



Positively shaping the future.
Today and for generations to come.



Future-proofing our business

When closing the books for 2023, we can conclude that it has been a year of exceptional circumstances. The world witnessed a second year of war in Europe, and war also broke out in the Middle East. High inflationary pressures and countermeasures from central banks in the form of rapid interest rate hikes tested the resilience of both corporates and households. Supporting our customers in this environment, by providing responsible advice and capital, has been and remains our top priority. Our efforts to future-proof SEB according to our 2030 Strategy enable us to meet our customers' evolving needs. We are pleased with the high customer satisfaction ratings received throughout the year – a testament to the trust our customers place in us.

Profitable and robust banks are crucial to support households, corporates, and the broader economy, as well as ensuring stability and confidence in the financial system. With a strong financial position and stable risk profile, SEB is able to fulfil its important role in society. This includes providing the necessary financial infrastructure, financing as well as savings and investment opportunities, which in turn contribute to a prosperous economy. With our long-term perspective and diversified business model we aim to, over time, steadily grow our income while maintaining firm cost control.

As we enter 2024, there are indicators that support a soft economic landing scenario – inflation is coming down, employment rates remain high and real wages are rising. At the same time, there are risks in terms of geopolitical uncertainty and possible lagging effects from the tightened monetary policy.

A solid end to an exceptional year

After a year of exceptional macroeconomic circumstances, we are now starting to see a normalisation of our operating environment. Interest rates started to plateau towards the end of the year and the positive effect on our results experienced earlier in 2023 continued to abate. Credit demand, both among our large corporate customers and private customers, was muted and deposit volumes decreased in line with year-end seasonality. The pace of deposit flows to higher yielding accounts slowed, both in Sweden and the Baltic countries. Swedish household mortgage margins improved marginally but continue to be at historically low levels. Quarter-on-quarter operating profit declined by 13 per cent, driven by lower operating income, higher costs and an increase in net expected credit losses. Overall asset quality remained robust and return on equity was solid at 15.2 per cent, in line with our long-term aspiration. Total operating expenses for 2023 were in line with the FX-adjusted cost target of SEK 27.0-27.5 bn. In 2024, we will develop our business by further investing in the savings area and in our technological infrastructure. We have a cost target for 2024¹⁾ of below or equal to SEK 29bn.

Our capital buffer remains strong at 440 basis points. The Board of Directors has proposed an ordinary dividend of SEK 8.50 per share, a special dividend of SEK 3.00 and decided on a new quarterly share buyback programme of SEK 1.75bn until the 2024 Annual General Meeting. In 2023, SEB repurchased shares for capital management purposes for a total amount of SEK 5bn.

Continuing to execute on our business plan

With this quarter, we conclude the second year of our three-year business plan. In line with our 2030 Strategy, we focus our efforts on four areas: *acceleration of efforts*, *strategic change*, *strategic partnerships*, and *efficiency improvement*.

Delivering on *acceleration of efforts*, our Sustainability Activity Index (the Green) increased by 123 per cent compared with the 2021 baseline. Our Carbon Exposure Index (the Brown), which

aims to reduce the fossil fuel credit exposure within our energy portfolio, decreased by 39 per cent versus the 2019 baseline. It is gratifying that SEB maintained its top ranking in the latest customer survey of large Nordic corporates from Prospera. I am also pleased that we kept our number one position among institutional customers in the Nordics. We will increase our efforts and proactivity further with the aim to maintain our position amid fierce competition. SEB's agreement with Lufthansa in June to acquire Airplus is supporting our strategy to expand corporate banking and grow the card franchise internationally.

In terms of *strategic change*, we made progress towards a full omni-channel service model within retail banking and improved the digital customer experience and functionality. We also broadened our savings and investment offering, illustrated by the launch of several new thematic funds. Customer satisfaction and availability in the private customer segment increased during the year. In line with our ambition to expand our customer base within our Private Wealth Management & Family Office division, we are pleased to have welcomed 1,950 new customers during the year.

To further strengthen innovation and business momentum, we also announced several new *strategic partnerships* during the year, for example within the insurance area.

In line with our efforts for *efficiency improvement*, advancements were made in automating the sub-custody and household mortgage process. Furthermore, we continued to improve our data capabilities, initiated the adoption of generative AI-powered virtual assistants, and invested in building technical capabilities for broader use of AI across the bank. More efforts as well as continued investments are needed in these areas.

Delivering long-term value

Delivering on our strategy is only possible through our team of skilled employees and their everyday dedication to deliver the best possible customer experience. At SEB, we are proud to contribute to society in many ways. Through responsible advice and capital, we assist in turning ideas into reality and positively shape the future. Furthermore, we are a major employer and taxpayer, we pay interest to customers and bondholders and distribute capital to shareholders, which benefits millions of people through pension funds and fund savings. That is how we continue to create long-term value to all our stakeholders – customers, employees, shareholders, and the communities in which we operate. Today and for generations to come.



Johan Torgeby
President and CEO

¹⁾ Assuming average 2023 FX and not including AirPlus.

Fourth quarter 2023

- High customer satisfaction among both large corporates and financial institutions, reflected by maintained number 1 positions in annual Nordic Prospera surveys.
- Overall asset quality remained robust and return on equity was solid at 15.2 per cent, in line with our long-term aspiration.
- Costs for 2023 were in line with the FX-adjusted cost target of SEK 27.0-27.5 bn. For 2024 we have a cost target¹⁾ of less than or equal to SEK 29bn.
- The Board of Directors proposed to the AGM an ordinary dividend of SEK 8.50 per share, a special dividend of SEK 3.00 per share and decided on a new quarterly share buyback programme of SEK 1.75bn.

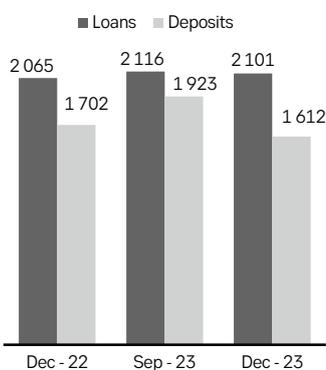
¹⁾ Assuming average 2023 FX and not including AirPlus.

SEK m	Q4			Q3			Q4			Jan-Dec		
	2023	2023	%	2022	%	2023	2022	%	2023	2022	%	
Total operating income	20 136	20 979	-4	18 798	7	80 193	64 478	24				
Total operating expenses	-7 130	-6 905	3	-6 757	6	-27 449	-25 044	10				
Net expected credit losses	-664	17		-506	31	-962	-2 007	-52				
Imposed levies	-1 075	-1 108	-3	-578	86	-3 819	-2 288	67				
Operating profit before items affecting comparability	11 267	12 983	-13	10 957	3	47 963	35 138	37				
Items affecting comparability				-1 399	-100		-1 399	-100				
Operating profit	11 267	12 983	-13	9 558	18	47 963	33 739	42				
NET PROFIT	8 373	10 581	-21	7 402	13	38 116	26 877	42				
Return on equity, %	15.2	19.8		14.7		17.9	13.8					
Return on equity excluding items affecting comparability, %	15.2	19.8		17.4		17.9	14.5					
Basic earnings per share, SEK	4.03	5.07		3.49		18.20	12.58					

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

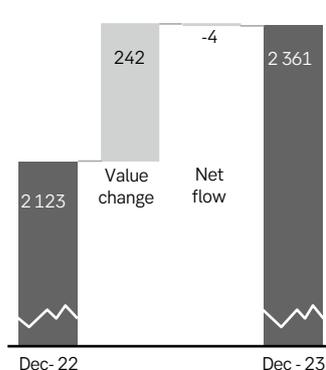
Loans to and deposits from the public

SEK bn



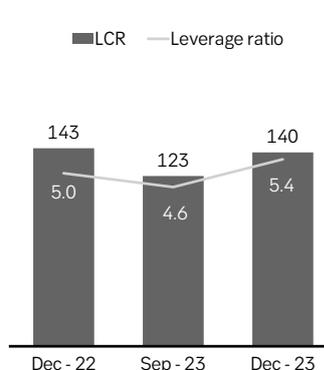
Assets under management

SEK bn



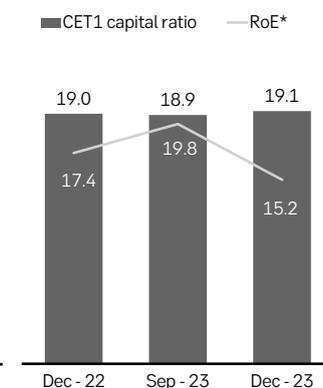
Liquidity coverage and leverage ratios

Per cent



CET1 capital ratio and return on equity

Per cent



*Excluding items affecting comparability

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SEB Group

Income statement on a quarterly basis, condensed

	Q4	Q3	Q2	Q1	Q4
SEK m	2023	2023	2023	2023	2022
Net interest income	12 100	12 248	11 881	11 297	9 715
Net fee and commission income	5 542	5 320	5 637	5 170	5 410
Net financial income	2 386	2 594	2 609	2 403	3 476
Net other income	109	817	-108	190	196
Total operating income	20 136	20 979	20 019	19 060	18 798
Staff costs	-4 443	-4 551	-4 330	-4 235	-4 172
Other expenses	-2 153	-1 863	-2 127	-1 748	-1 982
Depreciation, amortisation and impairment of tangible and intangible assets	-535	-491	-491	-483	-602
Total operating expenses	-7 130	-6 905	-6 948	-6 465	-6 757
Profit before credit losses and imposed levies	13 006	14 073	13 070	12 594	12 041
Net expected credit losses	-664	17	-43	-272	-506
Imposed levies	-1 075	-1 108	-934	-702	-578
Operating profit before items affecting comparability	11 267	12 983	12 093	11 620	10 957
Items affecting comparability					-1 399
Operating profit	11 267	12 983	12 093	11 620	9 558
Income tax expense	-2 894	-2 401	-2 326	-2 227	-2 156
NET PROFIT	8 373	10 581	9 768	9 393	7 402
Attributable to shareholders of Skandinaviska Enskilda Banken AB	8 373	10 581	9 768	9 393	7 402
Basic earnings per share, SEK	4.03	5.07	4.65	4.45	3.49
Diluted earnings per share, SEK	4.00	5.03	4.62	4.42	3.46

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

Key figures

	Q4	Q3	Q4	Jan-Dec	
	2023	2023	2022	2023	2022
Return on equity, % ¹⁾	15.2	19.8	14.7	17.9	13.8
Return on equity excluding items affecting comparability, % ¹⁾²⁾	15.2	19.8	17.4	17.9	14.5
Return on total assets, % ¹⁾	0.8	1.0	0.7	0.9	0.7
Return on risk exposure amount, % ¹⁾	3.7	4.8	3.4	4.3	3.2
Cost/income ratio ¹⁾	0.35	0.33	0.36	0.34	0.39
Basic earnings per share, SEK ¹⁾	4.03	5.07	3.49	18.20	12.58
Weighted average number of shares, millions ³⁾	2 078	2 089	2 121	2 094	2 137
Diluted earnings per share, SEK ¹⁾	4.00	5.03	3.46	18.06	12.48
Weighted average number of diluted shares, millions ⁴⁾	2 094	2 104	2 139	2 110	2 153
Net worth per share, SEK ¹⁾	113.83	111.46	103.23	113.83	103.23
Equity per share, SEK ¹⁾	106.99	104.42	96.59	106.99	96.59
Average shareholders' equity, SEK bn ¹⁾	220.6	213.4	202.0	212.7	195.3
Net ECL level, %	0.09	0.00	0.08	0.03	0.07
Stage 3 Loans / Total Loans, gross, %	0.37	0.27	0.33	0.37	0.33
Stage 3 Loans / Total Loans, net, %	0.20	0.12	0.14	0.20	0.14
Liquidity Coverage Ratio (LCR), % ⁵⁾	140	123	143	140	143
Net Stable Funding Ratio (NSFR), % ⁶⁾	112	114	109	112	109
<u>Own funds requirement, Basel III</u>					
Risk exposure amount, SEK m	891 992	919 298	859 320	891 992	859 320
Expressed as own funds requirement, SEK m	71 359	73 544	68 746	71 359	68 746
Common Equity Tier 1 capital ratio, %	19.1	18.9	19.0	19.1	19.0
Tier 1 capital ratio, %	20.7	20.6	20.7	20.7	20.7
Total capital ratio, %	22.4	21.9	22.5	22.4	22.5
Leverage ratio, %	5.4	4.6	5.0	5.4	5.0
Number of full time equivalents ⁷⁾	17 502	17 492	16 616	17 288	16 283
Assets under custody, SEK bn	20 167	18 925	18 208	20 167	18 208
Assets under management, SEK bn	2 361	2 194	2 123	2 361	2 123

¹⁾ Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

²⁾ In Q4 2022, an impairment of SEK 1.4bn related to Russia was recognised.

³⁾ At year-end 2022 the number of issued shares was 2,178,721,934 and SEB owned 65,283,469 Class A shares. During 2023 SEB has purchased 6,222,629 shares for the long-term equity programmes and 6,369,982 shares were sold/distributed. During 2023 SEB has purchased 40,738,087 shares for capital purposes and 38,738,439 shares held for capital purposes were cancelled. Thus, at 31 Dec 2023 the number of issued shares amounted to 2,139,983,495 and SEB held 67,135,764 own Class A-shares with a market value of SEK 9,318m.

⁴⁾ Calculated dilution based on the estimated economic value of the long-term incentive programmes.

⁵⁾ In accordance with the EU delegated act.

⁶⁾ In accordance with CRR2.

⁷⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

In SEB's Fact Book, this table is available with nine quarters of historical information.

Restated comparative figures

On 3 April 2023, SEB published a press release with restated comparative figures for 2022 relating to the transition to IFRS 17 Insurance contracts. The restated figures are fully reflected throughout this report. See page 54 for more information and a reconciliation to previously published financial information.

Comparative numbers (in parenthesis throughout the report)

Unless otherwise stated:

- the result for the reporting quarter is compared with the prior quarter
- the result for the full-year 2023 is compared with the full-year 2022
- business volumes are compared with the prior quarter

The fourth quarter

Operating profit decreased by 13 per cent compared with the third quarter 2023, to SEK 11,267m (12,983). Year-on-year, operating profit increased by 18 per cent. Net profit amounted to SEK 8,373m (10,581).

Operating income

Total operating income decreased by 4 per cent compared with the third quarter 2023 and amounted to SEK 20,136m (20,979). Compared with the fourth quarter 2022, total operating income increased by 7 per cent.

Net interest income decreased by 1 per cent compared with the third quarter, to SEK 12,100m (12,248). Excluding an earlier positive tax effect that has now been passed on to customers, of SEK 162m, net interest income remained stable. The FX-effect on net interest income amounted to SEK -113m between the third and fourth quarter. Year-on-year, net interest income increased by 25 per cent.

	Q4	Q3	Q4
SEK m	2023	2023	2022
Loans to the public	5 250	5 296	5 615
Deposits from the public	4 311	5 112	3 336
Other, including financing and liquidity	2 539	1 840	763
Net interest income	12 100	12 248	9 715

Net interest income from loans to the public decreased by SEK 46m in the fourth quarter. Excluding an earlier positive tax effect that has now been passed on to customers, net interest income from loans to the public increased by SEK 116m.

Net interest income from deposits from the public decreased by SEK 801m in the fourth quarter. Both deposit volumes and deposits margins contributed to the decrease.

Other net interest income increased by SEK 698m with positive effects from lending to other customer categories than those included in loans to the public, such as central banks. The deposit guarantee fees amounted to SEK 107m (116).

Net fee and commission income increased by 4 per cent in the fourth quarter to SEK 5,542m (5,320). Year-on-year, net fee and commission income increased by 2 per cent.

While equity markets improved during the fourth quarter, leading to higher ultimo assets under management, average assets under management were lower than in the third quarter. Thus, gross fee income from custody and mutual funds, excluding performance fees, decreased by SEK 85m to SEK 2,348m. Performance fees amounted to SEK 36m (28).

Gross fee income from issuance of securities and advisory services increased to SEK 341m (214). The increase represents mainly a recovery from the third quarter which was seasonally slow. Gross lending fees increased by 12 per cent to SEK 1,050m (934), mainly from one large transaction. Gross secondary market

and derivatives income increased to SEK 450m (406) as equity market trading activity picked up during the quarter.

Net payment and card fees were unchanged compared with the third quarter and amounted to SEK 1,216m (1,216).

Net life insurance commissions, related to the unit-linked insurance business, decreased to SEK 243m (269), due to lower average assets under management and margin pressure.

Net financial income decreased by 8 per cent to SEK 2,386m in the fourth quarter (2,594). Year-on-year, net financial income decreased by 31 per cent. Net financial income from the divisions amounted to SEK 1,890m (1,794).

The current market conditions led to a lower demand for risk management services compared with prior quarters and valuation effects in the Treasury portfolios were smaller.

The fair value credit adjustment¹⁾ amounted to SEK -297m, a decline of SEK -295m compared with the third quarter.

The change in market value of certain strategic holdings amounted to SEK 229m in the fourth quarter, a negative change of SEK 210m compared with the third quarter.

Net financial income from the Life division increased to SEK 425m (363). The higher level of interest rate continued to contribute positively to income in the traditional and other portfolios, where returns from fixed income investments in own portfolios increased by SEK 49m.

Net other income amounted to SEK 109m (817). Unrealised valuation and hedge accounting effects are included in this line item. The third quarter net other income included a repurchase of a covered bond at a gain of SEK 512m.

Operating expenses

Total operating expenses increased by 3 per cent in the fourth quarter and amounted to SEK 7,130m (6,905). Year-on-year, total operating expenses increased by 6 per cent, or SEK 373m, of which SEK 52m was a currency effect.

Staff costs decreased by 2 per cent during the fourth quarter partly due to a decrease in social costs for long-term incentive programmes. The number of full-time equivalents was 17,502 (17,492).

Other costs increased by 16 per cent, driven by an increase mainly in IT costs, marketing and consultants. Other operating costs increased compared with the third quarter. Supervisory fees amounted to SEK 29m (50).

Costs developed according to plan for 2023. The cost target for 2024 is outlined on p. 14.

¹⁾ Unrealised valuation change from counterparty risk (CVA) and own credit risk standing in derivatives (DVA). Own credit risk for issued securities (OCA) is reflected in Other comprehensive income.

Net expected credit losses

Net expected credit losses amounted to SEK 664m (a reversal of 17), corresponding to a net expected credit loss level of 9 basis points (0). New provisions, mainly for one exposure in the large corporate segment, were partly offset by a release of SEK 0.2bn of existing portfolio model overlays. Updated macroeconomic scenarios had a marginal positive impact. The overall asset quality of the credit portfolio remained robust, however, in sectors most impacted by the higher interest rate environment, negative risk migration continued.

For more information on credit risk, asset quality, net expected credit losses and the portfolio model overlays, see p. 11 and notes 7, 13, 14 and 15.

Imposed levies

Imposed levies amounted to SEK 1,075m (1,108).

The risk tax on credit institutions in Sweden amounted to SEK 394m (394). The resolution fees amounted to SEK 324m (324).

On 16 May 2023, Lithuania established a temporary (two years) solidarity contribution for credit institutions, the reason being the increase in banks' net interest income when central banks raised interest rates. The contribution is calculated on a formula-defined net interest income tax base and amounted to SEK 357m in the fourth quarter (389).

On 6 December 2023, Latvia established a temporary (one year) mortgage levy for 2024. The contribution is calculated as 50 basis points on a credit institutions mortgage volume in Latvia, per quarter (2 per cent annually). The estimated annual effect from this on SEB is expected to be approximately EUR 20-25m, from 2024.

Items affecting comparability

There was no *item affecting comparability* in the fourth quarter.

Income tax expense

Income tax expense increased to SEK 2,894 (2,401) with an effective tax rate of 25.7 per cent (18.5). A new tax surcharge is introduced in Latvia from 2024. The tax is based on previous year's result, which is why an additional tax provision of SEK 330m was booked already in 2023. In Ukraine, the corporate income tax rate has retroactively been raised for 2023 to 50 per cent, with an additional tax cost of SEK 35m.

Return on equity

Return on equity for the fourth quarter amounted to 15.2 per cent (19.8).

Other comprehensive income

Other comprehensive income amounted to SEK -2,862m (-1,167).

