

# Business Update 2019-2021

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Telephone conference



# Business Plan 2016-2018 is coming to a close

To deliver  
**world-class service**  
to our customers

GROW



Accelerate growth in Sweden



Continue to grow in the Nordics and Germany



Savings & pension growth

TRANSFORM



Service leadership



Digitisation



Next generation competences

Grow in areas of strength

Resilience and flexibility

Leading customer experience

# Strategy and business plan process



2015/  
2016

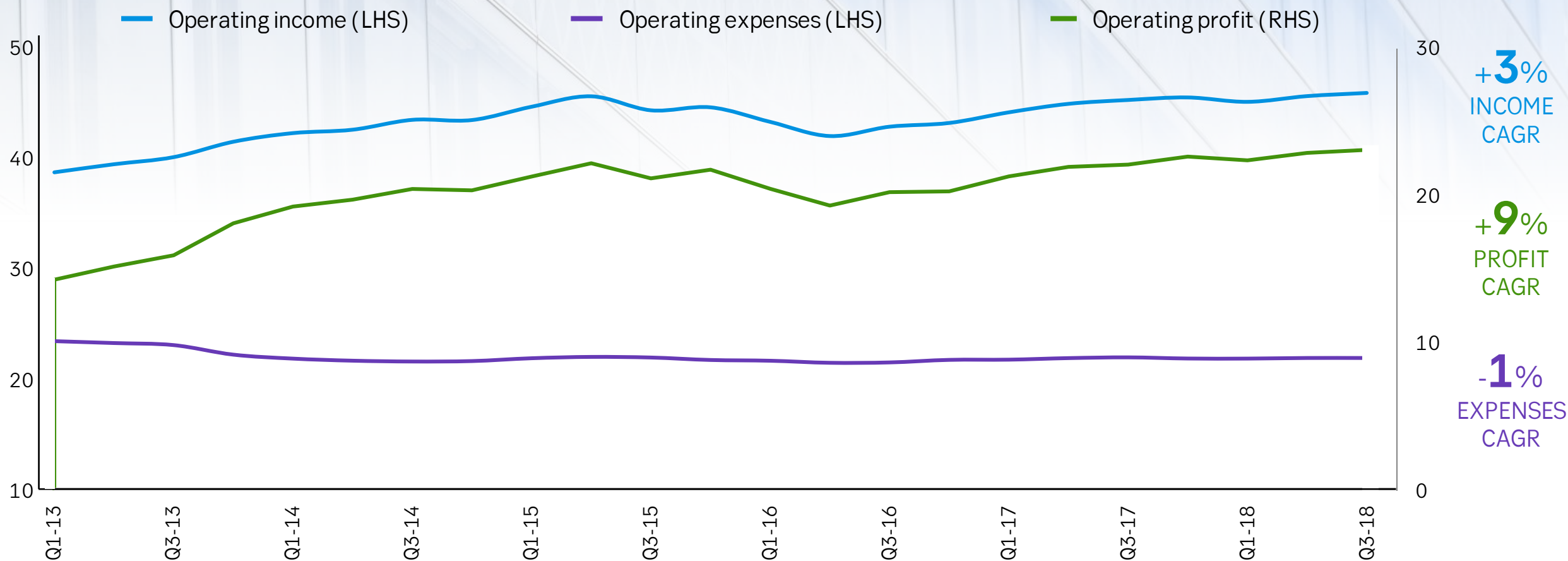
2018/  
2019





# Building from a position of financial strength

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



<sup>1</sup> Pre-tax operating profit after credit losses, adjusted for IAC.

