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# Stability in uncertain times

The geopolitical and macroeconomic uncertainty remained elevated during the third quarter. As central banks continued their monetary tightening and policy rate hikes, the inflation rate started to decrease from high levels. This was accompanied by an expected slowdown in the economy, reflected in downbeat economic outlooks among both households and corporates.

Central banks emphasised the need for keeping rates higher for longer, which had a dampening impact on the markets. Stock markets lost ground during the quarter with the US S&P 500 index decreasing nearly 4 per cent, while the OMX Stockholm Price Index fell approximately 6 per cent.

The past growth engine in Europe, Germany, encountered headwinds due to the worsened industrial climate. However, the economies of several of our other home markets, including Sweden, continued to show resilience, reflected in strong labour markets. In addition, Sweden's public finances remain strong, providing ample ability to support the economy if needed. All in all, conditions for a soft economic landing are relatively favourable, but a more negative impact on the global economy cannot be ruled out.

In these uncertain times, it is key to maintain momentum in the economy. As a northern European bank with international presence and a strong financial position, we have the reach and ability to support companies and households with capital and advice, and thereby alleviate some of the economic pressure.

## A financially strong result

Rising interest rates continued to have a positive effect on the results in the quarter, however, the positive effect on net interest income has abated compared with previous quarters. Demand for energy transition and infrastructure financing among our large corporate customers held up well, while financial institutions remained active in the fixed income markets. Credit demand was muted among both corporate and private customers, and we saw marginally lower deposit volumes in the quarter. Private customers, both in Sweden and the Baltic countries, continued to adapt to the new interest rate environment by transferring on-demand savings accounts to term deposits. Swedish household mortgage margins, which have declined since interest rates started rising, stabilised during the quarter although they remain at record low levels.

Asset quality remained robust, reflected in a small net reversal of provisions in the quarter. In sectors most impacted by the higher interest rate environment we continued to see some asset quality deterioration, however these volumes remained modest and are catered for in our existing reserves.

The operating profit increased by 7 per cent compared with the previous quarter, mainly driven by higher operating income. Return on equity amounted to 19.8 per cent. Our cost target for the full year is unchanged.

Our capital buffer remains strong and amounted to 430 basis points above the regulatory requirement. Authorised by the AGM, the Board of Directors decided on a new quarterly share buyback programme of SEK 1.25 billion.

## Continuing to deliver on our strategy

At our annual sustainability event on 15 November, we will share the progress regarding our ambitions and goals to deliver on our strategy and net zero commitment – a cornerstone of our 2030 strategy. By partnering with our customers and supporting them on their transition journeys, we can make the greatest positive impact. In the quarter, we launched guarantees for large and mid-corporate customers in our home markets, linked to SEB's green bond framework requirements, supporting businesses to showcase projects vital for a transition to a more sustainable economy. Furthermore, SEB launched a water certificate for institutional investors, offering exposure to a basket of companies providing clean water-related technology solutions.

As part of our strategy to improve efficiency and accelerate technology development, we launched several initiatives focused on adopting generative AI-powered virtual assistants. Currently in a test-phase, these assistants will act as support to our employees and reduce time spent on routine tasks by providing automated searches and compilation of policies and rules.

## Stability to continue supporting our customers

Our customers have this year had to adjust to a new economic reality. Our dedicated employees support our customers in navigating this uncertain environment while maintaining our focus on being a long-term partner. I am glad that availability and customer satisfaction among retail customers in Sweden improved significantly during the quarter. The relationships with our customers and our progress as a bank are made possible only through our competent and devoted employees, and I am pleased to see that employee engagement was record high in this year's annual employee survey. SEB's strong financial position provides ample safeguards going forward and enable us to continue supporting our customers as well as keeping the wheels of the economy turning, by providing responsible capital and advice, reinvesting our profits to further develop our business and by distributing capital to shareholders. That is how we create long-term value for our customers, shareholders, and societies, today and for generations to come.



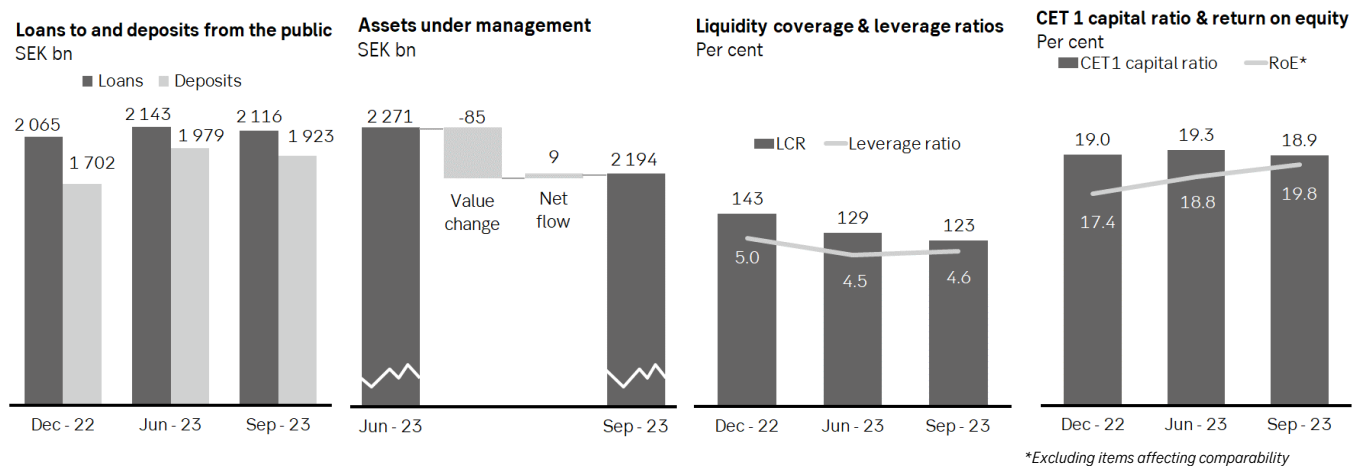
Johan Torgeby  
President and CEO

# Third quarter 2023

- Return on equity amounted to 19.8 per cent on a Common Equity Tier 1 capital ratio of 18.9 per cent. The capital buffer was 430 basis points above the capital requirement.
- Asset quality remained robust, reflected in a small net reversal of provisions.
- Significantly improved availability and customer satisfaction among retail customers in Sweden.
- The Board of Directors resolved to utilise the authorisation granted by the 2023 Annual General Meeting to initiate a new quarterly share buyback programme of SEK 1.25bn.

SEK m	Q3			Q2			Q3			Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2023	2022	%	2022	
Total operating income	20 979	20 019	5	16 552	27	60 057	45 680	31	64 478				
Total operating expenses	-6 905	-6 948	-1	-6 293	10	-20 319	-18 288	11	-25 044				
Net expected credit losses	17	-43		-567		-298	-1 501	-80	-2 007				
Imposed levies	-1 108	-934	19	-572	94	-2 744	-1 711	60	-2 288				
<b>Operating profit before items affecting comparability</b>	<b>12 983</b>	<b>12 093</b>	<b>7</b>	<b>9 119</b>	<b>42</b>	<b>36 696</b>	<b>24 181</b>	<b>52</b>	<b>35 138</b>				
Items affecting comparability									-1 399				
<b>Operating profit</b>	<b>12 983</b>	<b>12 093</b>	<b>7</b>	<b>9 119</b>	<b>42</b>	<b>36 696</b>	<b>24 181</b>	<b>52</b>	<b>33 739</b>				
<b>NET PROFIT</b>	<b>10 581</b>	<b>9 768</b>	<b>8</b>	<b>7 311</b>	<b>45</b>	<b>29 742</b>	<b>19 475</b>	<b>53</b>	<b>26 877</b>				
Return on equity, %	19.8	18.8		14.9		18.9	13.5		13.8				
Return on equity excluding items affecting comparability, %	19.8	18.8		14.9		18.9	13.5		14.5				
Basic earnings per share, SEK	5.07	4.65		3.43		14.17	9.09		12.58				

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.



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# SEB Group

## Income statement on a quarterly basis, condensed

SEK m	Q3	Q2	Q1	Q4	Q3
	2023	2023	2023	2022	2022
Net interest income	12 248	11 881	11 297	9 715	8 925
Net fee and commission income	5 320	5 637	5 170	5 410	5 257
Net financial income	2 594	2 609	2 403	3 476	2 330
Net other income	817	-108	190	196	41
<b>Total operating income</b>	<b>20 979</b>	<b>20 019</b>	<b>19 060</b>	<b>18 798</b>	<b>16 552</b>
Staff costs	-4 551	-4 330	-4 235	-4 172	-4 028
Other expenses	-1 863	-2 127	-1 748	-1 982	-1 755
Depreciation, amortisation and impairment of tangible and intangible assets	-491	-491	-483	-602	-510
<b>Total operating expenses</b>	<b>-6 905</b>	<b>-6 948</b>	<b>-6 465</b>	<b>-6 757</b>	<b>-6 293</b>
<b>Profit before credit losses and imposed levies</b>	<b>14 073</b>	<b>13 070</b>	<b>12 594</b>	<b>12 041</b>	<b>10 259</b>
Net expected credit losses	17	-43	-272	-506	-567
Imposed levies	-1 108	-934	-702	-578	-572
<b>Operating profit before items affecting comparability</b>	<b>12 983</b>	<b>12 093</b>	<b>11 620</b>	<b>10 957</b>	<b>9 119</b>
Items affecting comparability				-1 399	
<b>Operating profit</b>	<b>12 983</b>	<b>12 093</b>	<b>11 620</b>	<b>9 558</b>	<b>9 119</b>
Income tax expense	-2 401	-2 326	-2 227	-2 156	-1 807
<b>NET PROFIT</b>	<b>10 581</b>	<b>9 768</b>	<b>9 393</b>	<b>7 402</b>	<b>7 311</b>
Attributable to shareholders of Skandinaviska Enskilda Banken AB	10 581	9 768	9 393	7 402	7 311
Basic earnings per share, SEK	5.07	4.65	4.45	3.49	3.43
Diluted earnings per share, SEK	5.03	4.62	4.42	3.46	3.40

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

## Key figures

	Q3	Q2	Q3	Jan-Sep		Full year
	2023	2023	2022	2023	2022	2022
Return on equity, % <sup>1)</sup>	19.8	18.8	14.9	18.9	13.5	13.8
Return on equity excluding items affecting comparability, % <sup>1) 2)</sup>	19.8	18.8	14.9	18.9	13.5	14.5
Return on total assets, % <sup>1)</sup>	1.0	1.0	0.7	1.0	0.7	0.7
Return on risk exposure amount, % <sup>1)</sup>	4.8	4.5	3.4	4.5	3.1	3.2
Cost/income ratio <sup>1)</sup>	0.33	0.35	0.38	0.34	0.40	0.39
Basic earnings per share, SEK <sup>1)</sup>	5.07	4.65	3.43	14.17	9.09	12.58
Weighted average number of shares, millions <sup>3)</sup>	2 089	2 100	2 133	2 100	2 142	2 137
Diluted earnings per share, SEK <sup>1)</sup>	5.03	4.62	3.40	14.06	9.02	12.48
Weighted average number of diluted shares, millions	2 104	2 114	2 150	2 115	2 158	2 153
Net worth per share, SEK <sup>1)</sup>	111.46	107.06	99.54	111.46	99.54	103.23
Equity per share, SEK <sup>1)</sup>	104.42	99.97	92.95	104.42	92.95	96.59
Average shareholders' equity, SEK bn <sup>1)</sup>	213.4	207.7	196.3	210.0	192.9	195.3
Net ECL level, %	0.00	0.01	0.08	0.01	0.07	0.07
Stage 3 Loans / Total Loans, gross, %	0.27	0.28	0.41	0.27	0.41	0.33
Stage 3 Loans / Total Loans, net, %	0.12	0.13	0.18	0.12	0.18	0.14
Liquidity Coverage Ratio (LCR), % <sup>5)</sup>	123	129	120	123	120	143
Net Stable Funding Ratio (NSFR), % <sup>6)</sup>	114	112	109	114	109	109
<u>Own funds requirement, Basel III</u>						
Risk exposure amount, SEK m	919 298	884 934	881 588	919 298	881 588	859 320
Expressed as own funds requirement, SEK m	73 544	70 795	70 527	73 544	70 527	68 746
Common Equity Tier 1 capital ratio, %	18.9	19.3	18.1	18.9	18.1	19.0
Tier 1 capital ratio, %	20.6	21.0	19.9	20.6	19.9	20.7
Total capital ratio, %	21.9	22.8	21.6	21.9	21.6	22.5
Leverage ratio, %	4.6	4.5	4.3	4.6	4.3	5.0
Number of full time equivalents <sup>7)</sup>	17 492	17 428	16 491	17 210	16 188	16 283
Assets under custody, SEK bn	18 925	19 290	18 091	18 925	18 091	18 208
Assets under management, SEK bn	2 194	2 271	2 018	2 194	2 018	2 123

<sup>1)</sup> Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

<sup>2)</sup> In Q4 2022, an impairment of SEK 1.4bn related to Russia was recognised.

<sup>3)</sup> At year-end 2022 the number of issued shares was 2,178,721,934 and SEB owned 65,283,469 Class A shares. During 2023 SEB has purchased 6,222,629 shares for the long-term equity programmes and 6,119,780 shares were sold/distributed. During 2023 SEB has purchased 28,685,938 shares for capital purposes and 38,738,439 shares held for capital purposes were cancelled. Thus, at 30 Sep 2023 the number of issued shares amounted to 2,139,983,495 and SEB held 55,333,817 own Class A-shares with a market value of SEK 7,229m.

<sup>4)</sup> Calculated dilution based on the estimated economic value of the long-term incentive programmes.

<sup>5)</sup> In accordance with the EU delegated act.

<sup>6)</sup> In accordance with CRR2.

<sup>7)</sup> Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

In SEB's Fact Book this table is presented with information for the past nine quarters.

### Restated comparative figures

On 3 April 2023, SEB published a press release with restated comparative figures for 2022 relating to the transition to IFRS 17 Insurance contracts. The restated figures are fully reflected throughout this report. See page 49 for more information and a reconciliation to previously published financial information.

### Comparative numbers (in parenthesis throughout the report)

Unless otherwise stated:

- the result for the reporting quarter is compared with the prior quarter
- the result for the first nine months is compared with the first nine months in the prior year
- business volumes are compared with the prior quarter

## The third quarter

Operating profit increased by 7 per cent compared with the second quarter 2023 to SEK 12,983m (12,093). Year-on-year, operating profit increased by 42 per cent. Net profit amounted to SEK 10,581 (9,768).

### Operating income

Total operating income increased by 5 per cent compared with the second quarter 2023 and amounted to SEK 20,979m (20,019). Compared with the third quarter 2022, total operating income increased by 27 per cent.

Net interest income increased by 3 per cent, compared with the second quarter, to SEK 12,248m (11,881) and by 37 per cent year-on-year.

	Q3	Q2	Q3
SEK m	2023	2023	2022
Loans to the public	5 296	5 164	5 939
Deposits from the public	5 112	4 340	1 945
Other, including financing and liquidity	1 840	2 377	1 040
<b>Net interest income</b>	<b>12 248</b>	<b>11 881</b>	<b>8 925</b>

Net interest income from loans to the public increased by SEK 132m in the third quarter mainly from improved lending margins.

Net interest income from deposits from the public rose by SEK 772m in the third quarter. The improvement was an effect of increasing interest rates during the quarter and a change in the internal funds transfer pricing.