The value of SEB's pension plan assets continued to exceed the defined benefit obligations to the employees. Equity markets improved during the quarter but the discount rate used for the Swedish pension obligation was changed to 3.25 per cent (4.3), due to declining long-term interest rates. The net value of the defined benefit pension plans therefore decreased other comprehensive income by SEK -2,104m (-607). The long-term inflation assumption remained unchanged at 2 per cent.

The net effect from the valuation of balance sheet items that may subsequently be reclassified to the income statement, i.e. cash flow hedges and translation of foreign operations amounted to SEK -764m (-561).

The full year

Operating profit before items affecting comparability increased by 37 per cent compared with the full year 2022, to SEK 47,963m (35,138). *Operating profit* increased by 42 per cent compared with the full year 2022, to SEK 47,963m (33,739). *Net profit* amounted to SEK 38,116m (26,877).

Operating income

Total operating income increased by 24 per cent compared with the full year 2022, and amounted to SEK 80,193m (64,478).

Net interest income increased by 42 per cent compared with 2022, and amounted to SEK 47,526m (33,443). The FX-effect on net interest income amounted to SEK 1,011m.

SEK m	Jan-Dec		Change
	2023	2022	%
Loans to the public	21 028	24 053	-13
Deposits from the public	17 890	6 243	187
Other, including financing and liquidity	8 608	3 148	173
Net interest income	47 526	33 443	42

Net interest income from loans to the public decreased by SEK 3,025m compared with 2022, mainly due to a negative margin effect on Swedish household mortgage loans. Loan volumes had a positive effect.

Net interest income from deposits from the public rose by SEK 11,647m compared with 2022. Starting in the second quarter 2022, central banks have steadily increased key policy rates. The higher interest rate levels led to a positive margin effect on mainly deposits from the public.

Other net interest income increased by SEK 5,461m from the liquidity reserve and positive effects from lending to other customer categories, such as credit institutions and central banks. The deposit guarantee fees amounted to SEK 449m (421).

Net fee and commission income increased by 1 per cent, compared with the full year 2022, to SEK 21,669m (21,534).

On average, equity markets were less advantageous than in 2022, and gross fee income from custody and mutual funds, excluding performance fees, decreased by SEK 217m to SEK 9,458m (9,675). Performance fees decreased to SEK 146m (442). Performance fees are volatile due to the dependence both on fund performance, fund volumes and on the fee structure.

Market conditions in 2023, such as uncertainty, high interest rates and inflation, were less favourable for investment banking, and gross fee income from issuance of securities and advisory services decreased by 18 per cent during the year to SEK 1,193m (1,458). Gross lending fees increased by 8 per cent to SEK 3,841m (3,546). Gross secondary market and derivatives income decreased by 6 per cent to SEK 2,015m (2,142).

Net payment and card fees amounted to SEK 4,802m (4,565), an increase of 5 per cent. Compared with the full year 2022, mainly card volumes saw an uptick, partly due to the inflation.

The net life insurance commissions, related to the unit-linked insurance business, increased to SEK 991m (970).

Net financial income increased by SEK 749m to SEK 9,991m compared with the full year 2022 (9,242).

Due to the notable change in market conditions in 2023 compared with 2022, the portfolio valuation effects were

significant, both within the Treasury and Markets areas. The fair value credit adjustment¹⁾ amounted to SEK -165m, which was a decline of SEK 622m compared with 2022. The change in market value of certain strategic holdings versus the prior year amounted to SEK 867m, a positive change of SEK 974m year-on-year.

Net financial income from the Life division increased to SEK 1,282m (738). Improved market returns and higher interest rates had a positive effect in the traditional and other portfolios.

Net other income amounted to SEK 1,008m (258). Unrealised valuation and hedge accounting effects are included in this line item. In the third quarter SEB repurchased a covered bond at an upfront gain of SEK 512m.

Operating expenses

Total operating expenses increased by 10 per cent in 2023, and amounted to SEK 27,449m (25,044). This was in line with the FX-adjusted cost target for the full year of 27.0-27.5bn. The change amounted to SEK 2,405m, of which SEK 490m was a currency effect.

Staff costs were up by 10 per cent year-on-year, reflecting salary adjustments and an increase in number of employees. Other expenses increased by 13 per cent, partly due to the inflationary environment. Supervisory fees amounted to SEK 176m (174).

Net expected credit losses

Net expected credit losses amounted to SEK 962m (2,007), corresponding to a net expected credit loss level of 3 basis points (7). Provisions decreased during the year due to updated macroeconomic scenarios and reversals. Overall asset quality of the credit portfolio remained robust, however, asset quality indicators started to gradually weaken during the year.

Imposed levies

Imposed levies amounted to SEK 3,819m (2,288). The risk tax amounted to SEK 1,576m (1,187), the resolution fees to SEK 1,296m (1,101) and the new temporary solidarity contribution in Lithuania to SEK 947m.

Items affecting comparability

There was no item affecting comparability in 2023. In 2022, the outcome was SEK 1,399m. See note 9.

Income tax expense

Income tax expense increased to SEK 9,848 (6,862) with an effective tax rate of 20.5 per cent (20.3).

Return on equity

Return on equity for 2023 increased to 17.9 per cent (13.8).

Return on equity excluding items affecting comparability was 17.9 per cent (14.5).

Other comprehensive income

Other comprehensive income amounted to SEK -1,092m (2,208).

¹⁾ Unrealised valuation change from counterparty risk (CVA) and own credit risk standing in derivatives (DVA). Own credit risk for issued securities (OCA) is reflected in Other comprehensive income.

Operating profit by country

Distribution by country										Operating profit		
Jan - Dec	Total operating income			Total operating expenses			Operating profit excl IAC			in local currency excl IAC		
SEK m	2023	2022 ²⁾	%	2023	2022 ²⁾	%	2023	2022 ²⁾	%	2023	2022 ²⁾	%
Sweden	48 651	40 077	21	-19 250	-16 135	19	26 152	20 071	30	26 152	20 071	30
Norway	4 725	4 315	9	-1 821	-1 693	8	2 811	2 574	9	2 796	2 446	14
Denmark	4 269	3 298	29	-1 454	-1 376	6	2 677	1 772	51	1 738	1 240	40
Finland	3 475	2 554	36	-1 069	-979	9	2 418	1 476	64	211	139	52
Germany	2 711	2 740	-1	-923	-896	3	1 592	1 795	-11	139	169	-18
Estonia	4 073	2 308	77	-988	-792	25	3 099	1 493	108	270	140	92
Latvia	2 898	1 521	91	-728	-638	14	2 137	904	136	186	85	119
Lithuania	6 496	3 362	93	-1 165	-1 037	12	4 358	2 282	91	380	215	77
United Kingdom	1 422	1 187	20	-582	-480	21	799	689	16	61	55	10
International network	3 502	3 521	-1	-1 498	-1 422	5	1 931	2 065	-6			
Eliminations	-2 029	-404		2 029	404		-11	18				
Total¹⁾	80 193	64 478	24	-27 449	-25 044	10	47 963	35 138	37			

¹⁾ Total operating profit including Items Affecting Comparability amounted to SEK 47,963m for 2023 and SEK 33,739m for 2022.

²⁾ Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

The full year

External conditions such as customer response to inflationary expectations and the rapidly changed interest rate levels affected the operating profit also in the geographical dimension. Foreign exchange rates led to positive revaluation effects when converting the non-domestic sites' result to Swedish krona.

Sweden: Operating profit represented around 55 per cent of the group. Both corporate and private customers were cautious in the current uncertain economic environment while being increasingly engaged in sustainability matters. The cost base increased with continued investments according to SEB's strategy and imposed levies continued to increase.

Norway: Client activity was high despite the macroeconomic challenges. SEB supported both corporate and institutional clients with advisory, risk management and access to capital and liquidity leading to high customer satisfaction. Clients were advised on a large number of sustainability-related transactions.

Denmark: Another strong financial year with high customer activity in the Danish fixed income market and continued high demand for corporate banking and sustainability related products.

Finland: High interest rates combined with high customer activity especially in structured finance, debt capital markets and risk management services led to a strong result. SEB continued to support green transition in Finland and we saw a high demand for sustainability-related advisory and solutions.

Germany: While inflation eased, economic conditions remained challenging with declining industrial production and elevated uncertainty. SEB proactively supported its clients and increased its market share in the DACH region (Germany, Austria, Switzerland) with numerous sustainability advisory mandates supporting debt capital market volumes and project financings.

Estonia: Strict monetary policy resulted in decreasing inflation and negative GDP growth. The labour market was resilient with only a marginal increase in unemployment. Asset quality remained strong and SEB increased the green loan portfolio and expanded sustainability related products and advisory.

Latvia: High inflation and rising interest rates increased the overall interest in savings and investment products. Businesses were cautious with new investments, but demand for financing was higher among smaller companies. Green transition loans continued to be in high demand.

Lithuania: Economic activity decelerated due to a decline in household consumption and export, while higher interest rates had a marginally negative impact on investment decisions. SEB continued to increase lending volumes and widened sustainable offering for clients. Customer satisfaction increased overall across all channels for all customers.

United Kingdom: Clients were focused on capturing growth opportunities, liquidity optimisation and financing. SEB's advisory services were in demand, supporting clients to achieve these goals against a dynamic economic and geopolitical backdrop – especially evident in the area of energy transition.

International network: SEB continued to support its home market clients as a reliable long-term partner with a clear international strategy, presence and local advisory capabilities.

Business volumes

Total assets as of 31 December 2023 amounted to SEK 3,608bn, representing a decrease of SEK 525bn from the end of the third quarter (4,134) and an increase of SEK 75bn from the year-end 2022 balance of SEK 3,533bn.

Loans

	31 Dec	30 Sep	31 Dec
SEK bn	2023	2023	2022
General governments	21	19	27
Financial corporations	113	123	120
Non-financial corporations	1 016	1 055	1 019
Households	722	725	719
Collateral margin	67	26	75
Reverse repos	163	167	106
Loans to the public	2 101	2 116	2 065

Loans to the public decreased by SEK 15bn in the fourth quarter, to SEK 2,101bn (2,116).

Loans as well as contingent liabilities and derivatives are included and managed in the credit portfolio. See the section Risk and capital for information on the credit portfolio.

Deposits and borrowings

	31 Dec	30 Sep	31 Dec
SEK bn	2023	2023	2022
General governments	25	65	19
Financial corporations	396	606	409
Non-financial corporations	704	733	693
Households	441	450	450
Collateral margin	33	46	119
Repos	13	23	12
Deposits and borrowings from the public	1 612	1 923	1 702

Deposits and borrowings from the public decreased, by SEK 311bn in the fourth quarter, to SEK 1,612bn. This was mainly driven by a seasonal decrease of deposits from financial corporations, which also includes Treasury deposits, of SEK 210bn. Non-financial corporations' deposits decreased by SEK 29bn in the fourth quarter (of which SEK 18bn was a currency effect) and household deposits decreased by SEK 9bn.

Debt securities

Debt securities decreased by SEK 236bn to SEK 266bn in the fourth quarter (503), reflecting a correlation in movements between deposit and debt securities volumes. The securities are short-term in nature, have high credit worthiness and are recognised at market value.

Assets under management and custody

Total *assets under management* increased to SEK 2,361bn (2,194). With the rebound in the financial markets, the market value increased by SEK 163n during the quarter (-85). The net flow of assets under management amounted to SEK 4bn (9).

Assets under custody increased to SEK 20,167bn, mainly due to higher asset values (18,925).

Risk and capital

SEB's business is exposed to many different types of risks. The risk composition of the group, as well as the related risk, liquidity and capital management, are described in SEB's Annual and Sustainability Report for 2022 (see page 83-89 and notes 40 and 41), in the Capital Adequacy and Risk Management Report for 2022 as well as the quarterly additional Pillar 3 disclosures.

Further information is available in SEB's Fact Book that is published quarterly.

Credit risk and asset quality

	31 Dec	30 Sep	31 Dec
SEK bn	2023	2023	2022
Banks	114	131	127
Corporates	1 675	1 748	1 687
Commercial real estate management	216	217	209
Residential real estate management	148	147	146
Housing co-operative associations Sweden	66	67	72
Public administration	65	64	91
Household mortgage	670	683	671
Household other	85	88	85
Total credit portfolio	3 040	3 143	3 086

SEB's credit portfolio, which includes loans, contingent liabilities and derivatives, decreased by SEK 103bn in the fourth quarter to SEK 3,040bn (3,143), largely explained by the strengthening of the Swedish krona. The corporate credit portfolio decreased by SEK 73bn in the quarter. The real estate portfolios, including housing co-operative associations, decreased by SEK 1bn. Household mortgage credit portfolio decreased by SEK 13bn in a continued subdued market.

Credit-impaired loans (gross loans in stage 3) increased to SEK 7.6bn (5.7), corresponding to 0.37 per cent of total loans (0.27), mainly due to negative risk migration of one customer in the large corporate segment which was partly offset by currency effects. This also increased stage 3 ECL allowances. The ECL coverage ratio in stage 3 decreased from 52.1 per cent to 40.2 per cent, the decrease is mainly explained by an inflow of volumes with export credit agency guarantees, implying a lower ECL coverage ratio. Stage 1 ECL allowances decreased marginally due to a partial release of model portfolio overlays, while stage 2 ECL allowances increased due to negative risk migration which was partly offset by currency effects. See net expected credit loss comment in note 13.

Notes 14-15 provide a more detailed breakdown of SEB's loan portfolio by industry and asset quality as well as corresponding ECL allowances.

Market risk

Average VaR in the regulatory trading book during the fourth quarter decreased due to reduced positions and lower market volatility and amounted to SEK 169m (234). The group does not expect to lose more than this amount, on average, during a period of ten trading days with 99 per cent probability. SEB's business model is mainly driven by customer demand.

Liquidity and funding

SEB maintained a strong and diversified liquidity and funding position in the quarter with good market access. With the seasonal decrease in deposits, the loan-to-deposit ratio increased and was 121 per cent per 31 December 2023 (103).

New issuance during the quarter amounted to SEK 13bn, of which SEK 3bn in covered bonds, SEK 6bn in senior non-preferred bonds and SEK 4bn in Tier 2 capital. SEK 53bn of long-term

funding in the form of covered bonds matured, and SEK9bn of Tier 2 capital was redeemed during the quarter. Short-term funding in the form of commercial paper and certificates of deposit decreased by SEK 80bn in the fourth quarter.

Weighted High Quality Liquid Assets, defined according to the liquidity coverage ratio (LCR) requirements, decreased to SEK 739bn at 31 December 2023 (1,193). The LCR was 140 per cent (123). The minimum regulatory requirement is 100 per cent.

The net stable funding ratio (NSFR) requirement is that stable funding shall be at least 100 per cent of illiquid assets. Per 31 December 2023, SEB's NSFR was 112 per cent (114).

Rating

Fitch rates SEB's long-term senior unsecured debt at AA- with stable outlook. The rating is based on SEB's low risk appetite, stable and well-executed strategy, and robust asset quality and capitalisation. The rating was affirmed in June 2023.

Moody's rates SEB's long-term senior unsecured debt at Aa3 with stable outlook reflecting the bank's strong asset quality and solid capitalisation, which is expected to demonstrate continued resilience despite a less favourable macroeconomic outlook. The rating was affirmed in July 2023.

S&P rates SEB's long-term senior unsecured debt at A+ with stable outlook. The rating is based on the stable and low-risk operating environment in Sweden, the bank's stable and well-diversified revenue base and leading position among large Nordic corporates, robust capitalisation and resilient earnings, despite expected increasing pressure on revenues and asset quality in the economic environment. The rating was affirmed in June 2023.

Risk exposure amount

The total risk exposure amount (REA) decreased by SEK 27bn to SEK 892bn during the fourth quarter.

SEK bn	
Balance 30 Sep 2023	919
Underlying credit risk change	-20
-whereof asset size	1
-whereof asset quality	-1
-whereof foreign exchange movements	-21
Underlying market risk change	-7
-whereof CVA risk	0
Underlying operational risk change	1
Model updates, methodology & policy, other	-2
-whereof credit risk	-2
Balance 31 Dec 2023	892

Underlying credit risk REA decreased by SEK 20bn, primarily due to an impact from foreign exchange movements. Model and methodology updates decreased credit risk REA by SEK2bn. Market risk REA decreased by SEK 7bn due to seasonal effects, while operational risk REA increased by SEK 1bn.

Capital position

The following table shows REA and capital ratios according to applicable capital regulation:

Own funds requirement, Basel III	31 Dec	30 Sep	31 Dec
	2023	2023	2022
Risk exposure amount, SEK bn	892	919	859
Common Equity Tier 1 capital ratio, %	19.1	18.9	19.0
Tier 1 capital ratio, %	20.7	20.6	20.7
Total capital ratio, %	22.4	21.9	22.5
Leverage ratio, %	5.4	4.6	5.0

SEB's Common Equity Tier 1 (CET1) capital ratio increased to 19.1 per cent (18.9) during the fourth quarter. CET1 capital decreased by SEK 3bn, as the quarterly net result was offset by a higher dividend accrual and an additional supervisory approval (amounting to SEK 2.5bn) to repurchase shares. REA decreased by 27bn mainly driven by lower credit risk REA due to a stronger Swedish krona.

SEB's seventh share buyback programme was completed on 29 December 2023 and throughout 2023, SEB has repurchased shares for capital management purposes for a total amount of SEK 5bn. The Board of Directors resolved to initiate a new programme to start on 26 January 2024. The new programme amounts to SEK 1.75bn and is to be completed by 18 March 2024 at the latest. In total, SEB has supervisory approval to repurchase own shares for SEK 3.75bn, of which SEK 1.75bn starts on 26 January 2024.

SEB's applicable CET1 capital requirement and Pillar 2 guidance (P2G) per the end of the fourth quarter was 14.7 per cent (14.6). SEB's target is to have a buffer of 100 to 300 basis points above the regulatory capital requirement. The buffer shall cover sensitivity to currency fluctuations in REA, changes in the net value of the Swedish defined benefit pension plan as well as general macroeconomic uncertainties. The buffer is approximately 440 basis points (430).

SEB's leverage ratio was 5.4 per cent at the end of the quarter (4.6), whereas the leverage ratio requirement and P2G was 3.5 per cent (3.5). The increase in the leverage ratio mainly stemmed from a lower leverage exposure amount.

Dividend

The Board of Directors proposes to the Annual General Meeting an ordinary dividend of SEK 8.50 per Class A and Class C share and a special dividend of SEK 3.00 per Class A and Class C share. This corresponds to around 63 per cent of the 2023 net profit. The proposed total dividend amounts to SEK 23.8bn calculated on the total number of issued shares as per 31 December 2023 excluding own shares held. The proposed record date for the dividend is 21 March 2024 and dividends will be paid out on 26 March 2024. The share will be traded ex-dividend on 20 March 2024.

Internally assessed capital requirement

As per 31 December 2023, the internally assessed capital requirement, including insurance risk, amounted to SEK 147bn (141). The internal capital requirement is assessed using SEB's internal models for economic capital and is not fully comparable to the estimated capital requirement published by the SFSA due to differences in assumptions and methodologies.

The internally assessed capital requirement for the parent company was SEK 103bn (102).

Business development

(Second half of 2023)

In January 2022, SEB communicated its 2030 Strategy and three-year business plan for 2022-2024. Every second quarter we follow up on the progress and important milestones related to strategic initiatives within the four pillars of our 2030 Strategy: Acceleration of efforts, Strategic change, Strategic partnerships and Efficiency improvements.

Acceleration of efforts

We are pleased to see that our continued strong customer focus and capabilities are recognised by our customers as they ranked us to be the leading bank in the Nordics among Large Corporates and Financial Institutions for the fourth and third consecutive year, respectively, according to the annual Prospera customer survey.

During the second half of 2023, SEB continued to build on its capabilities to be a robust financial partner to customers, especially within the sustainability area where our ambition is to be a leading catalyst for our customers in the sustainable transition. We expanded our green financing offering with an energy improvement loan, which enables companies and tenant-owner associations to invest in increased energy efficiency and renewable energy. SEB also took a step into the emerging market of carbon removals. SEB has been mandated by the Norwegian project developer Inherit Carbon Solutions to enter the market and invite companies to buy carbon removal certificates from four planned Nordic projects for the capture and storage of biogenic carbon dioxide, with the capacity to remove 50,000 tonnes of carbon dioxide per year. The first production is expected to be able to start by the second quarter of 2025. In conjunction with SEB's annual sustainability event, SEB set a new net-zero emission aligned target for the heavy vehicle manufacturing sector, resulting in 76 per cent of SEB's proforma financed emissions for 2020 to be covered by net-zero aligned targets. These financed emissions have been reduced by 47 per cent since 2020.

