

# Investor presentation

Q2 2021

15 July 2021



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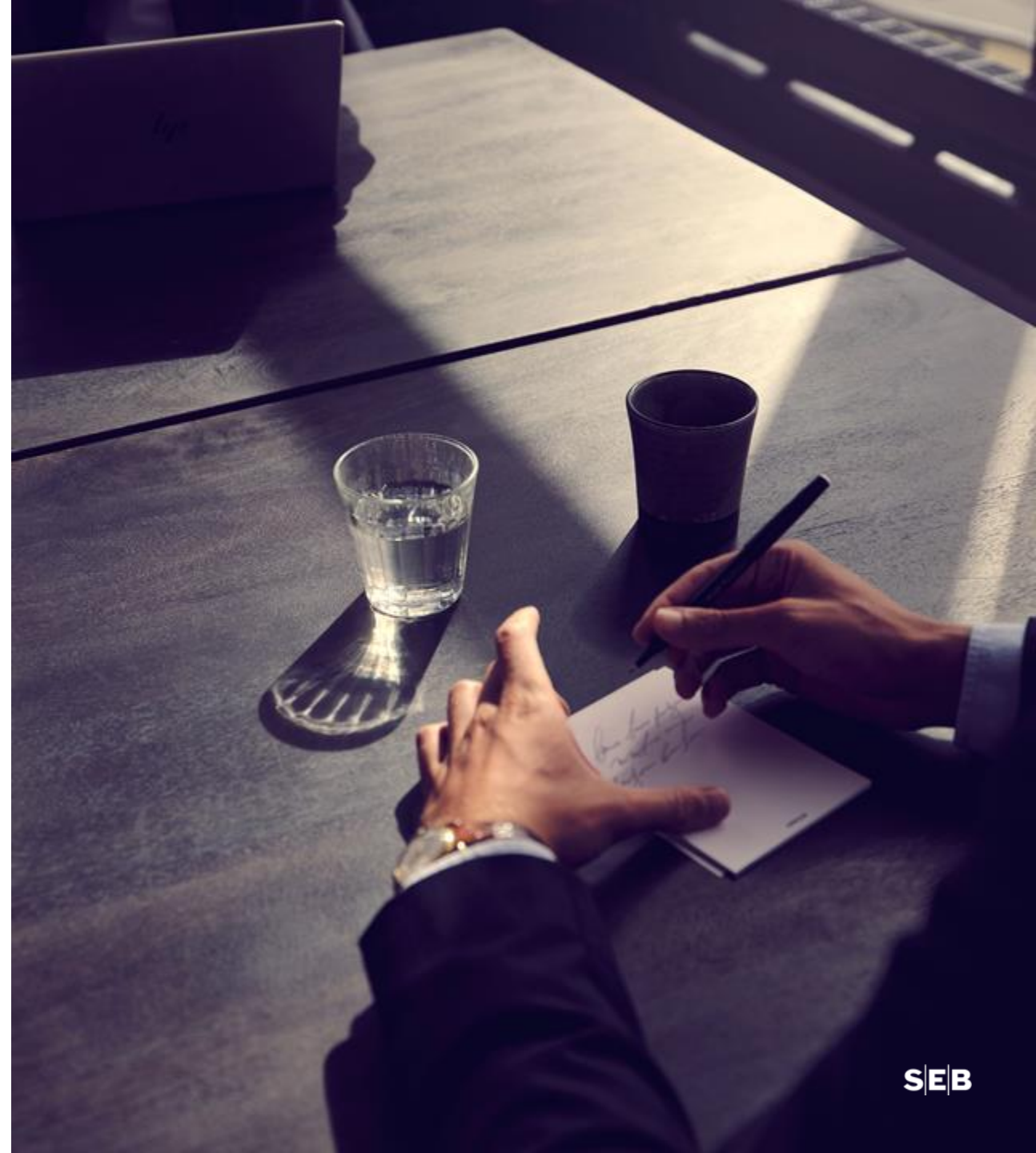
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# Content

- SEB in brief
- Latest financials
- Credit portfolio and asset quality
- Capital
- Liquidity and funding
- Macro
- Appendix

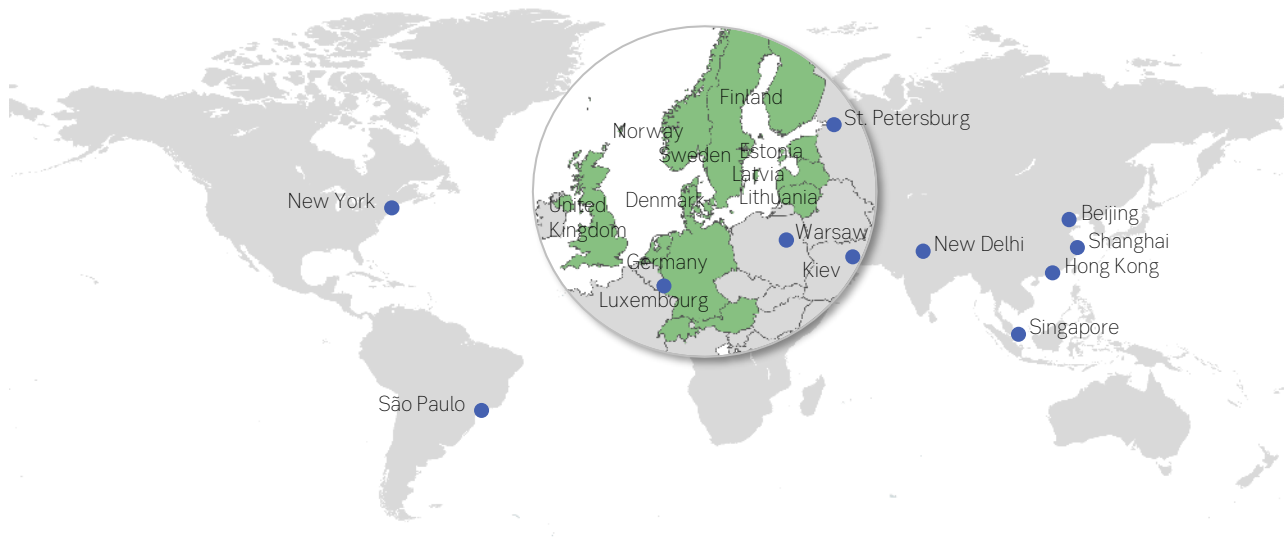




# SEB in brief



# SEB – a leading northern European financial services group



Unique customer base and **leading market position**

An engaged and **long-term focused ownership** base

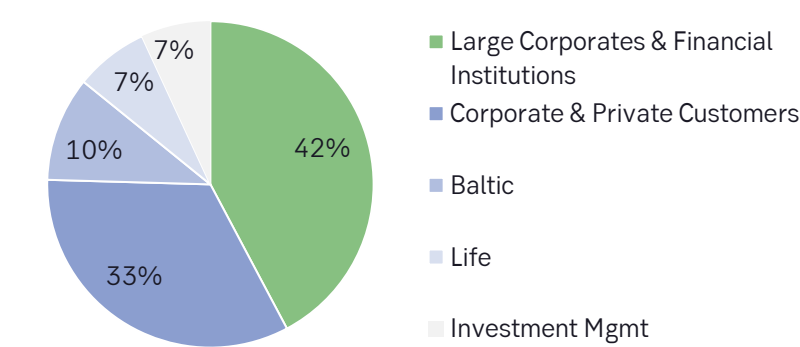
**A diversified business model...**

**...delivering strong, profitable growth over time**

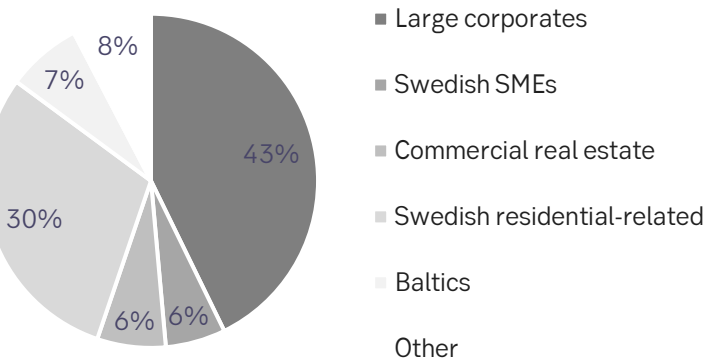
**Strong capital** and **liquidity** positions and..

**...solid credit rating : AA- / Aa2 / A+ (Fitch/Moody's/S&P)**

Operating profit by division<sup>1</sup>  
YTD 2021



Credit portfolio breakdown<sup>2</sup>  
30 June 2021



Key financials  
YTD 2021 (FY 2020)

Net ECL level	C/I
1bps (26)	0.42 (0.46)
CET1-ratio	Return on equity
21.1% (21.0)	14.2% (10.3 <sup>3</sup> )

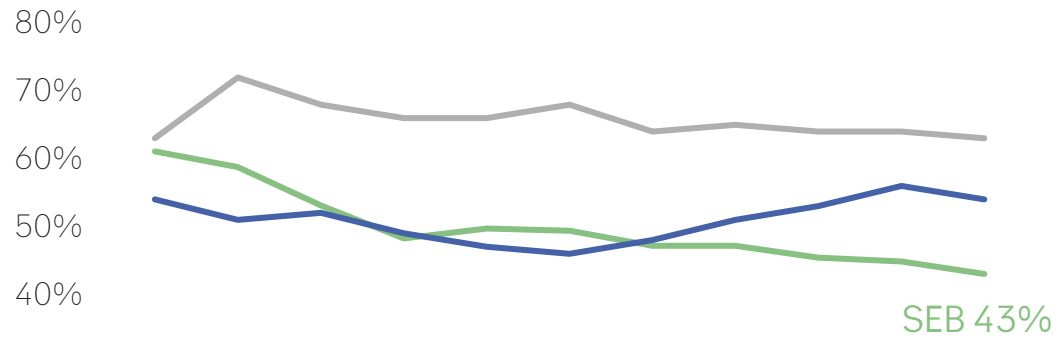
<sup>1</sup> Business divisions excluding Group functions and eliminations  
<sup>2</sup> Swedish residential-related includes household mortgages, residential real estate and housing co-ops  
<sup>3</sup> Excluding items affecting comparability

# Relative financial strength

SEB  
Nordic peer average  
European peer average

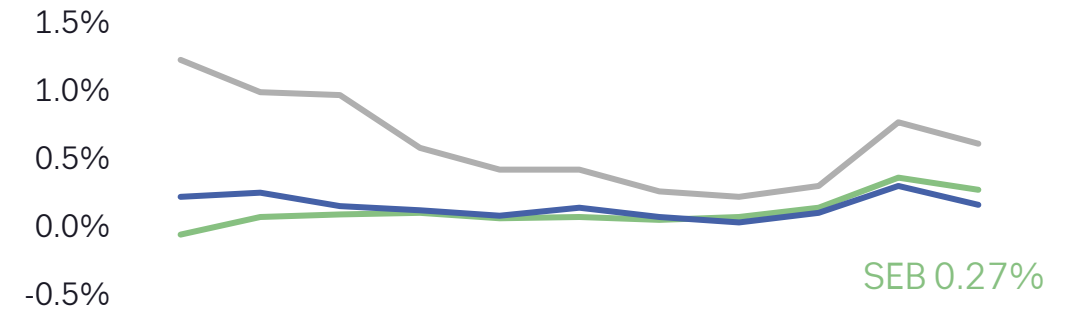
## Cost / income ratio

2011-Q1 2021, rolling LTM



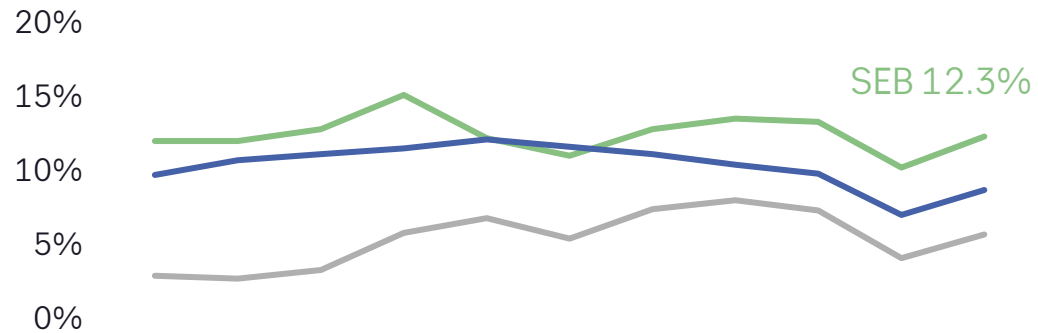
## Cost of risk

2011-Q1 2021, rolling LTM



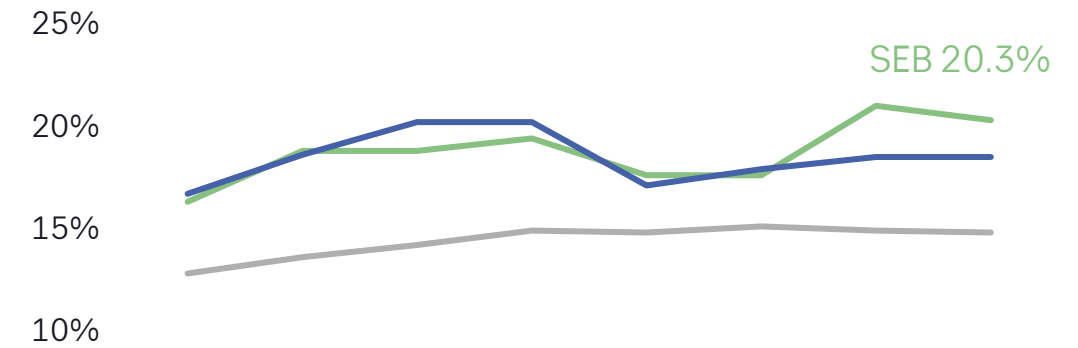
## Return on equity

2011-Q1 2021, excluding IAC, rolling LTM



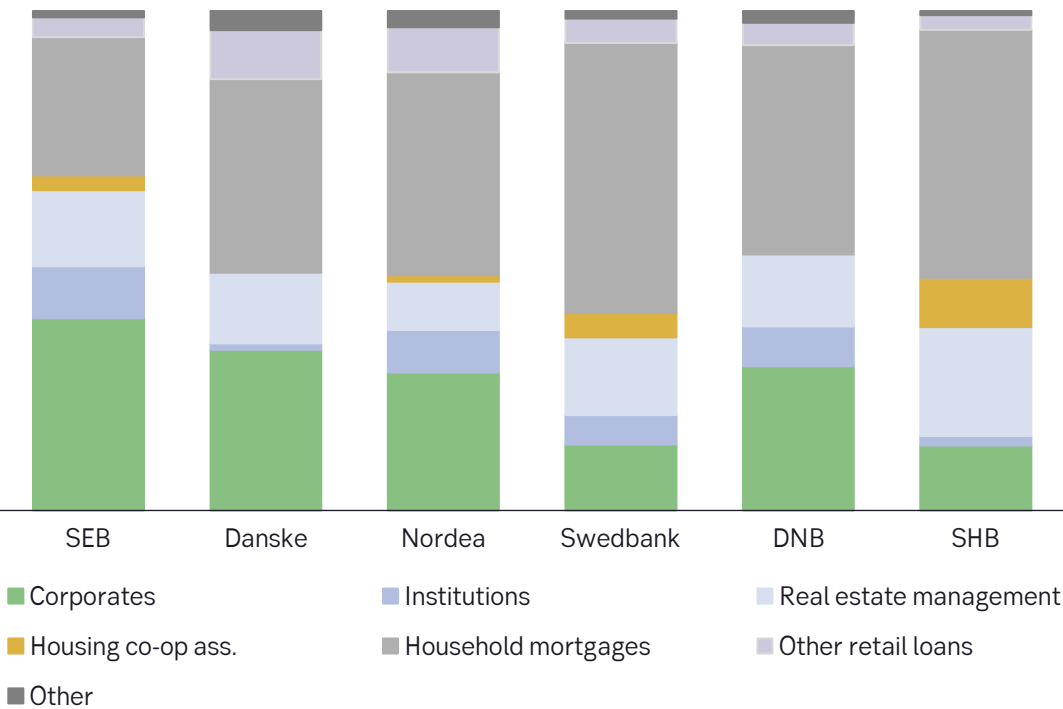
## CET1 capital ratio

2014-Q1 2021

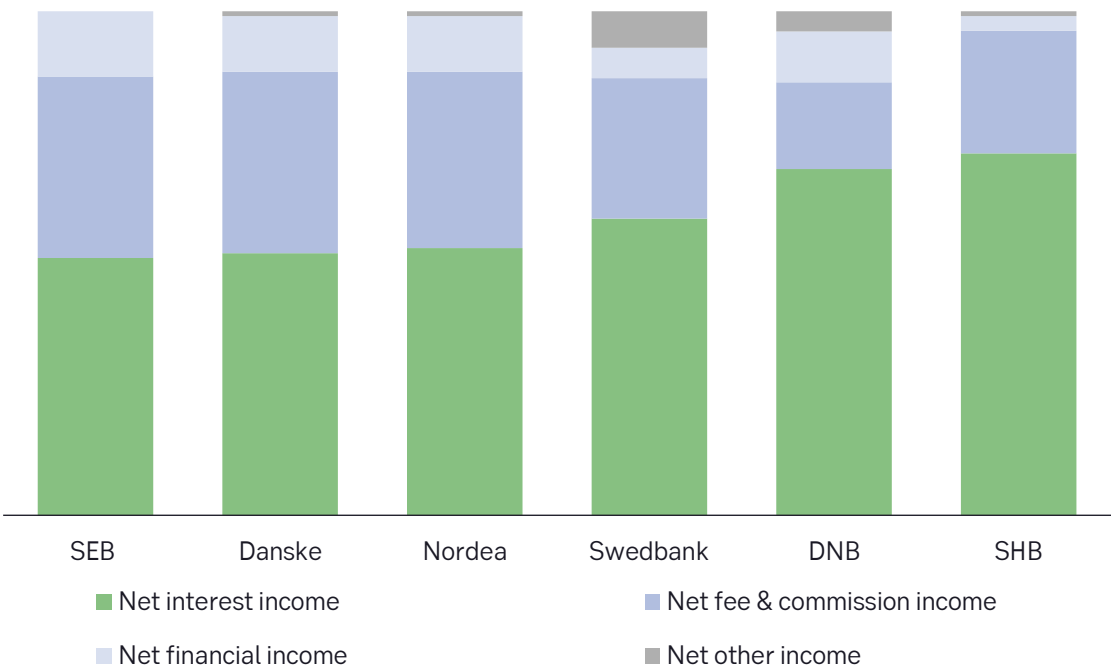


# More diversified than peers

Well balanced credit portfolio  
Credit exposure (EAD) by sector, 31 Dec 2020

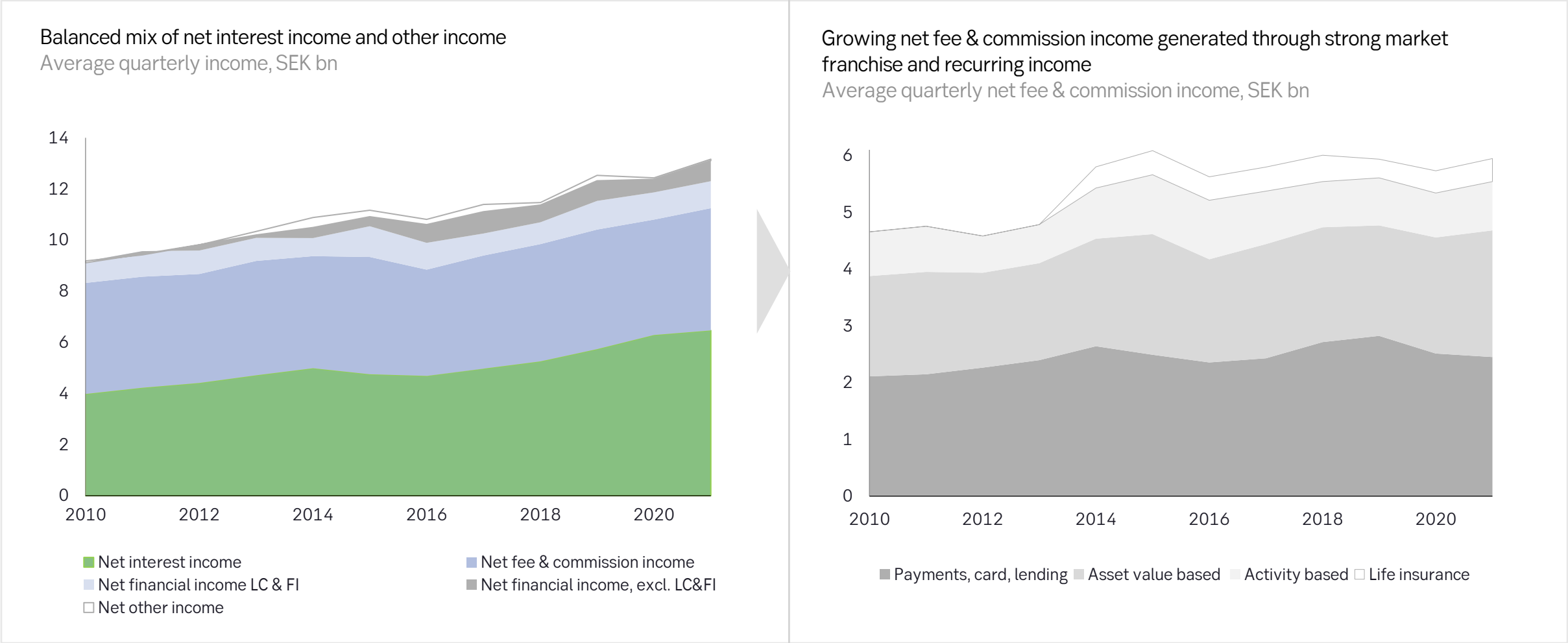


Diversified income stream  
Operating income by type, 31 Dec 2020



Source: Annual reports 2020

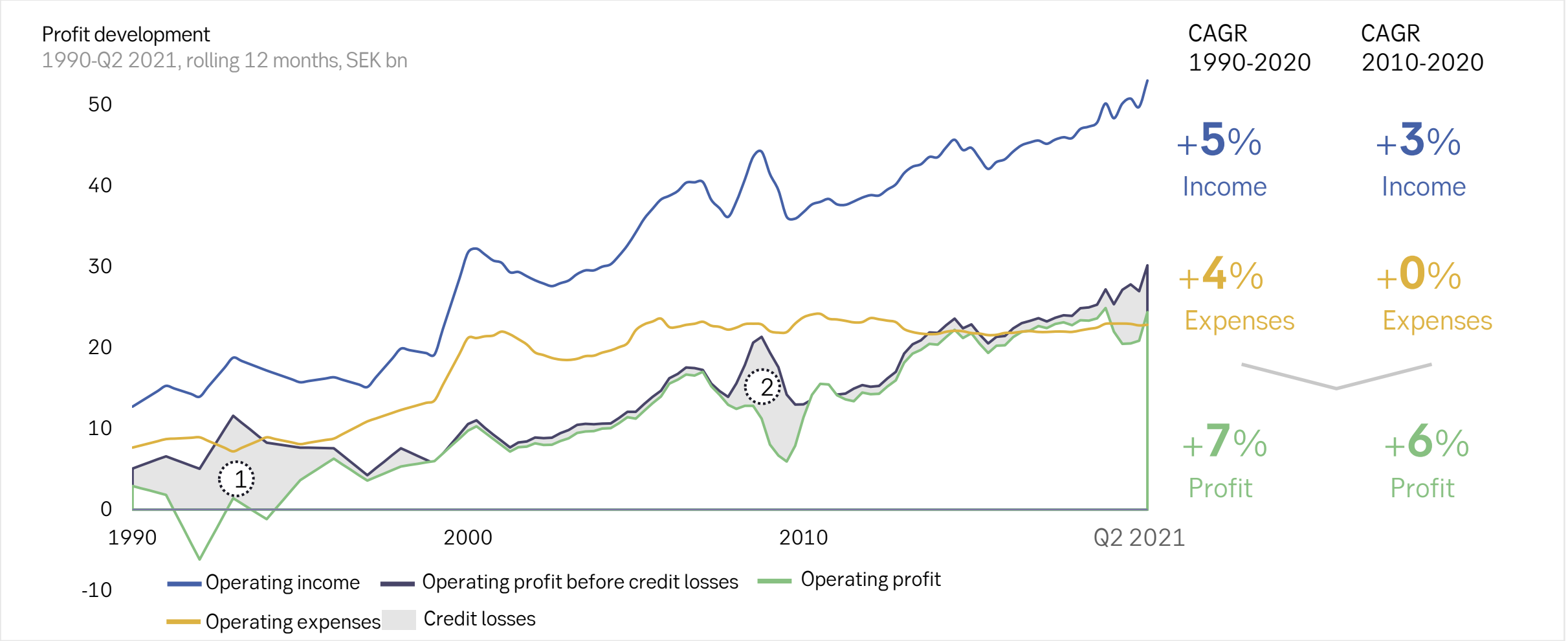
# Business model generates a stable income stream based on diversified income lines



Note: Traditional life income booked as net financial income as of January 2014.