Other net interest income decreased by SEK 537m partly due to an internal funds transfer pricing effect. The deposit guarantee fees amounted to SEK 116m (114).

Net fee and commission income decreased by 6 per cent in the third quarter to SEK 5,320m (5,637). Year-on-year, net fee and commission income increased by 1 per cent.

Gross fee income from custody and mutual funds, excluding performance fees, increased by SEK 50m to SEK 2,433m as average assets under management during the quarter were higher than the second quarter. Performance fees amounted to SEK 28m (0). Fee income from issuance of securities and advisory services decreased by 33 per cent in the third quarter to SEK 214m (321) as activity was seasonally lower. Similarly, credit demand was lower and gross lending fees decreased by 8 per cent to SEK 934m (1,011). Gross secondary market and derivatives income decreased to SEK 406m (730) mainly as the second quarter of 2023 included accrual effects.

Net payment and card fees were unchanged from the second quarter and amounted to SEK 1,216m.

The net life insurance commissions, from the unit-linked insurance business, increased to SEK 269m (224), mainly due to higher average assets under management.

Net financial income decreased by 1 per cent, SEK 15m, to SEK 2,594m in the third quarter (2,609). Year-on-year, net financial income increased by 11 per cent, or SEK 264m. Net financial income from the divisions amounted to SEK 1.8bn.

The fair value credit adjustment<sup>1)</sup> amounted to SEK -1m, a negative change of SEK 363m compared with the second quarter.

The change in market value of certain strategic holdings amounted to SEK 439m in the third quarter, a positive change of SEK 294m compared with the second quarter. During the quarter, the Visa holdings were fully divested. As the holdings were already held at fair value through profit or loss, the effect on the result was limited.

Net financial income from the Life division increased to SEK 363m (252). Improved market returns and higher interest rates had a positive effect on the traditional and other portfolios.

Net other income amounted to SEK 817m (-108). Unrealised valuation and hedge accounting effects are included in this line item.

SEB repurchased a Swedish covered bond during the quarter. The accounting effect was an upfront gain of SEK 512m which will impact net interest income negatively over the next six years. The bond was issued under previous regulations which limited further increases of the volume.

### Operating expenses

Total operating expenses decreased by 1 per cent in the third quarter and amounted to SEK 6,905m (6,948). Year-on-year, total operating expenses increased by 10 per cent, or SEK 612m, of which SEK 178m was a currency effect.

Staff costs increased by 5 per cent during the third quarter. Costs for the long-term incentive programmes increased with the higher SEB share price. The number of full-time equivalents was 17,492 (17,428).

Other costs decreased by 12 per cent. The decrease was driven by lower IT, consulting and other operating costs. Supervisory fees amounted to SEK 50m (50).

Costs developed according to plan for 2023. The cost target for 2023 is outlined on p. 12.

<sup>1</sup> Unrealised valuation change from counterparty risk (CVA) and own credit risk standing in derivatives (DVA). Own credit risk for issued securities (OCA) is reflected in Other comprehensive income.

## Net expected credit losses

*Net expected credit losses* were positive and amounted to SEK 17m, corresponding to a net expected credit loss level of 0 basis points (1). This was mainly due to releases of provisions for single names with improved credit risk, a partial release of the portfolio overlay made for geopolitical uncertainties in 2022 and updated macroeconomic scenarios, in total more than offsetting new provisions. The overall asset quality of the credit portfolio remained robust. In sectors most impacted by the higher interest rate environment, negative risk migration continued, albeit at modest levels.

For more information on credit risk, asset quality, net expected credit losses and the portfolio model overlays, see p. 11 and notes 5, 11, 12 and 13.

## Imposed levies

*Imposed levies* amounted to SEK 1,108m (934). The risk tax on credit institutions in Sweden amounted to SEK 394m (394). The resolution fees amounted to SEK 324m (340).

On 16 May 2023, Lithuania established a temporary (two years) solidarity contribution for credit institutions, the reason being the increase in banks' net interest income when central banks raised interest rates. The contribution is calculated on a formula-defined net interest income tax base and applied for the full third quarter the contribution amounted to SEK 389m (201).

## Items affecting comparability

There was no *item affecting comparability* in the third quarter.

## Income tax expense

*Income tax expense* increased to SEK 2,401 (2,326) with an effective tax rate of 18.5 per cent (19.2).

## Return on equity

*Return on equity* for the third quarter improved to 19.8 per cent (18.8).

## Other comprehensive income

*Other comprehensive income* amounted to SEK -1,167m (1,971).

The value of SEB's pension plan assets continued to exceed the defined benefit obligations to the employees. The discount rate used for the Swedish pension obligation increased to 4.3 per cent (4.1). The net value of the defined benefit pension plans decreased other comprehensive income since the value of the pension assets decreased. In total, the effect was SEK -607m (1,733). The long-term inflation assumption remained unchanged at 2 per cent.

The net effect from the valuation of balance sheet items that may subsequently be reclassified to the income statement, i.e. cash flow hedges and translation of foreign operations amounted to SEK -561m (234).



## The first nine months

*Operating profit* increased by 52 per cent compared with the first nine months 2022 to SEK 36,696m (24,181). *Net profit* amounted to SEK 29,742m (19,475).

### Operating income

*Total operating income* increased by 31 per cent compared with the first nine months 2022 and amounted to SEK 60,057m (45,680).

*Net interest income* increased by 49 per cent compared with the first nine months 2022 and amounted to SEK 35,426m (23,728).

SEK m	Jan-Sep		Change
	2023	2022	%
Loans to the public	15 778	18 437	-14
Deposits from the public	13 578	2 907	
Other, including financing and liquidity	6 069	2 384	155
<b>Net interest income</b>	<b>35 426</b>	<b>23 728</b>	<b>49</b>

Net interest income from loans to the public decreased by SEK 2,659m compared with the first nine months 2022, mainly due to a negative margin effect on Swedish household mortgage loans. Loan volumes had a positive effect.

Net interest income from deposits from the public rose by SEK 10,671m compared with the corresponding period in 2022. Starting in the second quarter 2022, central banks have steadily increased policy rates which has led to a positive margin effect.

Other net interest income increased by SEK 3,685m mainly due to positive effects from lending to other customer categories, such as credit institutions and central banks. The deposit guarantee fees amounted to SEK 343m (315).

Net fee and commission income was unchanged compared with the first nine months 2022 and amounted to SEK 16,127m (16,124).

Equity markets were less advantageous compared with the first nine months 2022 and gross fee income from custody and mutual funds, excluding performance fees, decreased by SEK 314m to SEK 7,110m. Performance fees amounted to SEK 110m (358).

Compared with the first nine months 2022, investment banking activities were lower and gross fee income from issuance of securities and advisory services decreased by 27 per cent to SEK 852m. Gross lending fees increased by 6 per cent to SEK 2,791m. Gross secondary market and derivatives income was unchanged at SEK 1,564m.

Net payment and card fees amounted to SEK 3,586m (3,327), an increase of 8 per cent. Compared with the first nine months 2022, mainly card volumes increased, partly due to inflation.

The net life insurance commissions, related to the unit-linked insurance business, increased to SEK 748m (730).

*Net financial income* increased by 32 per cent to SEK 7,606m compared with the first nine months 2022 (5,766).

Due to the notable change in market conditions especially in the first half of 2023 compared with 2022, the positive portfolio valuation effect was significant, both within the Treasury and Markets areas.

The fair value credit adjustment<sup>1)</sup> amounted to SEK 132m, which was a decline of SEK 8m compared with the corresponding period in 2022.

The change in market value of certain strategic holdings versus the first nine months prior year amounted to SEK 638m, a positive change of SEK 854m year-on-year.

Net financial income from the Life division increased to SEK 857m (483). Improved market returns and higher interest rates had a positive effect, offset by a decrease in income from risk insurance products.

*Net other income* amounted to SEK 899m (62). Unrealised valuation and hedge accounting effects are included in this line item. SEB repurchased a Swedish covered bond during the quarter. The accounting effect was an upfront gain of SEK 512m which will impact net interest income negatively over the next six years. The bond was issued under previous regulations which limited further increases of the volume.

### Operating expenses

*Total operating expenses* increased by 11 per cent compared with the corresponding period 2022 and amounted to SEK 20,319m (18,288). Out of the increase of SEK 2,031m, SEK 433m was related to currency effects.

Staff costs were up by 11 per cent year-on-year, reflecting salary adjustments and an increase in number of employees. Other expenses increased by 15 per cent, partly due to the inflationary environment. Supervisory fees amounted to SEK 148m (132).

### Net expected credit losses

*Net expected credit losses* amounted to SEK 298m (1,501), corresponding to a net expected credit loss level of 1 basis point (7). Reversal of provisions for single names and updated macroeconomic scenarios had a positive impact. During the first nine months, the portfolio model overlays increased by SEK 0.3bn to SEK 2.5bn, mainly due to additional reserves for challenges in the real estate sector which were partly offset by a partial release of the portfolio model overlay made for geopolitical uncertainties in 2022.

<sup>1</sup> Unrealised valuation change from counterparty risk (CVA) and own credit risk standing in derivatives (DVA). Own credit risk for issued securities (OCA) is reflected in Other comprehensive income.

## Imposed levies

Imposed levies amounted to SEK 2,744m (1,711). The risk tax amounted to SEK 1,182m (887), the resolution fees to SEK 972m (824) and the temporary solidarity contribution in Lithuania to SEK 590m.

## Items affecting comparability

There was no item affecting comparability in the first nine months.

## Income tax expense

*Income tax expense* increased to SEK 6,954m (4,706) with an effective tax rate of 19.0 per cent (19.4).

## Return on equity

*Return on equity* for the first nine months increased to 18.9 per cent (13.5).

## Other comprehensive income

*Other comprehensive income* amounted to SEK 1,769m (1,779).

## Business volumes

Total assets as of 30 September 2023 amounted to SEK 4,134bn, representing a decrease of SEK 38bn from 30 June 2023 (4,172) and an increase of SEK 601bn from the year-end 2022 balance of SEK 3,533bn.

## Loans

	30 Sep	30 Jun	31 Dec
SEK bn	2023	2023	2022
General governments	19	21	27
Financial corporations	123	133	120
Non-financial corporations	1 055	1 070	1 019
Households	725	726	719
Collateral margin	26	35	75
Reverse repos	167	158	106
<b>Loans to the public</b>	<b>2 116</b>	<b>2 143</b>	<b>2 065</b>

Loans to the public decreased by SEK 27bn in the third quarter, to SEK 2,116bn.

Loans as well as contingent liabilities and derivatives are included and managed in the credit portfolio. See the section Risk and capital for information on the credit portfolio.

## Deposits and borrowings

	30 Sep	30 Jun	31 Dec
SEK bn	2023	2023	2022
General governments	65	70	19
Financial corporations	606	619	409
Non-financial corporations	733	736	693
Households	450	458	450
Collateral margin	46	79	119
Repos	23	17	12
<b>Deposits and borrowings from the public</b>	<b>1 923</b>	<b>1 979</b>	<b>1 702</b>

Deposits and borrowings from the public decreased by SEK 56bn in the third quarter to SEK 1,923bn. Deposits from financial corporations, which also includes Treasury deposits, decreased by SEK 13bn. Non-financial corporations' deposits decreased by SEK 3bn in the third quarter and household deposits decreased by SEK 8bn.

## Debt securities

Debt securities increased by SEK 78bn to SEK 503bn in the third quarter. The securities are short-term in nature, have high credit worthiness and are recognised at market value.

## Assets under management and custody

Total *assets under management* amounted to SEK 2,194bn (2,271). The market value decreased by SEK 85bn during the quarter (57). The net flow of assets under management amounted to SEK 9bn (-7).

*Assets under custody* decreased to SEK 18,925bn mainly due to lower asset values (19,290).

## Risk and capital

SEB's business is exposed to many different types of risks. The risk composition of the group, as well as the related risk, liquidity and capital management, are described in SEB's Annual and Sustainability Report for 2022 (see page 83-89 and notes 40 and 41), in the Capital Adequacy and Risk Management Report for 2022 as well as the quarterly additional Pillar 3 disclosures. Further information is available in SEB's Fact Book that is published quarterly.

## Credit risk and asset quality

	30 Sep	30 Jun	31 Dec
SEK bn	2023	2023	2022
Banks	131	135	127
Corporates	1 748	1 765	1 687
Commercial real estate management	217	220	209
Residential real estate management	147	147	146
Housing co-operative associations Sweden	67	68	72
Public administration	64	70	91
Household mortgage	683	685	671
Household other	88	86	85
<b>Total credit portfolio</b>	<b>3 143</b>	<b>3 177</b>	<b>3 086</b>

SEB's credit portfolio, which includes loans, contingent liabilities and derivatives, decreased by SEK 34bn in the third quarter to SEK 3,143bn (3,177). The corporate credit portfolio decreased by SEK 17bn in the quarter mainly due to currency effects. The real estate portfolios, including housing co-operative associations, decreased by SEK 4bn. Household mortgages decreased marginally as demand remained subdued and households continued to amortise at higher levels than required.

Credit-impaired loans (gross loans in Stage 3) decreased to SEK 5.7bn (6.0), corresponding to 0.27 per cent of total loans (0.28), mainly due to write-offs against reserves, which also reduced the Stage 3 ECL allowances, and currency effects. Stage 2 loans increased marginally due to negative risk migration. See net expected credit loss comment in note 11.

Notes 12-13 provide a more detailed breakdown of SEB's loan portfolio by industry and asset quality as well as corresponding ECL allowances.

## Market risk

Average VaR in the regulatory trading book decreased during the third quarter and amounted to SEK 234m (315). The group does not expect to lose more than this amount, on average, during a period of ten trading days with 99 per cent probability. SEB's business model is mainly driven by customer demand.

## Liquidity and funding

SEB maintained a strong and diversified liquidity and funding position in the quarter with good market access. The loan-to-deposit ratio increased and was 103 per cent per 30 September 2023 (101).

New issuance during the quarter amounted to SEK 22bn, of which SEK 16bn in covered bonds and SEK 6bn in the form of Tier 2 capital. SEK 16bn of long-term funding matured, all of which senior debt. Short-term funding in the form of commercial paper and certificates of deposit decreased by SEK 20bn in the third quarter.

Weighted High Quality Liquid Assets, defined according to the liquidity coverage ratio (LCR) requirements, increased to SEK 1,193bn at 30 September 2023 (1,157). The LCR was

123 per cent (129). The minimum regulatory requirement is 100 per cent.

The net stable funding ratio (NSFR) requirement stipulates that stable funding shall be at least 100 per cent of illiquid assets. Per 30 September 2023, SEB's NSFR was 114 per cent (112).

## Rating

Fitch rates SEB's long-term senior unsecured debt at AA- with stable outlook. The rating is based on SEB's low risk appetite, stable and well-executed strategy, and robust asset quality and capitalisation. The rating was affirmed in June 2023.

Moody's rates SEB's long-term senior unsecured debt at Aa3 with stable outlook reflecting the bank's strong asset quality and solid capitalisation, which is expected to demonstrate continued resilience despite a less favourable macroeconomic outlook. The rating was affirmed in July 2023.

S&P rates SEB's long-term senior unsecured debt at A+ with stable outlook. The rating is based on the stable and low-risk operating environment in Sweden, the bank's stable and well-diversified revenue base and leading position among large Nordic corporates, robust capitalisation and resilient earnings, despite expected increasing pressure on revenues and asset quality in the economic environment. The rating was affirmed in June 2023.