# An industry in transformation



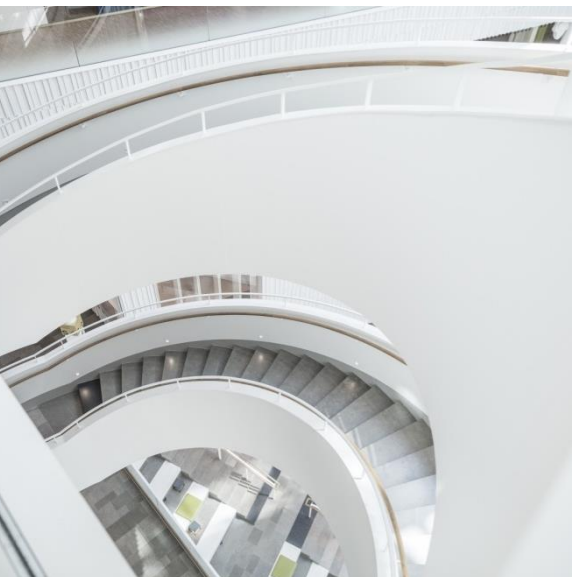
## Customers

Proactive, tailored advice

Data driven & real-time

Sustainability

Seamless & unbundled services



## Regulations

AML & KYC

MiFID II & PSD II

Basel IV

Less new regulatory regimes, more supervision



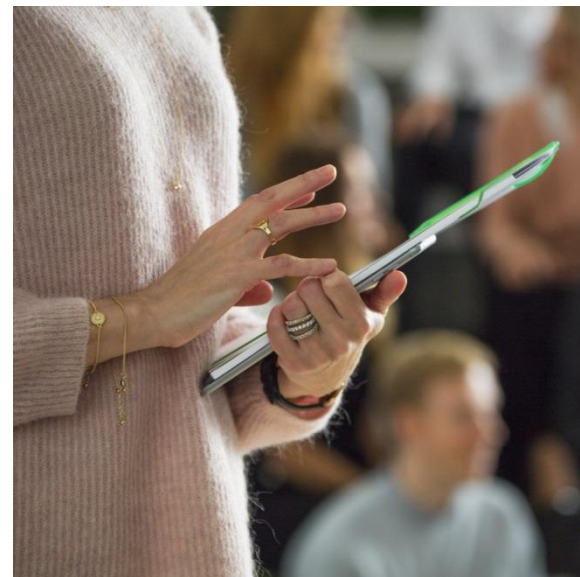
## Competition

Fintechs, challengers & big techs

Payment service providers

Lending

Markets & Investment Banking



## Technology

Artificial intelligence & data

Open Banking

Cloud, blockchain & robotics

Cyber risk tech



# Our strategic focus areas

SEB

## Operational excellence

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

## Advisory leadership

Value-enhancing advisory based on human & digital interaction

## Extended presence

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

# New strategic initiatives to meet future client needs

## STRATEGIC INITIATIVES

### Critical enablers

- Data, automation, sustainability and competences

### Advisory

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

### Assets entrusted to us

- Assets under management, assets under custody and deposits

### Ecosystem

- Open Banking and customer ecosystems

### Digital explorer (SEBx)

- Exploration of new technology to respond to customer needs



# Our ambition by division



The undisputed leading  
Nordic Corporate & Institutional bank

## Large Corporates & Financial Institutions

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

## Corporate & Private Customers

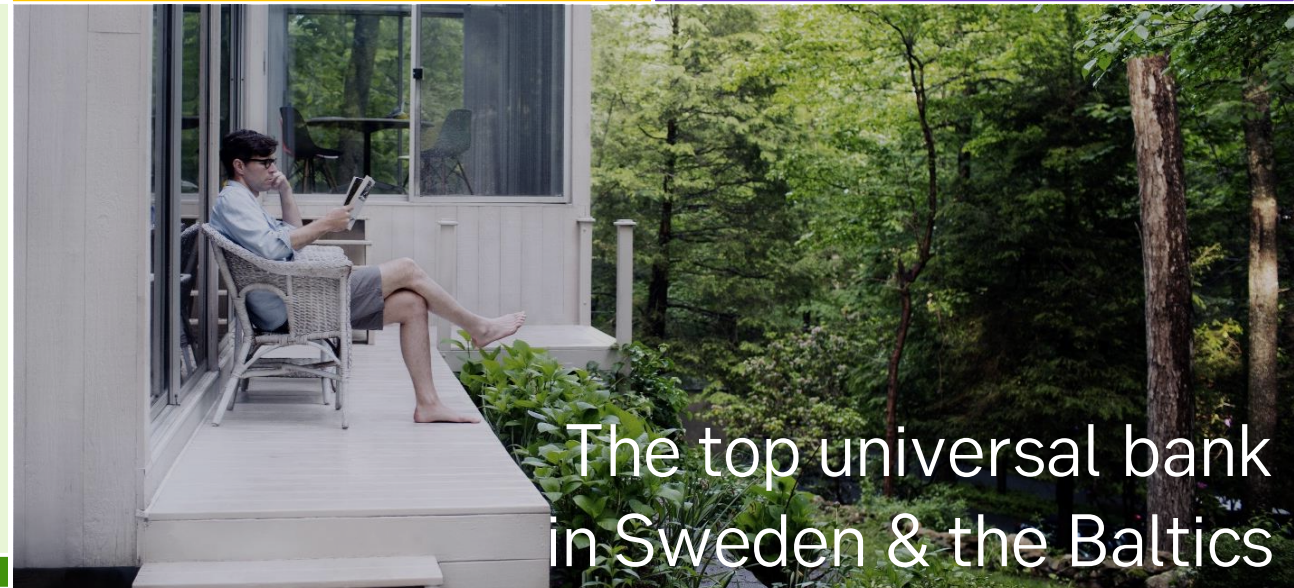
- Attract SME customers
- Expand Private Banking
- Improve mortgages & savings

