

# Sustainability notes and GRI Index

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# Sustainability notes

## Financial strength and resilience

Direct economic value created by SEB <sup>1</sup>	2021	2020	2019
Gross income (SEK m)	66,505	67,022	74,374
Total operating income (SEK m)	54,614	49,717	50,134
Total operating expenses (SEK m)	23,245	22,747	22,945
Interest expenses (SEK m) <sup>2</sup>	5,540	11,187	16,643
Fee and commission expense (SEK m)	4,987	4,870	5,467
Other expenses (SEK m)	5,763	5,864	6,623
Staff costs (SEK m) <sup>3</sup>	15,372	14,976	14,660
Regulatory fees including resolution and deposit guarantee fees (SEK m) <sup>2</sup>	1,364	1,248	2,129
Income tax expense (SEK m)	5,441	4,100	4,717
Dividends, to shareholders (SEK m) <sup>4</sup>	13,165	17,740	-
Net profit (SEK m)	25,423	15,746	20,177
Financial assistance received from government (SEK m)	-	-	-
Economic contribution to community investments (SEK m)	42.4	42.9	46.6
This year's profit that is reinvested into the bank (SEK m) <sup>4</sup>	12,258	-1,994	20,177

1) Direct economic value generated and distributed is presented in accordance with the outline in SEB's annual report.

2) Interest expense, excluding Regulatory fee.

3) Staff cost details, see financial note 8.

4) The proposed dividend for a financial year is paid out to the shareholders the following year (dependent AGM resolution). Dividend is not distributed for shares in own holding as per record date. Final dividend payment is taken into account in the table the following year.

## Voluntary EU Taxonomy report

Assets	Assets, SEKm 2021-12-31	Share of covered assets, % 2021-12-31	Share of total assets, % 2021-12-31
Exposures to Taxonomy-eligible economic activities	1,319,219	54	40
<i>of which, NFRD undertakings</i>	120,116	5	4
<i>of which, households</i>	618,756	25	19
<i>of which, non-NFRD undertakings</i>	580,347	24	18
Exposures to Taxonomy non-eligible economic activities	862,453	35	26
<i>of which, NFRD undertakings</i>	140,941	6	4
<i>of which, households</i>	43,350	2	1
<i>of which, non-NFRD undertakings</i>	678,162	28	21
Exposures not yet assessed whether taxonomy eligible/ non-eligible	207,358	8	6
<b>Covered assets, included in both numerator and denominator</b>	<b>2,389,031</b>	<b>97</b>	<b>72</b>
Derivatives (hedge accounting)	973	0	0
On demand interbank loans	6,745	0	0
Other assets	64,696	3	2
<b>Covered assets, excluded from numerator</b>	<b>72,414</b>	<b>3</b>	<b>2</b>
<b>Total covered assets</b>	<b>2,461,445</b>	<b>100</b>	<b>74</b>
Central governments, central banks, supnationals	492,093		15
Trading portfolio (incl derivatives excl hedge accounting)	350,692		11
<b>Assets not covered by calculation</b>	<b>842,785</b>		<b>26</b>
<b>TOTAL ASSETS</b>	<b>3,304,230</b>		<b>100</b>

General information about EU Taxonomy Regulation and SEB Group mandatory Taxonomy report is presented in the Sustainability report (see p. 58). Both the mandatory and the voluntary Taxonomy report covers the SEB Group.

In SEB Group voluntary Taxonomy report assets have been classified based on assessment of the underlying undertakings' economic activities.

Assessment, of whether exposure relate to NFRD- or non-NFRD undertaking, is based on number of employees (>500) and whether each entity is a Public Interest Entity (PIE). Taxonomy eligibility assessment is based on underlying undertakings' NACE-codes, in relevant cases adjusted for knowledge of the economic activities on group/company level.

Financial investments have been assessed based on taxonomy information provided by third party ESG information providers, where available. Fund holding assessments have been weighted, where the economic activities of the underlying investments and access to information has been taken into account.

Household mortgage loans are classified as taxonomy eligible, due to real estate collateral, regardless of geographical location (EU/non-EU). Car loans, granted from the date of application of the Taxonomy disclosure requirements (1 January 2022), will be taken into account for assessment in 2022. Derivatives have been allocated to Derivatives (hedge accounting) and the Trading portfolio respectively. Supranational issuers have been identified based on ECB definition.

## Sustainable financing

Green loans	2021	2020	2019
Green loans (SEK bn) <sup>1</sup>	29.4	24.7	19.0
Green mortgages (SEK bn)	7.9	4.0	1.5

Green bonds	2021	2020	2019
Aggregated			
<i>Green bonds underwritten by SEB since inception, excluding self-led (USD bn)</i>	40.5	34.4	29.6
<i>Green bonds underwritten by SEB since inception, global share (%)</i>	3.2	4.1	5.2
Current year			
<i>Green bonds issued globally current year (USD bn)<sup>2</sup></i>	474.0	303.2	262.5
<i>Green bonds underwritten by SEB current year, excluding self-led (USD bn)</i>	6.2	4.7	7.0
<i>Green bonds underwritten by SEB current year, global share (%)</i>	1.3	1.6	3.8
<i>Green bonds underwritten by SEB current year, Nordic share (%)<sup>3</sup></i>	18.0	20.2	32.3

Equator Principles	2021	2020	2019
Project finance transactions			
<i>of which, Category A transactions approved (number)</i>	0	0	0
<i>of which, Category B transactions approved (number)</i>	4	3	3
<i>of which, Category C transactions approved (number)</i>	4	1	0
Project related corporate loans			
<i>of which, Category A transactions approved (number)</i>	0	1	0
<i>of which, Category B transactions approved (number)</i>	0	0	0
<i>of which, Category C transactions approved (number)</i>	0	0	0

- 1) Green loans includes loans and leases to customers that promote the transition to low-carbon and climate-resilient development as well as environmental and ecosystem improvements. The green loans include project financing within the EU, UK and Nordic region, which fulfil the sustainability criteria in the SEB Green Bond framework.
- 2) The source for Green Bond data is Bloomberg, Green Bond League table. For "Green Bonds issued globally current year" BloombergNEF was the source in 2020.
- 3) SEB's share of global transactions, all currencies, by Nordic banks.

## Sustainable investments

Assets under management	2021	2020	2019
Assets under management, AuM, SEB total (SEK bn)	2,682	2,106	2,041
Assets under management, AuM, managed by SEB's fund company (SEK bn)	831	672	685

Principles for Responsible Investments (PRI)	2021	2020	2019
SEB's fund company's AuM, evaluated according to PRI, share of SEB total AuM (%)	31	32	32
SEB's fund company's AuM evaluated according to PRI, share of SEB's fund company's total AuM (%) <sup>1</sup>	100	100	100
SEB's external fund managers that have signed the PRI, share (%)	100	100	100

Carbon emission (CO <sub>2</sub> ) measurements	2021	2020	2019
SEB's fund company's equity funds where carbon emissions are measured and have an official benchmark (%)	93	95	94

- 1) Share of AuM 2019 does not include "SEB Sverige Indexfond".

Sustainability approach <sup>2</sup>	2021	2020	2019
SEB's fund company's AuM assessed with sustainability criteria (SEK bn)	-	304	256
SEB's fund company's AuM, Articles 8 and 9 under SFDR (SEK bn) <sup>3</sup>	678	-	-
SEB's fund company's AuM assessed with sustainability criteria, as share of SEB's fund company's total AuM (%)	-	45	37
SEB's fund company's AuM, Articles 8 and 9 under SFDR, as share of SEB's fund company's total AuM (%) <sup>3</sup>	81.6	-	-
SEB's AuM assessed with sustainability criteria, as share of SEB's total AuM (%)	-	14	13
SEB's AuM, Articles 8 and 9, as share of SEB's total AuM (%) <sup>3</sup>	27.2	-	-

Human rights assessment	2021	2020	2019
SEB funds assessed with human rights criteria, as share of SEB's fund company's total AuM (%)	100	100	100
SEB funds assessed with human rights criteria, as share of SEB's total AuM (%)	31	32	32

Influence and engagement <sup>4</sup>	2021	2020	2019
Total engagement dialogues with portfolio companies (number)	3,200	2,089	1,564
Share of engagement dialogues with Nordic portfolio companies (%)	9	3	1
Share of of engagement dialogues in collaboration with external parties (%)	91	97	97
Companies excluded from the investment portfolio in accordance with SEB's ethical investment guidelines (number)	3,780	1,540	1,062
Participation in nomination committees (number)	35	33	33

Engagement themes <sup>4,5</sup>	2021	2020	2019
Human rights (number)	20	20	20
Palm oil (number)	-	25	25
Environment (number)	167	160	161
Water disclosure (number)	149	965	515

### SEB impact and thematic funds

Total value	2021	2020	2019
Microfinance funds, Impact Opportunity Fund, Green Bond Fund and Lyxor SEB Impact Fund (SEK bn)	13.0	12.2	11.2

Microfinance funds, incl. SEB Impact Opportunity Fund <sup>6</sup>	2021	2020	2019
Assets under Management (SEK bn)	7.1	8.1	8.6
Assets under Management (USD m)	781	965	970
Number of microfinance funds	7	7	7
Number of countries	55	60	59
Number of customers reached via microfinance institutions (MFI's)	19,897,967	22,269,236	25,384,944

Green Bond Fund	2021	2020	2019
Assets under Management (SEK bn)	2.5	2.0	1.2

Lyxor SEB Impact Fund	2021	2020	2019
Assets under Management (SEK bn)	3.4	2.1	1.4

2) Read more about SEB sustainable investments on [www.sebgroup.com](http://www.sebgroup.com) "Sustainability > Supporting our customers > Sustainable investments" and "Sustainability in SEB's fund company" describing SEB fund company sustainability approach.

3) AuM defined as Article 8 or 9 under SFDR, Sustainable Finance Disclosure Regulation (from 10 March 2021).

4) Information pertains to SEB's fund Company (SEB IM AB).

5) SEB's fund company engages on several topics both direct and through collaborations. Common topics include the: environment, good governance and workers' rights. The dialogues we have in collaboration with Federated Hermes are proactive and thereby cover a wide range of topics. Our engagements through the CDP are mainly focused on water disclosure and Climate Action 100+ for the companies with the highest carbon emissions.

6) All data concerning microfinance funds also includes the SEB Impact Opportunity Fund. The Impact Opportunity Fund invests mainly in microfinance institutions but has a broader mandate, e.g. solar energy and education. Similar to the microfinance fund's this fund invests in emerging and frontier markets.

