note 5 on page 103. Swedfund also prepares a Remuneration Report for approval by the Annual General Meeting.

Internal control regarding financial reporting

Under the Swedish Companies Act and the Swedish Corporate Governance Code, the Board of Directors is responsible for ensuring that the Company has good internal controls in place. This report has been prepared in accordance with Chapter 6, Section 6 of the

Swedish Annual Accounts Act and Sections 7.3-7.4 of the Swedish Corporate Governance Code, and is limited to the internal controls regarding financial reporting. Effective board work forms the basis for good internal control. Swedfund's internal controls can be described based on the following five main areas.

Governance and control environment

The basis for internal controls regarding financial reporting is the control environment. The Board of Directors has overall responsibility for financial reporting, which refers primarily to interim reports (quarterly) and the integrated reports (annual). Every year, the Board of Directors adopts a set of written rules of procedure for its work, and specifies the division of work between the Board

of Directors, the CEO and the Audit Committee.

The Audit Committee appointed by the Board of Directors is tasked with preparing matters for decisions by the Board. The Audit Committee works according to an adopted annual schedule and is responsible for monitoring and quality assurance of the Company's financial reports. Its tasks cover areas such as the effectiveness of the Company's internal control, risk-based annual plan for internal audits, assessments of estimates and reported values which could impact on the quality of financial reports, as well as the follow-up of observations from external and internal audits. The Audit Committee also keeps abreast of the auditing of the Annual Integrated Report (including the annual report and reports regarding corporate governance and sustainability) and management through regular attendance at the Committee's meetings by the Company's auditors. The CFO and CSO are co-opted to the Committee's meetings, and the Committee's members are also in regular contact with these executives between ordinary meetings. The CEO is available at all Committee meetings.

One aspect of the Board of Directors' work is to prepare, update and approve fundamental policies that govern the Company's work. The Board of Directors issues comprehensive policy documents and frameworks that create the conditions for an organisational structure with a clear delegation of powers and responsibilities documented in a set of instructions for the work of the CEO, and in a policy concerning the delegation of authority. Based on these, internal rules, processes and structures are created which form the basis for internal governance and control throughout the organisation. Financial Policy, Risk Policy, Sustainability Policy, accounting and reporting instructions and an investment manual set out the framework and provide guidance in key areas for the Company's financial reporting.

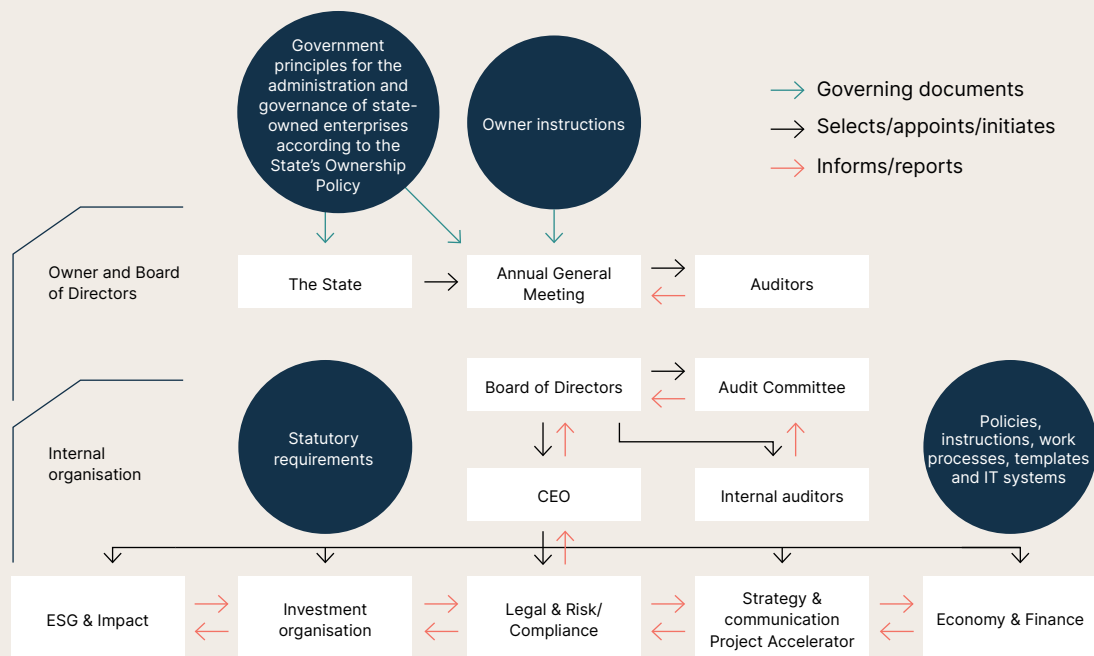
The competence of the employees and the core values that the Board of Directors and the management operate on the basis of and communicate also form a significant part of the control environment.

The CEO is tasked with establishing guidelines to ensure that all employees understand the requirements regarding the maintenance of ethical values and the role of the individual in this task, which is partly governed by Swedfund's Code of Conduct. The Code of Conduct, which has been adopted by the Board of Directors and which all Swedfund employees have undertaken to comply with, describes Swedfund's fundamental values and the expectations placed on employees and the Company's representatives. It includes principles regarding conflicts of interest, which must be reported, assessed and handled in accordance with established procedures. Swedfund applies the three lines of defence model to clarify roles and responsibilities in risk management. First line, business operations are responsible for identifying, assessing and managing risks within their respective areas of responsibility. Second line, the Risk & Compliance function performs independent monitoring, supports the development of the risk management framework and monitors compliance with internal policy documents and external regulations. This function was established in 2025 and reports to the Chief Legal Counsel. Third line, Internal Audit conducts independent reviews of risk management and internal governance and control, and reports to the Board of Directors and the Audit Committee.

Risk assessment

There may be a risk of material misstatement in the financial statements in connection with the accounting and valuation of assets, liabilities, income and expenses, collection and compilation of sustainability information or deviations from information requirements. Other risks relating to financial reporting include fraud, loss or misappropriation of assets or undue favouring of other parties at the Company's expense, see also Risks and risk management. Accounting and financial reporting policies and directives and associated processes cover areas of particular importance to promote accurate and complete accounting, reporting and timely disclosure.

