

Annual Review

2020

Our customers and stakeholders

We are always putting our customers' needs at the core of our business. Their high expectations for both personal and digital services, for quality advice and sustainable solutions drive SEB's business development and offerings. Our 15,500 employees work as a team to serve our customers and create value for our shareholders and for the societies where we operate.

2,000

Large corporations

1,100

Financial institutions

400,000

Small and medium-sized companies

Of these, some 272,000 are home bank customers.

4,000,000

Private individuals

Of these some 1.5 million are home bank customers.

15,500

Employees

268,000

Shareholders

Society

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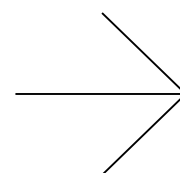
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We enable people and businesses to realise their ideas

Being a leading northern European corporate bank, innovation, entrepreneurship and an international perspective are part of our DNA. Our vision is to provide world-class service. We do this through long-term relationships, personal advice and digital services – and by supporting our customers in the transition to a more sustainable world.



Curiosity about the future for more than 160 years

We have a long tradition of supporting people and companies and helping drive development. Engagement and curiosity about the future have guided us ever since we welcomed our first customer more than 160 years ago. With value-creating advice, innovation and a focus on long-term relationships, we are changing together with our customers and the communities in which we operate.

1856

With his leg in a splint, after falling in the slush on a street in Stockholm's Old Town, entrepreneur André Oscar Wallenberg founds Stockholms Enskilda Bank. His goal during this period of pioneering spirit in Sweden is to provide inventors and entrepreneurs with capital for industrial initiatives.



1878

The industrial revolution is followed by an international structural crisis. The bank is dragged into the economic downturn and is forced to choose between declaring some companies bankrupt or actively helping them get back on their feet. In many cases – Atlas Copco is an example – the bank decided on the latter course of action. Still today, we are there for our customers in both good times and bad.



1972

Stockholms Enskilda Bank and Skandinaviska Banken merge to become Skandinaviska Enskilda Banken, a name that is later changed to SEB. A key rationale for the merger was to give the banks a better chance to meet growing international competition.



1864

Not a day too soon, Alida Rossander becomes the first female employee in our bank and in the global banking industry. As André Oscar Wallenberg put it: *"womenfolk possess attributes of orderliness, conscientiousness and perseverance not inferior to those of men"*.



1927

Sven Wingquist, inventor of the ball bearing and founder of industry giant SKF, was an early customer of SEB. When his co-workers Gustaf Larson and Assar Gabriellsson want to build a machine based on his inventions, SEB also helps out. The company is called Volvo, and the first car rolls out of the factory on 14 April 1927.



1996

SEB becomes one of the first banks in the world to provide all its services on the Internet for private customers. After just a couple of weeks, the bank has 40,000 Internet banking customers, and today the majority of our customer interactions are digital, which in turn frees up time for in-person meetings.

2000

We have a long history of following our customers as they expand internationally. In the early 2000s, we expand our home markets to also include Germany and the Baltic countries. More than half the bank's workforce is now employed outside of Sweden and today, 20 years later, SEB is represented in 20 countries.



2020 and onwards

With the effects of the Covid-19 pandemic hurting people and businesses, we are doing our utmost to support our customers. We are standing firmly by their side – just as we have during previous crises – and are continuing our work to create long-term value for customers, employees, shareholders and the communities in which we operate.



Launches its first Green Bonds
SEK 2,325,000,000
6-year 3.5% Green Bonds
Investing to reduce global warming

Global Lead Manager
SEB

2008

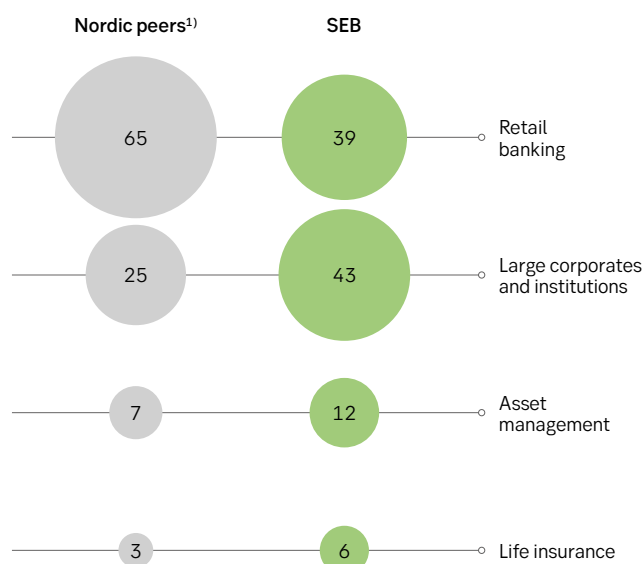
SEB works together with the World Bank to create the first green bond, earmarked for projects in developing countries aimed at reducing carbon dioxide emissions. As a bank we have an important role in the sustainable transition and work actively to support our customers and contribute to a more sustainable world.



SEB in summary

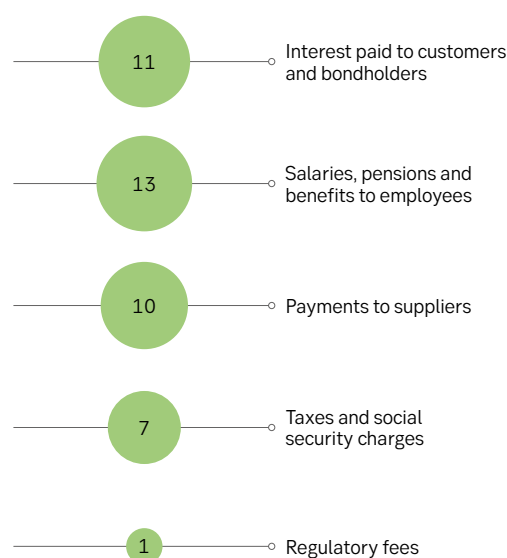
Our business is strong and diversified, creating value for all our stakeholders.

Diversified income 2020, %



1) Income breakdown for Swedbank, SHB, Nordea, Danske Bank and DNB. Business units only (indicative).

Financial value created 2020, SEK 42bn



No dividends to the shareholders were paid in 2020 (for 2019). See p. 44.

Important events and trends

The Covid-19 pandemic temporarily halted the global economy, followed by unprecedented political and monetary response. SEB has not received any governmental relief, and throughout the year, our financial strength enabled us to support our customers. SEK 139bn in pandemic-related credit requests from large corporates was processed.

The surprisingly strong housing market in Sweden supported continued demand for mortgages. Private consumption held up well, while corporate card utilisation was negatively impacted by restricted travelling and remote work.

Demand for sustainability-related products continued to grow. SEB advised on vaccine-related bonds, green bonds, and sustainability-linked financing solutions.

SEB was ranked as number 1 in Prospera's annual survey among Nordic large corporates, an advancement from the number 1 position among Swedish large corporates in 2019.

The Swedish FSA closed its review on SEB's governance and internal controls of the Baltic subsidiaries and issued an administrative fine of SEK 1bn. SEB continued focusing on the fight against financial crime and money laundering.

The Board of Directors proposes a dividend of SEK 4.10 per share, in line with the Swedish FSA's recommendation of distributing maximum 25 per cent of 2019 and 2020 net profits.

Key targets and figures

Board's financial targets	2020	2019
Dividend payout ratio at 40 per cent or more of earnings per share, per cent	53 ¹⁾	0 ²⁾
Common Equity Tier 1 capital ratio of around 150 basis points over requirement ³⁾ , basis points	840	250
Return on equity competitive with peers ⁴⁾ , per cent	10.3	13.8

Key figures

Operating income, SEK m	49,717	50,134
Operating profit, SEK m	20,846	24,894
Return on equity, per cent	9.7	13.7
Cost/income ratio	0.46	0.46
Earnings per share, SEK	7.28	9.33
Dividend per share, SEK	4.10 ¹⁾	0.00 ²⁾
Leverage ratio, per cent	5.1	5.1
Liquidity Coverage Ratio (LCR), per cent	163	218

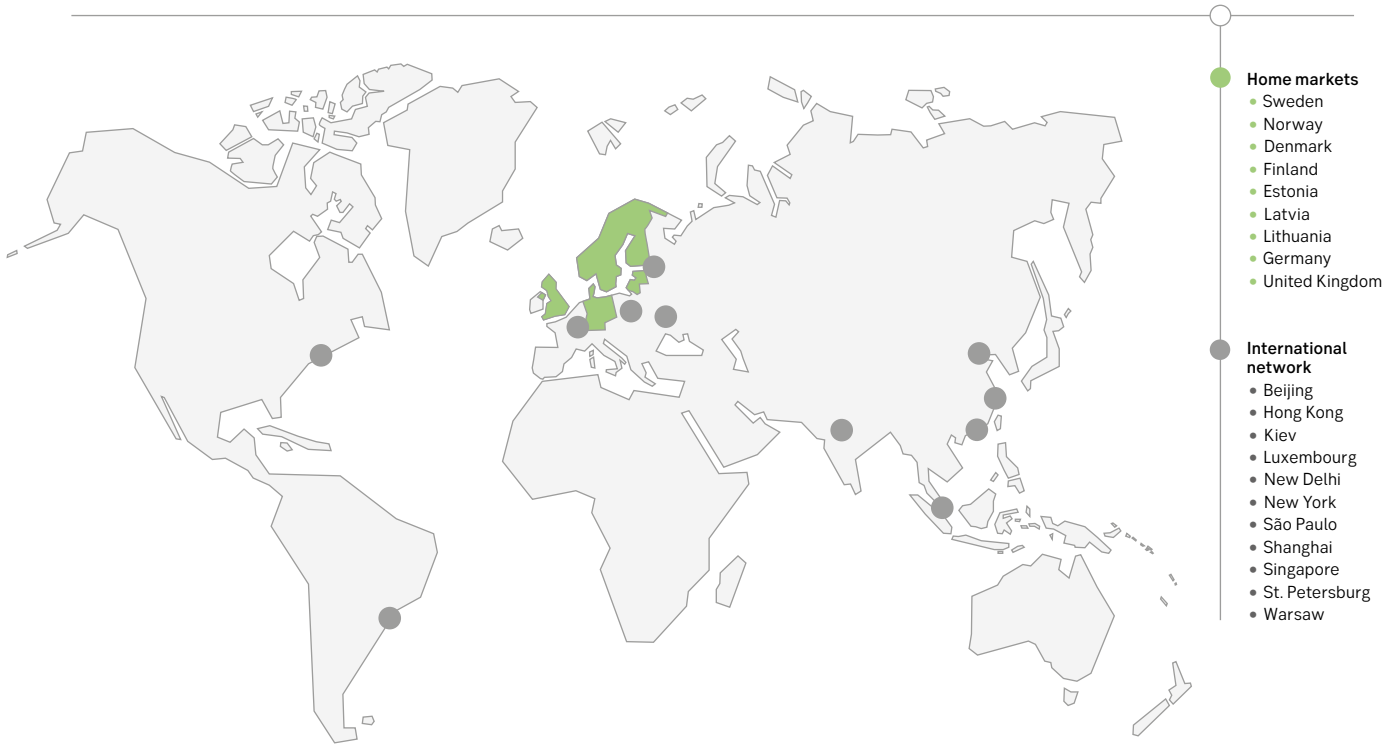
1) Board proposal.

2) The 2019 dividend proposal was reverted and the AGM decided that no dividend would be paid out.

3) Regulatory requirement estimated by SEB: 12.6% (15.1).

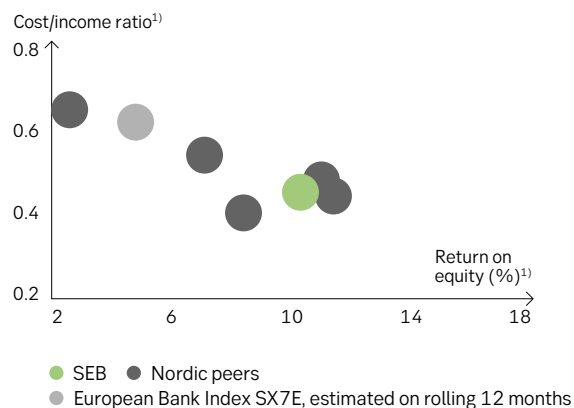
4) Outcome excluding items affecting comparability.

We have a unique customer base and market position, serving our customers in our home markets and beyond.

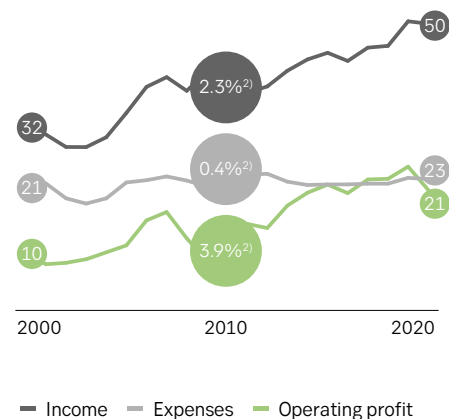


We are well positioned versus our peers with a track record of strong profitable growth.

Our peers 2020



Our profit development¹⁾, SEK bn



Higher transformational pace to support our customers

As the wheels in the banking industry and society are turning at an ever-increasing speed, embracing change and adapting to current market conditions are more important than ever. This was further emphasised during 2020 as the Covid-19 pandemic unfolded globally.

Supporting our customers in good times and bad continues to be our highest priority. Throughout this year we leveraged our financial strength to support our customers' individual needs to the best of our abilities. We did so by providing lending solutions and advisory services, while also enabling access to government-related support measures. In addition, SEB – in collaboration with public and private actors – arranged a number of Covid-19 related transactions to support people, companies and countries affected by the pandemic. Despite the challenging economic environment, SEB's business model proved

we as we follow them around the globe. The banking industry is experiencing changing market dynamics, with one example being the withdrawal of our Nordic peers from their international presence. SEB, however, remains present in some 20 countries, and financial performance in our international network has overall been positive. Our ability to serve our customers locally is one of our core strengths, and therefore we will expand our corporate banking business to the Netherlands while also strengthening our advisory services and corporate banking efforts in both Austria and Switzerland.

“Supporting our customers throughout business cycles is our highest priority.”

resilient during the year, delivering operating income in local currencies that was broadly unchanged compared to 2019. SEB was able to make necessary investments in business development and regulatory compliance while at the same time remaining in line with the 2021 cost target. However, the overall global economic situation continues to be fragile, with remaining uncertainty and unknowns.

Strategy for long-term growth

While we recognise the severity and uniqueness of the Covid-19 crisis, we have also seen how the consequences of the pandemic have accelerated numerous trends in our industry. So while I am pleased to see that our strategic decision to further invest in our business during the year has contributed to a higher transformational pace and improved customer satisfaction, there is still need to further leverage these trends and accelerate our pace of execution. Therefore, our strategic work will remain concentrated to the areas of *advisory leadership, operational excellence and extended presence*, with particular emphasis on geographical expansion, digitalisation, sustainability, savings and investments, as well as regulatory compliance – all with the overarching ambition to become a leading northern European bank for corporates and institutions, and the top universal bank in Sweden and the Baltic countries.

Expanding our presence

Over the years our corporate customers have continued to grow their international footprint, and so have

Providing personalised advice in a digital format

We persistently strive to meet our customers on their terms. As they become more digital, they expect proactive and personalised advisory services also in a digital format. This is reflected in increasing digital activity, with mobile interactions representing more than 80 per cent of customer interactions within the Corporate & Private Customers division. Therefore, we will continue to execute on our digital transformation agenda, focusing on connectivity, automation and analytics. By doing so, we aim to enhance the customer experience, increase speed and robustness, reduce risks, and free up time for our advisors to focus more on activities that generate value for our customers.