## Business ethics and conduct

## Crime prevention

Whistleblowing	2021	2020	2019
Number of whistleblowing cases <sup>1</sup>	31	31	23

Reported suspicious activities	2021	2020	2019
Number of suspicious orders and transactions reported to Finansinspektionen (Market Abuse)	13	9	33
<i>Share of Market Abuse reports consisting of manual tips from employees or external sources (%)</i>	0	3	6
<i>Share of Market Abuse reports pertaining to insider dealing (%)</i>	38	8	79
Number of suspicious AML activity reports reported to Finanspolisen <sup>2</sup>	2,225	1,810	1,224
<i>Share of AML reports consisting of manual tips from employees or external sources (%)</i>	65	68	63

## Competence and awareness

Employees who have completed mandatory training (sorted by employee category) <sup>3</sup>	2021	2020	2019
All employees <sup>4</sup>			
<i>Anti-money laundering and combating financing of terrorism – AML/CFT (%)</i>	95.1	93.2	86.0
<i>Fraud prevention (%)</i>	97.3	86.9	87.8
<i>Cyber security (%)</i>	94.5	88.0	88.8
<i>Code of Conduct (%)</i>	97.0	87.0	88.2
<i>General Data Protection Regulation/GDPR (%)<sup>4</sup></i>	94.2	70.5	87.9
<i>Sustainability training on climate change (%)<sup>4</sup></i>	95.5	59.6	-
<i>Sexual harassment – bystander intervention strategies (%)<sup>4</sup></i>	93.0	-	-
Group Executive Committee			
<i>Anti-money laundering and combating financing of terrorism – AML/CFT (%)</i>	90.5	78.6	83.3
<i>Fraud prevention (%)</i>	85.7	50.0	83.3
<i>Cyber security (%)</i>	76.2	64.3	83.3
<i>Code of Conduct (%)</i>	85.7	50.0	83.3
<i>General Data Protection Regulation/GDPR (%)<sup>4</sup></i>	85.7	35.7	75.0
<i>Sustainability training on climate change (%)<sup>4</sup></i>	76.2	35.7	-
<i>Sexual harassment – bystander intervention strategies (%)<sup>4</sup></i>	71.4	-	-
All managers			
<i>Anti-money laundering and combating financing of terrorism – AML/CFT (%)</i>	94.6	98.4	97.6
<i>Fraud prevention (%)</i>	98.0	90.6	83.9
<i>Cyber security (%)</i>	95.2	93.3	98.1
<i>Code of Conduct (%)</i>	97.5	90.0	82.5
<i>General Data Protection Regulation/GDPR (%)<sup>4</sup></i>	94.3	74.5	97.6
<i>Sustainability training on climate change (%)<sup>4</sup></i>	95.9	63.8	-
<i>Sexual harassment – bystander intervention strategies (%)<sup>4</sup></i>	93.8	-	-

Employees who have completed mandatory training (sorted by region) <sup>3</sup>	2021	2020	2019
<b>Sweden</b>			
<i>Anti-money laundering and combating financing of terrorism – AML/CFT (%)</i>	93.0	91.5	83.3
<i>Fraud prevention (%)</i>	96.0	84.7	84.4
<i>Cyber security (%)</i>	92.2	85.7	85.5
<i>Code of Conduct (%)</i>	95.5	84.8	84.5
<i>General Data Protection Regulation/GDPR (%)<sup>4</sup></i>	92.4	67.2	84.5
<i>Sustainability training on climate change (%)<sup>4</sup></i>	93.3	57.1	-
<i>Sexual harassment – bystander intervention strategies (%)<sup>4</sup></i>	89.9	-	-
<b>Other Nordic countries</b>			
<i>Anti-money laundering and combating financing of terrorism – AML/CFT (%)</i>	95.4	95.0	74.9
<i>Fraud prevention (%)</i>	97.9	86.9	92.1
<i>Cyber security (%)</i>	95.7	89.8	92.4
<i>Code of Conduct (%)</i>	98.1	88.1	92.0
<i>General Data Protection Regulation/GDPR (%)<sup>4</sup></i>	94.5	74.3	89.7
<i>Sustainability training on climate change (%)<sup>4</sup></i>	97.2	63.6	-
<i>Sexual harassment – bystander intervention strategies (%)<sup>4</sup></i>	95.7	-	-
<b>Baltic countries</b>			
<i>Anti-money laundering and combating financing of terrorism – AML/CFT (%)</i>	97.9	97.0	93.3
<i>Fraud prevention (%)</i>	99.1	91.6	92.9
<i>Cyber security (%)</i>	97.6	92.2	93.9
<i>Code of Conduct (%)</i>	99.0	91.3	93.9
<i>General Data Protection Regulation/GDPR (%)<sup>4</sup></i>	96.9	75.1	93.8
<i>Sustainability training on climate change (%)<sup>4</sup></i>	98.5	62.8	-
<i>Sexual harassment – bystander intervention strategies (%)<sup>4</sup></i>	97.0	-	-
<b>Rest of the world</b>			
<i>Anti-money laundering and combating financing of terrorism – AML/CFT (%)</i>	96.3	88.2	85.2
<i>Fraud prevention (%)</i>	97.5	82.3	87.8
<i>Cyber security (%)</i>	95.9	85.5	88.2
<i>Code of Conduct (%)</i>	97.3	83.3	88.0
<i>General Data Protection Regulation/GDPR (%)<sup>4</sup></i>	95.0	71.7	86.1
<i>Sustainability training on climate change (%)<sup>4</sup></i>	95.7	62.1	-
<i>Sexual harassment – bystander intervention strategies (%)<sup>4</sup></i>	94.4	-	-

1) The external whistleblowing function has been in use since January 2018. The reported complaints cover different areas, such as breaches of the Code of Conduct, fraud, harassment and money laundering.

2) The number of filed SARs continues to increase. Manual alerts still form the basis for the major part of reports in Sweden. Various types of fraud account for a substantial part of them.

3) The trainings are mandatory to perform either every year or every three years for all SEB employees, including consultants. Employees who were on leave of absence during the entire year have been excluded. Anti-corruption is included in the Code of Conduct training.

4) An updated GDPR training was released in August 2020, and a new training on climate change was released in November 2020 (due in March 2021), which resulted in lower completion rates in 2020 compared to previous years. The sexual harassment training was introduced in 2021, and thus no data is available for previous years.

## Our people

## Employee information

Average number of employees	2021	2020	2019
Total (number) <sup>1</sup>	16,347	16,007	15,691
Men (%)	44.4	44.2	43.8
Women (%)	55.6	55.8	56.2

Employees by age group	2021	2020	2019
Total employees			
<30 years (%)	18.0	18.2	18.1
30–50 years (%)	55.0	55.2	57.9
>50 years (%)	26.9	26.6	24.0
All managers			
<30 years (%)	2	2	2
30–50 years (%)	64	64	68
>50 years (%)	33	34	30

Gender by management type (men/women)	2021	2020	2019
Board of Directors (%) <sup>2</sup>	56/44	56/44	64/36
Group Executive Committee (%) <sup>3</sup>	67/33	64/36	69/31
Top Senior Management (%) <sup>4</sup>	56/44	56/44	-
All managers (%)	52/48	52/48	54/46

Employees by employment contract/type	2021	2020	2019
Permanent (%)	96	95	95
Temporary (%)	4	5	5
Employees working full-time (%)	95	95	94
Employees working part-time (%)	5	5	6

By gender and employment contract/type (men/women)	2021	2020	2019
Permanent (%)	44/56	44/56	44/56
Temporary (%)	47/53	48/52	45/55
Employees working full-time (%)	46/54	46/54	45/55
Employees working part-time (%)	22/78	19/81	20/80

By region	2021	2020	2019
Sweden			
Permanent (%)	96.0	95.4	94.4
Temporary (%)	4.0	4.6	5.6
Other Nordic countries			
Permanent (%)	97.7	97.5	96.5
Temporary (%)	2.3	2.5	3.5
Baltic countries			
Permanent (%)	96.3	96.4	95.6
Temporary (%)	3.7	3.6	4.4
Rest of the world			
Permanent (%)	93.9	92.1	93.3
Temporary (%)	6.1	7.9	6.7

1) Reference financial note 8e "Number of employees".

2) Deputy directors and directors appointed by the employees are not included. See p 96 for full overview of the Board.

3) Group Executive Committee as per 31/12/2021. Co-opted members are not included.

4) Top Senior Management are GEC and GEC-1. New group measured starting from 2020, and thus no data was reported in 2019.

Parental leave (Sweden)	2021	2020	2019
Total (days)	82,400	79,900	84,600
Men (%)	33	31	29
Women (%)	67	69	71

New employee hires	2021	2020	2019
Total (number)	2,338	1,921	1,998
Men (%)	49	49.0	48.6
Women (%)	51	51.0	51.4
By age group			
<29 years (%)	50	52	50
30–39 years (%)	33	31	32
40–49 years (%)	12	11	13
50+ years (%)	4	6	5
By region			
Sweden (%)	41	49	35
Estonia (%)	5	5	6
Latvia (%)	17	16	16
Lithuania (%)	26	22	29
Nordic countries, excl. Sweden (%)	3	2	4
Germany (%)	1	1	4
Rest of the world (%)	7	4	6

Employee turnover	2021	2020	2019
Total (%)	11.0	8.6	12.1
Men (%)	11.9	8.3	12.6
Women (%)	10.3	9.0	11.8
Voluntary turnover (%) <sup>5</sup>	9.9	7.1	10.8
By age group			
<29 years (%)	19	14	22
30–39 years (%)	13	9	13
40–49 years (%)	8	6	9
50+ years (%)	7	9	7
By country-region			
Sweden (%)	8.6	6.0	9.3
Estonia (%)	8.7	8.1	10.1
Latvia (%)	12.2	11.4	17
Lithuania (%)	17.6	13.0	16
Nordic countries, excl. Sweden (%)	9.7	9.1	6.8
Germany (%)	11.8	22.9	32.9
Rest of the world (%)	14.8	7.9	17.6

### Labour management

	2021	2020	2019
Percentage of total employees covered by collective bargaining agreements (%) <sup>6</sup>	75	59	59
Percentage of total employees represented and covered by EWC, Employees within EU/EEA (%)	100	100	100

5) Total number of employees leaving SEB in relation to the average number of employees during the year (excluding employees leaving due to sold operations, retirements and redundancies).

6) Increase in 2021 as Lithuania signed collective agreement.



## Sustainability notes

### Health and workplace

Absence	2021	2020	2019
Absentee rate, share of ordinary working hours (%) <sup>7</sup>	3.2	3.8	3.3
Sick-leave rate, share of ordinary working hours Sweden (%)	2.7	3.3	2.9
Men (%)	1.7	2.1	1.8
Women (%)	3.8	4.5	4.0

Health and work environment	2021	2020	2019
Share of documented annual work environment reviews (%) <sup>8</sup>	81	71	80
Share of employees covered by Health & Safety management system or similar (%)	100	100	100
Share of employees represented in formal Health and safety committees (%) <sup>9</sup>	100	100	100

### Learning and engagement

Learning and development	2021	2020	2019
Average hours of training <sup>10</sup>			
Per employee (hours)	23	15	16
Men/women (hours)	20/24	13/16	13/18
All managers (hours)	23	14	20
Money invested in learning and development per employee (SEK) <sup>10,11</sup>	16,670	11,825	14,794
Employees participating in leadership/talent development programmes (number) <sup>10,12</sup>	1,493	1,444	1,896
By application men/women (number)	533/842	571/781	1,012/770
By nomination men/women (number)	61/56	43/49	66/48

Global talent review	2021	2020	2019
Total (number) <sup>10,13</sup>	1,942	1,639	1,785
Men (%)	57	56	56
Women (%)	43	44	44

Engagement	2021	2020	2019
Employee survey, Glint			
Employee participation rate in employee survey (%)	90	91	92
How happy are you working at SEB (%)	79	80	80
I would recommend SEB as a great place to work (%)	79	80	79
SEB's commitment to sustainability is genuine (%)	78	79	79
I have good opportunities to learn and grow at SEB (%)	78	78	78
Regardless of background everyone at SEB has equal opportunity to succeed (%)	75	75	74
People at SEB live the company values (%)	75	74	74

7) Only Sweden. Absentee rate includes employee sick leave and employees taking care of sick children.