# Long-term business model focused on positive operating jaws



<sup>1</sup> Consequences of Swedish economic paradigm shift and the ensuing financial crisis. SEB was one of two major banks that was not taken over or directly guaranteed by the State.  
<sup>2</sup> Credit losses driven by the Baltics during the financial crisis – important to note the strong revenue generation and overall profitability during this period notwithstanding the financial crisis.  
Note: 2014-2020 adjusted for items affecting comparability.

# Strong capital generation



# Contributing to a sustainable world and committing to support customers in their transition towards a low-carbon society

## Sustainable financing

*We aim to shift our credit portfolio towards more sustainable financing, grow green loans and green mortgages and be leading in sustainable bond underwriting in Nordics*

- Classification of corporate credit portfolio by climate impact
- Development of new sustainable financing solutions

## Sustainable investments

*We aim to increase assets managed according to sustainable criteria*

- Focus on inclusion, exclusion and ownership engagement
- Development of new sustainable funds

## Responsible and proactive advice Innovation and entrepreneurship

- Financial equality initiative
- Customer classification and SEB Impact Metric tools
- ESG training program for SMEs
- ESG assessment in equity research
- SEB Greentech – venture capital

## Employees and competence

- Code of conduct
- ESG / climate change training
- Sustainability KPIs integrated in long-term incentive schemes for senior mgmt.
- Sustainable suppliers
- Strengthened governance around sustainability
- Inclusion & diversity

## Climate commitment

- SEB will set targets for reducing greenhouse gas emissions of lending and investment activities that are in line with the Paris agreement and support the transition towards a net zero economy by 2050
- SEB will phase out credit exposure to thermal coal mining by 2025 and coal fired power generation by 2030, and credit exposure to oil production and extraction will be gradually lowered.
- SEB's fund company is excluding fossil fuel from its funds and commits that its total invested capital shall be carbon neutral by 2040 and investments that contribute to climate solutions or enable transition shall increase

Prioritised UN Sustainable Development Goals:



PRINCIPLES FOR  
RESPONSIBLE  
BANKING

# Business plan – 2021 focus areas



Savings and  
investments



Sustainability



Digitalisation



Corporate expansion



Regulatory  
compliance



# SEB's financial targets

To create financial flexibility to better support our customers over time

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~50%

Dividend payout  
ratio of EPS

100-300<sub>bps</sub>

CET1 ratio above  
regulatory requirement

Return on Equity  
competitive with peers

Long-term aspiration of 15%



Share repurchases

# Financial aspirations for divisions evaluated annually

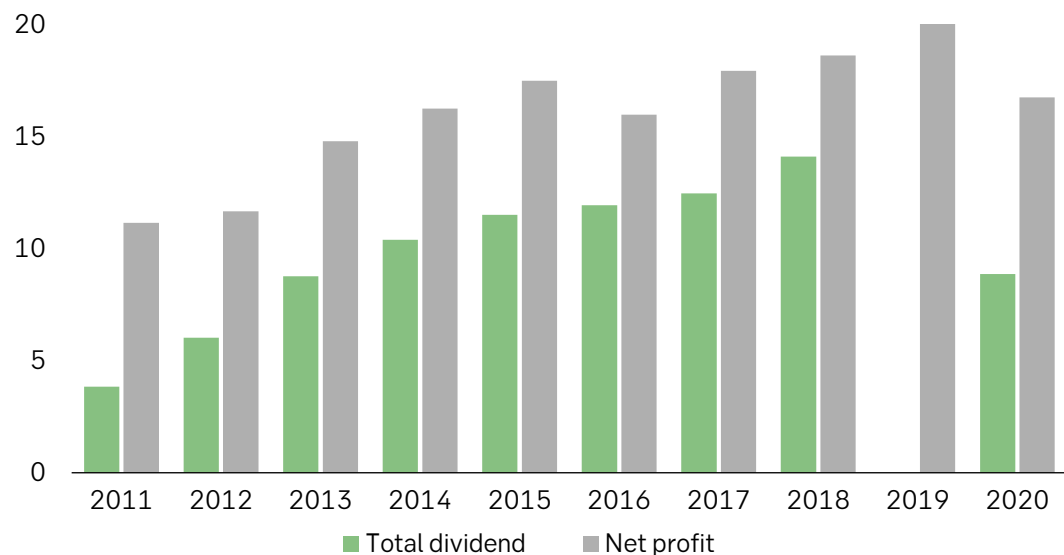
	Return on Business Equity		Cost/Income	
	Aspiration <sup>1</sup>	<i>Actual 2020</i>	Aspiration <sup>1</sup>	<i>Actual 2020</i>
Large Corporates & Financial Institutions	>13%	8.1%	<0.50	0.44
Corporate & Private Customers	>17%	15.1%	<0.40	0.43
Baltic	>20%	16.8%	<0.35	0.40
Life	>30%	25.5%	<0.45	0.52
Investment Management	>40%	49.2%	<0.40	0.38
SEB Group	~15%	10.3% <sup>2</sup>	<0.45	0.46

<sup>1</sup> To be viewed as long-term (5 year perspective), and will be updated based on other Nordic banks' performance.

<sup>2</sup> Excluding items affecting comparability.

# Generating long-term shareholder value

Dividends paid – new dividend policy as of 2021 is ~50% of net profit  
SEK bn



DPS, SEK	1.75	2.75	4.00	4.75	5.25	5.50	5.75	6.00 + 0.50	0.00	4.10
Payout ratio	35%	52%	59%	54%	66%	75%	70%	70%	0%	53%

- In 2011-2018, SEB increased the dividend per share in SEK every year
- As a result of the Covid-19 pandemic, the SFSA recommended banks not to distribute capital for the year 2019 and dividends for 2020 were restricted to a maximum of 25% of 2019 and 2020 net profits combined, corresponding to 53% payout ratio for 2020. The restrictions apply until September 2021
- In 2021, SEB changed its financial target for dividend payout from >40% to c 50% of net profit. In addition, share repurchases will be used to distribute excess capital when it is above the buffer target range of 100-300 bps above the regulatory requirement

Note: 2018 payout ratio excluding items affecting comparability and extraordinary dividend per share (DPS).  
2018 payout ratio was 76% if including extraordinary dividend. 2014-2020 excluding items affecting comparability.

# Financial performance Q2 2021



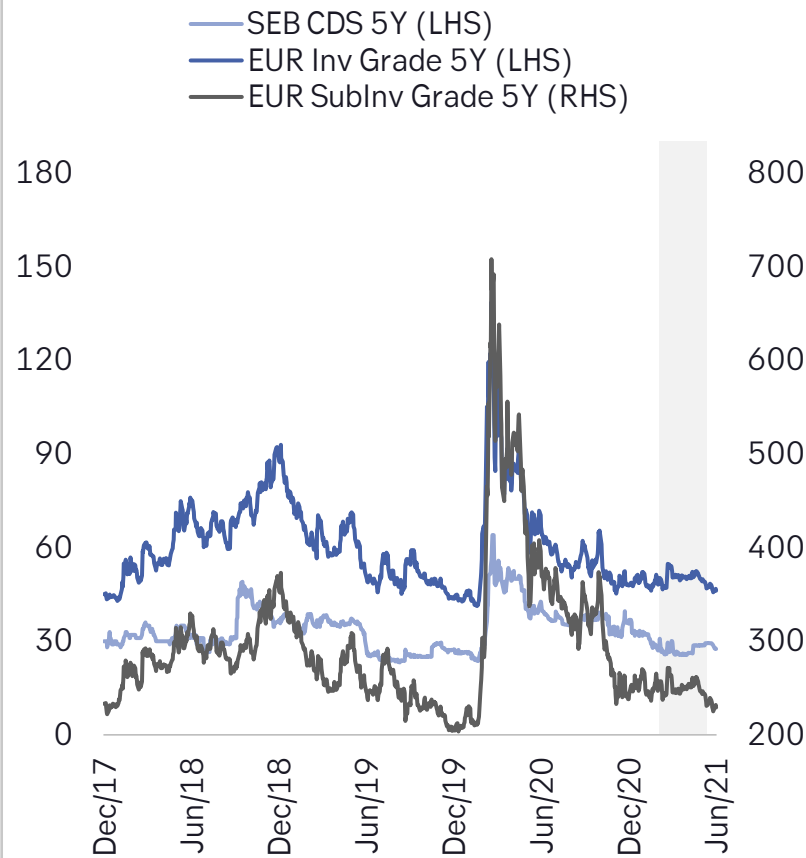


# Development in financial markets

Equity markets  
Sweden, US and global



Credit spreads  
SEB vs. corporate sector



Interest rates  
Annual yield of 10-year government bonds



Note: equity market data series are indexed assuming 2017-12-30 = 100.

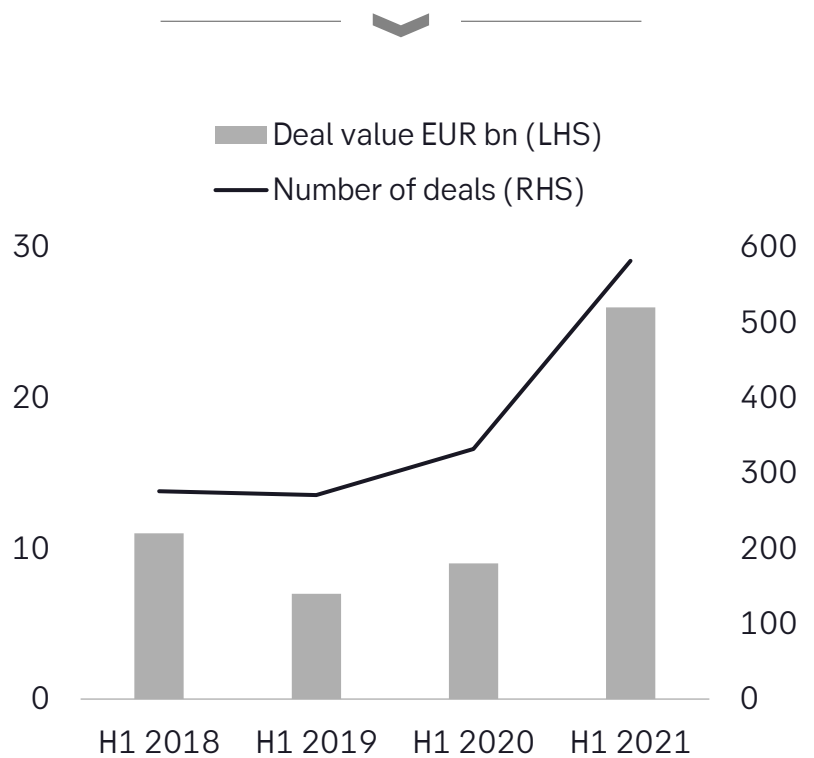
# Highlights in Q2 2021

- Return on equity increased to 14.7% and the management capital buffer amounted to 860bps.
- Strong net commission income driven by high customer activity in Investment Banking, particularly within Equity Capital Markets.
- Reflecting the global economic recovery and SEB's robust asset quality in Q2, net expected credit losses in 2021 are expected to be below the 8-10bps previously indicated.

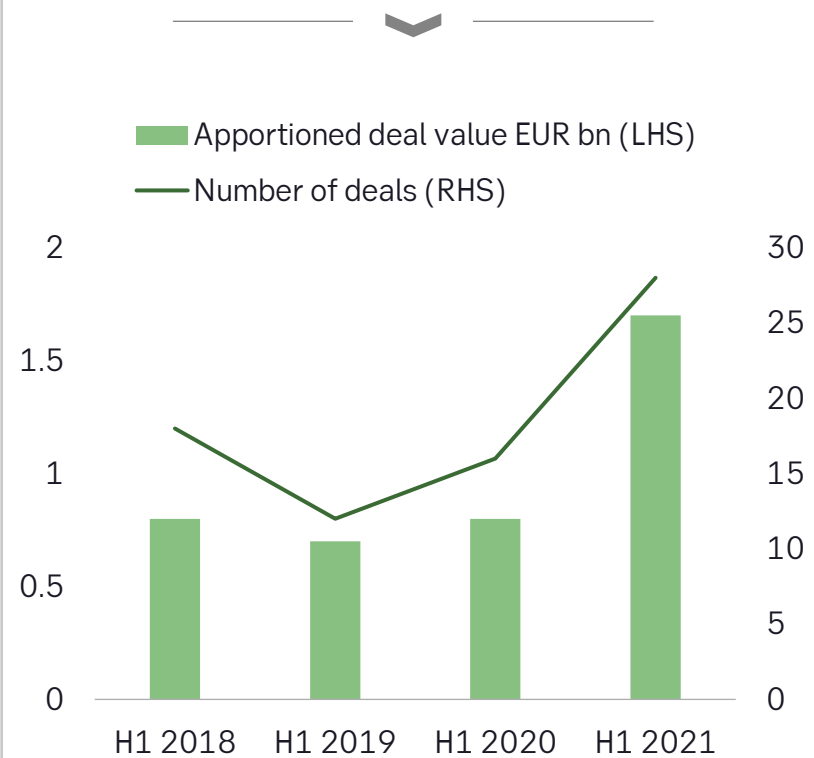


# Historically high income from equity capital markets activity

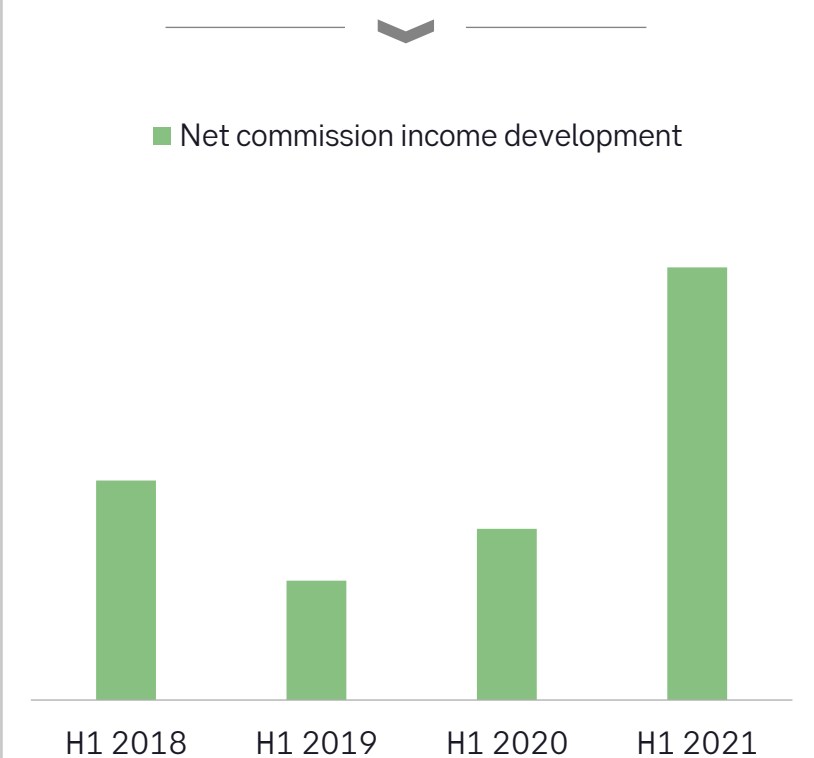
Continued high ECM market activity in the Nordics...



... also among SEB customers

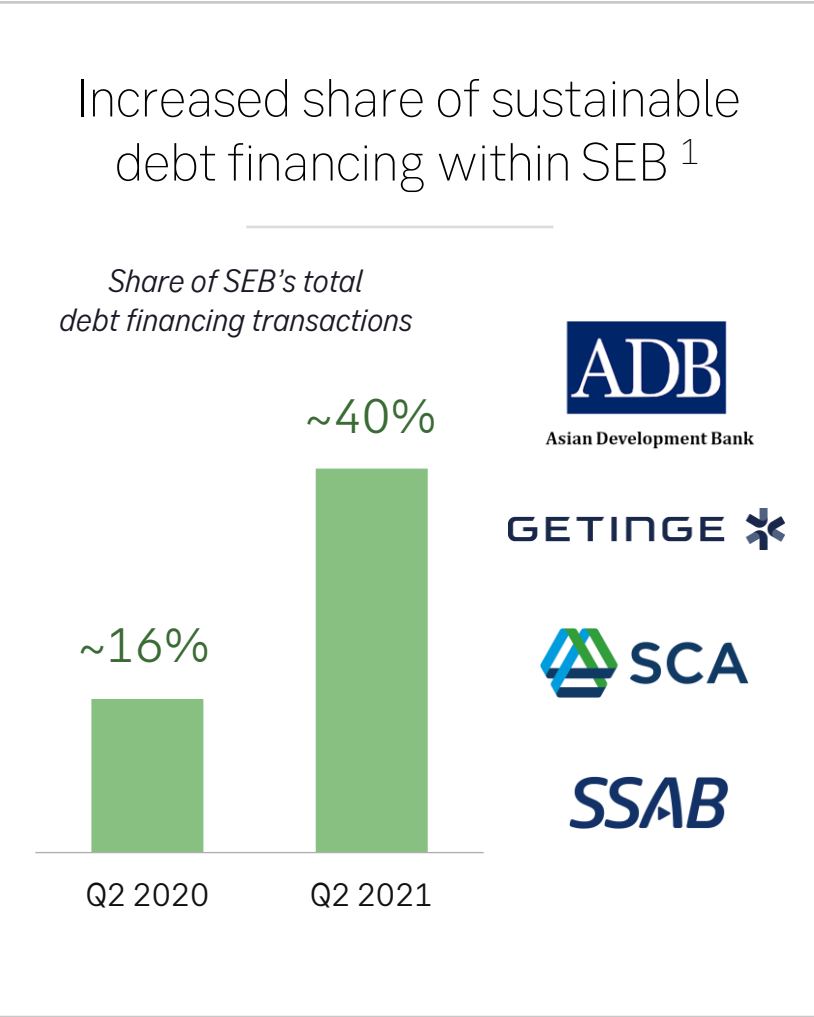
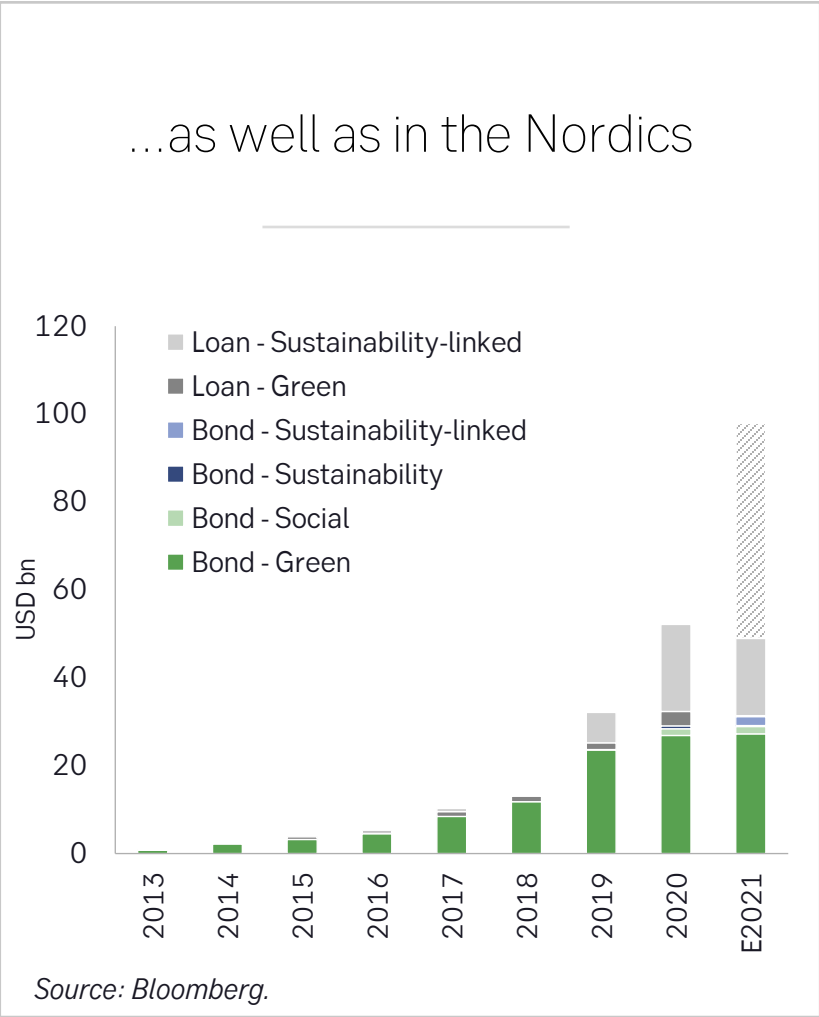
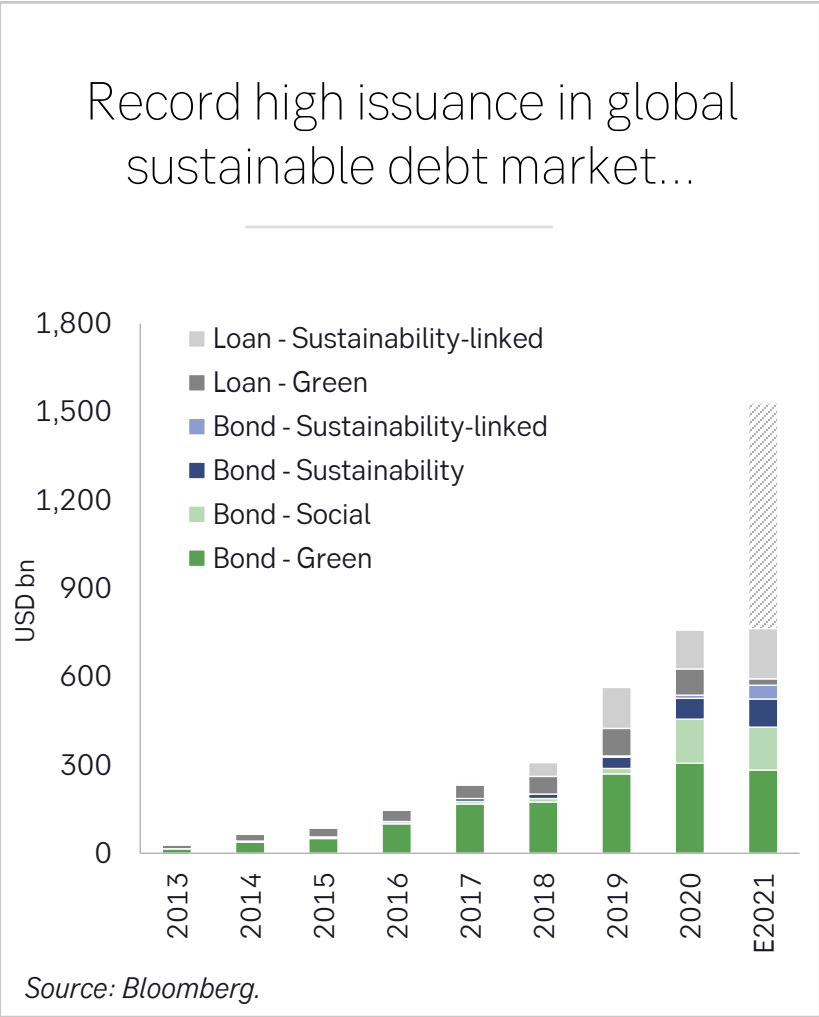


SEB income from ECM above historical average levels



Source: SEB, Dealogic.