Corporate governance structure



This is Swedfund

Our context

Investments

Project Accelerator

Results and governance

Sustainability notes and other information

Identified risks are managed through well-defined business processes with integrated risk management measures, as well as through the clear division of responsibilities and tasks and an appropriate decision-making policy. This means, among other things, that special approval is required for investments and other important transactions to ensure that assets are managed appropriately. The Company's risks are managed in accordance with the Board of Directors' established Risk Policy and Financial Policy, where reporting on financial risks takes place on a regular basis, taking into account the established risk appetite and limits.

In connection with the evaluation of new technical feasibility studies within the Project Accelerator and case studies within investing activities, detailed analyses (due diligence) are carried out of factors such as expected impact on society, sustainability risks, performance trends and financial position. Based on the assessment of impacts and risks, special terms and conditions are included in agreements as and where necessary in order to reduce risk exposure. Find out more about Swedfund's management of financial risks in Notes 20 and 26, and general information about Swedfund's risks and risk management on pages 30–33.

Control activities

To ensure that financial and sustainability reports present a true and fair picture of the business and maintain the desired level of quality, Swedfund's processes include various control activities. These control activities are designed to manage identified risks in financial reporting so that exposure is kept within Swedfund's established risk appetite, and aim to prevent, detect and correct any errors and deviations.

Outcomes are followed up on a monthly basis with respect to budgets and/or forecast and liquidity monitoring within the Company and reported at all Board meetings. Examples of other control activities within Swedfund's operations include the approval and control of different types of accounting transactions, reconciliations, analysis of key performance indicators and relationships, as well as other follow-up of

financial information, which are carried out on an ongoing basis by the Company's management and the finance function.

In addition to this, portfolio company reviews are conducted regularly for each sector and for the Project Accelerator, where the investment and project portfolios are evaluated based on the three pillars: Impact on society, Sustainability and Financial viability. These meetings are attended by certain members of the management team. The portfolio's status is reported to the Board of Directors on a quarterly basis based on the three pillars through a portfolio report.

Swedfund has developed a comprehensive investment process to ensure that high levels of quality are maintained during the preparation of investment cases. In connection with the evaluation of new investments, a special process has been established where an investment committee, comprising the management team and the person responsible for the specific project, evaluates a potential investment in two stages before it is presented to the Board of Directors for a final decision.

The process of active ownership amongst the portfolio companies involves the investment organisation taking responsibility for regularly monitoring developments within the three pillars, Impact on society, Sustainability and Financial viability, by obtaining and analysing financial and non-financial reports, conducting visits and actively participating in board work, investment committees and advisory boards. Part of the aim of this is to ensure the assessment of developments in the value of investments, which are in turn reflected in Swedfund's income statement and balance sheet and the performance of portfolio companies. Swedfund has an established process for valuing the portfolio holdings. Proposals for impairment and provisions for credit losses are prepared based on the Company's valuation policy and decided once a quarter by management.

Information and communication

The Company's information and communication channels contribute to complete, accurate and timely financial and non-financial reporting. All Swedfund

employees have access to the Company's policies, guidelines and manuals. During regular joint information meetings for all employees at the Company's head office and regional offices, the importance of applying the rules and processes that exist is stressed, and the associated resultant changes are described in more detail. Within the Company's various departments, reviews and updates are carried out concerning the application of these documents on an ongoing basis as and when necessary. Formal and informal communication between employees and management is facilitated by the fact that the employees are small in number and largely geographically concentrated at the head office and three regional offices.

The Board of Directors and the Audit Committee regularly review the management's reports concerning financial developments with analyses and comments on outcomes, budgets and forecasts. The Board of Directors also regularly receives detailed portfolio reports which present developments for each investment and in the portfolio, based on the three pillars of Impact on society, Sustainability and Financial viability. In 2025, regular in-depth studies concerning relevant sustainability issues were presented to the Board of Directors on human rights.

Swedfund also has an established whistleblower procedure that can be used in the event of suspected irregularities by executives within Swedfund or one of its portfolio companies. The whistleblower service can be used in connection with suspected cases of corruption, accounting errors, deficiencies in internal control or other doubts which could seriously harm the Company's interests or the health and safety of individuals.

Swedfund also has an established complaints mechanism, which can be used to draw attention to issues linked to Swedfund or Swedfund's portfolio companies.

Follow-up

Follow-up of control activities and risk management is carried out on an ongoing basis in accordance with the responsibilities defined in the three lines

of defence model, i.e. management and operations managers, the Risk & Compliance function and Internal Audit. In 2025, Internal Audit conducted two reviews regarding Technical Assistance (TA) and partner risk. Internal control and management of the Company are also evaluated annually by the Company's external auditors. These procedures include the monitoring of results against budgets and forecasts, portfolio analyses and the follow-up of key performance indicators. Policy documents and other governance documents are evaluated on an annual basis. The Company's financial situation is discussed at each Board meeting. Interim reports and the Integrated Annual Report are submitted to the Audit Committee for preparation, and to the Board of Directors for approval.

The Audit Committee carries out preparatory work for the Board of Directors' evaluation of the information provided by the management and the Company's auditors. This includes reviewing the valuation basis, impairment needs and provisions for credit losses in Swedfund's investments on a quarterly basis, as well as evaluating the valuation process and governing documents in the form of a valuation policy. The responsibilities of the Audit Committee also include ensuring that, on behalf of the Board of Directors, action is taken concerning any shortcomings and proposed measures that have emerged from the external audit of integrated reporting and internal control.

The Audit Committee reviews the internal and external auditors' audit plans and considers the auditors' observations on an ongoing basis. The Board of Directors and the Audit Committee also receive summary audit reports. At least once a year, the Board of Directors meets with the Company's auditors in the absence of the CEO and other members of the management. These meetings normally take place in connections with the discussion/decision on the Annual Integrated Report.

As of 31 December 2025, the assessment is that the control activities relating to internal control of the financial reporting are adequate.

Board of Directors



Catrin Fransson
(born 1962)
Chairman

Board member since: 2022

Education: MBA, Luleå University of Technology, Senior Executive Program, London Business School.