## Life & Investment Management

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

## Baltic

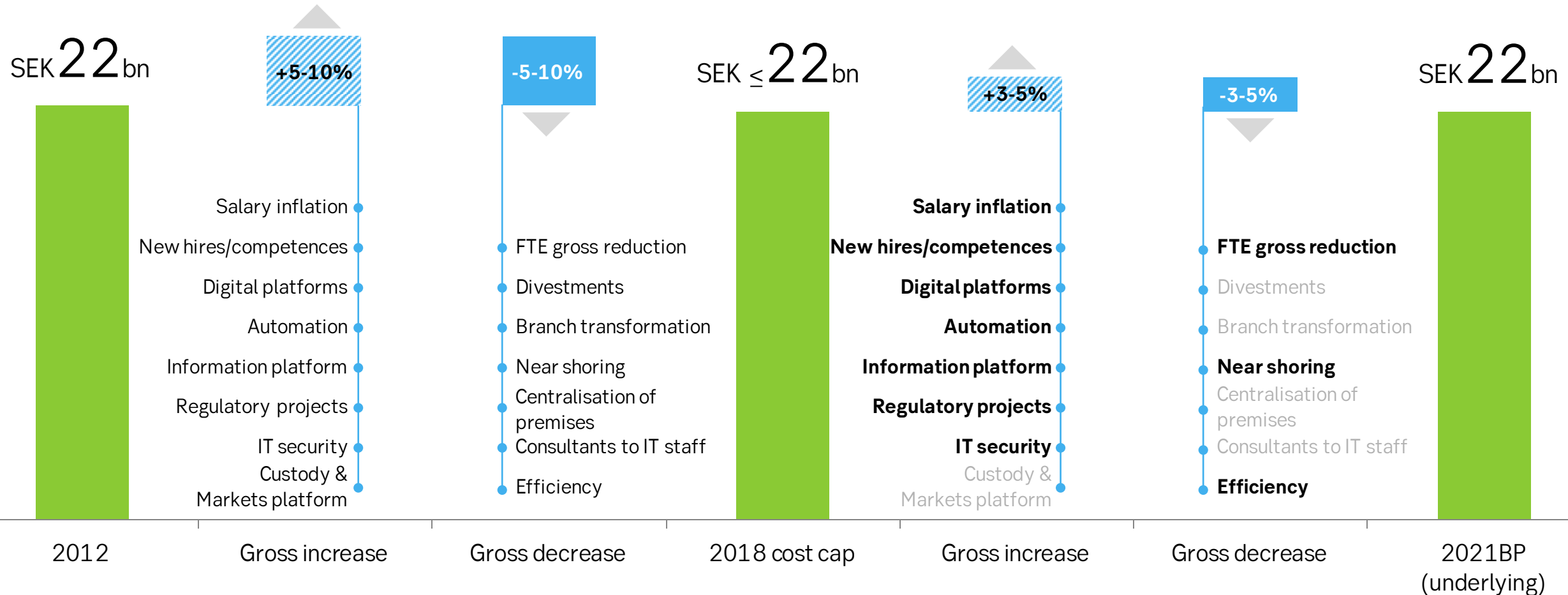
- Balanced growth in private & corporate segment
- Digital sales
- Completion of core IT program