SEB strengthened its savings and investment offering with an additional five funds that have sustainable investments as their objective in the unit-linked insurance fund offering, which for example invest in companies that promote the protection and restoration of biological diversity and in companies emphasising principles of the circular economy. Multiple deliveries for digital channel improvements and functionality have also taken place to improve the savings and investments customer experience, for example the possibility for corporate customers to digitally open new custody accounts, and new savings calculator in the private mobile app.

Strategic change

We continued to adjust our existing offering to stay relevant for our customers and their changing behaviour and thus ensure we create long-term value for our stakeholders. The transformation of Retail Banking to go more digital was supplemented with new functionality, for example expanding our digital identification capabilities to enable customers in Sweden to issue a new ID for SEB's digital channels using a Mobile BankID issued by another bank. This provides a smoother customer experience and frees up resources as it eliminates the need to visit a branch office for issuing a Mobile BankID. Since the launch in November, around 900 Mobile BankIDs have been issued using this process, thus freeing up resources equivalent of the same number of branch visits. In Latvia and Lithuania, we have introduced video onboarding for kids, allowing parents to onboard their kids via a

video meeting, without the need to visit a branch, to help parents in their busy everyday lives. Customers have also become able to revoke powers of attorney via the internet bank with immediate effect, which previously required manual administration by an advisor. With approximately 4,000 manual revocations per year, this simplifies for the customer and frees up time from SEB's call centre, branch offices and business services.

We are glad to have seen positive results for our Private Wealth Management & Family Office division where increased proactivity and customer centricity has resulted in a stable inflow of customers and SEB being ranked in second place by customers in the annual Prospera survey for Private Banking in Sweden.

Strategic partnerships

We continued to collaborate and partner with external stakeholders and rethink how we produce, distribute and grow our products and services in order to improve our offering to our customers and optimise the use of our resources. In December, SEB launched a new simplified digital process for entrepreneurs to start a company with SEB through one of SEB's partners, Fortnox. SEB Baltic joined in a multi-country consortium to deliver a cross-border payments pilot in line with European Commissions EU digital identity wallet program. The EU initiative is set to deliver a pan-European identity solution and portability including four main use cases – payments, eHealth, mobile driving license and education/professional qualification. SEB is participating in the payments use case as part of the Nordic-Baltic eID (NOBID) consortium. The kick-off of the project started a two-year journey to work out and pilot the account-to-account payment Wallet.

Efficiency improvement

Automation, data management and technology development are key in supporting SEB's digital transformation, heightening efficiency and improving operational resilience. In 2023, the utilisation of data-driven use cases tripled compared to the previous year. The number of transactions conducted per employee within business services increased by five per cent year-on-year, showing a continued increase in operational efficiency. The household mortgage customer experience and process has also been improved as private customers are now able to change terms or prolong their household mortgage via the internet bank instead of having to contact the bank. SEB initiated pilots of generative AI virtual assistants for employees within Group Technology, Group Compliance and the Corporate & Private Customers division's call centre, enhancing the service model for employees and customers as well as improving productivity. Additionally, we strengthened our cloud provider offering, guaranteeing high security and enhanced support for SaaS (Software-as-a-Service) solutions to improve our product portfolio. Furthermore, SEB boosted education initiatives within AI, data, analytics and cloud with personalised learning paths for various roles and levels of literacy across the bank to strengthen innovation.

Other information

The group's long-term financial targets

With the overall purpose to increase capital management flexibility, the Board of Directors' long-term financial targets are:

- to pay a yearly dividend that is around 50 per cent of the earnings per share excluding items affecting comparability, and distribute potential capital in excess of the targeted capital position mainly through share repurchases,
- to maintain a Common Equity Tier 1 capital ratio of 100–300 basis points above the requirement from the Swedish Financial Supervisory Authority (FSA), and
- to generate a return on equity that is competitive with peers.

In the long term, SEB aspires to reach a sustainable return on equity of 15 per cent.

Business plan 2022–2024 and cost target

The aim is to create shareholder value by accelerating income growth, driving earnings per share growth, increasing our profitability and future-proofing the business. This will be achieved by capitalising on a position of strength and by further investing into the business, as outlined in the 2030 Strategy and the business plan for 2022–2024. All of this is with the overall ambition to grow earnings per share and reach the long-term aspirational target of 15 per cent return on equity.

The 2030 Strategy remains firm and in 2024, we will develop our business by further investing in the savings area and in our technological infrastructure. We have a cost target for 2024 of below or equal to SEK 29bn, assuming average 2023 foreign exchange rates not including AirPlus.

The cost target for 2023 was SEK 26.5–27.0bn, assuming 2022 foreign exchange rates. With average foreign exchange rates during 2023, the implied cost target range was SEK 27.0–27.5bn (27.1–27.6). Total operating expenses for 2023 were in line with the FX-adjusted cost target.

Towards the end of the 2022–2024 business plan period, the plan is to be within the long-term capital target of 100–300 basis points above the regulatory requirement.

Sustainability ambitions and goals

As part of SEB's strategy, sustainability ambitions and goals have been defined, laying out a path for reducing fossil fuel credit exposure and setting growth ambitions for sustainable activities.

Carbon exposure index –The Brown. The goal is to reduce fossil fuel credit exposure within SEB's energy portfolio by 45–60 per cent by 2030 compared with a 2019 baseline. The outcome per 31 December 2023 was a decrease of 39 per cent versus the 2019 base line, in line with the 2030 target pathway. The Carbon Exposure Index methodology was modified during 2023 as communicated on 15 November 2023.

Sustainability activity index –The Green. The ambition is to increase average sustainability activity 6 to 8 times by 2030 compared with a 2021 baseline. Sustainability activity is a volume-based metric including sustainability-related financing, sustainable finance advisory, greentech venture capital investments and sustainable savings as share of SEB's total savings offering. The outcome per 31 December 2023 was an increase of 123 per cent versus the 2021 baseline, in line with the 2030 target pathway.

For detailed information see SEB's Annual and Sustainability Report for 2022 at sebgroupp.com.

Financial aspirations for the divisions

The long-term divisional aspirations for profitability (RoBE) and cost efficiency (C/I ratio) are set mainly based on two factors. Firstly, each division will have the ambition to achieve best in class profitability and cost efficiency compared with similar businesses among relevant peers. Secondly, each division's aspirations are set so that they enable SEB to achieve its long-term aspiration of 15 per cent return on equity on group level.

Divisional aspirations and outcome 2023

The divisional financial aspirations and related outcome are summarised in the table below.

Division	Return on business equity		Cost/income ratio	
	Target	Outcome	Target	Outcome
Large Corporates & Financial Institutions	>13%	17.8%	<0.50	0.35
Corporate & Private Customers	>16%	26.2%	<0.40	0.31
Private Wealth Management & Family Office	>25%	44.5%	<0.50	0.43
Baltic	>20%	45.8%	<0.40	0.21
Life	>30%	35.1%	<0.45	0.44
Investment Management	>40%	52.0%	<0.40	0.46

2024 divisional financial aspirations

The financial aspirations were reviewed as part of the annual business plan update and were updated for the new levies and taxes in the Baltic countries introduced during 2023. The cost/income ratio target for the Baltic division has been adjusted accordingly, from <0.40 to <0.35.

	Return on business equity	Cost/income ratio
Large Corporates & Financial Institutions	>13%	<0.50
Corporate & Private Customers	>16%	<0.40
Private Wealth Management & Family Office	>25%	<0.50
Baltic	>20%	<0.35
Life	>30%	<0.45
Investment Management	>40%	<0.40

Impact from exchange rate fluctuations

The currency effect increased operating profit before items affecting comparability for the fourth quarter by SEK 149m. Loans to the public decreased by SEK 42bn while deposits from the public decreased by SEK 63bn. Total REA decreased by SEK 20bn, of which SEK 21bn was credit risk, and the decrease of total assets was SEK 101bn.

Uncertainties

The relevant overall risks and uncertainties for the SEB Group are outlined in the 2022 Annual and Sustainability Report. In respect of the Re-assessment of credited withholding tax in Germany, the Investigation of alleged tax evasion of a severe nature and the Supervisory matters there have been no material developments during 2023 that require an update of the description of the matters listed under future uncertainties in the 2022 Annual and Sustainability Report. Regarding the Claim from the Swedish Pension Agency there has been a change during the quarter. The Swedish Pensions Agency filed a lawsuit against SEB in September 2023 in accordance with the claim for damages that earlier was presented against the bank and that has been reported in the 2022 Annual and Sustainability Report. The lawsuit filed against SEB relates to its capacity as depositary for

the fund company Gustavia Davegårdh Fonder's investment funds. The claim amounts to just over SEK 470m excluding interest and relates to transactions carried out in 2012. The Swedish Pensions Agency is of the opinion that SEB has failed in its duties as depositary for the funds in relation to these transactions. In December 2023, SEB filed its statement of defence with the Stockholm District Court. SEB disputes the claim, as it is of the opinion that the bank has fulfilled its duties as depositary in regard to these transactions and that the bank has no liability for damages. No provision related to the claim has been recognised in accordance with applicable accounting principles.

Share buyback programmes

In total, in 2022 and 2023, SEB has completed seven share buyback programmes and 94 million shares have been repurchased.

	Number of repurchased shares	Average purchase price (SEK per share)	Purchase amount (SEK m)
October 2021 - March 2022	20 055 133	124.66	2 500
March 2022 - October 2022	23 375 979	106.95	2 500
October 2022 - December 2022	10 508 310	118.95	1 250
January 2023 - April 2023	10 249 921	121.95	1 250
April 2023 - July 2023	10 660 063	117.26	1 250
July 2023 - October 2023	9 746 391	128.25	1 250
October 2023 - December 2023	9 739 700	128.34	1 250
Total	94 335 497	119.26	11 250

Business segments

Income statement by segment

Jan-Dec 2023, SEK m	Large Corporates & Financial Institutions	Corporate & Private Customers	Private Wealth Mgmt & Family Office	Baltic	Life	Investment Management	Group Functions	Eliminations	SEB Group
Net interest income	19 334	19 996	2 797	10 324	-165	126	-5 032	146	47 526
Net fee and commission income	7 325	5 096	1 457	1 995	2 513	2 949	335	-1	21 669
Net financial income	5 166	515	94	600	1 282	15	2 593	-275	9 991
Net other income	-34	16	8	11	-5	3	1 016	-7	1 008
Total operating income	31 791	25 623	4 356	12 930	3 624	3 093	-1 088	-136	80 193
Staff costs	-4 746	-3 190	-884	-1 612	-806	-609	-5 717	5	-17 558
Other expenses	-6 280	-4 796	-1 006	-1 078	-766	-803	6 705	132	-7 892
Depreciation, amortisation and impairment of tangible and intangible assets	-25	-60	-4	-78	-33	-11	-1 788		-1 999
Total operating expenses	-11 050	-8 046	-1 894	-2 768	-1 604	-1 423	-800	136	-27 449
Profit before credit losses and imposed levies	20 740	17 577	2 462	10 163	2 020	1 670	-1 888	0	52 744
Net expected credit losses	-382	-604	4	7	-1	0	15	-1	-962
Imposed levies	-1 556	-1 036	-90	-999		0	-138	0	-3 819
Operating profit	18 803	15 937	2 375	9 171	2 020	1 669	-2 011	-1	47 963

Jan-Dec 2022, SEK m	Large Corporates & Financial Institutions	Corporate & Private Customers	Private Wealth Mgmt & Family Office	Baltic	Life	Investment Management	Group Functions	Eliminations	SEB Group
Net interest income	14 152	14 231	1 660	4 319	-36	18	-907	6	33 443
Net fee and commission income	7 402	4 814	1 474	1 854	2 510	3 227	271	-18	21 534
Net financial income	4 992	549	75	723	738	66	2 130	-32	9 242
Net other income	-20	16	2	13	6	3	243	-6	258
Total operating income	26 526	19 610	3 211	6 910	3 219	3 314	1 738	-50	64 478
Staff costs	-4 512	-2 942	-742	-1 332	-719	-581	-5 153	1	-15 980
Other expenses	-5 568	-4 346	-828	-816	-696	-794	6 013	49	-6 986
Depreciation, amortisation and impairment of tangible and intangible assets	-29	-67	-3	-198	-21	-11	-1 750		-2 078
Total operating expenses	-10 109	-7 355	-1 573	-2 345	-1 436	-1 386	-890	50	-25 044
Profit before credit losses and imposed levies	16 417	12 255	1 638	4 565	1 782	1 929	848	0	39 434
Net expected credit losses	-1 251	-785	-16	17	-1	0	27	1	-2 007
Imposed levies	-1 218	-862	-69	-62		-1	-76	0	-2 288
Operating profit before items affecting comparability	13 948	10 608	1 553	4 520	1 781	1 928	799	1	35 138
Items affecting comparability							-1 399		-1 399
Operating profit	13 948	10 608	1 553	4 520	1 781	1 928	-600	1	33 739

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

Large Corporates & Financial Institutions

- Operating profit amounted to SEK 4,257m and return on business equity was 16.1 per cent
- High customer satisfaction among both large corporates and financial institutions, reflected by maintained number 1 positions in annual Prospera Nordic customer surveys
- Large corporate customers active in transition investments although lending demand was limited

Income statement

SEK m	Q4			Q3			Q4			Jan-Dec		
	2023	2023	%	2022	%	2023	2022	%	2023	2022	%	
Net interest income	4 861	4 850	0	4 241	15	19 334	14 152	37				
Net fee and commission income	1 879	1 692	11	1 886	-0	7 325	7 402	-1				
Net financial income	1 241	1 130	10	1 732	-28	5 166	4 992	3				
Net other income	-7	-43	-83	50		-34	-20	71				
Total operating income	7 974	7 629	5	7 910	1	31 791	26 526	20				
Staff costs	-1 213	-1 206	1	-1 153	5	-4 746	-4 512	5				
Other expenses	-1 631	-1 555	5	-1 486	10	-6 280	-5 568	13				
Depreciation, amortisation and impairment of tangible and intangible assets	-6	-6	-0	-6	-0	-25	-29	-15				
Total operating expenses	-2 851	-2 768	3	-2 645	8	-11 050	-10 109	9				
Profit before credit losses and imposed levies	5 122	4 861	5	5 265	-3	20 740	16 417	26				
Net expected credit losses	-476	-38		-244	95	-382	-1 251	-69				
Imposed levies	-389	-359	8	-305	28	-1 556	-1 218	28				
Operating profit	4 257	4 464	-5	4 716	-10	18 803	13 948	35				
Cost/Income ratio	0.36	0.36		0.33		0.35	0.38					
Business equity, SEK bn	81.3	82.1		77.9		81.5	74.1					
Return on business equity, %	16.1	16.8		18.6		17.8	14.5					
FTEs, present ¹⁾	2 354	2 354		2 173		2 342	2 189					

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comments on the fourth quarter

We are pleased to see that our continued strong customer focus and capabilities are recognised by our customers as they once again ranked us to be the leading bank in the Nordics among large corporates and financial institutions according to the annual Prospera survey.

The quarter was characterised by cautious optimism, although inflation and geopolitical uncertainties persisted along with supply chain disruptions.

Within the *large corporate* customer segment, clients' activity in transition investments carried on at elevated levels. High demand for cash management related services continued, while lending activity remained muted. Trade finance activity demonstrated robustness whereas investment banking activity was low. However, equity capital market activity recovered in the quarter on the back of a decelerating inflation pace. Investment grade bond issuance activity remained at high levels.

Within the *financial institutions* customer segment, cash management services continued to be in demand. Capital market activity was robust with high activity in the new issuance market and robust secondary fixed income trading activity. Within FX a challenging macroeconomic environment together with excessive

rates volatility have kept investors cautious. Equity market trading activity was subdued in the beginning of the quarter but picked up markedly towards the end of the quarter, both primary and secondary. Assets under custody increased to SEK 20,167bn (18,925) mainly as a consequence of increased asset values.

Operating profit amounted to SEK 4,257m. Net interest income was negatively impacted by SEK 71m as an earlier positive tax effect that has now been passed on to customers. Net fee and commission income increased by 11 per cent predominately explained by seasonally lower investment banking-related fees in the previous quarter. Net financial income increased by 10 per cent mainly due to valuation effects. Operating expenses increased by 3 per cent between the quarters. Net expected credit losses increased to SEK 476m with a credit loss level of 12 basis points, driven by mainly one exposure. Overall credit quality remained robust. See p. 8.

Corporate & Private Customers

- Operating profit amounted to SEK 3,932m and return on business equity was 25.9 per cent
- Lending margins stabilised while deposit margins improved
- The pace of customers' conversion to term deposits decreased

Income statement

SEK m	Q4			Q3			Q4			Jan-Dec		
	2023	2023	%	2022	%		2023	2022	%	2023	2022	%
Net interest income	5 091	5 090	0	4 902	4		19 996	14 231	41			
Net fee and commission income	1 306	1 277	2	1 253	4		5 096	4 814	6			
Net financial income	128	125	3	155	-18		515	549	-6			
Net other income	5	4	24	5	2		16	16	2			
Total operating income	6 530	6 496	1	6 315	3		25 623	19 610	31			
Staff costs	-810	-804	1	-762	6		-3 190	-2 942	8			
Other expenses	-1 325	-1 143	16	-1 232	8		-4 796	-4 346	10			
Depreciation, amortisation and impairment of tangible and intangible assets	-15	-16	-5	-15	-1		-60	-67	-10			
Total operating expenses	-2 149	-1 963	9	-2 009	7		-8 046	-7 355	9			
Profit before credit losses and imposed levies	4 380	4 533	-3	4 306	2		17 577	12 255	43			
Net expected credit losses	-190	-11		-287	-34		-604	-785	-23			
Imposed levies	-259	-163	59	-216	20		-1 036	-862	20			
Operating profit	3 932	4 359	-10	3 803	3		15 937	10 608	50			
Cost/Income ratio	0.33	0.30		0.32			0.31	0.38				
Business equity, SEK bn	46.7	47.0		44.6			46.9	44.9				
Return on business equity, %	25.9	28.6		26.2			26.2	18.2				
FTEs, present ¹⁾	3 477	3 483		3 369			3 462	3 273				

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comments on the fourth quarter

Demand for financial products continued to be subdued during the fourth quarter but market shares were maintained in tough competition in both the private and corporate segment. The improved service offering supported this trend and the higher customer satisfaction seen during the third quarter remained. Business volumes declined in the quarter, but net interest margin improved.

In the *private customer segment*, SEB's mortgage market share was maintained. Market growth in mortgages remained subdued and lending volumes were unchanged at SEK 559bn (559). The stabilisation in new lending margins since the second quarter continued and margins on the existing portfolio stabilised as well. Household deposits decreased by SEK 7bn explained by higher living expenses, a continued elevated level of amortisations and interest rates rising further. Net interest margins on deposits continued to increase following policy rate hikes at the end of the third quarter and the migration to term deposits slowed further. The positive stock market performance during the quarter contributed to an increase in assets under management and customers' net fund savings increased by SEK 922m.

Customers in the *corporate segment* were cautious reflected in a decrease of corporate and card-related lending of SEK 4bn to SEK 288bn (292). Corporate deposits increased by almost SEK 5bn in the quarter in line with seasonality and with expanding margins.

In total, lending volumes decreased by SEK 4bn to SEK 865bn (869). Deposit volumes decreased by SEK 3bn and amounted to SEK 441bn (444).

The operating profit amounted to SEK 3,932m. Net interest income was unchanged where a slight increase in net interest income on deposits was offset by a slight decrease in net interest income on lending. Net interest income was negatively impacted by SEK 91m as an earlier positive tax effect that has now been passed on to customers. Net fee and commission income increased marginally, mainly due to improved payment commissions. Total operating expenses increased by 9 per cent compared with the last quarter, partly driven by seasonally higher marketing and IT related expenses. Asset quality remained stable and net expected credit losses amounted to SEK 190m, with a net expected credit loss level of 7 basis points in the fourth quarter. See p. 8.