# Continued support to our customers in their sustainability transition...



Note: 2021 full year estimates calculated by SEB based on Bloomberg data.  
<sup>1</sup> Estimated sustainable share of SEB's total debt financing transactions, calculated by SEB.



...with a selection of new launches and events in Q2 2021



Sustainability-linked  
supply chain financing



Green savings account



SEB Microfinance Fund IX with  
Article 9 classification



Web interface with  
sustainability metrics



SEB ScaleCenter  
in Norway (incubator program)



Member of primary dealer  
network for NextGenerationEU

# Financial summary Q2 2021

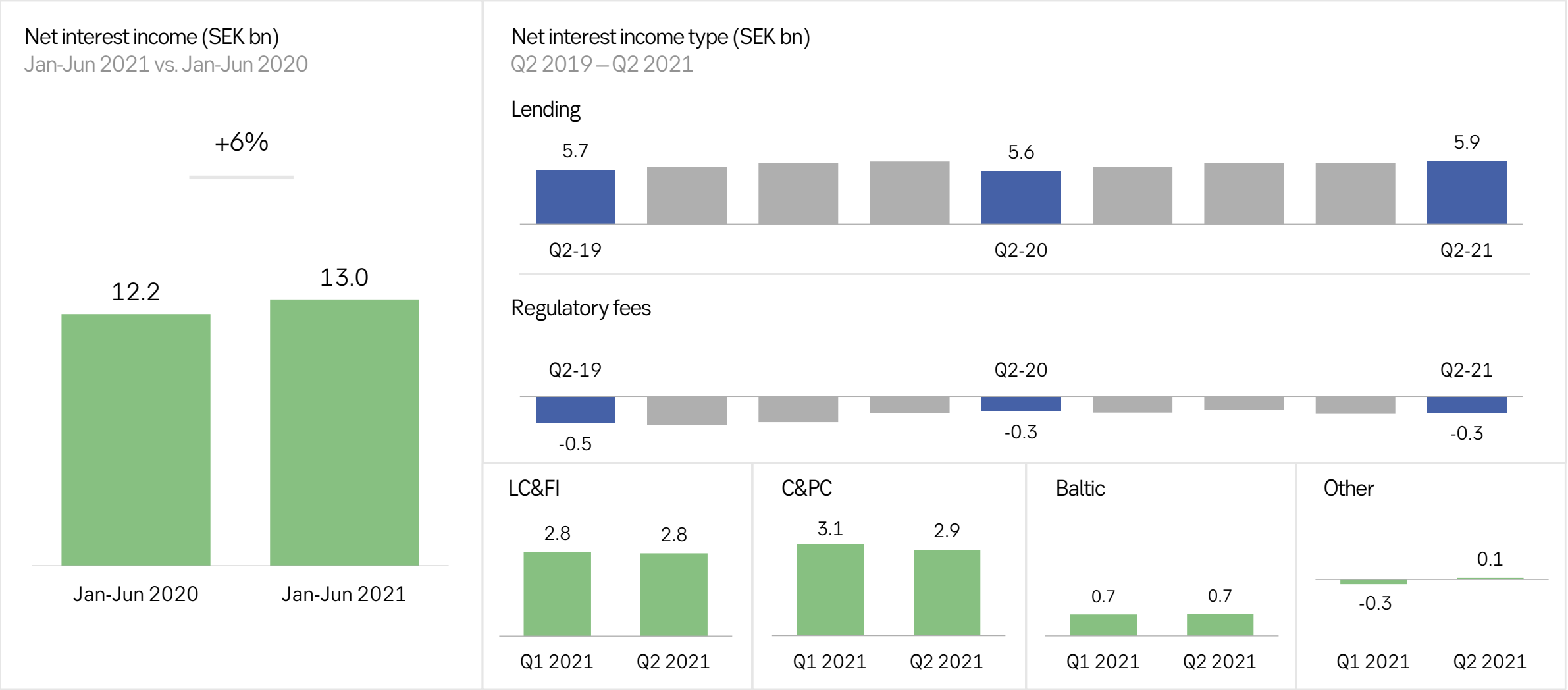
SEK m	Q2 2021	Q1 2021		Q2 2020		
<b>Total operating income</b>	<b>13,680</b>	<b>13,347</b>	<b>+2%</b>	<b>13,999</b>	<b>-2%</b>	Net ECL level 0bps
Total operating expenses	-5,759	-5,718	+1%	-5,712	+1%	C/I 0.42
<b>Profit before credit losses</b>	<b>7,921</b>	<b>7,630</b>	<b>+4%</b>	<b>8,287</b>	<b>-4%</b>	CET1 21.1%
Net expected credit losses etc.	-5	-155		-2,690		RoE 14.7%
<b>Operating profit before IAC</b>	<b>7,916</b>	<b>7,475</b>	<b>+6%</b>	<b>5,598</b>	<b>+41%</b>	
Items affecting comparability				-1,000		
<b>Operating profit</b>	<b>7,916</b>	<b>7,475</b>	<b>+6%</b>	<b>4,598</b>	<b>+72%</b>	

# Financial summary YTD June 2021

SEK m	Jan-Jun 2021	Jan-Jun 2020	
<b>Total operating income</b>	<b>27,028</b>	<b>24,089</b>	<b>+12%</b>
Total operating expenses	-11,477	-11,358	+1%
<b>Profit before credit losses</b>	<b>15,551</b>	<b>12,730</b>	<b>+22%</b>
Net expected credit losses etc.	-160	-4,183	
<b>Operating profit before IAC</b>	<b>15,391</b>	<b>8,547</b>	<b>+80%</b>
Items affecting comparability		-1,000	
<b>Operating profit</b>	<b>15,391</b>	<b>7,547</b>	<b>+104%</b>

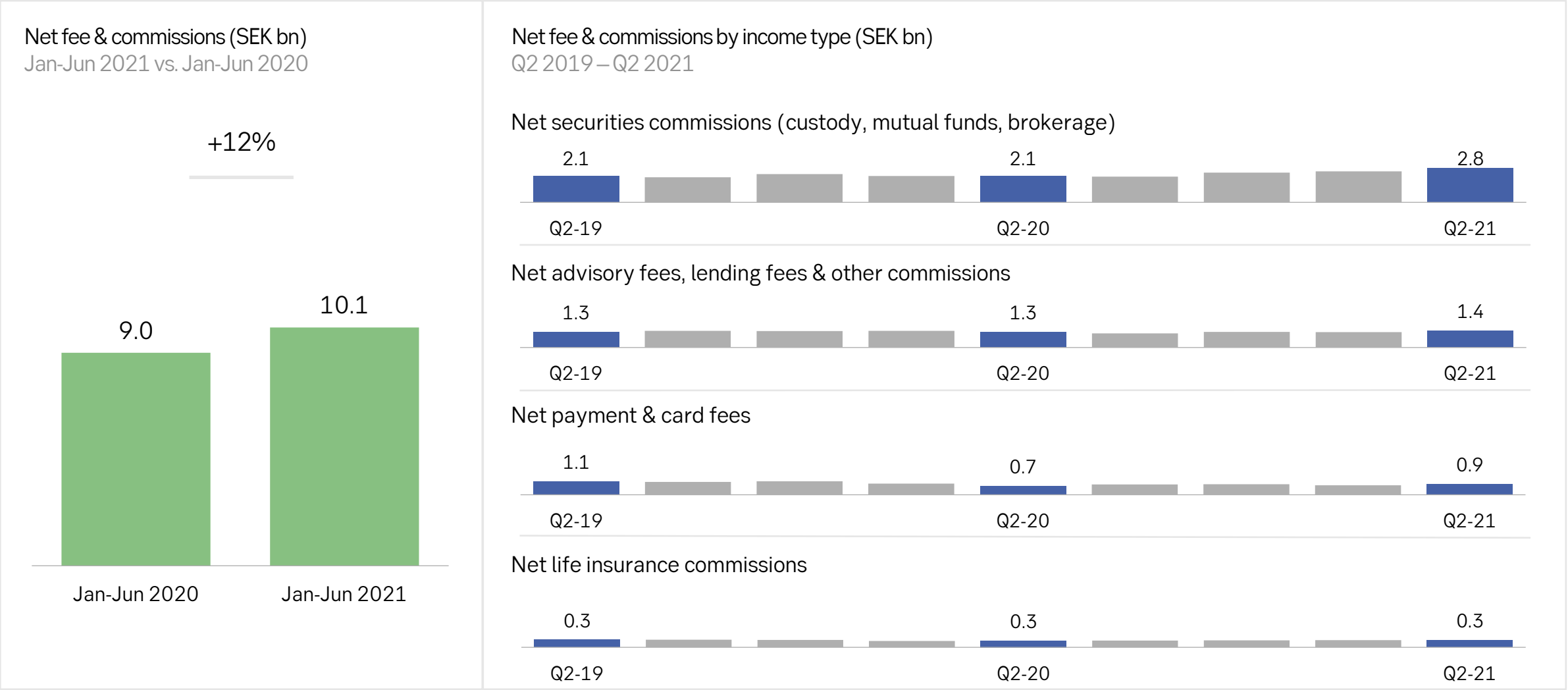
Net ECL level  
1bps  
  
C/I  
0.42  
  
CET1  
21.1%  
  
RoE  
14.2%

# Net interest income development

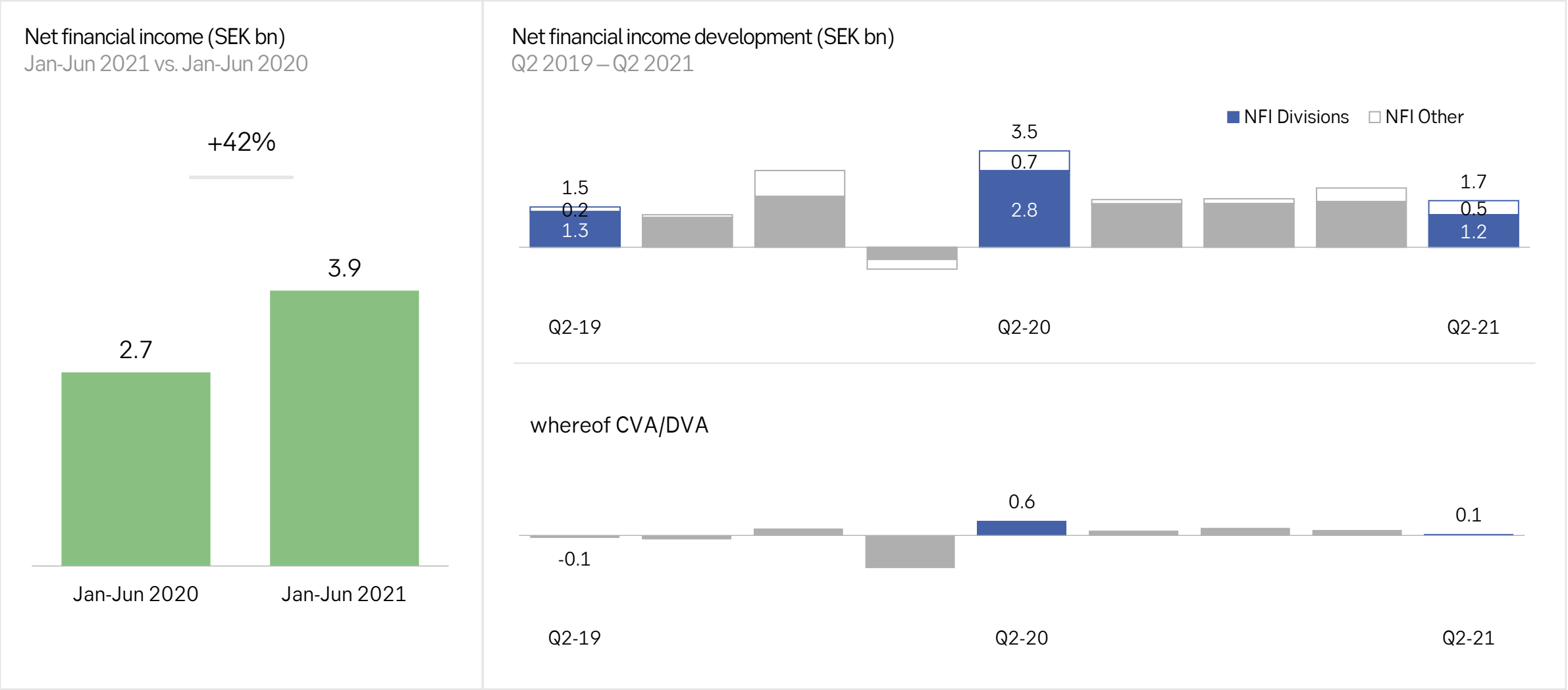




# Net fee & commission income development

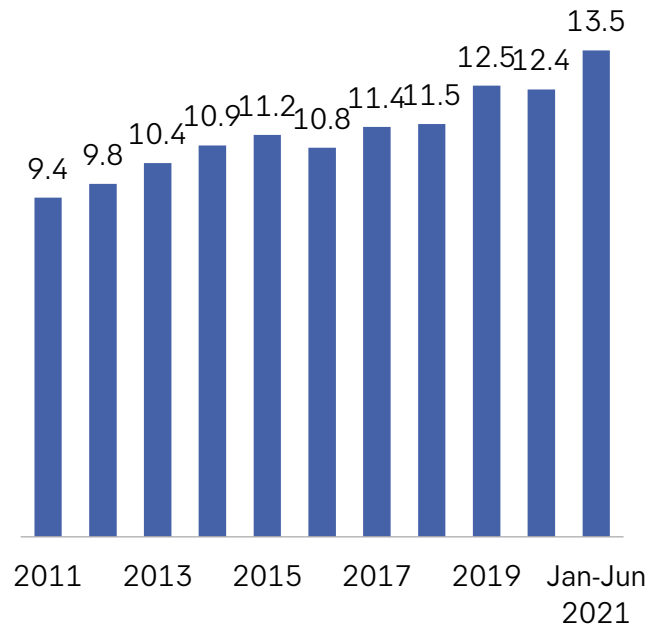


# Net financial income development

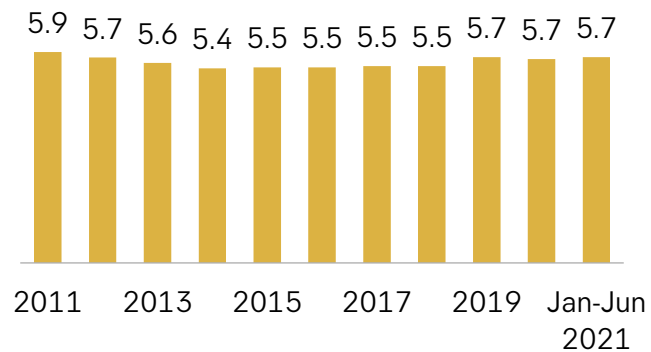


# Operating leverage

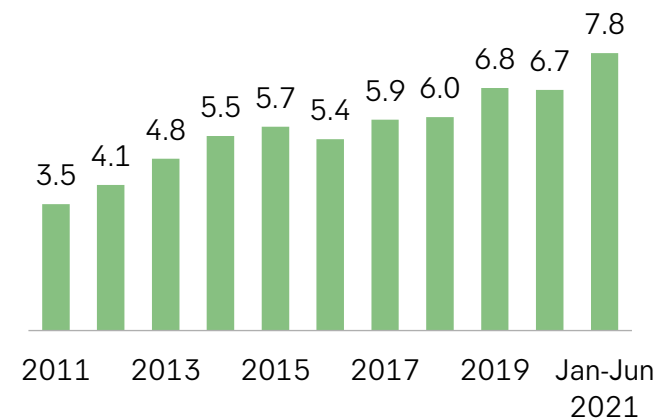
Average quarterly income (SEK bn)



Average quarterly expenses (SEK bn)



Average quarterly profit before credit losses (SEK bn)



Note: data exclude items affecting comparability.

# Strong asset quality and balance sheet

2020

## Asset quality

Net expected credit loss level	26 bps
--------------------------------	--------

## Funding & liquidity

Customer deposits (SEK)	1,371bn
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Liquidity coverage ratio	163%
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## Capital

CET 1 ratio (Basel 3)	21.0%
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CET1 buffer above requirement	840 bps
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Total capital ratio (Basel 3)	25.1%
-------------------------------	-------

Leverage ratio (Basel 3)	5.1%
--------------------------	------

YTD 2021

## Asset quality

Net expected credit loss level	1 bps
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## Funding & liquidity

Customer deposits (SEK)	1,662bn
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Liquidity coverage ratio	133%
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Net Stable Funding Ratio (NSFR)	110%
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## Capital

CET 1 ratio (Basel 3)	21.1%
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CET1 buffer above requirement	860 bps
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Total capital ratio (Basel 3)	23.9%
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Leverage ratio (Basel 3)	4.8%
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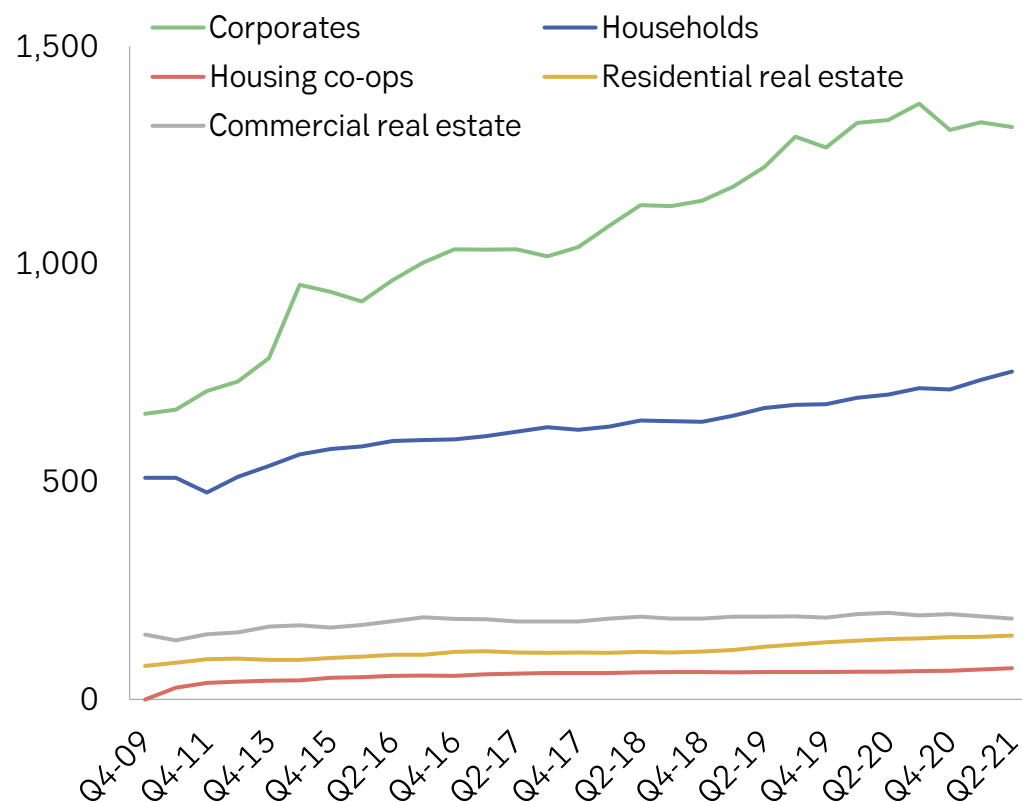
# Credit portfolio and asset quality