Current position: Board work.

Other board assignments: LKAB (board member), PRI Pensionsgaranti (board member).

Previous positions: Almi Företagspartner Stockholm Sörmland AB (chair), Swedbank Robur AB (chair), Swedbank Franchise AB (chair), Entercard AB (board member), Swedbank Försäkring (board member).



Catrina Ingelstam
(born 1961)
Board member

Board member since: 2019

Education: MBA and commercial law, Stockholm University, approved public accountant FAR (not active).

Current position: Board assignments, self-employed.

Other board assignments: SH Pension (chair), AP2 (board member), Kommuninvest i Sverige AB (board member), Sparbanken Mälardalen AB (board member).

Previous positions: Sjätte AP-fonden, Löf, Spiltan Fonder AB, Orio AB, Sparbanken Sjuhärad AB, Dina Försäkringar Mälardalen AB, Salus Ansvar AB, KPA AB and subsidiaries, Folksam LO Fondförsäkring AB and subsidiaries, Folksam Fondförsäkring AB, Min Pension i Sverige AB, Kammarkollegiet.



Johan Mörnstam
(born 1966)
Board member

Board member since: 2024

Education: Executive MBA, Business Administration, Lund University.

Current position: CEO of E.ON Sverige AB.

Other board assignments: E.ON internal supervisory board mandates, E.DSO (European Distribution System Operators) (chair), EU DSO Entity (vice president), Energiföretagen (board member).

Previous positions: Mobile Heights (board member), Enerjisa Enerji SA (board member), Enerjisa Üretim SA (chair), Malmberg Vatten & Malmberg Borning AB (chair), Åhus (board member), other assignments within the E.ON Group.



Anna Stellingner
(born 1974)
Board member

Board member since: 2023

Education: Master's degree in Political Science and Bachelor's degree in French, Lund University, and International Master in International Relations at Sciences Po in Paris, France.

Current position: Head of International and EU Affairs at the Confederation of Swedish Enterprise.

Other board assignments: Business Sweden (member), Swedish Institute of International Affairs (board member).

Previous positions: Lund University (vice chair and board member).

Board of Directors



Caroline af Kleen
(born 1977)
Board member

Board member since: 2023

Education: MSc. Business Administration and Economics, Stockholm University.

Current position: CFO, Hero Nordics & Baltics (formerly Semper).

Other board assignments: Hero Sweden AB (Chair), other assignments within the Hero Group.

Previous positions: CFO Swedish Red Cross, FD Arla Foods West Africa



Josefine Ekros Roth
(born 1974)
Board member

Board member since: 2023

Education: Bachelor of Arts in International Economics, University of Westminster, Master's degree in European Politics, College of Europe.

Current position: Under-Secretary, Ministry of Finance.

Other board assignments: Samhall AB (board member), Specialfastigheter Sverige AB (board member).

Previous positions: Industrifonden (board member)



Roshi Motman
(born 1979)
Board member

Board member since: 2019

Education: Industrial Engineering and Management, Chalmers University of Technology, Electrical Engineering, Chalmers University of Technology.

Current position: Self-employed.

Other board assignments: Shortlink AB (board member)

Previous positions: CEO Amuse Music, ICE telecom (board member), CEO Millicom Ghana (Tigo), CEO AirtelTigo Ghana, Chair of the Board of Ghana Telecom Chambers, Chair of the Investment Committee Digital Changemakers Ghana (Tigo/Reach for Change).

Signatures of the Board of Directors

Swedfund International AB's Board of Directors and CEO hereby submit Swedfund International AB's Integrated Report, including the Annual Report, Sustainability Report and Communication on Progress (COP) for 2023.

Swedfund International AB has produced this Annual Report in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and as adopted by the EU. In addition, the standards of the Swedish Financial Reporting Board and its recommended RFR 2 Supplementary Accounting Rules for Legal Entities have also been applied.

The Annual Report also includes the Company's Sustainability Report in accordance with Chapter 6, Section 11 of the Swedish Companies Act, and the Sustainability Report in accordance with the Global Reporting Initiative, GRI. The information provided corresponds with the factual circumstances and nothing of any material importance has been omitted which could impact on the picture of the Company which is created in the Annual Report, the Sustainability Report and the COP.

The contents of the annual report were finalized on 26 March 2026.
The annual report was signed by all parties on 26 March 2026.

Catrin Fransson
Chairman

Johan Mörnstam

Catrina Ingelstam

Caroline af Kleen

Roshi Motman

Anna Stellingner

Josefine Ekros Roth

Maria Hammarskjöld Håkansson
CEO

Our audit report was submitted on 26 March 2026
Ernst & Young AB

Carl Rudin
Authorised Public Accountant

Auditor's Report

To the General Meeting of the shareholders of Swedfund International AB, corporate identity number 556436-2084

Report on the annual accounts

Opinions

We have audited the annual accounts of Swedfund International AB for the financial year 2025, with the exception of the corporate governance report on pages 125-131. The company's annual report is included on pages 67-125 and 132 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of Swedfund International AB as of 31 December 2025 and its financial performance and cash flow for the year in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU and the Swedish Financial Reporting Board's recommendation RFR 2, as well as the Swedish Annual Accounts Act. Our opinions do not cover the corporate governance report on pages 125-131. The Directors' Report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Swedfund International AB in accordance with professional ethics for accountants in Sweden

and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other information than the annual report

This document also contains other information than the annual report, which can be found on pages 1-67 and 125-131 and 133-147. The Remuneration Report for the financial year 2025 also constitutes other information. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our opinion on the annual report does not cover this information, and we do not express any form of assurance conclusion regarding it.

In connection with our audit of the annual report, it is our responsibility to read the other information identified above and consider whether it is materially inconsistent with the annual report or with the knowledge we obtained during the audit, or otherwise appears to be materially misstated.

If, based on the work performed, we conclude that the other information contains a material misstatement, we are required to report it. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the annual report and for ensuring that it provides a true and

fair view in accordance with the Swedish Annual Accounts Act, IFRS as adopted by the EU, and the Swedish Financial Reporting Board's recommendation RFR 2. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure.

sure in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Swedfund International AB for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section.