8) Only Sweden. In addition, all legal entities within the EU must conduct continuous risk assessments.

9) 100 per cent within the EU. SEB follows local laws and regulations in all countries where we are present.

10) Consultants and other temporary workforce employed on contractual basis have not been included.

11) The amount for money invested in learning and development in 2020 has been adjusted related to recategorisation of suppliers and spend. Amount is now aligned with 2021 data.

12) Programmes with application: Lead with Impact, Learn 4 Growth, SEB Trainees, Tech, Boost Your Service, IMD, Leading Digital Acceleration, Change Management for Leaders, Develop your Team – Making it Last, Leadership Foundation, Starting a New Team – Get to Know Each Other, Starting a New Team – Start working together. Programmes with nomination: Wallenberg Institute, Internal Business Seminar, Artex, Advanced Specialist Programme.

13) A global talent review is performed annually within SEB.

## Community engagement and sponsorship

Economic contributions to community engagement and sponsorship	2021	2020	2019
Total (SEK m)	42.4	42.9	46.6
<b>By focus area<sup>1</sup></b>			
<i>Entrepreneurship (SEK m)</i>	13.5	12.7	16.1
<i>Inclusion &amp; Diversity (SEK m)</i>	7.3	5.8	5.8
<i>Equality, incl. Financial literacy (SEK m)</i>	10.3	10.4	4.0
<i>Environment, incl. Climate change (SEK m)</i>	3.5	1.4	0.4
<i>Sports and culture (SEK m)</i>	7.1	10.3	19.4
<i>Other community investments SEK m)</i>	0.6	2.3	6.5
Number of people coached in entrepreneurship (number) <sup>1</sup>	44,666	31,274	-
Number of people trained in Inclusion & Diversity, and/or Equality (number) <sup>1</sup>	20,944	5,114	-
Number of people engaged in an environmental activity (number) <sup>1</sup>	21,345	7,132	-
<b>By country</b>			
<i>Sweden (SEK m)</i>	32.1	33.3	37.2
<i>Estonia (SEK m)</i>	2.9	3.2	3.1
<i>Latvia (SEK m)</i>	2.4	1.7	2.0
<i>Lithuania (SEK m)</i>	3.2	3.2	2.7
<i>Denmark (SEK m)</i>	0.0	0.0	2.0
<i>Norway (SEK m)</i>	0.6	0.4	0.9
<i>Finland (SEK m)</i>	0.9	0.7	0.8
<i>Other sites (SEK m)</i>	0.3	0.4	3.3
<b>By type of engagement</b>			
<i>Employee volunteering (hours)<sup>2</sup></i>	19,932	22,289	17,826

1) In 2020 a new strategy and focus areas were initiated and implemented. Due to the coronavirus pandemic, some planned activities were cancelled, while the digital activities and meetings made it possible to reach a high number of participants.

2) Employee volunteer hours consist of total employee hours reported for each engagement. 2019 employee volunteer hours were based on total employee hours reported for each engagement, however partly estimated to get annual figures.

## Innovation and entrepreneurship

Startups	2021	2020	2019
Number of greentech investments <sup>1</sup>	4	0	0
Number of venture debt investments <sup>2</sup>	4	1	0
Number of fintech investments <sup>3</sup>	13	12	8
Number of startups <sup>4</sup>	18,778	17,399	16,628

Greenhouse concept <sup>5</sup>	2021	2020	2019
Number of clients participating in Scaleup Summit (event)	1,875	718	500
Number of clients participating in Scaleup Club (event)	900	5,000	600
Number of companies participating in Scaleup Lab (10 week programme) <sup>5</sup>	1	-	13
Number of clients participating in Sustainability business programme	10	8	-

1) Innovative technologies and/or companies primarily dedicated to: a) reducing GHG (green-house gas) emissions, and/or b) enabling a sustainable economy within the Planetary Boundaries (as defined by Stockholm Resilience Center).

2) SEB venture debt refers to debt investments in start up / scale-up companies in SEB's home markets.

3) The purpose of the investment mandate is to make investments in companies in the financial technology (fintech) sector and other related sectors of the financial industry.

4) Startup is defined as a company that has no previous organisational number or activity registered, but is classified as a payment customer.

5) The Greenhouse concept is a solution for growing companies with sales of around SEK 10m or more. SEB offers services and carefully selected partners to help develop the business.

6) Previous programme format transferred for individual partner-offering. ("Greenhouse Ignite") – due to the coronavirus pandemic this has been delayed and started in Q4 2021.

## Environment

General indicators	2021	2020	2019
Net internal m <sup>2</sup> area of offices covered <sup>1</sup>	347,352	335,564	329,761

Energy	2021	2020	2019
Total energy consumption in buildings (MWh) <sup>1</sup>	72,083	64,705	67,478
<i>Electricity total (MWh)<sup>1</sup></i>	42,904	43,481	47,609
<i>Heating/cooling (MWh)<sup>1,2</sup></i>	29,179	21,225	19,869
Change in total electricity consumption compared to previous year (MWh) <sup>1</sup>	- 577	-4,128	-9,159
Data centres, share of electricity consumption (%) <sup>1</sup>	34	37	32
Change in total electricity consumption compared to previous year (%) <sup>1</sup>	- 1	-9	-16
Renewable electricity of total electricity consumption (%) <sup>1</sup>	91	91	87
Total energy consumption (MWh/m <sup>2</sup> ) <sup>1</sup>	0.21	0.19	0.20
Total energy consumption (MWh/employee) <sup>3</sup>	4.4	4.0	4.3

Emissions <sup>4</sup>	2021	2020	2019
Total carbon emissions (tonnes) <sup>1</sup>	9,389	9,734	21,774
<i>Scope 1 (tonnes)</i>	1	1	4
<i>Scope 2 (tonnes)</i>	2,852	1,619	1,807
<i>Scope 3 (tonnes)</i>	6,536	8,114	19,963
<i>of which, carbon emissions from energy consumption in buildings (tonnes)<sup>1,5</sup></i>	3,352	3,505	4,968
<i>of which, carbon emissions from business travel (tonnes)</i>	1,050	2,471	12,426
<i>of which, carbon emissions from paper consumption (tonnes)</i>	882	1,160	1,361
<i>of which, carbon emissions from company cars (tonnes)<sup>1</sup></i>	908	978	1,208
<i>of which, carbon emissions from waste (tonnes)<sup>6</sup></i>	344		
Total carbon emissions (tonnes/employee) <sup>1,5</sup>	0.57	0.61	1.39
Change in carbon emissions from baseline 2015 (tonnes) <sup>1</sup>	-13,946	-13,600	-2
Change in carbon emissions, change from baseline 2015 (%) <sup>1</sup>	-59.8	-58.3	-6.7

Effluents and waste	2021	2020	2019
<b>Paper</b>			
Total paper consumption (tonnes)	602	792	929
<i>Environmentally labelled paper consumption (%)</i>	80	61	61
<b>Waste</b>			
Waste generation (tonnes)	806	1,160	1,895
<i>Waste reused or recycled (%)</i>	57	64	68
Waste generation after reuse or recycling (tonnes/employee)	0.021	0.026	0.039
<b>Water</b>			
Total water consumption in buildings (m <sup>3</sup> )	89,307	127,202	166,249
Total water consumption (m <sup>3</sup> /employee)	5.46	7.95	10.6

1) The reported values for 2019 have been updated to reflect new information known past the reporting period.

2) Heating MWh increase due to multiple offices in the Baltics during a transition phase.

3) Reference to note 8e "Number of employees".

4) SEB reports according to the Greenhouse Gas Protocol. SEB has chosen to report according to the GHG Protocol's financial control approach. Whether SEB owns, has financial leased or operational leased facilities and vehicles impact whether emissions are disclosed in Scope 1, Scope 2 or Scope 3. The emissions that are covered are energy consumption in facilities, business travel (air travel, train travel, car travel), paper consumption and leakage of refrigerants. Well established emissions factors are used for the emissions calculations, with sources as IEA, IVL, AIB, Swedish EPA and Swedish Energy Agency.

5) Scope 3 energy emissions adjusted for 2019 and 2020 as breakdown from 2021 only contain Scope 3 emissions.

6) CO<sub>2</sub> emissions from waste reported from 2021.

Business travel & company car fleet	2021	2020	2019
Total business travel (million km)	6.6	14.8	72.6
Total business travel (km/employee)	405	923	4,625
Total air travel (million km)	5.7	13.2	67.0
Train travel Sweden (million km)	1.0	1.6	5.5
Environmentally certified company cars, share of company car fleet (%) <sup>1,7</sup>	-	62	57
Environmentally certified company cars, share of company car fleet (%) <sup>8</sup>	43	-	-

Environmental compliance	2021	2020	2019
Number of reported environmental prosecutions	0	0	0
Monetary value of significant fines due to non-compliance with environmental laws and regulations (SEK m)	0	0	0

1) The reported values for 2019 have been updated to reflect new information known past the reporting period.

7) Old definition, defined as cars that emit less than 130 g CO<sub>2</sub>e/km.

8) New definition, defined as cars that emit less than 50 g CO<sub>2</sub>e/km.

## Procurement

Suppliers	2021	2020	2019
Number of suppliers	8,313	8,915	11,300
Total spent on procurement (SEK bn)	10.1	10.4	10.7
Total number of suppliers screened and rated by EcoVadis (since 2014)	232	226	224
Number of suppliers screened and rated by EcoVadis, current year	6	2	11

Rating of suppliers screened by EcoVadis <sup>1</sup>	2021	2020	2019
Outstanding rating 85–100p (%)	0	0	0
Advanced rating 65–85p (%)	19	15	14
Confirmed rating 45–64p (%)	57	60	60
Partial rating 25–44p (%)	24	25	26
No rating 0–24p (%)	0	0	0

1) To identify sustainability risks among our suppliers, we perform, when applicable, an initial assessment of suppliers using an internal risk model that takes country, industry sector and business criticality into account. The suppliers that are identified in the internal risk assessment as having an increased risk level will also go through EcoVadis' screening. These suppliers cover around 44 per cent of total supplier costs, i.e. around 200 of the total number of suppliers. The EcoVadis assessment focuses on four themes: Environment, Labour Practices & Human Rights, Fair Business Practices and Sustainable Procurement. The issues assessed and their relative weight vary based on the company's activities, size, and geographic location.