# Development of credit portfolio

Credit portfolio by main sectors  
SEK bn

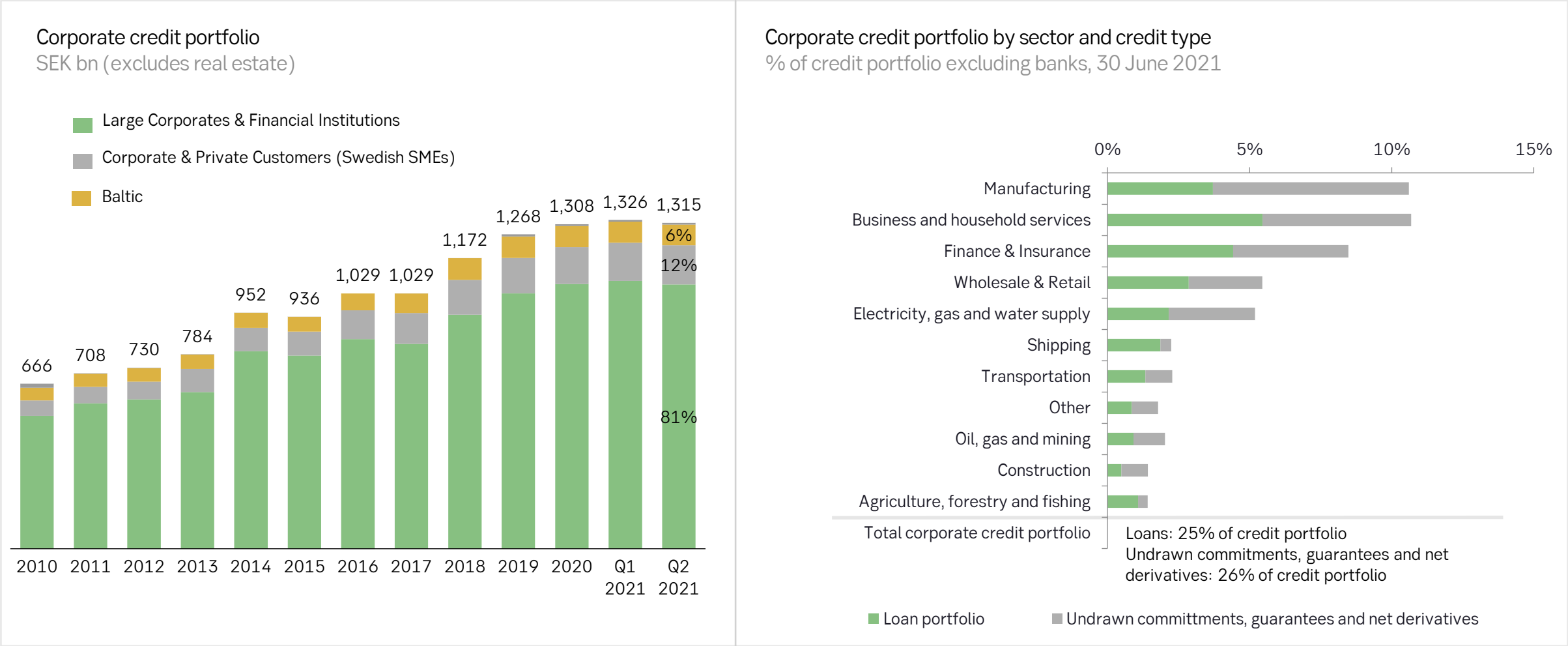


Credit portfolio growth rates  
Quarter-on-quarter and year-on-year

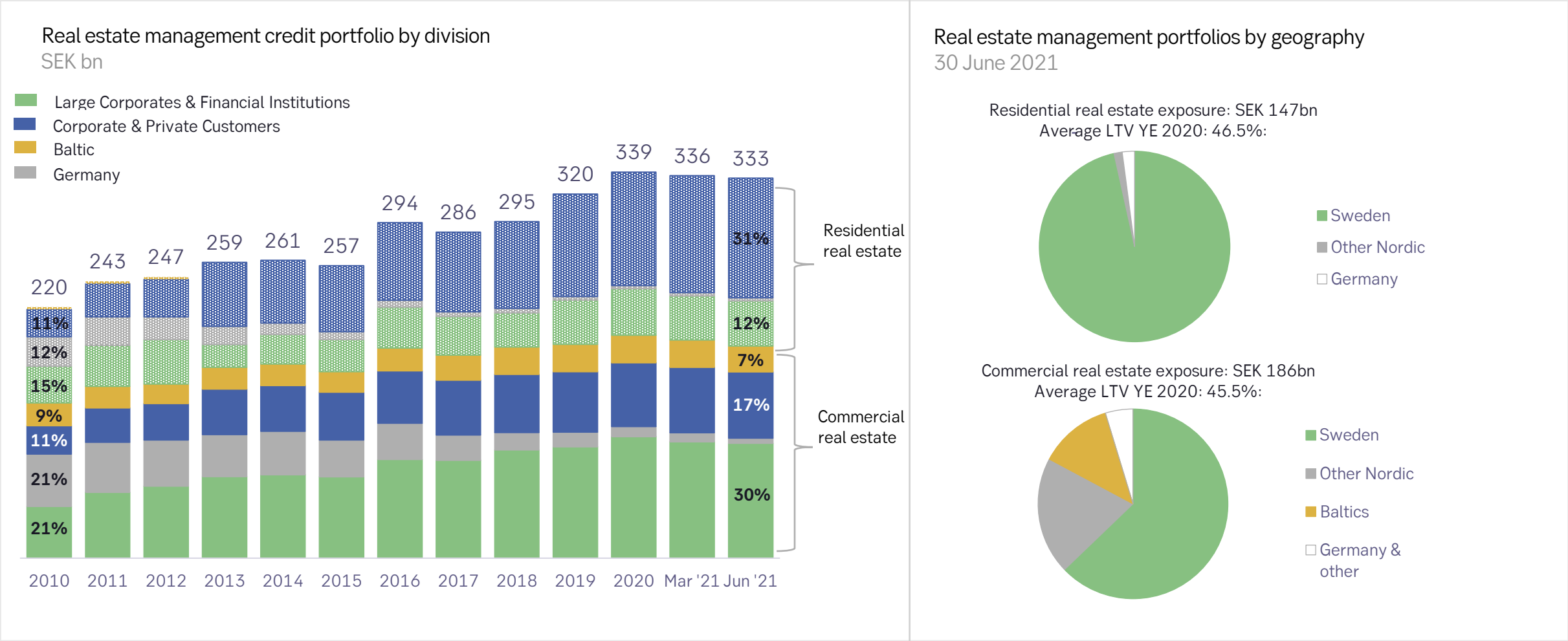
Sector	QoQ	YoY
Corporates	-1%	-1%
FX-adjusted <sup>1</sup>	0%	2%
Households	3%	8%
Swedish mortgages	3%	9%
Commercial real estate	-3%	-7%
Residential real estate	2%	6%
Housing co-ops	4%	12%
<b>Total (excluding banks)</b>	<b>1%</b>	<b>2%</b>

Note: data include on- & off-balance sheet exposures. <sup>1</sup> Corporate FX-adjusted excluding trading products.

# Industry diversification and low on-balance sheet exposure in the corporate portfolio

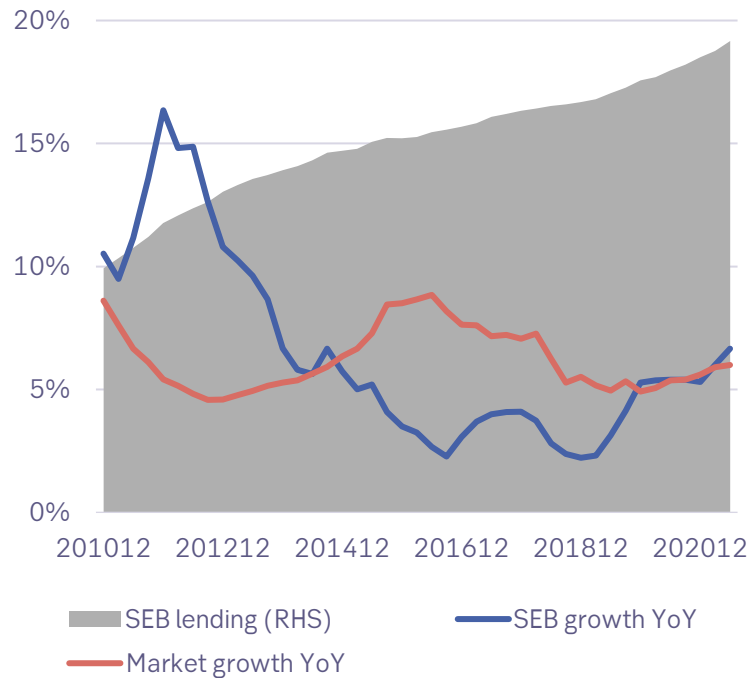


# Real estate exposure is c. 13% of non-bank credit portfolio and is focused on Nordic commercial real estate and Swedish residential real estate

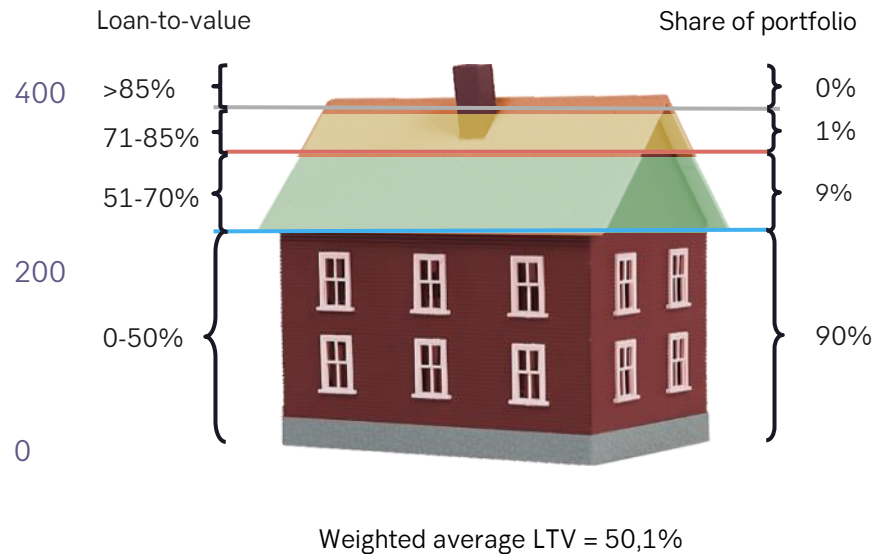


# Robust household mortgage portfolio

SEB's household mortgage lending growth vs total market  
SEK bn



Low LTVs by global and regional standards  
30 June 2021

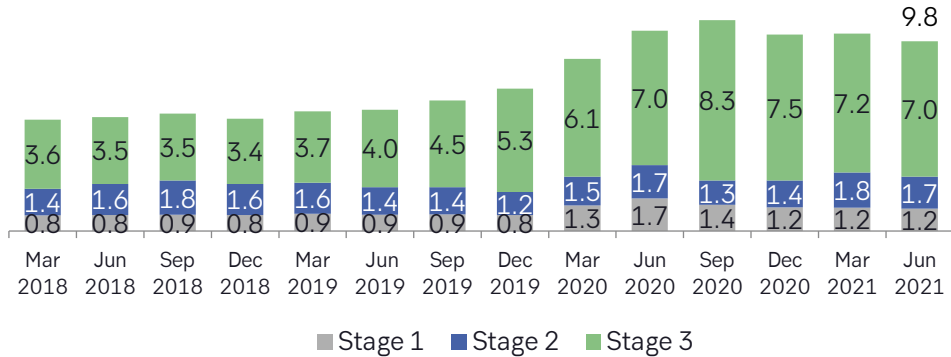


Selective origination - mortgage lending based on affordability

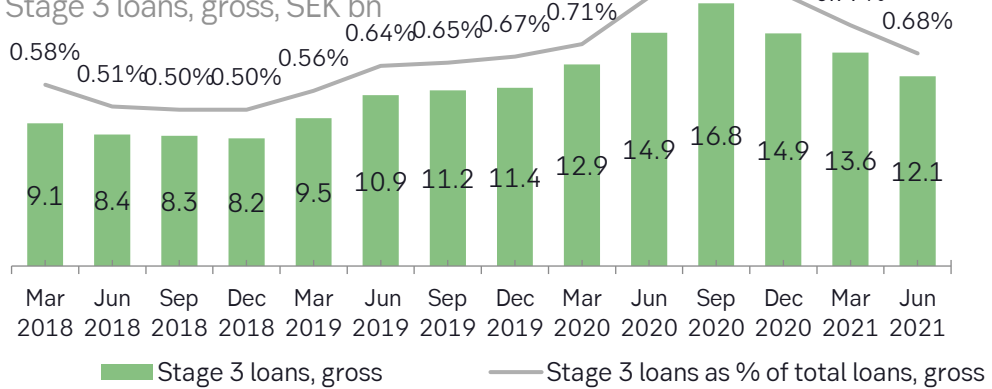
- **Strong customer base:** According to UC AB (national credit information agency), SEB's customers have higher credit quality than market average and are over-proportionally represented in higher income segments. Customers are also concentrated to larger cities
- **High asset quality** – negligible past dues and losses
- **Strict credit scoring and assessment**
- **Strengthened advisory services** - "sell first and buy later"
- **Affordability assessment** (funds left to live on post all fixed costs and taxes) includes stressed interest rate scenario of 6% on personal debt and 3% on a housing co-op's debt which indirectly affects the private individual ("double leverage")
- **Amortisation requirement:** LTV 70-85% loans amortise min. 2%/yr and between 50-70% at least 1%/year. As of 2018, loans with  $DTI > 4.5x$  amortise an additional percentage point –regulatory requirement. Amortisation requirements temporarily removed due to COVID-19 (until June 2021)
- **Max loan amount:** 85% LTV cap since 2011. In general 5x total gross household income irrespective of LTV and no more than one payment remark on any kind of debt

# Robust credit quality over time – credit-impaired loans declining from Covid-peak

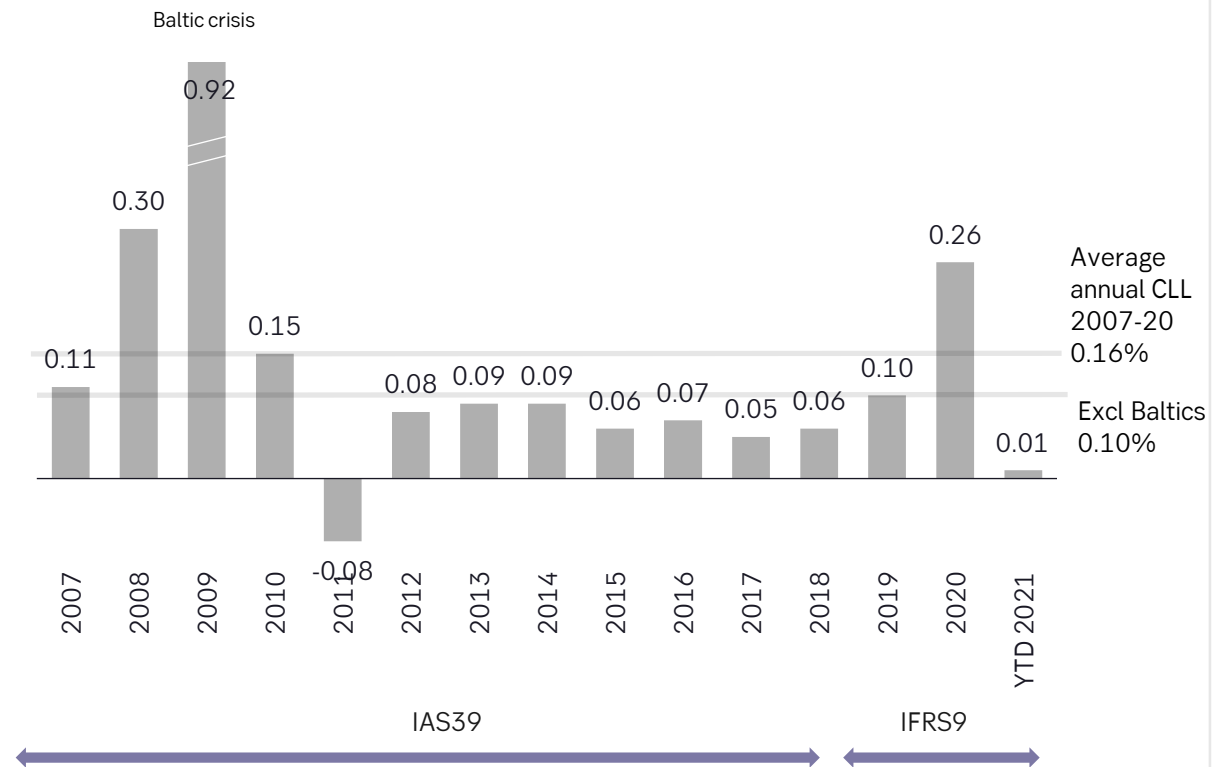
Total ECL allowances by stage  
SEK bn



Credit-impaired loans  
Stage 3 loans, gross, SEK bn

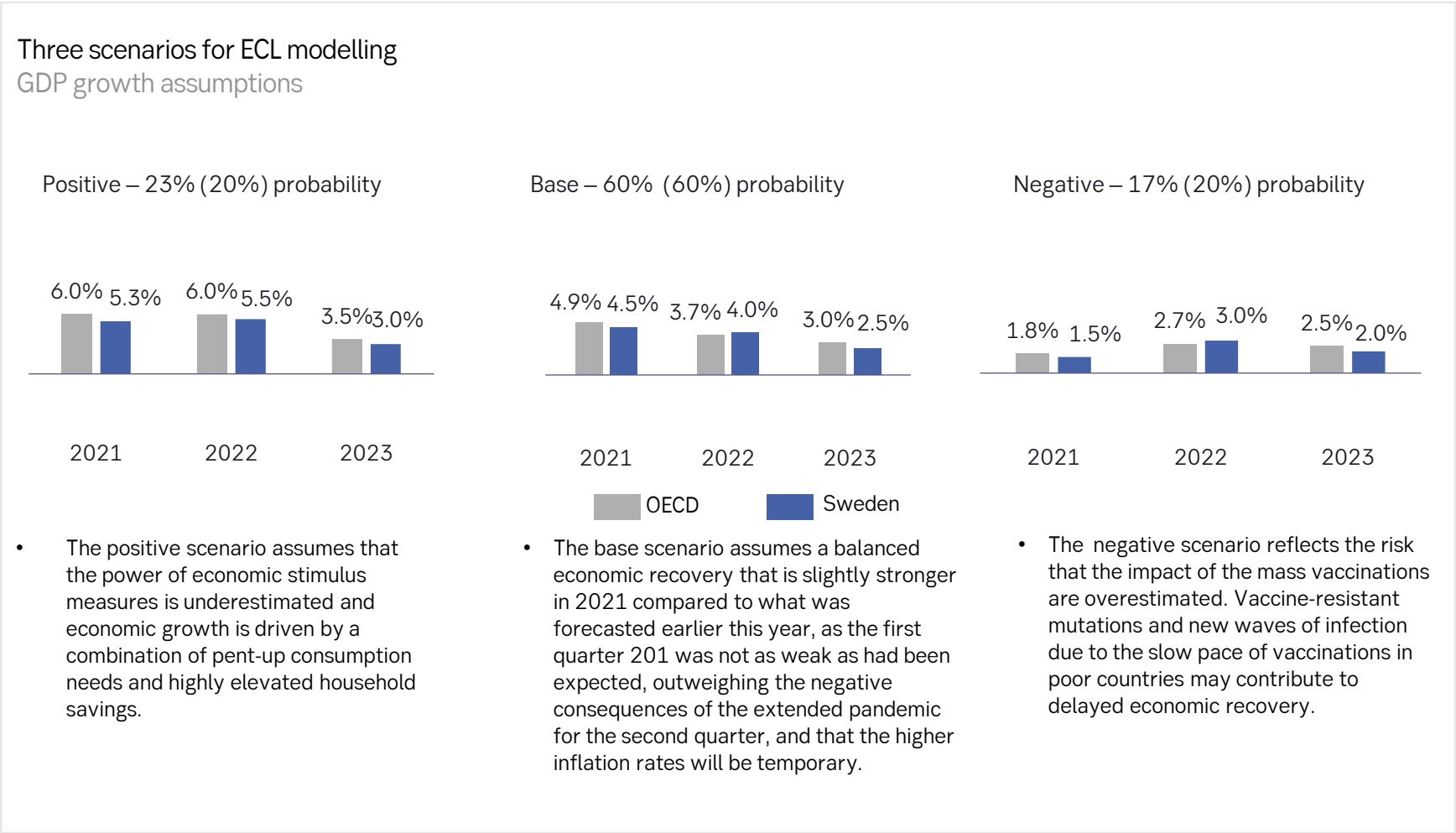


Credit loss level  
%





# Updated macro scenarios and scenario probability weightings had a marginally positive impact on ECL allowances in Q2



Probability-weighted ECL allowances:  
SEK 9.8bn

100% probability of positive scenario:  
-2% ECL allowances

100% probability of negative scenario:  
+3% ECL allowances

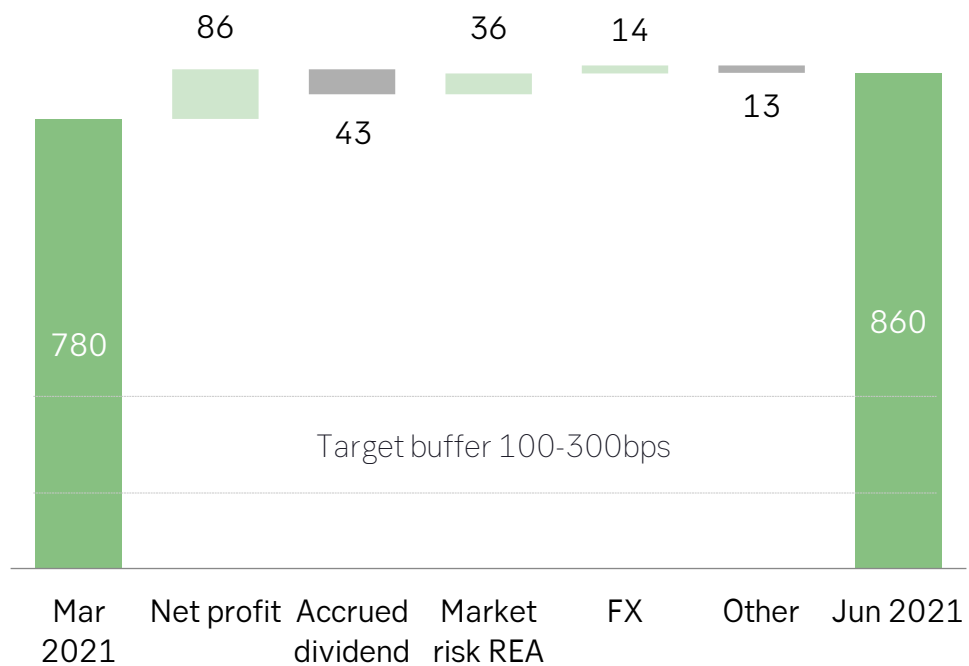
Source: SEB Economic Research, Nordic Outlook May 2021.

