

Business Update 2019-2021

Johan Torgeby, President & CEO



Business Plan 2016-2018 is coming to a close

To deliver
world-class service
to our customers

GROW



Accelerate growth in Sweden



Continue to grow in the Nordics and Germany



Savings & pension growth

TRANSFORM



Service leadership



Digitisation



Next generation competences

Grow in areas of strength

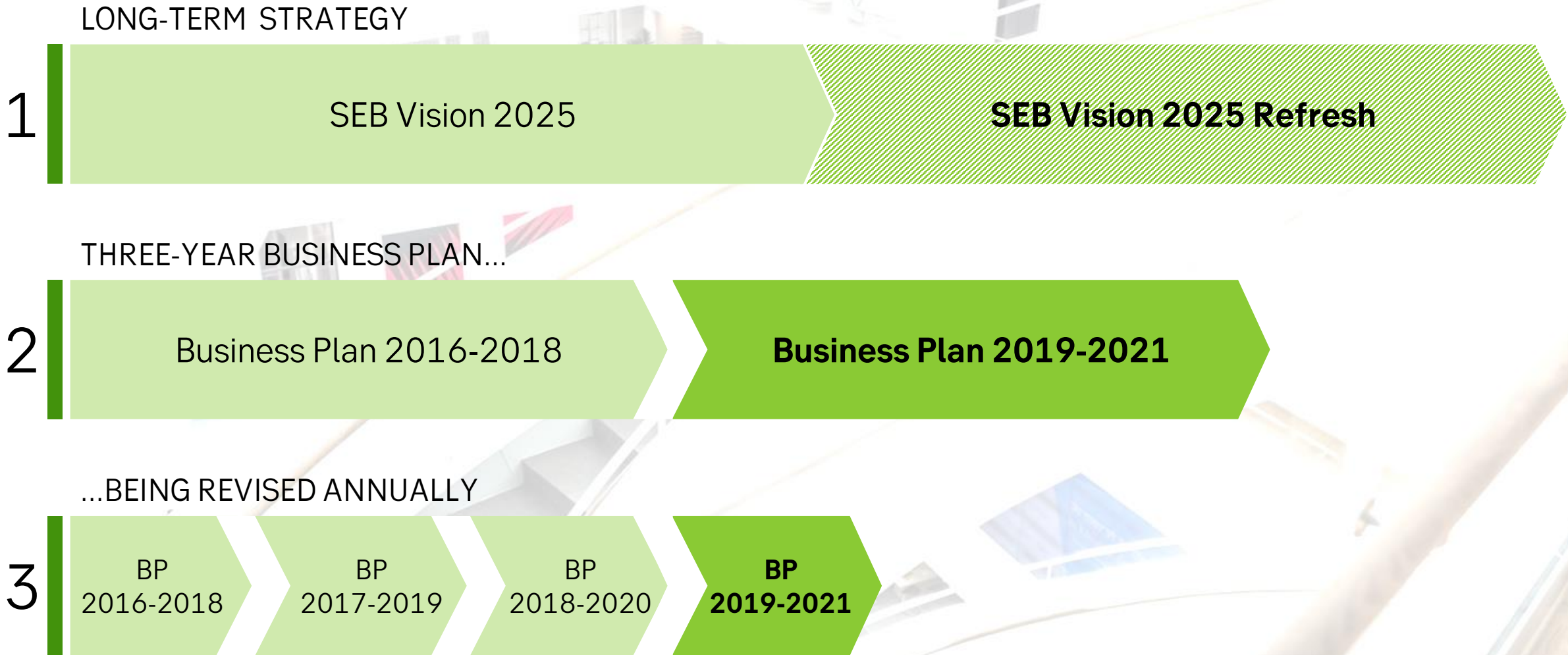
Resilience and flexibility

Leading customer experience

Strategy and business plan process

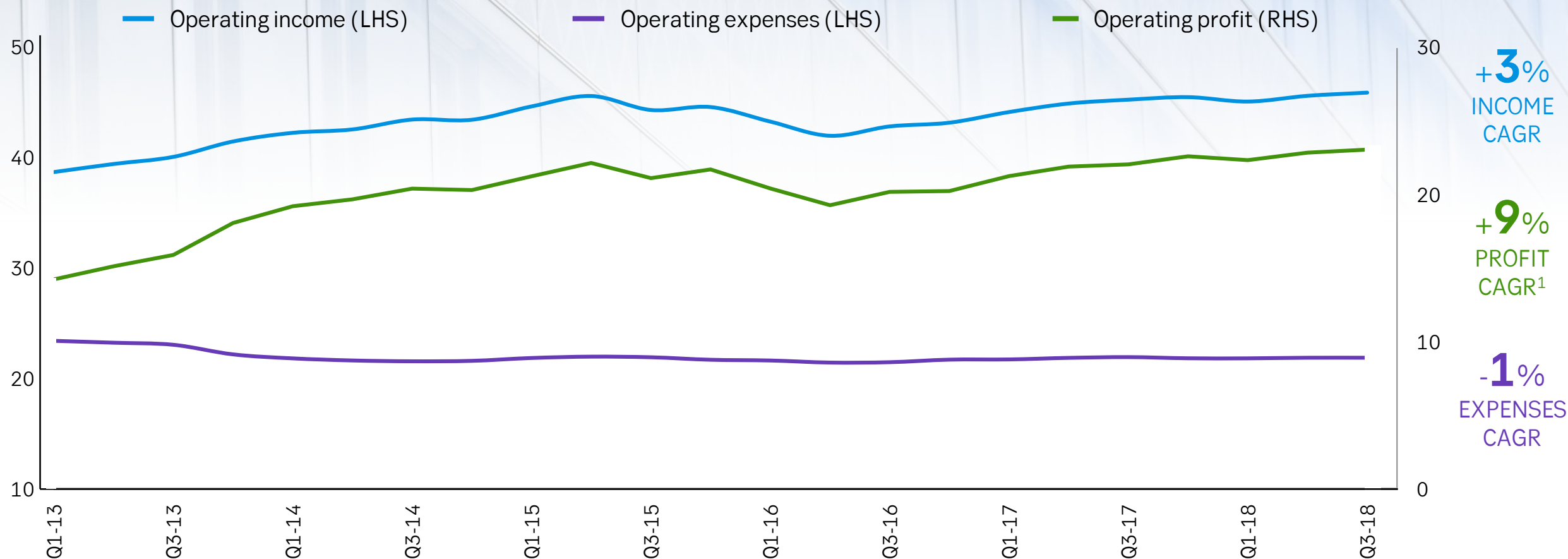
2015/
2016

2018/
2019



Building from a position of financial strength

Long-term profit development Q1 2013 – Q3 2018 (rolling 12m, SEK bn)



¹ Pre-tax operating profit after credit losses, adjusted for IAC.

