

Region Stockholm  
– for an equal,  
transparent, sustainable  
and competitive region  
where residents have  
equal opportunities and  
a high quality  
of life.

Region Stockholm  
Investor Presentation  
January 2025

# Disclaimer

This presentation may not be distributed in the United States or to U.S. persons as defined in Regulation S of the U.S. Securities Act 1933, as amended.

The information contained in this Presentation has been prepared exclusively for the benefit and internal use of prospective investors in order for them to evaluate the feasibility of a potential financing for Region Stockholm and for no other purpose. This Presentation may not be used for any other purposes without the prior written consent of REGION STOCKHOLM. This Presentation is incomplete without reference to, and should be viewed solely in conjunction with, the oral briefing provided by REGION STOCKHOLM and other documentation and material made available in connection with a potential financing. The information does not purport to be all-inclusive or to contain all information that a prospective investor may desire. It is understood that each recipient of this Presentation will perform its own independent investigation and analysis of the proposed financing and the creditworthiness of REGION STOCKHOLM, based on such information as it deems relevant. The information contained herein is not a substitute for the recipient's independent investigation and analysis. Recipients of this Presentation and the information contained herein must check and observe all applicable legal requirements and, for the avoidance of doubt, receipt of this Presentation and the information contained herein may not be taken as discharging the regulatory or statutory responsibilities under applicable legislation of any such recipient.

The distribution of this Presentation and a potential financing for REGION STOCKHOLM may in certain jurisdictions be restricted by law. Any persons reading this Presentation should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of any such jurisdiction. REGION STOCKHOLM shall not have any responsibility for any such violations. This Presentation does not constitute an offer to sell or issue, or the solicitation of an offer to buy or subscribe, any securities in any jurisdiction.

This Presentation includes information which is or may constitute forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties and REGION STOCKHOLM cautions the recipients of this Presentation that forward-looking information and statements are not guarantees of future performance and that its actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Any such forward-looking statements and this Presentation are based on current expectations, estimates and projections about [global economic conditions and of the economic conditions of REGION STOCKHOLM. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates", "targets", "intends", "anticipates" or similar expressions or the negatives thereof. Important factors that could cause actual results to differ materially from those expectations include, among others, [macroeconomic fluctuations, changes in tax levels and tax basis, inflation rate, interest rates], and such other factors as may be discussed from time to time in the Presentation. Although it is believed that such expectations and the Presentation are based upon reasonable assumptions, no assurance can be given that those expectations will be achieved or that the actual results will be as set out in this Presentation. REGION STOCKHOLM is not making any representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the Presentation, and neither REGION STOCKHOLM nor any of its respective directors, officers or employees will have any liability to any recipient of this Presentation or any other persons resulting from such recipient's or other person's use.

Potential investors should not construe the contents of this Presentation as legal, accounting or tax advice. This Presentation has been prepared for information purposes only and should not be conceived as investment advice. In making an investment decision investors must rely on their own examination of REGION STOCKHOLM including the merits and risks involved. Each prospective investor should consult with its own advisors as to the legal, accounting, tax, business, financial and related aspects of a potential financing for REGION STOCKHOLM.

Any views contained in this Presentation are based on financial, economic and other conditions prevailing at the date hereof and REGION STOCKHOLM shall be under no obligation to update this Presentation in the light of changes to such conditions or otherwise.

## Region Stockholm in brief

### Region Stockholm

- The largest of Sweden's 20 Regions
  - **26 municipalities**
  - **2.4 million inhabitants**
  - **1/3 of the Swedish GDP**
- Key responsibilities:
  - **Health care**
  - **Public transport**
- Democratically controlled with
  - **Its own legislature**
  - **Its own taxation right**

Debt portfolio of approximately SEK 40bn whereof  $\approx$ 50% in green bonds

1,400 individual emergency room visits at emergency hospitals daily

100% of land based public transport is run on renewable energy

Public transportation system ranked #2 Europe and #3 globally

# Strong Institutional Framework

A local government can not be declared bankrupt in Sweden:

- The Swedish Court has stated that the local governments in Sweden are NOT covered by the Bankruptcy Act (RH 1996:75) meaning bankruptcy in accordance to the Swedish Bankruptcy Act is not applicable for local governments
- This is due to the fact that local governments have constitutional rights to levy taxes and this is also supported by the Swedish Constitution