Private Wealth Management & Family Office

- Operating profit amounted to SEK 611m and return on business equity was 43.3 per cent
- SEB was ranked in second place by customers in the annual Prospera survey for Private Banking in Sweden
- Strong equity markets increased assets under management to SEK 1,145bn

Income statement

SEK m	Q4			Q3			Q4			Jan-Dec		
	2023	2023	%	2022	%		2023	2022	%	2023	2022	%
Net interest income	704	727	-3	657	7		2 797	1 660	69			
Net fee and commission income	387	357	8	323	20		1 457	1 474	-1			
Net financial income	21	20	3	19	12		94	75	26			
Net other income	2	0		-2			8	2				
Total operating income	1 114	1 105	1	997	12		4 356	3 211	36			
Staff costs	-232	-210	11	-196	19		-884	-742	19			
Other expenses	-250	-259	-3	-214	17		-1 006	-828	21			
Depreciation, amortisation and impairment of tangible and intangible assets	-1	-1	-4	-1	-1		-4	-3	36			
Total operating expenses	-483	-470	3	-411	18		-1 894	-1 573	20			
Profit before credit losses and imposed levies	631	635	-1		8	587	2 462	1 638	50			
Net expected credit losses	3	5	-46	-8			4	-16				
Imposed levies	-23	-17	34	-17	31		-90	-69	31			
Operating profit	611	623	-2	562	9		2 375	1 553	53			
Cost/Income ratio	0.43	0.43		0.41			0.43	0.49				
Business equity, SEK bn	4.3	4.2		3.5			4.1	3.5				
Return on business equity, %	43.3	45.5		49.2			44.5	33.9				
FTEs, present ¹⁾	496	504		463			502	456				

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comments on the fourth quarter

Client satisfaction proved strong as SEB was ranked number 2 overall in Prospera's Swedish Private Banking survey. Among the two upper customer segments with higher investable assets, SEB was ranked number 1.

The fourth quarter was characterised by a strong equity market and increasing asset values with high customer demand for investment advisory service within all client segments. The number of customers increased in all geographies.

Assets under management increased by 12 percent compared with the third quarter. Net new assets under management amounted to SEK 8bn. The overall stock market development explains an additional market value related increase of SEK 117bn.

Customer demand for financing was unchanged and lending volumes increased by SEK 0.3bn. Deposit volumes decreased by SEK 2bn to SEK 142bn, predominantly explained by a transition from deposits to assets under management.

The operating profit amounted to SEK 611m. Net interest income decreased by 3 per cent driven by both deposit and lending margins. Net fee and commission income was up compared with the third quarter, driven by high activity and increased market values. Total operating expenses were up 3 per cent. Due to reversal of provisions, net expected credit losses amounted to positive SEK 3m.

Baltic

- Operating profit amounted to SEK 2,299m and return on business equity was 44.1 per cent
- Mixed consumer confidence recovery with normalised inflation and higher interest rate environment
- Proportion of savings and term deposit accounts with higher interest rates continued to increase

Income statement

SEK m	Q4			Q3			Q4			Jan-Dec		
	2023	2023	%	2022	%		2023	2022	%	2023	2022	%
Net interest income	2 800	2 809	-0	1 610	74		10 324	4 319	139			
Net fee and commission income	522	506	3	485	8		1 995	1 854	8			
Net financial income	85	164	-48	267	-68		600	723	-17			
Net other income	1	1	7	2	-47		11	13	-15			
Total operating income	3 408	3 480	-2	2 365	44		12 930	6 910	87			
Staff costs	-413	-420	-2	-399	3		-1 612	-1 332	21			
Other expenses	-294	-268	10	-243	21		-1 078	-816	32			
Depreciation, amortisation and impairment of tangible and intangible assets	-19	-20	-4	-133	-86		-78	-198	-60			
Total operating expenses	-726	-708	3	-774	-6		-2 768	-2 345	18			
Profit before credit losses and imposed levies	2 683	2 773	-3	1 590	69		10 163	4 565	123			
Net expected credit losses	-13	62		15			7	17	-60			
Imposed levies	-370	-403	-8	-16			-999	-62				
Operating profit	2 299	2 432	-5	1 590	45		9 171	4 520	103			
Cost/Income ratio	0.21	0.20		0.33			0.21	0.34				
Business equity, SEK bn	17.7	17.6		14.0			17.0	13.4				
Return on business equity, %	44.1	46.9		38.5			45.8	28.6				
FTEs, present ¹⁾	2 959	2 960		2 872			2 949	2 862				

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comments on the fourth quarter

Overall economic activity was stable across the region. The rapid decrease in inflation continued. While consumer confidence in Lithuania was at historically high levels, it remained low in Estonia reflecting the ongoing recession.

As residential construction declined, new mortgage sales were at their lowest level since the beginning of the Covid-19 pandemic while lending volumes to private customers increased by 1 per cent in local currency. Corporate lending volumes increased by 2 per cent in local currency in the quarter. Altogether, total lending volumes increased modestly in local currency while the strengthening Swedish krona weighted negatively and lending in SEK amounted to SEK 191bn (195).

Deposits increased in local currency in all segments and countries with the exception of Estonian households, which remained flat. The proportion of savings account and term deposit volumes continued to increase in all countries, but the pace of flows decelerated. Overall deposit volumes grew to SEK 248bn (246).

Operating profit amounted to SEK 2,299m. Net interest income increased by 2 per cent in local currency mainly as a result of rising interest rates on excess liquidity. Lending margins fell as competitive pressures intensified, while deposit margins too were dampened by the higher rates of interest paid out to customers. Net fee and commission income increased by 6 per cent in local currency, partly due to performance fees. Net financial income decreased by 47 per cent in local currency following decreases to valuations of interest rate swaps in the liquidity portfolio. Operating expenses increased by 5 per cent in local currency, driven mainly by project, marketing and VAT costs. The second full quarter of the temporary solidarity contribution levy introduced by the Lithuanian government amounted to SEK 357m, gross. Net expected credit losses amounted to SEK 13m, or 2 basis points. See p. 8.

See p. 8 for information on tax expenses related to the Baltic division.

Life

- Operating profit amounted to SEK 568m and return on business equity was 39.4 per cent
- High level of interest rates continued to contribute positively to income
- Sales of Swedish occupational pension increased by 18 per cent

Income statement

SEK m	Q4			Q3			Q4			Jan-Dec		
	2023	2023	%	2022	2022	%	2023	2023	%	2022	2022	%
Net interest income	-43	-40	6	-17	156		-165	-36				
Net fee and commission income	619	651	-5	645	-4		2 513	2 510	0			
Net financial income	425	363	17	254	67		1 282	738	74			
Net other income	-12	-3		-1			-5	6				
Total operating income	989	971	2	882	12		3 624	3 219	13			
Staff costs	-204	-199	3	-187	9		-806	-719	12			
Other expenses	-207	-186	12	-199	4		-766	-696	10			
Depreciation, amortisation and impairment of tangible and intangible assets	-9	-9	-0	-6	67		-33	-21	55			
Total operating expenses	-421	-394	7	-392	7		-1 604	-1 436	12			
Profit before credit losses and imposed levies	568	577	-2	490	16		2 020	1 782	13			
Net expected credit losses	-0	-0		-0			-1	-1				
Imposed levies												
Operating profit	568	577	-2	489	16		2 020	1 781	13			
Cost/Income ratio	0.43	0.41		0.44			0.44	0.45				
Business equity, SEK bn	5.4	5.3		5.2			5.4	5.2				
Return on business equity, %	39.4	40.2		34.8			35.1	31.7				
FTEs, present ¹⁾	903	917		868			908	856				

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

Comments on the fourth quarter

The fourth quarter was marked by a recovery of asset values and higher activity in the financial markets. The quarter began with cautious optimism, as markets responded to positive economic indicators.

Sales volume within occupational pension in Sweden grew by 18 per cent compared with the previous quarter. However, sales overall saw an 8 per cent decrease in the fourth quarter, largely influenced by seasonal decline in endowment insurance as well as a decline in contractual pension volumes. The Baltic business maintained the growth momentum, with sales rising by 5 per cent compared with the previous quarter.

SEB's market share in the Swedish life insurance market increased somewhat and amounted to 11.1 per cent¹⁾, and SEB continued to maintain the position among the top-three market participants.

Total asset under management amounted to SEK 482bn, an increase of 4 per cent compared with the third quarter (464). This was largely driven by market effects of SEK 21bn. Net flow in the

quarter remains challenging for the Swedish business, partially offset by stronger net flows in the Baltic business. Unit-linked assets amounted to SEK 394bn (380), traditional and risk insurance products to SEK 34bn (32) and other savings products SEK 54bn (52).

Operating profit amounted to SEK 568m. Compared with the third quarter assets under management increased but average assets under management were lower. Therefore, net fee and commission income decreased by 5 per cent. Net financial income increased by SEK 62m or 17 per cent compared with the third quarter. The higher level of interest rates continued to contribute positively to income in the traditional and other portfolios, where returns from investments in own portfolios increased by SEK 46m²⁾. Operating expenses increased by 7 per cent, mainly due to further investments.

¹⁾ Latest available market statistics from the Swedish insurance trade association, measured as new sales.

²⁾ Interest income from own investment for the Life division is reported under Net Financial Income.

Investment Management

- Operating profit amounted to SEK 418m and return on business equity was 52.9 per cent
- Customer interest in equity and fixed income investments returned
- Market value of assets under management increased by SEK 46bn while net flow was SEK -3bn

Income statement

SEK m	Q4			Q3			Q4			Jan-Dec		
	2023	2023	%	2022	%		2023	2022	%	2023	2022	%
Net interest income	47	33	43	15			126	18				
Net fee and commission income	749	741	1	744	1		2 949	3 227	-9			
Net financial income	-10	-8	27	9			15	66	-77			
Net other income	2	0		0			3	3	-18			
Total operating income	788	766	3	769	2		3 093	3 314	-7			
Staff costs	-161	-153	5	-159	1		-609	-581	5			
Other expenses	-207	-196	6	-220	-6		-803	-794	1			
Depreciation, amortisation and impairment of tangible and intangible	-3	-3	-1	-3	-1		-11	-11	-0			
Total operating expenses	-370	-351	5	-382	-3		-1 423	-1 386	3			
Profit before credit losses and imposed levies	418	414	1	388	8		1 670	1 929	-13			
Net expected credit losses	-0	-0		-0			-0	0				
Imposed levies	-0	0		-0			-0	-1				
Operating profit	418	414	1	387	8		1 669	1 928	-13			
Cost/Income ratio	0.47	0.46		0.50			0.46	0.42				
Business equity, SEK bn	2.5	2.5		2.4			2.5	2.5				
Return on business equity, %	52.9	51.8		49.7			52.0	61.2				
FTEs, present ¹⁾	274	279		268			274	259				

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comments on the fourth quarter

The financial markets recovered from the downturn in the end of the previous quarter, resulting in both higher client activity and increasing market values.

Assets under management increased by SEK 43bn to SEK 1,131bn (1,088) mainly due to increased market values by SEK 46bn. Net flow was SEK -3bn. Average assets under management were lower compared with the previous quarter.

In *SEB Investment Management*, assets under management in SEB-labelled mutual funds increased by SEK 39bn to SEK 758bn (719). Net flow was SEK -1bn and market values increased by SEK 40bn. SEB-labelled mutual funds, classified as Article 8 and 9¹⁾ in the Sustainable Finance Disclosure Regulation (SFDR), amounted to SEK 729bn (682), which represented 96 per cent of assets under management (95). (SEK 709bn was classified as Article 8 and SEK 20bn was classified as Article 9).

Within *Institutional Asset Management*, the positive market sentiment, with increased market values in both equities and fixed

income, led to a growth in number of client dialogues. The interest in equity and fixed income strategies rebounded as risk appetite increased while investments in alternative products remained robust.

Operating profit amounted to SEK 418m. Net fee and commission income increased by 1 per cent mainly driven by increased performance fees amounting to SEK 41m (28). Base commissions decreased by 1 per cent as a result of lower average assets under management. Operating expenses increased by 5 per cent mainly driven by staff costs and increased annual fees to the financial supervisor.

¹⁾ Article 8 refers to funds that promote environmental or social characteristics while Article 9 funds must have a sustainable investment objective. See esma.europa.eu.

Financial statements – SEB Group

Income statement, condensed

SEK m	Note	Q4			Q3			Jan-Dec		
		2023	2023	%	2022	%	2023	2022	%	
Net interest income	2	12 100	12 248	-1	9 715	25	47 526	33 443	42	
Net fee and commission income	3	5 542	5 320	4	5 410	2	21 669	21 534	1	
Net financial income	4	2 386	2 594	-8	3 476	-31	9 991	9 242	8	
Net other income		109	817	-87	196	-45	1 008	258		
Total operating income		20 136	20 979	-4	18 798	7	80 193	64 478	24	
Staff costs	5.6	-4 443	-4 551	-2	-4 172	6	-17 558	-15 980	10	
Other expenses		-2 153	-1 863	16	-1 982	9	-7 892	-6 986	13	
Depreciation, amortisation and impairment of tangible and intangible assets		-535	-491	9	-602	-11	-1 999	-2 078	-4	
Total operating expenses		-7 130	-6 905	3	-6 757	6	-27 449	-25 044	10	
Profit before credit losses and imposed levies		13 006	14 073	-8	12 041	8	52 744	39 434	34	
Net expected credit losses	7	-664	17		-506	31	-962	-2 007	-52	
Imposed levies	8	-1 075	-1 108	-3	-578	86	-3 819	-2 288	67	
Operating profit before items affecting comparability		11 267	12 983	-13	10 957	3	47 963	35 138	37	
Items affecting comparability	9				-1 399	-100		-1 399	-100	
Operating profit		11 267	12 983	-13	9 558	18	47 963	33 739	42	
Income tax expense		-2 894	-2 401	21	-2 156	34	-9 848	-6 862	44	
NET PROFIT		8 373	10 581	-21	7 402	13	38 116	26 877	42	
Attributable to shareholders of Skandinaviska Enskilda Banken AB		8 373	10 581	-21	7 402	13	38 116	26 877	42	
Basic earnings per share, SEK		4.03	5.07		3.49		18.20	12.58		
Diluted earnings per share, SEK		4.00	5.03		3.46		18.06	12.48		

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

Statement of comprehensive income

SEK m	Q4			Q3			Q4			Jan-Dec		
	2023	2023	%	2022	2022	%	2023	2023	%	2022	2022	%
NET PROFIT	8 373	10 581	-21	7 402	13		38 116	26 877	42			
Cash flow hedges	-21	-9	121	-2			-49	81				
Translation of foreign operations	-744	-551	35	-8			-385	1 438				
Items that may subsequently be reclassified to the income statement	-764	-561	36	-10			-433	1 519				
Own credit risk adjustment (OCA) ¹⁾	7	1		-4			0	48	-99			
Defined benefit plans	-2 104	-607		443			-659	641				
Items that will not be reclassified to the income statement	-2 097	-606		439			-659	689				
OTHER COMPREHENSIVE INCOME	-2 862	-1 167	145	429			-1 092	2 208				
TOTAL COMPREHENSIVE INCOME	5 512	9 414	-41	7 831	-30		37 024	29 085	27			
Attributable to shareholders of Skandinaviska Enskilda Banken AB	5 512	9 414	-41	7 831	-30		37 024	29 085	27			

¹⁾ Own credit risk adjustment from financial liabilities at fair value through profit or loss.

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

Balance sheet, condensed

SEK m	31 Dec 2023	30 Sep 2023	31 Dec 2022	1 Jan 2022
Cash and cash balances at central banks	312 373	566 099	377 966	439 344
Loans to central banks	97 691	81 743	73 962	4 454
Loans to credit institutions ²⁾	84 128	104 940	77 235	60 009
Loans to the public	2 101 181	2 116 043	2 065 271	1 846 362
Debt securities	266 252	502 635	252 496	205 791
Equity instruments	92 707	95 914	68 779	123 229
Financial assets for which the customers bear the investment risk	392 457	375 194	354 299	420 170
Derivatives	183 080	187 861	187 622	126 051
Other assets	78 349	103 235	75 150	78 788
TOTAL ASSETS	3 608 218	4 133 665	3 532 779	3 304 197
Deposits from central banks and credit institutions	147 323	239 278	66 873	75 206
Deposits and borrowings from the public ¹⁾	1 611 651	1 923 052	1 701 687	1 597 449
Financial liabilities for which the customers bear the investment risk	392 362	377 124	355 796	421 820
Liabilities to policyholders	36 453	34 972	33 425	37 194
Debt securities issued	867 838	977 493	795 149	730 106
Short positions	33 700	37 984	44 635	34 569
Derivatives	204 176	209 888	238 048	118 173
Other financial liabilities	100	148	172	5 721
Other liabilities	92 839	116 054	92 852	91 010
Total liabilities	3 386 443	3 915 994	3 328 637	3 111 249
Equity	221 775	217 671	204 141	192 948
TOTAL LIABILITIES AND EQUITY	3 608 218	4 133 665	3 532 779	3 304 197
¹⁾ Deposits covered by deposit guarantees	395 885	400 193	402 711	387 382

²⁾ Loans to credit institutions and liquidity placements with other direct participants in interbank fund transfer systems.

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

The balance sheet with more detailed information is available in the Fact Book.

Statement of changes in equity

SEK m	Other reserves ¹⁾				Defined benefit plans	Retained earnings	Equity
	Share capital	OCA ²⁾	Cash flow hedges	Translation of foreign operations			
Jan-Dec 2023							
Opening balance	21 942	-175	62	877	20 439	160 995	204 141
Net profit						38 116	38 116
Other comprehensive income (net of tax)		0	-49	-385	-659		-1 092
Total comprehensive income		0	-49	-385	-659	38 116	37 024
Dividend to shareholders						-14 195	-14 195
Bonus issue	390					-390	
Cancellation of shares	-390					-4 106	-4 496
Equity-based programmes						146	146
Change in holdings of own shares ⁴⁾						-845	-845
Closing balance	21 942	-175	14	493	19 780	179 721	221 775
Jan-Dec 2022							
Opening balance	21 942	-223	-18	-561	19 798	152 290	193 228
Effect of applying IFRS 17 ³⁾						-280	-280
Restated balance at 1 January 2022	21 942	-223	-18	-561	19 798	152 011	192 948
Net profit						26 877	26 877
Other comprehensive income (net of tax)		48	81	1 438	641		2 208
Total comprehensive income		48	81	1 438	641	26 877	29 085
Dividend to shareholders						-12 884	-12 884
Bonus issue	154					-154	
Cancellation of shares	-154					-1 722	-1 876
Equity-based programmes						-167	-167
Change in holdings of own shares ⁴⁾						-2 965	-2 965
Closing balance³⁾	21 942	-175	62	877	20 439	160 995	204 141

¹⁾ Amounts under Other reserves may be reclassified in the future to the income statement under certain circumstances, e.g. if they are related to dissolved Cash flow hedges or Translation of foreign operations when SEB ceases to consolidate a foreign operation. Amounts related to OCA and Defined benefit plans will not be reclassified to the income statement.

²⁾ Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in own credit risk.

³⁾ IFRS 17 Insurance Contracts is applied from 1 January 2023. Opening balance 2022 has been restated.

⁴⁾ Number of shares owned by SEB, for table see next page.

Statement of changes in equity, cont.

Number of shares owned by SEB, million	Jan-Dec	Jan-Dec
	2023	2022
Opening balance	65.3	37.8
Repurchased shares for equity-based programmes	6.2	6.1
Sold/distributed shares	-6.4	-6.4
Repurchased shares for capital purposes	40.7	43.3
Cancelled shares held for capital purposes	-38.7	-15.4
Closing balance	67.1	65.3
Market value of shares owned by SEB, SEK m	9 318	7 831
Net acquisition cost for purchase of own shares for equity based programmes deducted from equity, period	-123	-114
Net acquisition cost for purchase of own shares for equity-based programmes deducted from equity, accumulated	-2 695	-2 572

In accordance with the decision by the Annual General Meeting, SEB holds own shares of Class A for the long-term equity programmes and capital purposes. The transactions may take place at one or several occasions during the year.