Supporting the green transition

The ongoing green transition affects SEB as well as our customers, and as a signatory of the UN Global Compact and the Principles for Responsible Banking we are committed to adapt our business to the UN Sustainable Development Goals and the Paris Agreement. In the development towards a low-carbon society we recognise that there is a need for private sector investments as a complement to the vast public sector efforts. In the EU alone it is estimated that the investment gap will be more than EUR 3,000bn during the period 2021–2027. Thus we believe that the private sector, including SEB, has an important role to play. We will do this by supporting our customers in their transition and by aligning our business with our continuously increasing standards through product innovation, classification of SEB's credit portfolio based on greenhouse gas emissions, and development of our sustainability policy framework.



Enabling savings and investments

Another area where we aim to accelerate our efforts is in savings and investments. Customer demand is continuously growing, driven by a combination of structural changes and cyclical trends such as an ageing population, accelerating digitalisation and stimulative monetary policy. The combination of these factors has led to a growing propensity for individuals to save and invest, reflected in an average savings ratio of approximately 17 per cent in Sweden – an increase of 10 percentage points since 2008. To enable our customers to save and invest, our efforts going forward will be focused on product innovation, investment performance and distribution, including our physical, remote and digital channels.

Ensuring trust

Our stakeholders' trust in SEB is critical and a prerequisite for us to be able to conduct successful business that benefits both our customers and our shareholders. To remain compliant we are continuing to develop secure and efficient processes to manage new emerging risks and to live up to both external and internal rules and regulations. In terms of countering money laundering and other financial crime, we as a bank have a responsibility to prevent, detect and report suspicious activity. However, this is a moving target, and we are constantly trying to improve our routines and processes. In June the Swedish Financial Supervisory Authority (FSA) issued a remark and an administrative fine of SEK 1bn after closing its review of SEB's routines and processes to avoid being exploited for money laundering in the Baltic subsidiary banks. While SEB did not agree with all parts of the decision, it is regrettable to receive this type of criticism.

Creating shareholder value based on a long-term customer perspective

To ensure progress in our strategic work and create shareholder value, we have established long-term aspirations for our business divisions in terms of profitability and cost efficiency. In 2020 we also revised our financial targets for the SEB Group in order to create further financial flexibility to enable us to better support our customers over time. This entails a target of a yearly dividend of around 50 per cent of earnings per share and a Common Equity Tier 1 capital ratio of 100–300 basis points above the requirement from the Swedish FSA. Share repurchases will be the main form of capital distribution when SEB's capital buffer exceeds, and is projected to remain above, the target range of 100–300 basis points. In addition, the target of having a return on equity competitive with peers, currently resulting in a long-term aspiration of 15 per cent, remains unchanged.

Nothing of what we do would be possible without our devoted and skilled employees. People are at the core of everything we do, allowing us to support our customers and develop in line with the society around us. Supporting our customers throughout business cycles is our highest priority, enabled by a strong financial position that provides resilience and flexibility. By applying this long-term perspective, combining customer satisfaction with a robust balance sheet and sound credit exposure, we aim to create value for our shareholders as well as society at large.

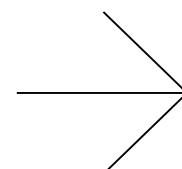
Stockholm, February 2021


Johan Torgeby
President & CEO



We create long-term value

We stand by our customers, in both good times and bad. We always have. By enabling people and businesses realise their ideas, dreams and ambitions we also develop the communities in which we operate and contribute to a more sustainable world. That is how we create long-term value for our customers, employees, shareholders and society at large.



A changing environment

The Covid-19 pandemic has had a global, critical impact during 2020 from many perspectives. Apart from the health, social and macroeconomic effects of the pandemic, we have also seen acceleration of the two megatrends of sustainability and digitalisation during the year.



Two megatrends that drive development

Sustainable transition

Climate change is one of the greatest long-term challenges facing the world. Action is urgent, and in the shadow of the Covid-19 pandemic the pace of the sustainable shift has accelerated. New technology, higher environmental standards and changed customer behaviours are interacting to drive development and create a business logic where more capital is being channelled to investments in climate technologies, fossil-free transports and green infrastructure. Here the financial sector has a key role to play as an advisor, as a capital intermediary, and to help manage the risks that arise when asset values quickly change.

One of the drivers of this development is EU's new, green taxonomy, which stipulates that companies and organisations report on how their operations are living up to the Paris Agreement's goal to limit global warming to well below 2 degrees Celsius. The taxonomy defines the threshold values that a business must stay within to be consistent with the Paris Agreement.

At SEB, we see climate change as the largest challenge of our time, and we are and will be part of the sustainability transition by taking responsibility for how we conduct our business, what we finance and what we invest in. We support our customers in their transition by continuously developing sustainable financial products and services to meet their increasing demands. To ensure that sustainability is integrated in our everyday business, during the year the bank established a new sustainability organisation that is taking a holistic approach from a strategic as well as a business perspective.

→ See p. 38.

Accelerated digitalisation

During 2020 the digitalisation wave that is sweeping across all industries, companies and societal sectors gained speed from the Covid-19 pandemic. Social distancing, working from home and a reduction in in-person shopping have led to explosive growth of e-commerce, digital customer channels and virtual meeting forms.

Beneath the surface, the more in-depth digital transformation is continuing in areas such as artificial intelligence, machine learning, data analytics and the internet of things, where autonomous systems are interconnected and communicate with each other. Other noticeable trends are the emergence of digital, platform-based ecosystems and greater use of cloud systems for software as well as for systems and infrastructure.

Within the financial sector this opens up new ways to meet customers' needs and create better customer experiences at the same time that internal processes can be made more efficient.

At SEB, the digital shift encompasses all aspects of our business. The experiences from the Covid-19 pandemic have brought into focus the importance of accelerating our opportunity to offer digital solutions for all types of services and products and speeding up our internal development of technologies for remote meetings, collaboration tools and further automation. Business and technological development are conducted in an agile organisation, and the bank's IT strategy is built upon a flexible, component-based architecture, data analytics, increased use of cloud services, founded on secure and reliable IT operations.

→ See p. 22.

Commentary from Robert Bergqvist — SEB's chief economist

Turbulence in the wake of the pandemic

2020 will go down as a momentous chapter in economic history books. During a couple of weeks in spring 2020 roughly 85 per cent of the world economy was essentially shut down. Even global crisis policies were unprecedented. In terms of size, the fiscal policy stimulus of around USD 12,500bn was five times larger than during the global financial crisis from 2007–2008, and more powerful and effective due to a functioning global banking system. Credit supply could thereby be maintained during a difficult period.

Fiscal and monetary policies worked in concert to support the recovery. Record-large government budget deficits were funded to a very great extent by extensive purchases of sovereign debt by central banks. Debt instruments were paid for by newly created central bank money. The world thereby witnessed a far from risk-free experiment. This has given rise to questions for the future. A protracted period of extensive support policies has a downside in the form of, for example, economic inequality, a lower need for transformation and skewed competition as well as the risk of abuse of support systems.

Since the global recession took hold in late 2008, global central banks have expanded their balance sheets by an enormous USD 18,000bn. The multi-trillion asset purchases in 2020 were intended to uphold a downward pressure on yield curves. As the long-term inflation expectations gradually recovered from the second quarter, real sovereign bond yields remained deeply negative. Hence, different asset classes, including global equities and home prices, were strongly supported by expansionary financial conditions.

When the Covid-19 pandemic broke out, factories were closed and demand for critical products rose significantly. Still, the resilience of global value chains in 2020 was surprising. This contributed to a recovery for the manufacturing industry, global trade and GDP. A surprisingly strong economic recovery during the third quarter – following an easing of restrictions during

the summer – gave reason for cautious optimism: companies showed a willingness to produce, and households showed a willingness to consume. However, owing to a second, strong wave of the virus during the late autumn – with renewed restrictions in many countries – growth slowed toward the end of 2020. This, in turn, demanded a new round of economic and political support measures.

The pandemic has exposed system weaknesses. Companies' global value chains have been challenged by – among other things – closed production plants, the elevated significance of national borders and disruptions in transport routes even within the EU. The pandemic, combined with recent years' trade conflicts, has prompted businesses and governments to consider measures that reduce vulnerability through greater risk diversification, which can thereby increase resilience to new system disruptions.

The Covid-19 pandemic has given rise to and accelerated behavioural changes regarding consumption, production and investments in digital technology, among other areas. Production and delivery reliability have been given high priority. At the same time, climate impact presents another argument whereby companies' and suppliers' production plants and customers should be found in close proximity to each other. Companies are now being urged to find a model that provides an optimal balance between delivery and production reliability on the one hand and cost efficiency on the other.

Meanwhile, the Brexit negotiations continued throughout the year. Only a couple of days before the end of the transition period on December 31, the United Kingdom and the EU finally reached a deal, 4.5 years after the Brexit referendum. Hence, a hard Brexit was avoided. Although the trade uncertainty declined, the British economy was expected to continue to be negatively affected by leaving the EU.

“The Covid-19 pandemic has given rise to and accelerated behavioural changes regarding consumption, production and investments in digital technology.”

Robert Bergqvist



Long-term value creation

Customer centricity, long-term perspective and financial strength form the foundation for meeting the expectations of customers, employees and the communities in which we operate. Ultimately, this creates value for our shareholders.

Meeting stakeholders' expectations

Customers – 1.8 million corporate and private home bank customers

Our customers' needs are at the core of our business. Their high expectations on personal and digital service, quality advice and sustainable solutions drive our business development and offerings.

Employees – 15,500

Our employees build and deepen customer relationships. Their commitment, skills and continuous learning are key in future-proofing our business.

Shareholders – 268,000

The capital provided by SEB's shareholders is a prerequisite for conducting our business. Our shareholders expect a competitive and sustainable return on their investments. Many of the major owners have a long-term perspective on their engagement in the bank.

Society

Banks play a crucial role in society and are vital for creating economic growth, social value and for the transition to a low-carbon society. We take great responsibility for how we act, to enable society to develop in a sustainable way.

via SEB's business model

Our financial and technological strength...

SEB has high standards for corporate governance and regulatory compliance, a sound risk culture and strong business acumen. This sets the foundation for our financial strength, which gives us the resilience and flexibility required to serve our customers in both good times and bad.

We future-proof our systems by implementing new technologies in order to secure and protect SEB's and our customers' information, and to continue our customer-driven innovation.

...enables us to create long-term customer value

We provide people and businesses with financial advice, products and services. We are available for our customers at their convenience – via the mobile app, on the web, by phone and in our branch offices in 20 countries across the globe. We believe in a combination of in-person and digital meetings, and our employees provide proactive and personalised advice to meet the unique needs of our customers. By supporting our customers, through long-term relationships, we also uphold a critical function in society and contribute to the stability of the financial systems.

Trust is our licence to operate

As a bank, SEB has a critical role in society by providing the infrastructure for payments and transactions, and by acting as an intermediary for financing and savings solutions, risk management and financial advice. In that mission, it is crucial that we continuously earn the trust from our customers, shareholders, employees and from society. To uphold that trust we as a bank are constantly vigilant of the changing regulations and market conditions as well as new customer behaviours. In everything that we do, we act with a strong business acumen and in line with external expectations and our high internal ethical standards.

→ Read more about our Code of Conduct on p. 30 and on sebgroup.com

creates sustainable value.

For our customers

By providing proactive advice and a wide range of digital and personal services, we support our customers' long-term aspirations and add value in all phases of people's lives and in all stages of development of companies and institutions.

→ See p. 26.

For our employees

Our employees value the opportunities for continuous learning within the bank. Employees also participate in SEB's many partnerships to help communities develop and prosper.

→ See p. 30.

For our shareholders

Dividends and growth in market value over time contribute to our shareholders' financial security and enable new investments. By integrating environmental, social and governance aspects into our business operations, we increase our competitiveness and reduce long-term risks.

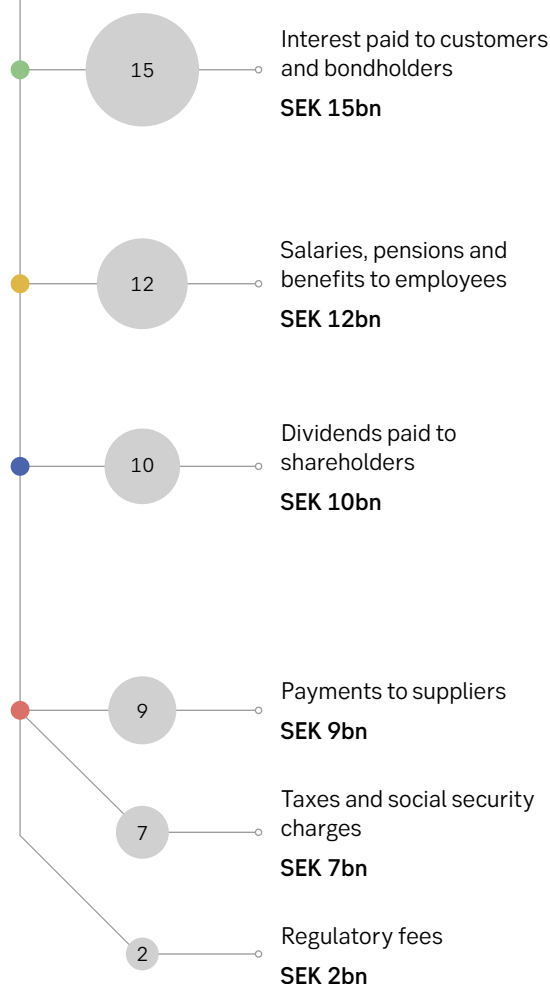
→ See p. 34.

For society

SEB intermediates financial solutions, provides payment services and manages risks, which together promote economic growth and prosperity. We pay taxes and fees according to local rules, and we take responsibility as a provider of financing and as an asset manager and work proactively with environmental, social and governance issues.

→ See p. 36.

SEK 55bn in value created per year
2016–2020



Overall targets and outcome

The progress of the strategy and three-year business plan is monitored and measured at many levels. These selected key metrics provide a progress overview.

● Customers

Customer experience and satisfaction

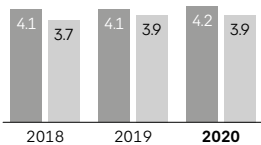
Both internal and external metrics are used to measure customer satisfaction. Prospera's external overall performance measurement and the internal measurement of customers' willingness to recommend SEB are key metrics.

Target

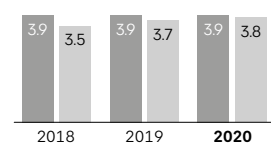
Leading position in selected customer segments and meeting or exceeding the internal customer satisfaction targets.

Overall performance

Nordic large corporations¹⁾



Nordic financial institutions¹⁾



1) According to Prospera's ranking.

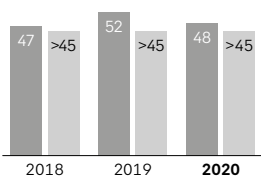
● SEB ● Industry average

Prospera

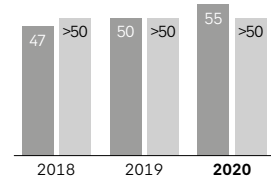
In Sweden, SEB was ranked as number 1 by both large corporations and financial institutions.

Customers' willingness to recommend SEB

Small companies in Sweden²⁾



Private individuals in Sweden²⁾

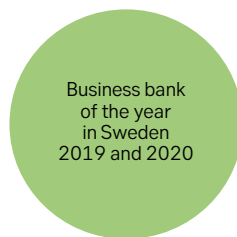


2) According to SEB's Net Promoter Score method. Outcome represents a 12-month average for advisory services.

● Outcome ● Target



according to Prospera



according to Finansbarometern

● Employees

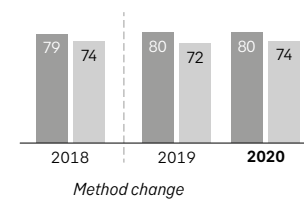
Motivation and engagement

SEB conducts an annual employee survey to measure employee engagement and the employees' views of SEB as a place to work.

Target

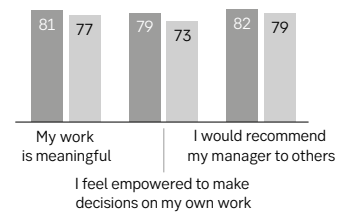
SEB's target is to be the most attractive employer in the financial sector, particularly within banking. Progress is measured through an annual employee survey.