## Requirement for sound financial management

**Local governments must work according to a sound financial management**

**Law:** "Kommunallagen chapter 11, § 1 (2017:725)"

## Balanced budget requirement

**Annual local government budgets should be in balance, imbalances are normally restored within 3 years**

**Law:** "Kommunallagen chapter 11, § 5 (2017:725)"

## Local government financing principle

**If the government alters the tasks of local governments, the government must also neutralise their financial effect**

Approved by the parliament and in force since 1993

## Financial equalisation

**Imbalances between local governments are equalised annually through income and cost equalisation schemes**

**Law:** "Lagen (2004:773) om kommunalekonomisk utjämning"

# An ordinary day in Region Stockholm



**12,900**  
visits to a healthcare center  
+17,000 contacts  
and remote  
contacts



**80 children are born**  
at our maternity clinics



**1,400 patients**  
visit an emergency room



**160,500**  
people visit [1177.se](http://1177.se)



**2 million journeys**  
are made within local  
traffic



**600,000 people**  
travel on public  
transport



**11,000 people**  
use medical and  
mobility services



**30,000 travelers**  
travel by public  
transport on the  
water on a  
summer's day



**60,000 works of art**  
created by 9,000 artists can be seen  
at Region Stockholm's premises.



**105 study circles**  
every day, all year round



**800 children and young people**  
see a stage performance subsidized  
by Region Stockholm

# Vision and objectives

Region Stockholm – for an equal, transparent, sustainable and competitive region where residents have equal opportunities and a high quality of life.

Good financial management

Demand-driven, good quality health and medical care

Sustainable regional development

A good and sustainable employer

# From environmental achievements to sustainability commitment

- Region Stockholm's Sustainability Policy & Strategy to 2027 integrates **Environmental, Social and Economic** sustainability
  - Built on an analysis of the 169 targets of the 17 Sustainable development goals
    - Scored every target for relevance
  - Contains three grounding principles and 13 priorities
  - Two long term goals: to reach ecological sustainability and climate neutrality by 2035\* and Region Stockholm has a social sustainable development
  - **Green bonds** are an important part in realising this vision
  - Investments in Green and Sustainable Public Transport in focus



\*Baseline year 2019

# From environmental achievements to sustainability commitment

- Region Stockholm has reduced GHG emissions by almost **60%** since 2011 and by more than **70%** since 1990
  - Energy efficiency and renewable energy in **buildings** and energy efficiency and renewable energy and fuels for **public transport** are key components.
- 100% renewable fuels in land based transport w. "Bra Miljöval"
- 100% renewable energy for facilities owned and managed by Region Stockholm (2 million sqm hospital area) (Bra Miljöval)
- Carbon budget decided by the Region Stockholm Assembly in December 2023
- A climate action plan is under development to concretise and realise the route to climate neutrality by 2035 at the latest





# Our green financing portfolio



# Green bond portfolio



# Summary green bonds

**7**  
Green projects financed

**SEK**  
**≈20.0**  
billion outstanding

**2025 YTD**

GHG emissions avoided  
**15 100**  
tCO<sub>2</sub>e

**2023**

GHG emissions avoided  
**59 900**  
tCO<sub>2</sub>e

**2019-2023**

# EU taxonomy alignment assessment

## EU taxonomy alignment assessment on green bond projects

	% of green bond portfolio	TSC	DNSH	Minimum Safeguards
<b>EU taxonomy aligned projects</b>				
Roslagsbanan expansion programme	54 %	●	●	●
Metro Red Line programme	5 %	●	●	●
Södersjukhuset	9 %	●	●	●
Danderyds Sjukhus	5 %	●	●	●
<b>EU taxonomy not aligned projects</b>				
Södertälje Sjukhus	5 %	●	●	●
New Karolinska Solna	11 %	●	●	●
Karolinska Huddinge	11 %	●	●	●