An industry in transformation



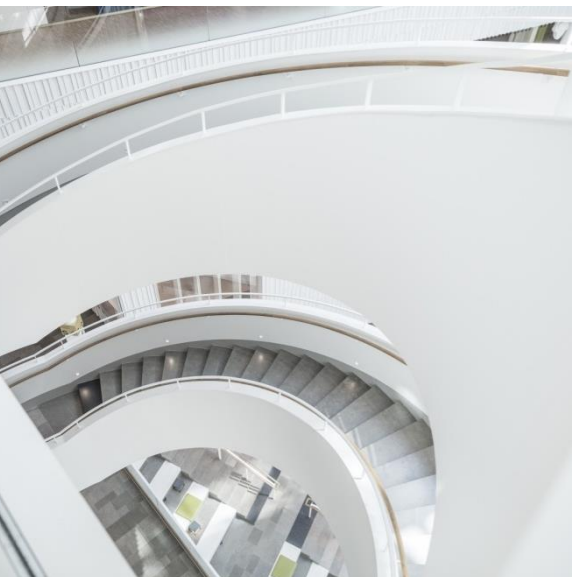
Customers

Proactive, tailored advice

Data driven & real-time

Sustainability

Seamless & unbundled services



Regulations

AML & KYC

MiFID II & PSD II

Basel IV

Less new regulatory regimes, more supervision



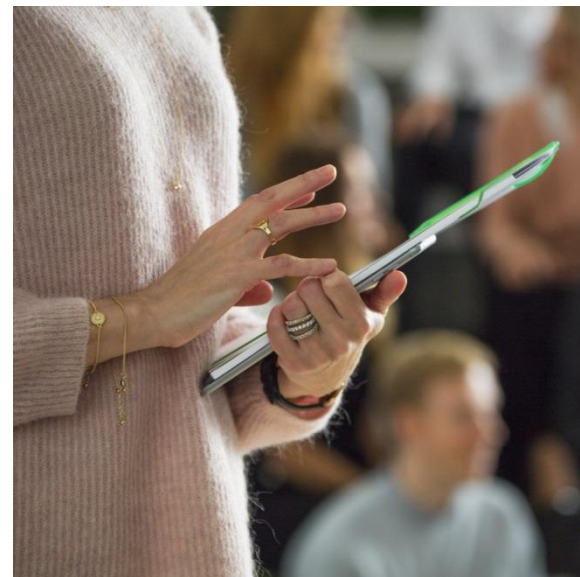
Competition

Fintechs, challengers & big techs

Payment service providers

Lending

Markets & Investment Banking



Technology

Artificial intelligence & data

Open Banking

Cloud, blockchain & robotics

Cyber risk tech

Our strategic focus areas

SEB

Operational excellence

Efficiency & speed, including swift transaction execution, through technology & data

Advisory leadership

Value-enhancing advisory based on human & digital interaction

Extended presence

Part of digital ecosystems & sharpened offering through integration of external products & data

New strategic initiatives to meet future client needs

STRATEGIC INITIATIVES

Critical enablers

- Data, automation, sustainability and competences

Advisory

- The undisputed Nordic advisory bank within Corporate & Investment Banking and Private Banking

Assets entrusted to us

- Assets under management, assets under custody and deposits

Ecosystem

- Open Banking and customer ecosystems

Digital explorer (SEBx)

- Exploration of new technology to respond to customer needs

Our ambition by division



The undisputed leading
Nordic Corporate & Institutional bank

Large Corporates & Financial Institutions

- Nordic, German & UK corporates
- Leverage Markets' business
- Advisory within Corporate & Investment Banking

Corporate & Private Customers

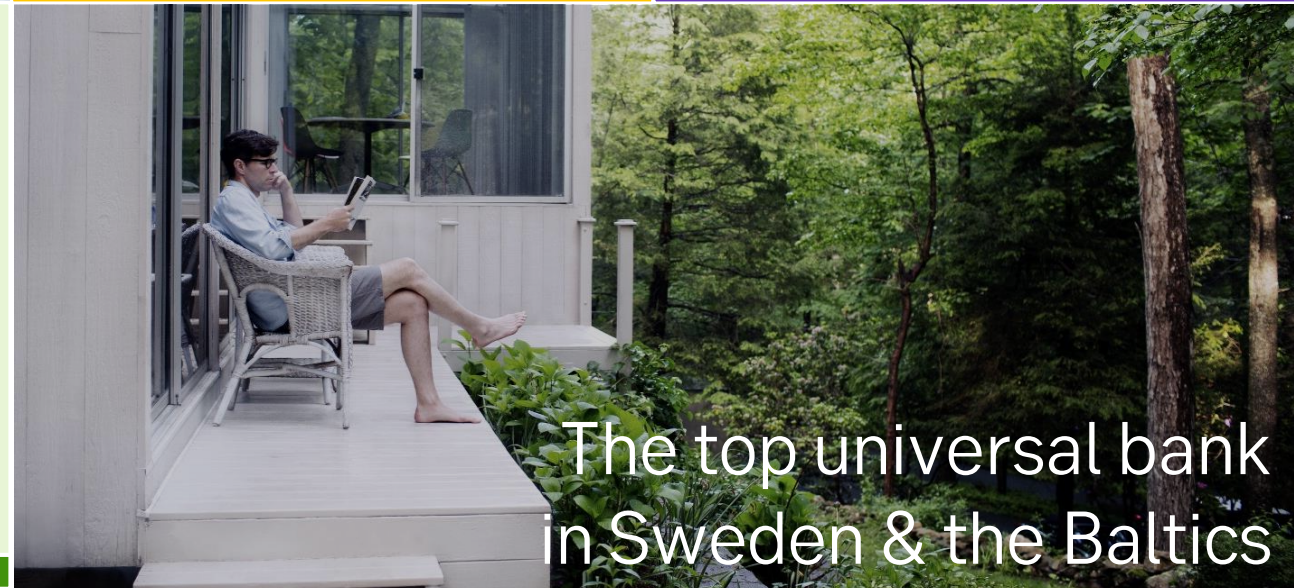
- Attract SME customers
- Expand Private Banking
- Improve mortgages & savings