## Country-by-country reporting – companies by country

Companies<sup>1)</sup> within SEB Group, by country<sup>2)</sup>

Sweden	Germany
<i>Aktiv Placering AB</i>	<i>FVH Frankfurter Vermögens-Holding GmbH</i>
<i>Enskilda Kapitalförvaltning SEB AB</i>	<i>Skandinaviska Enskilda Banken AB (publ), branch in Germany (P.E.)</i>
<i>Försäkrings AB Suecia</i>	<i>DSK Hyp AG</i>
<i>Försäkringsaktiebolaget Skandinaviska Enskilda Captive</i>	<i>SEB Immowert Beteiligungs GmbH</i>
<i>IFA DBB AB</i>	<i>SEB Leasing GmbH</i>
<i>Onyx Leasing AB</i>	<i>SEB Stiftung GmbH</i>
<i>Parkeringshuset Lasarettet HGB KB</i>	United Kingdom
<i>Repono Consulting AB</i>	<i>Skandinaviska Enskilda Banken AB (publ), branch in the United Kingdom (P.E.)</i>
<i>Repono Holding AB</i>	<i>SEB UK Pension Trustees Limited</i>
<i>SEB Förvaltnings AB</i>	<i>Skandinaviska Enskilda Limited</i>
<i>SEB Internal Supplier AB</i>	<i>Suecia Re &amp; Marine Insurance Co Limited</i>
<i>SEB Investment Management AB</i>	<i>EFL Futures Limited</i>
<i>SEB Kort Bank AB</i>	<i>Enskilda Securities Limited</i>
<i>SEB Life and Pension Holding AB</i>	<i>Scandinavian Bank Limited</i>
<i>SEB Pension och Försäkring AB</i>	USA
<i>SEB Portföljförvaltnings AB</i>	<i>Skandinaviska Enskilda Banken AB (publ), branch in the United States of America (P.E.)</i>
<i>SEB Strategic Investments AB</i>	<i>SEB Securities Inc.</i>
<i>Skandinaviska Enskilda Banken AB (publ)</i>	<i>Suecia Holding Corporation</i>
<i>Skandinaviska Kreditaktiebolaget</i>	<i>Suecia Insurance Company</i>
<i>Suecia Insurance Management AB</i>	Ireland
Norway	<i>Eskimo (ABC) Holdings Limited</i>
<i>Skandinaviska Enskilda Banken AB (publ), branch in Norway (P.E.)</i>	<i>SEB Life International Assurance Company Designated Activity Company</i>
<i>SEB Kort Bank AB, branch in Norway (P.E.)</i>	Luxembourg
<i>SEB Njord AS</i>	<i>Skandinaviska Enskilda Banken AB (publ), branch in Luxembourg (P.E.)</i>
Denmark	<i>SEB Life International Assurance Company Designated Activity Company, branch in Luxembourg (P.E.)</i>
<i>Skandinaviska Enskilda Banken AB (publ), branch in Denmark (P.E.)</i>	<i>SEB Investment Management AB, branch in Luxembourg (P.E.)</i>
<i>SEB Kort Bank AB, branch in Denmark (P.E.)</i>	<i>SEB Private Equity Opportunity Management S.A.</i>
<i>SEB Investment Management AB, branch in Denmark (P.E.)</i>	China
Finland	<i>Skandinaviska Enskilda Banken AB (publ), branch in China (P.E.)</i>
<i>Skandinaviska Enskilda Banken AB (publ), branch in Finland (P.E.)</i>	Singapore
<i>SEB Kort Bank AB, branch in Finland (P.E.)</i>	<i>Skandinaviska Enskilda Banken AB (publ), branch in Singapore (P.E.)</i>
<i>SEB Leasing Oy</i>	Russia
<i>SEB Life International Assurance Company Designated Activity Company, branch in Finland (P.E.)</i>	<i>SEB Bank JSC</i>
<i>SEB Investment Management AB, branch in Finland (P.E.)</i>	Poland
Estonia	<i>Skandinaviska Enskilda Banken AB (publ), branch in Poland (P.E.)</i>
<i>SEB Life and Pension Baltic SE, branch in Estonia (P.E.)</i>	<i>SEB Commercial Finance sp. z o.o.</i>
<i>Aktiaselts SEB Liising</i>	Hong Kong
<i>Aktiaselts SEB Varahaldus</i>	<i>Skandinaviska Enskilda Banken AB (publ), branch in Hong Kong (P.E.)</i>
<i>AS Rentacar</i>	Ukraine
<i>AS SEB Pank</i>	<i>PJCS SEB Corporate Bank</i>
Latvia	Cayman Islands
<i>Skandinaviska Enskilda Banken AB (publ), branch in Latvia (P.E.)</i>	<i>Skandinaviska Enskilda Banken AB (publ), branch in Cayman Islands (P.E.)</i>
<i>SEB atklātais pensiju fonds, AS</i>	Brazil
<i>SEB banka, AS</i>	<i>SEB do Brasil Representações</i>
<i>SEB Life and Pension Baltic SE</i>	Canada
<i>SEB līzings, SIA</i>	<i>Suecia Reinsurance Company</i>
<i>IP AS SEB Investment Management</i>	
Lithuania	
<i>AB SEB Bankas</i>	
<i>Skandinaviska Enskilda Banken AB (publ), branch in Lithuania (P.E.)</i>	
<i>SEB Life and Pension Baltic SE, branch in Lithuania (P.E.)</i>	
<i>UAB SEB investiciju valdymas</i>	

1) Country refers to the tax jurisdiction where the entities are resident for tax purposes.

2) Company refers to company, branch office or any other entity type being a tax subject in a tax jurisdiction.

## Country-by-country reporting – company income tax by country

### Company income tax, by country

Country <sup>1</sup>	Number of employees	Tangible assets <sup>2</sup>	Gross income, third-party <sup>3</sup>	Gross income, group <sup>4</sup>	Operating profit <sup>5</sup>	Calculated company income tax <sup>6</sup>	Tax effect relating to not tax deductible expenses / non-taxable income, net	Tax effect relating to a previously recognised / unrecognised tax loss / tax credit, net	Current year company income tax <sup>7</sup>	Company income tax, paid <sup>8</sup>
Sweden	8,440	670	53,582	-7,850	19,289	-3,978	677	-550	-3,850	-3,169
Norway	369	40	1,877	2,177	1,699	-447	31		-416	-36
Denmark	327	4	1,060	1,634	1,405	-310	-21	-3	-334	-312
Finland	272	37	414	1,206	1,311	-254	-2	20	-236	-172
Estonia	1,138	102	2,020	108	1,250	-146	-48		-194	-129
Latvia	1,832	63	1,203	236	738	-7	3	-15	-19	22
Lithuania	2,935	200	2,601	66	1,554	-305	21	-10	-294	-259
Germany	241	3	638	1,724	1,546	-474	28		-446	-358
United Kingdom	99	48	769	1,320	939	-252	3		-249	-233
United States <sup>9</sup>	32	3	444	518	262	-83	53		-30	-17
Ireland	95	2	574	20	243	-21	-4		-25	-20
Luxembourg	159	6	779	316	234	-46	2		-44	-99
China	40	4	430	1	101	-26	-16		-42	-68
Singapore	90	2	229	292	138	-24	-3		-27	-29
Russia	87	21	353	21	93	-26			-26	-25
Poland	120	7	56	64	46	-9	-1		-10	-6
Hong Kong	19	1	31	83	6	-1	-9		-11	-14
Ukraine	52	1	63	-7	10	-3	0		-3	-3
Brazil										
Canada										
Group eliminations			-618	-1,930	1					
<b>TOTAL</b>	<b>16,347</b>	<b>1,212</b>	<b>66,506</b>	<b>0</b>	<b>30,864</b>	<b>-6,413</b>	<b>715</b>	<b>-558</b>	<b>-6,255</b>	<b>-4,927</b>

The primary activities in the group entities, regardless of country, are finance and insurance activities.

The above information covers the reporting period 2021. Additional information, compared to financial note 3, is based on GRI 207-4 reporting requirements.

1) Country refers to the tax jurisdiction, where the SEB Group entities are resident for tax purposes.

2) Tangible assets other than cash and cash equivalents (i.e. properties and equipment).

3) Gross income, third party, refers to transactions with group external parties. Gross income is defined as the sum of interest income, fee and commission income, net financial income and net other income according to IFRS. The basis for the income allocation is SEB's presence in each country, with the exception of when the local companies / branches serve as sales offices and receive commission payments and the transaction is booked in the central unit.

4) Gross income, group, refers to transactions with group units in other tax jurisdictions.

5) Operating profit before tax.

6) Calculated corporate income tax at statutory rate in respective tax jurisdiction.

7) Corporate income tax refers to corporate current income tax, excluding deferred tax, reported during reporting period. For more information about taxes see note 15.

8) Income tax paid refers to corporate current income tax, excluding deferred tax, paid during the year.

## SEB's approach to taxes

Operating in more than 20 countries, SEB acknowledges the changing landscape around tax from both regulators and society and puts strong efforts into ensuring compliance with applicable tax laws and regulations in all countries where SEB operates. SEB strives to have high standards for tax governance, monitoring risks and ensuring tax compliance.

SEB's approach to tax is described in the SEB Group Code of Conduct and SEB Group Tax Policy (see [sebgroupp.com](http://sebgroupp.com)), SEB's United Kingdom Tax Strategy, Transfer Pricing Policy and additional policies and instructions established for significant areas such as VAT, FATCA and CRS.

The SEB Group Tax Policy is adopted by the Board of Directors and is reviewed annually. The CFO is responsible for financial control, including the control environment and governance in the SEB Group, which includes tax activities. A Tax and Accounting Committee, including the CFO and the Head of Group Tax, analyses important tax issues for SEB raised by the Board of Directors, the CFO, Group Tax, business areas or external parties, on a quarterly basis.

In line with SEB's efforts to have high tax standards, SEB has implemented several controls within SEB's ICFR (Internal Control over Financial Reporting) framework, which is overseen by the Audit and Compliance Committee of the SEB Board. This means that controls over the data that underlies financial and tax reporting, and controls over reporting processes, are regularly reviewed. Identified weaknesses are prioritised and fed back into a process of continuous improvement.

SEB's risk management processes include a New Product Approval Process focussed on identifying and managing risks related to new or amended products. The tax department is represented in this process. The range of issues considered includes taxation matters in order to ensure tax compliance. The level of acceptable tax risk in SEB is low. Significant potential tax risks are reported to the Tax and Accounting Committee.

Products and services offered by SEB impact the tax situation for SEB and its customers and must always have business rationale. SEB operates in accordance with applicable tax laws and regulations. SEB must not use, encourage or facili-

tate products or services in conflict with tax legislation or anti-tax avoidance law. SEB must not co-operate with external parties to facilitate products or services in conflict with tax legislation or anti-tax avoidance law. SEB works actively with risk assessments, frameworks and controls in order to ensure compliance.

Wherever SEB operates, SEB seeks to establish and maintain good relationships with local tax authorities and other governmental bodies. SEB undertakes all dealings with them in a professional, transparent and timely manner, both when it comes to SEB's own tax matters and in reporting obligations regarding customers.

If tax regulations differ between countries/localities, SEB transparently seeks a globally acceptable solution in dialogue with the governments and tax authorities of each country. SEB also encourages the development of an international framework for taxation in order to avoid double taxation.