● Aligned ● Not aligned ● Not assessed



**EU taxonomy alignment**  
(green project alignment for green bonds issued under current framework)

## Extensive external use of proceeds review

- For the second time, KPMG has reviewed the green projects that Region Stockholm borrowed on during 2023, in this case the expansion of the Roslagsbanan and new trains to Metro Red line (C30), **meet the entire EU taxonomy**.
- The review included that we had to show that we significantly contribute to at least one of the EU's six environmental goals by meeting the technical screening criteria while at the same time not causing significant harm to any other environmental goal, and that minimum safeguards are met (Swedish and European labor law as well as the UN:s human rights).
- This review has been thorough, and examples of documents reviewed are environmental reports, purchasing policy, audit reports, work environment controls and supplier controls to name just a few.
- The audit has also reviewed we have had an earmarked account for green bonds and that the payments from this account have been made in a correct way to our green projects as the investments are carried out.
- KPMG has also reviewed that the green projects have been approved by our green steering group.



# Eligible clean transportation projects

## Clean transportation: Roslagsbanan expansion programme\*



- Increase capacity to meet increasing travelling needs.
- Allow for an 8 trains per hour service, for the most frequented stations.
- Reduce sensitivity to traffic disruption.
- Confine with noise limits regulation for new Railway Construction. Creating better living environment for up to 10 000 people.
- Adapt stations and existing carriages for accessibility.
- Improve safety in the traffic system.
- Large focus on wildlife preservation - building wildlife passing tunnels, insect hotels and hotels for salamanders.

*\*These are main part of eligible projects. Use of proceeds are closely linked to pace of investments, therefore there may be change of projects. However, all projects are in accordance with Regions Stockholm's green bond framework.*

# Eligible clean transportation projects

## Clean transportation: New trains Metro Red Line\*



### Estimated climate impact per SEK 1bn investment

- 1500 tonnes CO2e avoided per year on average

## Clean transportation: the New Subway\*



### Estimated climate impact per SEK 1bn investment

- 1500 tonnes CO2e avoided per year on average

*\*These are main part of eligible projects. Use of proceeds are closely linked to pace of investments, therefore there may be change of projects. However, all projects are in accordance with Regions Stockholm's green bond framework.*

## C30 – New trains Metro Red line



### Modern trains for a growing region

- New and modern C30 vehicles – first vehicle delivered in 2018 and from October 2020 first trains put into regular traffic. New vehicles introduced gradually and in 2024 all 96 vehicles will be in traffic.
- Vehicles designed to increase the attractiveness of the subway to suit a growing metropolitan region.
  - ✓ well-thought-out design, high operational reliability, new technology, increased capacity and prepared for future fully automatic operation.
  - ✓ new furnishings reduce perceived crowding and creates better passenger flow, more doors and seats along the sides provide wider aisles, more space for standing passengers and spaces especially intended for prams and wheelchairs.
  - ✓ first Swedish subway train equipped with air conditioning.
  - ✓ new design results in faster disembarking and boarding, which is a prerequisite for denser and more punctual traffic.



# Highlights of Region Stockholm's updated green bond framework



## Green Bond Framework

- Fourth version of the Framework where use of proceeds have been streamlined to reflect estimated future allocations (i.e. clean transportation and green buildings).
- The eligibility criteria have been updated to increase transparency around intended financing (i.e. public transport incl. infrastructure and existing buildings).
- The Framework is accompanied by a new “**Dark Green**” Second Party Opinion from S&P Global Ratings. In addition, S&P Global Ratings has confirmed that the Framework is aligned to the EU Taxonomy.

# Second party opinion of Region Stockholm's 2025 framework

- Highest **Dark Green** rating by second party assessor S&P Global Ratings

**Strengths: Electric rail transport and zero tailpipe emissions are essential for achieving the 2050 climate goals. S&P consider Region Stockholm's environmental requirements for its suppliers and contractors to be a strength.**

**Weaknesses: No weakness to report.**

- Alignment with the EU Taxonomy TSC for climate mitigation was assessed.
- Assessment of alignment with the DNSH TSC for all remaining applicable EU objectives was also assessed.
- A minimum safeguards assessment at the issuer level was carried out resulting in Region Stockholm to be aligned with the EU Taxonomy requirements for minimum safeguards.