We are independent of Swedfund International AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's Responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any

member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, We exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to

our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

Auditor's examination of the Corporate Governance report

The Board of Directors is responsible for the corporate governance report for the financial year 2025, presented on pages 125–131, and for ensuring that it is prepared in accordance with the State Ownership Policy and Guidelines for State-Owned Enterprises (the ownership policy).

Our examination has been conducted in accordance with FAR's recommendation RevU 16, The Auditor's Examination of the Corporate Governance Report. This means that our examination of the corporate governance report differs in focus and is significantly less extensive in scope compared to an audit conducted in accordance with International Standards on Auditing and generally accepted auditing practices in Sweden.

We believe that our examination provides a sufficient basis for our statements.

A corporate governance report has been prepared. The information required under the ownership policy is consistent with the annual report.

Stockholm, 26 March 2026

Ernst & Young AB

Carl Rudin
Authorized Public Accountant

Sustainability notes and other information



Additional sustainability information

regarding Swedfund's operations and reporting

About our GRI reporting

Swedfund's Integrated Annual and Sustainability Report 2025 is an integrated report in which sustainability information is integrated with the financial information. The report is based on the Government Office's 'Principles for management and governance of state-owned enterprises'. State-owned enterprises must act transparently in relation to their stakeholders, and, as a general rule, their external reports must maintain the same level of transparency as reports from public limited companies.

Swedfund sees great value in continuing to report in an integrated manner in line with the three pillars of its business model. Reporting is therefore inspired by the International Integrated Reporting Framework and is in accordance with the Global Reporting Initiative (GRI) Standards 2021 Framework, rather than the CSRD. While the CSRD is under development and the Swedish Annual Accounts Act is being assessed, Swedfund will continue to provide a sustainability reporting index on this page in accordance with the transitional rules. The overarching aim for Swedfund's reporting is to be transparent and to provide material and reliable information to our stakeholders. The sustainability information in this report has been audited by Ernst & Young. Swedfund published its first sustainability report in 2008.

The intention of the report is to illustrate how Swedfund, as a development finance institution, contributes to delivery of the 2030 Agenda through sustainable investments in developing countries. Results from Swedfund's own operations are reported when they have a significant impact from a sustainability perspective. Swedfund primarily purchases products and services for the office operations in Stockholm, Nairobi, Abidjan, Kyiv and Bangkok and hires consultants to screen and monitor the portfolio companies. Sustainability aspects in the supply chain are managed through procurement guidelines and agreements, but are not considered to be significant for the report.

As in previous years, the Sustainability Report focuses on the performance of the portfolio companies, which are reported aggregated at portfolio level. Swedfund has non-controlling interests in portfolio companies. These are not consolidated in the financial statements and their financial results are only covered indirectly by the report. The reporting period for information regarding Swedfund is 1 January – 31 December 2025 and for the portfolio companies' performance 1 January – 31 December 2024. There were no significant changes in the information or reporting during the year. The report is published annually, on this occasion on 31 March 2026.

Swedfund is also a signatory to the UN Global

Compact's 10 principles and the UN Principles for Responsible Investment (UN PRI). In separate reports, Swedfund reports on how the UN Global Compact principles and the UN PRI principles are being applied in its operations and investment process. Swedfund also includes the TCFD table in this report to clarify climate reporting. **Contact:** Karin Kronhöffer, Chief Strategy and Communication Officer.

Sustainability Reporting Index

Indicator	Page reference
Business model	36
Results	
Environment	71–72, 80, 138
Social conditions and staff	73–74, 78–79, 139–140
Human rights	78–79, 137–138
Business integrity	81, 40
Sustainability Policy and Anti-Corruption Policy as well as audit procedures	28–29, 42–43, 78–81
Material sustainability risks and their management	31, 33

Stakeholder and materiality analysis

The roadmap to achieving the UN's Sustainable Development Goals is complex and requires a strong partnership between many different stakeholders. For

Swedfund, the ongoing dialogue with our principal stakeholders is essential to the success of our mission. Dialogue is pivotal in the process of identifying the key issues for us as a development finance institution. Partnership is also a vital tool in developing our business plan and throughout the value-creating phase.

In 2025, Swedfund reviewed its material sustainability issues, inspired by the CSRD's double materiality assessment. The starting point for our double materiality assessment and sustainability context was the State's new Ownership Policy and Guidelines for State-Owned Enterprises 2025, the company's special public policy assignment as defined in the Owner instructions, other objectives in our new strategy adopted by the Board of Directors, and the needs and challenges that we face in our investments, partnerships and the countries in which we operate. Our influence is exerted both within Swedfund as a company and externally, i.e. in Swedfund's portfolio companies. The greatest impact occurs in the portfolio companies, and it is in the countries in which Swedfund operates that we want to generate lasting impact. A thorough assessment of sustainability risks and impacts on the environment and people, including human rights is carried out for each investment. These assessments help us identify, evaluate and prioritise the most material sustainability issues,

which are then tested and prioritised in dialogue with our stakeholders. Lastly, Swedfund's Board of Directors approved the most material sustainability issues for this report: decent working conditions, gender equality and women's empowerment, climate action and nature, human rights, anti-corruption and business integrity, and tax.

Biodiversity and security have been identified as new areas of increasing importance. The table on the right lists our stakeholders, the issues that have been in focus and the steps Swedfund has taken to answer the questions that have been highlighted in our work to identify material issues. We mainly describe the material issues, how we manage them and how we measure performance in the section Portfolio companies' performance on pages 67-83. In the following section, we present additional sustainability information regarding Swedfund's own operations.

Membership associations

Swedfund is a member of many different organisations where we benefit from the exchange with other members or the organisation and its network. These include European Development Finance Institutions (EDFI), Swedish Network for Business and Human Rights, UN PRI, GIIN, Global Compact, 2X Global, TNFD Forum, CGAP and AVCA.

Human rights

Most of Swedfund's portfolio companies operate in countries and markets where respect for human rights presents a challenge. In the work on sustainable development and sustainable enterprise, it is absolutely essential to respect and protect human rights. The Ownership Policy for State-Owned Enterprises calls on companies in the state's portfolio to 'comply with international guidelines such as the ten principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises'.