Employee engagement, index



● SEB ● Financial sector average

Key aspects of employee engagement, 2020



● SEB ● Financial sector average

Comment

Some 13,600 employees, or around 90 per cent of the work force, completed the survey in 2020.

Shareholders

Financial targets

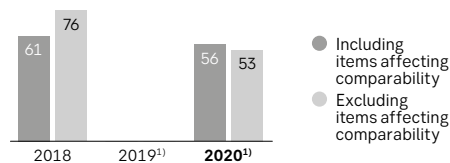
Through the resilience and flexibility that come from a strong capital base, good access to funding, high credit ratings and cost efficiency, SEB can create shareholder value in varying market conditions. The Board of Directors has set three financial targets that contribute to financial strength.

Dividend payout ratio

Target

40 per cent or more of earnings per share. SEB strives for long-term growth in dividend per share. The size of the dividend takes into account SEB's financial position, the prevailing economic situation, earnings, regulatory requirements and opportunities for growth.

Per cent



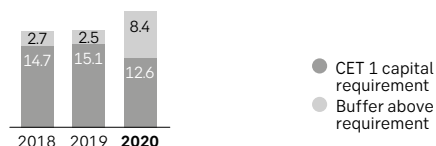
1) Dividends for 2019 and 2020 were decided in accordance with the Swedish FSA recommendation following the Covid-19 pandemic. See p. 44.

Common Equity Tier 1 capital ratio

Target

SEB shall maintain a Common Equity Tier 1 (CET1) capital ratio that is around 1.5 percentage points above the regulatory requirement. At year-end 2020 SEB's buffer was 8.4 percentage points. SEB's applicable CET1 requirement from the Swedish Financial Supervisory Authority was 12.6 per cent.

Per cent

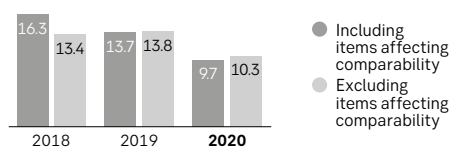


Return on equity (ROE)

Target

SEB shall generate a competitive return on equity. In the long term SEB aspires to deliver a sustainable return on equity of 15 per cent.

Per cent



Society

Sustainability

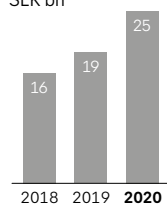
SEB's strategy is to expand its customer offering of sustainability products.

Target

The target is to increase sustainability-related business volumes.

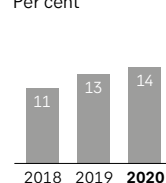
Sustainable financing

Green loan portfolio
SEK bn



Sustainable investments¹⁾

Assets managed with sustainability criteria
Per cent



1) Share of total assets under management.

Comment

Sustainability is a strategic initiative in the business plan where SEB aims to gradually transform credit and investment portfolios towards a sustainable profile.

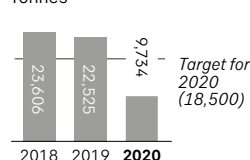
As a bank, SEB has relatively low direct environmental impact. However, the ambition is to lower the internal CO₂ impact.

Target

Reduce CO₂ emissions by 20 per cent between 2016 and 2020, to reach 18,500 tonnes CO₂ emissions.

CO₂ emissions

Tonnes



Comment

The 2020 target was reached, mainly due to significantly reduced travel in the wake of the pandemic.

Reputation

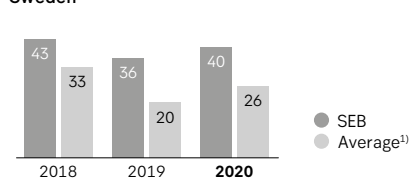
SEB monitors the result of Kantar Sifo's Corporate Reputation Index, which measures the bank's reputation among the general public.

Corporate reputation index

Target

Reduce the gap to the no. 1 in the industry and in the long term have the strongest reputation among industry peers.

Sweden



1) SEB, SHB, Swedbank, Nordea, Danske Bank.

Comment

SEB was ranked as no. 2 in Sweden.



We meet our customers on their terms

Earning our customers' trust is the foundation for our business. With financial products and tailored advisory services, we enable people and companies to realise their aspirations and business ideas. We help our customers contribute to a low-carbon society.



Navigating in a changing world

Staying relevant for our customers and other stakeholders requires that we continuously adapt, innovate and challenge our business. With our strategy and business plan we aim to accelerate transformation, strengthen SEB's long-term profitability and create long-term value for our customers, shareholders and employees.



Strategy: Vision 2025

Our customers' needs and behaviours are continuously changing. Competition keeps rising, regulations are tightening, and the emergence of new technologies and the continued digitalisation of society also affects our business and the expectations we face from our customers. In parallel, climate change is accelerating the necessary shift towards a low-carbon economy, and as a bank we have a responsibility for how we conduct our business and a key role in supporting our customers in the transition towards a sustainable future.

As the wheels of society and the financial sector are turning faster, it is becoming increasingly important to embrace change and adapt to new market conditions. To navigate in this landscape and leverage the business opportunities that emerge from these changes, we continuously adapt and enhance our business offering.

Our current long-term strategy, named Vision 2025, was initially launched five years ago and has been adjusted along the way in order for us to continue to deliver long-term value to our customers, shareholders and employees. The mega trends of digitalisation and sustainability are expected to remain drivers of transformation and hence continue to require investments. The economic and societal consequences of the Covid-19 pandemic during 2020 have further accelerated transformation, both in SEB and in society. This is presenting both challenges and opportunities that we incorporate into our strategic direction in order to ensure that we remain the preferred choice for our customers.

During 2021, we will update our long-term strategy for SEB. By continuing to invest in our future we strive to become one of the leading Northern European banks for corporates and institutions, and the top universal bank in Sweden and the Baltic countries.

Business plan 2019–2021

The long-term strategy, Vision 2025, forms the foundation for the current three-year business plan 2019–2021, in which our overall targets and three focus areas are key components. Another important measure is the cost target.

Overall targets

Shareholder value is created through profitable growth and improved efficiency, while maintaining strong capital efficiency. The Board has defined three financial targets for the period 2019–2021:

- A yearly dividend that is 40 per cent or more of earnings per share
- A Common Equity Tier 1 (CET 1) capital ratio of around 150 basis points above the current requirement from the Swedish Financial Supervisory Authority
- A return on equity that is competitive with peers.

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

SEB aims to ensure progress by evaluating the business in terms of customer satisfaction, employee engagement, sustainability and financial development.

→ See p. 14 for outcome of the overall targets.

Focus areas

To fulfil our vision and deliver in line with our long-term strategy, we have set out the way forward in our business plan for 2019–2021. We have identified three focus areas on which to base our efforts going forward: strengthening our advisory capabilities, accelerating operational efficiency and extending our offering digitally. Within our business plan, we also have a selection of strategic initiatives, which aim to accelerate transformation and strengthen SEB's long-term profitability.

During the year we saw an increased demand for our advisory capabilities as a response to the Covid-19 pandemic, and we have identified new business opportunities given the change in customer needs and market dynamics. Digitalisation and sustainability are two such areas where we accelerated our work during the year, both in the way we support our customers and in our own ways of working. The activities during the year have been concentrated to our three focus areas, including the strategic initiatives, and we are progressing broadly in line with our plan. Each focus area is presented in more detail on the following pages.

Cost target 2019–2021

SEB will continue to operate with strict cost discipline, ensuring that its current operations are cost efficient.

The business plan defines a number of strategic initiatives which, on an accumulated basis, are estimated to lead to total additional investments of SEK 2–2.5bn over the three-year period 2019–2021. This translates into a total cost increase of SEK 1bn, and a new total cost target of around SEK 23bn (+/- SEK 200m) by 2021, assuming 2018 foreign exchange (FX) rates. Based on the FX rates as of 31 December 2020, the cost target implies a cost level of around SEK 23bn in 2021. The pace of investments will be dependent on progress and will be gradually ramped up over the three-year period. The strategic initiatives are expected to lead to both revenue growth and cost efficiencies, improving return on equity over time.

Advisory leadership

Offer customers proactive, tailored and value-adding advice, based on their specific needs and behaviours, through in-person and digital interaction.

→ Read more on p. 20.

Operational excellence

Enhance customer value by increasing the pace of digitalisation and automation while extending the use of data and analytics.

→ Read more on p. 22.

Extended presence

Meet our customers on their terms in their digital ecosystems and offer a combination of products and services from SEB and our partners.

→ Read more on p. 24.

Advisory leadership

During the year we saw how customer behaviours continued to change. The effects of the Covid-19 pandemic have further accelerated the need for qualified advisory services, digital solutions and support in the transition to a low-carbon society.

Thanks to our financial strength, we were able to quickly adapt our financing and advisory services to mitigate the impact of the pandemic for our customers. Examples include extended funding, amortisation grace periods on corporate lending and household mortgages, and other support measures to meet the unique needs of every customer.

Our ability to transfer capital serves a critical function in society and is reinforced in times like these, as we enable capital to flow to where it is needed the most. In collaboration with issuers within the public as well as the private sectors, including the World Bank, the Nordic Investment Bank and the med-tech company Getinge, SEB arranged several transactions in response to the Covid-19 pandemic. These included social bonds, health bonds and commercial paper – all with the purpose of supporting people, companies and countries affected by the pandemic.

To meet the increased demand for sustainability products, services and advisory we have continued to develop our sustainability offering. The green transition affects all our customers, and as a bank

we have a key role in enabling them to contribute to a low-carbon society. In our ambition to accelerate the pace of the transition we have established a new sustainability organisation, where we have gathered the bank's expertise and take a comprehensive approach to sustainability from a strategic as well as a business perspective. In addition, we are classifying our credit portfolios in order to be able to provide customers more tailored advice while also providing the bank with a better basis for our sustainability reporting to stakeholders.

Our strategic initiatives:

- Enhance advisory capabilities within *new technologies and energy transition*
- Strengthen the *Private Banking* offering, including the digital customer experience
- Accelerate innovation in *sustainable financial solutions*
- Improve the *savings and investment offering* through innovative products, enhanced performance and improved distribution.



“The aim is to build a bridge from now to a better future. We believe that many companies will need more capital to weather the pandemic.”

Jan Amethier, CEO of Cinder Invest



Advice for green transactions

The market for sustainable financing has gained real momentum, and SEB has served as advisor in the issuance of a large number of green and sustainability-linked bonds and loans. The single largest example is the Swedish government's issuance of its first sovereign green bond during the year. The SEK 20bn bond is the largest green bond to be issued to date in the Nordic countries and in a Nordic currency. The money raised will be tied to expenditures in the state budget that contribute to achieving Sweden's environmental and climate objectives. SEB served as the Swedish National Debt Office's special advisor in setting up the framework – an assignment that the bank in autumn 2019 won in competition with some 15 banks. SEB was also involved in placing the bond on the market.

SEB served as sole structural advisor when the global mobility company Daimler created a green framework for financing its shift to a zero-emission vehicle fleet and sustainable production processes. In the same way, SEB was the sole structural advisor for the Volvo Group in creating a green framework to finance investments and projects in the area of clean transports. The bank was also involved in placing Daimler's and Volvo's first green bonds on the market.

During the year, SEB served as advisor in the issuance of a sustainability-linked fund financing credit for the global investment organisation EQT. The solution, which is one of the first of its kind in the fund financing market, entails that the interest on the loan is tied to how well EQT's portfolio companies meet defined sustainability targets for, among other things, the shift to renewable energy and gender equality on boards.

Financial support during the Covid-19 pandemic

SEB has, together with AMF, the Fourth National Swedish Pension Fund (AP4), AFA Insurance and FAM (which represents the three largest Wallenberg foundations) formed a jointly owned company that will invest in Swedish companies in need of capital to ride out the pandemic. The company opened for business during the autumn and has total investment capital of SEK 5bn of which SEB invested SEK 1bn.

Cinder Invest AB, as the company is called, will invest in medium-sized Swedish companies – mainly unlisted private and family-owned companies that do not have access to the capital market. The target group is companies with at least 250 employees and annual sales of more than SEK 300m.

“We will focus on companies that have had historically good profitability and sound business models, and which we believe will continue to be successful after the Covid-19 pandemic”, comments Jan Amethier, who left his previous role to serve as CEO of the new, standalone company.

Cinder Invest will acquire minority positions in the selected companies with the express goal that the existing owners will be able to buy out Cinder Invest's ownership stake after the pandemic. The plan is to invest between SEK 50m and SEK 500m per company. The idea is that the investments will have a holding period of around five years and the intention is for Cinder Invest to remain active for a total of ten years.

Operational excellence

Our customers' use of digital channels is continuously increasing and has accelerated during the pandemic. We are dedicated to strengthening the digital customer experience, and during the year we continued to digitalise and automate products and processes while also adding new functionality to our digital channels.

In a world that is changing faster than ever, operational efficiency and speed are essential. By digitalising and automating our business we free up time for meeting with customers – both digitally and in person. This combination of digital and personal interactions increases customer value.

During the year we continued to develop the functionality in our digital channels – both the mobile app and the web. Among other things, we have enabled digital communication with our private customers through secure messages in the mobile app while also improving functionality in the digital channels available for large corporates and private banking customers. We also made further improvements to our mobile app, enabling customers to buy and sell mutual funds, which is a first step in a planned roll-out that also will enable equity trading. We are already seeing results from this, with increases in the number of digital fund transactions as well as in the share of digital fund purchases.

Furthermore, we continued to automate products and processes in the areas of household mortgages and corporate lending, to mention a couple. We are also automating and improving our transaction monitoring, giving us improved possibilities to oversee large numbers of transactions so that we identify and prevent attempts of fraud, money laundering or other financial crime.

Our digital transformation agenda is continuing, with new ways of working and a focus on connectivity, automation and analytics.

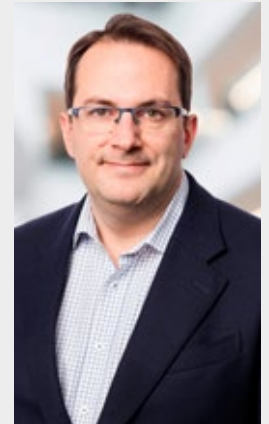
Our strategic initiatives:

- Accelerate *automation* of processes and centralisation to global service centres
- Become more *data-driven* through clean and organised data
- Establish *agile* processes throughout the organisation
- Enhance *employee competences* to meet future customer needs.



“In order to stay ahead of criminal actors seeking to misuse the banking system for money laundering, we continue to invest and further develop our technology.”

Petra Ålund, head of Group Technology
and Nicolas Moch, CIO



The power of digitalisation in the Baltic division

During the initial phase of the pandemic, the authorities in the Baltic countries ordered extensive shutdowns of society to slow the virus spread. SEB's branches were open for in-person visits by appointment only, and the bank worked intensively to increase its remote service capacity, entailing that most services today are available via remote channels.

In connection with this, previous initiatives in the Baltic countries were accelerated. The use of telephone service and video advisory services increased significantly, and the chatbot that was implemented at the end of 2019 was also put to great use. The decision to only allow in-person visits to bank branches by appointment put a higher burden on SEB's call centres, and to ease the pressure, in the following months the bank devised a solution that allows customers to book branch visits themselves online. Staffing at the telephone customer centres has also been strengthened.

During the year a solution was introduced to onboard new private customers digitally in Latvia, while in Lithuania a paperless branch solution was launched.

In parallel with the development of digital channels, during 2020 the rollout of a joint core bank system for SEB's banks in the three Baltic countries was completed. The bank thereby has a joint IT platform in the three countries, which is facilitating continued development and launching of new functionality.

Effective fight against financial crime

During the year SEB combined its resources that work with combating financial crime into a joint, virtual organisation. The aim is to be even more effective in the work against fraud, money laundering and other types of financial crime that affect customers, the bank and society. The organisation gathers business and tech specialists who work with transaction and market monitoring.