**S&P Global**  
Ratings

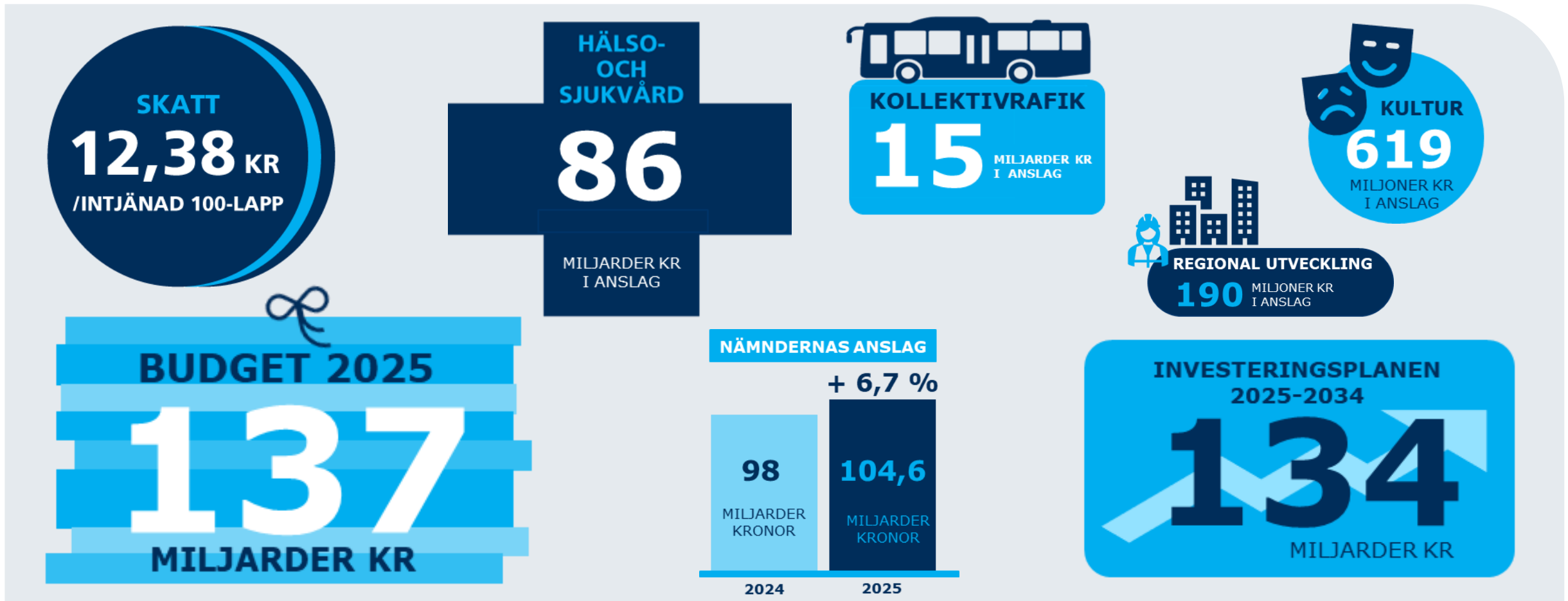
Powered by **Shades of Green**



**Dark  
green**

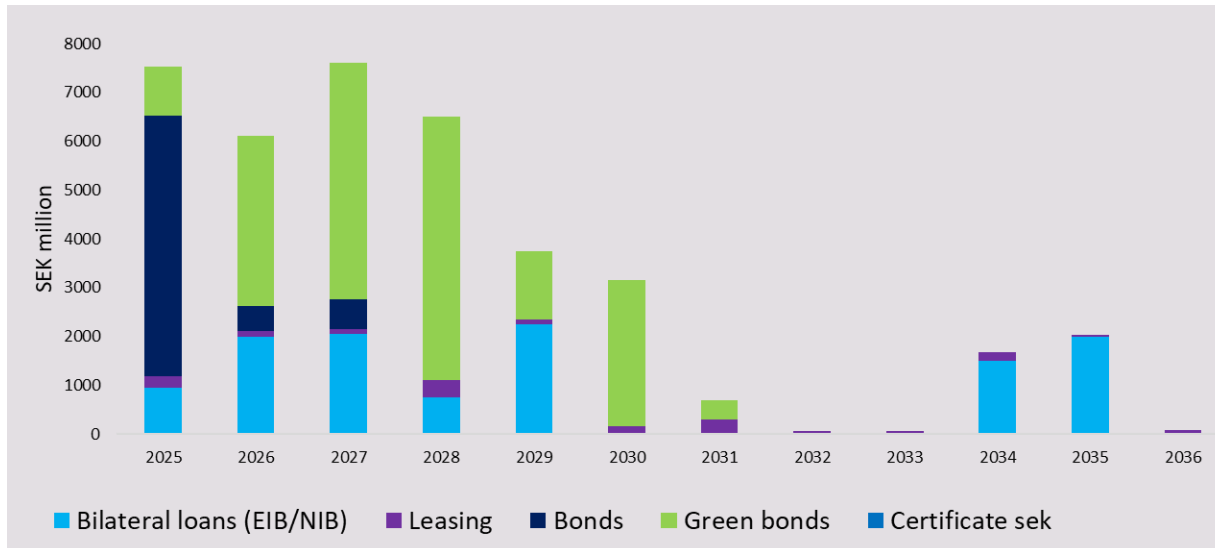
Activities that correspond to the long-term vision of a low-carbon climate resilient future.

# Budget 2025 in numbers

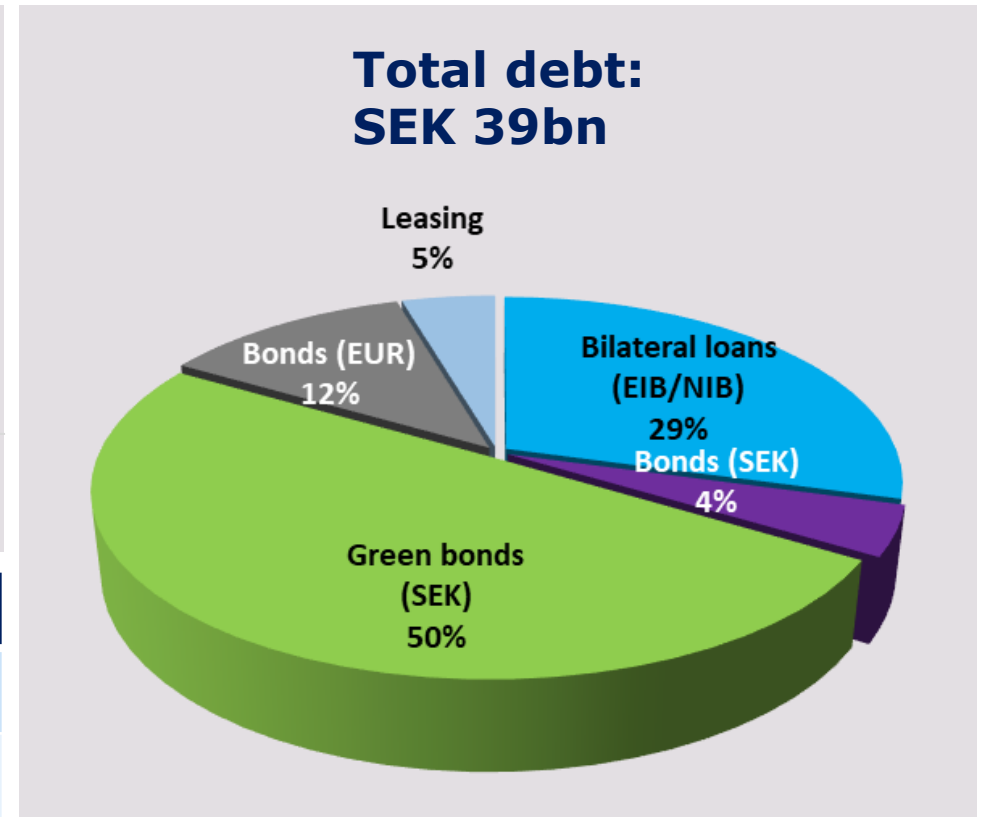


# Debt Portfolio and Maturity Profile

## Debt maturity profile\*



## Debt type breakdown\*



## Back –up facilities

Overdraft Facility	SEK 3bn	2019-2026
Revolving Credit Facility	SEK 5bn	2024-2029

\* As per 13th of January 2025

# Funding Plans for 2025

## 2025 Funding plans

- Estimated funding need of around SEK 6 billion in 2025 + pre-financing need for 2026.
- This basically means we are refinancing this year's maturities.
- Green issuance to public transportation projects will continue to be prioritized in line with political ambitions.