The Swedish national 'Action Plan on Enterprise and Human Rights' aims to translate the UN Guiding

Stakeholder category	Stakeholder issues and focus	Type of dialogue, Swedfund's response and outcomes
Owner and finance institution The Swedish Government (Ministry of Finance and Ministry of Foreign Affairs) determines Swedfund's mission and proposes Swedfund's financing via the development cooperation budget.	Corporate governance, management and follow-up with a focus on sustainable enterprise: Human rights, the environment and climate, working conditions, business integrity, tax, business ethics, gender equality, additionality and diversity as well as financial performance and the performance of the portfolio companies.	Government principles for the administration and governance of state-owned enterprises according to the State's Ownership Policy, Swedfund's Owner instructions, Annual General Meeting, owner dialogue, individual meetings and network meetings.
Politicians The members of the Swedish Parliament determine the direction of Sweden's development cooperation policy and decide on the state budget.	How Swedfund performs its mission as a development finance institution, the impact created by Swedfund's investments and how well Swedfund meets the requirements for sustainable enterprise.	Through regular meetings with the parties' representatives and meetings with the Foreign Affairs Committee.
Swedish embassies Sweden's representatives in the countries in which we operate help strengthen our role locally and regionally through their networks within civil society and the public sector.	Swedfund's role as a development finance institution and how we can contribute to sustainable development and inclusive growth in each country through our operations.	Through meetings and dialogue on Swedfund's mission and operations.
Business partners Business partners and development finance institutions (DFIs, IFIs and EDFI) which, together with Swedfund, finance and develop Swedfund's portfolio companies.	Finance, market issues, strategy and business models. Private sector development, co-financing, sustainability issues and impact. Policy issues for Europe's development finance institutions.	Dialogue and advocacy work. Ongoing contact and meetings in networking groups. Reference group meetings within the EDFI framework at several levels: CEO, HR, ESG, impact, investments, legal matters, communication, etc.
Portfolio companies The companies Swedfund invests in to create impact.	Financing for development through Swedfund and performance in terms of Impact on society, Sustainability and Financial viability.	Contractual commitments in all three areas: Impact on society, Sustainability and Financial viability. Ongoing dialogue and follow-up throughout the investment period.
Project owners Ministries, authorities and municipalities that Swedfund partners with to develop projects within a sustainable infrastructure.	Project preparation and project support efforts in energy, transport, circular economy and other relevant sectors.	Ongoing dialogue and follow-up throughout the project cycle.
Team Sweden A network of Swedish public organisations, agencies and companies working together to promote exports and investment.	Coordination and streamlining of working methods to strengthen Sweden's strategy for foreign trade, investments and global competitiveness.	Ongoing dialogue, special missions and cooperation forums.
Civil society actors Organisations, trade unions and international NGOs that engage in development cooperation in Swedfund's markets.	Policy issues, such as human rights, gender equality, climate action, impact, business integrity and transparency, and tax. 'Decent work' agenda.	Stakeholder dialogues. Participation in roundtable discussions and attendance at conferences as well as ongoing exchange of experience.
Media and opinion-formers/influencers Swedish newspapers, trade journals, other media and opinion-formers/influencers in both traditional media and social media in Sweden, as well as countries in which Swedfund invests, whose reporting and analyses reach and influence the general public and other stakeholders.	Monitor Swedfund as a development finance institution and provider of assistance.	Press releases, ongoing information in social media, interviews, background discussions and knowledge transfer meetings.
Swedfund's employees who, through their knowledge, experience and networking, deliver Swedfund's mission.	Working environment, organisational, strategy and resource issues.	Internal communication through meetings and intranet, performance appraisals, salary reviews, skills development and training, as well as regular dialogue with local trade unions.

Principles on Business and Human Rights into practical action at national level. The rights perspective is a priority perspective in Swedish development cooperation and means that "Sweden should be a strong voice and advocate for democracy, human rights and freedoms and the principles of the rule of law in order to increase people's freedom and fight oppression". In recent decades, democracy and human rights have been strengthened in many regions around the world. However, developments have taken a negative turn in recent years, escalated by the war in Ukraine and other conflicts. In many places, conflicts have led to restrictions being imposed on human rights and setbacks for democracy.

Governance

Human rights are included in Swedfund's Policy for Sustainable Development. Swedfund previously published a 'Guiding Note on Human Rights', which describes how human rights are incorporated into Swedfund's investing activities. Swedfund works closely with the other development finance institutions in EDFI's working group on human rights issues, currently in relation to reparations.

The aim of the process for evaluating human rights issues in investing activities is to identify, mitigate and account for adverse impacts on human rights. The ambition is to apply this process in connection with decisions on new investments regularly during the value creation phase in the event of changes in circumstances and for companies in the exit phase. Human rights risks and impacts are taken into account at an early stage in the investment process by making an assessment of the project as regards human rights based on country, location, operating conditions, type of business and business partners.

During the screening process, i.e. stage two of the analysis phase of a potential investment, a risk analysis is carried out during which human rights risks and impacts are analysed in more detail. When a contextual risk analysis is carried out at country and regional

levels, we can identify risks associated with weak rule of law in the country concerned, indigenous peoples and/or minority groups in the region etc. The analysis is then continued at sector level where we can identify any risks associated with specific sectors, such as migrant workers or the use of large volumes of water. In the third step, the analysis is performed at project or investment level, where we identify risks associated with unsafe or unequal working conditions etc.

Swedfund then engages in dialogue with the portfolio companies about the situation in the country concerned and any human rights violations that may occur. Depending on the outcome of this analysis, a decision is then made as to whether or not a more detailed human rights analysis should be carried out. This is carried out using internal resources or with the support of an external expert. The mitigation of identified risks and impacts is incorporated into the ESG Action Plan (ESGAP), which forms part of the investment agreement.

Given its growing exposure to conflict, post-conflict or fragile states, Swedfund has continued to develop its methodology for working with human rights and has conducted in-depth human rights due diligence for many portfolio companies that operate in these contexts. Swedfund has also conducted human rights studies in the sustainable food systems sector, given the number of potential risks associated with their value chain. Based on these studies, and in line with the UNGP, Swedfund will continue to develop its methodology for conducting in-depth human rights due diligence in conflict, post-conflict or fragile states and in sectors with multiple human rights risks. Swedfund also organised human rights training for its portfolio companies and for Swedfund's Board of Directors.