“We are continually developing our monitoring processes and systems in pace with changes in regulations, technology, knowledge and criminal behaviour”, says Petra Ålund, head of Group Technology, in discussion with Nicolas Moch, Chief Information Officer (CIO). They both see that we are delivering much better and faster in our agile way of working, as one team.

Strong focus is on accelerating technological development surrounding the use of Artificial Intelligence (AI) and visualisation technologies for detecting suspicious deviations. This type of technology is already being used with success to prevent fraud and will gradually be implemented in SEB within the entire area of crime prevention.

Extended presence

Through new partnerships with leading providers of new technology and new financial services we improved our customer offering during the year.

Developing our business in cooperation with external partners means that we can be available on our customers' terms – also on digital platforms outside the bank. As an example, during the past year we continued our work on offering our small and medium-sized corporate customers digital ecosystems that connect SEB with their own business systems. That way, they get an overview of relevant data and can make better business decisions based on better information.

In collaboration with the third-party vendor Verified, SEB rolled out a cloud-based e-signature solution for large and medium-sized companies in Sweden and Norway, enabling digital signing of agreements. In the Baltic countries, SEB entered a partnership with Fitek, which provides an e-invoice portal through which SEB's corporate customers can sign contracts, use e-invoices, collect payments and archive invoices – all in one place. Initially this service will be available via the internet bank in Estonia. Furthermore, as the first bank, we joined the

Nordic Smart Government collaborative initiative, launched by the Nordic Ministers of Business. The initiative aims to simplify daily life for small and medium-sized companies by creating digital connections with governmental units via API structures.

Within the area of Open Banking, a number of new APIs and services have been developed to support the transformation towards a modern technology architecture and speed up development and customer value delivery.

Our strategic initiatives:

- Develop *Open Banking* collaborations with external parties
- Develop *digital ecosystems* for small and medium-sized enterprise (SME) customers
- Improve digital distribution capabilities within the business area for *fixed income, currencies and commodities*
- Explore new technologies and develop new business concepts through *SEBx*.



“With the help of blockchain technology we expect to be able to shorten lead times in trade finance deals by 90 per cent.”

Paula da Silva, head of Transaction Services



Extended customer cooperation

During the year SEB established a strategic partnership with the fintech company Oxceed, which has developed a cloud-based tool for small and medium-sized enterprises (SMEs) with which they can get a better overview and control of their finances within the digital ecosystem. By integrating Oxceed with its business system, a company can visualise and analyse its bookkeeping data in real time and thereby make more informed decisions.

Through a partnership with PE Accounting and a number of other business system vendors, companies have the opportunity to link their business systems with SEB and thereby achieve a seamless integration of bookkeeping and banking services.

A third example is our partnership with the fintech company Capcito. Using technology from this company SEB has developed a service in which customers – by sharing their bookkeeping data with the bank on a daily basis – receive an automatic calculation of their borrowing scope and thereby eliminate large amounts of paperwork in connection with a credit application.

Cooperation for efficient trade finance

In 2020 Contour went live, a global blockchain-based platform for trade finance transactions. SEB has been involved in developing the platform and has established its own operating environment that is an application of the blockchain within the bank.

Letters of credit are important instruments for eliminating counterparty risk in connection with global trade. But since the associated contracts and documents are sent physically by post, their handling is slow and inefficient. “By using the Contour platform, lead times can be shortened from an average of 10 days to less than 24 hours”, says Paula da Silva at SEB Transaction Services.

The first step was taken in 2015 when SEB joined an international bank consortium to develop a blockchain-based platform. This resulted in the formation of the US-based company R3, which has launched an infrastructure platform called Corda. SEB has been part-owner of this company since 2017.

During the same year a project was started to develop a trade finance solution based on the Corda platform. It is this solution that has now been put in operation globally by Contour, a company founded by eight international banks – including SEB, which is a part-owner and represented on the board.

Our four customer segments

All customers have their individual needs, but smart digital solutions and personal relationships are key building blocks within all our four main customer segments. Our customers are looking for a partner who is proactive, provides a long-term perspective and can offer objective advice in order for them to reach their goals.



Large corporates

We have enduring and uniquely strong relationships with our large corporate customers in Sweden and the other Nordic countries. We support them in their business and their international expansion and stay with them as a partner through good times and bad. SEB serves some 2,000 large corporations across a broad spectrum of industries. Many of them are global market leaders and most have extensive international operations. In the Nordic region, our customers are among the largest in their respective industries while in Germany and the UK, medium to large-sized companies with an international profile are in focus.

Financial institutions

SEB serves approximately 1,100 financial institutions and acts as an intermediary between Nordic and global financial markets. We offer our services to pension funds and asset managers, hedge funds, insurance companies, state-owned investment funds as well as other banks and SSAs (sovereigns, supranationals and agencies). We have a strong position in the Nordic markets and also serve customers internationally with capital market access, custody services and advice on capital, sustainability and asset management matters.

Development in 2020

Large corporate and institutional customers carried out their business activities with caution given the Covid-19 pandemic. Liquidity positions were monitored carefully and demand for liquidity facilities and risk management products increased. Cash management activity was high throughout the year driven by the highly liquid markets. Mergers and acquisitions activity was low but, with positive news related to Covid-19 vaccines, customers raised new financing, taking advantage of the low interest rates. A number of customers in the oil-related offshore segment were challenged by the adverse oil price development.

Financial markets were very volatile with high institutional customer activity especially in the beginning of the year. There was strong demand for products and advisory services within the sustainability area throughout the year. Equities execution and debt capital market issuance activities increased in the latter part of the year.

All in all, operating income for the Large Corporates & Financial Institutions division increased by 6 per cent compared to 2019. With net expected credit losses at 41 basis points, the divisional operating result decreased by 20 per cent.

Small and medium-sized companies

SEB has an established position as the bank for entrepreneurs and small business owners and currently serves some 400,000 small and medium-sized companies. Of these, 175,000 were home bank customers in Sweden and 98,000 in the Baltic countries. The segment includes around 610 mid-corps – many with international operations – as well as customers in the real estate and public sectors in Sweden, such as government agencies, state-owned companies and municipalities.

Private individuals

SEB is one of the major banks in Sweden, Estonia, Latvia and Lithuania. In Sweden, we have a strong position and the bank is one of the market leaders in the Nordic countries in private banking. SEB provides a comprehensive range of services to private customers and private-banking services with global reach to Nordic high-net-worth individuals. We have approximately four million private customers in Sweden and the Baltic countries. Of these, 497,000 are home bank customers in Sweden and 1,003,000 in the Baltic countries. We have around 34,000 Private Banking customers.

Development in 2020

Customer behaviour in both Sweden and the Baltic countries changed rapidly with the outbreak of Covid-19 which weakened the macroeconomic development and caused societal restrictions. The number of digital transactions and remote services increased significantly while in-person meetings declined, and customers were less active using cards and payments services.

In Sweden, private customers' demand for mortgages continued to grow. The volatile stock market resulted in high brokerage activity. Throughout the year Private Banking customers showed increased interest in alternative investment funds. Small and medium-sized companies' loan demand was subdued but deposits increased. Customer satisfaction was high.

Both private and corporate customers in the Baltic countries were apprehensive and loan demand was unchanged while deposits increased. Companies remained cautious regarding making new investment decisions.

All in all, operating income for the Corporate & Private Customers division increased by 5 per cent. Net expected credit losses increased, which limited the increase in operating profit to 2 per cent. Operating income for the Baltic division declined by 3 per cent. With unchanged expenses, but with increased net expected credit losses, operating profit declined by 17 per cent.



Meet our customers

Our customers contribute to the development of society. We assist them in realising their plans as well as in solving day-to-day challenges. Customer satisfaction is one of the most important factors in our business.

Getinge

Getinge is a global medtech company that provides products and services for operating rooms, intensive care units, sterilisation departments, and research institutes and pharmaceutical companies.

The Covid-19 pandemic has led to a spike in demand for advanced ICU (Intensive Care Unit) ventilators, among other things. Getinge also manufactures products for vaccine producers and during the year had between 1,600 and 1,800 service technicians deployed to hospitals around the world to maintain sophisticated health care equipment.

“The most important part of a banking relationship is having a proactive partner that is looking ahead, monitoring current developments and that offers suggestions for solutions”, says Lars Sandström, Getinge’s CFO. “We work very well together with SEB, such as early in the pandemic, when it was uncertain how the situation would unfold. SEB was proactive, got in touch with us and made it clear that the bank was there if needed”.

Getinge has a broad-based customer relationship with SEB as its home bank for cash management solutions and one of its core banks for lending, issuing commercial paper and bonds, and M&A financing. “SEB served as structural adviser for the issuance of our Covid-related commercial paper”, says Lars Sandström. “Even though the commercial paper market was stone-cold, we succeeded with SEB’s help in borrowing one billion kronor to ramp up production”.



“SEB was proactive, got in touch with us and made it clear that the bank was there if needed.”

Lars Sandström, Chief Financial Officer

CIP

Copenhagen Infrastructure Partners, CIP, is a fund management company specialised in investments in energy infrastructure assets, in particular within renewables.

CIP was founded in 2012 with just one investor. Since then, the business has grown significantly in terms of the number of investors and, today, CIP has investments across the world in projects including onshore and offshore wind, solar PV, waste-to-energy, power transmission and energy storage.

Simon Kjaer is an Associate Partner at CIP. “The most important thing in a bank relationship is the capacity to understand our activities. It is also vital that the bank has an international platform, since one of our strategic focuses is to broaden the investment base globally”, he says.

SEB is one of CIP’s home banks for financing the funds and also plays a key role in issuing guarantees and letters of credit. “One example was the start of construction of a large offshore wind farm in Taiwan in early 2020. SEB played a key role in collaboration with other banks in designing a whole set of guarantees which enabled us to complete the financial transaction and immediately start construction work”.



“It is vital that the bank has an international platform.”

Simon Kjaer, Associate Partner

EQL Pharma

EQL Pharma is a generics- and specialty pharma company, dedicated to providing cost-effective pharmaceuticals to the Nordic market.

Christer Fåhræus is founder and CEO, and Jennie Sterning is CFO of the rapidly growing pharmaceutical company EQL Pharma. SEB is the company's home bank, and both Christer Fåhræus and Jennie Sterning are happy with the relationship.

"All good relationships require an understanding of each other's business and that both parties have the same view of reality. SEB takes an interest and is highly engaged in what we do", says Christer Fåhræus.

Jenny Sterning emphasises the importance of proactivity. "It is important that the bank approaches us with own initiatives and suggestions, sees opportunities and perhaps offers solutions that we don't even know existed", she says.

Another important factor is speed of response, Fåhræus adds. "In this regard SEB is superb. They are always quick to respond, and we have direct access to the branch manager when we need it".

One example was in connection with the Covid-19 pandemic, when EQL Pharma, through personal inroads with Chinese manufacturers, was able to supply the health care system in Skåne with essential personal protective equipment. Since global demand was enormous, all manufacturers required advance payment. "SEB helped us with lightning speed at getting payments directly in to the Chinese banking system", Fåhræus recalls. "That was key, because otherwise it would have been tough for us to land these contracts since they drained us of so much temporary capital".



"They are always quick to respond, and we have direct access to the branch manager."

Jennie Sterning, CFO and Christer Fåhræus, CEO

Maire Kurm

Maire Kurm is a private banking customer at SEB in Estonia.

Maire Kurm, from Tallinn, is CFO for Swedish forest products company SCA's Baltic operations. With a background as portfolio manager for a bank and thereafter as head of Treasury for the City of Tallinn, she has worked in the financial sector her entire life. Through her work she has close business relationships with SEB, but she has also been a private customer for nearly 20 years.

"I have the knowledge required to be able to handle my finances myself, but I don't have time", she says. "Regarding my personal economy it's kind of like the 'shoemaker's children'. So it's very convenient for me to be a private banking customer of SEB. It makes life easier. I highly value the help I get taking care of everything from small matters such as a credit card issue to tips and advice on investments".

Maire has three nearly grown-up children and lives an active life. Aside from work and family life, she spends most of her free time on sports and exercise.

"The most important thing in a banking relationship is trust", says Maire. "You have to be able to trust that your bank is offering what's best for you as a customer. I appreciate that SEB gives me tips and good investment ideas, but they don't overdo it. The bank has to know the limit between being there for me, and not being pushy. I think SEB has struck a good balance".



"The most important thing in a banking relationship is trust."

Maire Kurm

Working at SEB

At SEB our employees are at the core of everything we do, and we support their development. To work at SEB is to be a positive force in society by helping customers achieve their goals.



The annual employee survey shows that our employees are engaged and feel that they are given opportunities to grow and develop. The survey also shows that employees share a strong belief in SEB's future, that they have confidence in SEB's management, and that they feel they have the opportunity to influence their work and express their views. The key performance indicators for employee engagement continue to be high and are above the average for the financial sector. Development areas include communication and cooperation between different parts of the bank.

From the employees' perspective, although the year was dominated by the Covid-19 pandemic, major steps were taken with respect to leadership, learning, inclusion and new ways of working.

Continuous learning

In a rapidly changing world, continuous learning of new skills is a basic precondition for ensuring strategic competences. During 2019 we launched SEB Campus, a platform for self-driven learning designed to support competence development and guide SEB's employees through change. It is a platform in which internal experts in specific fields in SEB share their knowledge, but also a place where SEB offers access to the latest research from prestigious universities such as MIT, IMD Business School and the Stockholm School of Economics. A number of new courses were introduced during the year, and as one of the highlights in 2020, a new, mandatory sustainability seminar was launched. At year-end 2020 SEB Campus had 15,136 active users.

Our core values

SEB's core values serve as the foundation for ways of working and culture. In combination with the vision – to deliver world-class service to our customers – they serve to motivate and inspire employees, managers and the organisation as a whole. These values are described in our Code of Conduct, which provides guidance on ethical matters for all employees.

Customers first

We naturally put our customers' needs first, always seeking to understand how to deliver real value.

Commitment

We are personally dedicated to the success of our customers and are accountable for our actions.

Collaboration

We achieve more because we work together. We share, challenge and learn from our experiences as a team.

Simplicity

We strive to simplify what is complex. We respect our customers' time by being accessible, straightforward and transparent.

→ Read the Code of Conduct on sebgroup.com

We are changing our ways of working and leadership

By developing ways of working and leadership, SEB is evolving in pace with a complex world that is constantly changing. Since 2018 SEB has implemented agile work methods to increase the bank's ability to act quickly and flexibly. The Covid-19 pandemic has further accelerated the pace of change in our ways of working. With many employees working from home, managers have quickly adapted their leadership and found new ways of working in order to effectively lead remotely with digital tools, but while still maintaining personal contact. During 2020 SEB further developed the focus areas in its leadership philosophy to support leaders in driving change, promoting innovation and contributing to an inclusive culture. The framework for SEB's leadership philosophy is built upon scientific research and has been developed in cooperation with SEB's strategic partners, such as IMD Business School.

Diversity for innovation and growth

Inclusion and diversity are crucial for driving innovation and growth at SEB, and for the bank's ability to provide world-class service to its customers. Diversity – in all senses of the word – provides valuable perspectives, enhances creativity, promotes problem-solving and contributes to sound risk management and good decision-making. During 2020 a number of activities were carried out in this area, including training and workshops. A study of sexual harassment within the banking sector in Sweden has shown that 1.5 per cent of SEB's employees have experienced harassment at the workplace. Harassment is not acceptable. The result is below average for the banking sector as a whole and measures have been further strengthened to prevent and act upon any new occurrences. The diversity perspective has also been implemented through a new system which will promote neutral recruitment. At the senior management levels, SEB is working to increase the gender balance, including by setting targets through new key performance indicators.

