

Address by Chair of the Board Marcus Wallenberg at digital shareholder event on 24 March 2021

Dear shareholders,

The past year has been like no other we have seen in modern time. The coronavirus pandemic has had serious consequences for people's lives, health and livelihoods. Our thoughts go out to everyone who has been affected by the strains caused by the pandemic. On behalf of the Board of Directors, I hope that you and your nearest are well given the circumstances.

As you can see, we are not meeting this year, either, like we usually do. But in this digital format I want to take this opportunity to say a few words about the past year.

Later in this webcast we will touch upon a number of matters, including the important digitalisation and sustainability transitions. But in this address I would like to concentrate on three areas: what has distinguished the Board's work during the year, how we have reasoned with respect to a dividend for the bank's shareholders, and the continuously ongoing work on strengthening the bank's protection against being used for money laundering and other financial crime.

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The coronavirus pandemic dominated the agenda for all of society in 2020. This also goes for the work we have conducted on SEB's Board. We have had a varied agenda that is reflected in the financial market's turbulence, high demand for credit, strong customer engagement and the regulatory issues that are steadily growing in scope.

The Board of Directors' work is conducted in accordance with set Rules of Procedure that are adopted by the Board. These regulate our role and ways of working as well as special instructions for the Board's committees: the Risk and Capital Committee, the Audit and Compliance Committee, and the Remuneration and Human Resources Committee. These committees prepare certain issues for decision by the Board.

During 2020 we held 21 board meetings. In addition to these the committees met on an additional 47 occasions.

In addition to the pandemic's consequences for the bank's operations, our customers and shareholders, the Board also dealt with matters including the work on preventing money laundering, the bank's intensified digitalisation and sustainability focus, and updates of SEB's business plan and financial plans.

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Dear shareholders,

The issue of a share dividend has received great attention in the societal debate. As a consequence of the pandemic's effects on society – and the prevailing uncertainty about the future – the authorities recommended during the year that banks should refrain from paying share dividends in 2020.

At the same time it is precisely this, receiving a dividend, that is an important consideration for those who have chosen to invest in a company.

Among SEB's shareholders are some of Sweden's largest pension funds and pension companies. The shareholders also include more than 200,000 private individuals – that is, small savers who have chosen to invest in SEB – and indirectly a number of foundations that use parts of the dividend they receive from the bank to fund research and education.

SEB has a strong liquidity position and a solid capital buffer, and the bank delivered a solid financial result in 2019. But when the pandemic first broke out, it was hard to assess the course of events in the world around us and to what extent the bank's customers would need additional financing and support.

To create even greater scope for SEB to act in the interest of its customers and shareholders, the Board therefore opted first to evaluate the proposed dividend for 2019 and thereafter, in line with the supervisory authorities' recommendations, to propose that no dividend be paid for 2019. The Annual General Meeting also voted in favour of this resolution in June 2020.

So here at the start of 2021, the pandemic situation is somewhat different, and the authorities have also adjusted their recommendations.

SEB's financial capacity continues to be very strong. Therefore, the Board is now proposing a dividend for 2020 – which is also in line with the authorities' updated guidelines. I am happy that we can put forth this proposal.

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Another matter that was in focus during the year, and which is a standing item on the Board's agenda, is the work on preventing the bank from being used for money laundering.

Financial crime has a broad impact. It is constantly looking for new ways to encroach undetected, which puts high demands on all actors in society to stop it.

For us at SEB it is a matter of continuously identifying improvement opportunities to further strengthen our abilities. It is a responsibility that we take with utmost seriousness.

There is no perfect system, but we are doing our utmost to prevent, detect and report suspicious activity to the law enforcement agencies. We are constantly raising our own demands and ambitions, and are developing new technological tools to strengthen our protection. Here, unfortunately, our work will never come to an end.

Ultimately this is a matter of nurturing the trust that has been instilled in us by you, our shareholders, as well as by our customers and the many other actors in society.

In June 2020 the Swedish Financial Supervisory Authority (FSA) closed its review of SEB's routines and processes for countering money laundering in the Baltic subsidiaries. The FSA decided to issue SEB a remark and an administrative fine of one billion kronor.

It was very regrettable to be issued this decision and fine. It not only has a financial effect, but also affects our trust capital. I find this regrettable.

SEB does not agree with parts of the FSA's conclusions, but we chose anyway to not appeal the decision – so that we may instead continue to focus on further strengthening our capacity to prevent the bank from being used for financial crime.

As a bank, SEB is subject to various regulatory regimes, laws and requirements in all of the countries in which we do business. We are engaged in continuous dialogues with supervisory authorities and are constantly subject to reviews of the bank's regulatory compliance. As part of these dialogues, during the year SEB also received queries from other authorities, including authorities in the USA, to provide information concerning measures to counter money laundering.

The bank always responds to the questions we receive in our dialogues with authorities. We cannot rule out that current and future supervisory matters and queries may lead to criticism or sanctions, even though we always strive to live up to the applicable rules and regulations, and to the demands that are put on us.

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Dear shareholders,

Allow me to conclude with a few words about the future.

2020 will go down in history as an extraordinary year in every respect. A year full of tribulations resulting from the pandemic – but also of hope, as people, organisations, societies and countries came together to find solutions to the challenges that have arisen.

Perhaps we are seeing the clearest example of this right now – with the development and roll-out of vaccines. This has been achieved in record time thanks to high-quality life science and rapid technological development.

This global mobilisation brings hope for the future. Hope for life and health as well as hope for brighter times for people in their daily lives, for enterprise, and for society in general.

I hope that SEB can contribute to this confidence in the future.

This year marks 165 years since we welcomed our first customer. Since then we have done our utmost to stand by our customers' side in good times and bad. Our main duty is to contribute with financial support and advice to the bank's customers, not least under such difficult circumstances as those that prevailed in 2020. We make sure the wheels keep turning and uphold our critical role in society also in challenging times.

This has been made possible thanks to SEB's knowledgeable and dedicated employees around the world. Throughout the year they worked hard to support our customers – in branch offices, in digital channels, through support functions and in business development. And they did this despite lockdowns and restrictions on daily life. On behalf of the Board, I want to direct a great and sincere thank you for your flexibility, proactivity, and all your work during the past year.

It is by continuing to support our customers, being curious about the future and enabling people and companies to realise their ideas and ambitions that we contribute to development of society. In this way we also strive to be a positive force in the important digitalisation and sustainability transitions that are now taking place – and which in turn will give rise to new business opportunities for SEB and our competent people.

Through this work we are also creating long-term value for you, our shareholders.

This we will continue to do.

Thank you!