# Capital

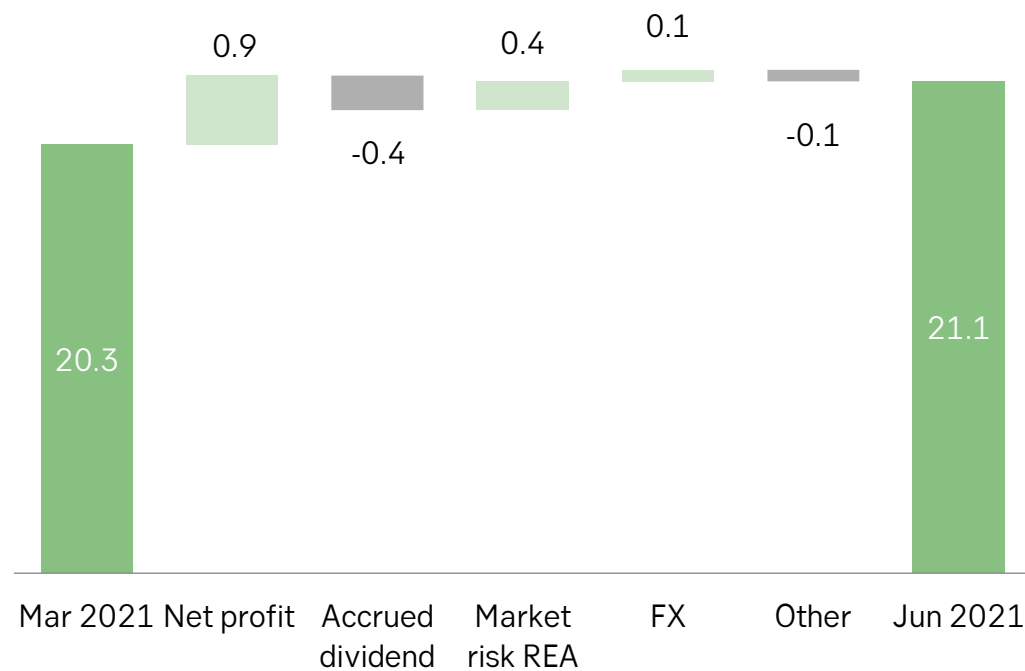


# Capital development

CET1 buffer development  
Quarter-on-quarter (bps)



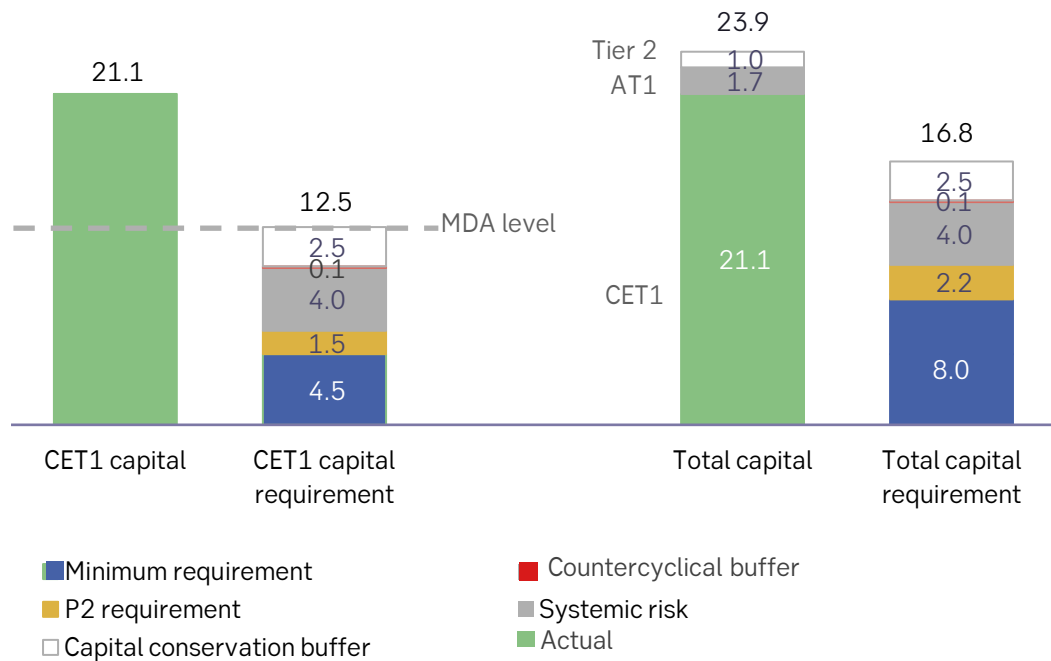
CET1 ratio development  
Quarter-on-quarter (%)



# Strong capital position vs requirements

## SEB's CET1 and total capital position vs requirements

Per cent, 30 June 2021



## Coming changes as part of 2021 SREP:

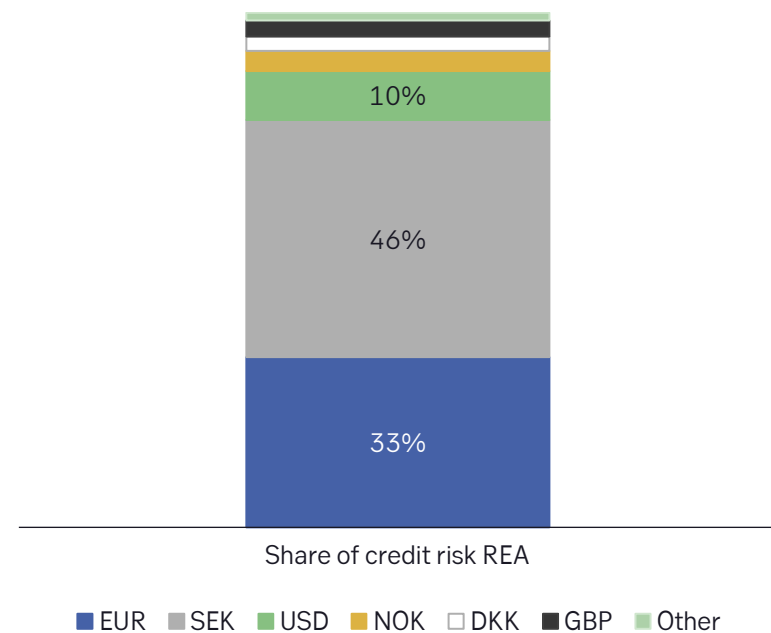
- Introduction of a Pillar 2 Guidance (P2G)
- Removal of the pillar 2 requirement for the corporate maturity floor
- SEB expects the net effect of these changes to increase the required level of CET1 capital by approximately 1-1.5 percentage points

Leverage ratio at 4.8% (4.6)

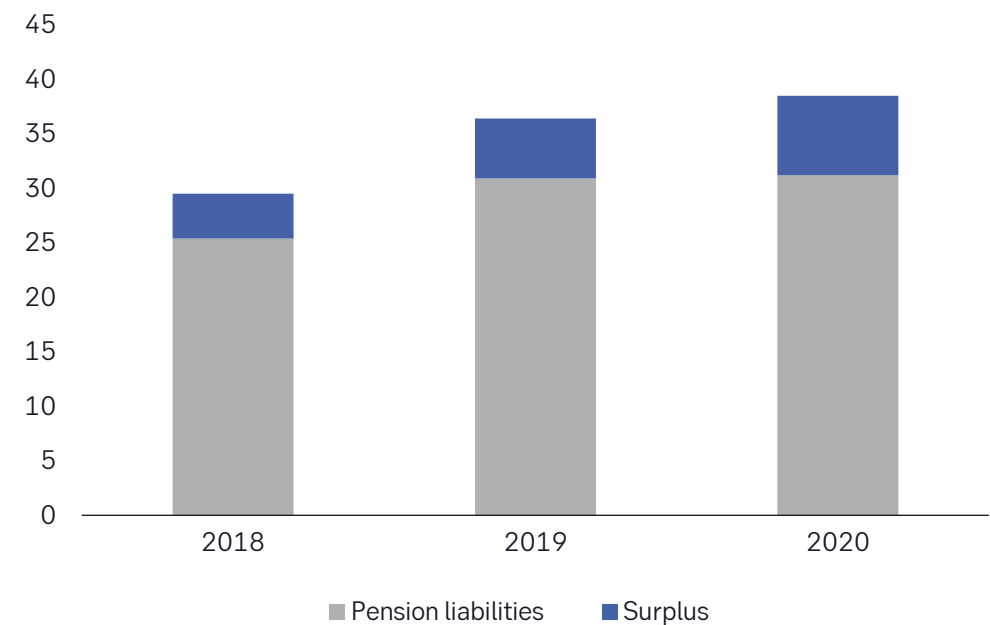
The minimum requirement for total capital can be met by max 1.5% AT1 and 2.0% Tier 2 capital. The P2 requirement of 2.2% consists of 1.5% in CET1, 0.3% in AT1 (15% of the P2 requirement) and 0.4% in Tier 2 capital (20% of the P2 requirement)

# Reasons for management capital buffer

Sensitivity to currency fluctuations  
Impact of  $\pm 5\%$  SEK vs other currencies is 50bps on CET1 ratio



Sensitivity of Swedish pension surplus to interest rates  
SEK bn, Impact of -50 bps discount rate is -40bps on CET1 ratio\*



\*At current level of net pension assets, impact would be absorbed by surplus.

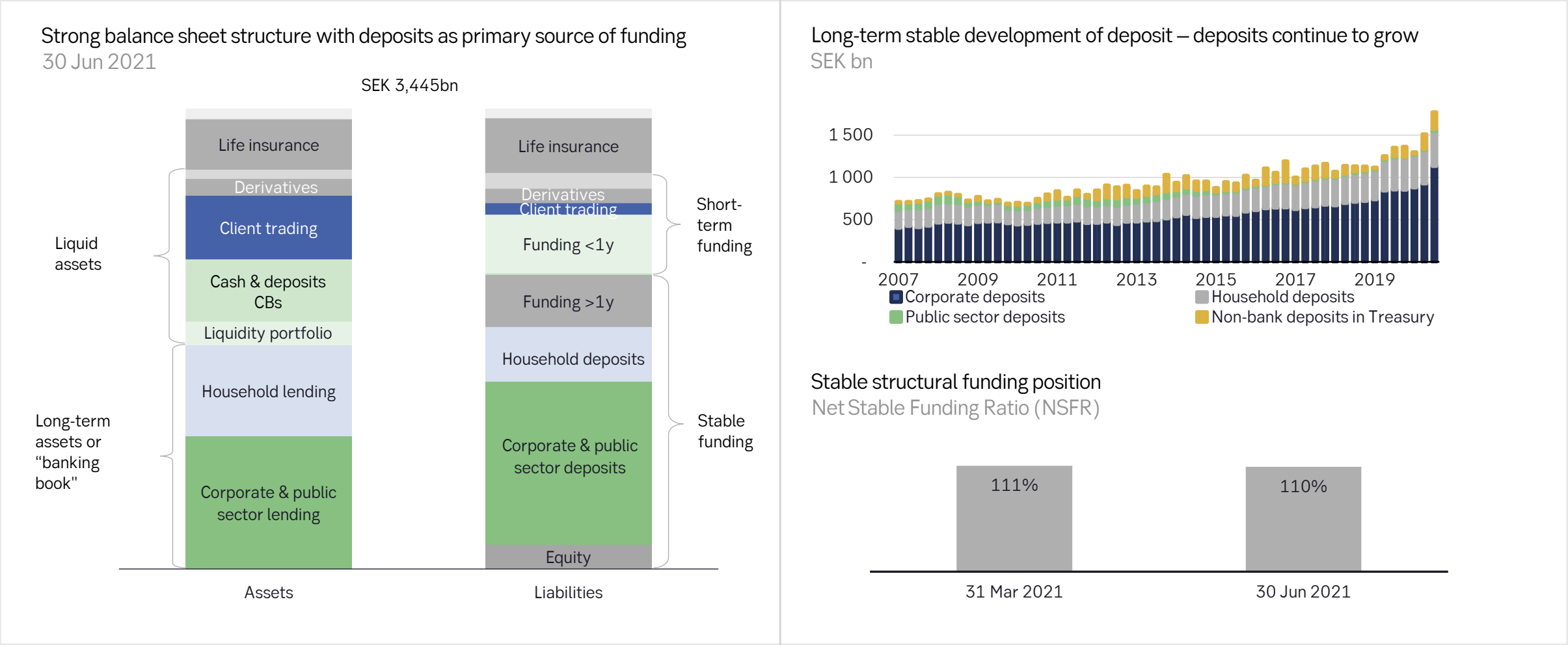
...& general macroeconomic uncertainties



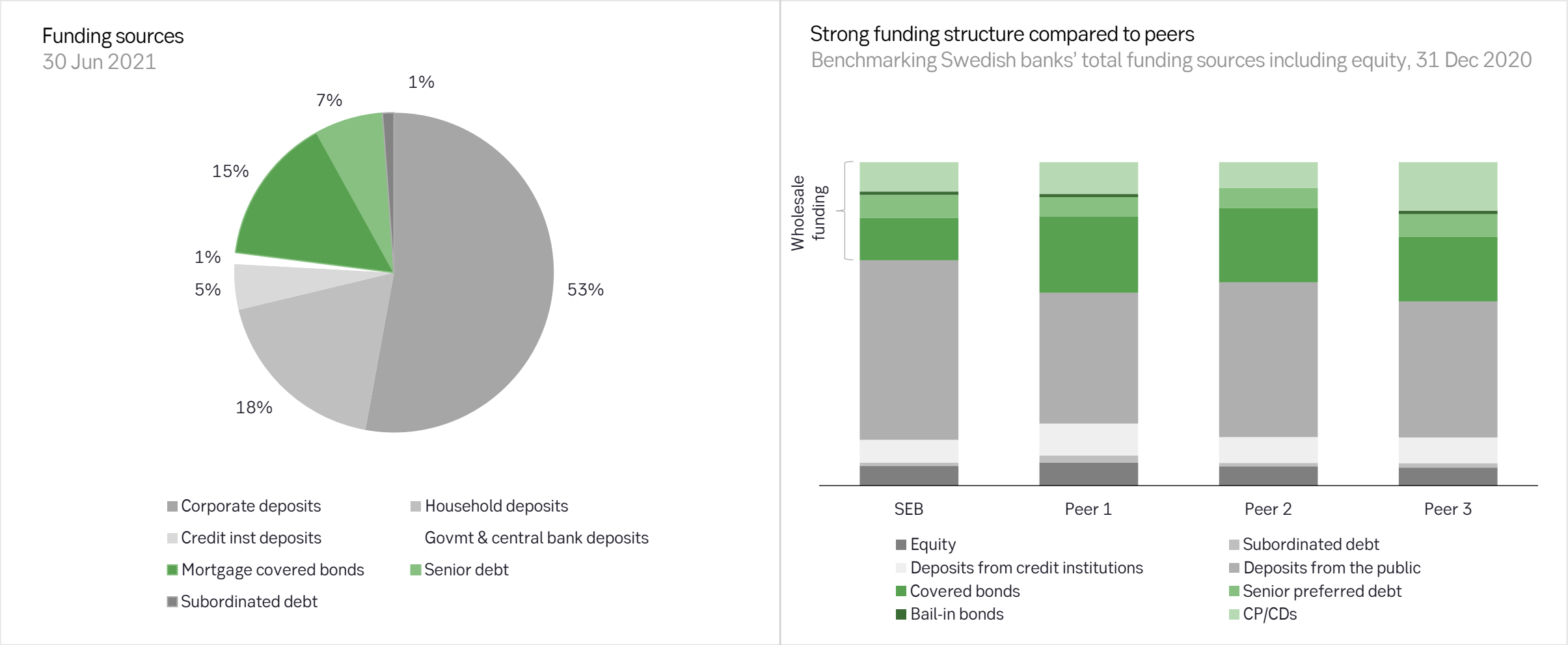
# Funding and liquidity



# Strong balance sheet structure with stable deposit base

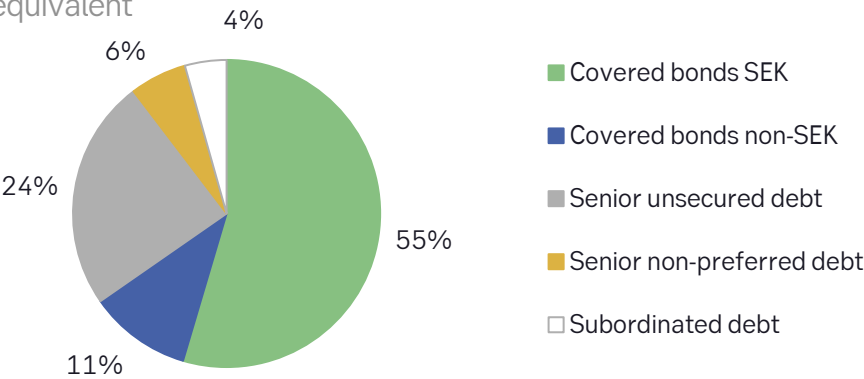


# Strong funding structure with deposits as primary funding source

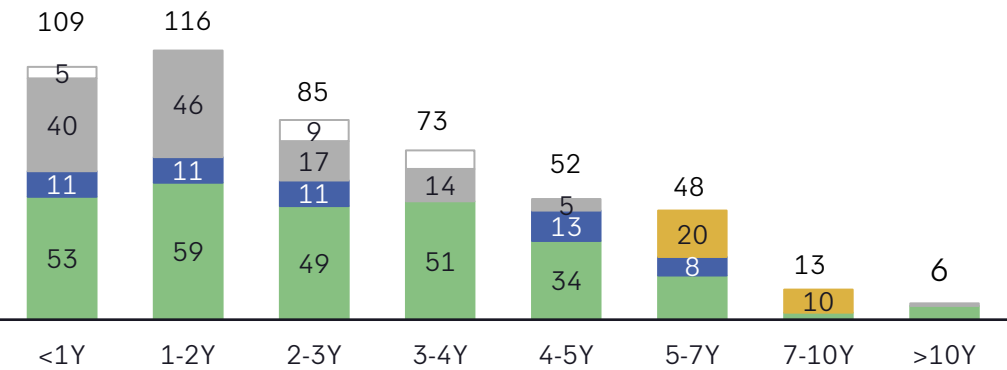


# Well-balanced long-term funding profile and solid credit rating

Wholesale funding by product  
SEK 503bn equivalent



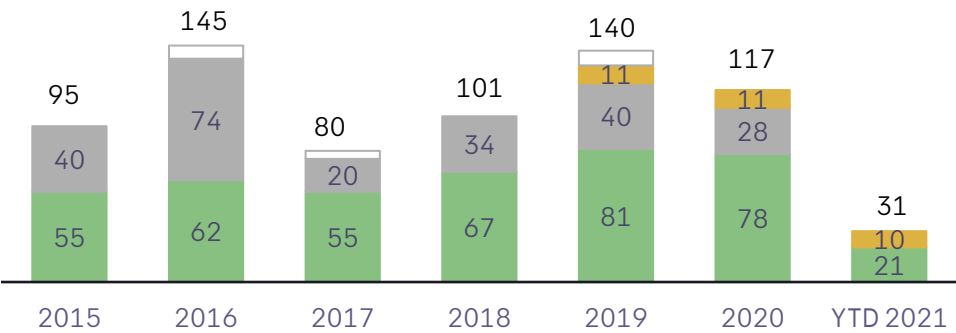
Maturity profile  
SEK bn



SEB's credit rating

Rating Institute	Short term	"Stand-alone rating"	Long term	Uplift	Outlook
Fitch	F1+	aa-	AA-	0	Negative
Moody's	P-1	a3	Aa2	4	Negative
S&P	A-1	a	A+	1	Stable

Issuance history  
SEK bn

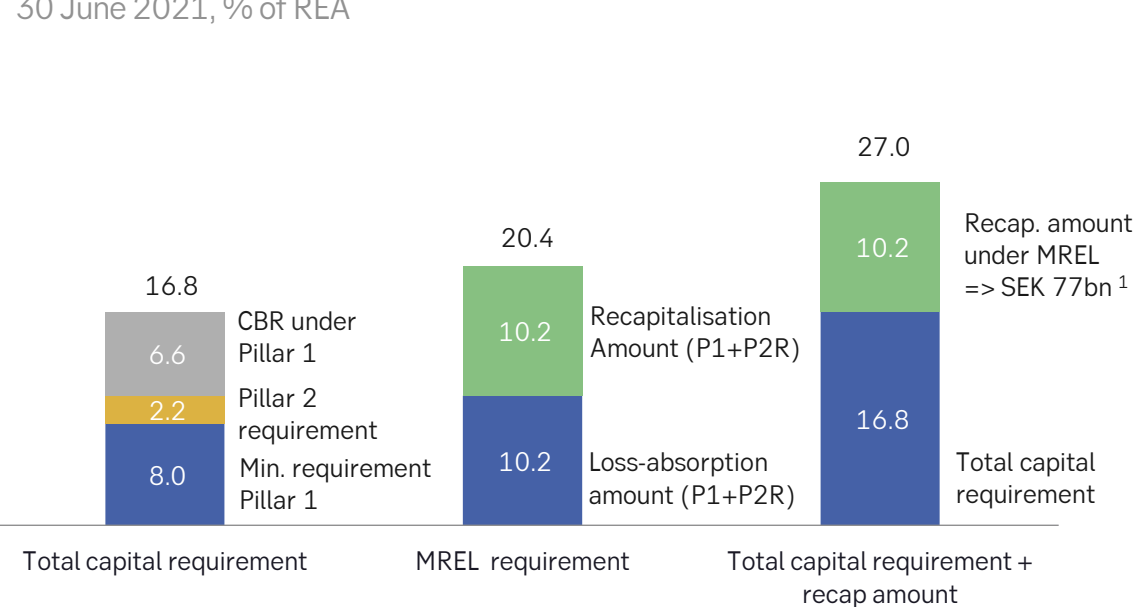


<sup>1</sup> Excluding public covered bonds.  
<sup>2</sup> Tier 2 and Additional Tier 1 issues assumed to be called at first call date.