Cash flow statement, condensed

SEK m	Jan-Dec		
	2023	2022	%
Cash flow from the profit and loss statement	45 876	61 947	-26
Increase (-)/decrease (+) in trading portfolios	-79 179	10 887	
Increase (+)/decrease (-) in issued short term securities	71 854	64 558	11
Increase (-)/decrease (+) in lending	-58 431	-306 020	-81
Increase (+)/decrease (-) in deposits and borrowings	-11 431	95 507	
Increase/decrease in other balance sheet items	-7 076	2 954	
Cash flow from operating activities	-38 387	-70 166	-45
Cash flow from investing activities	-607	-805	-25
Cash flow from financing activities	-19 331	-17 828	8
Net increase in cash and cash equivalents	-58 326	-88 799	-34
Cash and cash equivalents at the beginning of year	382 972	445 716	-14
Exchange rate differences on cash and cash equivalents	-3 767	26 055	
Net increase in cash and cash equivalents	-58 326	-88 799	-34
Cash and cash equivalents at the end of period¹⁾	320 879	382 972	-16

¹⁾ Cash and cash equivalents at the end of period is defined as Cash and cash balances with central banks and Loans to other credit institutions payable on demand.

Notes to the financial statements – SEB Group

Note 1. Accounting policies and presentation

This Report is presented in accordance with IAS 34 *Interim Financial Reporting*. The group's consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations of these standards as adopted by the European Commission. The accounting also follows the Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) and the regulation and general guidelines issued by the Swedish Financial Supervisory Authority: Annual Reports in Credit Institutions and Securities Companies (FFFS 2008:25). In addition, the Supplementary Accounting Rules for Groups (RFR 1) from the Swedish Financial Reporting Board have been applied. The parent company has prepared its accounts in accordance with Swedish Annual Act for Credit Institutions and Securities Companies, the Swedish Financial Supervisory Authority's Regulations and General Guidelines (FFFS 2008:25) on Annual Reports in Credit Institutions and Securities Companies and the Supplementary Accounting Rules for Legal Entities (RFR 2) issued by the Swedish Financial Reporting Board.

As of 1 January 2023, the group applies the following amendments to IFRS standards:

IFRS 17 *Insurance Contracts* which replaces IFRS 4 *Insurance Contracts*, applies to all types of insurance contracts as well as to certain financial instruments with discretionary participation features. The adoption of IFRS 17 has not had a significant impact on the classification of the group's insurance contracts. However, IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the group. On adoption, IFRS 17 changed the measurement and presentation of insurance contracts and participating investment contracts. Investment contracts with no significant insurance component or discretionary participating features, equity release and investment management business are out of scope and therefore not impacted by the new standard. The

presentation of results of insurance contracts will, as in the current income statement presentation, be split and recognised on the relevant lines. See note 1 in the *Annual and Sustainability Report 2022* for more information about accounting policies under IFRS 17. See p. 54 for information about effects from the implementation of IFRS 17.

Definition of Accounting Estimates - Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which introduces a new definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Disclosure of Accounting Policies - Amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2: Making Materiality Judgements. The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12 *Income Taxes* narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The group has adopted international Tax Reform - Pillar Two Model Rules (Amendments to IAS 12 *Income Taxes*). The amendments provide temporary mandatory exception from deferred tax accounting for the top-up tax. The amendments have not had a material effect on the financial statements of the group or on capital adequacy and large exposures.

In all other material aspects, the group's and the parent company's accounting policies, basis for calculations and presentations are unchanged in comparison with the *Annual and Sustainability Report* for 2022.

Note 2. Net interest income

SEK m	Q4			Q3			Q4			Jan-Dec		
	2023	2023	%	2022	%	2023	2022	%	2023	2022	%	
Interest income ¹⁾	38 022	37 309	2	22 711	67	135 394	56 150	141				
Interest expense	-25 922	-25 061	3	-12 996	99	-87 868	-22 707					
Net interest income	12 100	12 248	-1	9 715	25	47 526	33 443	42				
¹⁾ Of which interest income calculated using the effective interest method	33 985	32 768	4	20 539	65	120 021	50 224	139				

Note 3. Net fee and commission income

SEK m	Q4			Q3			Q4			Jan-Dec		
	2023	2023	%	2022	%	2023	2022	%	2023	2022	%	
Issue of securities and advisory services	341	214	59	292	17	1 193	1 458	-18				
Secondary market and derivatives	450	406	11	572	-21	2 015	2 142	-6				
Custody and mutual funds	2 384	2 461	-3	2 335	2	9 604	10 117	-5				
<i>Whereof performance fees</i>	36	28	27	84	-57	146	442	-67				
Payments, cards, lending, deposits, guarantees and other	3 552	3 488	2	3 334	7	13 724	12 480	10				
<i>Whereof payments and card fees</i>	1 878	1 929	-3	1 807	4	7 446	6 771	10				
<i>Whereof lending</i>	1 050	934	12	923	14	3 841	3 546	8				
Life insurance commissions	367	372	-1	355	3	1 427	1 404	2				
Fee and commission income	7 094	6 941	2	6 887	3	27 962	27 601	1				
Fee and commission expense	-1 552	-1 621	-4	-1 477	5	-6 293	-6 067	4				
Net fee and commission income	5 542	5 320	4	5 410	2	21 669	21 534	1				
<i>Whereof Net securities commissions</i>	2 359	2 310	2	2 364	-0	9 558	9 916	-4				
<i>Whereof Net payment and card fees</i>	1 216	1 216	-0	1 238	-2	4 802	4 565	5				
<i>Whereof Net life insurance commissions</i>	243	269	-10	240	1	991	970	2				
<i>Whereof Other commissions</i>	1 724	1 526	13	1 568	10	6 319	6 083	4				

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

Note 3. Fee and commission income by segment

SEK m	Large Corporates & Financial Institutions	Corporate & Private Customers	Private Wealth Mgmt & Family Office	Baltic	Life	Investment Management	Group Functions	Eliminations	SEB Group
Q4 2023									
Issue of securities and advisory	314	3	7		0	7	10		341
Secondary market and derivatives	359	50	32	9	0	2	-1	0	450
Custody and mutual funds	380	224	787	57	61	1 822	0	-947	2 384
Payments, cards, lending, deposits, guarantees and other	1 542	1 391	73	670	73	28	93	-317	3 552
Life insurance commissions					771			-404	367
Fee and commission income	2 595	1 668	898	736	905	1 859	102	-1 668	7 094
Q3 2023									
Issue of securities and advisory	203	2	10			0	0		214
Secondary market and derivatives	340	4	55	8	0	2	-2	0	406
Custody and mutual funds	427	282	237	59	62	1 850	0	-455	2 461
Payments, cards, lending, deposits, guarantees and other	1 450	1 415	79	674	65	17	102	-314	3 488
Life insurance commissions					789			-418	372
Fee and commission income	2 420	1 703	381	740	916	1 868	100	-1 187	6 941
Jan-Dec 2023									
Issue of securities and advisory	1 134	10	32		0	7	10		1 193
Secondary market and derivatives	1 699	53	233	33	0	8	-11	-1	2 015
Custody and mutual funds	1 603	1 034	1 487	221	234	7 299	0	-2 274	9 604
Payments, cards, lending, deposits, guarantees and other	5 833	5 536	291	2 587	267	74	388	-1 252	13 724
Life insurance commissions					3 093			-1 666	1 427
Fee and commission income	10 269	6 633	2 043	2 841	3 594	7 388	387	-5 193	27 962
Jan-Dec 2022									
Issue of securities and advisory	1 412	9	37		0	0	0		1 458
Secondary market and derivatives	1 800	22	283	32	0	13	-9	0	2 142
Custody and mutual funds	1 634	1 032	987	207	204	7 825	0	-1 772	10 117
Payments, cards, lending, deposits, guarantees and other	5 338	5 050	268	2 336	255	67	321	-1 155	12 480
Life insurance commissions					3 119			-1 715	1 404
Fee and commission income	10 184	6 113	1 575	2 576	3 579	7 905	313	-4 642	27 601

Fee and commission income is disaggregated in major types of service tied to primary geographical markets and operating segments. Revenues from Issue of securities and advisory, Secondary market and derivatives, Payments, cards, lending and deposits are mainly recognised at a point in time. Revenues from Custody and mutual funds and Life insurance commissions are mainly recognised over time.

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

Note 4. Net financial income

SEK m	Q4		Q3		Q4		Jan-Dec		
	2023	2023	%	2022	%	2023	2022	%	
Equity instruments and related derivatives	455	609	-25	653	-30	1 638	582	181	
Debt instruments and related derivatives	-356	-843	-58	1 361		962	1 418	-32	
Currency and related derivatives	2 166	2 522	-14	1 109	95	5 683	5 099	11	
Other	121	306	-60	354	-66	1 709	2 144	-20	
Net financial income	2 386	2 594	-8	3 476	-31	9 991	9 242	8	
<i>Whereof unrealised valuation changes from counterparty risk and own credit standing in derivatives</i>	<i>-297</i>	<i>-1</i>		<i>317</i>		<i>-165</i>	<i>457</i>		

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

Note 5. Staff costs

SEK m	Jan-Dec		
	2023	2022	%
Salaries ¹⁾	-14 111	-12 479	13
Short-term incentive ¹⁾	-1 041	-893	16
Long-term incentive ¹⁾	-1 083	-849	28
Pension costs	-629	-1 136	-45
Redundancy costs ¹⁾	-80	-45	77
Other staff costs	-615	-578	6
Staff costs	-17 558	-15 980	10

¹⁾Including social charges.

SEK m	Jan-Dec		
	2023	2022	%
Short-term incentive (STI) to staff	-847	-730	16
Social benefit charges on STI	-193	-163	19
Short-term incentive remuneration	-1 041	-893	16

SEK m	Jan-Dec		
	2023	2022	%
Long-term incentive (LTI) to staff	-761	-681	12
Social benefit charges on LTI	-322	-167	93
Long-term incentive remuneration	-1 083	-849	28

Note 6. Defined benefit pension plans

Balance sheet, SEK m	Jan-Dec		
	2023	2022	%
Defined benefit obligations	25 798	22 515	15
Fair value of plan assets	49 497	46 639	6
Net amount recognised in the balance sheet	23 699	24 124	-2
Income statement, SEK m	Jan-Dec		
	2023	2022	%
Service costs	-286	-455	-37
Interest costs	-837	-441	90
Calculated interest on plan assets	1 734	815	113
Included in staff costs	611	-81	
Other comprehensive income, SEK m	Jan-Dec		
	2023	2022	%
Remeasurements of pension obligations	-3 196	5 663	
Valuation gains (losses) on plan assets	2 345	-4 871	
Deferred tax pensions	192	-151	
Defined benefit pension plans	-659	641	

Note 7. Net expected credit losses

SEK m	Q4		Q3		Q4		Jan-Dec		
	2023	2023	%	2022	%	2023	2022	%	
Impairment gains or losses - Stage 1	307	174	77	-511		927	-1 384		
Impairment gains or losses - Stage 2	-253	-147	72	-84		-790	74		
Impairment gains or losses - Stage 3	-689	-29		73		-1 088	-708	54	
Impairment gains or losses	-634	-2		-522	22	-952	-2 018	-53	
Write-offs and recoveries									
Total write-offs	-251	-199	26	-925	-73	-1 884	-3 086	-39	
Reversals of allowance for write-offs	146	138	6	883	-83	1 580	2 873	-45	
Write-offs not previously provided for	-105	-61	72	-43	146	-304	-213	43	
Recovered from previous write-offs	75	80	-6	58	30	294	224	31	
Net write-offs	-30	19		15		-10	11		
Net expected credit losses	-664	17		-506	31	-962	-2 007	-52	
Net ECL level, %	0,09	0,00		0,08		0,03	0,07		

Exposure and expected credit loss (ECL) allowances by stage, Movements in allowances for expected credit losses (ECL), Loans and expected credit loss (ECL) allowances by industry are presented in notes 13-15.

Note 8. Imposed levies

SEK m	Q4			Q3		Q4		Jan-Dec		
	2023	2023	%	2022	%	2023	2022	%		
Resolution fees	-324	-324	-0	-277	17	-1 296	-1 101	18		
Risk tax, Sweden	-394	-394	-0	-300	31	-1 576	-1 187	33		
Temporary solidarity contribution, Lithuania	-357	-389	-8			-947				
Imposed levies	-1 075	-1 108	-3	-578	86	-3 819	-2 288	67		

A new tax, a temporary solidarity contribution, was introduced in Lithuania as of 16 May 2023. The tax is payable by Lithuanian and EU credit institutions operating in Lithuania, calculated on the surplus of the interest received in 2023 and 2024 from Lithuanian residents.

Note 9. Items affecting comparability

SEK m	Q4			Q3		Q4		Jan-Dec		
	2023	2023	%	2022	%	2023	2022	%		
Net expected credit losses				-1 399	-100		-1 399	-100		
Operating profit before items affecting comparability				-1 399	-100		-1 399	-100		
Items affecting comparability				-1 399	-100		-1 399	-100		
Income tax on IAC										
Items affecting comparability after tax				-1 399	-100		-1 399	-100		

The table shows the rows in which the Items affecting comparability would have been reported if not presented as an item affecting comparability.

Items affecting comparability 2022

Under the current conditions it is not viable for SEB to maintain operations in Russia, and SEB therefore started scaling these down in 2022. This will be done in a responsible and orderly manner and in accordance with regulatory and legal obligations. The Russian Federation has limited different transactions between subsidiaries in Russia with parent companies in so called unfriendly countries, and limited the amount that may be transferred abroad to a maximum of an aggregated sum of RUB 10m per calendar month. During the fourth quarter 2022, an impairment of SEK 1.4bn related to Russia was recognised.

Note 10. Pledged assets and obligations

SEK m	31 Dec 2023	30 Sep 2023	31 Dec 2022
Pledged assets for own liabilities ¹⁾	664 391	705 869	586 059
Pledged assets for liabilities to insurance policyholders	428 673	412 003	388 959
Other pledged assets ²⁾	68 546	120 727	62 565
Pledged assets	1 161 610	1 238 599	1 037 584
Contingent liabilities ³⁾	201 010	206 224	180 358
Commitments	904 280	910 823	882 065
Obligations	1 105 290	1 117 047	1 062 423

¹⁾ Of which collateralised for own issued covered bonds SEK 328,308m (375,971; 290,341).

²⁾ Of which pledged but unencumbered bonds SEK 23,830m (76,955; 19,180).

³⁾ Of which financial guarantees SEK 11,833m (12,227; 11,209).

Note 11. Financial assets and liabilities

SEK m	31 Dec 2023		30 Sep 2023		31 Dec 2022	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Loans ¹⁾	2 593 042	2 600 783	2 866 308	2 857 594	2 591 848	2 549 773
Debt securities	266 252	266 250	502 635	502 572	252 496	252 382
Equity instruments	92 707	92 707	95 914	95 914	68 779	68 779
Financial assets for which the customers bear the investment risk	392 457	392 457	375 194	375 194	354 299	354 299
Derivatives	183 080	183 080	187 861	187 861	187 622	187 622
Other	18 104	18 104	35 104	35 104	15 249	15 249
Financial assets	3 545 641	3 553 380	4 063 016	4 054 239	3 470 292	3 428 103
Deposits	1 758 975	1 757 516	2 162 330	2 160 305	1 768 560	1 767 789
Financial liabilities for which the customers bear the investment risk	392 362	392 362	377 124	377 124	355 796	355 796
Debt securities issued ²⁾	897 525	887 041	1 013 830	1 003 185	823 916	816 840
Short positions	33 700	33 700	37 984	37 984	44 635	44 635
Derivatives	204 176	204 176	209 888	209 888	238 048	238 048
Other	21 740	21 749	39 598	39 602	25 870	25 872
Financial liabilities	3 308 478	3 296 544	3 840 756	3 828 090	3 256 825	3 248 980

¹⁾ Loans includes Cash balances at central banks (excluding Cash), Loans to central banks, Loans to credit institutions and Loans to the public.

²⁾ Debt securities issued includes Debt securities issued and Subordinated liabilities (part of Other liabilities).

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

SEB has classified its financial instruments by class taking into account the characteristics of the instruments. The fair value of each class of financial assets and liabilities are compared with its carrying amount. A description of the characteristics of the classes can be found in note 37 in the Annual and Sustainability Report 2022.

Note 12. Assets and liabilities measured at fair value

SEK m	31 Dec 2023				31 Dec 2022			
	Quoted prices in active markets (Level 1)	Valuation technique using observable inputs (Level 2)	Valuation technique using non-observable inputs (Level 3)	Total	Quoted prices in active markets (Level 1)	Valuation technique using observable inputs (Level 2)	Valuation technique using non-observable inputs (Level 3)	Total
Assets								
Loans		164 516	2 052	166 568		110 833	1 429	112 262
Debt securities	145 010	109 036		254 046	118 915	123 620	1 095	243 630
Equity instruments	72 094	187	20 425	92 707	47 979	476	20 324	68 779
Financial assets for which the customers bear the investment risk	370 326	13 606	8 525	392 457	333 354	11 776	9 169	354 299
Derivatives	558	181 916	606	183 080	1 269	186 007	346	187 622
Investment in associates ¹⁾			608	608	46		504	550
Total	587 988	469 261	32 217	1 089 465	501 563	432 713	32 866	967 142
Liabilities								
Deposits		13 387		13 387		14 563		14 563
Financial liabilities for which the customers bear the investment risk	370 231	13 606	8 525	392 362	334 851	11 776	9 169	355 796
Debt securities issued		5 207		5 207		7 370		7 370
Short positions	30 341	3 359		33 700	34 401	10 235		44 635
Derivatives	617	203 139	421	204 176	991	236 666	390	238 048
Other financial liabilities at fair value	81	19		100	127	45		172
Total	401 270	238 716	8 946	648 932	370 370	280 655	9 559	660 584

¹⁾ Venture Capital activities designated at fair value through profit and loss.

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

Fair value measurement

The objective of the fair value measurement is to arrive at the price at which an orderly transaction would take place between market participants at the measurement date under current market conditions.

The group has an established control environment for the determination of fair values of financial instruments that includes a review, independent from the business, of valuation models and prices. If the validation principles are not adhered to, the Head of Group Finance shall be informed. Exceptions of material and principal importance require approval from the Valuation Committee / GRMC (Group Risk Measurement Committee) and the ARC (Accounting and Reporting Committee).

In order to arrive at the fair value of a financial instrument SEB uses different methods; quoted prices in active markets, valuation techniques incorporating observable data and valuation techniques based on internal models. For disclosure purposes, financial instruments carried at fair value are classified in a fair value hierarchy according to the level of market observability of the inputs. Group Risk classifies and continuously reviews the classification of financial instruments in the fair value hierarchy. The valuation process is the same for financial instruments in all levels.

An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis. The objective is to arrive at a price at which a transaction without modification or repackaging would occur in the principal market for the instrument to which SEB has immediate access.

Fair value is generally measured for individual financial instruments, in addition portfolio adjustments are made to cover the credit risk. To reflect counterparty risk and own credit risk in OTC derivatives, adjustments are made based on the net exposure towards each counterpart. These adjustments are calculated on a counterparty level based on estimates of exposure at default, probability of default and recovery rates. Probability of default and recovery rate information is generally sourced from the CDS markets. For counterparties where this information is not available, or considered unreliable due to the nature of the exposure, alternative approaches are taken where the probability of default is based on generic credit indices for specific industry and/or rating.

When valuing financial liabilities at fair value SEB's own credit standing is reflected.

In order to arrive at the fair value of investment properties a market participant's ability to generate economic benefit by using the asset in its highest and best use is taken into account. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible. The current use of the investment properties in SEB is in accordance with the highest and best use. The valuation of investment properties is described in the accounting policies in the Annual and Sustainability Report note 1. The valuation of the investment properties is performed semi-annually, they are presented and approved by the board in each real estate company. The valuation principles used in all entities are in accordance with regulations provided by the local Financial Supervisory Authorities (FSA) which is in accordance with international valuation principles and in accordance with IFRS.

Note 12. Assets and liabilities measured at fair value, cont.

Level 1: Quoted market prices

Valuations in Level 1 are determined by reference to unadjusted quoted market prices for identical instruments in active markets where the quoted prices are readily available and the prices represent actual and regularly occurring market transactions on an arm's length basis.