SEB is committed to meet the heightened expectations on transparency in respect of its tax management, and continuously works to improve the scope of its communication around tax. Guidance from national tax authorities and international organisations like the OECD is important.

SEB is also committed to fulfil its reporting obligations to tax authorities, relating to both corporate and customer information. This covers local reporting and adherence to third party requests as well as international exchange of information according to multilateral Convention on Mutual Administrative Assistance in Tax Matters, CRS (Common Reporting Standard), FATCA (Foreign Accounts Tax Compliance Act) and DAC6 (Directive on Administrative Cooperation).

If an employee discovers possible unethical or unlawful behaviour, this can be reported anonymously through SEB's digital whistleblowing service WhistleB. Alternatively, Group Compliance or Internal Audit can be contacted directly.

SEB is a member of the Swedish Bankers' Association, which represents banks and financial institutions established in Sweden. One part of this association's work is to ensure good quality in proposed tax legislation, but also to advocate in public for reasonable tax treatment of banks and financial institutions.

# GRI Index

## GRI 101: Foundation 2016

The report has been prepared in accordance with the Global Reporting Initiative, GRI Standards, Core option. EY has been engaged to undertake a limited assurance on SEB's Sustainability report, prepared in accordance with the Annual Accounts Act and the GRI reporting criteria.

Page references are abbreviated as follows:

FC – Front cover of SEB Annual & Sustainability Report 2021

BC – Back cover of SEB Annual & Sustainability Report 2021

## GRI 102: General Disclosures 2016

Disclosure	Description	Page reference/URL
<b>Organizational profile</b>		
102-1	Name of the organisation	Skandinaviska Enskilda Banken AB (publ)
102-2	Activities, brands, products and services	SEB offers advisory-driven commercial and investment banking services, acting as intermediary between Nordic and global financial markets for our large corporate customers and financial institutions. SEB provides bank services for small and medium sized companies, the public sectors and to private individuals as well as private banking services with global reach. The group also provides asset management and life insurance services. For examples of products and services offered to our customers, p. 30–31, our division offerings p. 80–82. For examples of more sustainability-related products, p. 48–51.
102-3	Location of headquarters	Stockholm, Sweden, p. 118.
102-4	Location of operations	P. 118, 220.
102-5	Ownership and legal form	The parent company is a Swedish limited liability company, p. 118.
102-6	Markets served	P. 3.
102-7	Scale of the organisation	Total number of employees: p. 142, 214. Total number of operations: p. 127–128 (Operating segments), p. 129 (Geographical information). Net sales: p. 109 (Income statement), p. 130–133 Net interest - / Net fee and commission - / Net financial - / Net other income. Total capitalization: p. 115 (Balance sheet total), p. 74–77 (Financial structure). Examples of products and services: p. 30–31, 80–82.
102-8	Information on employees	Sustainability Notes p. 214–216 (Our people). The data has been compiled through our internal HR system.
102-9	Supply chain	P. 59 (Working with suppliers), Sustainability Notes p. 219.
102-10	Significant changes to the organisation and its supply chain	No significant changes.
102-11	Precautionary principle or approach	P. 86–91 (Risk, liquidity and capital management).
102-12	External initiatives, standards and principles	Sustainability Report p. 45, 49, 57.
102-13	Membership of associations	Some examples of memberships are UNEPFI, Swedish Bankers' Association, Swedish Securities Market Association, ICC, Institute of International Banking Law & Practice, Bankers' association for Finance and Trade, Swedish Leadership for Sustainable Development, Swedish Investors for Sustainable Development, Swedish Insurance Society, Swedish Investment Fund Association, IIF and European Banking Federation.

## GRI 102: General Disclosures 2016

Disclosure	Description	Page reference/URL
<b>Strategy</b>		
102-14	Statement from senior decisionmaker	Statement from the Chair and statement from the President p. 6–9.
102-15	Key impacts, risks and opportunities	P. 64–68 (Sustainability Report) and p. 86–91 (Risk, liquidity and capital management).
<b>Ethics and integrity</b>		
102-16	Company values, principles, standards and norms of behaviour; SEB Code of Conduct	Core values: p. 35. Risk culture: p. 89. Norms of behaviour: SEB Code of Conduct p. 54 (Sustainability report).
<b>Governance</b>		
102-18	Governance structure	Corporate governance p. 92–104, Sustainability governance, including steering documents for sustainability p. 56.
<b>Stakeholder engagement</b>		
102-40	List of stakeholder groups	Customers, employees, shareholders and society at large, see front cover of SEB Annual and Sustainability Report, and p. 24–25.
102-41	Collective bargaining agreements	Sustainability Notes p. 215 (Labour management). European works council representatives p. 53.
102-42	Identifying and selecting stakeholders	P. 59 (Engaging with stakeholders).
102-43	Approach to stakeholder engagement	P. 59 (Engaging with stakeholders).
102-44	Key topics and concerns raised	P. 59 (Engaging with stakeholders).
<b>Reporting practice</b>		
102-45	Entities included in the consolidated financial statements	The report cover all entities included in the SEB Group, p. 220.
102-46	Defining report content and topic Boundaries	The report content comprises SEB Group if nothing else is stated, see p. 69, 220. No significant changes in scope and boundaries since previous report.
102-47	List of material topics	P. 44, 224 (Material topics and its boundaries).
102-48	Restatements of information	Restatements are described in conjunction with each adjustment.
102-49	Changes in reporting	GRI 207 Tax has been added to the sustainable notes.
102-50	Reporting period	The reporting period corresponds to the reporting period of the annual report.
102-51	Date of most recent report	The previous report was published in March 2021.
102-52	Reporting cycle	P. 69 (About this report).
102-53	Contact point for questions regarding the report	P. 69 (About this report).
102-54	Claims of reporting in accordance with the GRI Standards	P. 69 (About this report).
102-55	GRI content index	P. 222–227.
102-56	External assurance	P. 69 (About this report).



## GRI 103: Management Approach 2016

Disclosure	Description
103-1	<p>Explanation of the material topic and its boundaries</p> <p>The integration of economic, social and environmental aspects in SEB's business is fundamental. The sustainability topics of importance for SEB, as identified in previously performed materiality analyses and through continuous interaction with stakeholders, remains valid, p. 59.</p> <p>The material topics are areas where we, through our core business, have the best opportunities to impact. The areas are climate and environment, human rights, social relations and anti-corruption.</p> <p>Through our business we strive to reorient capital flow to support sustainable purposes, in line with the bank's vision and strategy and with the UN SDGs and Paris Agreement as guiding principles, p. 45–47.</p> <p>Read more about the material topics and fundamental aspects which enables the business to create positive impact on sustainability: Sustainable financing (p. 47, 48–49, 210) Sustainable investments (p. 47, 50–51, 210) Innovation and entrepreneurship (p. 22–23, 40–41, 47, 217) People and Competence (p. 26, 34–35, 47, 52–53, 214–216) Environment (p. 47, 55, 60–69, 218–219) Financial strength and resilience (p. 25, 27, 90–91, 209) Risk management (p. 60–68, 86–90) Business ethics and conducts (p. 25, 35, 54, 89–90, 92, 100) Crime prevention (p. 14, 23, 54, 59, 92, 100, 182, 212–213)</p> <p>SEB considers environment to be a material topic, especially with regards to the environmental impact from our products and services, i.e. with regards to sustainable finance and sustainable investments. See p. 48–69.</p> <p>Our own direct environmental impact may not be of major impact but is nevertheless considered to be material to some extent. See p. 47, 218, 219.</p> <p>SEB has a direct and indirect impact on stakeholders, p. 59. Most of the impact is indirect from our financing – investment – and advisory products and services, but some impact is direct, such as our people, p. 34–35. We continuously enhance processes and ways of working, defining and integrating sustainability risks and strategies. We strive to avoid causing, contributing or being directly linked to negative impacts on people and environment for our activities, products and services.</p> <p>In 2021 SEB's impact assessment work has focused on climate issues, primarily indirect climate impact related to financing and investments, in geographies where SEB is operating. The impact analysis will be extended to include also social and governance issues.</p>
103-2	<p>The management approach and its components</p> <p>All material topics are managed in the same way as all of SEB's activities, i.e. through management, control and follow-up according to our corporate governance structure (p. 92–95). SEB has further strengthened the sustainability organisation and governance structure (p. 56) for a comprehensive approach and focused progress from a strategic and business perspective. The sustainability material topics and aspects are managed by integrating the material aspects into our business activities. The purpose of the management approach, i.e. managing the material topics and impacts, is our ambition to support our customers in the transition to a low-carbon economy, whereby contributing to a climate-resilient economy and society.</p> <p>Several steering documents, which covers the material topics, provides guidelines for best practice as well as for international conventions and standards. They are part of our work to strengthen operations and align with international and national requirements and which we encourage companies to follow. See p. 45, 49, 57–58, 63–65 (policy framework, position statements, sector policies, international agreements and commitments).</p> <p>SEB Corporate Sustainability Policy describes our sustainability organisation and governance model with established responsibilities (p. 56). Sustainability is integrated in SEB's core business, with sustainability competence, related procedures and controls implemented to ensure adherence to sustainability objectives, strategy and policies. Commitments and targets for SEB Group are followed up on a regular basis. For baseline and expected result, see p. 47.</p> <p>Grievance mechanisms are implemented through a whistleblowing process, see p. 54 (Business ethics and conduct) and p. 90 (Risk, liquidity and capital management).</p> <p>For examples of specific actions that have been taken during the year, see the following pages for relevant material topics:</p> <p>An updated sustainability strategy was communicated and new ambitions and goals was defined, p. 46.</p> <p>Establishment of the Next Awards in recognition of sustainable entrepreneurship, p. 40.</p> <p>A new crime prevention function was established to further strengthen the work to prevent financial crime, p. 14.</p> <p>Further development of advisory-, classification tools and products to support sustainable investments and transition for our clients, p. 48, 63, 66–68.</p> <p>SEB Investment management launched a sustainability rating model for potential investments, p. 50.</p> <p>Launch of new green and thematic funds, p. 51.</p> <p>A sustainability training for advisors was launched, p. 52.</p> <p>New policies on Customer Data Ethics and Anti-Corruption was adopted, p. 54.</p> <p>Improved measuring of SEBs direct environmental impacts, p. 55.</p> <p>Review and update of sector polices, p. 57.</p> <p>Strengthening the supplier screening in Group technology, p. 59.</p>
103-3	<p>Evaluation of the management approach</p> <p>The responsibilities for managing risks and ensuring satisfactory internal controls related to the sustainability material topics and aspects are the same as for all SEB activities, see Corporate Governance p 80–95, and Sustainability Governance structure p. 45. The Corporate Sustainability Policy and Corporate Sustainability Governance instruction outlines the framework and governance model for the sustainability work in SEB. The responsibilities of the board and the president can be found on p. 92–104 Corporate Governance) p. 56 (Sustainability Governance).</p> <p>Management at all levels within the divisions, the Group's business support and staff functions represent the first line of defence for risks in the organisation.</p> <p>The Group Risk organisation and Group Compliance form the second line of defence for ensuring that the Board's intent regarding risk management and risk controls are applied.</p> <p>Group Internal Audit provides independent assurance and is the third line of defence.</p> <p>The performance against SEB goals and targets related to the material topics are disclosed in the Sustainability report (p. 47).</p> <p>Measurement of indicators related to fundamental aspects are disclosed in Sustainability notes, p. 208–221.</p>

## GRI 200: Economic topics

Disclosure	Description	Material topic	Page reference/URL
<b>GRI 201: Economic performance 2016</b>			
201-1	Direct economic value generated	Financial strength and resilience	P. 209 (Financial strength and resilience).
201-2	Financial implications and other risks and opportunities due to climate change	Risk management	P. 60–69 (Sustainability report, climate risk, climate impact).
<b>GRI 205: Anti-Corruption 2016</b>			
205-2	Communication and training about anti-corruption policies and procedures	Crime prevention	P. 14, 23, 54, 59, 92, 100, 182, 212–213.
<b>GRI 207: Tax 2019</b>			
207-1	Approach to tax	Financial strength and resilience	SEB's approach to tax, p. 221.
207-2	Tax governance, control and risk management		SEB's approach to tax, p. 221.
207-3	Stakeholder engagement and management of concerns		SEB's approach to tax, p. 221.
207-4	Country-by-country reporting		Country-by-country reporting – companies by country p. 220. Country-by-country reporting – corporate income tax by country p. 221.