Reporting channels

Swedfund requires all portfolio companies to have their own reporting channel and to at least implement a complaints mechanism in accordance with the IFC Performance Standards. We also offer Swedfund's

reporting channels - the external whistleblower channel and complaints mechanism. Swedfund's external whistleblower channel can be used by employees, contractors and others at Swedfund, and by Swedfund's portfolio companies. The whistleblowing channel is intended as a supplement to the portfolio companies' own channels. In 2025, no reports were received via the whistleblower channel. In June 2020, Swedfund launched a complaints mechanism, primarily based on the UNGP. The complaints mechanism can be used for all types of complaints concerning Swedfund and Swedfund's portfolio companies, but not for complaints concerning individuals as a result of restrictions arising from data protection legislation. The complaints mechanism complements Swedfund's external whistleblower channel.

In 2025, no reports were received via the complaints mechanism. Both the complaints mechanism and the external whistleblowing channel can be accessed via Swedfund's website. The channels have been highlighted on the website for increased visibility. The Board of Directors receives an annual summary of significant events linked to Swedfund's reporting channels during the previous year.

We monitor results

The Annual Sustainability Report, which is distributed to Swedfund's portfolio companies, asks a number of questions regarding the policies and processes that the portfolio companies have in place regarding human rights. The responses show a certain level of understanding of human rights, but that there is scope to deepen this work further. These questions are then followed up by e-mail, phone calls and site visits.

As regards the further development of Swedfund's processes, the implementation of conflict-sensitive human rights evaluations has been further developed as a number of Swedfund's investments are in conflict environments. Swedfund also participates in EDFI's working group on human rights. Once the first phase of completing a guide for development finance insti-

tutions, 'Voluntary Guidance Note on Human Rights – EDFI Internal document' has been completed, work will continue on the development of a guide for 'Remedy and EDFIs'.

Serious incidents

The portfolio companies are contractually bound to report serious incidents to Swedfund. Examples of serious incidents include fatalities, severe injuries which require medical attention, occupational injuries suffered by a number of workers at the same time and incidents involving a serious danger to life or health. Serious incidents also include adverse impacts on human rights, fire, release of hazardous substances, strikes, various forms of harassment, corruption, fraud and theft.

In 2025, Swedfund received a total of 83 (2024: 71) reports of serious incidents from portfolio companies, of which 15 (2024: 45) originated from funds' underlying holdings. A total of 53 (2024: 29) reports concerned fatalities. 22 of the reports came from funds' underlying holdings and 31 from direct investments. Of the 53 fatalities, 27 were the result of road accidents, 23 were related to various work tasks, such as falls from height, and three were related to safety incidents. Serious incidents other than fatalities mainly concerned robbery or theft, fire and road accidents resulting in injuries.

We aim to ensure that no serious incidents occur amongst our portfolio companies or in the funds' underlying holdings, and we and the fund managers therefore monitor the investigations that are conducted into these incidents and ensure that appropriate steps are taken. Depending on the circumstances (employees or others, road accidents or workplace accidents), an action plan is drawn up by the portfolio company concerned.

This year's figures show a rise in the number of reported serious incidents, partly due to an expanding portfolio and partly due to even more stringent reporting procedures. There is a need to constantly improve

the reporting and safety practices of our portfolio companies, funds and their underlying holdings. The reporting methodology covers serious incidents that occur in the portfolio companies and in the funds' underlying holdings. Reporting does not include serious incidents that occur among borrowers from banks or in the supply chain of portfolio companies. As far as Swedfund is concerned, there were no significant breaches of the law or fines during the reporting year.

Climate action and nature

The portfolio companies account for the majority of Swedfund's environmental impact and bear much of the climate risk. For the portfolio companies' results, see pages 67–83.

Swedfund strives to reduce the Company's own climate impact. Business travel, electricity and heat account for Swedfund's largest sources of GHG emissions. Swedfund's business travel entails an environ-

mental impact, but is also crucial in order for us to bring about change during the value-creating phase and to conduct a solid due diligence process ahead of new investments. As of this year, emissions from employees' commutes and energy consumption in home offices will be included in our Scope 3 inventory. The total Scope 3 emissions are 762.3 CO₂e.

Swedfund's head office in Stockholm has a green lease agreement based on 100 percent renewable electricity. There are no environmental options for the supply of electricity and heat for our growing regional offices. A diesel generator is used in the event of power outages. The total energy consumption of the organisation during the year led to 21.9 tonnes of CO₂, of which 2.7 tonnes was used for heating and 19.2 tonnes for electricity consumption. For 2025, we report a total of 784.3 tonnes of CO₂, which includes electricity, heat as well as all air travel and staff commutes. Our total emissions have increased by 34 percent compared with 2024. Swedfund has chosen to continue financing climate action projects in order to manage the company's environmental impact. Swedfund sees this as a complement to the company's active climate efforts, where the primary focus is on reducing emissions within its own operations and investments, as well as financing climate improvement measures that address emissions that cannot be reduced right away. Swedfund seeks to support projects that have local roots, do not have an unexpected adverse environmental impact or negative consequences for communities and contribute to long-term emissions reductions. The projects should be certified according to an independent standard and verified by third parties in accordance with the above criteria.

This year we supported the Upper Tanna land improvement project in Kenya, which aims to strengthen the resilience of smallholder farmers, reduce the effects of climate change and promote sustainable land use. Approximately 170,000 smallholders received support through the project with drawing up action plans specific to their farms and

implementing measures that have a significant local impact. The work focuses primarily on terracing sloping agricultural land and planting napier grass along the terraces. This reduces erosion, preserves the fertility of the soil and protects important water sources, while the napier grass stabilises the soil and serves as a protein-rich feed source for cattle.

Personnel matters and working environment

In 2025, Swedfund continued to strengthen leadership and team work and further developed working methods and processes with the aim of ensuring efficiency and good conditions for the organisation's continued growth. Working according to the hybrid model, where work in the office is combined with the option of working from home, has continued to be an established and appreciated way of working.