Examples of Level 1 financial instruments are listed equity securities, debt securities, and exchange-traded derivatives. Instruments traded in an active market for which one or more market participants provide a binding price quotation on the balance sheet date are also examples of Level 1 financial instruments.

Level 2: Valuation techniques with observable inputs

In Level 2 valuation techniques, all significant inputs to the valuation models are observable either directly or indirectly. Level 2 valuation techniques include using discounted cash flows, option pricing models, recent transactions and the price of another instrument that is substantially the same.

Examples of observable inputs are foreign currency exchange rates, binding securities price quotations, market interest rates (Stibor, Libor, etc.), volatilities implied from observable option prices for the same term and actual transactions with one or more external counterparts executed by SEB. An input can transfer from being observable to being unobservable during the holding period due to e.g. illiquidity of the instrument. Examples of Level 2 financial instruments are most OTC derivatives such as options and interest rate swaps based on the Libor swap rate or a foreign-denominated yield curve. Other examples are instruments for which SEB recently entered into transactions with third parties and instruments for which SEB interpolates between observable variables.

Level 3: Valuation techniques with significant unobservable inputs

Level 3 valuation techniques incorporate significant inputs that are unobservable. These techniques are generally based on extrapolating from observable inputs for similar instruments, analysing historical data or other analytical techniques. Examples of Level 3 financial instruments are more complex OTC derivatives, long dated options for which the volatility is extrapolated or derivatives that depend on an unobservable correlation. Other examples are instruments for which there is currently no active market or binding quotes, such as unlisted equity instruments, private equity holdings and investment properties.

If the fair value of financial instruments includes more than one unobservable input, the unobservable inputs are aggregated in order to determine the classification of the entire instrument. The level in the fair value hierarchy within which a financial instrument is classified is determined on the basis of the lowest level of input that is significant to the fair value in its entirety.

Significant transfers and reclassifications between levels

Transfers between levels may occur when there are indications that market conditions have changed, e.g. a change in liquidity. The Valuation / Pricing committee of each relevant division decides on material shifts between levels. At the end of the first quarter, SEK 0.4bn in Financial assets and liabilities for which the customer bear the investment risk was transferred out of Level 3 due to separation of Russian holdings from Eastern Europe funds, and in addition SEK 0.2bn was transferred out of Level 3 due to changes in market conditions. At the end of the third quarter, SEK 0.3bn in Financial assets and liabilities for which the customer bear the investment risk was transferred out of Level 3 due to improved classification of bonds, and in addition, Derivative assets SEK 0.8bn and Derivative liabilities SEK 0.7bn, was transferred into Level 3 due to enhanced classification methodology for Swaptions. At the end of the fourth quarter, SEK 0.8bn in Financial assets and liabilities for which the customer bear the investment risk was transferred out of Level 3 due to improved classification of structured notes. The largest open market risk within Level 3 financial instruments remains in the traditional life insurance investment portfolios within the insurance business.

Changes in level 3, SEK m	Opening balance	Reclassification	Gain/loss in				Transfers into Level 3	Transfers out of Level 3	Exchange rate differences	Closing balance
	1 Jan 2023		Income statement ¹⁾	Purchases	Sales	Settlements				31 Dec 2023
Assets										
Loans	1 429		-290	930	-54	1			35	2 052
Debt securities	1 095		14	135	-1 144	10		-145	36	0
Equity instruments	20 324	8	743	2 144	-2 780			-17	3	20 425
Financial assets for which the customers bear the investment risk	9 169		218	1 289	-584		145	-1 718	6	8 525
Derivatives	346		-417		-199	99	1 056	-280		606
Investment in associates	504	-8	-81	193						608
Total	32 866		187	4 692	-4 760	111	1 201	-2 161	80	32 216
Liabilities										
Financial liabilities for which the customers bear the investment risk	9 169		218	1 289	-584		145	-1 718	6	8 525
Derivatives	390		-89	-269		-34	795	-373	-0	421
Total	9 559		129	1 020	-584	-34	940	-2 092	6	8 946

¹⁾ Fair value gains and losses recognised in the income statement are included in Net financial income and Net other income.

Note 12. Assets and liabilities measured at fair value, cont.

Sensitivity of Level 3 assets and liabilities to unobservable inputs

The table below illustrates the potential Profit or Loss impact of the relative uncertainty in the fair value of assets and liabilities that for their valuation are dependent on unobservable inputs. The sensitivity to unobservable inputs is assessed by altering the assumptions to the valuation techniques, illustrated below by changes in index-linked swap spreads, implied volatilities, credit spreads or comparator multiples. It is unlikely that all unobservable inputs would be simultaneously at the extremes of their ranges of reasonably possible alternatives. Further details about SEB's fair value measurement can be found in note 36 in the Annual and Sustainability Report 2022.

SEK m	31 Dec 2023				31 Dec 2022			
	Assets	Liabilities	Net	Sensitivity	Assets	Liabilities	Net	Sensitivity
Derivative instruments ¹⁾⁴⁾	394	-421	-27	29	346	-382	-36	51
Debt instruments ³⁾	2 052		2 052	308	1 429		1 429	214
Equity instruments ²⁾⁵⁾⁶⁾	4 920		4 920	984	4 098		4 098	799
Insurance holdings - Financial instruments ³⁾⁴⁾⁶⁾⁷⁾	16 312		16 312	2 266	16 571		16 571	2 270

¹⁾ Volatility valuation inputs for Bermudan swaptions are unobservable. Volatilities used for ordinary swaptions are adjusted further in order to reflect the additional uncertainty associated with the valuation of Bermudan style swaptions. The sensitivity is calculated from shift in implied volatilities and aggregated from each currency and maturity bucket.

²⁾ Valuation is estimated in a range of reasonable outcomes. Sensitivity analysis is based on 20 per cent shift in market values.

³⁾ Sensitivity for debt securities is generally quantified as shift in market values of 5 per cent except for credit opportunity 10 per cent and for distressed debt and structured credits 15 per cent.

⁴⁾ Shift in implied volatility by 10 per cent.

⁵⁾ Sensitivity analysis is based on a shift in market values of hedge funds 5 per cent, private equity of 20 per cent, structured credits 15 per cent.

⁶⁾ Sensitivity from a shift of investment properties/real estate funds market values of 10 per cent and infrastructure/infrastructure funds market values of 20 per cent.

⁷⁾ The sensitivity show changes in the value of the insurance holdings which do not at all times affect the P/L of the group since any surplus in the traditional life portfolios are consumed first.

Note 13. Exposure and expected credit loss (ECL) allowances by stage

SEK m	31 Dec 2023	30 Sep 2023	31 Dec 2022
Stage 1 (12-month ECL)			
Debt securities	12 207	12 013	8 866
Loans ¹⁾	1 959 910	2 015 521	1 982 103
Financial guarantees and Loan commitments	895 656	933 464	863 137
Gross carrying amounts/Nominal amounts Stage 1	2 867 773	2 960 997	2 854 107
Debt securities	-0	-0	-0
Loans ¹⁾	-1 567	-1 840	-2 202
Financial guarantees and Loan commitments	-347	-426	-633
ECL allowances Stage 1	-1 914	-2 266	-2 835
Debt securities	12 206	12 013	8 866
Loans ¹⁾	1 958 344	2 013 681	1 979 902
Financial guarantees and Loan commitments	895 309	933 038	862 504
Carrying amounts/Net amounts Stage 1	2 865 859	2 958 732	2 851 272
Stage 2 (lifetime ECL)			
Loans ¹²⁾	76 363	70 957	69 372
Financial guarantees and Loan commitments	15 052	16 332	15 136
Gross carrying amounts/Nominal amounts Stage 2	91 414	87 289	84 508
Loans ¹²⁾	-2 035	-1 817	-1 503
Financial guarantees and Loan commitments	-420	-438	-162
ECL allowances Stage 2	-2 455	-2 255	-1 665
Loans ¹²⁾	74 327	69 139	67 869
Financial guarantees and Loan commitments	14 632	15 894	14 974
Carrying amounts/Net amounts Stage 2	88 959	85 033	82 843
Stage 3 (credit impaired/lifetime ECL)			
Loans ¹³⁾	7 588	5 715	6 846
Financial guarantees and Loan commitments	1 436	414	422
Gross carrying amounts/Nominal amounts Stage 3	9 023	6 129	7 268
Loans ¹³⁾	-3 458	-3 120	-3 911
Financial guarantees and Loan commitments	-172	-73	-201
ECL allowances Stage 3	-3 629	-3 193	-4 112
Loans ¹³⁾	4 130	2 595	2 934
Financial guarantees and Loan commitments	1 264	341	221
Carrying amounts/Net amounts Stage 3	5 394	2 937	3 155

Note 13. Exposure and expected credit loss (ECL) allowances by stage, cont.

SEK m	31 Dec 2023	30 Sep 2023	31 Dec 2022
Total			
Debt securities	12 207	12 013	8 866
Loans ¹⁾²⁾³⁾	2 043 860	2 092 193	2 058 321
Financial guarantees and Loan commitments	912 144	950 210	878 696
Gross carrying amounts/Nominal amounts	2 968 211	3 054 415	2 945 883
Debt securities	-0	-0	-0
Loans ¹⁾²⁾³⁾	-7 060	-6 777	-7 616
Financial guarantees and Loan commitments	-939	-937	-997
ECL allowances	-7 999	-7 714	-8 613
Debt securities	12 206	12 013	8 866
Loans ¹⁾²⁾³⁾	2 036 801	2 085 416	2 050 705
Financial guarantees and Loan commitments	911 205	949 273	877 699
Carrying amounts/Net amounts	2 960 212	3 046 702	2 937 270

¹⁾ Including trade and client receivables presented as other assets.

²⁾ Whereof gross carrying amounts SEK 1,165m (2,308; 1,589) and ECL allowances SEK 3m (4; 3) under Lifetime ECLs -simplified approach for trade receivables.

³⁾ Whereof gross carrying amounts SEK 916m (959; 1,769) and ECL allowances SEK 722m (746; 1,481) for Purchased or Originated Credit Impaired loans.

The table shows gross carrying amounts for exposures on balance and nominal amounts for exposures off-balance divided by stage as a mean to put ECL allowances in context to overall exposure levels. For trade receivables a simplified approach based on past-due information is used to calculate loss allowances.

Stage 3 loans / Total loans, gross, %	0.37	0.27	0.33
Stage 3 loans / Total loans, net, %	0.20	0.12	0.14
ECL coverage ratio Stage 1, %	0.07	0.08	0.10
ECL coverage ratio Stage 2, %	2.69	2.58	1.97
ECL coverage ratio Stage 3, %	40.22	52.09	56.58
ECL coverage ratio, %	0.27	0.25	0.29

Development of exposures and ECL allowances by stage

Credit-impaired loans (gross loans in stage 3) increased to SEK 7.6bn (5.7), corresponding to 0.37 per cent of total loans (0.27), mainly due to negative risk migration of one exposure in the large corporate segment which was partly offset by currency effects. This also increased stage 3 ECL allowances. The ECL coverage ratio in stage 3 decreased from 52.1 per cent to 40.2 per cent, the decrease is mainly explained by an inflow of volumes with export credit agency guarantees, implying a lower ECL coverage ratio. Stage 1 ECL allowances decreased marginally due to a partial release of model portfolio overlays, while stage 2 ECL allowances increased due to negative risk migration which was partly offset by currency effects.

Measurement of ECL allowances

SEB uses models and expert credit judgement (ECJ) for calculating ECL allowances. The degree of expert credit

judgement depends on model outcome, materiality and information available. ECJ may be applied to incorporate factors not captured by the models, either on counterparty or portfolio level.

Model overlays on portfolio level using ECJ have been determined through top-down scenario analysis, including various scenarios of risk migration of complete portfolios. This has been combined with bottom-up individual customer analysis of larger corporate customers as well as analysis and stress tests of sectors, including real estate, specifically exposed to economic distress, including higher interest rates, supply chain issues, higher energy prices and inflation risks. The portfolio model overlays are re-evaluated quarterly in connection with the assessment of ECL allowances.

Note 13. Exposure and expected credit loss (ECL) allowances by stage, cont.

In the fourth quarter, portfolio model overlays of SEK 0.2bn were released in the Large Corporates & Financial Institutions division. The total portfolio model overlays amounted to SEK 2.3bn, reflecting the risks in general from higher energy prices, supply chain issues and inflation as well as the challenges within the real estate sector in Sweden as many companies are adjusting to the interest rate and capital market environments. SEK 0.8bn of the total model overlays relates to the Large Corporates & Financial Institutions division, SEK 1.0bn to the Corporate & Private Customers division, SEK 0.5bn to the Baltic division and SEK 0.1bn to the Private Wealth Management & Family Office division.

Key macroeconomic variable assumptions for calculating ECL allowances

Macroeconomic forecasts made by SEB's economic research department are used as the basis for the forward-looking information incorporated in the ECL measurement. Three scenarios – base, positive and negative - and their probability weightings are reviewed every quarter, or more frequently when appropriate due to rapid or significant changes in the economic environment. Compared with the previous quarter, only smaller revisions have been made to the forecast.

The base scenario maintains the assumption that a deep economic slump can be avoided although there is a clear slowdown in OECD countries. High interest rates and inflation continues to weigh on consumption and housing construction. Household and business confidence is low, but labour markets have remained strong in many countries and energy prices have fallen. Central banks are expected to refrain from new rate hikes and instead increase their preparedness for monetary easing in 2024, despite underlying inflation remaining above target.

The main macroeconomic assumptions in the base scenario are shown in the table below.

Base scenario assumptions	2024	2025	2026
Global GDP growth	2.8%	3.2%	3.4%
OECD GDP growth	1.2%	2.0%	2.3%
Sweden			
GDP growth	-0.4%	2.5%	2.7%
Household consumption expenditure growth	1.4%	2.7%	2.8%
Interest rate (STIBOR)	3.50%	2.55%	2.55%
Residential real estate price growth	-7.0%	2.0%	2.5%
Baltic countries			
GDP growth	0.4% - 2.2%	2.7% - 3.5%	2.5% - 3.0%
Household consumption expenditure growth	0.7% - 2.8%	2.2% - 3.5%	3.0%
Inflation rate	2.4% - 4.5%	2.0% - 2.6%	2.3% - 2.5%
Nominal wage growth	6.5% - 8.5%	6.0% - 7.0%	5.0% - 6.0%
Unemployment rate	6.6% - 7.5%	6.4% - 6.8%	5.7% - 6.5%

The negative scenario reflects the downside risk from the monetary policy, especially considering the lengthy time lag before rate hikes have an impact on the economy, and a continued increase in geopolitical risks. The potential for more favourable economic performance in the positive scenario lies mainly in inflation falling faster than according to the current consensus and our main forecast. A further description of the scenarios is available in the Nordic Outlook update published in November 2023.

The probability for the base scenario was raised from 60 to 65 per cent, the probability for the positive scenario was lowered from 20 to 15 per cent and the probability for the negative scenario was maintained at 20 per cent.

In the fourth quarter, the update of the macroeconomic parameters and scenario probability weights led to a marginal decrease of total ECL allowances.

Should the positive and negative scenarios in the macroeconomic update be assigned 100 per cent probability, the model calculated ECL allowances would decrease by 4 per cent and increase by 6 per cent respectively compared with the probability-weighted calculation.

SEB's measurement of ECL allowances and related assumptions according to IFRS 9 can be found in note 1 and 18 in the Annual and Sustainability Report for 2022.

Note 14. Movements in allowances for expected credit losses

SEK m	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total
Loans and Debt securities				
ECL allowance as of 31 Dec 2022	2 202	1 503	3 911	7 616
New and derecognised financial assets, net	207	-258	-224	-275
Changes due to change in credit risk	-808	751	1 274	1 217
Changes due to modifications	2	28	-0	29
Changes due to methodology change	-39	19	67	48
Decreases in ECL allowances due to write-offs			-1 580	-1 580
Change in exchange rates	3	-8	9	5
ECL allowance as of 31 Dec 2023	1 567	2 035	3 458	7 060
Financial guarantees and Loan commitments				
ECL allowance as of 31 Dec 2022	633	162	201	997
New and derecognised financial assets, net	15	-122	-56	-164
Changes due to change in credit risk	-300	360	28	89
Changes due to modifications		3		3
Changes due to methodology change	-3	9	-1	5
Change in exchange rates	3	8	-1	10
ECL allowance as of 31 Dec 2023	347	420	172	939
Total Loans, Debt securities, Financial guarantees and Loan commitments				
ECL allowance as of 31 Dec 2022	2 835	1 665	4 112	8 613
New and derecognised financial assets, net	222	-380	-281	-438
Changes due to change in credit risk	-1 108	1 111	1 302	1 305
Changes due to modifications	2	31	-0	32
Changes due to methodology change	-43	28	67	52
Decreases in ECL allowances due to write-offs			-1 580	-1 580
Change in exchange rates	6	0	8	14
ECL allowance as of 31 Dec 2023	1 914	2 455	3 629	7 999

SEB's measurement of ECL allowances and related assumptions according to IFRS 9 can be found on pages 122-123 and 153-154 in the Annual and Sustainability Report 2022.

Note 15. Loans and expected credit loss (ECL) allowances by industry

SEK m	Gross carrying amounts				ECL allowances				Net carrying amount
	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Total
31 Dec 2023									
Banks	95 050	1 254	12	96 315	-4	-2	-2	-7	96 308
Finance and insurance	194 690	1 574	221	196 485	-72	-25	-159	-255	196 229
Wholesale and retail	78 620	3 606	582	82 808	-105	-122	-206	-433	82 375
Transportation	28 779	1 372	126	30 277	-35	-26	-22	-83	30 194
Shipping	49 289	1 454	108	50 851	-12	-9	-100	-121	50 730
Business and household services	190 895	9 116	2 724	202 735	-272	-493	-883	-1 648	201 087
Construction	16 544	1 004	87	17 635	-28	-33	-24	-85	17 550
Manufacturing	106 060	5 509	1 299	112 868	-107	-193	-1 123	-1 422	111 446
Agriculture, forestry and fishing	34 003	1 092	139	35 234	-19	-10	-29	-59	35 175
Mining, oil and gas extraction	4 374	837	0	5 212	-6	-101	-0	-108	5 104
Electricity, gas and water supply	91 242	954	253	92 449	-39	-37	-122	-198	92 251
Other	23 058	1 897	70	25 025	-38	-25	-10	-73	24 952
Corporates	817 553	28 415	5 609	851 578	-733	-1 074	-2 679	-4 486	847 092
Commercial real estate	181 135	4 229	110	185 475	-372	-99	-21	-492	184 983
Residential real estate	130 487	7 446	226	138 158	-143	-276	-62	-481	137 677
Real Estate Management	311 622	11 675	336	323 633	-514	-376	-84	-974	322 659
Housing co-operative associations	59 239	4 213	56	63 508	-2	-0	-8	-10	63 498
Public Administration	24 897	348	0	25 245	-2	-1	-0	-3	25 242
Household mortgages	608 438	27 081	705	636 224	-62	-293	-223	-578	635 646
Other	43 112	3 376	869	47 357	-250	-291	-461	-1 002	46 355
Households	651 550	30 457	1 574	683 580	-311	-583	-685	-1 579	682 001
TOTAL	1 959 910	76 363	7 588	2 043 860	-1 567	-2 035	-3 458	-7 060	2 036 801

Note 15. Loans and expected credit loss (ECL) allowances by industry, cont.