**GRI 300: Environmental topics**

Disclosure	Description	Material topic	Page reference/URL
<b>GRI 302: Energy 2016</b>			
302-1	Energy consumption within the organisation	Direct Environment	Sustainability notes p. 218–219 (Environment).
<b>GRI 305: Emissions 2016</b>			
305-1	Scope 1		Sustainability notes p. 218.
305-2	Scope 2		Sustainability notes p. 218.
305-3	Scope 3		Sustainability notes p. 218.
305-4	GHG emissions intensity		Sustainability notes p. 218.
305-5	Reduction of GHG emissions	Direct environment	Sustainability notes p. 218–219 (Environment), p. 47 (Goals and outcome) The decrease in CO <sub>2</sub> emissions continued during 2021, still impacted by the coronavirus pandemic.
<b>GRI 306: Effluents and Waste 2016</b>			
306-2	Waste by type and disposal method	Direct environment	Sustainability notes p. 218 (Environment).
<b>GRI 307: Environmental Compliance 2016</b>			
307-1	Non-compliance with environmental laws and regulations	Direct/Indirect environment	Sustainability notes p. 219 (Environment).

**GRI 400: Social topics**

Disclosure	Description	Material topic	Page reference/URL
<b>GRI 401: Employment 2016</b>			
401-1	New employee hires and employee turnover	Our People	Sustainability notes p. 215 (New employee hires, Employee turnover).
401-3	Parental leave	Our People	Sustainability notes p. 215 (Number of days split by men/women).
<b>GRI 402: Labour/Management Relations 2016</b>			
402-1	Minimum notice periods regarding operational changes	Our People	Consultation procedures are outlined in both local collective agreements and the Swedish Co-Determination Act. Consultations with local trade unions shall be conducted prior any significant changes of operations.
<b>GRI 403: Occupational health and safety 2016</b>			
403-4	Workers participation, consultation and communication on occupational health and safety	Our People	Sustainability notes p. 216 (Health and work environment).
<b>GRI 404: Training and Education 2016</b>			
404-1	Average hours of training per year per employee	Our People	Sustainability notes p. 216 (Learning and engagement).
<b>GRI 405: Diversity and Equal opportunity 2016</b>			
405-1	Diversity of governance bodies and employees	Our People	Sustainability notes p. 214 (Employee information), p. 34 (Diversity for innovation and growth), p. 47 (Goals and outcome).
<b>GRI 414: Supplier Social Assessment 2016</b>			
414-1	New suppliers that are screened using social criteria	Procurement	New suppliers that are identified with increased risk level are screened by EcoVadis. Sustainability notes p. 219 (Procurement).
<b>GRI 415: Public Policy 2016</b>			
415-1	Political contributions	Financial strength and resilience	SEB does not support political parties through donations or otherwise, see Code of Conduct p. 7 at sebgroup.com.
<b>GRI 418: Customer Privacy 2016</b>			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Crime prevention	<p><b>During 2021</b> No substantiated complaints from regulatory bodies or customers regarding breaches of customer privacy or losses of customer data. The total numbers of identified breaches in the whole group reported to the Supervising Authorities was 30.</p> <p><b>During 2020</b> SEB did not receive any substantiated complaints from regulatory bodies regarding breaches of customer privacy and losses of customer data. SEB received no complaints from customers regarding breaches of customer privacy and the total number of identified breaches reported to the Supervising Authorities was 56. Included in the total number of breaches are incidents reported to Baltic Authorities that, due to stricter regulatory requirements, may not be breaches of GDPR.</p> <p><b>During 2019</b> No substantiated complaints from regulatory bodies, two customer complaints on breach of customer privacy, and 56 identified breaches of customer data.</p>

## Other disclosures

Disclosure	Description	Material topic	Page reference/URL
<b>G4 – Product portfolio</b>	<b>Scope Product portfolio</b>		
G4-FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose (excluding asset management)	Sustainable finance	P. 47 (Goals and outcome), p. 48–49 (Sustainable financing), p. 210 (Sustainable financing).
<b>G4- Active Ownership</b>	<b>Scope Active Ownership</b>		
G4-FS10	Number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues	Sustainable investments	P. 211 (Influence and engagement).
<b>G4- Active Ownership</b>	<b>Scope Active Ownership</b>		
G4-FS11	Percentage of assets subject to positive and negative environmental or social screening	Sustainable investments	P. 50–51 (Sustainable investments), p. 211 (Sustainability approach, Human Rights assessment).
<b>SEB's own disclosure 1</b>	<b>Scope 1</b>		
	Percentage of SEB funds assessed with sustainability criteria	Sustainable investments	P. 211 (Sustainability approach).
<b>SEB's own disclosure 2</b>	<b>Scope 2</b>		
	Contribution to entrepreneurial and innovation partnerships	Innovation and entrepreneurship	P. 23 (Strategic change, Strategic partnerships), p. 40 (Sustainable entrepreneurship), p. 217 (Innovation and entrepreneurship, Community engagement and sponsorship).
<b>SEB's own disclosure 3</b>	<b>Scope 3</b>		
	Measurement of customer experience and satisfaction	Responsible and proactive advice	P. 26, 30–33 (Customers).

# Principles for Responsible Banking Reporting and Self-Assessment Template

The table below is SEB's second report as a signatory to the Principles for Responsible Banking. In the report we provide our self-assessment in relation to the principles, and provide references to our existing reporting in the SEB Annual and Sustainability Report 2021. The information provided in the PRB report is included in the GRI report, which is covered by the limited review performed by SEB's auditor EY.

Reporting and Self-Assessment Requirements	High-level summary of the bank's response (limited assurance required for responses to highlighted items)	Reference(s)/link(s) to the bank's full response/relevant information
<b>Principle 1: Alignment</b> <i>SEB will align its business strategy to be consistent with, and contribute to corporates' and individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</i>		
<b>1.1 Description of business model</b>	<p>Being part of the financial backbone of society, providing support, advice and capital to businesses and private individuals.</p> <p>SEB is a northern European financial institution, providing infrastructure for payments and transactions, financing and savings solutions, wealth management, financial advice and life insurance.</p> <p>SEB serves large corporations and financial institutions in its home markets in Sweden, the Nordic and Baltic countries, Germany, and UK, but also through our international presence. We provide advisory-driven commercial and investment banking services, investment opportunities for pension funds and other investors, and life insurance solutions, across a broad spectrum of industries.</p> <p>69 per cent of SEB's non-bank credit portfolio pertains to corporate customers; by segment approximately 49 per cent large corporations and financial institutions, 20 per cent SMEs, or by geography 53 per cent in Sweden and other Nordic countries, 10 per cent in Germany and UK, 6 per cent in the Baltics and other countries.</p> <p>SEB will expand its business for large customers to the Netherlands, Austria and Switzerland.</p> <p>SEB also serves private individuals and small- and medium size companies in Sweden. The Nordic and the Baltic countries are served with universal banking services, life insurance solutions, asset management/investment products and card, private banking and advisory services.</p> <p>28 per cent of SEB's non-bank credit portfolio pertains to households, mainly mortgages: by geography 54 per cent in Sweden and other Nordic countries, 3 per cent in the Baltics. The remaining part, 3 per cent, pertains to public administration, mainly in Sweden.</p>	<p>→ See SEB Annual and Sustainability Report 2021:  p. 12–13 (A strategy of embracing change)  p. 24–25 (Long-term value creation)  p. 29–31 (Our four customer segments)  p. 165 (Credit portfolio distributed on sectors)</p>
<b>1.2 Description of the business strategy</b>	<p>SEB is committed to aligning its strategy to international goals such as the UN Sustainable Development Goals (SDGs) and the Paris Agreement. In 2021 SEB presented and updated its sustainability strategy, outlining the bank's role in the transition towards a sustainable society. The strategy is integrated in the business plan 2022–2024 and is a cornerstone of SEB's 2030 Strategy.</p> <p>SEB as a financial institution, providing financing and investment opportunities, has identified that its main contribution to the SDGs is by supporting customers in their transition. Through our business in sustainable financing and investments, advisory services, innovation and people, we serve our customers and strive to reorient capital flows to support sustainable purposes, in line with the SEB's vision and strategy and with the UN SDGs, Paris Agreement and EU Action Plan as guiding principles and frameworks.</p> <p>SEB's sustainability strategy sets out the areas where we believe we can create sustainable short- medium- and long-term value for our stakeholders by aligning financing and investment with the UN SDGs and the Paris Agreement. These areas include climate and environment, human rights, social relations and anti-corruption.</p> <p>From an SEB Group perspective we prioritise five of the SDGs that are clearly linked to our business strategy and our sustainability ambitions: SDG 13 Climate action, SDG 8 Decent work and economic growth, SDG 9 Industry, innovation and infrastructure, SDG 16 Peace, justice and strong institutions, SDG 5 Gender equality. These are tightly linked to our business strategy and sustainability work.  → Read also on p. 45 and the PRB Impact Analysis 2.1</p> <p>SEB's climate change approach is integrated in the bank's overall business strategy and is articulated around three areas: support our customers on their transition journeys toward a low-carbon economy, manage the bank's climate impact (direct and indirect), and manage climate-related risks. As a long-term financial partner to many of the large corporations and institutions in the Nordic region and a major asset manager, SEB is uniquely positioned to contribute to the transition towards a low-carbon society.</p>	<p>→ See SEB Annual and Sustainability Report 2021:  p. 34–35, 52–53 (Working at SEB and People and community)  p. 40–41 (SEB in society)  p. 44–45 (Sustainability at SEB)  p. 46–47 (Sustainability strategy and goals)  p. 48–49 (Sustainable financing)  p. 50–51 (Sustainable investments)  p. 54–55 (Business ethics and conduct)  p. 55, 60–68 (Environment/climate)</p>

