

SEB's Annual General Meeting 2019
Introductory remarks by Marcus Wallenberg,
Chair of the Board

Dear shareholders – Warm welcome to Konserthuset and SEB's 2019 Annual General Meeting.

Today we will sum up 2018 based on how things went for the bank's customers, the bank's operations, and for us – the bank's more than 260,000 shareholders.

The Annual General Meeting is an occasion to both look back and show our direction forward.

The conditions for conducting banking activities are significantly different today than they were only ten years ago.

The complexity in the world we work in is increasing.

This requires long-term perspective. It requires financial strength and stability. And most of all, it requires an ability to see around the corner and act quickly and decisively to seize the opportunities that are being created.

This requires that we at SEB know our customers well and always strive to understand the needs they have today and what needs they may have in the future.

Knowing our customers is fundamental to the work on preventing the risks that the financial system is exposed to.

On the part of the Board of Directors, we have dedicated a lot of time focusing on these risks that the bank encounters.

I would like to start out by addressing a matter that strongly affects trust in the entire financial system.

The discussion that is currently ongoing is putting the spotlight on the global problem of financial crime and money laundering. This issue is also at the top of the Board's and management's agenda.

So allow me to begin by saying that banks have an important responsibility – a responsibility that comes with the service we provide, namely, to execute transactions between companies, private persons, and across national borders.

This payment infrastructure is the linchpin for trade and well-working economies.

Trust in the financial system is crucial for us and other banks to be able to conduct successful business that benefits our customers, economic development and thus society as a whole.

Financial crime by its very nature is hard to detect, as the entire goal for financial criminals is to hide assets, and the banking system is being used for their transactions.

Complex structures and long transaction chains are being purposefully created – specifically to hide the actual principals or the underlying purpose behind assets and transactions. It is not uncommon for criminal actors to have major resources at their disposal.

For SEB's part, it has always been a priority to maintain the highest standards of corporate governance, compliance and risk management. Our risk culture shall be distinguished by professionalism and strong values.

A large part of the debate on money laundering has focused on the Baltic countries.

It is important to view the journey that the Baltic nations have made over the last 30 years into perspective: from being part of the Soviet Union to today, as thriving, modern market economies.

Swedish banks have played a crucial role, supporting this long-term transformation.

Historically and today, SEB has taken active decisions based on a business strategy that is grounded in supporting balanced growth in the Baltic countries.

The Baltic banking business is and will continue to be an important part of SEB's future strategy.

I also want to underscore the responsibility we have to do our utmost to not be used for money laundering – and to promptly report any suspicions of money laundering.

SEB must take its responsibility – and we do take our responsibility. However, no bank can guarantee that it will never be used for this type of criminal activity, and we are doing our utmost to monitor, detect and report.

In recent years we have seen a shift in how society acts on these matters. Clearer rules are being created along with closer collaboration between banks and the regulatory authorities.

This is a change that we welcome, and even more collaboration will be needed. Money laundering is a global problem, and therefore global solutions and collaboration across national borders are also needed – most of all since banks neither can nor should serve as law enforcement authorities.

SEB has over time strengthened its resources and ability to detect, prevent and report suspected cases of money laundering.

When I look ahead to the future I also see reason for SEB to do even more. New technology will play a crucial role in improving our and society's ability to detect and monitor.

Artificial intelligence and new technological tools for monitoring flows and transactions are becoming increasingly important for detecting criminal behaviours and connections, but also for gaining an ever-better understanding of our own risk exposure.

This is an area in which we will continue to invest going forward in order to maintain a robust defence and to ensure that this work plays a key role in upholding our trust.

As we gather today at the Annual General Meeting, it is also a day when we – all shareholders – gain a deeper look into the bank's operations.

Today we will take positions on a number of important decisions: adoption of the 2018 financial results and position. Capital, the dividend, remuneration issues, and not least – election of the Board of Directors and auditors.

With these opening comments – on behalf of the Board and the bank's management – I want to extend a warm welcome to all of you to this year's Annual General Meeting.

This year we have once again asked attorney Sven Unger to open the Meeting. I thereby yield the floor to Sven Unger.

Thank you!