## Risk exposure amount

The total risk exposure amount (REA) increased by SEK 34bn to SEK 919bn during the third quarter.

SEK bn	
<b>Balance 30 Jun 2023</b>	<b>885</b>
Underlying credit risk change	-6
-whereof asset size	6
-whereof asset quality	-6
-whereof foreign exchange movements	-7
Underlying market risk change	-7
-whereof CVA risk	-1
Underlying operational risk change	-
Model updates, methodology & policy, other	47
-whereof credit risk	47
<b>Balance 30 Sep 2023</b>	<b>919</b>

The increase was mainly related to the move of risk weight floors for real estate exposure from Pillar 2 to Pillar 1, increasing REA by SEK 47bn. Underlying credit risk REA decreased by SEK 6bn primarily due to positive net impact from foreign exchange movements. Market risk REA decreased by SEK 7bn due to improved market conditions, while operational risk REA was stable.

## Capital position

The following table shows REA and capital ratios according to applicable capital regulation:

	30 Sep	30 Jun	31 Dec
Own funds requirement, Basel III	2023	2023	2022
Risk exposure amount, SEK bn	919	885	859
Common Equity Tier 1 capital ratio, %	18.9	19.3	19.0
Tier 1 capital ratio, %	20.6	21.0	20.7
Total capital ratio, %	21.9	22.8	22.5
Leverage ratio, %	4.6	4.5	5.0

SEB's Common Equity Tier 1 (CET1) capital ratio decreased to 18.9 per cent (19.3) during the third quarter. CET1 capital increased by SEK 3bn, mainly driven by the quarterly net result, whereas REA increased by 34bn.

SEB's sixth share buyback programme was completed on 23 October 2023 and the Board of Directors resolved to initiate a new programme to start on 26 October 2023. The new programme amounts to SEK 1.25bn and is to be completed by 29 December 2023. Up until 24 October 2023, SEB has repurchased shares for capital management purposes for a total amount of SEK 3.75bn in 2023.

SEB's applicable CET1 capital requirement and Pillar 2 guidance (P2G) per the end of the third quarter was 14.6 per cent (14.8). As part of the Swedish FSA's SREP decision applicable from 30 September 2023, the requirement was increased by around 100 basis points through a temporary add-on for the ongoing review of the IRB models, whereas the REA-based P2G was reduced by 50 basis points. The transfer of the commercial real estate risk-weight floor for Swedish exposures to Pillar 1 reduced the Pillar 2 requirement by around 70 basis points but was neutral in terms of the capital buffer.

SEB's target is to have a buffer of 100 to 300 basis points above the regulatory capital requirement. The buffer shall cover sensitivity to currency fluctuations in REA, changes in the net value of the Swedish defined benefit pension plan as well as general macroeconomic uncertainties. The buffer is currently approximately 430 basis points (450).

SEB's leverage ratio was 4.6 per cent at the end of the quarter (4.5) whereas the leverage ratio requirement and P2G was 3.5 per cent (3.45).

### **Internally assessed capital requirement**

As per 30 September 2023, the internally assessed capital requirement, including insurance risk, amounted to SEK 141bn (110). The increase is due to a new methodology for aggregation; the underlying risk profile was stable during the quarter.

The internal capital requirement is assessed using SEB's internal models for economic capital and is not fully comparable to the estimated capital requirement published by the SFSA due to differences in assumptions and methodologies.

The internally assessed capital requirement for the parent company was SEK 102bn (93).

## **Other information**

### **The Group's long-term financial targets**

With the overall purpose to increase capital management flexibility, the Board of Directors' long-term financial targets are:

- to pay a yearly dividend that is around 50 per cent of the earnings per share excluding items affecting comparability, and distribute potential capital in excess of the targeted capital position mainly through share repurchases,
- to maintain a Common Equity Tier 1 capital ratio of 100–300 basis points above the requirement from the Swedish Financial Supervisory Authority (FSA), and
- to generate a return on equity that is competitive with peers.

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

### **Business plan 2022–2024 and cost target**

The aim is to create shareholder value by accelerating income growth, driving earnings per share growth, increasing our profitability and future-proofing the business. This will be achieved by capitalising on a position of strength and by further investing into the business, as outlined in the 2030 Strategy and the business plan for 2022-2024. All of this is with the overall ambition to grow earnings per share and reach the long-term aspirational target of 15 per cent return on equity.

The 2030 Strategy remains firm and in 2023, we will develop our business by further investing in areas such as digitalisation, data, sustainability and regulatory compliance. The cost target for 2023 is SEK 26.5–27bn, assuming 2022 foreign exchange rates. The range reflected the high uncertainty regarding inflation in the economy. With average foreign exchange rates during 2023, the implied cost target range is SEK 27.1-27.6bn (27.0-27.5).

Towards the end of the 2022–2024 business plan period, the plan is to be within the long-term capital target of 100–300 basis points above the regulatory requirement.

### **Sustainability ambitions and goals**

As part of SEB's strategy, sustainability ambitions and goals have been defined, laying out a path for reducing fossil fuel credit exposure and setting growth ambitions for sustainable activities.

*Carbon exposure index –The Brown.* The goal is to reduce fossil fuel credit exposure within SEB's energy portfolio by 45–60 per cent by 2030 compared with a 2019 baseline.

*Sustainability activity index –The Green.* The ambition is to increase average sustainability activity 6 to 8 times by 2030 compared with a 2021 baseline. Sustainability activity is a volume-based metric including sustainability-related financing, sustainable finance advisory, greentech venture capital investments and sustainable savings as share of SEB's total savings offering.

For detailed information see SEB's Annual and Sustainability Report for 2022 at [sebgroupp.com](https://sebgroupp.com).

## Financial aspirations for the divisions

The long-term divisional aspirations for profitability (RoBE) and cost efficiency (C/I ratio) are set mainly based on two factors. Firstly, each division will have the ambition to achieve best in class profitability and cost efficiency compared with similar businesses among relevant peers. Secondly, each division's aspirations are set so that they enable SEB to achieve its long-term aspiration of 15 per cent return on equity on group level. The divisional financial aspirations are summarised in the table below.

Division	Return on business equity	Cost/income ratio
Large Corporates & Financial Institutions	>13%	<0.45
Corporate & Private Customers	>16%	<0.40
Private Wealth Management & Family Office	>25%	<0.50
Baltic	>20%	<0.40
Life	>30%	<0.45
Investment Management	>40%	<0.45

## Impact from exchange rate fluctuations

The currency effect increased operating profit for the third quarter by SEK 148m. Loans to the public decreased by SEK 11bn while deposits from the public decreased by SEK 6bn. Total REA decreased by SEK 6bn, and the decrease of total assets was SEK 19bn.

## Uncertainties

The relevant overall risks and uncertainties for the SEB Group are outlined in the 2022 Annual and Sustainability Report. In respect of the Re-assessment of credited withholding tax in Germany, the Investigation of alleged tax evasion of a severe nature and the Supervisory matters there have been no material developments during 2023 that require an update of the description of the matters listed under future uncertainties in the 2022 Annual and Sustainability Report. Regarding the Claim from the Swedish Pension Agency there has been a change during the quarter. The Swedish Pensions Agency filed a lawsuit against SEB in September 2023 in accordance with the claim for damages that earlier was presented against the bank and that has been reported in the 2022 Annual and Sustainability Report. The lawsuit filed against SEB relates to its capacity as depositary for the fund company Gustavia Davegårdh Fonder's investment funds. The claim amounts to just over SEK 470m excluding interest and relates to transactions carried out in 2012. The Swedish Pensions Agency is of the opinion that SEB has failed in its duties as depositary for the funds in relation to these transactions. SEB continues to dispute the claim, as it is of the opinion that the bank has fulfilled its duties as depositary in regard to these transactions and that the bank has no liability for damages. No provision related to the claim has been recognised in accordance with applicable accounting principles.

# Business segments

## Income statement by segment

	Large Corporates & Financial Institutions	Corporate & Private Customers	Private Wealth Mgmt & Family Office	Baltic	Life	Investment Management	Group Functions	Eliminations	SEB Group
<b>Jan-Sep 2023, SEK m</b>									
Net interest income	14 473	14 906	2 093	7 524	-122	79	-3 620	93	35 426
Net fee and commission income	5 446	3 790	1 070	1 473	1 894	2 200	245	10	16 127
Net financial income	3 925	387	73	515	857	25	1 999	-176	7 606
Net other income	-27	11	6	10	7	0	897	-6	899
<b>Total operating income</b>	<b>23 817</b>	<b>19 093</b>	<b>3 242</b>	<b>9 522</b>	<b>2 635</b>	<b>2 305</b>	<b>-479</b>	<b>-79</b>	<b>60 057</b>
Staff costs	-3 532	-2 380	-652	-1 199	-601	-448	-4 303	1	-13 115
Other expenses	-4 648	-3 471	-756	-784	-559	-596	4 998	77	-5 739
Depreciation, amortisation and impairment of tangible and intangible assets	-19	-45	-3	-59	-23	-8	-1 307		-1 465
<b>Total operating expenses</b>	<b>-8 199</b>	<b>-5 897</b>	<b>-1 411</b>	<b>-2 042</b>	<b>-1 183</b>	<b>-1 053</b>	<b>-612</b>	<b>78</b>	<b>-20 319</b>
<b>Profit before credit losses and imposed levies</b>	<b>15 618</b>	<b>13 197</b>	<b>1 831</b>	<b>7 480</b>	<b>1 452</b>	<b>1 252</b>	<b>-1 091</b>	<b>0</b>	<b>39 738</b>
Net expected credit losses	95	-415	1	20	0	0	3	-2	-298
Imposed levies	-1 167	-777	-68	-629		0	-104	0	-2 744
<b>Operating profit</b>	<b>14 546</b>	<b>12 005</b>	<b>1 764</b>	<b>6 871</b>	<b>1 452</b>	<b>1 251</b>	<b>-1 192</b>	<b>-2</b>	<b>36 696</b>

	Large Corporates & Financial Institutions	Corporate & Private Customers	Private Wealth Mgmt & Family Office	Baltic	Life	Investment Management	Group Functions	Eliminations	SEB Group
<b>Jan-Sep 2022, SEK m</b>									
Net interest income	9 911	9 329	1 002	2 709	-19	3	799	-6	23 728
Net fee and commission income	5 516	3 560	1 151	1 369	1 865	2 482	188	-9	16 124
Net financial income	3 260	394	56	457	483	57	1 062	-3	5 766
Net other income	-71	11	4	11	8	3	100	-4	62
<b>Total operating income</b>	<b>18 616</b>	<b>13 295</b>	<b>2 213</b>	<b>4 545</b>	<b>2 337</b>	<b>2 545</b>	<b>2 150</b>	<b>-22</b>	<b>45 680</b>
Staff costs	-3 359	-2 180	-546	-933	-532	-422	-3 836	1	-11 808
Other expenses	-4 082	-3 114	-614	-573	-497	-574	4 429	21	-5 004
Depreciation, amortisation and impairment of tangible and intangible assets	-23	-52	-2	-65	-16	-8	-1 311		-1 476
<b>Total operating expenses</b>	<b>-7 464</b>	<b>-5 345</b>	<b>-1 162</b>	<b>-1 571</b>	<b>-1 045</b>	<b>-1 004</b>	<b>-718</b>	<b>22</b>	<b>-18 288</b>
<b>Profit before credit losses and imposed levies</b>	<b>11 152</b>	<b>7 949</b>	<b>1 051</b>	<b>2 974</b>	<b>1 293</b>	<b>1 541</b>	<b>1 432</b>	<b>0</b>	<b>27 393</b>
Net expected credit losses	-1 007	-497	-8	2	-1	0	9	1	-1 501
Imposed levies	-913	-647	-52	-46		-1	-52	0	-1 711
<b>Operating profit</b>	<b>9 232</b>	<b>6 805</b>	<b>991</b>	<b>2 930</b>	<b>1 292</b>	<b>1 540</b>	<b>1 389</b>	<b>1</b>	<b>24 181</b>

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

## Large Corporates & Financial Institutions

- Operating profit amounted to SEK 4,464m and return on business equity was 16.8 per cent
- Large corporate customers were active in their sustainability transition financing
- Cash management and prime financing services in demand, but lower institutional activity due to seasonal patterns

### Income statement

SEK m	Q3		Q2		Q3		Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2022	
Net interest income	4 850	4 896	-1	3 680	32	14 473	9 911	46	14 152	
Net fee and commission income	1 692	1 952	-13	1 719	-2	5 446	5 516	-1	7 402	
Net financial income	1 130	1 496	-25	1 134	-0	3 925	3 260	20	4 992	
Net other income	-43	-12		-84	-49	-27	-71	-62	-20	
<b>Total operating income</b>	<b>7 629</b>	<b>8 331</b>	<b>-8</b>	<b>6 450</b>	<b>18</b>	<b>23 817</b>	<b>18 616</b>	<b>28</b>	<b>26 526</b>	
Staff costs	-1 206	-1 170	3	-1 108	9	-3 532	-3 359	5	-4 512	
Other expenses	-1 555	-1 541	1	-1 375	13	-4 648	-4 082	14	-5 568	
Depreciation, amortisation and impairment of tangible and intangible assets	-6	-6	7	-7	-4	-19	-23	-19	-29	
<b>Total operating expenses</b>	<b>-2 768</b>	<b>-2 717</b>	<b>2</b>	<b>-2 489</b>	<b>11</b>	<b>-8 199</b>	<b>-7 464</b>	<b>10</b>	<b>-10 109</b>	
<b>Profit before credit losses and imposed levies</b>	<b>4 861</b>	<b>5 615</b>	<b>-13</b>	<b>3 961</b>	<b>23</b>	<b>15 618</b>	<b>11 152</b>	<b>40</b>	<b>16 417</b>	
Net expected credit losses	-38	190		-349	-89	95	-1 007		-1 251	
Imposed levies	-359	-415	-14	-277	29	-1 167	-913	28	-1 218	
<b>Operating profit</b>	<b>4 464</b>	<b>5 390</b>	<b>-17</b>	<b>3 334</b>	<b>34</b>	<b>14 546</b>	<b>9 232</b>	<b>58</b>	<b>13 948</b>	
Cost/Income ratio	0.36	0.33		0.39		0.34	0.40		0.38	
Business equity, SEK bn	82.1	81.0		74.9		81.6	72.9		74.1	
Return on business equity, %	16.8	20.5		13.7		18.3	13.0		14.5	
FTEs, present <sup>1)</sup>	2 354	2 362		2 196		2 336	2 193		2 189	

<sup>1)</sup> Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

### Comments on the third quarter

Macroeconomic considerations in terms of inflation, rising interest rates and geopolitical uncertainties together with the seasonally lower activity were the main themes of the quarter.

Within the *large corporate customer segment*, clients were cautious and financing demand was lower. There was, however, continued high activity in the project finance market driven by sustainability transition-related financing, and trade finance services remained high in demand, especially guarantees. Investment banking activity was impacted by the typical seasonal downturn where both mergers & acquisitions and equity capital market activity were negatively impacted by adverse market sentiments. The solid bond activity continued, especially within the investment grade segment.

Within the *financial institutions customer segment*, cash management and prime financing was in demand whereas the continued uncertainty in the macroeconomic environment with increasing yields and subdued equity markets impacted demand

for risk management services. Capital market activity remained healthy within both primary and secondary fixed income markets. Cash equity activity among clients was seasonally lower, however a shift in sentiment was noted in the later part of the quarter with activity picking up. Assets under custody decreased to SEK 18,925bn (19,290) mainly as a consequence of decreased asset values.