SEK m	Gross carrying amounts				ECL allowances				Net carrying amount
	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Total
31 Dec 2022									
Banks	136 927	1 228	24	138 178	-8	-3	-5	-15	138 163
Finance and insurance	174 176	2 014	99	176 290	-310	-33	-8	-351	175 939
Wholesale and retail	82 032	2 401	188	84 622	-160	-86	-74	-320	84 301
Transportation	30 099	833	257	31 189	-50	-36	-37	-122	31 067
Shipping	52 884	3 877	1 191	57 951	-21	-23	-1 139	-1 182	56 769
Business and household services	177 323	9 609	1 326	188 258	-387	-350	-610	-1 348	186 910
Construction	13 720	721	389	14 830	-31	-20	-209	-259	14 571
Manufacturing	122 266	7 035	1 421	130 723	-182	-150	-992	-1 323	129 400
Agriculture, forestry and fishing	31 440	1 235	108	32 783	-28	-11	-30	-69	32 714
Mining, oil and gas extraction	6 020	1 367	12	7 398	-6	-125	-4	-135	7 263
Electricity, gas and water supply	80 639	1 067	32	81 739	-41	-49	-28	-118	81 621
Other	26 978	1 242	51	28 270	-45	-23	-14	-81	28 189
Corporates	797 578	31 400	5 074	834 052	-1 261	-906	-3 143	-5 309	828 743
Commercial real estate	182 026	2 205	129	184 361	-360	-46	-36	-442	183 919
Residential real estate	131 796	2 253	29	134 078	-116	-39	-3	-158	133 920
Real Estate Management	313 822	4 458	159	318 439	-476	-85	-39	-600	317 838
Housing co-operative associations	62 250	5 702	2	67 955	-2	0	0	-3	67 952
Public Administration	19 122	282	5	19 408	-2	-1	-2	-6	19 403
Household mortgages	611 346	22 647	671	634 663	-113	-195	-191	-500	634 163
Other	41 059	3 656	912	45 626	-340	-312	-531	-1 184	44 443
Households	652 404	26 303	1 582	680 289	-453	-508	-723	-1 683	678 606
TOTAL	1 982 103	69 372	6 846	2 058 321	-2 202	-1 503	-3 911	-7 616	2 050 705

The tables above show only the exposures and ECL allowances for Loans and excludes Debt securities, Financial guarantees and Loan commitments. Loans are including trade and client receivables presented as other assets.

SEB consolidated situation

Note 16. Capital adequacy analysis

SEK m	31 Dec 2023	30 Sep 2023	31 Dec 2022
Available own funds and total risk exposure amount			
Common Equity Tier 1 (CET1) capital	170 364	173 736	162 956
Tier 1 capital	184 409	189 005	177 517
Total capital	199 688	200 889	193 025
Total risk exposure amount (TREA)	891 992	919 298	859 320
Capital ratios and minimum capital requirement (as a percentage of TREA)			
Common Equity Tier 1 ratio (%)	19.1%	18.9%	19.0%
Tier 1 ratio (%)	20.7%	20.6%	20.7%
Total capital ratio (%)	22.4%	21.9%	22.5%
Pillar 1 minimum capital requirement (%P1)	8.0%	8.0%	8.0%
Pillar 1 minimum capital requirement (amounts)	71 359	73 544	68 746
Additional own funds requirements (P2R) to address risks other than the risk of excessive leverage (as a percentage of TREA)			
Additional own funds requirements (% P2R)	2.3%	2.3%	2.0%
of which: to be made up of CET1 capital (percentage points)	1.6%	1.6%	1.4%
of which: to be made up of Tier 1 capital (percentage points)	1.8%	1.8%	1.6%
Total SREP own funds requirements (% P1+P2R)	10.3%	10.3%	10.0%
Total SREP own funds requirements (amounts)	91 590	94 393	86 142
Additional CET1 buffer requirements and CET1 Pillar 2 Guidance (as a percentage of TREA)			
Capital conservation buffer (%)	2.5%	2.5%	2.5%
Institution specific countercyclical capital buffer (%)	1.6%	1.5%	0.8%
Systemic risk buffer (%)	3.1%	3.1%	3.1%
Other Systemically Important Institution buffer (%)	1.0%	1.0%	1.0%
Combined buffer requirement (% CBR)	8.1%	8.0%	7.4%
Combined buffer requirement (amounts)	72 539	73 982	63 391
Overall capital requirements (% P1+P2R+CBR)	18.4%	18.3%	17.4%
Overall capital requirements (amounts)	164 128	168 376	149 533
CET1 available after meeting the total SREP own funds requirements (% P1+P2R)	12.1%	11.6%	12.4%
Pillar 2 Guidance (% P2G)	0.5%	0.5%	1.0%
Pillar 2 Guidance (amounts)	4 460	4 596	8 593
Overall capital requirements and P2G (%)	18.9%	18.8%	18.4%
Overall capital requirements and P2G (amounts)	168 588	172 972	158 127
Leverage ratio, requirements and CET1 Pillar 2 Guidance (as a percentage of total exposure measure)			
Tier 1 capital (amounts)	184 409	189 005	177 517
Leverage ratio total exposure measure (amounts)	3 401 754	4 067 497	3 539 598
Leverage ratio (%)	5.4%	4.6%	5.0%
Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%
Overall leverage ratio requirements (%)	3.0%	3.0%	3.0%
Overall leverage ratio requirements (amounts)	102 053	122 025	106 188
Pillar 2 Guidance (% P2G)	0.5%	0.5%	0.5%
Pillar 2 Guidance (amounts)	17 009	20 337	15 928
Overall leverage ratio requirements and P2G (%)	3.5%	3.5%	3.5%
Overall leverage ratio requirements and P2G (amounts)	119 061	142 362	122 116

Note 17. Own funds

SEK m	31 Dec 2023	30 Sep 2023	31 Dec 2022
Shareholders equity according to balance sheet ¹⁾	221 775	217 671	204 523
Accrued dividend	-23 838	-14 487	-14 266
Reversal of holdings of own CET1 instruments	5 360	3 709	4 248
Common Equity Tier 1 capital before regulatory adjustments	203 297	206 893	194 506
Additional value adjustments	-1 381	-1 447	-1 331
Goodwill	-4 256	-4 292	-4 308
Intangible assets	-1 142	-1 034	-1 236
Deferred tax assets that rely on future profitability		-18	-17
Fair value reserves related to gains or losses on cash flow hedges	-14	-34	-62
Insufficient coverage for non-performing exposures	-100	-105	-24
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-579	-937	-1 060
Defined-benefit pension fund assets	-16 468	-18 814	-17 712
Direct and indirect holdings of own CET1 instruments	-8 992	-6 476	-5 799
Total regulatory adjustments to Common Equity Tier 1	-32 933	-33 157	-31 550
Common Equity Tier 1 capital	170 364	173 736	162 956
Additional Tier 1 instruments	14 045	15 269	14 561
Tier 1 capital	184 409	189 005	177 517
Tier 2 instruments ²⁾	15 109	11 534	15 002
Net provisioning amount for IRB-reported exposures	1 370	1 550	1 706
Holdings of Tier 2 instruments in financial sector entities	-1 200	-1 200	-1 200
Tier 2 capital	15 279	11 884	15 508
Total own funds	199 688	200 889	193 025

1) The Swedish Financial Supervisory Authority has approved SEB's application to use the quarterly net profit in measuring own funds on condition that the responsible auditors have reviewed the surplus and that the surplus is calculated in accordance with applicable accounting frameworks.

2) In the fourth quarter SEB issued Additional Tier 2 instrument of SEK 4bn, which is included in the bank's own funds as of Q4 2023.

Note 18. Risk exposure amount

SEK m	31 Dec 2023		30 Sep 2023		31 Dec 2022	
	Risk exposure amount	Own funds requirement ¹⁾	Risk exposure amount	Own funds requirement ¹⁾	Risk exposure amount	Own funds requirement ¹⁾
Credit risk IRB approach						
Exposures to central governments or central banks	17 131	1 370	21 426	1 714	18 304	1 464
Exposures to institutions	56 837	4 547	63 365	5 069	66 245	5 300
Exposures to corporates	425 657	34 053	430 460	34 437	407 153	32 572
Retail exposures	75 418	6 033	75 896	6 072	67 811	5 425
of which secured by immovable property	51 407	4 113	51 647	4 132	44 643	3 571
of which retail SME	6 540	523	6 036	483	6 044	484
of which other retail exposures	17 471	1 398	18 213	1 457	17 124	1 370
Securitisation positions	2 597	208	2 502	200	2 036	163
Total IRB approach	577 640	46 211	593 649	47 492	561 550	44 924
Credit risk standardised approach						
Exposures to central governments or central banks	3 210	257	4 377	350	6 640	531
Exposures to administrative bodies and non-commercial undertakings	711	57	443	35		
Exposures to institutions	740	59	701	56	962	77
Exposures to corporates	4 801	384	5 197	416	6 933	555
Retail exposures	12 249	980	12 045	964	14 521	1 162
Exposures secured by mortgages on immovable property	1 873	150	2 472	198	2 486	199
Exposures in default	137	11	120	10	122	10
Exposures associated with particularly high risk	397	32	534	43	515	41
Exposures in the form of collective investment undertakings (CIU)	458	37	677	54	1 628	130
Equity exposures	6 040	483	5 788	463	5 540	443
Other items	11 695	936	12 329	986	9 851	788
Total standardised approach	42 312	3 385	44 682	3 575	49 197	3 936
Market risk						
Trading book exposures where internal models are applied	19 375	1 550	23 968	1 917	39 876	3 190
Trading book exposures applying standardised approaches	5 614	449	7 241	579	7 251	580
Total market risk	24 989	1 999	31 210	2 497	47 128	3 770
Other own funds requirements						
Operational risk advanced measurement approach	53 381	4 271	52 464	4 197	50 452	4 036
Settlement risk	0	0	2	0	0	0
Credit value adjustment	10 407	833	10 857	869	12 309	985
Investment in insurance business	25 155	2 012	24 295	1 944	23 851	1 908
Other exposures	3 875	310	3 982	319	2 991	239
Additional risk exposure amount, Article 458 CRR ²⁾	154 233	12 339	158 158	12 653	111 841	8 947
Total other own funds requirements	247 051	19 764	249 757	19 981	201 444	16 116
Total	891 992	71 359	919 298	73 544	859 320	68 746

1) Own funds requirement 8% of risk exposure amount according to Regulation (EU) No 575/2013 (CRR).

2) Additional risk exposure amount according to Article 458, Regulation (EU) No 575/2013 (CRR), for risk-weight floors in the Swedish mortgage portfolio and as from Q3 2021 for risk-weight floors in the Norwegian mortgage portfolio as well as for Norwegian corporate exposures collateralised by immovable property. As from Q3 2023 the capital requirements for risk weight floors on exposures secured by commercial real estate in Sweden was moved from Pillar 2 to Pillar 1.

Note 19. Average risk-weight

The following table summarises average risk-weights (risk exposure amount divided by exposure at default (EAD)) for exposures, where the risk exposure amount is calculated according to the internal ratings based (IRB) approach. Repos and

securities lending transactions are excluded from the analysis, since they carry low risk-weights, and can vary considerably in volume, thus making numbers less comparable.

IRB reported credit exposures (less repos and securities lending)			
Average risk-weight	31 Dec 2023	30 Sep 2023	31 Dec 2022
Exposures to central governments or central banks	2.8%	2.1%	2.8%
Exposures to institutions	20.8%	21.3%	24.9%
Exposures to corporates	28.4%	27.7%	27.3%
Retail exposures	10.3%	10.2%	9.3%
of which secured by immovable property	7.9%	7.8%	6.8%
of which retail SME	56.9%	54.7%	51.0%
of which other retail exposures	26.2%	26.6%	28.0%
Securitisation positions	16.7%	16.2%	16.9%

Skandinaviska Enskilda Banken AB (publ) – parent company

Income statement

In accordance with FSA regulations	Q4			Q3		Q4		Jan-Dec	
SEK m	2023	2023	%	2022	%	2023	2022	%	
Interest income	34 434	33 725	2	20 392	69	122 546	48 883	151	
Leasing income	1 204	1 554	-23	1 375	-12	5 606	5 309	6	
Interest expense	-26 093	-26 011	0	-13 438	94	-91 189	-23 994		
Dividends	505	456	11	496	2	5 513	10 447	-47	
Fee and commission income	4 211	4 099	3	4 139	2	16 814	16 925	-1	
Fee and commission expense	- 904	- 947	-5	- 924	-2	-3 853	-4 042	-5	
Net financial income ¹⁾	1 457	2 141	-32	2 764	-47	7 969	7 510	6	
Other income ¹⁾	452	1 082	-58	417	8	2 246	867	159	
Total operating income	15 265	16 100	-5	15 222	0	65 652	61 904	6	
Administrative expenses	-5 142	-5 415	-5	-4 599	12	-21 098	-18 380	15	
Depreciation, amortisation and impairment of tangible and intangible assets	-1 337	-1 505	-11	-1 409	-5	-5 640	-5 635	0	
Total operating expenses	-6 479	-6 919	-6	-6 008	8	-26 737	-24 015	11	
Profit before credit losses	8 786	9 180	-4	9 214	-5	38 915	37 890	3	
Net expected credit losses	-649	-60		-640	1	-1 008	-2 119	-52	
Impairment of financial assets ²⁾	- 15					- 519	-6 631	-92	
Operating profit	8 122	9 121	-11	8 574	-5	37 388	29 139	28	
Appropriations	1 651	387		2 048	-19	2 886	3 300	-13	
Income tax expense	-2 718	-2 232	22	-1 662	64	-7 706	-4 929	56	
Other taxes	21	0		- 259		- 20	- 180	-89	
NET PROFIT	7 076	7 276	-3	8 701	-19	32 548	27 329	19	

¹⁾ From 2023 the parent bank presents realised gains and losses on investment shares as Net financial income and not Net other income. Comparative figures have been restated SEK 199m; 1,615m; 1,615m.

²⁾ In the fourth quarter 2023 the dormant subsidiary Aktiv Placering AB was written down by SEK 15m. Following P27's announcement in the second quarter of 2023, that it had decided to withdraw its clearing license application from the Swedish Financial Supervisory Authority, the parent company recognised an impairment loss of SEK 178m. In addition, during the second quarter 2023, Invidem announced that it will be wound down due to reduced economies of scale. Hence, the parent company recognised an impairment loss of SEK 124m. Also, in the second quarter 2023, the book value of SEB Strategic Investments AB was written down by SEK 200m after parent company received a dividend of the same amount. The Russian Federation has limited different transactions between subsidiaries in Russia with parent companies in so called unfriendly countries. A maximum of RUB 10m per calendar month may be transferred abroad. Due to the prevailing uncertainty, the parent company recognised a total impairment loss of SEK 177m for SEB Bank in Russia in the first quarter 2022 and an additional impairment loss of SEK 652m in the third quarter 2022. In addition, during the first quarter 2022, the parent company recognised an impairment loss of SEK 63m for the investment in SEB Corporate Bank in Ukraine. During the second quarter 2022 the parent company recognised an impairment loss of SEK 5,224m for the investment in the subsidiary DSK Hyp AG. In addition, during the third quarter 2022 the subsidiary Skandinaviska Enskilda Ltd, which is being liquidated, was written down by SEK 515m.

Statement of comprehensive income

SEK m	Q4			Q3		Q4		Jan-Dec	
	2023	2023	%	2022	%	2023	2022	%	
NET PROFIT	7 076	7 276	-3	8 701	-19	32 548	27 329	19	
Cash flow hedges	- 21	- 9	121	- 2		- 49	81		
Translation of foreign operations	24	- 21		47	-49	- 84	- 112	-25	
Items that may subsequently be reclassified to the income statement:	4	- 30		45	-92	- 132	- 31		
OTHER COMPREHENSIVE INCOME	4	- 30		45	-92	- 132	- 31		
TOTAL COMPREHENSIVE INCOME	7 080	7 245	-2	8 746	-19	32 416	27 298	19	

Balance sheet, condensed

SEK m	31 Dec 2023	30 Sep 2023	31 Dec 2022
Cash and cash balances with central banks	307 047	559 937	354 970
Loans to central banks	30 891	34 386	16 676
Loans to credit institutions	109 644	127 381	101 928
Loans to the public	1 870 983	1 877 092	1 839 188
Debt securities	242 173	478 745	227 323
Equity instruments	69 738	70 396	44 645
Derivatives	180 806	183 665	179 144
Other assets	107 550	133 930	108 812
TOTAL ASSETS	2 918 833	3 465 533	2 872 686
Deposits from central banks and credit institutions	181 428	281 309	106 019
Deposits and borrowings from the public ¹⁾	1 396 028	1 705 867	1 467 319
Debt securities issued	867 838	977 493	795 149
Short positions	33 700	37 984	44 635
Derivatives	203 037	205 619	229 933
Other financial liabilities	100	148	172
Other liabilities	62 560	86 990	66 645
Untaxed reserves	14 040	15 680	15 680
Equity	160 102	154 443	147 133
TOTAL LIABILITIES, UNTAXED RESERVES AND EQUITY	2 918 833	3 465 533	2 872 686
¹⁾ Private and SME deposits covered by deposit guarantee	247 578	251 914	257 639
Private and SME deposits not covered by deposit guarantee	156 667	160 509	161 495
All other deposits	991 784	1 293 444	1 048 185
Total deposits from the public	1 396 028	1 705 867	1 467 319

Pledged assets and obligations

SEK m	31 Dec 2023	30 Sep 2023	31 Dec 2022
Pledged assets for own liabilities	663 643	705 087	585 547
Other pledged assets	68 546	120 727	62 565
Pledged assets	732 188	825 813	648 113
Contingent liabilities	190 120	194 390	173 316
Commitments	836 788	838 684	815 987
Obligations	1 026 908	1 033 074	989 303

Equity

SEK m	31 Dec 2023	30 Sep 2023	31 Dec 2022
Share capital	21 942	21 942	21 942
Other restricted reserves	13 790	13 814	13 820
Equity, restricted	35 731	35 756	35 762
Holdings of own shares	-7 666	-6 084	-6 820
Other reserves	-516	-520	-384
Other non-restricted equity	100 005	99 820	91 246
Net profit for the year	32 548	25 472	27 329
Equity, non-restricted¹⁾	124 370	118 687	111 371
Summa	160 102	154 443	147 133

¹⁾The closing balance is equivalent to Distributable items according to Regulation (EU) No 575/2013 (CRR).

Capital adequacy

Capital adequacy analysis

SEK m	31 Dec 2023	30 Sep 2023	31 Dec 2022
Available own funds and total risk exposure amount			
Common Equity Tier 1 (CET1) capital	137 213	142 732	136 851
Tier 1 capital	151 257	158 001	151 413
Total capital	166 656	170 049	166 708
Total risk exposure amount (TREA)	802 153	826 170	778 243
Capital ratios and minimum capital requirement (as a percentage of TREA)			
Common Equity Tier 1 ratio (%)	17.1%	17.3%	17.6%
Tier 1 ratio (%)	18.9%	19.1%	19.5%
Total capital ratio (%)	20.8%	20.6%	21.4%
Pillar 1 minimum capital requirement (%P1)	8.0%	8.0%	8.0%
Pillar 1 minimum capital requirement (amounts)	64 172	66 094	62 259
Additional own funds requirements (P2R) to address risks other than the risk of excessive leverage (as a percentage of TREA)			
Additional own funds requirements (%P2R)	1.6%	1.6%	1.7%
of which: to be made up of CET1 capital (percentage points)	1.1%	1.1%	1.2%
of which: to be made up of Tier 1 capital (percentage points)	1.2%	1.2%	1.3%
Total SREP own funds requirements (%P1+P2R)	9.6%	9.6%	9.7%
Total SREP own funds requirements (amounts)	76 718	79 015	75 777
Additional CET1 buffer requirements and CET1 Pillar 2 Guidance (as a percentage of TREA)			
Capital conservation buffer (%)	2.5%	2.5%	2.5%
Institution specific countercyclical capital buffer (%)	1.6%	1.6%	0.8%
Systemic risk buffer (%)	0.0%	0.0%	0.0%
Other Systemically Important Institution buffer (%)	0.0%	0.0%	0.0%
Combined buffer requirement (% CBR)	4.1%	4.1%	3.3%
Combined buffer requirement (amounts)	32 847	33 676	25 727
Overall capital requirements (%P1+P2R+CBR)	13.7%	13.6%	13.0%
Overall capital requirements (amounts)	109 565	112 690	101 504
CET1 available after meeting the total SREP own funds requirements (%P1+P2R)	11.2%	11.0%	11.7%
Pillar 2 Guidance (%P2G)	0.0%	0.0%	0.0%
Pillar 2 Guidance (amounts)	0	0	0
Overall capital requirements and P2G (%)	13.7%	13.6%	13.0%
Overall capital requirements and P2G (amounts)	109 565	112 690	101 504
Leverage ratio, requirements and CET1 Pillar 2 Guidance (as a percentage of total exposure measure)			
Tier 1 capital (amounts)	151 257	158 001	151 413
Leverage ratio total exposure measure (amounts)	3 118 996	3 805 715	3 263 128
Leverage ratio (%)	4.8%	4.2%	4.6%
Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%
Overall leverage ratio requirements (%)	3.0%	3.0%	3.0%
Overall leverage ratio requirements (amounts)	93 570	114 171	97 894
Pillar 2 Guidance (%P2G)	0.0%	0.0%	0.0%
Pillar 2 Guidance (amounts)	0	0	0
Overall leverage ratio requirements and P2G (%)	3.0%	3.0%	3.0%
Overall leverage ratio requirements and P2G (amounts)	93 570	114 171	97 894

Own funds

SEK m	31 Dec 2023	30 Sep 2023	31 Dec 2022
Shareholders equity according to balance sheet ¹⁾	171 250	166 893	159 583
Accrued dividend	-23 838	-14 487	-14 266
Reversal of holdings of own CET1 instruments	5 179	3 551	4 249
Common Equity Tier 1 capital before regulatory adjustments	152 591	155 957	149 566
Additional value adjustments	-1 285	-1 382	-1 289
Goodwill	-3 358	-3 358	-3 358
Intangible assets	-1 058	-945	-1 132
Fair value reserves related to gains or losses on cash flow hedges	-14	-34	-62
Insufficient coverage for non-performing exposures	-97	-103	-23
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-575	-927	-1 050
Direct and indirect holdings of own CET1 instruments	-8 992	-6 476	-5 799
Total regulatory adjustments to Common Equity Tier 1	-15 378	-13 225	-12 715
Common Equity Tier 1 capital	137 213	142 732	136 851
Additional Tier 1 instruments	14 045	15 269	14 561
Tier 1 capital	151 257	158 001	151 413
Tier 2 instruments ²⁾	15 109	11 534	15 002
Net provisioning amount for IRB-reported exposures	1 489	1 714	1 494
Holdings of Tier 2 instruments in financial sector entities	-1 200	-1 200	-1 200
Tier 2 capital	15 399	12 047	15 295
Total own funds	166 656	170 049	166 708

1) Shareholders equity for the parent company includes untaxed reserves.