The organisation continued to grow during the year, driven by further increases in capital contributions and assignments. Particular focus was placed on ensuring structured and high-quality onboarding for new employees and creating a sustainable workload for existing employees. During the year, HR continued to provide training on policies and procedures to create security and clarity for employees.

A particular focus for 2025 was the work to create a clear and scalable development model for the company, with the aim of meeting the needs of the organisation and its employees in relation to development. Another priority area during the year was security and preparedness, where the company has further developed its security framework and actively worked to reduce vulnerabilities. The focus of the work was to create security, continuity and resilience. Attracting, developing and retaining skilled and committed employees is crucial to Swedfund's ability to deliver on its mission. The working environment is therefore a priority area, and Swedfund carries out systematic health and safety work that includes the physical, social and organisational working environment. The aim is to create a sustainable workplace that enables

Emission source	Emissions (tonnes CO ₂ e)					Share 2025
	2021	2022	2023	2024 ¹	2025	
Power	3.4	2.9	5.5	12.5	21.9	2.8%
Heating	2.2	1.5	2.4	6.6	2.7	0.3%
Electricity consumption	1.2	1.4	3.1	5.9	19.2	2.4%
Business travel and staff commutes	48.5	594.6	823.5	571.4	762.3	97.2%
Total	51.9	597.4	828.9	583.9	784.3	100%
Per Scope	2021	2022	2023	2024	2025	Share 2025
Scope 1	0.1	0.1	0.2	0.1	0.1	0.0%
Scope 2	2.3	1.9	4.2	4.4	11.3	1.4%
Scope 3	49.5	595.4	824.5	579.4	772.9	98.6%
Total	51.9	597.4	828.9	583.9	784.3	100%

Per employee	Emissions (tonnes CO ₂ e)				
	2021	2022	2023	2024	2025
Per employee	1.0	9.6	11.8	6.9	8.0

1. The reduction in emissions between 2023 and 2024 is mainly due to an update of the climate calculation model and emission factors.

Swedfund emission categories:

Scope 1: Direct GHG emissions over which the organisation has direct control, e.g. from the company's own vehicles and the combustion of fuels in production.

Scope 2: Indirect emissions from the consumption of purchased energy distributed via a network, i.e. the consumption of electricity, district heating and district cooling.

Scope 3: Other indirect emissions, which take place outside the boundaries of the business, such as business travel.

2025 Scope 2 emissions according to the 'location-based method' of 13.1 tonnes CO₂e and according to the 'market-based method' 11.3 tonnes CO₂e.

good results, regardless of whether work is carried out at the office or from home, and to prevent ill health and accidents. In order to measure the impact of health and safety and organisational initiatives, Swedfund used regular pulse-measuring employee surveys and followed up on the results. The tool used by Swedfund covers the legal requirements for looking at the organisational and social working environment.

Swedfund's managers have received ongoing support in their leadership, both individually and as a team. The Health and Safety Committee and the local trade unions met quarterly during the year. They were kept informed on an ongoing basis and given the opportunity to provide feedback on the initiatives aimed at staff well-being that have taken place during the year. Information on the Board of Directors, management and employees can be found on page 103. Additional information on age distribution is provided in the tables on the next page. The annual compensation ratio is 3.38. This figure is calculated by comparing the annual remuneration of the highest-paid individual with the average remuneration of the organisation's employees, excluding the highest-paid individual. Information has been obtained from the payroll system and is valid for the end of the reporting period, unless stated otherwise.

The majority of Swedfund's employees work on a full-time basis. Due to the size of the organisation, more detailed information about different types of employment has not been disclosed in order to ensure confidentiality. All employees at the head office in Stockholm are covered by a collective agreement. For employees at Swedfund's overseas regional offices, who are not covered by a collective agreement, working conditions and terms of employment are applied in accordance with the Swedish collective agreement. Swedfund hires consultants for certain long-term assignments as and when necessary. In 2025, we hired consultants to assist with IT, security data and systems management and communications, corresponding to an average of approximately five full-time positions.

Percentage of management and Board of Directors in terms of age distribution

	2024		2025	
	Number	Percent	Number	Percent
30–49 years old	4	25%	3	21%
50 years or older	12	75%	11	79%
Total	16	100%	14	100%

Percentage of employees in terms of age distribution including management

	2024		2025	
	Number	Percent	Number	Percent
29 years or younger	16	19%	16	16%
30–49 years old	51	60%	64	65%
50 years or older	18	21%	18	18%
Total	85	100%	98	100%

Business integrity

Swedfund's most significant business integrity risks are linked to our investments. Work relating to business integrity and the results of portfolio companies can be found on page 81.

In 2025, Swedfund continued to work systematically in the area of business integrity and further developed our tools for assessing business integrity risks. We conducted integrity due diligence and performed a gap analysis against our Business Integrity Policy for all new investment proposals. In 2024, we conducted a review and minor revision of our Business Integrity Policy, in which we clarified, among other things that we should take a risk-based approach to business integrity in our investments. This was put into practice in 2025. Swedfund's Board of Directors, management and staff have all received business integrity training. All new employees completed an e-learning course on business integrity as part of their induction. In 2025, Swedfund's Business Integrity team delivered training courses for the regional offices in Africa.

Taxes

Since 2016, Swedfund has had a tax policy which is adopted by the Board of Directors. The most recently revised version was adopted in 2021 and is available on Swedfund's website. The policy is reviewed on an ongoing basis and revised as necessary.

Swedfund works actively on tax issues, and in connection with each investment, an assessment is carried out to determine whether the investment meets the requirements set out in Swedfund's tax policy. The legal department is responsible for this assessment, and external tax advisers are also engaged as and when necessary, often in connection with more complex structures. Our policy, process and working methods were reviewed by the EU Commission in 2021 in connection with the EU pillar accreditation and subsequently assessed to meet the EU's requirements in terms of tax.

An annual evaluation of all portfolio companies is also carried out to ensure that tax continues to be an issue that the companies are actively working on and to highlight any problems or issues. This is done through a form which is distributed to all companies. Swedfund continuously monitors developments in the area of tax and, as part of EDFI, we also participate in discussions on tax issues with other EDFIs on an ongoing basis.