Operating profit amounted to SEK 4,464m. Net interest income decreased by 1 per cent, partly from lower contribution from the Markets operations. Net fee and commission income decreased by 13 per cent predominantly explained by seasonal patterns. Net financial income decreased by 25 per cent mainly due to a change in credit spreads which affected the fair value credit adjustment. Operating expenses increased by 2 per cent between the quarters. Net expected credit losses amounted to 1 basis point, reflecting continued solid credit quality. See p. 8.

## Corporate & Private Customers

- Operating profit amounted to SEK 4,359m and return on business equity was 28.6 per cent
- Unchanged mortgage market share and stabilised pricing in competitive market
- Significantly improved availability and customer satisfaction among retail customers in Sweden

### Income statement

SEK m	Q3		Q2		Q3		Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2022	
Net interest income	5 090	4 904	4	3 721	37	14 906	9 329	60	14 231	
Net fee and commission income	1 277	1 281	-0	1 242	3	3 790	3 560	6	4 814	
Net financial income	125	133	-6	128	-3	387	394	-2	549	
Net other income	4	5	-26	3	50	11	11	2	16	
<b>Total operating income</b>	<b>6 496</b>	<b>6 324</b>	<b>3</b>	<b>5 094</b>	<b>28</b>	<b>19 093</b>	<b>13 295</b>	<b>44</b>	<b>19 610</b>	
Staff costs	-804	-809	-1	-736	9	-2 380	-2 180	9	-2 942	
Other expenses	-1 143	-1 185	-4	-1 064	7	-3 471	-3 114	11	-4 346	
Depreciation, amortisation and impairment of tangible and intangible assets	-16	-15	7	-16	1	-45	-52	-12	-67	
<b>Total operating expenses</b>	<b>-1 963</b>	<b>-2 009</b>	<b>-2</b>	<b>-1 816</b>	<b>8</b>	<b>-5 897</b>	<b>-5 345</b>	<b>10</b>	<b>-7 355</b>	
<b>Profit before credit losses and imposed levies</b>	<b>4 533</b>	<b>4 315</b>	<b>5</b>	<b>3 278</b>	<b>38</b>	<b>13 197</b>	<b>7 949</b>	<b>66</b>	<b>12 255</b>	
Net expected credit losses	-11	-248	-95	-212	-95	-415	-497	-17	-785	
Imposed levies	-163	-314	-48	-227	-28	-777	-647	20	-862	
<b>Operating profit</b>	<b>4 359</b>	<b>3 753</b>	<b>16</b>	<b>2 839</b>	<b>54</b>	<b>12 005</b>	<b>6 805</b>	<b>76</b>	<b>10 608</b>	
Cost/Income ratio	0.30	0.32		0.36		0.31	0.40		0.38	
Business equity, SEK bn	47.0	47.2		44.9		47.0	45.0		44.9	
Return on business equity, %	28.6	24.5		19.5		26.2	15.5		18.2	
FTEs, present <sup>1)</sup>	3 483	3 514		3 356		3 457	3 245		3 273	

<sup>1)</sup> Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

### Comments on the third quarter

In the continued uncertain environment, private client demand for financial advisory meetings remained high. Year-over-year the number of meetings increased by almost 50 per cent. Changes in the customer service model in our call centers, where inquiries are solved faster, together with a significantly improved availability, resulted in a higher Net Promoter Score. With continued rising rates, customers' interest and demand for term deposit account products with attractive rates continued, both for private and corporate customers.

In the *private customer segment*, SEB's mortgage market share was maintained despite tough competition and margin pressure on new lending abated. Market growth in mortgages remained subdued and volumes were unchanged at SEK 559bn (559). Household deposits decreased by SEK 5bn explained by pressured customers in the higher inflationary conditions. Margins continued to increase following policy rate hikes despite increased migration to term deposits. Average assets under management increased due to positive net flows and higher average asset values, but declining asset values resulted in lower assets under management towards the end of the quarter.

In the *corporate customer segment*, the net inflow of full-service customers continued. Corporate and card lending volumes decreased by SEK 2bn to SEK 292bn (294). Corporate deposits decreased by almost SEK 10bn in the quarter, while margins continued to expand.

In total, lending volumes decreased by SEK 2bn to SEK 869bn (871). Deposit volumes decreased by SEK 15bn and amounted to SEK 444bn (459).

The operating profit amounted to SEK 4,359m. Net interest income increased during the quarter due to the higher net interest on customer deposits following higher interest rates; this was partially offset by declining net interest on mortgages. Net fee and commission income remained stable, with an increase in securities commissions but a corresponding decrease in payment commissions due to seasonality. Total operating expenses decreased by 2 per cent due to lower activity during the summer. Asset quality remained stable, with a net expected credit loss level of zero basis points in the third quarter. See p. 8.



## Private Wealth Management & Family Office

- Operating profit amounted to SEK 623m and return on business equity was 45.5 per cent
- Acceleration of global Professional Family Office business, generating financing demand in all markets
- High client activity in volatile markets with attractive product offering increased deposits and asset under management

### Income statement

SEK m	Q3		Q2		Q3		Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2022	
Net interest income	727	696	5	498	46	2 093	1 002	109	1 660	
Net fee and commission income	357	356	0	356	0	1 070	1 151	-7	1 474	
Net financial income	20	21	-3	21	-4	73	56	30	75	
Net other income	0	4	-91	2	-84	6	4	43	2	
<b>Total operating income</b>	<b>1 105</b>	<b>1 077</b>	<b>3</b>	<b>877</b>	<b>26</b>	<b>3 242</b>	<b>2 213</b>	<b>46</b>	<b>3 211</b>	
Staff costs	-210	-225	-7	-185	14	-652	-546	19	-742	
Other expenses	-259	-249	4	-199	30	-756	-614	23	-828	
Depreciation, amortisation and impairment of tangible and intangible assets	-1	-1	7	-1	73	-3	-2	56	-3	
<b>Total operating expenses</b>	<b>-470</b>	<b>-475</b>	<b>-1</b>	<b>-385</b>	<b>22</b>	<b>-1 411</b>	<b>-1 162</b>	<b>21</b>	<b>-1 573</b>	
<b>Profit before credit losses and imposed levies</b>	<b>635</b>	<b>602</b>	<b>6</b>	<b>492</b>	<b>29</b>	<b>1 831</b>	<b>1 051</b>	<b>74</b>	<b>1 638</b>	
Net expected credit losses	5	5	-7	1		1	-8		-16	
Imposed levies	-17	-26	-35	-18	-8	-68	-52	31	-69	
<b>Operating profit</b>	<b>623</b>	<b>581</b>	<b>7</b>	<b>475</b>	<b>31</b>	<b>1 764</b>	<b>991</b>	<b>78</b>	<b>1 553</b>	
Cost/Income ratio	0.43	0.44		0.44		0.44	0.53		0.49	
Business equity, SEK bn	4.2	4.1		3.5		4.0	3.5		3.5	
Return on business equity, %	45.5	43.5		42.2		44.9	28.8		33.9	
FTEs, present <sup>1)</sup>	504	512		462		502	453		456	

<sup>1)</sup> Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

### Comments on the third quarter

The third quarter was characterised by a volatile equity market and decreasing asset values towards the end of the quarter. Customer demand for mortgage financing remained stable. Customer demand for financing, especially within the Professional Family Office business, remained high and lending volumes increased by SEK 2bn to 80bn. Deposit volumes increased by SEK 2bn to SEK 144bn. The number of customers increased in all markets.

Assets under management decreased by 4 per cent compared with the second quarter. Net sales amounted to

SEK 4bn. The overall stock market development explains a market value-related decrease of SEK 51bn.

The operating profit amounted to SEK 623m. Net interest income increased by 5 per cent driven by deposit margins and lending volumes. Net fee and commission income was flat compared with the second quarter. Total operating expenses were down 1 per cent, primarily driven by staff costs. Net expected credit losses remained unchanged compared with the previous quarter, with a net release of provisions of SEK 5m.

## Baltic

- Operating profit amounted to SEK 2,432m and return on business equity was 46.9 per cent
- Interest rate hikes dampened overall lending demand, although corporate lending increased slightly
- Proportion of savings accounts and term deposits with higher rates continued to increase

### Income statement

SEK m	Q3		Q2		Q3		Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2022	
Net interest income	2 809	2 558	10	1 047	168	7 524	2 709	178	4 319	
Net fee and commission income	506	505	0	467	9	1 473	1 369	8	1 854	
Net financial income	164	223	-26	240	-32	515	457	13	723	
Net other income	1	6	-81	3	-64	10	11	-9	13	
<b>Total operating income</b>	<b>3 480</b>	<b>3 292</b>	<b>6</b>	<b>1 758</b>	<b>98</b>	<b>9 522</b>	<b>4 545</b>	<b>109</b>	<b>6 910</b>	
Staff costs	-420	-413	2	-331	27	-1 199	-933	28	-1 332	
Other expenses	-268	-259	4	-197	36	-784	-573	37	-816	
Depreciation, amortisation and impairment of tangible and intangible assets	-20	-20	-1	-21	-7	-59	-65	-9	-198	
<b>Total operating expenses</b>	<b>-708</b>	<b>-692</b>	<b>2</b>	<b>-550</b>	<b>29</b>	<b>-2 042</b>	<b>-1 571</b>	<b>30</b>	<b>-2 345</b>	
<b>Profit before credit losses and imposed levies</b>	<b>2 773</b>	<b>2 600</b>	<b>7</b>	<b>1 208</b>	<b>130</b>	<b>7 480</b>	<b>2 974</b>	<b>151</b>	<b>4 565</b>	
Net expected credit losses	62	9		-8		20	2		17	
Imposed levies	-403	-210	92	-16		-629	-46		-62	
<b>Operating profit</b>	<b>2 432</b>	<b>2 399</b>	<b>1</b>	<b>1 184</b>	<b>105</b>	<b>6 871</b>	<b>2 930</b>	<b>135</b>	<b>4 520</b>	
Cost/Income ratio	0.20	0.21		0.31		0.22	0.35		0.34	
Business equity, SEK bn	17.6	16.8		13.4		16.8	13.2		13.4	
Return on business equity, %	46.9	48.7		30.0		46.4	25.1		28.6	
FTEs, present <sup>1)</sup>	2 960	2 996		2 856		2 945	2 862		2 862	

<sup>1)</sup> Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

### Comments on the third quarter

The industrial sector was hampered by weak demand from the main export markets. However, a correction in energy prices and stabilising food prices contributed to a fall in annual inflation to around 5 per cent across the region, and purchasing power improved as annual wage growth overtook inflation. Consumer confidence improved in Latvia and Lithuania in particular, but was weaker in Estonia, reflecting the recession there.

Reflecting this, corporate lending volumes increased in Lithuania and Latvia, and remained flat in Estonia. Lending volumes to private customers increased, although new mortgage lending was limited by the rising interest rates, which negatively impacted demand. Altogether, total lending volumes increased by 2 per cent in local currency and amounted to SEK 195bn (196).

Both household and corporate deposits remained relatively flat in local currency, while the proportion of savings account and term deposit volumes increased as customers in all

segments continued to benefit from SEB's savings and investment strategy of transferring excess funds into higher interest rate savings accounts and term deposits. Overall deposit volumes amounted to SEK 246bn (252).

Operating profit amounted to SEK 2,432m. Net interest income increased by 7 per cent in local currency, as deposit margins and excess liquidity continued to benefit from the rising interest rate environment. Net fee and commission income decreased by 2 per cent in local currency. Net financial income decreased by 29 per cent in local currency as the increases to valuations of interest rate swaps and government bonds in the liquidity portfolio were lower than the prior quarter. Operating expenses remained flat in local currency. The first full quarter of the temporary solidarity contribution levy introduced by the Lithuanian government amounted to SEK 312m, after tax. Net expected credit losses were positive at SEK 62m as releases exceeded new provisions. See p. 8.

## Life

- Operating profit amounted to SEK 577m and return on business equity was 40.2 per cent
- Stable market returns and rising interest rates contributed to a strong result
- Increasing sales of endowment products

### Income statement

SEK m	Q3		Q2		Q3		Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2022	
Net interest income	-40	-44	-9	-10		-122	-19		-36	
Net fee and commission income	651	605	8	626	4	1 894	1 865	2	2 510	
Net financial income	363	252	44	215	69	857	483	77	738	
Net other income	-3	6		4		7	8	-9	6	
<b>Total operating income</b>	<b>971</b>	<b>818</b>	<b>19</b>	<b>836</b>	<b>16</b>	<b>2 635</b>	<b>2 337</b>	<b>13</b>	<b>3 219</b>	
Staff costs	-199	-207	-4	-182	9	-601	-532	13	-719	
Other expenses	-186	-185	0	-170	9	-559	-497	12	-696	
Depreciation, amortisation and impairment of tangible and intangible assets	-9	-7	31	-5	84	-23	-16	51	-21	
<b>Total operating expenses</b>	<b>-394</b>	<b>-399</b>	<b>-1</b>	<b>-357</b>	<b>10</b>	<b>-1 183</b>	<b>-1 045</b>	<b>13</b>	<b>-1 436</b>	
<b>Profit before credit losses and imposed levies</b>	<b>577</b>	<b>419</b>	<b>38</b>	<b>479</b>	<b>20</b>	<b>1 452</b>	<b>1 293</b>	<b>12</b>	<b>1 782</b>	
Net expected credit losses	-0	-0		-0		-0	-1		-1	
Imposed levies										
<b>Operating profit</b>	<b>577</b>	<b>419</b>	<b>38</b>	<b>479</b>	<b>20</b>	<b>1 452</b>	<b>1 292</b>	<b>12</b>	<b>1 781</b>	
Cost/Income ratio	0.41	0.49		0.43		0.45	0.45		0.45	
Business equity, SEK bn	5.3	5.3		5.2		5.4	5.2		5.2	
Return on business equity, %	40.2	29.2		34.3		33.6	30.7		31.7	
FTEs, present <sup>1)</sup>	917	917		864		907	852		856	

<sup>1)</sup> Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

### Comments on the third quarter

Income and operating profit levels were solid despite the downturn of the financial markets at the end of the quarter. Stable average asset values over the period coupled with continued increasing interest rates contributed to a strong result.

Total sales decreased by 5 per cent compared with the previous quarter, mainly attributable to seasonal effects but also factoring in the currently challenging savings market for pension products. In Sweden, sales of occupational pension, which had a strong development over the first two quarters decreased in the third quarter, as well as contractual pensions, a result of seasonal effects. Customer activity in endowment products, which has been subdued, returned and sales increased by 6 per cent during the quarter. Baltic sales increased by 5 per cent compared with the previous quarter.

SEB's market share in the Swedish life insurance market increased somewhat and amounted to 11.0 per cent<sup>1)</sup>, and SEB continued to maintain the position among the top-three market participants. The market share in the Baltic region also remained strong.

Total assets under management amounted to SEK 464bn, down 3 per cent compared with the previous quarter, mainly due to lower asset values in the Swedish unit-linked business at the end of the quarter. Net inflow into savings products in the Baltic business as well as in endowment products offset the market driven decrease. Unit-linked assets amounted to SEK 380bn (392), traditional and risk insurance assets amounted to SEK 32bn (32) and other savings products SEK 52bn (53).