The top universal bank  
in Sweden & the Baltics



# Disciplined cost and investment strategy

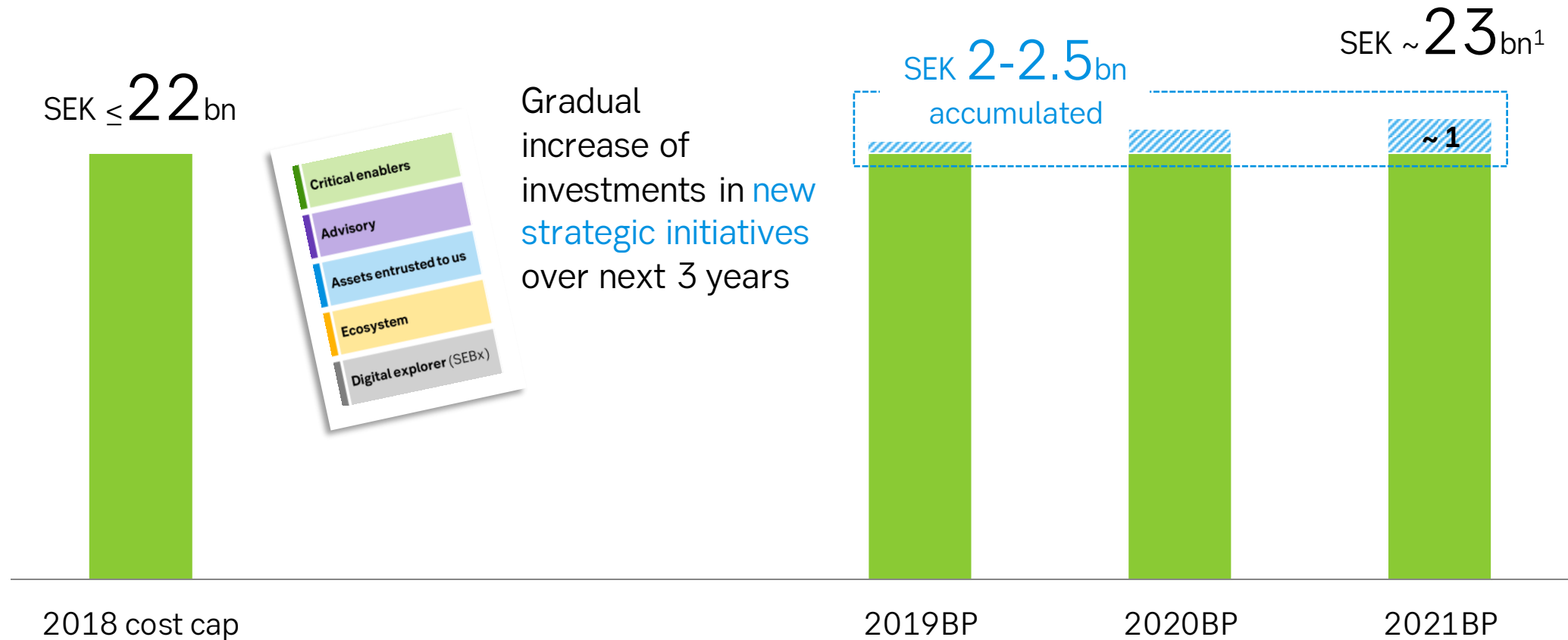


# Additional investments of SEK 2-2.5bn until 2021

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



# Additional investments and total costs



<sup>1</sup> Based on 2018 average FX rates.

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

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

**RoE**  
competitive  
with peers

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**15%** RoE long-term aspiration

SEB



Our  
financial targets  
remain



# In summary

To meet future client needs



Operating excellence,  
advisory leadership and  
extended presence



Accelerate  
transformation  
and growth



Additional  
investments of  
SEK 2-2.5bn until 2021;  
SEK ~23bn<sup>1</sup> in  
cost target by 2021



Operating leverage,  
capital efficiency and  
resilient balance sheet

<sup>1</sup> Based on 2018 average FX rates.

The journey towards...

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

SEB