Recruiting and retaining talent

It is our employees who deliver value to our customers and create the change that is leading to a better and more sustainable world. The employees are engaged by a value-creating and inclusive culture with opportunities to develop and advance. In 2020 SEB was ranked as the most attractive employer in its sector by both business and IT students in Sweden. SEB was ranked as number one by young business professionals and as number two by IT professionals. SEB's trainee programme was ranked as the third best among business students. To secure its role as an attractive employer among tomorrow's critical competences, SEB is refining its employer brand strategy, and we are currently at work on launching a new career portal and new recruitment platform that both improves external recruitment and is creating a dynamic internal job market.

Labour law and unions

Our employees are covered by central cross-sector collective agreements and local company-specific collective agreements. SEB has a European works council with representatives from all EU and EEA countries in which the bank is active. Any reorganisations or layoffs are handled in accordance with applicable laws, collective agreements, special procedures and redundancy agreements that have been agreed upon with the unions. Training and support are offered both to employees and managers who are involved in a reorganisation. Employees also get support in finding new work, whether internally or externally.

Well-being and safe work environment

SEB works long-term and preventively to offer a safe and sound workplace in an effort to contribute to its employees' well-being and promote a good work/life balance. In Sweden, SEB's sickness-related absenteeism remains low, at just over 3 per cent, compared with other industries as well as the financial sector. Sickness-related absenteeism was marginally higher in 2020 compared with a year earlier, owing to the Covid-19 pandemic. SEB offers services and benefits to its employees along with a wellness subsidy to promote a healthy and balanced lifestyle. During the Covid-19 pandemic SEB further strengthened its measures to promote employee health and well-being also with respect to working remotely.

Employee statistics

	2020	2019	2018
Employees, average full-time equivalents	15,335	14,939	14,751
Employees, average	16,007	15,691	15,683
<i>Sweden</i>	8,238	8,013	7,972
<i>Other Nordic countries</i>	975	988	1,121
<i>Baltic countries</i>	5,729	5,544	5,348
<i>Other countries</i>	1,065	1,146	1,243
Employees at year end	16,193	15,819	15,562
Employee turnover, %	8.6 ¹⁾	12.1	12.9
Sick leave, % (in Sweden)	3.3	2.9	2.9
Female managers, %	48	47	45
Employee engagement	80	80	2)

1) The definition of employee turnover was updated in 2020.

2) Method changed (no comparable data).

Meet our employees

Our 15,500 employees have different experiences, backgrounds, skills and perspectives. Through them, we create long-term customer value and contribute to drive progress in society.

Many opportunities to grow

Around the time when Zainab Imam Din was looking to move on from her previous job at Scania, she had her sights set on the finance sector. Her choice of SEB came down to, among other factors, the major transformation that the bank is currently in the midst of.

“From having conducted a product-based business, SEB is currently transforming in line with the vision of world-class service”, she says. “Being a part of that shift I think is very exciting. And then it is important for me to work for a large organisation in which there are many opportunities for growth”.

Zainab has worked as a full stack software developer at SEB for nearly two years, and has now taken on expanded responsibility as scrum master, a leader role in agile development. She spends her days writing and implementing code – the entire time in close collaboration with other developers as well as UX (user experience) designers and business analysts.

Zainab highlights that what she appreciates most about her job is that she learns something new every day and the courses offered on SEB Campus allows her to stay updated.

“I feel that SEB values my knowledge and that my voice is heard”, she says. “I can be transparent and open with my bosses, and vice versa. They see my potential and help me achieve my goals”.



“I feel that SEB values my knowledge and that my voice is heard.”

Zainab Imam Din, full stack software developer and scrum master



“The company culture is amazing. I just had my first child and everyone has been very supportive.”

Lauri Stark, quantitative analyst in Markets

Everyone supports each other

Lauri Stark is a quantitative analyst working at SEB's Markets department in Helsinki. He has a master's degree in Finance. During his studies he conducted an internship program at SEB, and continued working part-time in the bank.

After the program he was selected for SEB's International Trainee Program, after which he joined the Markets team. In parallel with his job at SEB Lauri is currently completing his second master's degree, now with focus on the mathematical and technical side of finance.

“I'm working with numerical data and modelling of different financial instruments that are traded on the market. Currently, I'm working on a sustainability-related project. We try to calculate sustainability numbers for companies, and based on this data we can evaluate several sustainability metrics for different kinds of portfolios”.

Lauri Stark appreciates the work culture at SEB and the possibility to combine work with personal life. “The company culture is amazing. I just had my first child, and everybody has been very supportive about me taking parental leave. It was unusual to work remotely before Covid-19, and now having my baby, my manager and colleagues have encouraged me to work from home. My colleagues and I have a tight community – we know each other well and everyone supports each other”.

I appreciate the professional engagement

As an analyst in Financial Strategy at SEB in Denmark, Christian Hjort Pedersen works with strategic advisory for large corporate customers in the areas of capital structure, credit ratings and sustainability.

“Our job is to provide guidance for our customers by conducting product-neutral analyses of their needs to discuss which proactive financial considerations they can benefit from”, he says.

Christian feels it is important to share SEB’s values, culture and ambitions, and also to have opportunities to learn and develop as a young employee.

“I have now worked at SEB for three years and have always felt a great sense of engagement from the HR and management teams”, he says. “This was clear already from my initial project employment through to my most recent transition from intern to a full-time analyst, which took place a year before I graduated. As an employer SEB is very attentive to continuously supporting the development of its employees’ competences, which I have personally benefited from in the form of rewarding courses and new professional challenges”.

“I appreciate the social environment at SEB, which supports the well-working cooperation that is prevalent across departments and professional roles”, he continues. “It also facilitates internal job rotation. The culture at SEB gives you great opportunities to shape your own work duties and your career track. You are not regarded just as one in the crowd, but instead you feel involved and gain knowledge about the bank’s other business areas”.



“The culture at SEB gives you great opportunities to shape your own work duties.”

Christian Hjort Pedersen, analyst in Financial Strategy



“I am driven by the ambition to generate results and to have satisfied customers and engaged colleagues.”

Roxana Cisternas, branch manager Täby office

Making a difference in people's lives

Roxana Cisternas was born and raised in Romania, where she also got her education and economics degree. In 1985 she moved to Sweden, studied Swedish for immigrants and joined SEB on an internship in 1989. A year later Roxana was offered a permanent position and has since then held various management positions in the bank. Today Roxana is head of SEB’s branch in Täby, which is one of the bank’s largest branches with a high level of customer satisfaction and good profitability.

“I am driven by the ambition to generate results, have satisfied customers and engaged colleagues, and to deliver strong figures on the bottom line. I have had this level of ambition since my time as an elite gymnast in grade school”, says Roxana.

Throughout her career at SEB, Roxana has felt that she has had support from helpful managers who have encouraged her. The dialogue climate has been characterised by openness and a positive approach. “It has enabled me to flourish and grow as a leader”, she says.

In her role, Roxana tries to apply the same principles. “We work in support of each other and are driven by loyalty and by making a difference in people’s lives”, she says. “For example, instead of regarding a home mortgage as merely a tick in our statistics, we know that it is a family’s life we are dealing with and that every individual is unique”.

Shareholder value in SEB

SEB has a unique customer base and market position, committed owners with a long-term perspective, a solid financial buffer and the strength to grow and create shareholder value.



SEB is a northern European financial services group, founded in 1856. We strive to be a leading northern European corporate bank in our home markets with an international presence, connecting corporates and institutions with the rest of the world. In Sweden and the Baltic countries we aim to be a top universal bank. Our home markets are the Nordic and Baltic countries, Germany and the United Kingdom.

Engaged and long-term focused shareholder base

Many of SEB's larger institutional investors have had an ownership stake in SEB for more than a decade. SEB's largest shareholder is Investor AB, where SEB is a core investment. Investor AB, northern Europe's largest industrial holding company was founded by the Wallenberg family in 1916 and owns more than 20 per cent of the share capital in SEB. Investor is currently represented on the bank's board with two seats, including the chair. The engaged and long-term focused shareholder base of SEB enables us to look beyond business cycles, taking a long-term, structural perspective.

Diversified business, profitable growth and financial strength

Our earnings base and risk profile are diversified in terms of customer base, full-service product offering and geographic exposure. SEB has demonstrated strong profitable growth over time and continuously strives to improve its operating leverage through deepened customer relationships and continuous efficiency improvements. Our strong balance sheet creates flexibility for the future, enabling us to grow with our customers.

Digitalisation and sustainability are key drivers in SEB's business plan

SEB is now two years into its three-year business plan, which focuses on advisory leadership, operational excellence and extended presence. By also focusing on customer segments with growth potential while leveraging on the digitalisation and sustainability trends, the main aim is to strengthen SEB's long-term profitability.

→ See p. 19 for information on the business plan.

Shareholder value

The shareholder value created can be measured as total shareholder return (TSR), which means that market values and dividends paid during a period are taken into consideration. In 2020, the TSR for SEB's shareholders was -4 per cent. SEB's regulator, the Swedish FSA, recommended, in line with other European regulators, that banks not pay dividends given the uncertainties amid the Covid-19 pandemic. SEB adhered to the recommendation. Additionally, in 2020 SEB's share price declined to SEK 84.50 from SEK 88.08 even though the year-high price was SEK 104.90.

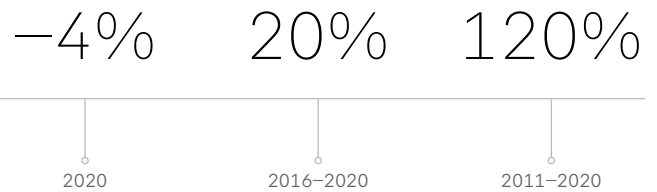
Financial targets

SEB has financial targets in place in order to create lasting, long-term shareholder value. These targets are focused on the financial performance of SEB and capital repatriation to shareholders, while at the same time securing a solid financial buffer for the bank.

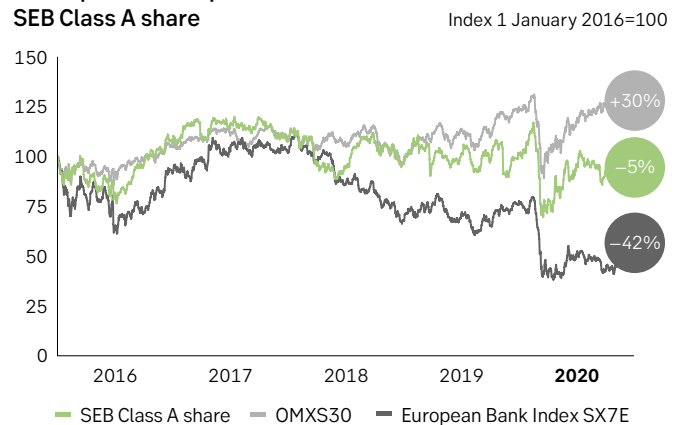
The outcome of the financial targets for 2020:

- Dividend: The SEB Board of Directors proposed a dividend corresponding to a payout ratio of 56 per cent
- Common Equity Tier 1 (CET 1) capital ratio: 840 basis points of capital buffer above the Common Equity Tier 1 requirement
- Return on equity (RoE): 10.3 per cent (excluding items affecting comparability), whereas the average return on equity for Nordic peers was 8.1 per cent and for European peers 9 per cent.

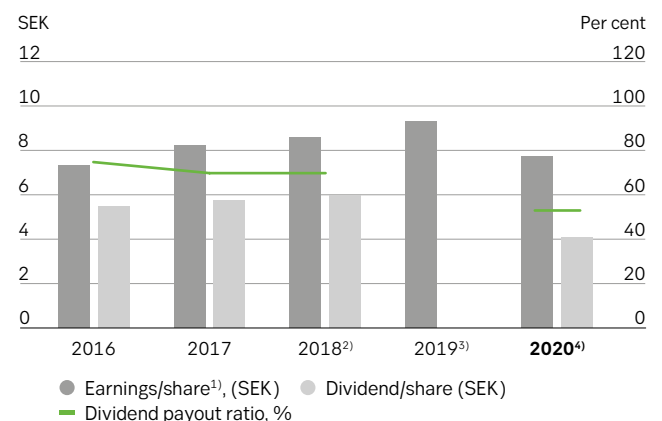
Total shareholder return



Share price development SEB Class A share



Earnings and dividend per share



- 1) Excluding items affecting comparability.
- 2) Excluding extraordinary dividend in 2018.
- 3) The 2019 dividend proposal was reverted and the AGM decided that no dividend would be paid out.
- 4) A dividend of SEK 4.10 per share is proposed for 2020.

A critical role in society

Through our products and services, we provide the necessary infrastructure for society to function. We also contribute to creating economic growth and social value, and drive progress and transformation by supporting our customers.



SEB makes it possible for households, entrepreneurs and businesses to finance, invest, and manage payments and savings. We identify and manage risks as well as opportunities, thereby promoting economic development, growth, new jobs and international trade, and contributing to financial security.

Despite the Covid-19 pandemic, throughout 2020 we kept business open in all of the countries in which we work to be able to serve our customers and fulfil our mission as an essential part of society and the economy. Even in the countries that were subject to an almost total shutdown, SEB was able to uphold all the critical functions of the bank.

SEB is also an active societal actor in the local communities in which we work. We are committed to enabling progress of society, promoting entrepreneurship and sustainability, and supporting initiatives and ideas with a long-term positive impact.

SEB is also an active participant in the public debate to spread economic knowledge and contribute to financial inclusion.

New ways to participate in the public debate

To prevent the spread of Covid-19, in 2020 the bank cancelled all types of larger seminars and other customer events, but in their place intensified its communication in new, own digital channels.

In the spring we built a studio where we now have produced and recorded more than a hundred broadcasts. Our news broadcast SEB Morgon, with economic analysis from the bank's experts, has got almost 700,000 views in nine months.

We also launched SEB Talks, a series of webcast seminars in which the bank's experts share their insights, forecasts and advice on everything from running a business and personal economy to sustainability and entrepreneurship. In this way, we have been able to invite more participants and spread knowledge to more people than at our traditional customer meetings. During the year a total of 11 SEB Talks episodes were webcast, attracting more than 15,000 viewers.

Sustainability seminars in the Baltic countries

In the Baltic countries SEB has initiated a similar endeavour with a seminar series on Facebook under the theme societal development from a sustainability perspective. The plan is to conduct panel discussions in which entrepreneurs, researchers and experts discuss the changes in learning, work life, transport, travel and the economy that we can expect from a five-year perspective, and how we can prepare for them. The first seminar was conducted with the same set-up in all three countries and attracted around 12,000 viewers in total.

Supporting entrepreneurial minds

The pandemic meant that several thousand summer jobs disappeared, and to help young people find meaningful employment, SEB was involved in and provided funding to Beredskapslyftet (the Skill Shift Initiative), the goal of which was to create 1,000 summer jobs in Stockholm. The programme was carried out at the initiative of the City of Stockholm.

In addition to our financial contribution we also provided training in entrepreneurship to inspire young people in the area of running a business.

SEB collaborates with the non-profit organisation Mentor, which works with mentorships for young people in need of adult role models. During 2020, we participated in the We_Change tour, Sweden's largest sustainability venture for young people, that spreads knowledge and promotes innovation surrounding sustainable development. In 2020 the tour was conducted entirely digitally, and in addition to the bank's financial support, SEB employees participated in various parts of the programme and hackathons.

Aiming for better financial equality

In 2020 SEB started the Financial Equality initiative, which was launched with the film *Why Women Don't Own*. The film, which was produced in cooperation with the think tank *Ownership* and a group of female entrepreneurs within SEB's network, e.g. Moa Gürbüz, founder of *Oddbird*, Polina Otto, founder of *Carrus Network* and Alice Moradian, co-founder of *Earth Bite* (picture left). The film takes as its starting premise the fact that women account for only 15 per cent of private land ownership, 25 per cent of real estate values, and 33 per cent of privately owned equities. This is illuminated through a historic look back at four women's lives between the 1840s and today. The purpose of the initiative is to shine a light on the problem and point to what SEB can do to encourage greater equality in savings and ownership.

Ownership is a think tank dedicated to substantially increasing ownership among women and thereby giving women more power over their own life decisions and improving equality in society. We deepened our cooperation with *Ownership* through a long-term sponsorship that will stretch over the coming three years.