Operating profit amounted to SEK 577m, an increase of 38 per cent compared with the previous quarter. Although financial markets declined at the end of the quarter, average asset values during the period were stable, resulting in an increase in net fee and commission income of 8 per cent compared with the second quarter. Net financial income increased by 44 per cent in the quarter where stable market returns and rising interest rates continued to contribute positively to income from traditional and other portfolios both in Sweden and the Baltics. Income from risk insurance recovered compared with the second quarter. Operating expenses decreased by 1 per cent.

<sup>1)</sup> Latest available market statistics from the Swedish insurance trade association, measured as new sales.

## Investment Management

- Operating profit amounted to SEK 414m and return on business equity was 51.8 per cent
- Continued interest from institutional clients in alternative investments
- Market value of assets under management decreased by SEK 32bn while net flow was SEK 5bn

### Income statement

SEK m	Q3			Q2			Q3			Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2023	2022	%	2022	
Net interest income	33	27	22	9		79	3		2 200	2 482	-11	3 227	
Net fee and commission income	741	700	6	755	-2	2 200	2 482	-11	2 200	2 482	-11	3 227	
Net financial income	-8	17		15		25	57	-56	25	57	-56	66	
Net other income	0			1	-100	0	3	-89	0	3	-89	3	
<b>Total operating income</b>	<b>766</b>	<b>744</b>	<b>3</b>	<b>779</b>	<b>-2</b>	<b>2 305</b>	<b>2 545</b>	<b>-9</b>	<b>2 305</b>	<b>2 545</b>	<b>-9</b>	<b>3 314</b>	
Staff costs	-153	-151	1	-141	9	-448	-422	6	-448	-422	6	-581	
Other expenses	-196	-198	-1	-193	1	-596	-574	4	-596	-574	4	-794	
Depreciation, amortisation and impairment of tangible and intangible assets	-3	-3		-3	-0	-8	-8	-0	-8	-8	-0	-11	
<b>Total operating expenses</b>	<b>-351</b>	<b>-351</b>	<b>-0</b>	<b>-336</b>	<b>4</b>	<b>-1 053</b>	<b>-1 004</b>	<b>5</b>	<b>-1 053</b>	<b>-1 004</b>	<b>5</b>	<b>-1 386</b>	
<b>Profit before credit losses and imposed levies</b>	<b>414</b>	<b>393</b>	<b>5</b>	<b>443</b>	<b>-6</b>	<b>1 252</b>	<b>1 541</b>	<b>-19</b>	<b>1 252</b>	<b>1 541</b>	<b>-19</b>	<b>1 929</b>	
Net expected credit losses	-0	-0		0		-0	0		-0	0		0	
Imposed levies	0	-0		0		-0	-1		-0	-1		-1	
<b>Operating profit</b>	<b>414</b>	<b>393</b>	<b>5</b>	<b>443</b>	<b>-6</b>	<b>1 251</b>	<b>1 540</b>	<b>-19</b>	<b>1 251</b>	<b>1 540</b>	<b>-19</b>	<b>1 928</b>	
Cost/Income ratio	0.46	0.47		0.43		0.46	0.40		0.46	0.40		0.42	
Business equity, SEK bn	2.5	2.5		2.5		2.5	2.5		2.5	2.5		2.5	
Return on business equity, %	51.8	48.2		55.8		51.7	64.9		51.7	64.9		61.2	
FTEs, present <sup>1)</sup>	279	277		269		273	256		273	256		259	

<sup>1)</sup> Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

### Comments on the third quarter

The financial markets were fairly stable during the quarter but with a decrease towards the end, resulting in almost flat base commissions. Assets under management declined by SEK 27bn to SEK 1,088bn (1,115) mainly due to decreased market values by SEK 32bn while net flow was SEK 5bn.

Within *SEB Investment Management*, client interest in fixed income and alternative products remained stable with positive net flows in those asset classes. The total net flow was SEK 3bn.

Assets under management in SEB-labelled mutual funds decreased by SEK 21bn to SEK 719bn (740). Net flow was SEK 1bn and market values decreased by SEK 22bn. SEB-labelled mutual funds classified as Article 8 and 9<sup>1</sup> in the Sustainable Finance Disclosure Regulation (SFDR) amounted to SEK 682bn (689), which represented 95 per cent of assets under management (93). Of the total, SEK 663bn was classified as Article 8 and SEK 19bn was classified as Article 9.

The activity within *Institutional Asset Management* was, consistent with the seasonality trends, muted during most of the

quarter followed by resurgence of normal activity levels in the end of the quarter. Client interest for alternative products remained robust, particularly directed towards sustainable infrastructure, forestry assets and distressed debt. Net flow was SEK 2bn.

Operating profit amounted to SEK 414m. Net fee and commission income increased by 6 per cent, driven by an increase of 2 per cent in base commissions and performance fees amounting to SEK 28m (0). Operating expenses were in line with the previous quarter.

<sup>1</sup> Article 8 refers to funds that promote environmental or social characteristics while Article 9 funds must have a sustainable investment objective. See [esma.europa.eu](https://esma.europa.eu)

# Financial statements – SEB Group

## Income statement, condensed

SEK m	Note	Q3			Q3			Jan-Sep			Full-year
		2023	2023	%	2022	%	2023	2022	%	2022	
Net interest income	2	12 248	11 881	3	8 925	37	35 426	23 728	49	33 443	
Net fee and commission income	3	5 320	5 637	-6	5 257	1	16 127	16 124	0	21 534	
Net financial income	4	2 594	2 609	-1	2 330	11	7 606	5 766	32	9 242	
Net other income		817	-108		41		899	62		258	
<b>Total operating income</b>		<b>20 979</b>	<b>20 019</b>	<b>5</b>	<b>16 552</b>	<b>27</b>	<b>60 057</b>	<b>45 680</b>	<b>31</b>	<b>64 478</b>	
Staff costs		-4 551	-4 330	5	-4 028	13	-13 115	-11 808	11	-15 980	
Other expenses		-1 863	-2 127	-12	-1 755	6	-5 739	-5 004	15	-6 986	
Depreciation, amortisation and impairment of tangible and intangible assets		-491	-491	-0	-510	-4	-1 465	-1 476	-1	-2 078	
<b>Total operating expenses</b>		<b>-6 905</b>	<b>-6 948</b>	<b>-1</b>	<b>-6 293</b>	<b>10</b>	<b>-20 319</b>	<b>-18 288</b>	<b>11</b>	<b>-25 044</b>	
<b>Profit before credit losses and imposed levies</b>		<b>14 073</b>	<b>13 070</b>	<b>8</b>	<b>10 259</b>	<b>37</b>	<b>39 738</b>	<b>27 393</b>	<b>45</b>	<b>39 434</b>	
Net expected credit losses	5	17	-43		-567		-298	-1 501	-80	-2 007	
Imposed levies	6	-1 108	-934	19	-572	94	-2 744	-1 711	60	-2 288	
<b>Operating profit before items affecting comparability</b>		<b>12 983</b>	<b>12 093</b>	<b>7</b>	<b>9 119</b>	<b>42</b>	<b>36 696</b>	<b>24 181</b>	<b>52</b>	<b>35 138</b>	
Items affecting comparability	7									-1 399	
<b>Operating profit</b>		<b>12 983</b>	<b>12 093</b>	<b>7</b>	<b>9 119</b>	<b>42</b>	<b>36 696</b>	<b>24 181</b>	<b>52</b>	<b>33 739</b>	
Income tax expense		-2 401	-2 326	3	-1 807	33	-6 954	-4 706	48	-6 862	
<b>NET PROFIT</b>		<b>10 581</b>	<b>9 768</b>	<b>8</b>	<b>7 311</b>	<b>45</b>	<b>29 742</b>	<b>19 475</b>	<b>53</b>	<b>26 877</b>	
Attributable to shareholders of Skandinaviska Enskilda Banken AB		10 581	9 768	8	7 311	45	29 742	19 475	53	26 877	
Basic earnings per share, SEK		5.07	4.65		3.43		14.17	9.09		12.58	
Diluted earnings per share, SEK		5.03	4.62		3.40		14.06	9.02		12.48	

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

## Statement of comprehensive income

SEK m	Q3			Q3			Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2022	
<b>NET PROFIT</b>	<b>10 581</b>	<b>9 768</b>	<b>8</b>	<b>7 311</b>	<b>45</b>	<b>29 742</b>	<b>19 475</b>	<b>53</b>	<b>26 877</b>	
Cash flow hedges	-9	-10	-2	28		-28	83		81	
Translation of foreign operations	-551	244		65		359	1 447	-75	1 438	
<b>Items that may subsequently be reclassified to the income statement:</b>	<b>-561</b>	<b>234</b>		<b>94</b>		<b>331</b>	<b>1 530</b>	<b>-78</b>	<b>1 519</b>	
Own credit risk adjustment (OCA) <sup>1)</sup>	1	4	-82	-3		-6	51		48	
Defined benefit plans	-607	1 733		-868	-30	1 445	198		641	
<b>Items that will not be reclassified to the income statement:</b>	<b>-606</b>	<b>1 736</b>		<b>-871</b>	<b>-30</b>	<b>1 438</b>	<b>249</b>		<b>689</b>	
<b>OTHER COMPREHENSIVE INCOME</b>	<b>-1 167</b>	<b>1 971</b>		<b>-777</b>	<b>50</b>	<b>1 769</b>	<b>1 779</b>	<b>-1</b>	<b>2 208</b>	
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>9 414</b>	<b>11 738</b>	<b>-20</b>	<b>6 534</b>	<b>44</b>	<b>31 512</b>	<b>21 254</b>	<b>48</b>	<b>29 085</b>	
Attributable to shareholders of Skandinaviska Enskilda Banken AB	9 414	11 738	-20	6 534	44	31 512	21 254	48	29 085	

<sup>1)</sup> Own credit risk adjustment from financial liabilities at fair value through profit or loss.

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

## Balance sheet, condensed

SEK m	30 Sep 2023	30 Jun 2023	31 Dec 2022	1 Jan 2022
Cash and cash balances at central banks	566 099	547 063	377 966	439 344
Loans to central banks	81 743	189 148	73 962	4 454
Loans to credit institutions <sup>2)</sup>	104 940	123 637	77 235	60 009
Loans to the public	2 116 043	2 142 501	2 065 271	1 846 362
Debt securities	502 635	424 382	252 496	205 791
Equity instruments	95 914	69 345	68 779	123 229
Financial assets for which the customers bear the investment risk	375 194	388 394	354 299	420 170
Derivatives	187 861	177 219	187 622	126 051
Other assets	103 235	110 422	75 150	78 788
<b>TOTAL ASSETS</b>	<b>4 133 665</b>	<b>4 172 112</b>	<b>3 532 779</b>	<b>3 304 197</b>
Deposits from central banks and credit institutions	239 278	185 136	66 873	75 206
Deposits and borrowings from the public <sup>1)</sup>	1 923 052	1 978 511	1 701 687	1 597 449
Financial liabilities for which the customers bear the investment risk	377 124	390 157	355 796	421 820
Liabilities to policyholders	34 972	34 903	33 425	37 194
Debt securities issued	977 493	1 003 853	795 149	730 106
Short positions	37 984	47 227	44 635	34 569
Derivatives	209 888	194 031	238 048	118 173
Other financial liabilities	148	134	172	5 721
Other liabilities	116 054	128 811	92 852	91 010
<b>Total liabilities</b>	<b>3 915 994</b>	<b>3 962 762</b>	<b>3 328 637</b>	<b>3 111 249</b>
<b>Equity</b>	<b>217 671</b>	<b>209 350</b>	<b>204 141</b>	<b>192 948</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>4 133 665</b>	<b>4 172 112</b>	<b>3 532 779</b>	<b>3 304 197</b>
<sup>1)</sup> Deposits covered by deposit guarantees	400 193	410 535	402 711	387 382

<sup>2)</sup> Loans to credit institutions and liquidity placements with other direct participants in interbank fund transfer systems.

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

A balance sheet with more detailed information is available in SEB's Fact Book.

## Statement of changes in equity

SEK m	Share capital	Other reserves <sup>1)</sup>			Defined benefit plans	Retained earnings	Equity
		OCA <sup>2)</sup>	Cash flow hedges	Translation of foreign operations			
<b>Jan-Sep 2023</b>							
Opening balance	21 942	-175	63	877	20 439	160 995	204 141
Net profit						29 742	29 742
Other comprehensive income (net of tax)		-6	-28	359	1 445		1 769
<b>Total comprehensive income</b>		<b>-6</b>	<b>-28</b>	<b>359</b>	<b>1 445</b>	<b>29 742</b>	<b>31 512</b>
Dividend to shareholders						-14 195	-14 195
Bonus issue	390					-390	
Cancellation of shares	-390					-4 106	-4 496
Equity-based programmes						-28	-28
Change in holdings of own shares <sup>4)</sup>						736	736
<b>Closing balance</b>	<b>21 942</b>	<b>-182</b>	<b>35</b>	<b>1 237</b>	<b>21 884</b>	<b>172 756</b>	<b>217 671</b>
<b>Jan-Dec 2022</b>							
Opening balance	21 942	-223	-18	-561	19 798	152 290	193 228
Effect of applying IFRS 17 <sup>3)</sup>						-280	-280
<b>Restated balance at 1 January 2022</b>	<b>21 942</b>	<b>-223</b>	<b>-18</b>	<b>-561</b>	<b>19 798</b>	<b>152 011</b>	<b>192 948</b>
Net profit						26 877	26 877
Other comprehensive income (net of tax)		48	81	1 438	641		2 208
<b>Total comprehensive income</b>		<b>48</b>	<b>81</b>	<b>1 438</b>	<b>641</b>	<b>26 877</b>	<b>29 085</b>
Dividend to shareholders						-12 884	-12 884
Bonus issue	154					-154	
Cancellation of shares	-154					-1 722	-1 876
Equity-based programmes						-167	-167
Change in holdings of own shares <sup>4)</sup>						-2 965	-2 965
<b>Closing balance<sup>3)</sup></b>	<b>21 942</b>	<b>-175</b>	<b>62</b>	<b>877</b>	<b>20 439</b>	<b>160 996</b>	<b>204 141</b>
<b>Jan-Sep 2022</b>							
Opening balance	21 942	-223	-18	-561	19 798	152 290	193 228
Effect of applying IFRS 17 <sup>3)</sup>						-280	-280
<b>Restated balance at 1 January 2022</b>	<b>21 942</b>	<b>-223</b>	<b>-18</b>	<b>-561</b>	<b>19 798</b>	<b>152 011</b>	<b>192 948</b>
Net profit						19 475	19 475
Other comprehensive income (net of tax)		51	83	1 447	198		1 779
<b>Total comprehensive income</b>		<b>51</b>	<b>83</b>	<b>1 447</b>	<b>198</b>	<b>19 475</b>	<b>21 254</b>
Dividend to shareholders						-12 884	-12 884
Bonus issue	154					-154	
Cancellation of shares	-154					-1 722	-1 876
Equity-based programmes						-150	-150
Change in holdings of own shares <sup>4)</sup>						-1 531	-1 531
<b>Closing balance<sup>3)</sup></b>	<b>21 942</b>	<b>-171</b>	<b>64</b>	<b>886</b>	<b>19 996</b>	<b>155 045</b>	<b>197 762</b>

<sup>1)</sup> Amounts under Other reserves may be reclassified in the future to the income statement under certain circumstances, e.g. if they are related to dissolved Cash flow hedges or Translation of foreign operations when SEB ceases to consolidate a foreign operation. Amounts related to OCA and Defined benefit plans will not be reclassified to the income statement.