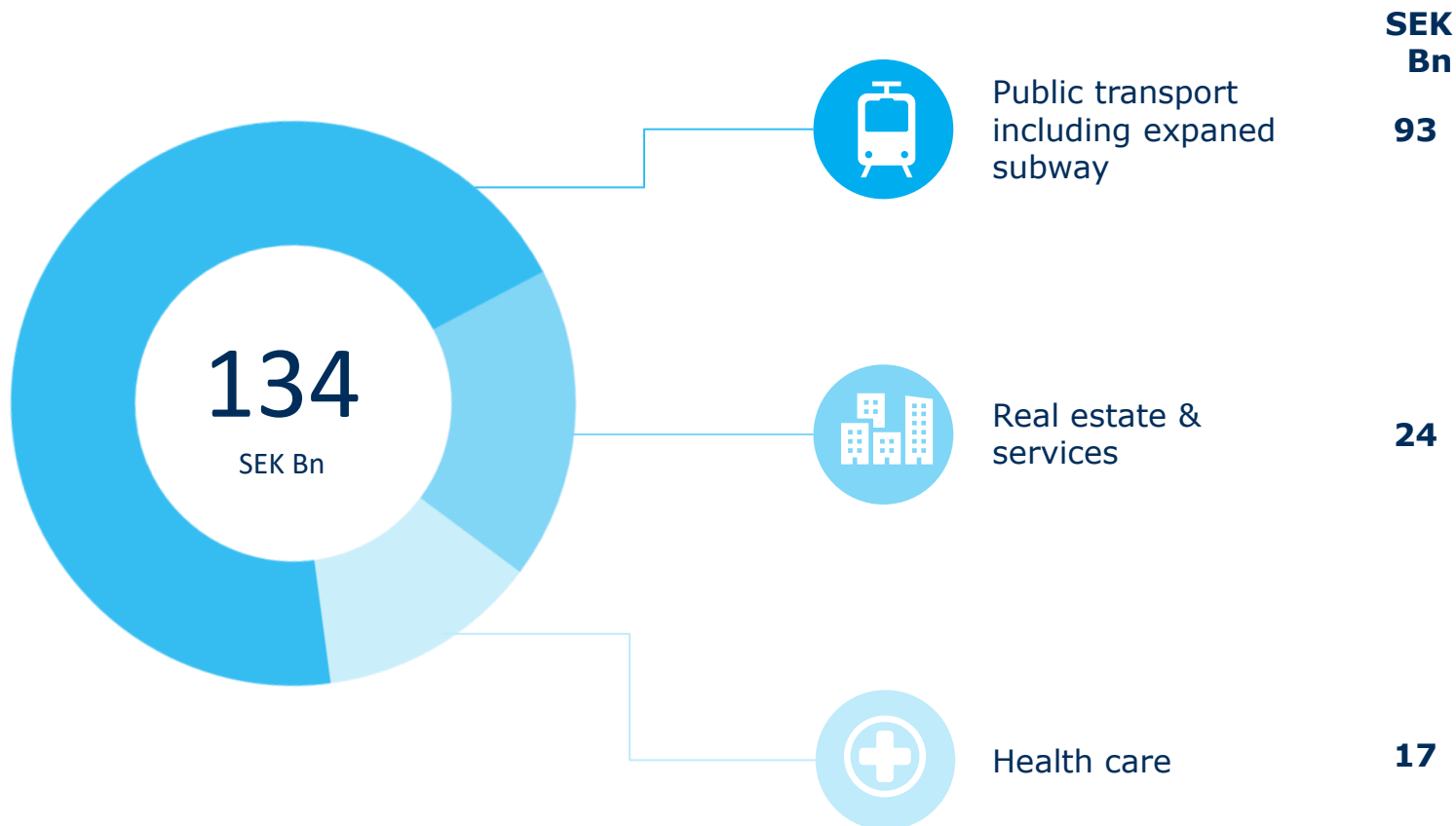


## Available funding sources

- Benchmark Bond (Green/non-green)
- Opportunistic Private Placements (Green/non-green)
- Bilateral loans from EIB
- Commercial Papers in SEK