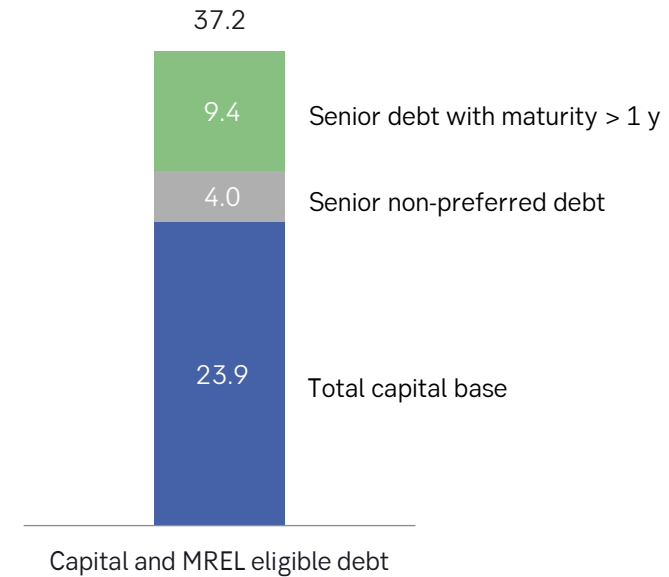
# MREL requirement under current Swedish framework (BRRD1)

SEB's total capital and MREL requirements under current Swedish framework (BRRD1)

30 June 2021, % of REA



SEB's capital base and outstanding senior debt with maturity >1 year  
30 June 2021, % of REA



- Under current Swedish framework, the recapitalisation amount must be met with senior debt (Liability Proportion Principle)
- BRRD2 was implemented in Swedish legislation on 1 July 2021. On 2 July 2021, the SNDO issued a proposal for consultation how the law shall be applied, which is intended to form the basis of decisions on MREL. The first decision will be made in December 2021 and take effect starting 1 January 2022. The transition period is until 1 January 2024
- The proposal implies a regulatory-driven need for both senior preferred and senior non-preferred debt to fulfill the MREL, including subordination, requirement, each of which will be the higher of a risk-based and a non-risk based measurement. Contrary to the current Swedish framework, the proposal allows the requirements to be met with capital

<sup>1</sup> Recapitalisation amount based on applicable capital requirements at 30 June 2021.



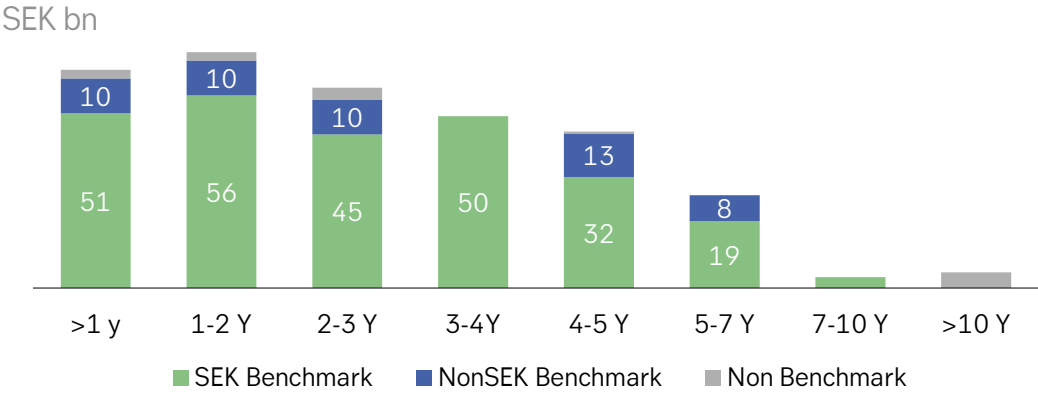
# SEB's covered bonds

Moody's rating      Aaa

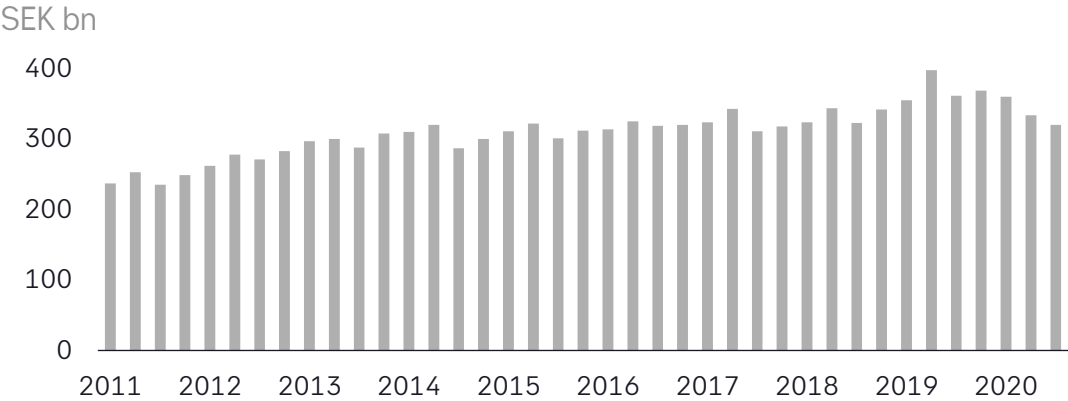
Total outstanding      SEK 320bn

Benchmark      Benchmark 96 %  
Non Benchmark 4%

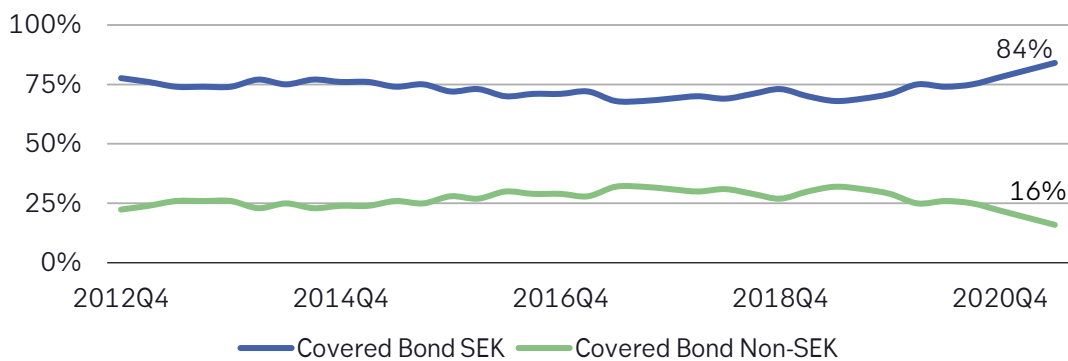
## Maturity profile



## Outstanding covered bonds



## Outstanding covered bonds - % in SEK vs non-SEK

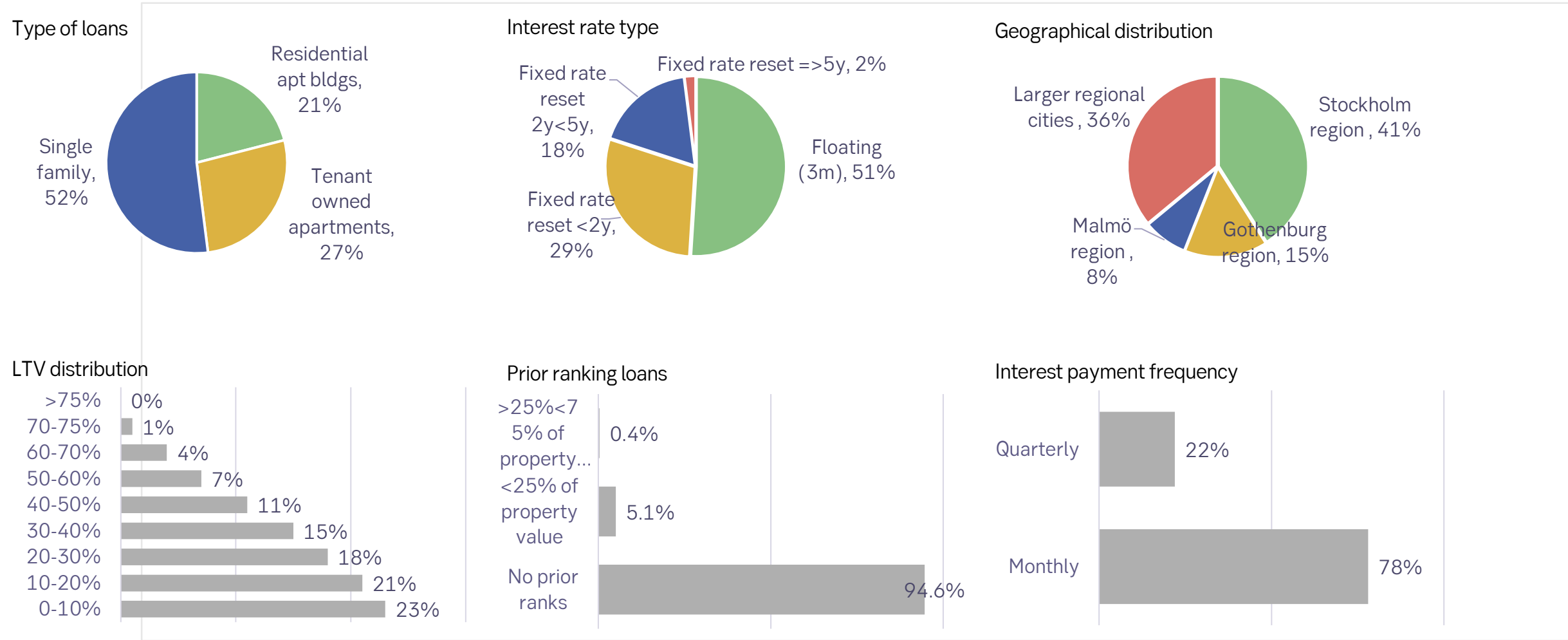


# Cover pool characteristics: only Swedish residential mortgages in SEB's cover pool

Cover pool	30 Jun 2021	31 Mar 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018
Total residential mortgage assets (SEK bn)	677	663	653	613	501
Weighted average LTV (property level)	52%	52%	52%	51%	53%
Number of loans ('000)	758	751	759	737	713
Number of borrowers ('000)	435	433	432	428	418
Weighted average loan balance (SEK '000)	893	882	872	831	702
Substitute assets (SEK '000)	0	0	0	0	0
Loans past due 60 days (bps)	4	3	4	5	1
Net Expected Credit Losses (bps)	0	0	0	0	0
Overcollateralisation level	112%	99%	81%	73%	55%

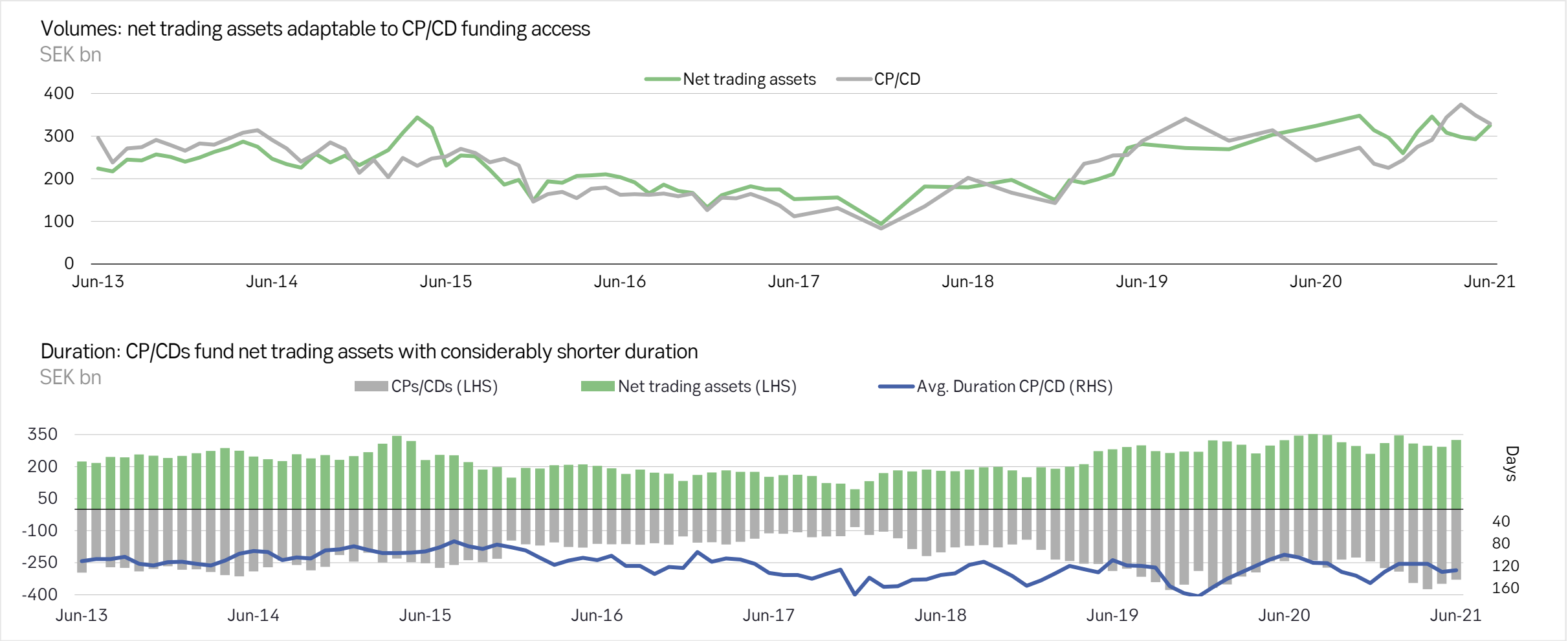
- Only Swedish residential mortgages, which historically have had very low credit losses
- More concentrated towards single family homes and tenant-owned apartments, which generally have somewhat higher LTVs
- On parent bank SEB AB's balance sheet contrary to major Swedish peers
  - All eligible Swedish residential mortgages are directly booked in the cover pool on origination, i.e. no cherry picking
  - Covered bonds are issued by SEB AB and investors have full and dual recourse to the parent bank's assets as well as secured exposure to the cover pool
- SEB runs a high overcollateralisation level

# Cover pool characteristics: mortgages mainly in three largest and fastest growing city areas in Sweden



Note: Distribution in different LTV buckets based on exact order of priority for the individual mortgage deeds according to the Association of Swedish Covered Bond Issuers ([www.asbc.se](http://www.asbc.se))

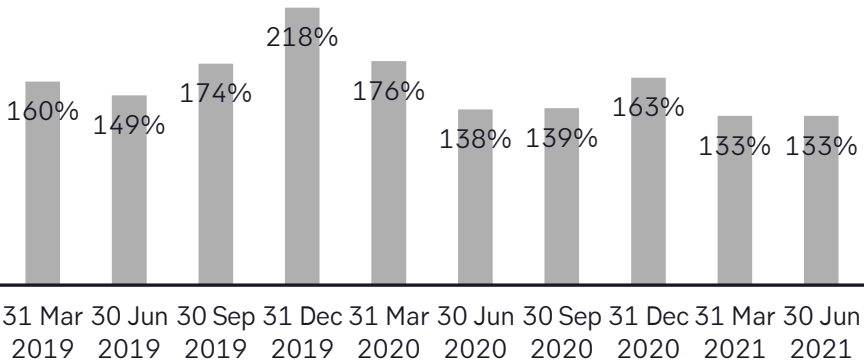
# Short-term CP/CD funding to support client facilitation business



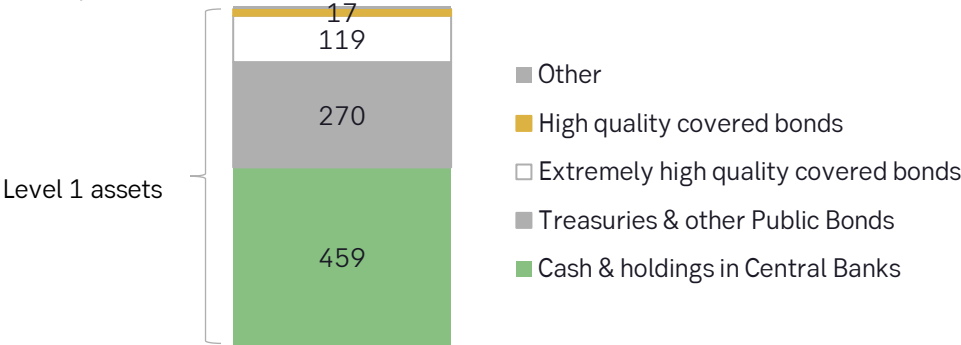
Note: Net Trading Assets = Net of repoable bonds, equities and repos for client facilitation purposes

# Strong liquidity position

Liquidity Coverage Ratio

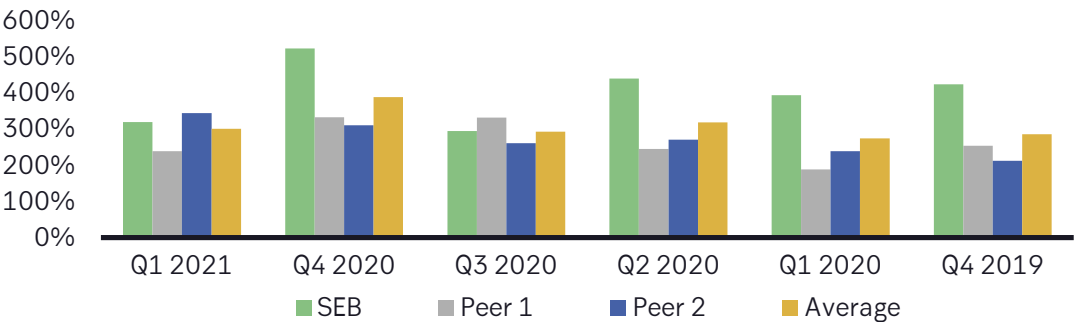


Liquid assets  
30 June 2021, 872 SEK bn

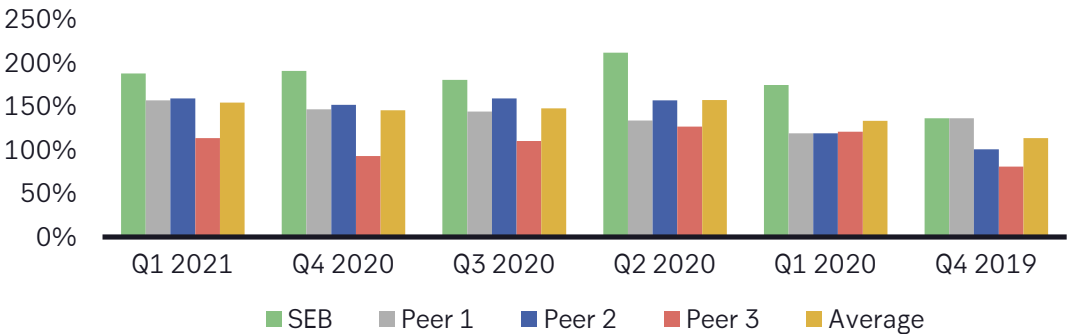


Liquid assets in accordance with Liquidity Coverage Ratio in CRR. Liquid assets defined as on balance sheet cash and balances with central banks + securities (bonds and equities) net of short positions

Peer benchmarking: 3- and 12-months maturing funding ratio  
3 months funding ratio



12 months funding ratio



Funding ratio = liquid assets / (maturing wholesale funding within 3/12m + net interbank borrowing within 3/12m)  
Source: Fact Books of SEB and three other major Swedish banks. One peer does not disclose 3m ratio