The Financial Equality initiative was recognised with the 2020 Anna Equality and Diversity Award. The award has been handed out yearly since 1993 by the Central Equality and Diversity Committee, which is a joint collaboration between BAO (the Swedish banking sector's employer organisation) and *Finansförbundet* (the Financial Sector Union of Sweden). The award is handed out to an individual, company, chapter, project or work team in the banking and financial sector.

New collaboration for combating money laundering

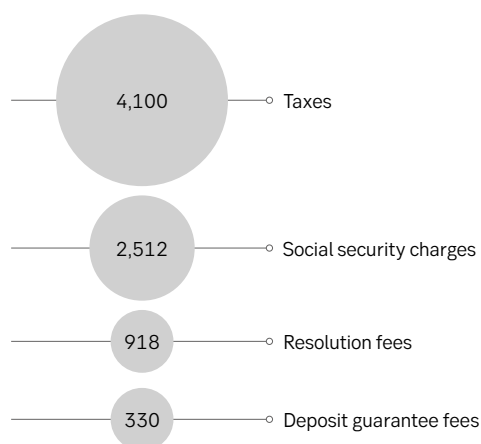
Money laundering is a major societal problem, and we are working continuously and resolutely to strengthen our ability to prevent money laundering. To further strengthen society's ability to combat financial crime, during the year SEB helped initiate SAMLIT (the Swedish Anti-Money Laundering Intelligence Initiative), a collaboration between Sweden's major banks and the Swedish Police's intelligence unit. The aim is to test new forms of information-sharing within the framework of applicable legislation and to also look at which possible regulatory changes may be needed to make this work even more effective in the future.

The collaboration started out as a pilot project in summer 2020 and is planned to be launched across a broad front in 2021.

How we contribute financially to society

We contribute financially to society by paying taxes and regulatory fees according to local rules where we operate. In addition to the corporate tax relating to the operating result we pay social security charges based on remuneration costs. Regulatory fees consist mainly of deposit guarantee fees and resolution fund fees, designed to protect the stability of the financial system.

Taxes and fees paid, SEK m





We contribute to a sustainable future

Climate change is the largest challenge of our time and SEB is, and will be, part of the transition. As a bank we have a big responsibility for how we conduct our business, what we finance and what we invest in. We engage with and support our customers in their transition to a low-carbon society.



Sustainability

SEB has a strong ambition to contribute to a prosperous and sustainable future for people, businesses and society. We are committed to supporting our customers in the transition to a low-carbon economy by offering advisory leadership, innovative and sustainable financing and investment solutions. Our aim is to create value for all our stakeholders.



We are convinced that companies that incorporate sustainability into their operations and business decisions have the prerequisites to be more successful in the long term. To us, the integration of economic, social and environmental aspects into our business is fundamental. SEB's sustainability strategy sets out the areas where we have the opportunity to impact in the short, medium and long term. By adapting the strategy for our financing and investment activities in accordance with the UN Sustainable Development Goals and with the Paris Agreement, we aim to create sustainable value for our stakeholders. This includes the areas of climate and environment, human rights, social relations and anti-corruption.

Striving to reorient capital flows

We strive to reorient capital flows to support sustainable purposes, in line with the bank's vision and business strategy. We focus on growing our offering while continuing the integration of sustainability risks into processes and ways of working.

Several areas serve as the foundation for our long-term achievements. Financial strength and resilience, risk management, business ethics and conduct, and crime prevention are all considered to be important in the long term for our stakeholders and are thus material for our business.

Transforming our business

We have continuous focus on transforming our own business, on innovation and on assisting our customers in their transition to a better society. In 2020, we established a new central sustainability organisation, and strengthened processes and policies. We intensified the work on classifying the credit portfolio whereby we analyse our corporate customers' current climate impacts as well as their future transition plans.

We contributed to the growth of sustainable financing solutions and at year-end we were the seventh largest underwriter of green bonds in the world since inception in 2008.

For SEB employees, special focus was put on increasing knowledge about climate change. A research-based training, mandatory for all employees, was launched globally.

SEB and the UN Sustainable Development Goals

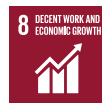
The UN Sustainable Development Goals (SDGs) form the framework for nations, businesses and societies on how to achieve long-term economic growth, social inclusion and environmental protection.

SEB's main contribution to the SDGs is by supporting its customers in their transition. By signing the Principles for Responsible Banking, we have also committed to aligning our business strategy and contributing to the SDGs.

We have identified and prioritised five of the goals that are clearly linked to our business strategy and sustainability work, and where we have a great opportunity to make an impact.



Climate action is addressed throughout our business, from our long history and pioneering role in green financing, to the more recent work on classifying our corporate customers' climate impact. In our investments we take a restrictive approach to companies engaged in fossil fuels.



Through our business we drive economic development and contribute to creating new jobs and growth in society, for example by supporting entrepreneurs. Our microfinance funds give individuals and companies access to capital and financial services.



Through our history of maintaining long-term relationships with industrial companies we contribute to strengthened infrastructure and enable technological advancements. We cherish the innovation capacity in society. In 2020, we established SEB Greentech to support Nordic companies in the green technology sector.



We work to reduce corruption and bribery in all their forms. We protect our business and are committed to preventing money laundering, cybercrime, sabotage, intrusion attempts and financing of terrorism.



Through the Financial Equality initiative, SEB and the think tank Ownershift shed light on women's ownership and on the fact that women in Sweden own only 15 per cent of private land and 33 per cent of privately owned equity shares. SEB is also working to increase the gender balance in SEB's senior management.

Sustainable financing

Sustainable financing is an increasingly important driver in the transition to a low-carbon economy, both in the global market and in SEB's business.

In close cooperation and dialogue with our customers, we are committed to finding solutions that are tailored to their needs and that offer the possibility to contribute to positive impacts.

Responsible financing and lending are cornerstones of our business. SEB's group-wide policies define how the bank is to take sustainability risks into account in financing activities.

Sustainable financing solutions

SEB offers sustainable financial solutions for private and corporate customers and for institutions. For large corporate and institutional customers the landscape of sustainable financing solutions continues to broaden. The green bond market is being expanded by increased prevalence of social bonds, sustainable bonds, sustainability-linked bonds, green loans and sustainability-linked loans. For the latter, we saw a significant increase in demand and knowledge. In the Nordic countries the market increased from USD 1.6bn to USD 16.9bn from 2019 to 2020.

SEB is a pioneer in green bonds, having developed the concept in 2007/2008 together with the World Bank. Since inception we are the seventh largest underwriter globally. In 2020, SEB had a leading position in the Nordic market with a share of 20 per cent of global transactions by Nordic banks. In 2020, SEB had underwritten an aggregate volume of USD 4.7bn of green bonds and an additional USD 0.5bn of social and sustainability bonds. This corresponds to SEK 48bn in sustainability-related bonds underwritten by SEB.

Sweden is the country in the world with the largest proportion of green bonds: 14 per cent of all bonds issued in SEK are green. Swedish investors consider climate impact and sustainability in their investment decisions to such an extent that issuers globally are turning to Sweden to raise capital.

The market for social bonds also continues to grow. During 2020, the Stockholm Regional Council issued a health impact bond that will be used to finance preventative measures for people at risk of developing type 2 diabetes.

For private customers green mortgages continued to grow, reaching SEK 4bn. SEB also launched green, long-term property financing for small and medium-sized companies. Green car leasing is offered to companies and organisations interested in leasing electric or biogas cars.

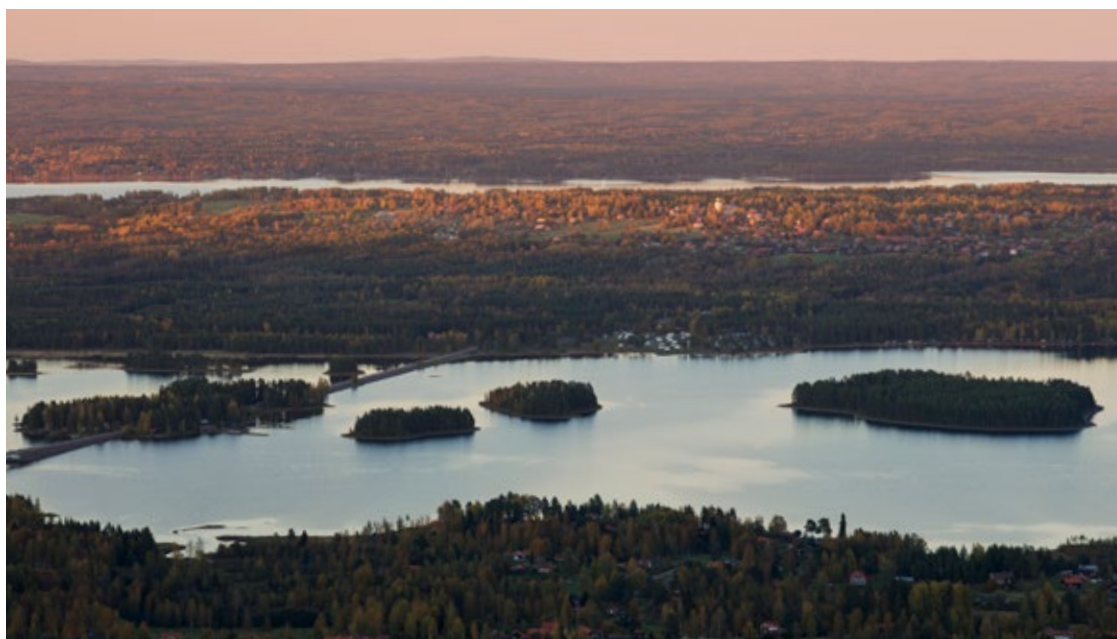
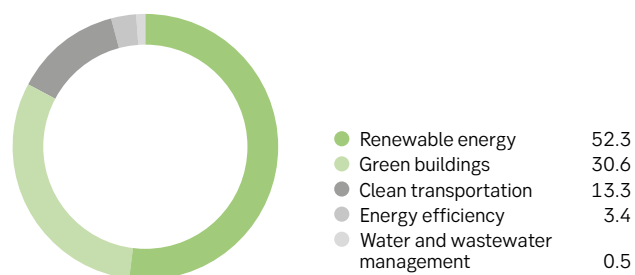
SEB's own green bond is financing green loans

As part of our funding strategy, in 2017 we issued our first green bond of EUR 500m. Backed by SEB's sustainability strategy, Environmental Policy and accompanying sector policies, the Green Bond Framework ensures that SEB's green bond, by financing green loans, is used for low-carbon and climate change resilient projects and investments. In addition, the green bonds should promote environmental and ecosystem improvements and thereby also support the SDGs.

In 2020, we granted the first green loan in the Baltic region with the purpose to finance the construction of solar parks in Estonia. At year-end SEB's green loan portfolio amounted to SEK 21bn, an increase of almost SEK 8bn since 2017.

SEB's green loan portfolio by sector

Per cent



Sustainable investments

SEB's fund company, SEB Investment Management, is one of the Nordic region's largest institutional investors with SEK 672bn in assets under management for private, corporate and institutional customers.

As customers are increasingly demanding sustainable products, SEB Investment Management strives to integrate such aspects into all types of investments and asset classes. The investment strategies are based on the inclusion of companies that conduct good work in this area or have well-defined transition plans, exclusion of industries and companies that do not meet the fund company's sustainability criteria, and continuous engagement in the companies in which we invest.

The fund company strives to improve its work by constantly updating strategies, improving processes and developing new products for the customers. In the coming years, new EU regulations on transparency and reporting will also enter into force, which will affect our work.

SEB became a signatory of the UN Principles for Responsible Investment (PRI) in 2008 and has since reported annually on its compliance with the six principles. In PRI's classification of sustainable investments in 2020, SEB's fund company received the highest possible rating (A+) for strategy and governance, and a rating of A in all other categories.

In December 2020, a strengthened Sustainability Policy was adopted by the fund company's board of directors along with a climate strategy. Going forward we will apply the same methods and exclusions for all funds, which for instance means that all funds will exclude companies that produce or extract fossil fuels.

Focus on inclusion

The fund company invests in companies that actively manage environmental, social and governance factors in their operations. We believe that these will be more successful over time and thereby create value for customers, companies and society. Analysis of sustainability risks and opportunities is integrated in the management of all SEB funds.

Criteria for exclusion

All of SEB's funds managed by the fund company exclude companies involved in the production or marketing of controversial weapons and the development or production of nuclear weapons programmes. In 2020, SEB funds did not invest in companies that extract thermal coal, i.e. mining operations where coal accounts for more than five per cent of the company's or group's turnover, nor in tobacco companies and companies that produce cannabis for non-medical use. The funds also did not invest in companies that fail to respect international conventions and guidelines.

In 2020, SEB's sustainability funds also excluded companies where more than five per cent of their turnover came from alcohol, weapons, gambling or pornography. In addition, these funds did not invest in companies that extract fossil fuels. The fund company reviews its holdings every six months through its advisor ISS ESG.



Microfinance funds

SEB is one of Europe's largest managers of microfinance funds, providing individuals and companies with access to capital and financial services that would not otherwise have access to these basic services. Through the microfinance institutions, the funds reach more than 22 million entrepreneurs in about 60 developing countries and the total assets under management amount to more than SEK 8bn.

Ownership and collaboration

SEB Investment Management works actively to influence the companies in which it invests. In Swedish and Nordic companies, where the fund company is often one of the largest shareholders, this commitment is implemented directly through dialogues with the company's executive management and board.

For investments outside the Nordic region, we collaborate with other investors through organisations such as The Institutional Investors Group on Climate Change, PRI Clearinghouse, and Federated Hermes Equity Ownership Services. During the year, SEB conducted more than 2,000 dialogues (direct and indirect) with portfolio companies.

Customer survey

Every year SEB Investment Management conducts a survey in which we ask private customers with holdings in equity funds which of the SDGs they believe we should focus on in the company dialogues. As in previous years the survey showed that customers want SEB to contribute to combating climate change and promoting clean water and sanitation and good education. Biodiversity was also highly ranked.

Advisory and innovation

Our ability to meet our customers' sustainability preferences is key for the future, and our advisory and innovation capacity will be crucial. This is why we develop products and services that help customers make informed decisions and that contribute to counter global warming, promote equality and support green-tech entrepreneurs, for example.

Training programme for SME customers

In Sweden, we have launched the Sustainability Business Programme in collaboration with the auditing and consulting firm Grant Thornton. For six months, companies with revenues of SEK 50 million and higher are provided with knowledge, guidance and tools to help them identify their most important sustainability issues and integrate measurable goals into their operations. The aim is to help companies structure their sustainability work and thereby strengthen their competitiveness. During 2020, eight companies participated in the programme.

SEB Impact Metric Tool

The Impact Metric Tool – a quantitative analysis tool developed by SEB – facilitates dialogues between companies and portfolio managers and is an appreciated advisory service. The tool consists of modules that allow measurement of environmental, social and governance (ESG) aspects of company operations at the portfolio level. It also assesses positive and negative impacts with respect to the SDGs and helps align investment portfolios to the EU Taxonomy that aims to define environmentally sustainable economic activities.

Investing in entrepreneurs within green technology

SEB has created a new venture capital unit, SEB Greentech, to invest in Nordic companies in the green technology sector. SEB believes it is critical that young greentech companies gain access to funding at an early stage so they can realise the creation of technologies, products and services that can benefit society, our customers and shareholders.

The unit is starting out with SEK 300m in investment capital, with an ambition to increase to SEK 1bn over time. It will invest in companies that develop solutions which in a decisive way can improve the use of natural resources and reduce negative ecological impacts.

SEAM – ESG in equity research

In 2020, SEB Equity Research launched a new methodology called SEAM (SEB Research's ESG Assessment Methodology), which quantifies what ESG factors will have a material impact on companies' financial performance. The results are integrated in SEB's equity analyses, and are accessible for all customers that subscribe to Equity Research's analysis service.