<sup>2)</sup> Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in own credit risk.

<sup>3)</sup> IFRS 17 Insurance Contracts is applied from 1 January 2023. Opening balance 2022 has been restated.

<sup>4)</sup> Number of shares owned by SEB, for table see next page.

## Statement of changes in equity, cont.

	Jan-Sep	Jan-Dec	Jan-Sep
Number of shares owned by SEB, million	2023	2022	2022
Opening balance	65.3	37.8	37.8
Repurchased shares for equity-based programmes	6.2	6.1	4.5
Sold/distributed shares	-6.1	-6.4	-5.9
Repurchased shares for capital purposes	28.7	43.3	30.2
Cancelled shares held for capital purposes	-38.7	-15.4	-15.4
<b>Closing balance</b>	<b>55.3</b>	<b>65.3</b>	<b>51.2</b>
Market value of shares owned by SEB, SEK m	7 229	7 831	5 465
Net acquisition cost for purchase of own shares for equity based programmes deducted from equity, period	-148	-114	23
Net acquisition cost for purchase of own shares for equity-based programmes deducted from equity, accumulated	-2 720	-2 572	-2 435

In accordance with the decision by the Annual General Meeting, SEB holds own shares of Class A for the long-term equity programmes and capital purposes. The transactions may take place at one or several occasions during the year.

## Cash flow statement, condensed

SEK m	Jan-Sep			Full-year
	2023	2022	%	2022
Cash flow from the profit and loss statement	30 477	3 763		61 947
Increase (-)/decrease (+) in trading portfolios	-313 497	-27 718		10 887
Increase (+)/decrease (-) in issued short term securities	184 501	108 623	70	64 558
Increase (-)/decrease (+) in lending	-75 264	-344 938	-78	-306 020
Increase (+)/decrease (-) in deposits and borrowings	385 123	655 876	-41	95 507
Increase/decrease in other balance sheet items	-11 650	2 335		2 954
<b>Cash flow from operating activities</b>	<b>199 690</b>	<b>397 940</b>	<b>-50</b>	<b>-70 166</b>
Cash flow from investing activities	-527	-1 089	-52	-805
Cash flow from financing activities	-17 826	-16 209	10	-17 828
<b>Net increase in cash and cash equivalents</b>	<b>181 337</b>	<b>380 643</b>	<b>-52</b>	<b>-88 799</b>
Cash and cash equivalents at the beginning of year	382 972	445 716	-14	445 716
Exchange rate differences on cash and cash equivalents	12 350	29 240	-58	26 055
Net increase in cash and cash equivalents	181 337	380 643	-52	-88 799
<b>Cash and cash equivalents at the end of period<sup>1)</sup></b>	<b>576 659</b>	<b>855 599</b>	<b>-33</b>	<b>382 972</b>

<sup>1)</sup> Cash and cash equivalents at the end of period is defined as Cash and cash balances with central banks and Loans to other credit institutions payable on demand.



# Notes to the financial statements – SEB Group

## Note 1. Accounting policies and presentation

This Report is presented in accordance with IAS 34 *Interim Financial Reporting*. The group's consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations of these standards as adopted by the European Commission. The accounting also follows the Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) and the regulation and general guidelines issued by the Swedish Financial Supervisory Authority: Annual Reports in Credit Institutions and Securities Companies (FFFS 2008:25). In addition, the Supplementary Accounting Rules for Groups (RFR 1) from the Swedish Financial Reporting Board have been applied. The parent company has prepared its accounts in accordance with Swedish Annual Act for Credit Institutions and Securities Companies, the Swedish Financial Supervisory Authority's Regulations and General Guidelines (FFFS 2008:25) on Annual Reports in Credit Institutions and Securities Companies and the Supplementary Accounting Rules for Legal Entities (RFR 2) issued by the Swedish Financial Reporting Board.

As of 1 January 2023, the group applies the following amendments to IFRS standards:

IFRS 17 *Insurance Contracts* which replaces IFRS 4 *Insurance Contracts*, applies to all types of insurance contracts as well as to certain financial instruments with discretionary participation features. The adoption of IFRS 17 has not had a significant impact on the classification of the group's insurance contracts. However, IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the group. On adoption, IFRS 17 changed the measurement and presentation of insurance contracts and participating investment contracts. Investment

contracts with no significant insurance component or discretionary participating features, equity release and investment management business are out of scope and therefore not impacted by the new standard. The presentation of results of insurance contracts will, as in the current income statement presentation, be split and recognised on the relevant lines. See note 1 in the Annual and Sustainability Report 2022 for more information about accounting policies under IFRS 17. See p. 49 for information about effects from the implementation of IFRS 17.

Definition of Accounting Estimates - Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which introduces a new definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Disclosure of Accounting Policies - Amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2: Making Materiality Judgements. The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12 *Income Taxes* narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments have not had a material effect on the financial statements of the group or on capital adequacy and large exposures.

In all other material aspects, the group's and the parent company's accounting policies, basis for calculations and presentations are unchanged in comparison with the Annual and Sustainability Report for 2022.

## Note 2. Net interest income

SEK m	Q3		Q2		Q3		Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2022	
Interest income <sup>1)</sup>	37 309	32 643	14	14 921	150	97 372	33 440	191	56 150	
Interest expense	-25 061	-20 763	21	-5 996		-61 947	-9 711		-22 707	
<b>Net interest income</b>	<b>12 248</b>	<b>11 881</b>	<b>3</b>	<b>8 925</b>	<b>37</b>	<b>35 426</b>	<b>23 728</b>	<b>49</b>	<b>33 443</b>	
<sup>1)</sup> Of which interest income calculated using the effective interest method	32 768	28 730	14	13 256	147	86 036	29 685	190	50 224	

### Note 3. Net fee and commission income

SEK m	Q3			Q2		Q3			Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2023	2022	%	2022
Issue of securities and advisory services	214	321	-33	334	-36	852	1 166	-27	1 458			1 458
Secondary market and derivatives	406	730	-44	465	-13	1 564	1 570	-0	2 142			2 142
Custody and mutual funds	2 461	2 383	3	2 495	-1	7 220	7 782	-7	10 117			10 117
<i>Whereof performance fees</i>	28	0		61	-54	110	358	-69	442			442
Payments, cards, lending, deposits, guarantees and other	3 488	3 266	7	3 119	12	10 171	9 147	11	12 480			12 480
<i>Whereof payments and card fees</i>	1 929	1 874	3	1 769	9	5 567	4 964	12	6 771			6 771
<i>Whereof lending</i>	934	1 011	-8	825	13	2 791	2 623	6	3 546			3 546
Life insurance commissions	372	330	12	348	7	1 060	1 049	1	1 404			1 404
<b>Fee and commission income</b>	<b>6 941</b>	<b>7 030</b>	<b>-1</b>	<b>6 761</b>	<b>3</b>	<b>20 868</b>	<b>20 714</b>	<b>1</b>	<b>27 601</b>			<b>27 601</b>
<b>Fee and commission expense</b>	<b>-1 621</b>	<b>-1 392</b>	<b>16</b>	<b>-1 504</b>	<b>8</b>	<b>-4 741</b>	<b>-4 590</b>	<b>3</b>	<b>-6 067</b>			<b>-6 067</b>
<b>Net fee and commission income</b>	<b>5 320</b>	<b>5 637</b>	<b>-6</b>	<b>5 257</b>	<b>1</b>	<b>16 127</b>	<b>16 124</b>	<b>0</b>	<b>21 534</b>			<b>21 534</b>
<i>Whereof Net securities commissions</i>	2 310	2 599	-11	2 397	-4	7 198	7 552	-5	9 916			9 916
<i>Whereof Net payment and card fees</i>	1 216	1 216	-0	1 182	3	3 586	3 327	8	4 565			4 565
<i>Whereof Net life insurance commissions</i>	269	224	20	252	6	748	730	2	970			970
<i>Whereof Other commissions</i>	1 526	1 598	-5	1 426	7	4 595	4 515	2	6 083			6 083

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

### Note 3. Fee and commission income by segment

SEK m	Large Corporates & Financial Institutions	Corporate & Private Customers	Private Wealth Mgmt & Family Office	Baltic	Life	Investment Management	Group Functions	Eliminations	SEB Group
<b>Q3 2023</b>									
Issue of securities and advisory	203	2	10				0	0	214
Secondary market and derivatives	340	4	55	8	0		2	-2	406
Custody and mutual funds	427	282	237	59	62	1 850		0	2 461
Payments, cards, lending, deposits, guarantees and other	1 450	1 415	79	674	65		17	102	3 488
Life insurance commissions					789				372
<b>Fee and commission income</b>	<b>2 420</b>	<b>1 703</b>	<b>381</b>	<b>740</b>	<b>916</b>	<b>1 868</b>	<b>100</b>	<b>-1 187</b>	<b>6 941</b>
<b>Q2 2023</b>									
Issue of securities and advisory	310	2	9					0	321
Secondary market and derivatives	659	- 9	72	8	0		2	-2	730
Custody and mutual funds	420	269	233	54	57	1 794		0	2 383
Payments, cards, lending, deposits, guarantees and other	1 279	1 398	67	651	65		17	99	3 266
Life insurance commissions					751				330
<b>Fee and commission income</b>	<b>2 667</b>	<b>1 661</b>	<b>381</b>	<b>712</b>	<b>874</b>	<b>1 813</b>	<b>97</b>	<b>-1 177</b>	<b>7 030</b>
<b>Jan-Sep 2023</b>									
Issue of securities and advisory	820	7	26				0	0	852
Secondary market and derivatives	1 340	3	201	24	0		6	-10	1 564
Custody and mutual funds	1 224	810	700	164	172	5 477		0	7 220
Payments, cards, lending, deposits, guarantees and other	4 291	4 145	219	1 916	195		46	295	10 171
Life insurance commissions					2 322				1 060
<b>Fee and commission income</b>	<b>7 674</b>	<b>4 965</b>	<b>1 145</b>	<b>2 105</b>	<b>2 689</b>	<b>5 529</b>	<b>285</b>	<b>-3 525</b>	<b>20 868</b>
<b>Jan-Sep 2022</b>									
Issue of securities and advisory	1 129	7	30		0		0	0	1 166
Secondary market and derivatives	1 309	16	217	26	0		10	-9	1 570
Custody and mutual funds	1 249	783	779	158	153	6 005		0	7 782
Payments, cards, lending, deposits, guarantees and other	3 921	3 712	203	1 722	153		51	232	9 147
Life insurance commissions					2 350				1 049
<b>Fee and commission income</b>	<b>7 608</b>	<b>4 519</b>	<b>1 229</b>	<b>1 905</b>	<b>2 657</b>	<b>6 066</b>	<b>224</b>	<b>-3 494</b>	<b>20 714</b>

Fee and commission income is disaggregated in major types of service tied to primary geographical markets and operating segments. Revenues from Issue of securities and advisory, Secondary market and derivatives, Payments, cards, lending and deposits are mainly recognised at a point in time. Revenues from Custody and mutual funds and Life insurance commissions are mainly recognised over time.

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

## Note 4. Net financial income

SEK m	Q3		Q2		Q3		Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2022	
Equity instruments and related derivatives	609	246	147	-145		1 183	-71		582	
Debt instruments and related derivatives	-843	1 933		376		1 318	57		1 418	
Currency and related derivatives	2 522	-340		1 501	68	3 517	3 990	-12	5 099	
Other	306	770	-60	597	-49	1 588	1 790	-11	2 144	
<b>Net financial income</b>	<b>2 594</b>	<b>2 609</b>	<b>-1</b>	<b>2 330</b>	<b>11</b>	<b>7 606</b>	<b>5 766</b>	<b>32</b>	<b>9 242</b>	
<i>Whereof unrealised valuation changes from counterparty risk and own credit standing in derivatives</i>	<i>-1</i>	<i>361</i>		<i>-33</i>		<i>132</i>	<i>140</i>		<i>457</i>	

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

## Note 5. Net expected credit losses

SEK m	Q3		Q2		Q3		Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2022	
Impairment gains or losses - Stage 1	174	361	-52	-336		619	-873		-1 384	
Impairment gains or losses - Stage 2	-147	-250	-41	39		-537	159		74	
Impairment gains or losses - Stage 3	-29	-140	-79	-272	-89	-400	-782	-49	-708	
<b>Impairment gains or losses</b>	<b>-2</b>	<b>-29</b>	<b>-92</b>	<b>-568</b>	<b>-100</b>	<b>-317</b>	<b>-1 496</b>	<b>-79</b>	<b>-2 018</b>	
<b>Write-offs and recoveries</b>										
Total write-offs	-199	-773	-74	-424	-53	-1 633	-2 161	-24	-3 086	
Reversals of allowance for write-offs	138	701	-80	374	-63	1 433	1 991	-28	2 873	
<b>Write-offs not previously provided for</b>	<b>-61</b>	<b>-73</b>	<b>-16</b>	<b>-51</b>	<b>20</b>	<b>-200</b>	<b>-170</b>	<b>17</b>	<b>-213</b>	
Recovered from previous write-offs	80	59	36	51	57	219	166	32	224	
<b>Net write-offs</b>	<b>19</b>	<b>-14</b>		<b>0</b>		<b>19</b>	<b>-5</b>		<b>11</b>	
<b>Net expected credit losses</b>	<b>17</b>	<b>-43</b>		<b>-567</b>		<b>-298</b>	<b>-1 501</b>	<b>-80</b>	<b>-2 007</b>	
Net ECL level, %	0.00	0.01		0.08		0.01	0.07		0.07	

Exposure and expected credit loss (ECL) allowances by stage, Movements in allowances for expected credit losses (ECL), Loans and expected credit loss (ECL) allowances by industry are presented in notes 11-13.

## Note 6. Imposed levies

SEK m	Q3			Q2			Q3			Jan-Sep			Full-year
	2023	2023	%	2022	%	2022	%	2023	2022	%	2022	2022	
Resolution fees	-324	-340	-5	-277	17	-972	-824	18	-1 101				
Risk tax, Sweden	-394	-394	0	-296	33	-1 182	-887	33	-1 187				
Temporary solidarity contribution, Lithuania	-389	-201	94			-590							
<b>Imposed levies</b>	<b>-1 108</b>	<b>-934</b>	<b>19</b>	<b>-572</b>	<b>94</b>	<b>-2 744</b>	<b>-1 711</b>	<b>60</b>	<b>-2 288</b>				

A new tax, temporary solidarity contribution, was introduced in Lithuania as of 16 May 2023. The tax is payable by Lithuanian and EU credit institutions operating in Lithuania, calculated on the surplus of the interest received in 2023 and 2024 from Lithuanian residents.

## Note 7. Items affecting comparability

SEK m	Q3			Q2			Q3			Jan-Sep			Full-year
	2023	2023	%	2022	%	2022	%	2023	2022	%	2022	2022	
Net expected credit losses												-1 399	
<b>Operating profit before items affecting comparability</b>												<b>-1 399</b>	
<b>Items affecting comparability</b>												<b>-1 399</b>	
Income tax on IAC													
<b>Items affecting comparability after tax</b>												<b>-1 399</b>	

The table shows the rows in which the Items affecting comparability would have been reported if not presented as an item affecting comparability.