Reporting and Self-Assessment Requirements	High-level summary of the bank's response (limited assurance required for responses to highlighted items)	Reference(s)/link(s) to the bank's full response/relevant information
<b>Principle 2: Impact and Target Setting</b> <i>SEB will work continuously to increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.</i>		
<b>2.1. Impact Analysis</b>	<p>In 2021 SEB conducted an impact analysis in line with our commitments to the Principles for Responsible Banking, identifying the SDGs we impact the most. The analysis was performed on our credit portfolio, cross geographies, and sectors.</p> <p>The exposures in our credit portfolio were proportionately combined with respective sector impacts, positive and negative, on the SDGs. Based on this approach, and considering that SEB's major activities lie within northern Europe, the analysis showed that the areas where SEB's exposure has a potential negative impact are climate change (SDG 13), biodiversity (SDG 14 and SDG 15) and fresh water (SDG 6). In these areas SEB's commitments and engagements are particularly relevant.</p> <p>The areas with the most significant positive impact were for example, Decent work and economic growth (SDG 8), and Industry, innovation and infrastructure (SDG 9).</p> <p>Our corporate credit portfolio, in our home markets has large exposure sectors such as real estate 22 per cent, capital goods 9 per cent, transportation 8 per cent, automotive 4 per cent, conventional/mixed power generation 5 per cent and oil &amp; gas 3 per cent.</p> <p>Among the products that SEB offers are green bonds, social bonds, sustainable bonds, sustainability-linked bonds, green loans and sustainability-linked loans. We experienced an increased demand for these products and services from our corporate customers during 2021.</p> <p>→ See more details in the Clients and customers section 3.1 and 3.2.</p> <p>Green mortgages are offered to private customers with homes that meet specific energy or environmental classification. The same criteria apply when financing construction of residential and commercial properties (green construction loans). SEB also offers green loans for the purpose of financing and/or refinancing projects promoting the transition to low-carbon and climate-friendly development, as well as improvements to the environment and eco-systems.</p> <p>SEB's goal is to reduce the fossil credit exposure within the bank's energy portfolio, which includes power generation and distribution.</p> <p>→ See more details in the Target Setting section 2.2.</p>	<p>→ See SEB Annual and Sustainability Report 2021:  p. 44–45 (Sustainability at SEB)  p. 46–47 (Strategy and goals)  p. 48–49 (Sustainable financing)  p. 55 (Environment)  p. 60–68 (Environment/climate)  p. 61 (Break-down of SEB's corporate and real estate credit portfolio reflecting the sector's carbon footprint)</p>
<b>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.</b>		
<p>In 2021, SEB conducted an impact analysis in line with our commitments to the Principles for Responsible Banking on which SDGs we impact the most through our exposure in the credit portfolio.</p>		
<b>2.2. Target Setting</b>	<p>In 2021 SEB presented an updated sustainability strategy, outlining the bank's role in the transition towards a sustainable society. Key elements in the sustainability strategy, are the new goals: Carbon Exposure Index (The Brown), Sustainability Activity Index (The Green) and the Transition Ratio (The Future). These goals will allow us to measure SEB's positive impacts both short- and long-term, and our negative impacts through our credit portfolio.</p> <p><i>Carbon Exposure Index – The Brown (SDG 13):</i> SEB's goal is to reduce the fossil fuel credit exposure in the bank's energy portfolio, which includes power generation and distribution (by &gt;30 per cent), oil and gas exploration and production (by &gt;70 per cent) and refining and distribution (by &gt;30 per cent), for combined reduction of 45–60 per cent by 2030 compared with a 2019 baseline.</p> <p><i>Sustainability Activity Index – The Green (SDGs 13 and 8):</i> This index is a volume-based metric that captures our sustainability activity in sustainable financing, sustainable finance advisory, greentech venture capital investments, and investment products (AuM) classified according to EU Sustainable Finance Disclosure Regulation Article 9. The goal is to increase the average volume-based activity 6–8 times by 2030.</p> <p><i>Transition Ratio – The Future (SDG 13):</i> We will transition together with our customers as reflected in a Transition Ratio, which is a ratio based on our internal Customer Sustainability Classification Model, CSC model (see 2.3). This means that we are assessing our customers' climate impact and alignment towards the goals set out in the Paris Agreement, by classifying our credit portfolio. Baseline will be defined in 2022.</p> <p>→ See more details around the CSC Model in the Plans for target implementation and monitoring section 2.3.</p> <p>SEB became a founding signatory of the Net-Zero Banking Alliance in 2021, and we are in the process of defining targets for carbon emissions reduction accordingly. These targets will be developed during 2022.</p> <p><i>SEB's direct CO<sub>2</sub> emissions target (SDG 13):</i> SEB's goal is to reduce the bank's direct climate impact by limiting emissions to 17,000 tonnes ±5 per cent by 2025. We aim to reduce absolute emissions of greenhouse gases from energy consumption, use of paper, company cars and business travel to almost zero by 2045. These targets will drive alignment of our portfolio with SDG 13 (Climate Action).</p> <p><i>Gender equality (SDG 5):</i> SEB's goal is to have gender balance in senior management teams and to reach 50/50 ±10 per cent.</p> <p><i>Business ethics and conduct (SDG 16):</i> SEB has seven mandatory trainings in place for employees and consultants. The goal is to increase completed trainings towards 100 per cent.</p>	<p>→ See SEB Annual and Sustainability Report 2021:  p. 45 (SEB and the UN Sustainability Development Goals)  p. 46–47 (Strategy and goals)  p. 48–49 (Sustainable financing)  p. 60–68 (Environment/climate)</p>

Reporting and Self-Assessment Requirements	High-level summary of the bank's response (limited assurance required for responses to highlighted items)	Reference(s)/link(s) to the bank's full response/relevant information
<b>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.</b>		
SEB publicly communicated new measurable climate goals during 2021. The previous communicated goals on environment, direct impact, gender equality and business ethics and conduct are still valid. The goals established are continuously monitored by the GESG (Group Executive Sustainability Committee).		
<b>2.3. Plans for Target Implementation and Monitoring</b>	<p>In line with SEB's goal for the <i>Carbon Exposure Index (The Brown)</i>: the goal is to reduce its fossil credit exposure within the energy portfolio with 45–60 per cent by 2030 compared with a 2019 baseline. Divisions monitor fossil-related transactions' effects on the Carbon Exposure Index in order to gradually decrease the exposure. As stated in SEB's Policy on Fossil Fuels, published in February 2021, we will phase out thermal coal mining exposures from all business relationships by 2025. Coal-fired power generation will be phased out by 2030 among companies where coal-fired revenues is above 5per cent.</p> <p><i>Sustainability Activity Index (The Green)</i>: SEB will continuously develop and increase its customer offerings in sustainable financing, sustainable finance advisory, greentech venture capital investments and Article 9 investment products (in line with the EU's Sustainable Finance Disclosure Regulation, SFDR).</p> <p><i>Transition Ratio (The Future)</i>: Understanding and assessing customers' climate impact requires tools specifically designed for such tasks. SEB has developed a Customer Sustainability Classification Model that constitutes the foundation for assessing, classifying and measuring how SEB's corporate and real estate customers, in the credit portfolio, impact the planet and people from a sustainability perspective.</p> <p>The two-step classification model considers both sector breakdown and customer-specific information such as transition strategies, actual climate impact based on technology used, and mitigation activities. The result enables SEB to assess to what extent customers' business activities are in line with the Paris Agreement.</p> <p>The methodology is based on definitions, targets and transition indicators set in the EU Taxonomy, the Paris Agreement, and EU or country-specific regulations or initiatives. To perform the assessment, SEB collects information about each customer's current emission reductions compared to a baseline year as well as its short-term (&lt;5 years), medium-term (5–10 years) and long-term (&gt;10 years) reduction targets. This results in four data points that reflect the customer's transition journey.</p> <p>When fully implemented, this model will be a key component of both business strategy and risk management and will support SEB's ambition to gradually shift its credit portfolio towards more sustainable financing, including social and governance aspects. This is monitored and reported to Group Executive Sustainability Committee, GESG.</p> <p><i>SEB's direct CO<sub>2</sub> emissions target</i>: To reach these targets SEB will work to: improve energy efficiency of operations and buildings, use renewable energy in buildings owned or rented, reduce business travel by using alternative techniques for meetings, reduce travel-related emissions by choosing bio fuel where possible, and move to an electrified fleet of company cars.</p>	→ See SEB Annual and Sustainability Report 2021: p. 46 (Strategy and goals) p. 61–63 (Measuring the climate impact of our credit portfolio) p. 55 (SEB's direct environmental impact)
<b>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.</b>		
SEB is integrating recently set targets in business processes and related monitoring and reporting systems. We are also developing methodologies and tools to support our dialogues with customers and stakeholders to further support the transition towards a low-carbon society.		
<b>2.4. Progress on Implementing Targets</b>	<p><i>Carbon Exposure Index (The Brown)</i>: SEB introduced the goal in 2021 and will start measuring and reporting in 2022.</p> <p><i>Sustainability Activity Index (The Green)</i>: SEB introduced the goal in 2021 and will start measuring and reporting in 2022.</p> <p><i>Transition Ratio (The Future)</i>: SEB introduced the goal in 2021. Measurement of the goal is dependent on the ongoing work with classifying the credit portfolio according to the CSC model, which will be finalised during 2022. A baseline and target will be defined in connection with this.</p> <p><i>Gender equality</i>: SEB's goal is to increase gender balance in senior management teams, to reach 50/50 ±10 per cent. SEB met this goal in 2021 for Top senior managers.</p> <p><i>Business ethics and conduct</i>: SEB has seven mandatory trainings in place for employees and consultants. The goal is to increase completed trainings towards 100 per cent. SEB reached 95 per cent in 2021.</p> <p><i>SEB's direct CO<sub>2</sub> emissions target</i>: SEB's direct carbon emissions are measured on an annual basis and are communicated in the Annual and Sustainability Report. SEB's total CO<sub>2</sub> emissions amounted to 9 387 tonnes.</p>	→ See SEB Annual and Sustainability Report 2021: p. 61–63 (Measuring the climate impact of our credit portfolio) p. 55 (SEB's direct environmental impact) p. 47 (Strategy and goals)
<b>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets.</b>		
SEB will measure, and publicly communicate, the outcome of the goals stated in section 2.2 regularly. Outcomes on targets as set in 2021 have been reported as per above.		