People and competence

Our employees are at the core for our ability to be a successful company that can support our customers in fulfilling their ambitions. Continuous learning, inclusion and diversity and a healthy work environment are among the areas we focus on.

Building competence among employees

SEB maintains a strong focus on strengthening responsible business behaviours and sustainability competence among employees. This is driven by increased expectations and demands from customers in all segments as well as from other stakeholders, such as investors and regulators.

Since long the bank has a mandatory training in Code of Conduct in place, and in 2020 special focus was put on increasing knowledge about climate change. Consequently, SEB launched a training that is now mandatory for all 15,500 employees globally. The training consists of a digital lecture with Lisen Schultz, researcher and scientist at the Stockholm Resilience Centre, and founder and director of the Executive Programme in Resilient Thinking. Based on decades of research as well as the latest findings, the training gives a comprehensive view of how the climate is changing, current and future effects, and what SEB as a bank can do to contribute.

Training support for customer advisors

In connection with our work on classifying our corporate customers' climate impact, during the year a tailor-made training was launched to support client executives and advisors prior to customer dialogues related to climate change. Workshops and seminars were also carried out in all divisions with corporate customers.

Integrating sustainability KPIs

SEB sees the importance of aligning incentive structures with its sustainability ambitions. Sustainability KPIs are integrated in the long-term incentive structures for members of SEB's Group Executive Committee (GEC). In 2020, this was further integrated also for managers who report to members of the GEC.

The 2020 result and dividend

Despite the challenging economic environment, SEB's business model proved resilient during the year, delivering operating income that in local currency was roughly in line with 2019. The bank's financial position is strong and a dividend of SEK 4.10 per share is proposed by the Board of Directors. The year-end closing price of the SEB class A share was SEK 84.50.

Operating income

Total operating income decreased by 1 per cent to SEK 49,717m.

Net interest income increased by 10 per cent to SEK 25,143m.

Factors that affect net interest income include customer lending and deposits volumes and interest margins which differ in various markets, mainly due to varying maturities and risks. Changes in the margins have a major bearing on net interest income. In addition, net interest income is affected by the return on holdings of interest-bearing securities and interest expense on the bank's issued securities used to fund the operations. Regulatory fees for financial stability purposes are also reported as net interest income.

The increase in net interest income in 2020 was mainly due to growing lending volumes, primarily within mortgage lending. The regulatory fees for financial stability purposes amounted to SEK 918m which was approximately half of the 2019 level, in line with current regulation.

Net fee and commission income, which includes commissions from various services such as lending, advisory services, mutual funds, payments, cards and securities has long been a larger source of revenue for SEB than for other Swedish banks. This is because SEB works to a greater extent with services for large corporations as well as asset management.

Income statement

SEK m

	2020	2019
Net interest income	25,143	22,950
Net fee and commission income	18,063	18,709
Net financial income	6,275	7,617
Net other income	236	858
Total operating income	49,717	50,134
Staff costs	-14,976	-14,660
Other expenses	-5,864	-6,623
Depreciation, amortisation and impairments of assets	-1,906	-1,662
Total operating expenses	-22,747	-22,945
Profit before credit losses	26,970	27,190
Gains less losses from tangible and intangible assets	-7	-2
Net expected credit losses	-6,118	-2,294
Operating profit before items affecting comparability	20,846	24,894
Items affecting comparability	-1,000	
Operating profit	19,846	24,894
Income tax expense	-4,100	-4,717
Net profit	15,746	20,177

Dividend for 2019 and 2020

The 2020 Annual General Meeting (AGM) was originally scheduled for 23 March 2020. Given the Covid-19 restrictions on events and travels introduced by the authorities in Sweden, the board postponed the AGM to 29 June 2020. During that time the board re-evaluated its dividend proposal for 2019 (SEK 6.50 per share) given the Covid-19 development. In order to ensure enough room for SEB to act in the interest of customers and shareholders, the board then proposed to the AGM that no dividend for 2019 be paid. The AGM decided accordingly.

The board now proposes a dividend of SEK 4.10 per share which corresponds to 25 per cent of net profit of 2019 and 2020. The proposal is in line with the Swedish FSA's communication as per 18 December 2020 that banks should be restrictive with respect to dividends and share repurchases up until 30 September 2021.

The proposed record date for the dividend is 1 April 2021. If the Annual General Meeting resolves in accordance with the proposal, the share will be traded ex-dividend on 31 March 2021 and the dividend is expected to be disbursed by Euroclear Sweden AB on 8 April 2021.

Administrative fine

The Swedish Financial Supervisory Authority (FSA) finalised its review of SEB's governance and control of measures against money laundering in SEB's Baltic banks. The Swedish FSA decided to issue SEB a remark, which is a lower degree of an administrative sanction that is issued when a breach has not been deemed to be serious. The Swedish FSA also decided to issue SEB an administrative fine of SEK 1,000m, which corresponds to about 14 per cent of the maximum amount the Swedish FSA can impose, as well as a precept to take certain measures to improve the transaction monitoring in Sweden.

SEB decided not to appeal the fee and instead focus on future business.

In 2020, net fee and commission income decreased by 3 per cent to SEK 18,063m. The main reason for the decrease was that consumption decreased as a result of the Covid-19 restrictions and thereby payment and card transactions were fewer. The corporate customers' demand for capital market financing and advisory services was lower but for risk management purposes, companies increasingly sought loans and liquidity facilities.

Net financial income includes both realised gains and losses associated with trading of equities, bonds, currencies and other financial instruments, as well as unrealised changes in the market value of securities. Financial market trends play an important role.

In 2020, net financial income decreased by 18 per cent to SEK 6,275m. The main reason was that market valuation effects were less positive than in 2019. Covid-19 led to very volatile financial markets and both corporate and institutional customers were actively managing their risk and investment portfolios.

Other income, net, includes certain capital gains, dividends, hedges and other items. Net other income decreased to SEK 236m. In 2019, the divestment of SEB's holding in LR Real-credit A/S at a capital gain of SEK 259m elevated other income.

Operating expenses

Operating expenses decreased by 1 per cent to SEK 22,747m. Staff costs increased partly related to SEB's strategic initiatives and the strengthening of the anti-money laundering capabilities. The average number of co-workers increased to 15,335 during the year. Covid-19 restrictions led to fewer consultants and lower travelling costs among other things.

Net expected credit losses

Credit losses consist of incurred losses as well as provisions for expected losses where SEB has determined that the customer likely will be unable to fulfil the repayment obligations.

Net expected credit losses increased to SEK 6,118m. The main reason was that oil prices dropped significantly which affected a number of customers in the offshore segment negatively. In addition, the bank made provisions for Covid-19 related effects on the credit portfolio level.

Items affecting comparability

Items affecting comparability amounted to SEK 1,000m due to an administrative fine.

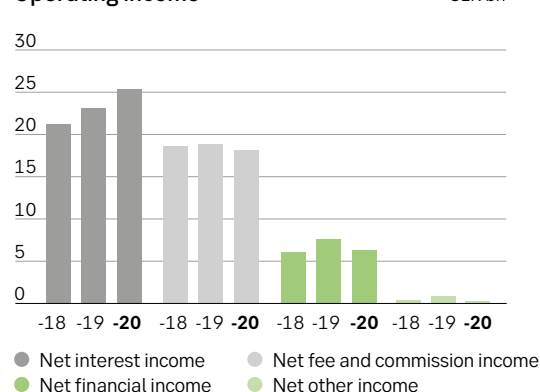
Operating profit

Operating profit decreased by 20 per cent to SEK 19,846m.

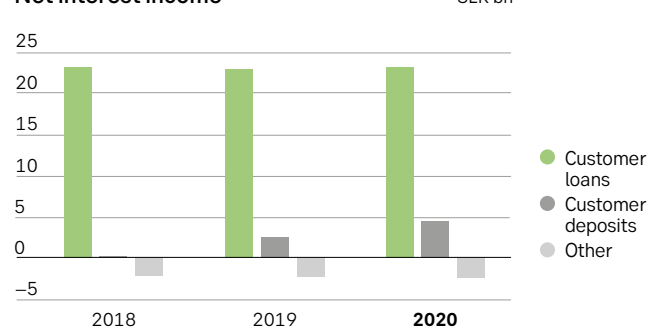
Net profit

Net profit decreased by 22 per cent to SEK 15,746m and earnings per share amounted to SEK 7.28. Net profit for the year forms the basis for calculating earnings per share and the proposed dividend to the shareholders.

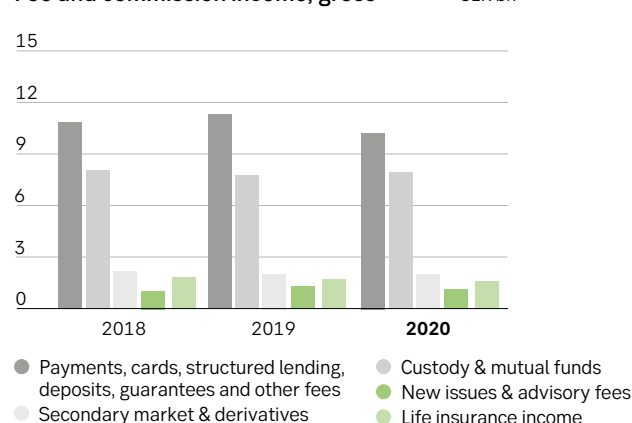
Operating income



Net interest income



Fee and commission income, gross



Balance sheet and business volumes

Simply put, traditional banking is a matter of helping to move capital between customers with a surplus of capital and customers in need of borrowing.

Customers' needs vary widely with respect to amounts, maturities and other terms. In its role as an intermediary, SEB uses savings and deposits and issues bonds to use for corporate and long-term mortgage lending.

Assets

Total assets at 31 December 2020 were SEK 3,040bn which corresponded to an increase of SEK 184bn during the year.

Loans to the public account for more than half of total assets. Lending to the public decreased by SEK 68bn. Swedish mortgage loans increased in line with the market and corporate lending was stable. The strengthening of the Swedish krona lowered the reported volumes, however.

The bank holds debt securities for customer trading and its own liquidity management and equity instruments are held for customer trading purposes. These holdings increased by SEK 31bn in 2020.

Financial assets for which the customers bear the investment risk consist mostly of customers' unit-linked insurance and amounted to SEK 331bn.

Liabilities

The main liability item is deposits and borrowings from the public. Deposits and borrowings from the public increased by SEK 210bn as customers increasingly chose bank deposits as a form of savings which decreased SEB's need to issue debt securities for funding purposes. Issued securities decreased by SEK 108bn. Financial liabilities for which the customers bear the investment risk represent the bank's liabilities for customers' unit-linked insurance and amounted to SEK 332bn.

Equity

Total equity consists of the share capital, capital contributions and retained earnings. Net profit for 2020 increased equity by SEK 16bn. The planned dividend for 2019 at a total amount of SEK14bn was not distributed leaving equity at a high level. For the year 2020, the proposed dividend amounts to SEK 9bn. Total equity amounted to SEK 172bn.

Banks must hold capital to cover their risks. At the end of 2020 SEB's capital amounted to 21 percent of the measured risks (the Common Equity Tier 1 capital ratio). This is one of the highest capital ratios among European banks.

Assets under management and custody

Both assets under management (for instance mutual funds) and assets under custody are primarily reported outside the balance sheet.

Total assets under management increased to SEK 2,106bn, due to a market value increase offset by a volume net outflow. Assets under custody increased with several new mandates and a market value increase to SEK 12,022bn.

Assets	SEK m	
	2020	2019
Cash and cash balances at central banks	323,776	146,691
Loans to central banks	3,633	4,494
Loans to credit institutions	50,791	46,995
Loans to the public	1,770,161	1,837,605
Debt securities	265,433	238,578
Equity instruments	82,240	78,482
Financial assets for which the customers bear the investment risk	330,950	316,776
Derivatives	164,909	139,427
Other assets	48,539	47,598
TOTAL ASSETS	3,040,432	2,856,648

Liabilities and equity	SEK m	
	2020	2019
Deposits from central banks and credit institutions	111,309	88,041
Deposits and borrowings from the public	1,371,227	1,161,485
Financial liabilities for which the customers bear the investment risk	332,392	317,574
Liabilities to policyholders	29,624	26,547
Debt securities issued	749,502	858,173
Short positions	30,409	27,343
Derivatives	161,561	122,192
Other financial liabilities	744	2,449
Other liabilities	81,720	97,144
Total equity	171,943	155,700
TOTAL LIABILITIES AND EQUITY	3,040,432	2,856,648

Risk management in SEB

SEB must always manage all types of risks that arise in connection with customers' activities. The bank has a comprehensive framework for risk, liquidity and capital management that is continuously being developed to reflect the current environment. This has enabled SEB to continue to create customer value during the Covid-19 pandemic while maintaining the bank's resilience.

Robust credit portfolio in challenging times

SEB's main risk is credit risk. The credit portfolio increased to SEK 2,591bn from SEK 2,498bn during the year. In 2020, the impact of Covid-19 was limited and the asset quality remained stable despite the exceptional economic slow-down triggered by the pandemic. However, the expectation is that the underlying financial profile of many customers has weakened as an effect of lost income and increased debt levels. This could eventually lead to weakening asset quality for banks. Industry sectors deemed to be most at risk are oil-related, travel and transportation, retailers and retail space. During the pandemic, SEB's focus has been to work closely with customers and actively manage risks.

Measuring and managing climate-related risk

SEB recognises the importance of limiting the average global temperature rise in line with the Paris Agreement. To achieve this a transition to a low carbon economy is vital. As a bank SEB has both a responsibility and an ability to innovate and create financial solutions that accelerate and support the transition.

SEB does not rule out that the transition will be faster and more far-reaching than is currently generally expected.

SEB's approach to managing climate change risk is integrated in the bank's overall business strategy and is articulated around three areas:

- Support customers on their transition journeys towards a low-carbon economy
- Manage the bank's own climate impact
- Manage climate-related risks.

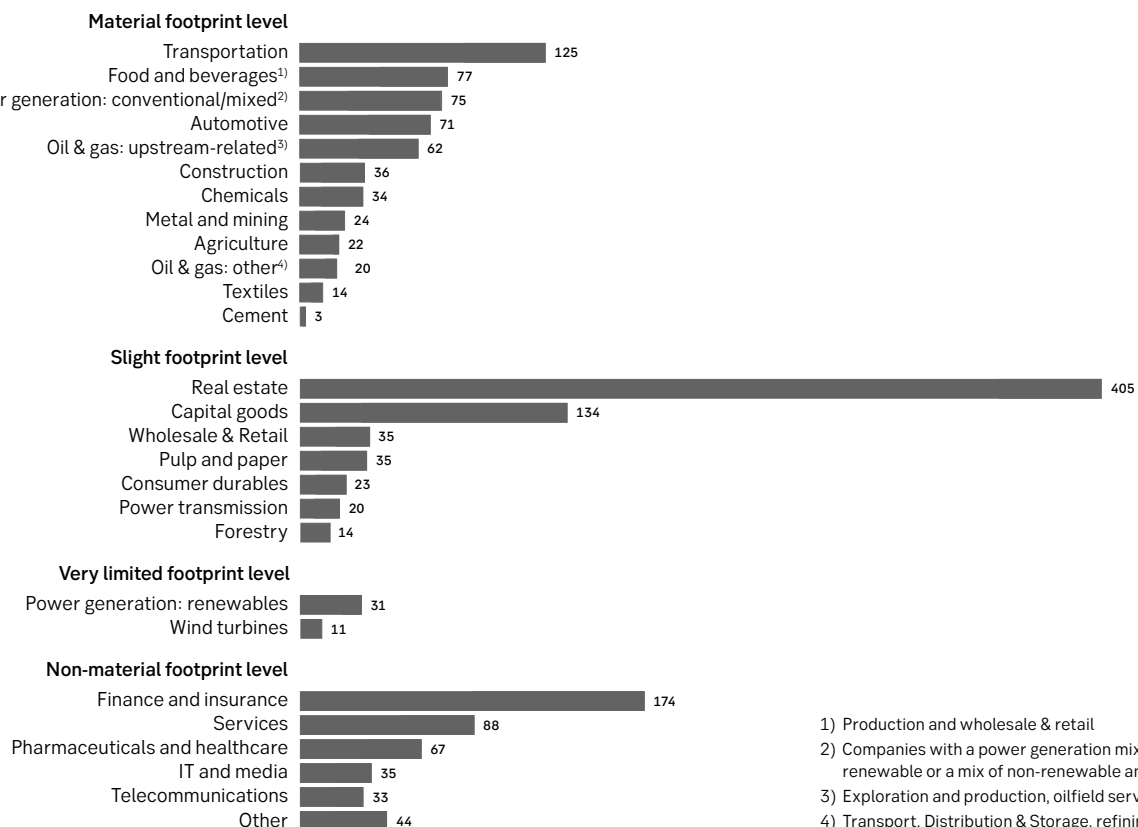
One of several actions taken by SEB to manage climate risk is to make an initial analysis of the corporate and real estate portfolios in terms of carbon exposure, by categorising industry sectors with climate impact that range from material to limited. The analysis forms the basis for many aspects of the future climate related work such as dialogues on climate action with customers and SEB's strategic choices.