### Items affecting comparability 2022

Under the current conditions it is not viable for SEB to maintain operations in Russia, and SEB therefore started scaling these down in 2022. This will be done in a responsible and orderly manner and in accordance with regulatory and legal obligations. The Russian Federation has limited different transactions between subsidiaries in Russia with parent companies in so called unfriendly countries, and limited the amount that may be transferred abroad to a maximum of an aggregated sum of RUB 10m per calendar month. During the fourth quarter 2022, an impairment of SEK 1.4bn related to Russia was recognised.

## Note 8. Pledged assets and obligations

SEK m	30 Sep 2023	30 Jun 2023	31 Dec 2022
Pledged assets for own liabilities <sup>1)</sup>	705 869	708 029	586 059
Pledged assets for liabilities to insurance policyholders	412 003	456 243	388 959
Other pledged assets <sup>2)</sup>	120 727	89 532	62 565
<b>Pledged assets</b>	<b>1 238 599</b>	<b>1 253 804</b>	<b>1 037 584</b>
Contingent liabilities <sup>3)</sup>	206 224	206 753	180 358
Commitments	910 823	915 832	882 065
<b>Obligations</b>	<b>1 117 047</b>	<b>1 122 585</b>	<b>1 062 423</b>

<sup>1)</sup> Of which collateralised for own issued covered bonds SEK 375,971m (365,593; 290,341).

<sup>2)</sup> Of which pledged but unencumbered bonds SEK 76,955m (42,221; 19,180).

<sup>3)</sup> Of which financial guarantees SEK 12,227m (12,666; 11,209).

## Note 9. Financial assets and liabilities

SEK m	30 Sep 2023		30 Jun 2023		31 Dec 2022	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Loans <sup>1)</sup>	2 866 308	2 857 594	2 999 726	2 985 501	2 591 848	2 549 773
Debt securities	502 635	502 572	424 382	424 368	252 496	252 382
Equity instruments	95 914	95 914	69 345	69 345	68 779	68 779
Financial assets for which the customers bear the investment risk	375 194	375 194	388 394	388 394	354 299	354 299
Derivatives	187 861	187 861	177 219	177 219	187 622	187 622
Other	35 104	35 104	40 080	40 080	15 249	15 249
<b>Financial assets</b>	<b>4 063 016</b>	<b>4 054 239</b>	<b>4 099 147</b>	<b>4 084 908</b>	<b>3 470 292</b>	<b>3 428 103</b>
Deposits	2 162 330	2 160 305	2 163 647	2 162 002	1 768 560	1 767 789
Financial liabilities for which the customers bear the investment risk	377 124	377 124	390 157	390 157	355 796	355 796
Debt securities issued <sup>2)</sup>	1 013 830	1 003 185	1 034 220	1 020 854	823 916	816 840
Short positions	37 984	37 984	47 227	47 227	44 635	44 635
Derivatives	209 888	209 888	194 031	194 031	238 048	238 048
Other	39 598	39 602	55 495	55 506	25 870	25 872
<b>Financial liabilities</b>	<b>3 840 756</b>	<b>3 828 090</b>	<b>3 884 775</b>	<b>3 869 775</b>	<b>3 256 825</b>	<b>3 248 980</b>

<sup>1)</sup> Loans includes Cash balances at central banks (excluding Cash), Loans to central banks, Loans to credit institutions and Loans to the public.

<sup>2)</sup> Debt securities issued includes Debt securities issued and Subordinated liabilities (part of Other liabilities).

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

SEB has classified its financial instruments by class taking into account the characteristics of the instruments. The fair value of each class of financial assets and liabilities are compared with its carrying amount. A description of the characteristics of the classes can be found in note 37 in the Annual and Sustainability Report 2022.

## Note 10. Assets and liabilities measured at fair value

SEK m	30 Sep 2023				31 Dec 2022			
	Quoted prices in active markets (Level 1)	Valuation technique using observable inputs (Level 2)	Valuation technique using non-observable inputs (Level 3)	Total	Quoted prices in active markets (Level 1)	Valuation technique using observable inputs (Level 2)	Valuation technique using non-observable inputs (Level 3)	Total
<b>Assets</b>								
Loans		171 097	1 971	<b>173 069</b>		110 833	1 429	<b>112 262</b>
Debt securities	348 989	141 488	145	<b>490 622</b>	118 915	123 620	1 095	<b>243 630</b>
Equity instruments	74 297	325	21 292	<b>95 914</b>	47 979	476	20 324	<b>68 779</b>
Financial assets for which the customers bear the investment risk	352 394	13 802	8 997	<b>375 194</b>	333 354	11 776	9 169	<b>354 299</b>
Derivatives	741	186 010	1 110	<b>187 861</b>	1 269	186 007	346	<b>187 622</b>
Investment in associates <sup>1)</sup>	48		570	<b>618</b>	46		504	<b>550</b>
<b>Total</b>	<b>776 468</b>	<b>512 723</b>	<b>34 086</b>	<b>1 323 278</b>	<b>501 563</b>	<b>432 713</b>	<b>32 866</b>	<b>967 142</b>
<b>Liabilities</b>								
Deposits		31 968		<b>31 968</b>		14 563		<b>14 563</b>
Financial liabilities for which the customers bear the investment risk	354 325	13 802	8 997	<b>377 124</b>	334 851	11 776	9 169	<b>355 796</b>
Debt securities issued		5 357		<b>5 357</b>		7 370		<b>7 370</b>
Short positions	26 957	11 028		<b>37 984</b>	34 401	10 235		<b>44 635</b>
Derivatives	734	208 101	1 054	<b>209 888</b>	991	236 666	390	<b>238 048</b>
Other financial liabilities at fair value	41	107		<b>148</b>	127	45		<b>172</b>
<b>Total</b>	<b>382 056</b>	<b>270 363</b>	<b>10 051</b>	<b>662 470</b>	<b>370 370</b>	<b>280 655</b>	<b>9 559</b>	<b>660 584</b>

<sup>1)</sup> Venture Capital activities designated at fair value through profit and loss.

Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts. See section on restated comparative figures for further information.

### Fair value measurement

The objective of the fair value measurement is to arrive at the price at which an orderly transaction would take place between market participants at the measurement date under current market conditions.

The group has an established control environment for the determination of fair values of financial instruments that includes a review, independent from the business, of valuation models and prices. If the validation principles are not adhered to, the Head of Group Finance shall be informed. Exceptions of material and principal importance require approval from the Valuation Committee / GRMC (Group Risk Measurement Committee) and the ARC (Accounting and Reporting Committee).

In order to arrive at the fair value of a financial instrument SEB uses different methods; quoted prices in active markets, valuation techniques incorporating observable data and valuation techniques based on internal models. For disclosure purposes, financial instruments carried at fair value are classified in a fair value hierarchy according to the level of market observability of the inputs. Group Risk classifies and continuously reviews the classification of financial instruments in the fair value hierarchy. The valuation process is the same for financial instruments in all levels.

An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis. The objective is to arrive at a price at which a transaction without modification or repackaging would occur in the principal market for the instrument to which SEB has immediate access.

Fair value is generally measured for individual financial instruments, in addition portfolio adjustments are made to cover the credit risk. To reflect counterparty risk and own credit risk in OTC derivatives, adjustments are made based on the net exposure towards each counterpart. These adjustments are calculated on a counterparty level based on estimates of exposure at default, probability of default and recovery rates. Probability of default and recovery rate information is generally sourced from the CDS markets. For counterparties where this information is not available, or considered unreliable due to the nature of the exposure, alternative approaches are taken where the probability of default is based on generic credit indices for specific industry and/or rating.

When valuing financial liabilities at fair value SEB's own credit standing is reflected.

In order to arrive at the fair value of investment properties a market participant's ability to generate economic benefit by using the asset in its highest and best use are taken into account. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible. The current use of the investment properties in SEB is in accordance with the highest and best use. The valuation of investment properties is described in the accounting policies in the Annual and Sustainability Report note 1. The valuation of the investment properties is performed semi-annually, they are presented and approved by the board in each real estate company. The valuation principles used in all entities are in accordance with regulations provided by the local Financial Supervisory Authorities (FSA) which is in accordance with international valuation principles and in accordance with IFRS.

## Note 10. Assets and liabilities measured at fair value, cont.

### Level 1: Quoted market prices

Valuations in Level 1 are determined by reference to unadjusted quoted market prices for identical instruments in active markets where the quoted prices are readily available and the prices represent actual and regularly occurring market transactions on an arm's length basis.

Examples of Level 1 financial instruments are listed equity securities, debt securities, and exchange-traded derivatives. Instruments traded in an active market for which one or more market participants provide a binding price quotation on the balance sheet date are also examples of Level 1 financial instruments.

### Level 2: Valuation techniques with observable inputs

In Level 2 valuation techniques, all significant inputs to the valuation models are observable either directly or indirectly. Level 2 valuation techniques include using discounted cash flows, option pricing models, recent transactions and the price of another instrument that is substantially the same.

Examples of observable inputs are foreign currency exchange rates, binding securities price quotations, market interest rates (Stibor, Libor, etc.), volatilities implied from observable option prices for the same term and actual transactions with one or more external counterparts executed by SEB. An input can transfer from being observable to being unobservable during the holding period due to e.g. illiquidity of the instrument. Examples of Level 2 financial instruments are most OTC derivatives such as options and interest rate swaps based on the Libor swap rate or a foreign-denominated yield curve. Other examples are instruments for which SEB recently entered into transactions with third parties and instruments for which SEB interpolates between observable variables.

### Level 3: Valuation techniques with significant unobservable inputs

Level 3 valuation techniques incorporate significant inputs that are unobservable. These techniques are generally based on extrapolating from observable inputs for similar instruments, analysing historical data or other analytical techniques. Examples of Level 3 financial instruments are more complex OTC derivatives, long dated options for which the volatility is extrapolated or derivatives that depend on an unobservable correlation. Other examples are instruments for which there is currently no active market or binding quotes, such as unlisted equity instruments, private equity holdings and investment properties.

If the fair value of financial instruments includes more than one unobservable input, the unobservable inputs are aggregated in order to determine the classification of the entire instrument. The level in the fair value hierarchy within which a financial instrument is classified is determined on the basis of the lowest level of input that is significant to the fair value in its entirety.

### Significant transfers and reclassifications between levels

Transfers between levels may occur when there are indications that market conditions have changed, e.g. a change in liquidity. The Valuation committee of each relevant division decides on material shifts between levels. At the end of the first quarter, SEK 0.4bn in Financial assets and liabilities for which the customer bear the investment risk was transferred out of Level 3 due to separation of Russian holdings from Eastern Europe funds, and in addition SEK 0.2bn was transferred out of Level 3 due to changes in market conditions. At the end of the third quarter, SEK 0.3bn in Financial assets and liabilities for which the customer bear the investment risk was transferred out of Level 3 due to improved classification of bonds, and in addition, Derivative assets SEK 0.8bn and Derivative liabilities SEK 0.7bn, was transferred into Level 3 due to enhanced classification methodology for Swaptions. The largest open market risk within Level 3 financial instruments remains in the traditional life insurance investment portfolios within the insurance business.

Changes in level 3, SEK m	Opening balance	Reclassi- fication	Gain/loss in			Transfers into Level 3	Transfers out of Level 3	Exchange rate differences	Closing balance
	1 Jan 2023		Income statement <sup>1)</sup>	Purchases	Sales				Settlements
<b>Assets</b>									
Loans	1 429		-235	667		1		109	1 971
Debt securities	1 095		14	141	-1 144			40	145
Equity instruments	20 324	8	1 187	1 665	-2 007		-17	131	21 292
Financial assets for which the customers bear the investment risk	9 169		8	998	-719	145	-936	333	8 997
Derivatives	346		63		-1	-30	806	-74	1 110
Investment in associates	504	-8	-70	143				1	570
<b>Total</b>	<b>32 866</b>		<b>966</b>	<b>3 615</b>	<b>-3 871</b>	<b>-29</b>	<b>951</b>	<b>-1 027</b>	<b>34 086</b>
<b>Liabilities</b>									
Financial liabilities for which the customers bear the investment risk	9 169		8	998	-719	145	-936	333	8 997
Derivatives	390		32	-1		-12	724	-80	1 054
<b>Total</b>	<b>9 559</b>		<b>40</b>	<b>997</b>	<b>-719</b>	<b>-12</b>	<b>869</b>	<b>-1 016</b>	<b>10 051</b>

<sup>1)</sup> Fair value gains and losses recognised in the income statement are included in Net financial income and Net other income.



## Note 10. Assets and liabilities measured at fair value, cont.

### Sensitivity of Level 3 assets and liabilities to unobservable inputs

The table below illustrates the potential Profit or Loss impact of the relative uncertainty in the fair value of assets and liabilities that for their valuation are dependent on unobservable inputs. The sensitivity to unobservable inputs is assessed by altering the assumptions to the valuation techniques, illustrated below by changes in index-linked swap spreads, implied volatilities, credit spreads or comparator multiples. It is unlikely that all unobservable inputs would be simultaneously at the extremes of their ranges of reasonably possible alternatives. Further details about SEB's fair value measurement can be found in note 36 in the Annual and Sustainability Report 2022.

SEK m	30 Sep 2023				31 Dec 2022			
	Assets	Liabilities	Net	Sensitivity	Assets	Liabilities	Net	Sensitivity
Derivative instruments <sup>1)4)</sup>	304	-330	-26	42	346	-382	-36	51
Debt instruments <sup>3)</sup>	1 971		1 971	296	1 429		1 429	214
Equity instruments <sup>2)5)6)</sup>	4 728		4 728	946	4 098		4 098	799
Insurance holdings - Financial instruments <sup>3)4)6)7)</sup>	17 201		17 201	2 376	16 571		16 571	2 270

<sup>1)</sup> Volatility valuation inputs for Bermudan swaptions are unobservable. Volatilities used for ordinary swaptions are adjusted further in order to reflect the additional uncertainty associated with the valuation of Bermudan style swaptions. The sensitivity is calculated from shift in implied volatilities and aggregated from each currency and maturity bucket.

<sup>2)</sup> Valuation is estimated in a range of reasonable outcomes. Sensitivity analysis is based on 20 per cent shift in market values.

<sup>3)</sup> Sensitivity for debt securities is generally quantified as shift in market values of 5 per cent except for credit opportunity 10 per cent and for distressed debt and structured credits 15 per cent.

<sup>4)</sup> Shift in implied volatility by 10 per cent.

<sup>5)</sup> Sensitivity analysis is based on a shift in market values of hedge funds 5 per cent, private equity of 20 per cent, structured credits 15 per cent.

<sup>6)</sup> Sensitivity from a shift of investment properties/real estate funds market values of 10 per cent and infrastructure/infrastructure funds market values of 20 per cent.

<sup>7)</sup> The sensitivity show changes in the value of the insurance holdings which do not at all times affect the P/L of the group since any surplus in the traditional life portfolios are consumed first.