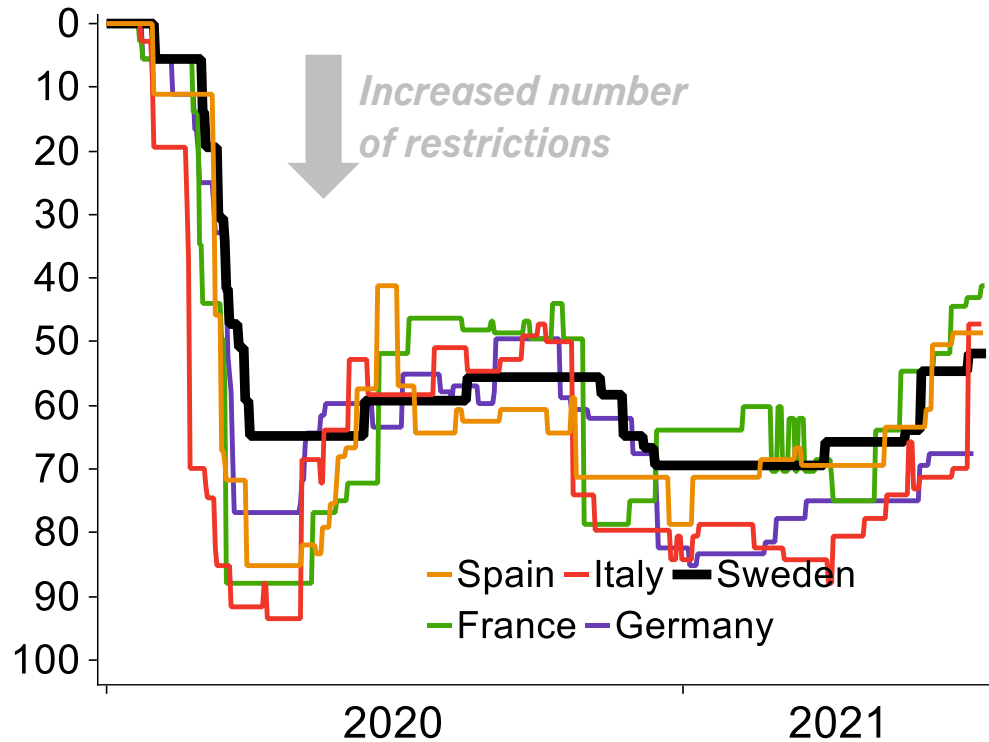
Macro



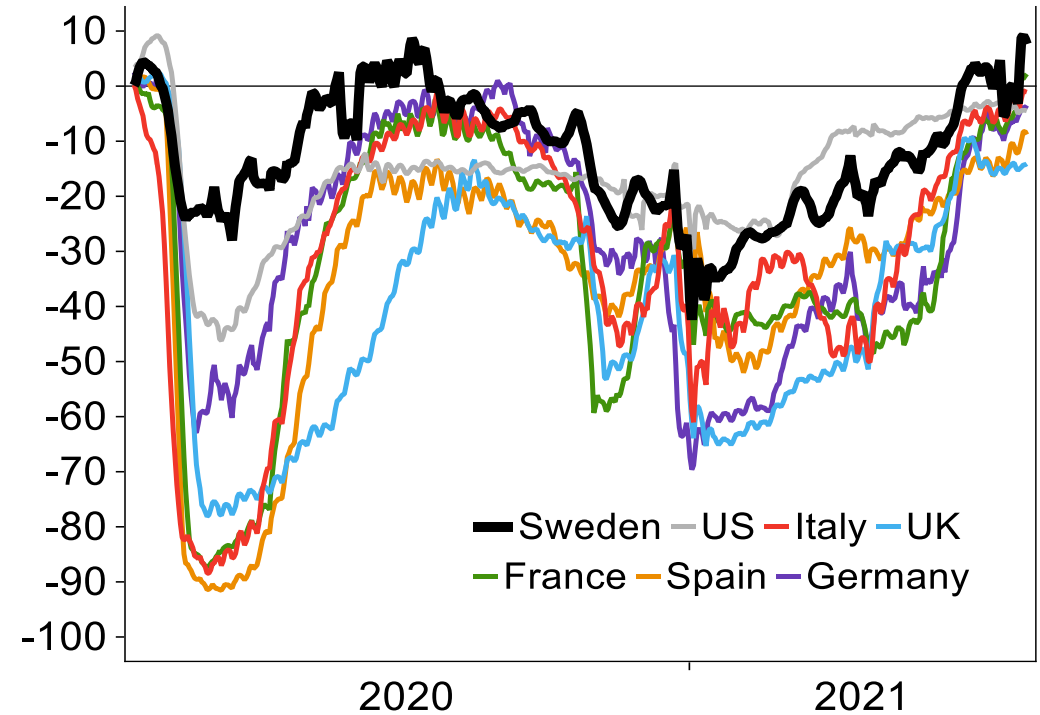


# Globally: unavoidable downturn in growth

Degree of restrictions  
Government stringency index

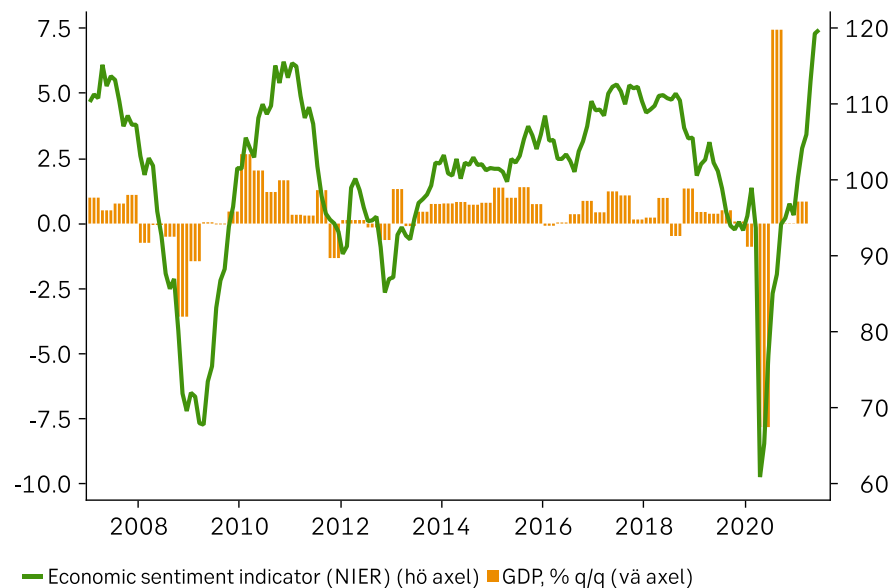


Mobility: retail / recreation  
Google, current level vs normal 2019, %



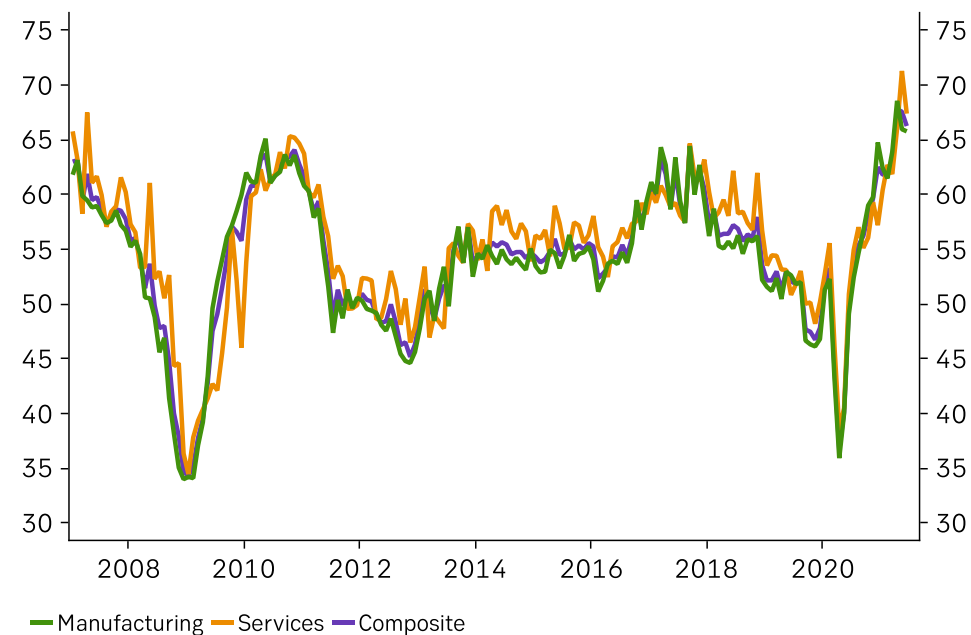
# Sweden: PMI at cyclical highs, economic sentiment at all-time

Sweden: Economic sentiment and GDP



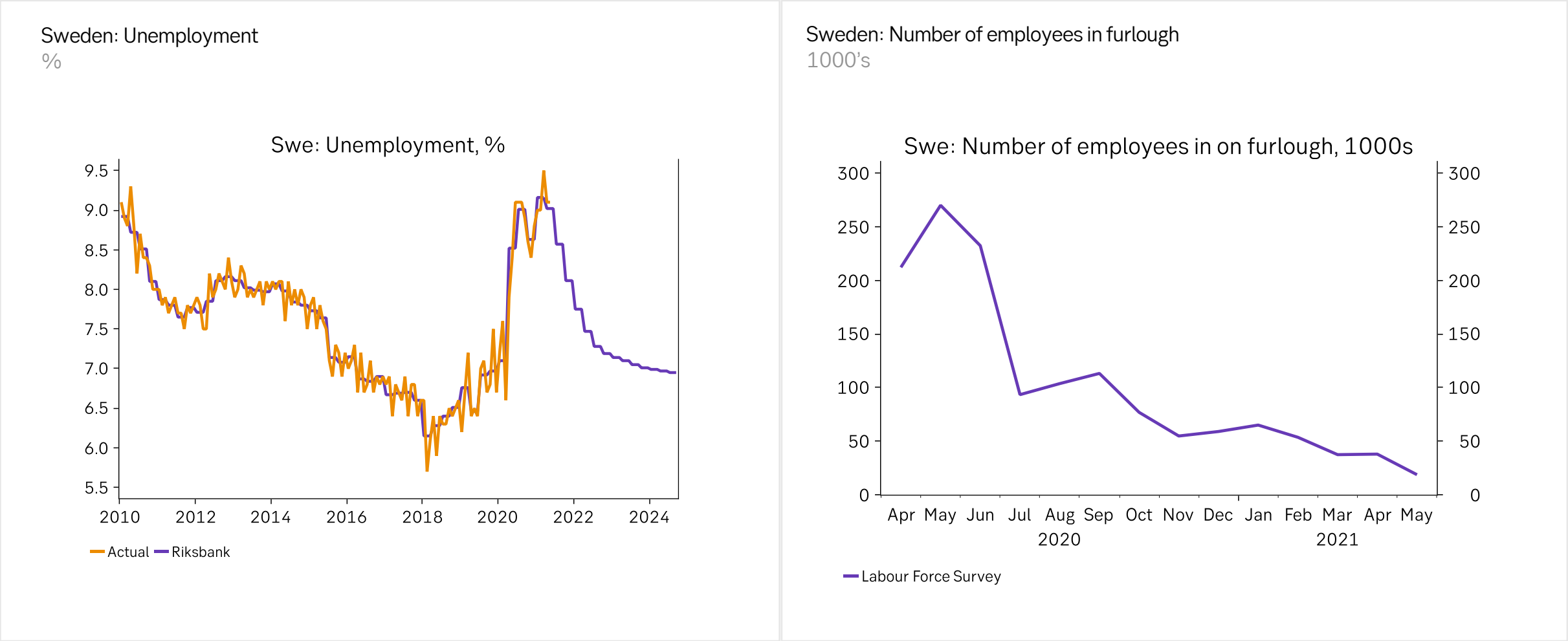
- NIER survey has increased to an all-time high driven by very strong manufacturing sentiment, but service sector has also increased towards cyclical highs. Strong expectations main contributor while current conditions are at slightly more moderate levels.

Sweden: PMI



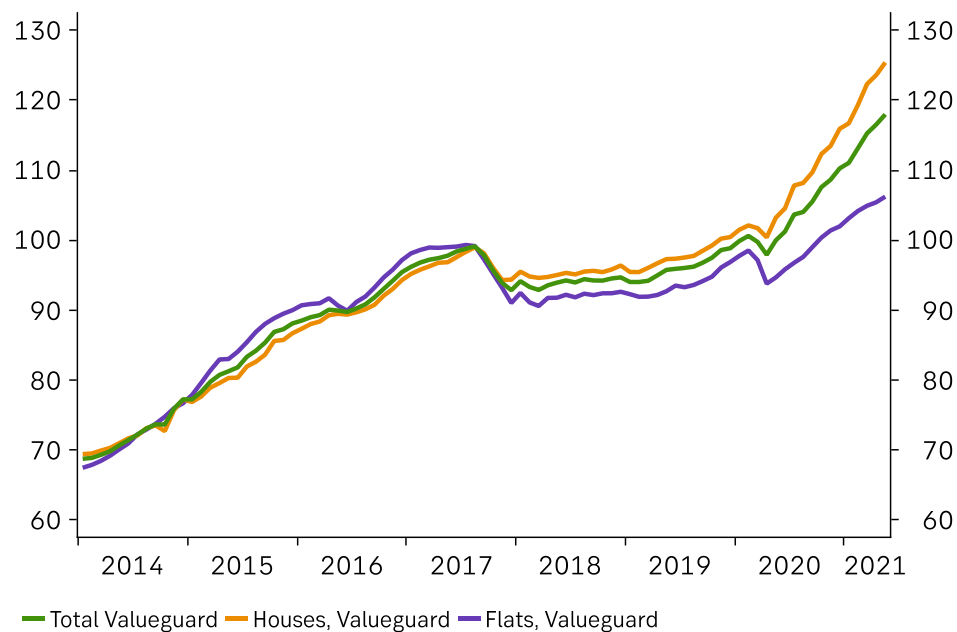
- PMI has declined slightly over the last 2 months.

# Sweden: Unemployment declined towards end of 2020 and furloughs have stabilised



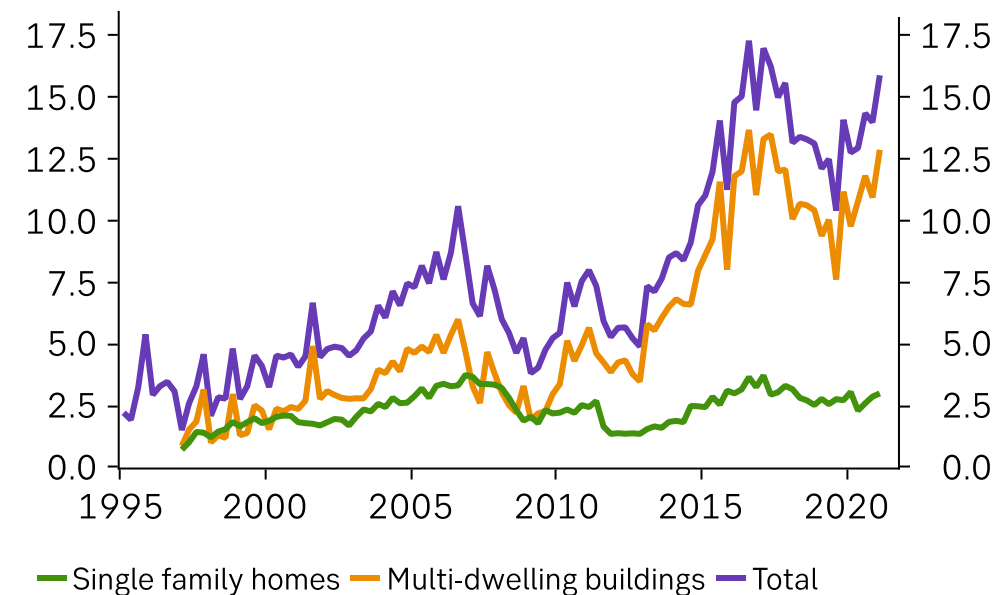
# Sweden: strong housing market – housing starts recovering

Sweden: Home prices  
Index Aug 2017 = 100



- Home prices at new highs, houses most important driver.
- Indicators suggest continued strong momentum in the near term.

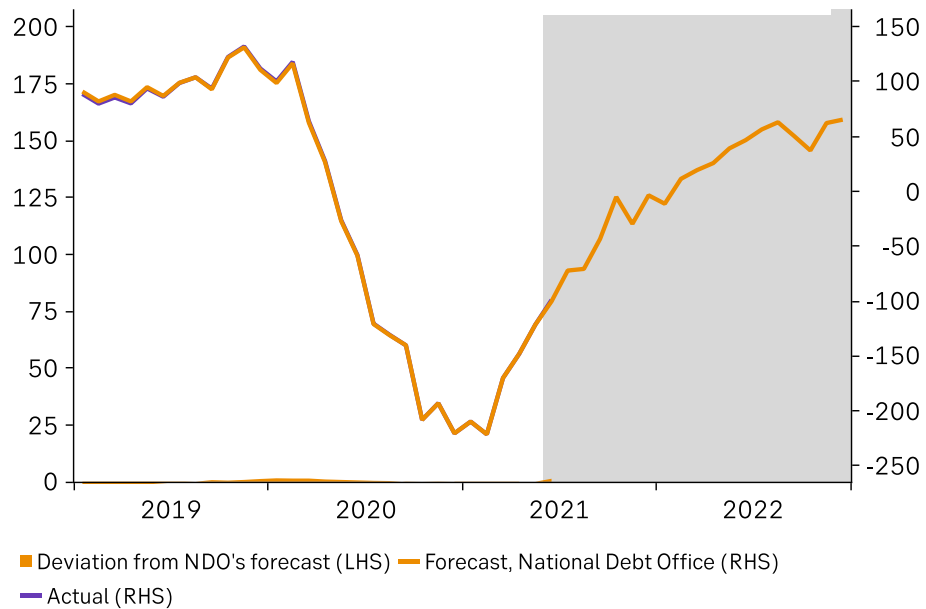
Sweden: Housing starts  
1000's



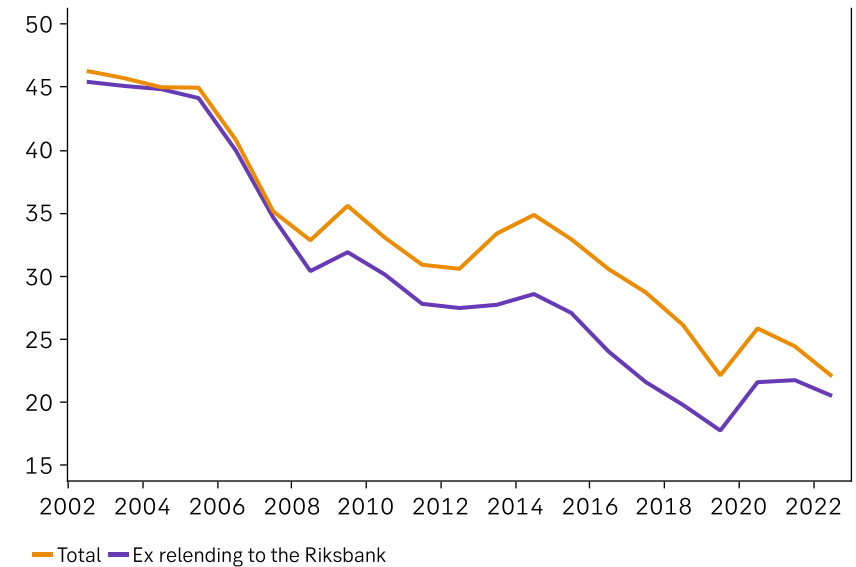
- Housing starts turning higher but so far moderately strong recovery.

# Sweden: budget deficit is declining despite more fiscal measures

Sweden: Central government budget balance  
SEK bn



Sweden: Central government debt  
% of GDP





# Appendix



# Summary key financials

	YTD 2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011 <sup>1)</sup>
Return on equity, % <sup>6)</sup>	14.2	10.3	13.8	13.4	12.9	11.3	12.9	13.1	13.1	11.5	12.3
Cost/income ratio, %	42	46	46	48	48	50	49	50	54	61	62
Net ECL level / Credit loss level, % <sup>3)</sup>	0.01	0.26	0.10	0.06	0.05	0.07	0.06	0.09	0.09	0.08	-0.08
Stage 3 loans/total loans, gross / NPL/lending, % <sup>4)</sup>	0.68	0.87	0.67	0.50	0.5	0.5	0.6	0.8	0.7	1.0	1.4
Liquidity Coverage Ratio (LCR), % <sup>5)</sup>	133	163	218	147	145	168	128	115	129	NA	NA
Net Stable Funding Ratio (NSFR), %	110										
CET1 ratio, % <sup>2)</sup>	21.1	21.0	17.6	17.6	19.4	18.8	18.8	16.3	15.0	NA	NA
Total capital ratio, % <sup>2)</sup>	23.9	25.1	23.3	22.2	24.2	24.8	23.8	22.2	18.1	NA	NA
Leverage ratio, % <sup>2)</sup>	4.8	5.1	5.1	5.1	5.2	5.1	4.9	4.8	4.2	NA	NA
Assets under custody, SEK bn	13,607	12,022	10,428	7,734	8,046	6,859	7,196	6,763	5,958	5,191	4,490
Assets under management, SEK bn	2,401	2,106	2,041	1,699	1,830	1,749	1,668	1,708	1,475	1,328	1,261

## Notes:

- 1) Restated for introduction of IAS 19 (pension accounting).
- 2) 2016 - 2014 is according to CRD IV/CRR and 2013 was estimated based on SEB's interpretation of future regulation.
- 3) Net aggregate of write-offs, write-backs and provisioning. Net ECL (expected credit loss) level (2018) is based on IFRS 9 expected loss model, net credit loss level (2011-2017) is based on IAS39 incurred loss model.
- 4) ECL coverage ratio for Stage 3 (credit-impaired) loans is based on IFRS 9 expected loss model, NPL coverage ratio and NPL/lending ratio (2011-2017) are based on IAS39 incurred loss model. NPLs = Non Performing Loans, including individually and portfolio assessed impaired loans (loans >60 days past due).
- 5) LCR based on EU definition as from 2018 and on SFSA definition 2013-2017.
- 6) **Excl. Items affecting comparability incl. technical impairment (write-down) of goodwill**
  - a. 2014: Excluding capital gains of SEK 2,982m (sale of non-core business and shares)
  - b. 2015: Excluding a cost of SEK 902m relating to the Swiss Supreme Court's not unanimous ruling against SEB in the long running tax litigation relating to SEB's refund claim of withholding tax dating back to the years 2006 through 2008
  - c. 2016: Excluding the effects of the technical impairment of goodwill to the amount of SEK 5,334m and SEK 615m of one-off costs and derecognition of intangible IT assets no longer in use and the positive tax effect SEK 101m. Excluding a capital gain of SEK 520m from the sale of VISA Europe shares by the Baltic subsidiaries and the generated tax expense SEK 24m
  - d. 2017: Excluding a dividend from VISA of SEK 494m, costs related to the transformation to a German branch of SEK 521m, transfer of pension obligation to BVV of SEK 891m, impairment and derecognition of IT intangibles of SEK 978m.
  - e. 2018: Excluding the sale of SEB Pension SEK 3.6bn and settlement of UC AB's merger SEK 0.9bn
  - f. 2020: Excluding administrative fine from Swedish FSA of SEK 1.0bn

## To show the underlying operating momentum in this presentation:

- a. and b. The FY 2014 and FY 2015 results' presentations, profitability, capital generation and efficiency ratios exclude the effects of the above-mentioned items affecting comparability
- c. and d. The FY 2016 results, profitability and efficiency ratios exclude the effects of the above mentioned items affecting comparability.