→ Read more about SEB's climate risk management at sebgroup.com.

Break-down of SEB's corporate and real estate credit portfolio reflecting the sector's carbon footprint

SEK 1,713bn, representing 66 per cent of the total credit portfolio, as per 31 Dec. 2020

SEK bn



1) Production and wholesale & retail

2) Companies with a power generation mix that is non-renewable or a mix of non-renewable and renewable

3) Exploration and production, oilfield services and offshore

4) Transport, Distribution & Storage, refining, retail and other



“Standing strong in a changing world.”

Marcus Wallenberg, Chair, Board of Directors

Statement from the Chair

2020 was a challenging year for people and businesses and my thoughts go out to all who have been affected by the pandemic. At SEB, we have done our utmost to stand by our customers' side.

In line with authorities' guidelines, it was decided that no dividend would be paid during the year. However, the Board has now in line with updated guidelines proposed a dividend for 2020. SEB's shareholders include private savers, pension funds and indirectly also foundations that support research and education and the dividend is therefore an important contribution to the economy and development of society.

Thanks to our solid financial position, we were able to support our customers through the crisis. I want to express my sincere thank you to all employees for your flexibility, hard work and proactivity during the year.

Proactivity is a key component also moving forward. We should always expect the unexpected, and we must stay humble and realise that risk per definition is not fully controllable. Managed in a responsible way, risks could also entail great opportunities. The two megatrends of digitalisation and sustainability are two

such examples, where we are now speeding up our efforts even further so that we can continue to meet our customers' needs. Climate change is in focus for all customer segments, and we wish to stay closely engaged with our customers and support them on their pathway to transition.

The changing risk landscape underlines the importance of always trying to look around the corner. At SEB, we have been curious about what the future brings for 165 years. We will continue to use that curiosity, paired with knowledge, experience and foresight, to serve our customers and create long-term value for our shareholders.

Stockholm, February 2021

Marcus Wallenberg, Chair, Board of Directors

This is an abbreviated version of the statement of the Chair in SEB's annual report.

General Meeting

The General Meeting of Shareholders is the highest decision-making body, which among other things appoints the members of the Board and the bank's auditor. All registered shareholders have the right to participate at the Annual General Meeting and vote for their shares.

→ See sebgroup.com for more information.

Board of Directors

The Board of Directors has overarching responsibility for SEB's organisation, management and operations. Important issues for the Board include the macro-economic situation, the bank's financial and risk position, capital and liquidity situation, remuneration, succession planning and compliance as well as quarterly and annual reports.
















→ The Board is presented on p. 50.

President and Group Executive Committee

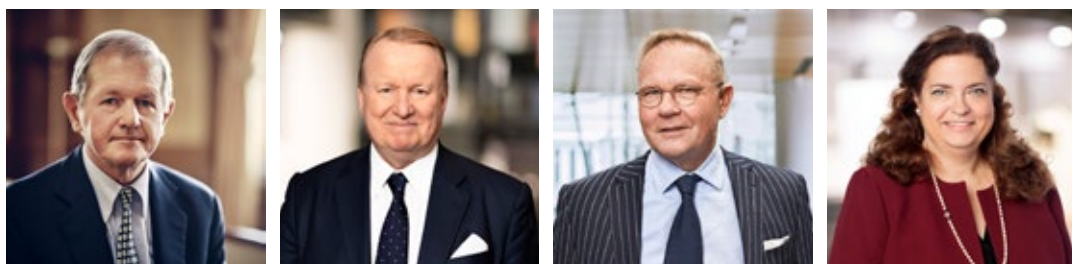
The President and CEO is responsible for administering the group's business, including risk management, in accordance with the strategy and policies established by the Board. To safeguard the interests of the group, the President consults with the Group Executive Committee (GEC) on matters of major importance or of importance as to principles.

→ The GEC is presented on the next page.

Group Executive Committee (as from 1 January 2021)

					
	Johan Torgeby	Magnus Carlsson	Mats Torstendahl	Magnus Agustsson	Jonas Ahlström
Position	President and CEO since 2017	Deputy President and CEO since 2014	Deputy President and CEO since 2021. Group Data Privacy Senior Manager since 2018	Chief Risk Officer since 2017	Head of Baltic division since 2020
SEB employee since	2009	1993	2009	2009	2005
Born	1974	1956	1961	1973	1978
Own and closely related persons' shareholdings	387,843 shares and share rights, of which 5,826 Class A shares, 137,390 share rights and 244,627 conditional share rights.	221,801 shares and share rights, of which 54,998 Class A shares, 129,402 share rights and 37,401 conditional share rights.	407,620 shares and share rights, of which 104,218 Class A shares, 91,857 share rights and 211,545 conditional share rights.	47,057 shares and share rights, of which 8,744 Class A shares, 20,381 share rights and 17,932 conditional share rights.	70,723 shares and share rights, of which 3,049 Class A shares, 21,702 share rights and 45,972 conditional share rights.
					
	Jeanette Almberg	Joachim Alpen	Karin Lepasoon	Nina Korfu-Pedersen	Nicolas Moch
Position	Head of Group Human Resources since 2016	Executive Vice President. Co-Head of the Large Corporates & Financial institutions division since 2014	Head of Group Marketing and Communication since 2020	Head of Business Support & Operations since 2020	Chief Information Officer since 2018
SEB employee since	2008	2001	2020	2010	2008
Born	1965	1967	1968	1973	1972
Own and closely related persons' shareholdings	138,307 shares and share rights, of which 11,135 Class A shares, 34,437 share rights and 92,735 conditional share rights.	336,425 shares and share rights, of which 6,369 Class A shares, 150,731 share rights and 179,325 conditional share rights.	No shares or share rights.	74,034 shares and share rights, of which 1,037 Class A shares, 23,241 share rights and 49,756 conditional share rights.	47,645 shares and share rights, of which 2,428 Class A shares, 6,610 share rights and 38,607 conditional share rights.
					
	William Paus	Jonas Söderberg	Masih Yazdi	Petra Ålund	Sara Öhrvall
Position	Executive Vice President. Co-Head of Large Corporates & Financial Institutions division since 2018. Group AML Senior Manager since 2020	Head of Corporate & Private Customers division since 2021	Chief Financial Officer since 2020	Head of Group Technology since 2019. Group Outsourcing Senior Manager since 2020	Chief Transformation Officer since 2020
SEB employee since	1992	1999	2013	2017	2018
Born	1967	1976	1980	1967	1971
Own and closely related persons' shareholdings	248,961 shares and share rights, of which 52,900 Class A shares, 24,390 share rights and 171,671 conditional share rights.	77,394 shares and share rights, of which 30,895 Class A shares, 8,529 share rights and 37,970 conditional share rights.	122,597 shares and share rights, of which 15,858 Class A shares, 42,721 share rights and 64,018 conditional share rights.	29,837 shares and share rights, of which 5,467 Class A shares, 119 share rights and 24,251 conditional share rights.	36,557 shares and share rights, of which 1,150 shares and 35,407 conditional share rights.

Board of Directors



	Marcus Wallenberg	Sven Nyman	Jesper Ovesen	Signhild Arnegård Hansen
Position	Chair since 2005	Vice Chair since 2017	Vice Chair since 2014	Director
Year elected	2002	2013	2004	2010
Born	1956	1959	1957	1960
Education	B.Sc. (Foreign Service)	B.Sc. (Business and Econ.)	B.Sc. (Econ.) and MBA	B.Sc. (Human Resources) and journalism studies
Other assignments	Chair of Saab and FAM. Vice Chair of Investor. Director of AstraZeneca Plc. and the Knut and Alice Wallenberg Foundation. Council member of the International Advisory Council of Hong Kong Exchanges and Clearing Limited.	Director of Ferd AS, the Nobel Foundation's Investment Committee, Stockholm School of Economics, Stockholm School of Economics Association and the Axel and Margaret Ax:son Johnson Foundation.		Chair of SnackCo of America Corp. Vice Chair of the Swedish-American Chamber of Commerce (USA). Director of Business Sweden, Entrepreneurship and Small Business Research Institute (ESBRI), SOS Children's Villages Sweden and SACC New York. Member of IVA.
Own and closely related persons' shareholdings	752,000 Class A shares	10,440 Class A shares and 10,200 Class C shares	25,000 Class A shares	5,387 Class A shares



Anne-Catherine Berner	Winnie Fok	Lars Ottersgård	Helena Saxon	Johan Torgeby
Director	Director	Director	Director	Director (President and CEO)
2019	2013	2019	2016	2017
1964	1956	1964	1970	1974
B.Sc. (Econ.) and MBA (Leadership)	Bachelor of Commerce. Fellow of CPA Australia and of Institute of Chartered Accountants in England and Wales. Associate member of Hong Kong Institute of Certified Public Accountants.	Technical College Exam (electrical engineering), Diploma in Management from The Open University Business School and numerous IBM internal training courses.	M.Sc. (Business and Econ.)	B.Sc. (Econ.)
Director of Calefactio Investments HoldCo AB, Calefactio Investments AB, CV VC AG (Swiss) and Avesco AG (Swiss). Chair of the board, and founder of the Association for the Support of the New Children's Hospital in Helsinki.	Director of Volvo Car Corporation, G4S plc and Foscam Properties Limited. Senior advisor to WFAB.	Head of Market Technology, Nasdaq Inc. Chair and CEO of Nasdaq Technology. Director in EKO Respecta.	CFO of Investor. Director of Swedish Orphan Biovitrum.	Chair of the Swedish Bankers' Association. Director of the Institute of International Finance and Mentor Sweden. Board member of European Banking Federation. Several organisation memberships.
4,600 Class A shares	3,000 Class A shares	No shares	12,500 Class A shares	387,843 shares and share rights ¹⁾ .

1) of which 5,826 Class A shares, 137,390 share rights and 244,627 conditional share rights.

Directors appointed by the employees



	Anna-Karin Glimström	Charlotta Lindholm	Annika Dahlberg	Magnus Olsson
Position	Director	Director	Deputy director	Deputy director
Year elected	2016	2015	2016	2020
Born	1962	1959	1967	1963
Education	University studies in mathematics, statistics and law.	LLB	University studies in working environment.	B.Sc. (Econ.)
Other assignments	Chair of the Financial Sector Union in SEB and Financial Sector Union Western section in SEB, Director EB-SB Fastigheter and EB-SB Holding.	Chair of the Association of University Graduates at SEB. Director of the Foundation of Alma Detthows.	First deputy Chair of Financial Sector Union in SEB and Financial Sector Union regional club Storstockholm in SEB.	Business advisor SEB Lund.
Own and closely related persons' shareholdings	No shares and 749 conditional share rights	822 Class A shares and 749 conditional share rights	No shares and 749 conditional share rights	3,000 Class A shares and 749 conditional share rights

Johan H. Andresen and Samir Brikho were directors of the Board until the 2020 AGM, when they left at their own request.

Other information

Photo

SEB employees:

Nicoleta Stepman <i>Group Technology</i>	p. 0	Sekou Soumaoro <i>Large Corporates & Financial Institutions</i>	p. 22	Dimitrios Balogiannis <i>Large Corporates & Financial Institutions</i>	p. 40
Anna Jepp <i>Large Corporates & Financial Institutions</i>	p. 3	Mikael Warsén <i>Group Technology</i>	p. 26	Saida Zdoufal <i>Large Corporates & Financial Institutions</i>	p. 40
Lars Hagne <i>Large Corporates & Financial Institutions</i>	p. 3	Cecil Allstrin <i>Corporate & Private Customers</i>	p. 27	Rene Breitenberger <i>Large Corporates & Financial Institutions</i>	p. 40
Mikaela Linder <i>Corporate & Private Customers</i>	p. 3	Filip Urde <i>Corporate & Private Customers</i>	p. 30		
Nina Jorsenius <i>Group Staff, Support and Control Functions</i>	p. 18, 30	Alexandra Jevinger <i>Group Staff, Support and Control Functions</i>	p. 34		
Nazanin Aminjavahery <i>Corporate & Private Customers</i>	p. 20, 30	Natalie Embaye <i>Group Technology</i>	p. 38		

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Financial information and publications



Annual and Sustainability Report

Information on SEB's business, financial performance and position, as well as the sustainability work.



Annual Review

An abbreviated version of the Annual and Sustainability Report.



Digital Annual and Sustainability Report

A digital introduction to the Annual and Sustainability Report and SEB's film about 2020.

→ sebgroupp.com/annualreport

SEB corporate website

Financial information, publications and other information regarding SEB is available at → sebgroupp.com



Capital Adequacy & Risk Management Report

(Pillar 3) Disclosure on capital adequacy and risk management in accordance with regulatory requirements.



SEB Green Bond Impact Report

Overview of SEB's green loan portfolio and the green bond that was issued in 2017.



Interim Reports and Fact Books

Quarterly reports on SEB's financial position and results. Detailed information in Fact Books.



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Subscribe to digital versions of the quarterly reports (pdf) and the Fact Book (pdf) on → sebgroupp.com/press

Calendar

Annual and Sustainability Report 2020	2 March 2021
Annual General Meeting	30 March 2021
Quarterly report January–March	28 April 2021
Quarterly report April–June	15 July 2021
Quarterly report July–September	20 October 2021

Annual General Meeting

The Annual General Meeting will be held on 30 March 2021.

A notice convening the Annual General Meeting, including an agenda, is available on www.sebgroup.com.

Due to the Covid-19 pandemic and the restrictions that have been introduced to limit the spread of the virus, the Board has decided that the Annual General Meeting shall be conducted without the physical presence of shareholders, proxies or third parties and that shareholders shall have the opportunity to exercise their voting rights only by postal voting in advance.

Shareholders will have the opportunity to ask questions in writing prior to the Annual General Meeting. These must be received by SEB no later than 20 March 2021 and will be answered no later than 25 March 2021. SEB will carry out a webcast with the Chair of the Board, the President and the external auditor on 24 March 2021 at www.sebgroup.com. In the webcast, the Chair and the President will, among other things, give their views on the past year and provide answers to questions received from shareholders.

Notifications, etc.

Shareholders who wish to attend the Annual General Meeting shall

- *both* be registered in the shareholders' register kept by Euroclear Sweden AB on 22 March 2021,
- *and* have registered by voting so that the postal vote is received by the Bank no later than 29 March 2021. Please note that the notification to the Annual General Meeting can only be made by postal voting.

Dividend

The Board proposes a dividend of SEK 4.10 per share for 2020.

Thursday 1 April 2021 is proposed as record date for the dividend payments.

If the Annual General Meeting resolves in accordance with the proposal, the share will be traded ex-dividend on Wednesday 31 March 2021 and dividend payments are expected to be distributed by Euroclear Sweden AB on Thursday 8 April 2021.



Please recycle me!



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