GRI index

This is Swedfund

Our context

Investments

Project Accelerator

Results and governance

Sustainability notes and other information

GRI Standards Index 2021

Disclosure	Explanation
GRI 1: Foundation 2021	
Statement concerning use	Swedfund International AB hereby reports in accordance with GRI Standards 2021 and the report covers the reporting period 1 January 2025-31 December 2025.
GRI Sector Standard	No sector standard is available yet.

GRI Standard	Disclosure	Name of disclosure	Page reference	Deviation		
				Requirement from which deviation has been made	Reason for deviation	Explanation
GRI 2: General Disclosures 2021						
	2-1	Organizational details	4, 139, 147			
	2-2	Entities included in the organization's sustainability reporting	136			
	2-3	Reporting period, frequency and contact point	136			
	2-4	Restatements of information	136			
	2-5	External assurance	136, 146			
Activities and workers						
	2-6	Activities, value chain and other business relationships	10-11, 36-39, 75-76			
	2-7	Employees	103, 139-140	2-7-b	Confidential information	No details concerning employment types are reported in order to guarantee confidentiality given Swedfund's size.
	2-8	Workers who are not employees	140		Confidential information	Due to the size of Swedfund's organisation, more detailed information about different types of employment has not been disclosed in order to guarantee confidentiality regarding employment.

GRI Standard	Disclosure	Name of disclosure	Page reference	Deviation		
				Requirement from which deviation has been made	Reason for deviation	Explanation
GRI 2: General Disclosures 2021, cont'd.						
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GRI Standard	Disclosure	Name of disclosure	Page reference	Deviation		
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GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	81, 140			
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GRI 3: Material Topics 2021	3-3	Management of material topics	22–23, 28–29, 31, 68, 71–73, 138–139			
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	72, 139			
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GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees Proportion of women, proportion of women in management positions, number of women on boards of directors in portfolio companies	74, 103			
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Task Force on Climate-related Financial Disclosures

Swedfund supports the Task Force on Climate-related Financial Disclosures (TCFD) and constantly works to implement its recommendations. This year, climate reporting has been included in our Integrated Report, and based on the TCFD index, details are presented below of where to find more specific information about our climate risks and climate efforts.

Governance	Reference
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Governance

Disclose the organization's governance around climate-related risks and opportunities

The Board of Directors' oversight of climate-related risks and opportunities	125–129
The management's role in assessing and managing climate-related risks and opportunities	28–29, 42, 153–129

Strategy

Disclose the potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

Climate-related risks and opportunities the organization has identified	22–23, 28–29, 42–44
Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	22–23, 36, 37–39
The resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	22–23, 71–72

Risk management

Disclose how the organization identifies, assesses, and manages climate-related risks

The organization's processes for identifying and assessing climate-related risks	31
The organization's processes for managing climate-related risks	28–29, 42–43, 128–129
Integration of the above processes into the organization's overall risk management	28–29, 31, 128–129

Indicators and targets

Disclosure of the metrics and targets used to assess relevant climate-related risks and indicators

The metrics used by the organization to evaluate climate-related risks and opportunities	12, 68, 138
Scope 1, 2 and 3 emissions according to the Greenhouse Gas Protocol	71–73, 138–139
Targets used to manage climate-related risks and opportunities	12, 68, 71

Auditor's statement

on the statutory Sustainability Report

To the General Meeting of the shareholders of Swedfund International AB, corporate identity number 556436-2084

Engagement and Responsibilities

The Board of Directors is responsible for the sustainability report for the year 2025, presented on page 136, and for ensuring that it is prepared in accordance with the State Ownership Policy and Guidelines for State-Owned Enterprises (the Ownership Policy).

Scope and Approach of the Review

Our review has been conducted in accordance with FAR's recommendation RevR 12, The Auditor's Statement on the Statutory Sustainability Report. This means that our review of the sustainability report differs in focus and is significantly less extensive in scope compared to an audit

conducted in accordance with International Standards on Auditing and generally accepted auditing practices in Sweden. We believe that this review provides a sufficient basis for our statement.

Opinion

A sustainability report has been prepared.

Stockholm, 26 March 2026

Ernst & Young AB

Carl Rudin

Authorized Public Accountant



Auditor's limited assurance report

on Swedfund International AB:s sustainability report

To Swedfund International AB, corporate identity number 556436-2084

Conclusion

We have been appointed by the Board of Directors and the Managing Director to conduct a limited assurance engagement of the sustainability report of Swedfund International AB:s for the financial year 2025. The sustainability report is included on page 136–143 in this document.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability report is not, in all material respects, prepared in accordance with the sustainability reporting framework issued by GRI (Global Reporting Initiative), as well as the company's own accounting and calculation principles.

Basis for conclusion

We have conducted the limited assurance engagement in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. Our responsibility under this standard is further described in the section Auditor's responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the sustainability report in accordance with the applicable criteria, as described on page 136 of the sustainability report. The applicable criteria consist of the relevant parts of the sustainability reporting framework issued by GRI (Global Reporting Initiative), as well as the company's own accounting and calculation principles. This responsibility also includes such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a sustainability report that is free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the sustainability report based on our review. The limited assurance engagement has been conducted in accordance with ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform our procedures to obtain limited assurance that the sustainability report is prepared in accordance with the criteria described in the section

Responsibilities of the Board of Directors and the Managing Director.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of Swedfund International AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance engagement involves performing procedures to obtain evidence to support the sustainability report. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability report, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepares the sustainability report, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability report, performing analytical review, and conducting other review procedures.

Stockholm, on the date indicated by our electronic signature

Ernst & Young AB

Carl Rudin
Authorized Public Accountant

About the report

Swedfund's 2025 Annual and Sustainability Report is an integrated report. This means that impact and sustainability indicators relating to the portfolio companies' performance are reviewed in the same way as key financial performance indicators. The Integrated Report is submitted by the Board of Directors of Swedfund International AB, company registration number 556436–2084. The report is inspired by the Integrated Reporting Framework.

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The printed version of the Annual Report is 100 percent climate-offset.