Life & Investment Management

- Strengthen Investment Management capabilities
- Accelerate Bancassurance
- Re-model Life

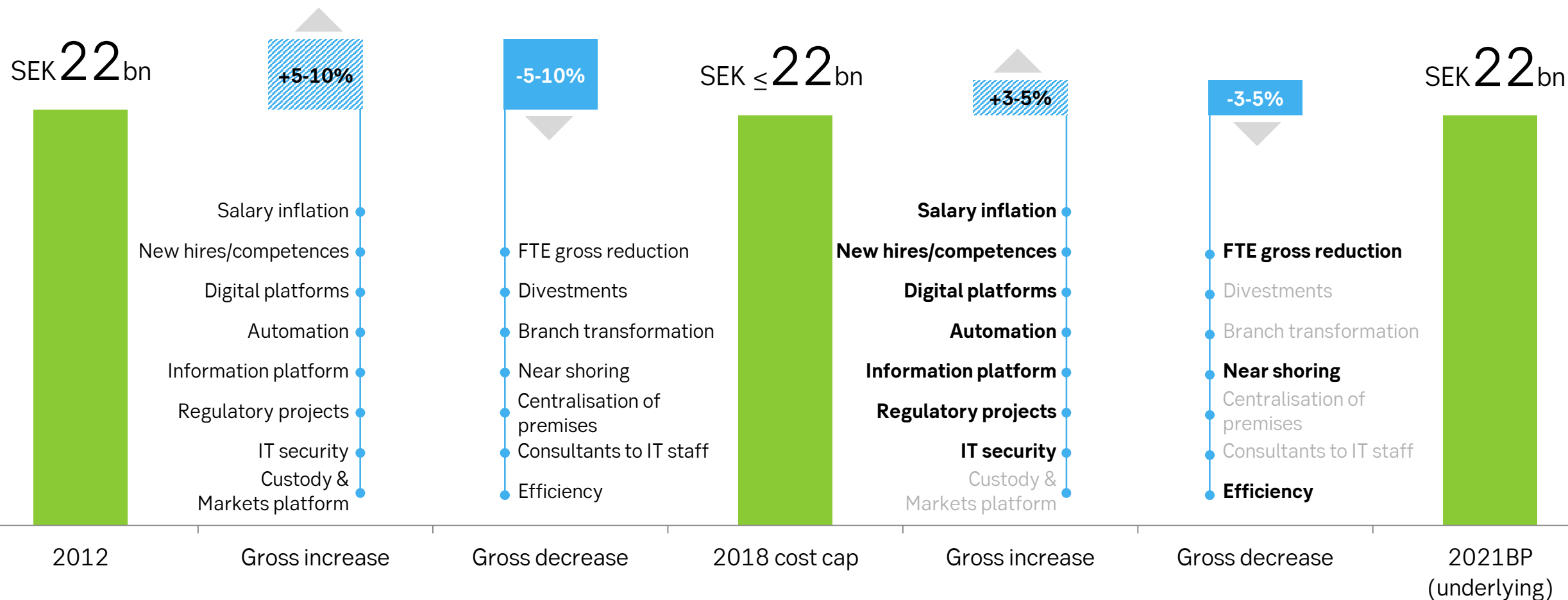
Baltic

- Balanced growth in private & corporate segment
- Digital sales
- Completion of core IT program