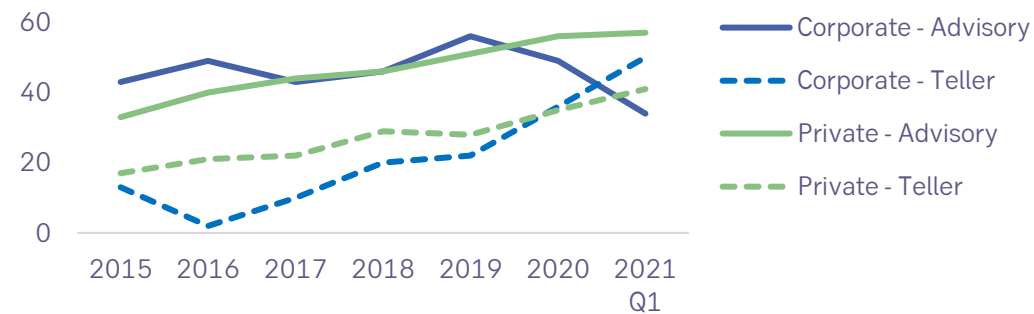


# Strong customer franchise

Large Corporates & Financial Institutions  
Customer satisfaction, Prospera ranking

		2016	2017	2018	2019	2020
Large Corporates	Sweden	1	1	1	1	<b>1</b>
	Nordics	2	3	2	2	<b>1</b>
Financial Institutions	Sweden	1	1	1	1	<b>1</b>
	Nordics	1	2	1	1	<b>2</b>

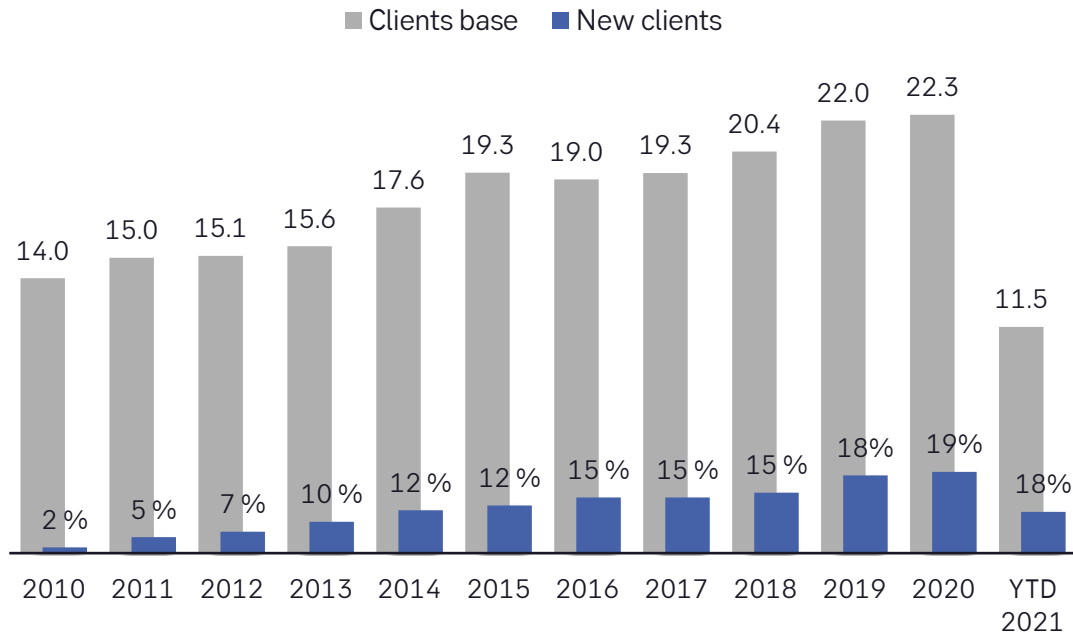
Corporate & Private Customers  
Customer satisfaction, Net Promoter Score



# Large Corporates & Financial Institutions

## Large cross-selling potential

Client income, SEK bn



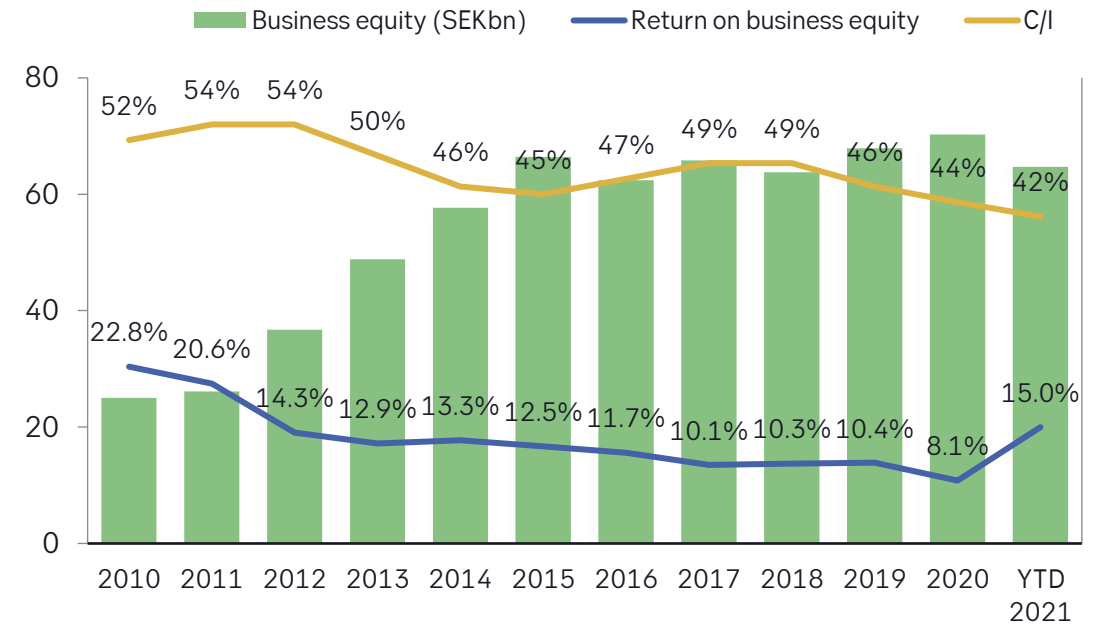
No. of accumulated  
new clients

84	209	305	413	472	535	594	652	713	765*	813	832
----	-----	-----	-----	-----	-----	-----	-----	-----	------	-----	-----

\*Including Swedish clients as of 2019.

## Diversified business and solid efficiency render healthy profitability despite higher regulatory requirements

SEK bn



2016 C/I: Excl. one-off costs of SEK 354m

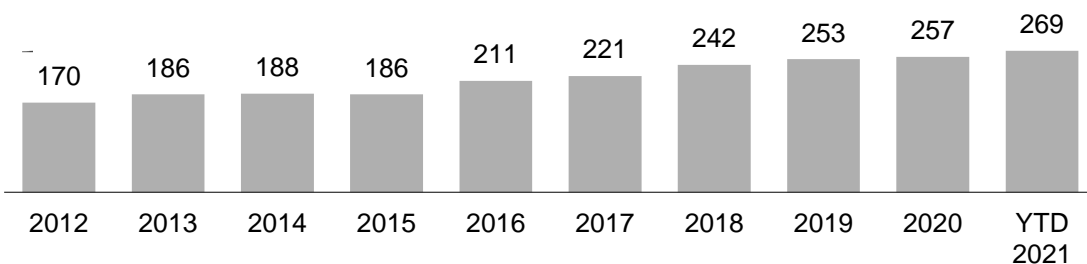
2015 C/I: Excl. one-off costs of SEK 902m

2010-13: Restated figures following the new organisational structure as of Jan 1, 2016. As a result 2010-2013 figures not comparable

# Corporate & Private Customers

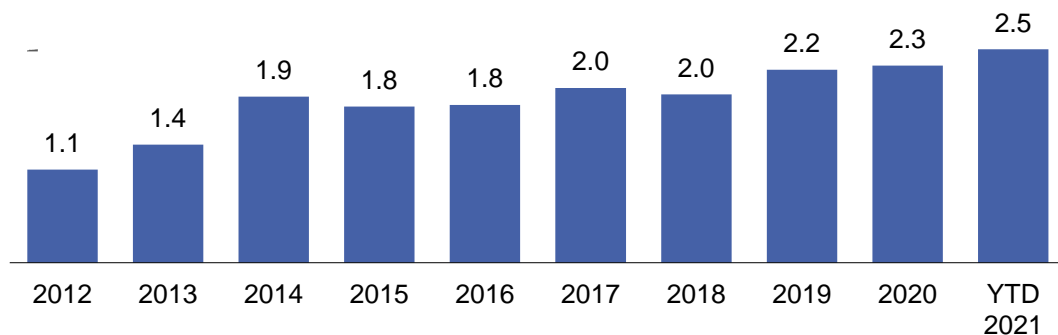
## Stable lending growth in corporate segment

Loans to corporates and real estate management, SEK bn



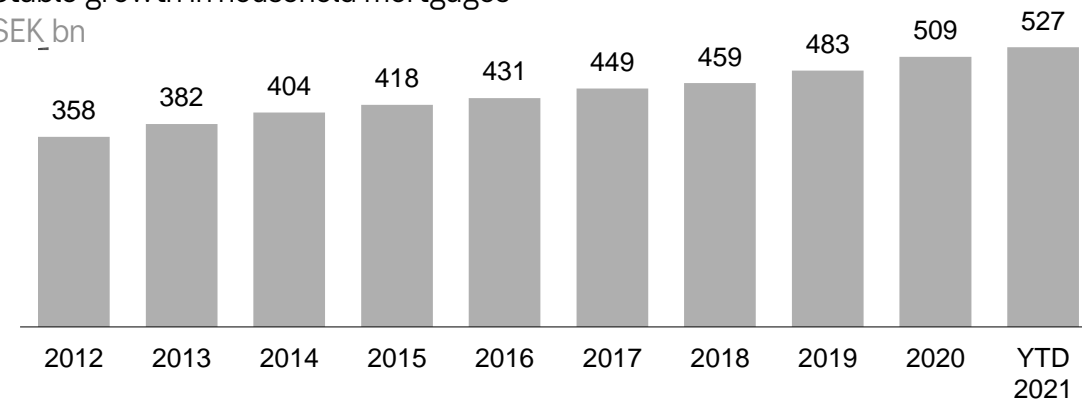
## Solid operating profit

Average quarterly operating profit, SEK bn



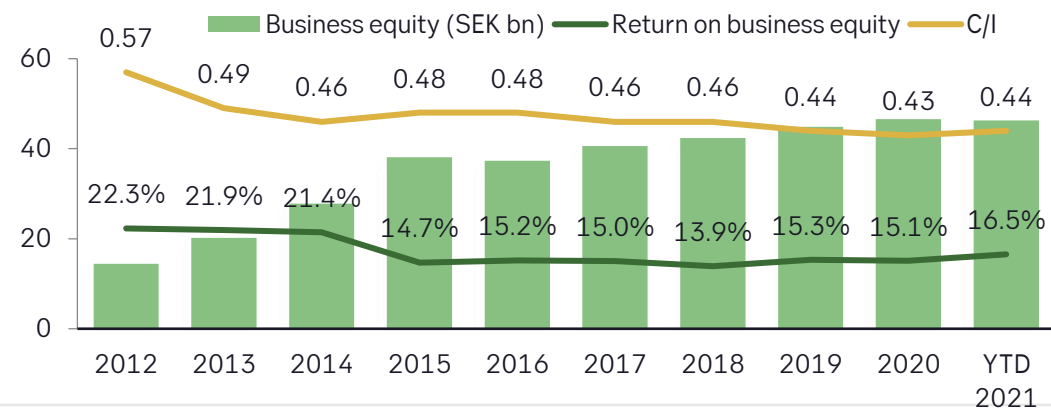
## Stable growth in household mortgages

SEK bn



## Steady improvement in efficiency and stable profitability

SEK bn

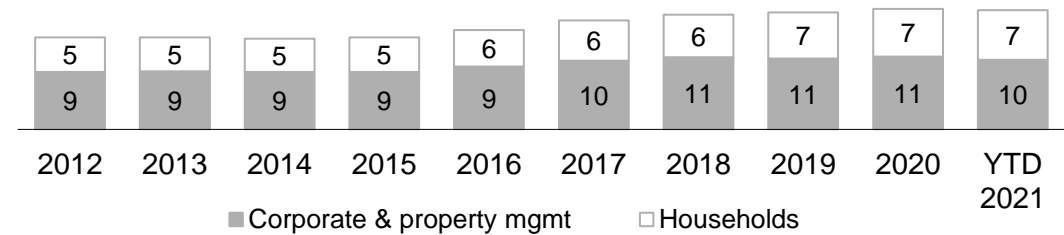


Operating profit: 2014-2015 restated following the new organisational structure as of 1 Jan 2016.  
As a result, 2012-2013 figures are not comparable.

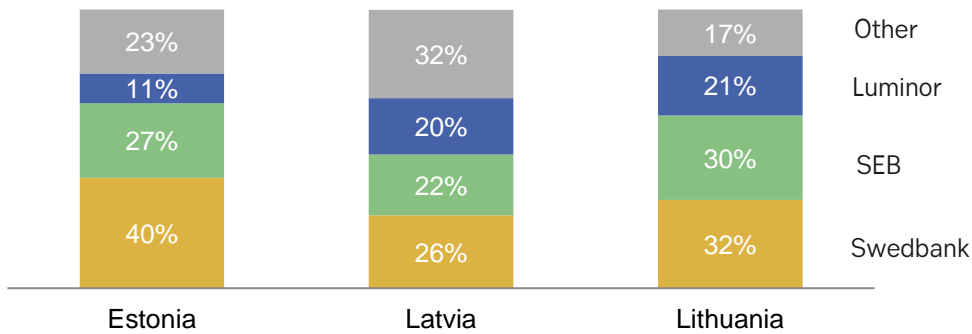


# Baltic

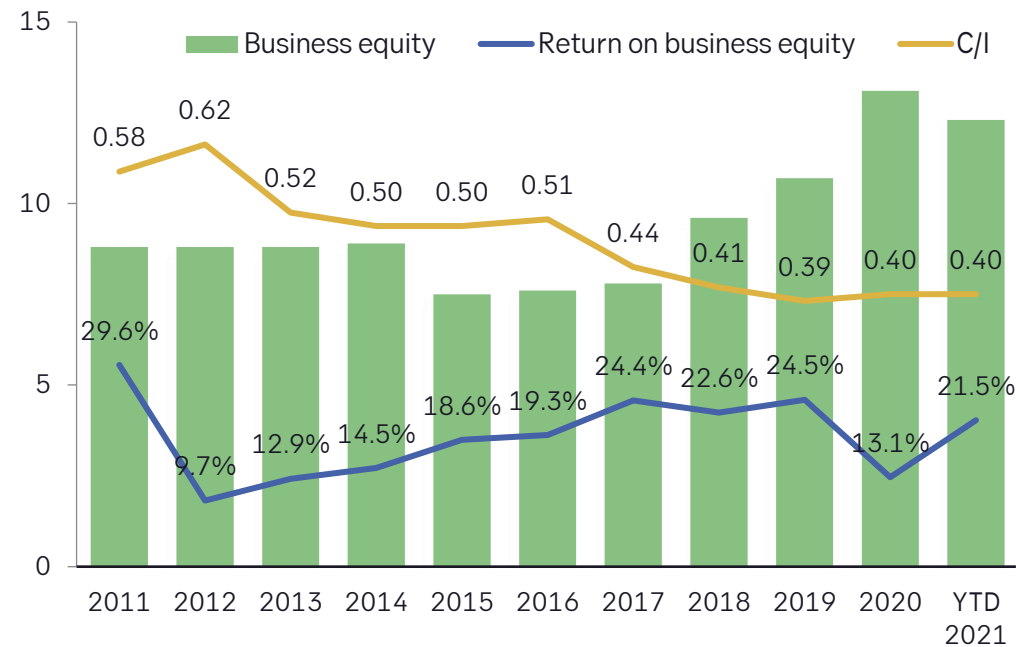
Credit portfolio growth impacted by economic slowdown due to Covid-19 restrictions  
EUR bn



Second largest bank in terms of lending market share in the Baltic region  
%



Strong development of profitability and efficiency  
SEK bn

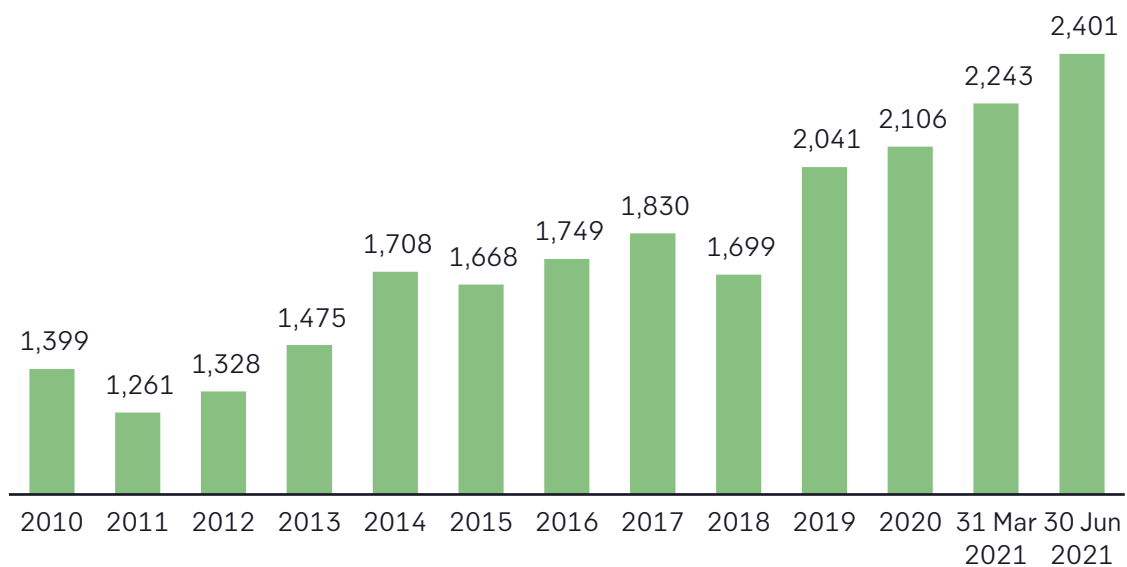


2020: Business equity increased due to updated credit risk models in Q1  
2011-2018: Excluding Real Estate Holding Companies  
2011: Write-back of provisions of SEK 1.5bn

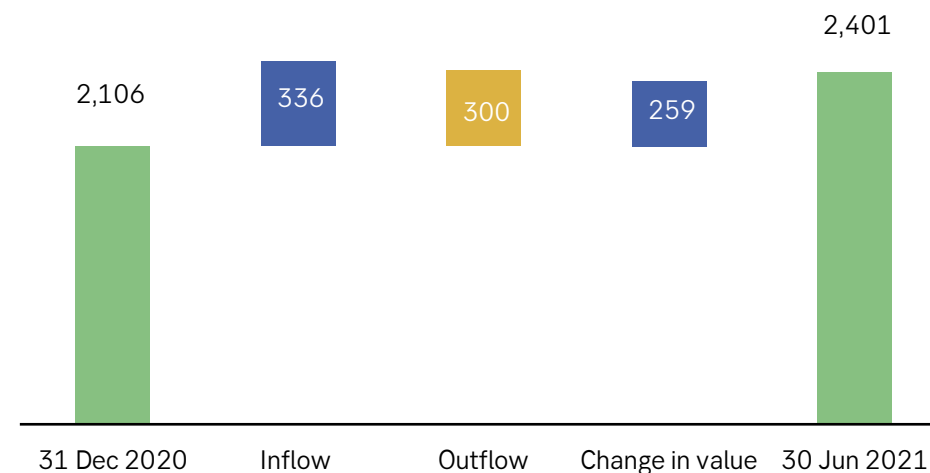
Source: Estonian Financial Supervision Authority, Association of Latvian Commercial Banks, Association of Lithuanian Banks (Q1 2021)

# Assets under management

Long-term development of assets under management<sup>1</sup>  
SEK bn



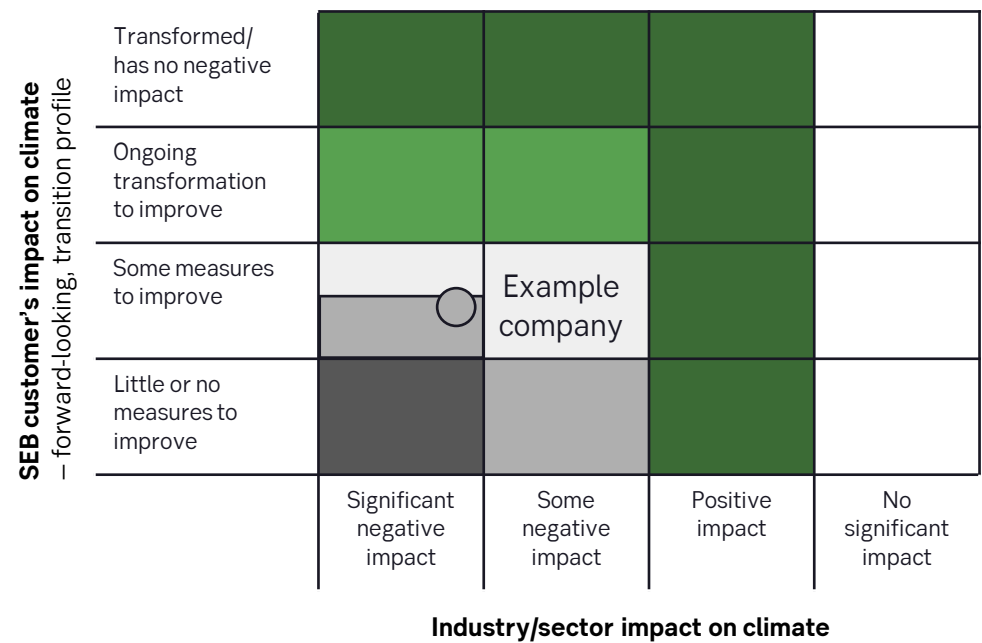
Development during the first six months 2021  
SEK bn



<sup>1</sup> Definition of assets under management changed from 2015. Divestment of SEB Pension DK in 2018 reduced AUM by approx. SEK 116m.

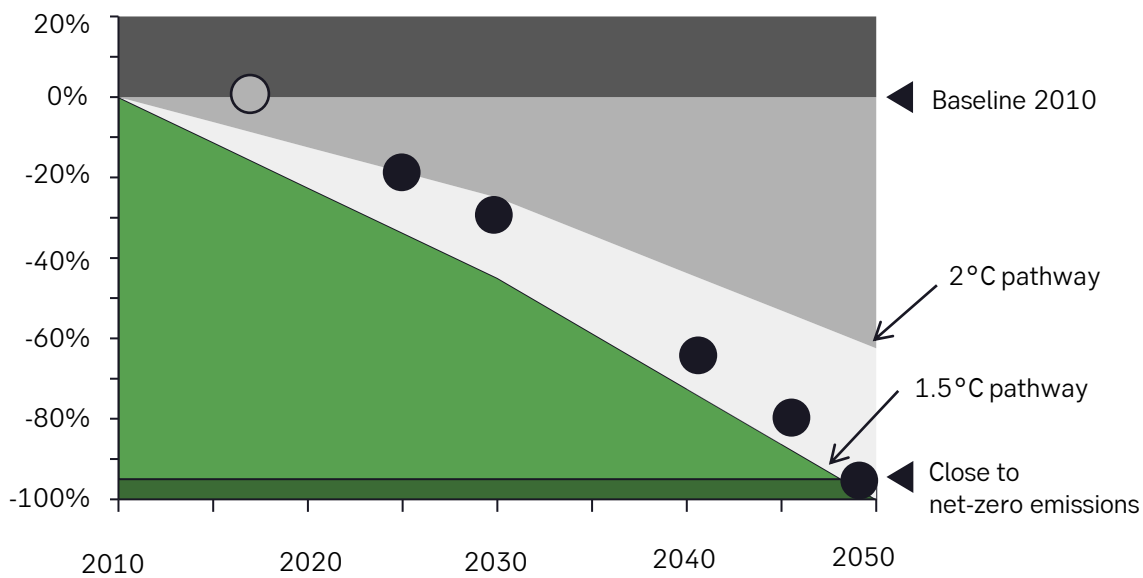
# SEB's climate classification model – assessing a company's climate impact

Climate impact classification framework – ambition, speed and ability to transition are key parameters



- The Paris Agreement is key reference
- Five general levels of classification measuring alignment towards 1.5 °C target
- Full value-chain perspective
- Classification captures current and future performance

A customer's plan in relation to Paris alignment – calibration against the 1.5 °C target  
Greenhouse gas reduction pathways and classifications, % change from 2010



- Status quo / not in transition
- Transition
- Sustainable
- Gradual change
- Paris aligned transition
- A customer's projected journey according to plan

# IR contacts and calendar



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## Financial calendar

**2021**

*1 Oct*      *Silent period starts*

**20 Oct**      **Quarterly report Jan – Sep 2021**

A composite image featuring a person's profile in the foreground on the left, looking out over a cityscape at sunset. The sky is filled with soft, pink and orange clouds. The city below is illuminated by streetlights and building lights. A bright green square is centered over the image, containing the white text 'SEB'.

SEB