2) In the fourth quarter SEB issued Additional Tier 2 instrument of SEK 4bn, which is included in the bank's own funds as of Q4 2023.

Risk exposure amount

SEK m	31 Dec 2023		30 Sep 2023		31 Dec 2022	
	Risk exposure amount	Own funds requirement ¹⁾	Risk exposure amount	Own funds requirement ¹⁾	Risk exposure amount	Own funds requirement ¹⁾
Credit risk IRB approach						
Exposures to central governments or central banks	8 509	681	14 053	1 124	9 987	799
Exposures to institutions	56 455	4 516	62 769	5 022	65 707	5 257
Exposures to corporates	347 684	27 815	351 569	28 126	334 983	26 799
Retail exposures	46 799	3 744	45 726	3 658	44 316	3 545
of which secured by immovable property	36 928	2 954	36 398	2 912	35 015	2 801
of which retail SME	2 680	214	1 818	145	2 046	164
of which other retail exposures	7 191	575	7 510	601	7 256	580
Securitisation positions	2 597	208	2 502	200	2 036	163
Total IRB approach	462 044	36 964	476 619	38 130	457 029	36 562
Credit risk standardised approach						
Exposures to central governments or central banks						
Exposures to administrative bodies and non-commercial undertakings	711	57	443	35		
Exposures to institutions	11 880	950	9 562	765	14 168	1 133
Exposures to corporates	3 224	258	3 501	280	5 048	404
Retail exposures	8 719	697	8 436	675	8 285	663
Exposures secured by mortgages on immovable property	1 872	150	2 471	198	2 484	199
Exposures in default	121	10	104	8	98	8
Exposures associated with particularly high risk	397	32	535	43	515	41
Exposures in the form of collective investment undertakings (CIU)	458	37	677	54	1 628	130
Equity exposures	52 951	4 236	53 129	4 250	51 432	4 115
Other items	2 929	234	4 714	377	3 022	242
Total standardised approach	83 263	6 661	83 571	6 686	86 680	6 934
Market risk						
Trading book exposures where internal models are applied	19 375	1 550	23 968	1 917	39 876	3 190
Trading book exposures applying standardised approaches	5 540	443	7 208	577	7 226	578
Total market risk	24 915	1 993	31 176	2 494	47 103	3 768
Other own funds requirements						
Operational risk advanced measurement approach	41 628	3 330	40 850	3 268	38 923	3 114
Settlement risk	0	0	2	0	0	0
Credit value adjustment	10 403	832	10 839	867	12 304	984
Investment in insurance business	25 155	2 012	24 295	1 944	23 851	1 908
Other exposures	516	41	666	53	519	42
Additional risk exposure amount, Article 458 CRR ²⁾	154 229	12 338	158 152	12 652	111 833	8 947
Total other own funds requirements	231 931	18 554	234 804	18 784	187 432	14 995
Total	802 153	64 172	826 170	66 094	778 243	62 259

1) Own funds requirement 8% of risk exposure amount according to Regulation (EU) No 575/2013 (CRR).

2) Additional risk exposure amount according to Article 458, Regulation (EU) No 575/2013 (CRR), for risk-weight floors in the Swedish mortgage portfolio and as from Q3 2021 for risk-weight floors in the Norwegian mortgage portfolio as well as for Norwegian corporate exposures collateralised by immovable property. As from Q3 2023 the capital requirements for risk weight floors on exposures secured by commercial real estate in Sweden was moved from Pillar 2 to Pillar 1.

Average risk weight

IRB reported credit exposures (less repos and securities lending)

Average risk-weight	31 Dec 2023	30 Sep 2023	31 Dec 2022
Exposures to central governments or central banks	1.6%	1.5%	1.9%
Exposures to institutions	20.8%	21.2%	24.9%
Exposures to corporates	25.5%	24.9%	24.5%
Retail exposures	7.9%	7.6%	7.4%
of which secured by immovable property	6.5%	6.3%	6.1%
of which retail SME	41.8%	32.9%	33.5%
of which other retail exposures	41.1%	41.3%	40.8%
Securitisation positions	16.7%	16.2%	16.9%

Restated comparative figures – SEB Group

Effects from the implementation of IFRS 17

Insurance Contracts

IFRS 17 *Insurance Contracts* replaces IFRS 4 *Insurance Contracts* for annual periods beginning on or after 1 January 2023. As the standard requires comparative information for the annual reporting period immediately preceding the date of initial application, the transition date of IFRS 17 is 1 January 2022. On adoption, IFRS 17 impacted the measurement of insurance contracts and participating investment contracts.

The group has restated comparative information for 2022 in the reports for 2023. The effects of adopting IFRS 17 was recognised 1 January 2022 as a reduction of retained earnings of

SEK 0.3bn. The changes have reduced net profit by SEK 112m for the full year 2022 and had a marginal effect on capital adequacy. The changes impact division Life and the group. The new standard is not applied by the parent company.

There is no significant impact on the balance sheet, although the new standard also introduces new estimates and judgements that affect the measurement of insurance liabilities.

See note 1 and note 51 in the *Annual and Sustainability Report 2022* for more information about accounting policies and transition effects from the implementation of IFRS 17.

SEB Group reconciliation to previously published figures – income statement

SEK m	Previously reported	Change	Restated	Previously reported	Change	Restated
	Q4 2022		Q4 2022	Jan–Dec 2022		Jan–Dec 2022
Net interest income	9 715		9 715	33 443		33 443
Net fee and commission income	5 416	- 6	5 410	21 573	- 39	21 534
Net financial income	3 502	- 25	3 476	9 314	- 72	9 242
Net other income	196		196	258		258
Total operating income	18 829	- 32	18 798	64 589	- 111	64 478
Staff costs	-4 172		-4 172	-15 980		-15 980
Other expenses	-1 982		-1 982	-6 986		-6 986
Depreciation, amortisation and impairment of tangible and intangible assets	- 602		- 602	-2 078		-2 078
Total operating expenses	-6 757		-6 757	-25 044		-25 044
Profit before credit losses and imposed levies	12 073	- 32	12 041	39 544	- 111	39 434
Net expected credit losses	- 506		- 506	-2 007		-2 007
Imposed levies	- 578		- 578	-2 288		-2 288
Operating profit before items affecting comparability	10 988	- 32	10 957	35 249	- 111	35 138
Items affecting comparability	-1 399		-1 399	-1 399		-1 399
Operating profit	9 590	- 32	9 558	33 850	- 111	33 739
Income tax expense	-2 156	0	-2 156	-6 861	- 1	-6 862
NET PROFIT	7 434	- 32	7 402	26 989	- 112	26 877
Attributable to shareholders of Skandinaviska Enskilda Banken AB	7 434	- 32	7 402	26 989	- 112	26 877
Basic earnings per share, SEK	3.50		3.49	12.63		12.58
Diluted earnings per share, SEK	3.48		3.46	12.53		12.48

SEB Group reconciliation to previously published figures – balance sheet

SEK m	Previously reported	Change	Restated
	31 Dec 2022		31 Dec 2022
Cash and cash balances at central banks	377 966		377 966
Loans to central banks	73 962		73 962
Loans to credit institutions	77 235		77 235
Loans to the public	2 065 271		2 065 271
Debt securities	252 611	-115	252 496
Equity instruments	66 594	2 184	68 779
Financial assets for which the customers bear the investment risk	356 367	-2 069	354 299
Derivatives	187 622		187 622
Other assets	75 182	-32	75 150
TOTAL ASSETS	3 532 810	-32	3 532 779
Deposits from central banks and credit institutions	66 873		66 873
Deposits and borrowings from the public	1 701 687		1 701 687
Financial liabilities for which the customers bear the investment risk	357 975	-2 179	355 796
Liabilities to policyholders	30 984	2 441	33 425
Debt securities issued	795 149		795 149
Short positions	44 635		44 635
Derivatives	238 048		238 048
Other financial liabilities	172		172
Other liabilities	92 763	89	92 852
Total liabilities	3 328 287	350	3 328 637
Equity	204 523	-382	204 141
TOTAL LIABILITIES AND EQUITY	3 532 810	-32	3 532 779

Signature of the President

The President declares that this financial report for the period 1 January 2023 through 31 December 2023 provides a fair overview of the parent company's and the group's operations, their financial position and results and describes material risks and uncertainties facing the parent company and the group.

Stockholm den 25 January 2024

Johan Torgeby
President and Chief Executive Officer

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

Auditor's review report

To the Board of Directors in Skandinaviska Enskilda Banken AB (publ), 502032-9081

Introduction

We have reviewed the condensed year-end report for Skandinaviska Enskilda Banken AB (publ) as of December 31, 2023 and for the twelfth-month period ending as at this date. The Board of Directors, the President and the Chief Executive Officer are responsible for the preparation and presentation of this year-end report in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review differs from and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed financial report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies regarding the Group, and in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies regarding the Parent Company.

Stockholm 25 January 2024

Ernst & Young AB

Hamish Mabon
Authorised Public Accountant

Contacts and calendar

SEB's result for the fourth quarter 2023

On Thursday 25 January 2024, at approximately 07:00 CET, SEB's results for the fourth quarter 2023 will be announced. In addition, presentations and the Fact Book will be available on sebgroup.com/ir. You are invited to participate in the following event:

Telephone conference

On Thursday 25 January 2024 at 09:00 CET, Johan Torgeby, SEB's President and CEO, and Masih Yazdi, CFO, will present the results, followed by a Q&A session with Johan Torgeby, Masih Yazdi and Pawel Wyszynski, Head of Investor Relations. The presentation and Q&A will be conducted in English.

To participate in the telephone conference, please sign up and register here:

<https://register.vevent.com/register/BI7d9e19d70f0241d1bfb1f224c0abd2e7>

Media interviews

Media can follow the presentation live on sebgroup.com/ir, where it also will be available afterwards. There is a possibility for media to book interviews after the telephone conference. Please contact press@seb.se to make a request.

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Further financial information is available in SEB's Fact Book and in the additional Pillar 3 disclosures which are published quarterly on sebgroup.com/ir.

Financial information calendar 2024

27 February 2024	Annual and Sustainability Report 2023	
19 March 2024	Annual General Meeting	
20 March 2024	Share traded ex-dividend	
21 March 2024	Record date for the dividend	
26 March 2024	Dividend payout	
24 April 2024	First quarterly report 2024	Silent period start 1 April 2024
16 July 2024	Second quarterly report 2024	Silent period start 1 July 2024
24 October 2024	Third quarterly report 2024	Silent period start 1 October 2024

The financial information calendar for 2025 will be published in conjunction with the Quarterly Report for January-September 2024.

Definitions

Including Alternative Performance Measures¹⁾

Items affecting comparability

To facilitate the comparison of operating profit between current and previous periods, items with significant impact that management considers affect the comparability or are relevant for the understanding of the financial result, are identified and presented separately, for example impairment of goodwill, restructuring, gains and losses from divestments and other income or costs that are not recurring.

Operating profit

Total profit before tax.

Net profit

Total profit after tax.

Return on equity

Net profit attributable to shareholders in relation to average²⁾ shareholders' equity.

Return on equity excluding items affecting comparability

Net profit attributable to shareholders, excluding items affecting comparability and their related tax effect, in relation to average²⁾ shareholders' equity.

Return on business equity

Operating profit by division, reduced by a standard tax rate, in relation to the divisions' average²⁾ business equity (allocated capital).

Return on total assets

Net profit attributable to shareholders, in relation to average²⁾ total assets.

Return on risk exposure amount

Net profit attributable to shareholders in relation to average²⁾ risk exposure amount.

Cost/income ratio

Total operating expenses in relation to total operating income.

Basic earnings per share

Net profit attributable to shareholders in relation to the weighted average³⁾ number of shares outstanding before dilution.

Diluted earnings per share

Net profit attributable to shareholders in relation to the weighted average³⁾ diluted number of shares. The calculated dilution is based on the estimated economic value of the long-term equity-based programmes.

Net worth per share

The total of shareholders' equity, the equity portion of any surplus values in the holdings of debt securities and the surplus value in life insurance operations in relation to the number of shares outstanding.

Equity per share

Shareholders' equity in relation to the number of shares outstanding.

Expected credit losses, ECL

Probability-weighted credit losses with the respective risk of a default.

ECL allowances

The allowance for expected credit losses on financial assets, contract assets, loan commitments and financial guarantee contracts.

Net ECL level

Net expected credit losses in relation to the opening balance of the year of debt securities, loans to the public and loans to credit institutions measured at amortised cost, financial guarantees and loan commitments, net of ECL allowances.

ECL coverage ratio

ECL allowances in relation to underlying gross carrying amounts for loans and debt securities as well as nominal amounts of financial guarantees and loan commitments.

Stage 3 loans / Total loans, gross

Gross carrying amount for stage 3 loans (credit-impaired loans) in relation to gross carrying amount for total loans measured at amortised cost (including trade and client receivables presented as other assets).

Stage 3 loans / Total loans, net

Carrying amount for stage 3 loans (credit-impaired loans) in relation to carrying amounts for total loans measured at amortised cost (including trade and client receivables presented as other assets)

The Excel file Alternative Performance Measures, available on sebgroupp.com/ir, provides information on how the measures are calculated.

¹⁾ Alternative Performance Measures, APMs, are financial measures of historical or future financial performance, financial position, or cash flows, other than those defined in the applicable financial reporting framework (IFRS) or in the EU Capital Requirements Regulation and Directive CRR/CRD IV. APMs are used by SEB when relevant to assess and describe SEB's financial situation and provide additional relevant information and tools to enable analysis of SEB's performance. APMs on basic earnings per share, diluted earnings per share, net worth per share, equity per share, return on equity, return on tangible equity, return on total assets and return on risk exposure amount provide relevant information on the performance in relation to different investment

measurements. The cost/income ratio provides information on SEB's cost efficiency. APMs related to lending provide information on provisions in relation to credit risk. All these measures may not be comparable to similarly titled measures used by other companies.

²⁾ Average year-to-date, calculated on month-end figures.

³⁾ Average, calculated on a daily basis.

Definitions, cont.

According to the EU Capital Requirements Regulation no 575/2013 (CRR):

Risk exposure amount

Total assets and off-balance sheet items, risk-weighted in accordance with capital adequacy regulations for credit risk and market risk. The operational risks are measured and added as risk exposure amount. Risk exposure amounts are only defined for the consolidated situation, excluding insurance entities and exposures deducted from own funds.

Common Equity Tier 1 capital (CET)

Shareholders' equity excluding dividend, deferred tax assets, intangible assets and certain other regulatory adjustments defined in EU Regulation no 575/2013 (CRR).

Tier 1 capital

Common Equity Tier 1 capital plus qualifying forms of subordinated loans liabilities, so-called additional tier 1 instruments.

Tier 2 capital

Mainly subordinated loans liabilities not qualifying as Tier 1 capital contribution.

Own funds

The sum of Tier 1 and Tier 2 capital.

Common Equity Tier 1 capital ratio

Common Equity Tier 1 capital as a percentage of risk exposure amount.

Tier 1 capital ratio

Tier 1 capital as a percentage of risk exposure amount.

Total capital ratio

Total own funds as a percentage of risk exposure amount.

Liquidity coverage ratio (LCR)

High-quality liquid assets in relation to the estimated net liquidity outflow over the next 30 calendar days.

According to the EU Capital Requirements Regulation no 876/2019 (CRR2) and according to the EU Directive no 879/2019 (BRRD II):

Leverage ratio

Tier 1 capital as a percentage of the exposure value of assets, derivatives and off-balance sheet items.

Net stable funding ratio (NSFR)

Available stable funding in relation to the amount of required stable funding.

Minimum requirement of eligible liabilities (MREL)

Minimum requirement for own funds and eligible liabilities, as set by the Swedish National Debt Office.

Divisions of the SEB Group

Large Corporates & Financial Institutions

The division offers commercial and investment banking services to large corporate and institutional clients in the Nordic region, Germany and the United Kingdom. Customers are also served through the international network.

Corporate & Private customers

The division offers full banking and advisory services to private individuals and small and medium-sized corporate customers in Sweden, as well as card services in four Nordic countries. Swedish affluent individuals are also offered private banking services.

Private Wealth Management & Family Office

The division offers comprehensive banking infrastructure, access to capital markets, financing solutions and individually tailored advisory services to entrepreneurs, high net worth individuals, foundations and family offices.

Baltic

The division provides full banking and advisory services to private individuals and small and medium-sized corporate customers in Estonia, Latvia and Lithuania.

Life

The division offers life insurance solutions to private as well as corporate and institutional clients mainly in the Nordic and Baltic countries.

Investment Management

The division consists of SEB Investment Management, which manages SEB funds and mandates distributed via SEB's customer channels, and Institutional Asset Management, which distributes funds and mandates managed by SEB Investment Management and other institutes.

This is SEB

We connect ideas, people and capital to drive progress

Being a leading northern European corporate bank with international reach, we support our customers in making their ideas come true. We do this through long-term relationships, innovative solutions, tailored advice and digital services – and by partnering with our customers in accelerating change towards a more sustainable world.

Our customers

2,000 large corporations, 1,100 financial institutions, 292,000 SME and 1.3 million private full-service customers bank with SEB.

Our values

We are guided by our Code of Conduct and the SEB behaviours: create value, act long-term and build positive relationships.

Our employees

Around 17,500 highly skilled employees serving our customers from locations in more than 20 countries – covering different time zones, securing reach and local market knowledge.

Our history

We have a long tradition of supporting people and companies and helping drive development. Ever since we welcomed our first customer almost 170 years ago, we have been guided by engagement and curiosity about the future. By providing financial products and tailored advisory services to meet our customers' changing needs, we build on our long-term relationships and do our part to contribute to a more sustainable society

Focus areas

Acceleration of efforts – Strengthening our customer offering by continuing to build on existing strengths through extra focus and resources targeted at already established areas.

Strategic change – Evaluating the need for strategic change and transforming the way we do business within already established areas.

Strategic partnerships – Collaborating and partnering with external stakeholders and rethinking how we produce and distribute our products and services.

Efficiency improvement – Increasing our focus on strategic enablers allowing us to improve efficiency and accelerate SEB's transformation journey.

Additional financial information is available in SEB's Fact Book which is published quarterly on sebgroupp.com/ir.