The top universal bank
in Sweden & the Baltics

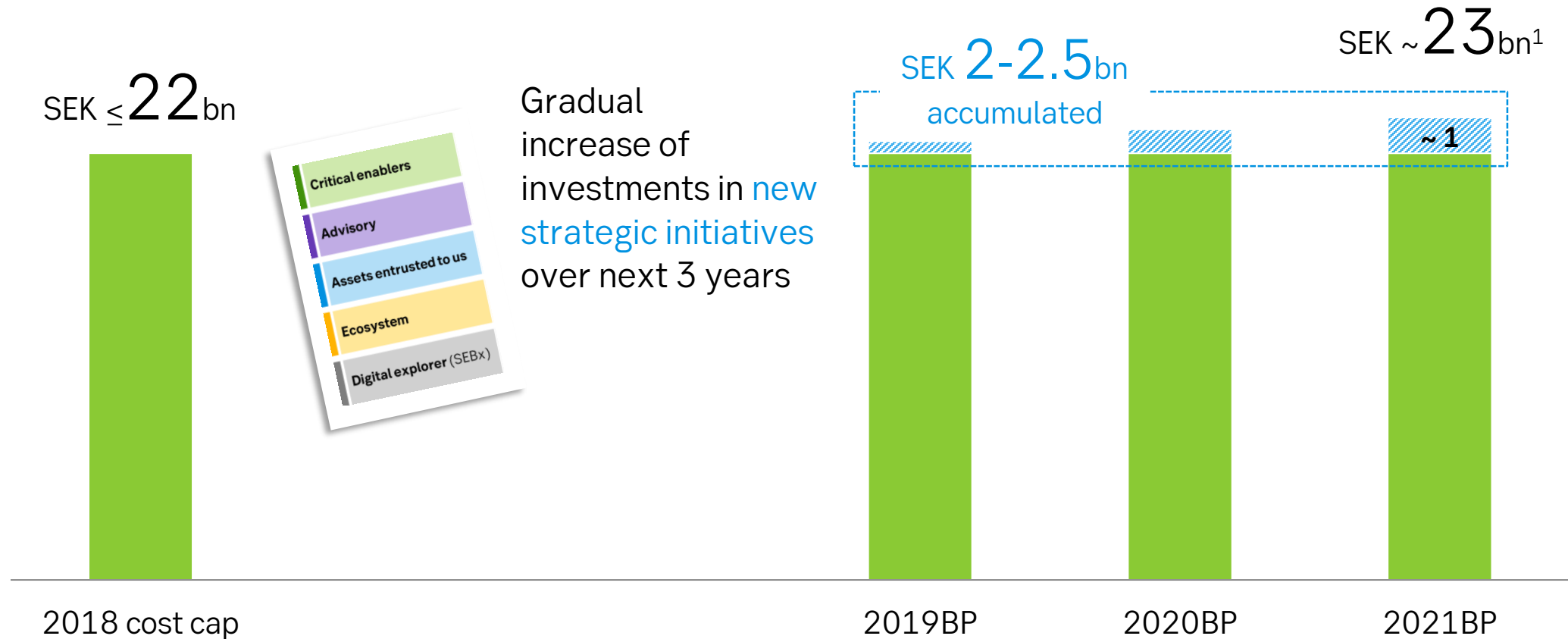
Disciplined cost and investment strategy



Additional investments of SEK 2-2.5bn until 2021

STRATEGIC INITIATIVES		INVESTMENTS 2019-2021
Critical enablers	<ul style="list-style-type: none">Data, automation, sustainability and competences	SEK 600-900m
Advisory	<ul style="list-style-type: none">The undisputed Nordic advisory bank within Corporate & Investment Banking and Private Banking	SEK 400-600m
Assets entrusted to us	<ul style="list-style-type: none">Assets under management, assets under custody and deposits	SEK 200-400m
Ecosystem	<ul style="list-style-type: none">Open Banking and customer ecosystems	SEK 300-500m
Digital explorer (SEBx)	<ul style="list-style-type: none">Exploration of new technology to respond to customer needs	SEK 200-300m
		SEK 2,000-2,500m <i>(accumulated over 3 yrs)</i>

Additional investments and total costs



¹ Based on 2018 average FX rates.

$\geq 40\%$
dividend **payout**
ratio of EPS

$\sim 150\text{bps}$
CET1 ratio
above requirement

RoE
competitive
with peers

15% RoE long-term aspiration

SEB



Our
financial targets
remain

In summary

To meet future client needs



Operating excellence,
advisory leadership and
extended presence



Accelerate
transformation
and growth



Additional
investments of
SEK 2-2.5bn until 2021;
SEK ~23bn¹ in
cost target by 2021



Operating leverage,
capital efficiency and
resilient balance sheet

¹ Based on 2018 average FX rates.

The journey towards...

...**world-class service**
to our
customers continues

SEB