*Cash flows will be closely linked to the pace of investments and are assessed on an ongoing basis.*

# This is how the investment plan 2025–2034 is distributed



**Prioritization of Region Stockholm's investments must be carried out so that the most operationally critical needs at system level are determined.**

- The investment plan for the next ten years amounts to **SEK 134 billion**, of which co-financing amounts to SEK 41 billion.
- During 2025-2034, 69 percent is investments in public transport, including an expanded subway.
- For 2025, the investment plan amounts to SEK 21.6 billion, of which co-financing amounts to SEK 4.5 billion.
- In 2025, 75 percent will be investments in public transport and expanded subways.

# Strong and stable rating (AA+/Positive)

**S&P Global**  
Ratings

RatingsDirect®

Research Update:

## Region of Stockholm Outlook Revised To Positive On Strong Cash Flows And Debt Reduction; 'AA+/A-1+' Ratings Affirmed

### Overview

- We expect the Region of Stockholm's balances after capital accounts will trend toward surpluses due to a tax rate increase, reduced cost inflation, and continued central government support.
- At the same time, we expect the region's debt burden will decrease through 2026, owing to strong cash flows after investments and robust revenue growth.

Source: Standard & Poor's, March 29 2024

**S&P Global**  
Ratings

RatingsDirect®

Research Update:

## Region of Stockholm Outlook Revised To Positive On Strong Cash Flows And Debt Reduction; 'AA+/A-1+' Ratings Affirmed

March 29, 2024

### Overview

- We expect the Region of Stockholm's balances after capital accounts will trend toward surpluses due to a tax rate increase, reduced cost inflation, and continued central government support.
- At the same time, we expect the region's debt burden will decrease through 2026, owing to strong cash flows after investments and robust revenue growth.
- We have therefore revised our outlook on the Region of Stockholm to positive from stable and affirmed our 'AA+/A-1+' global scale and 'K-1' regional scale ratings.

### Rating Action

On March 29, 2024, S&P Global Ratings revised the outlook on the Swedish Region of Stockholm to positive from stable. At the same time, we affirmed the 'AA+' long-term and 'A-1+' short-term global scale issuer credit ratings, and our 'K-1' short-term Nordic regional scale rating on the region.

### Outlook

The positive outlook reflects a higher likelihood that Stockholm may improve its budgetary execution, including the possibility of posting surpluses after capital accounts. The strong cash flow generation should be driven partly by higher tax revenues, reduced cost inflation, and contributions to co-finance infrastructure investments. Consequently, we also expect the region's debt burden will continue to decrease through 2026.

### Upside scenario

**PRIMARY CREDIT ANALYST**

Linus Bladlund  
Stockholm  
+ 46-8-440-6356  
linus.bladlund  
@spglobal.com

**SECONDARY CONTACT**

Carl Nynerod  
Stockholm  
+ 46 84 40 5919  
carl.nynerod  
@spglobal.com

**RESEARCH ASSISTANT**

Oscar Palsson  
Stockholm  
**ADDITIONAL CONTACT**  
Sovereign and IPF EMEA  
SOVIPF  
@spglobal.com

## Contact details, Investor Relations, Region Stockholm

***Katarina Holmgren, CFO Region Stockholm Group***

[katarina.e.holmgren@regionstockholm.se](mailto:katarina.e.holmgren@regionstockholm.se) +72-467 37 90

***Fredrik Persson, Head of Treasury Region Stockholm Group***

[fredrik.c.persson@regionstockholm.se](mailto:fredrik.c.persson@regionstockholm.se) +46 72-459 67 90

***Claes Ewetz, Senior Debt Manager***

[claes.ewetz@regionstockholm.se](mailto:claes.ewetz@regionstockholm.se) +46 70 737 43 42

***Disa Hammar, Debt Manager and Investor Relations***

[disa.hammar@regionstockholm.se](mailto:disa.hammar@regionstockholm.se) +46 70 737 78 18



# Bringing Stockholm forward together

Read more on [regionstockholm.se](https://regionstockholm.se)