Reporting and Self-Assessment Requirements	High-level summary of the bank's response (limited assurance required for responses to highlighted items)	Reference(s)/link(s) to the bank's full response/relevant information
<p><b>Principle 3: Clients and Customers</b>  <i>SEB will work responsibly with its clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.</i></p>		
<p><b>3.1. Policies and practices</b></p>	<p>SEB's sustainability policy framework covers the Corporate Sustainability Policy, thematic policies and sector policies. The framework provides guidelines on best practice and on the international conventions and standards that the bank encourages companies to follow.</p> <p>The Corporate Sustainability Policy defines the framework for sustainability in SEB and provides a governing platform for our sustainability work for all business decisions, including investment and credit decisions. SEB's thematic and sector policies primarily take a risk-based approach to address sustainability in financing and investment activities. The framework is reviewed annually in order to strengthen the business and in line with regulatory, technological and industry specific development.</p> <p><i>Thematic policies: Environment Policy and Human Rights Policy.</i></p> <p><i>Sector policies: Arms and Defence, Forestry, Fossil Fuels, Mining and Metals, Renewable Energy, Shipping, Transportation, Tobacco and Gambling.</i></p> <p>In 2021 the internal document, the Sustainability Policy Implementation Instruction, was decided on which guides the business in how policies should be implemented in a coherent and consistent manner.</p> <p>In late 2021 and early 2022 SEB conducted a major review of the Environmental Policy, covering climate change, freshwater and biodiversity, aimed to be adopted in spring 2022.</p> <p>In February 2022 updates were made in the policies for Forestry, Renewable Energy and Shipping. Moreover, SEB published its first Sector Policy on Transportation.</p> <p>Other important sustainability-related documents and policies in place are the Code of Conduct, the Code of Conduct for Suppliers, the Inclusion and Diversity Policy and the Tax Policy.</p> <p>In addition to policies, and in order to emphasise SEB's commitment to the Paris Agreement, one of the principles in the bank's Customer Acceptance Standards (CAS), established in 2020, is that "<i>customers in industries with a high negative climate impact and without a credible plan to manage the transition to a low-carbon economy in line with the Paris Agreement shall be avoided</i>". To manage its credit exposure to customer segments with a material carbon footprint, the bank defines risk strategies for these sub-portfolios. The strategies are reviewed annually.</p>	<p>→ See SEB Annual and Sustainability Report 2021 p. 57 (Sustainability policy framework)</p>
<p><b>3.2 Encourage sustainable practices and activities</b></p>	<p>We engage in constructive and concrete dialogues about our customers' needs in relation to sustainability challenges and opportunities. The CSC model (see 2.3) is a hands-on tool for SEB's client teams that enables us to deepen our relationships and mutual understanding of our corporate customers' decarbonisation journeys. We strive to proactively offer solutions that we identify as relevant for them, based on a structured analysis. The model constitutes the foundation for assessing, classifying and measuring how SEB's corporate and real estate customers, in the credit portfolio, impact the planet and people from a sustainability perspective.</p> <p>To support our customers to further understand their investment portfolios' impact on sustainability aspects, SEB has developed the Impact Metric Tool. The tool consists of modules that allow measurement of environmental, social and governance (ESG) aspects of portfolio company operations at a portfolio level.</p> <p>SEB also provides a methodology for ESG assessment within equity research (SEAM), which analyses how these factors will have a material impact on companies' financial performance.</p>	<p>→ See SEB Annual and Sustainability Report 2021</p>



Reporting and Self-Assessment Requirements	High-level summary of the bank's response (limited assurance required for responses to highlighted items)	Reference(s)/link(s) to the bank's full response/relevant information
<b>Principle 4: Stakeholders</b> <i>SEB proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.</i>		
<b>4.1 Stakeholder engagement and partnerships</b>	<p>We engage stakeholders to ensure that we prioritise the most important issues. Among all our stakeholder groups, strong focus is on sustainability, especially on climate change.</p> <p><i>Customers:</i> We are convinced that we can make the greatest positive impact by being engaged in our customers' transition journeys. A proof that our customers appreciate our advisory services are the Prospera surveys, published in 2021 and 2022, focusing on banks' sustainability advice. SEB was two years in a row ranked number one by companies as well as institutions in the Nordic region. Private customers in Sweden are highly engaged in sustainability. More than 7,000 customers responded to SEB's annual sustainability survey. They highlighted climate change, clean water and sanitation and biodiversity as topics they want SEB's fund company to prioritise in its engagement work.</p> <p><i>Employees:</i> SEB's annual employee survey shows that the bank's employees continue to be highly engaged with strong key performance indicators (KPI) compared to the financial sector. The survey also shows that our employees share a strong belief in SEB's future and confidence in SEB's management, and that they feel they have opportunities to develop and contribute to change. The results form a strong foundation for the bank's continued work with its long-term strategy.</p> <p><i>Society:</i> In connection to the development of the Environmental Policy, SEB organised an external stakeholder meeting with actively engaged civil society organisations to get technical input and insights on the relevant challenges and priorities that are identified in the PRB Impact Analysis.</p> <p>Through its participation in various mentoring programmes, the bank's employees reach thousands of <i>young people</i> throughout the country every year. We have dialogues with non-governmental organisations (NGOs), consumer advocate groups and the media through direct dialogues, local engagements, round table discussions and press conferences.</p> <p>SEB is one of two European commercial banks represented in the <i>EU Platform of Sustainable Finance</i>, an expert group with the mandate to advise the EU Commission on development and application of the EU Taxonomy. SEB works actively with the Nordic and Baltic banking associations and their members to share the latest public information about progress and gather views regarding development of the Taxonomy.</p>	→ See SEB Annual and Sustainability Report 2021 p. 59 (Engaging with stakeholders)
<b>Principle 5: Governance &amp; Culture</b> <i>SEB will implement its commitment to these Principles through effective governance and a culture of responsible banking.</i>		
<b>5.1 Governance structure</b>	<p>SEB strengthened its sustainability organisation in 2020, to accelerate the pace of the transformation, set a clear and forcible structure for responsibility distribution, and to ensure that SEB's sustainability efforts address relevant issues and secure implementation across the entire company. The Board of Directors is responsible for the establishment of a strategy for corporate sustainability and an organisation to execute this strategy.</p> <p>The President and CEO is responsible for execution of the corporate sustainability strategy and implementation of the governance structure. The President and CEO has established a Group Executive Sustainability Committee (GESC) to manage execution of the corporate sustainability strategy. GESC is a decision-making body that is chaired by the President and CEO and is responsible for overseeing implementation of the principles.</p> <p>Sustainable Banking is a first-line, operational body that is responsible for coordinating and driving the overall corporate sustainability agenda in close collaboration with the Divisions and Group Staff and Support functions. The Chief Sustainability Officer heads the Sustainable Banking and is a member of GESC.</p> <p>SEB's group policies, sector policies and position statements provide guidelines on best practice as well as on the international conventions and standards that we encourage companies to follow.</p>	→ See SEB Annual and Sustainability Report 2021: p. 56 (Sustainability governance) p. 57 (Sustainability policy framework)
<b>5.2 Initiatives and measures</b>	<p>We have strong focus on strengthening sustainability competence among employees. In 2021 we also introduced a sustainability training for employees working with private and medium-sized corporate customers.</p>	→ See SEB Annual and Sustainability Report 2021: p. 52 (People and community)
<b>5.3 Governance Structure for Implementation of the Principles</b>	<p>SEB sees the importance of aligning incentive structures with its sustainability ambitions. The bank has group-wide as well as specific goals for the various divisions and units, targeting environmental, social and governance areas, for example carbon emissions, diversity and regulatory compliance.</p> <p>Sustainability KPIs are integrated in the allocation process of long-term incentive structures for members of SEB's Group Executive Committee (GEC), for managers who report to the GEC as well as other applicable positions. Going forward SEB aims to integrate the bank's updated ambitions and goals into the evaluation among SEB's senior managers.</p>	→ See SEB Annual and Sustainability Report 2021: p. 52 (People and community)
<b>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.</b>		
SEB's governance structure ensures the establishment, execution and monitoring of implementation of the sustainability strategy, thereby ensuring that the Principles are implemented effectively.		

Reporting and Self-Assessment Requirements	High-level summary of the bank's response (limited assurance required for responses to highlighted items)	Reference(s)/link(s) to the bank's full response/relevant information
<p><b>Principle 6: Transparency &amp; Accountability</b>  <i>SEB will periodically review its individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.</i></p>		
<p><b>6.1 Progress on Implementing the Principles for Responsible Banking</b></p>	<p>During 2021 SEB strengthened its sustainability policy framework in multiple ways. A major revision of the Fossil Fuel Policy was performed, and updates were made in the Mining and Metals Policies. Updates will be made of the Shipping, Forestry, Renewable Energy and Transportation Policies in early 2022. The Environment Policy is also being revised during spring 2022.</p> <p>An internal instruction, the Sustainability Policy Implementation Instruction, started to be implemented during 2021.</p> <p>SEB became a signatory of the Net-Zero Banking Alliance (NZBA) in 2021, and the first reporting in accordance with that framework will take place in 2022. The Net Zero Asset Managers initiative was signed in late 2020, committing to support the goal of net zero greenhouse gas emissions by 2050.</p> <p>In 2021 SEB publicly announced an updated sustainability strategy, and in connection with this new ambitions and goals were communicated, which included laying out a path for the reduction of our fossil credit exposure and at the same time setting growth ambitions for our sustainable products, advisory services and investments. Our goals and ambitions are expressed as measurable indexes.</p> <p>As a credit institution SEB is obligated to report in accordance with the requirements of the EU Taxonomy Regulation by year-end of 2021. In addition to the mandatory taxonomy reporting, SEB has chosen to disclose voluntary taxonomy reporting for transparency reasons.</p> <p>In 2021 SEB improved its CDP score from D to B, a result of our sustainability efforts.</p> <p>SEB monitors regulatory compliance within the sustainability area on a continuous basis. During 2022 we will proceed with implementation of the Taxonomy Regulation and monitor progress around development of sustainability reporting standards, both on EU and international levels.</p>	<p>→ See SEB Annual and Sustainability Report 2021:  p. 52 (People and community)  p. 56 (Sustainability governance)  p. 57 (Sustainability policy framework)  p. 197 (Sustainability notes, Taxonomy)</p>
<p><b>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking.</b></p>		
<p>In 2021 SEB has taken important steps in implementing the Principles for Responsible Banking, and the work will continue in 2022.</p>		

# Auditor's Limited Assurance Report on Skandinaviska Enskilda Banken AB's Sustainability Report and statement regarding the Statutory Sustainability Report

*This is the translation of the auditor's report in Swedish.  
To Skandinaviska Enskilda Banken AB (publ), Corp Id 502032-9081*

## Introduction

We have been engaged by the Board of Directors of Skandinaviska Enskilda Banken AB to undertake a limited assurance engagement of Skandinaviska Enskilda Banken AB's Sustainability Report for the year 2021. Skandinaviska Enskilda Banken AB has defined the scope of the Sustainability Report to the pages 42–69 and 208–233 in this document and the Statutory Sustainability Report to the pages 44–69.

## Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with applicable criteria and the Annual Accounts Act respectively. The criteria are defined on page 69 in the Sustainability Report, and are part of the Sustainability Reporting Guidelines published by GRI (The Global Reporting Initiative), that are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to express an opinion regarding the Statutory Sustainability Report. Our review is limited to the information in this document and to the historical information and does therefore not include future oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 Assurance engagements other than audits or reviews of financial information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR's accounting standard RevR 12 The auditor's opinion regarding the statutory sustainability report. A limited assurance engagement and an examination according to RevR 12 is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Skandinaviska Enskilda Banken AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

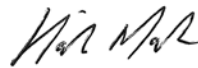
We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusions below.

## Conclusions


Based on the limited review performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

A Statutory Sustainability Report has been prepared.

Stockholm 28 February 2022  
Ernst & Young AB



Hamish Mabon  
Authorized Public Accountant



Charlotte Söderlund  
Authorized Public Accountant