## Note 11. Exposure and expected credit loss (ECL) allowances by stage

SEK m	30 Sep 2023	30 Jun 2023	31 Dec 2022
<b>Stage 1 (12-month ECL)</b>			
Debt securities	12 013	10 934	8 866
Loans <sup>1)</sup>	2 015 521	2 076 069	1 982 103
Financial guarantees and Loan commitments	933 464	917 728	863 137
<b>Gross carrying amounts/Nominal amounts Stage 1</b>	<b>2 960 997</b>	<b>3 004 730</b>	<b>2 854 107</b>
Debt securities	-0	-0	-0
Loans <sup>1)</sup>	-1 840	-1 911	-2 202
Financial guarantees and Loan commitments	-426	-545	-633
<b>ECL allowances Stage 1</b>	<b>-2 266</b>	<b>-2 456</b>	<b>-2 835</b>
Debt securities	12 013	10 934	8 866
Loans <sup>1)</sup>	2 013 681	2 074 158	1 979 902
Financial guarantees and Loan commitments	933 038	917 183	862 504
<b>Carrying amounts/Net amounts Stage 1</b>	<b>2 958 732</b>	<b>3 002 274</b>	<b>2 851 272</b>
<b>Stage 2 (lifetime ECL)</b>			
Loans <sup>1) 2)</sup>	70 957	70 153	69 372
Financial guarantees and Loan commitments	16 332	15 713	15 136
<b>Gross carrying amounts/Nominal amounts Stage 2</b>	<b>87 289</b>	<b>85 865</b>	<b>84 508</b>
Loans <sup>1) 2)</sup>	-1 817	-1 753	-1 503
Financial guarantees and Loan commitments	-438	-355	-162
<b>ECL allowances Stage 2</b>	<b>-2 255</b>	<b>-2 108</b>	<b>-1 665</b>
Loans <sup>1) 2)</sup>	69 139	68 400	67 869
Financial guarantees and Loan commitments	15 894	15 357	14 974
<b>Carrying amounts/Net amounts Stage 2</b>	<b>85 033</b>	<b>83 757</b>	<b>82 843</b>
<b>Stage 3 (credit impaired/lifetime ECL)</b>			
Loans	5 715	5 986	6 846
Financial guarantees and Loan commitments	414	302	422
<b>Gross carrying amounts/Nominal amounts Stage 3</b>	<b>6 129</b>	<b>6 288</b>	<b>7 268</b>
Loans	-3 120	-3 283	-3 911
Financial guarantees and Loan commitments	-73	-71	-201
<b>ECL allowances Stage 3</b>	<b>-3 193</b>	<b>-3 355</b>	<b>-4 112</b>
Loans	2 595	2 703	2 934
Financial guarantees and Loan commitments	341	230	221
<b>Carrying amounts/Net amounts Stage 3</b>	<b>2 937</b>	<b>2 933</b>	<b>3 155</b>

## Note 11. Exposure and expected credit loss (ECL) allowances by stage, cont.

SEK m	30 Sep 2023	30 Jun 2023	31 Dec 2022
<b>Total</b>			
Debt securities	12 013	10 934	8 866
Loans <sup>1) 2)3)</sup>	2 092 193	2 152 208	2 058 321
Financial guarantees and Loan commitments	950 210	933 742	878 696
<b>Gross carrying amounts/Nominal amounts</b>	<b>3 054 415</b>	<b>3 096 884</b>	<b>2 945 883</b>
Debt securities	-0	-0	-0
Loans <sup>1) 2)3)</sup>	-6 777	-6 947	-7 616
Financial guarantees and Loan commitments	-937	-971	-997
<b>ECL allowances</b>	<b>-7 714</b>	<b>-7 918</b>	<b>-8 613</b>
Debt securities	12 013	10 934	8 866
Loans <sup>1) 2)3)</sup>	2 085 416	2 145 261	2 050 705
Financial guarantees and Loan commitments	949 273	932 771	877 699
<b>Carrying amounts/Net amounts</b>	<b>3 046 702</b>	<b>3 088 966</b>	<b>2 937 270</b>

<sup>1)</sup> Including trade and client receivables presented as other assets.

<sup>2)</sup> Whereof gross carrying amounts SEK 2,308m (1,795; 1,589) and ECL allowances SEK 4m (3; 3) under Lifetime ECLs -simplified approach for trade receivables.

<sup>3)</sup> Whereof gross carrying amounts SEK 959m (716; 1,769) and ECL allowances SEK 746m (579; 1,481) for Purchased or Originated Credit Impaired loans.

The table shows gross carrying amounts for exposures on balance and nominal amounts for exposures off-balance divided by stage as a mean to put ECL allowances in context to overall exposure levels. For trade receivables a simplified approach based on past-due information is used to calculate loss allowances.

Stage 3 loans / Total loans, gross, %	0.27	0.28	0.33
Stage 3 loans / Total loans, net, %	0.12	0.13	0.14
ECL coverage ratio Stage 1, %	0.08	0.08	0.10
ECL coverage ratio Stage 2, %	2.58	2.46	1.97
ECL coverage ratio Stage 3, %	52.09	53.35	56.58
ECL coverage ratio, %	0.25	0.26	0.29

### Development of exposures and ECL allowances by stage

Gross loans in Stage 3 decreased to SEK 5.7bn (6.0), corresponding to 0.27 per cent of total loans (0.28), mainly due to write-offs against reserves, which also reduced the Stage 3 ECL allowances, and currency effects. Stage 2 loans increased marginally due to negative risk migration.

### Measurement of ECL allowances

SEB uses models and expert credit judgement (ECJ) for calculating ECL allowances. The degree of expert credit judgement depends on model outcome, materiality and information available. ECJ may be applied to incorporate factors

not captured by the models, either on counterparty or portfolio level.

Model overlays on portfolio level using ECJ have been determined through top-down scenario analysis, including various scenarios of risk migration of complete portfolios. This has been combined with bottom-up individual customer analysis of larger corporate customers as well as analysis and stress tests of sectors, including real estate, specifically exposed to economic distress, including higher interest rates, supply chain issues, higher energy prices and inflation risks. The portfolio model overlays are re-evaluated quarterly in connection with the assessment of ECL allowances.

## Note 11. Exposure and expected credit loss (ECL) allowances by stage, cont.

In the third quarter, a part of the portfolio model overlay made for geopolitical uncertainties in 2022 was released.

The total portfolio model overlays amounted to SEK 2.5bn (2.6), reflecting the risks in general from higher energy prices, supply chain issues and inflation as well as the challenges within the real estate sector in Sweden as many companies are adjusting to the new interest rate and capital market environments. SEK 1.0bn of the total model overlays relates to the Large Corporates & Financial Institutions division, SEK 0.9bn to the Corporate & Private Customers division, SEK 0.5bn to the Baltic division and SEK 0.1bn to the Private Wealth Management & Family Office division.

### Key macroeconomic variable assumptions for calculating ECL allowances

Macroeconomic forecasts made by SEB's economic research department are used as the basis for the forward-looking

information incorporated in the ECL measurement. Three scenarios – base, positive and negative - and their probability weightings are reviewed every quarter, or more frequently when appropriate due to rapid or significant changes in the economic environment.

Only marginal adjustments were made to the forecasts compared with the previous quarter and probability weightings were adjusted to reflect a more balanced risk outlook.

The base scenario maintains the assumption of a relatively soft landing in the US and euro area while individual countries will see a mild recession. Household and business confidence is low and households are under financial pressure. Unemployment is expected to weaken moderately during the next couple of quarters, limiting growth potential. Key interest rates are not expected to reach neutral levels until 2025.

The main macroeconomic assumptions in the base scenario are presented in the table below.

Base scenario assumptions	2023	2024	2025
Global GDP growth	2.8%	2.7%	3.2%
OECD GDP growth	1.4%	1.2%	2.1%
Sweden			
GDP growth	-1.2%	0.1%	2.5%
Household consumption expenditure growth	-2.6%	1.4%	2.7%
Interest rate (STIBOR)	4.05%	3.45%	2.55%
Residential real estate price growth	-7.0%	0.0%	3.0%
Baltic countries			
GDP growth	-1.8% - 0.4%	1.5% - 2.5%	2.5% - 3.0%
Household consumption expenditure growth	-0.6% - 0.7%	1.7% - 2.8%	2.1% - 3.5%
Inflation rate	9.0% - 9.5%	2.4% - 4.5%	2.0% - 2.6%
Nominal wage growth	9.5% - 11.5%	6.5% - 8.2%	6.0% - 7.0%
Unemployment rate	6.5% - 7.0%	6.5% - 7.1%	6.2% - 6.7%

The negative scenario reflects the downside risk from the shift to aggressive monetary policy, especially considering the lengthy time lag before rate hikes have an impact on the economy, and risk of financial stress. The potential for more favourable economic performance in the positive scenario lies mainly in inflation falling faster than according to the current consensus and our main forecast. A further description of the scenarios is available in the Nordic Outlook report published in August 2023.

The probability for the base scenario was lowered from 65 to 60 per cent, the probability for the positive scenario was raised from 15 to 20 per cent and the probability for the negative scenario was maintained at 20 per cent.

In the third quarter, the update of the macroeconomic assumptions and scenario probability weights had no impact on

total ECL allowances. As macroeconomic assumptions for 2024, where an economic recovery is expected, are gradually rolled in as the current year progresses, the net impact of the updated macroeconomic scenarios was a marginal decrease of ECL allowances.

Should the positive and negative scenarios in the macroeconomic update be assigned 100 per cent probability, the model calculated ECL allowances would decrease by 4 per cent and increase by 6 per cent respectively compared with the probability-weighted calculation.

SEB's measurement of ECL allowances and related assumptions according to IFRS 9 can be found in notes 1 and 18 in the Annual and Sustainability Report for 2022.

## Note 12. Movements in allowances for expected credit losses

SEK m	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total
<b>Loans and Debt securities</b>				
<b>ECL allowance as of 31 Dec 2022</b>	<b>2 202</b>	<b>1 503</b>	<b>3 911</b>	<b>7 616</b>
New and derecognised financial assets, net	123	-229	-208	-314
Changes due to change in credit risk	-482	468	670	655
Changes due to modifications	1	24	-0	25
Changes due to methodology change	-40	15	72	47
Decreases in ECL allowances due to write-offs			-1 433	-1 433
Change in exchange rates	36	35	110	181
<b>ECL allowance as of 30 Sep 2023</b>	<b>1 840</b>	<b>1 817</b>	<b>3 120</b>	<b>6 777</b>
<b>Financial guarantees and Loan commitments</b>				
<b>ECL allowance as of 31 Dec 2022</b>	<b>633</b>	<b>162</b>	<b>201</b>	<b>997</b>
New and derecognised financial assets, net	5	-62	-55	-112
Changes due to change in credit risk	-223	310	-77	9
Changes due to modifications		2		2
Changes due to methodology change	-3	8	-1	5
Change in exchange rates	14	18	4	36
<b>ECL allowance as of 30 Sep 2023</b>	<b>426</b>	<b>438</b>	<b>73</b>	<b>937</b>
<b>Total Loans, Debt securities, Financial guarantees and Loan commitments</b>				
<b>ECL allowance as of 31 Dec 2022</b>	<b>2 835</b>	<b>1 665</b>	<b>4 112</b>	<b>8 613</b>
New and derecognised financial assets, net	129	-291	-263	-425
Changes due to change in credit risk	-705	778	592	665
Changes due to modifications	1	26	-0	27
Changes due to methodology change	-44	24	71	51
Decreases in ECL allowances due to write-offs			-1 433	-1 433
Change in exchange rates	50	53	114	217
<b>ECL allowance as of 30 Sep 2023</b>	<b>2 266</b>	<b>2 255</b>	<b>3 193</b>	<b>7 714</b>

SEB's measurement of ECL allowances and related assumptions according to IFRS 9 can be found on pages 122-123 and 153-154 in the Annual and Sustainability Report 2022.

## Note 13. Loans and expected credit loss (ECL) allowances by industry

SEK m	Gross carrying amounts				ECL allowances				Net carrying amount
	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Total
<b>30 Sep 2023</b>									
<b>Banks</b>	<b>114 235</b>	<b>1 125</b>	<b>12</b>	<b>115 372</b>	<b>-4</b>	<b>-2</b>	<b>-2</b>	<b>-8</b>	<b>115 364</b>
Finance and insurance	182 531	1 047	221	183 800	-62	-4	-159	-225	183 575
Wholesale and retail	80 167	3 443	189	83 798	-132	-167	-86	-385	83 413
Transportation	31 374	1 548	161	33 083	-45	-34	-24	-102	32 981
Shipping	51 440	2 529	120	54 089	-12	-12	-109	-133	53 957
Business and household services	199 241	8 309	988	208 538	-382	-407	-553	-1 342	207 196
Construction	18 672	1 158	70	19 900	-40	-43	-25	-108	19 792
Manufacturing	122 969	6 819	1 346	131 134	-131	-253	-1 154	-1 538	129 596
Agriculture, forestry and fishing	34 840	1 025	160	36 024	-28	-13	-35	-76	35 948
Mining, oil and gas extraction	6 156	969	1	7 125	-8	-102	-0	-111	7 015
Electricity, gas and water supply	91 427	233	262	91 922	-36	-2	-127	-164	91 758
Other	24 079	1 968	83	26 131	-43	-26	-15	-83	26 048
<b>Corporates</b>	<b>842 896</b>	<b>29 049</b>	<b>3 600</b>	<b>875 545</b>	<b>-917</b>	<b>-1 064</b>	<b>-2 286</b>	<b>-4 267</b>	<b>871 278</b>
Commercial real estate management	184 839	2 752	144	187 736	-423	-61	-31	-515	187 221
Residential real estate management	132 493	4 001	250	136 743	-158	-113	-62	-332	136 411
<b>Real Estate Management</b>	<b>317 332</b>	<b>6 753</b>	<b>395</b>	<b>324 479</b>	<b>-581</b>	<b>-174</b>	<b>-93</b>	<b>-847</b>	<b>323 632</b>
<b>Housing co-operative associations</b>	<b>60 647</b>	<b>4 284</b>	<b>73</b>	<b>65 004</b>	<b>-2</b>	<b>-0</b>	<b>-0</b>	<b>-3</b>	<b>65 001</b>
<b>Public Administration</b>	<b>24 356</b>	<b>441</b>	<b>0</b>	<b>24 797</b>	<b>-2</b>	<b>-1</b>	<b>-0</b>	<b>-2</b>	<b>24 795</b>
Household mortgages	611 760	26 071	708	638 539	-63	-275	-233	-571	<b>637 969</b>
Other	44 294	3 234	927	48 455	-272	-301	-506	-1 079	<b>47 376</b>
<b>Households</b>	<b>656 054</b>	<b>29 305</b>	<b>1 635</b>	<b>686 995</b>	<b>-335</b>	<b>-576</b>	<b>-739</b>	<b>-1 650</b>	<b>685 345</b>
<b>TOTAL</b>	<b>2 015 521</b>	<b>70 957</b>	<b>5 715</b>	<b>2 092 193</b>	<b>-1 840</b>	<b>-1 817</b>	<b>-3 120</b>	<b>-6 777</b>	<b>2 085 416</b>

## Note 13. Loans and expected credit loss (ECL) allowances by industry, cont.

SEK m	Gross carrying amounts				ECL allowances				Net carrying amount
	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Total
<b>31 Dec 2022</b>									
<b>Banks</b>	<b>136 927</b>	<b>1 228</b>	<b>24</b>	<b>138 178</b>	<b>-8</b>	<b>-3</b>	<b>-5</b>	<b>-15</b>	<b>138 163</b>
Finance and insurance	174 176	2 014	99	176 290	-310	-33	-8	-351	175 939
Wholesale and retail	82 032	2 401	188	84 622	-160	-86	-74	-320	84 301
Transportation	30 099	833	257	31 189	-50	-36	-37	-122	31 067
Shipping	52 884	3 877	1 191	57 951	-21	-23	-1 139	-1 182	56 769
Business and household services	177 323	9 609	1 326	188 258	-387	-350	-610	-1 348	186 910
Construction	13 720	721	389	14 830	-31	-20	-209	-259	14 571
Manufacturing	122 266	7 035	1 421	130 723	-182	-150	-992	-1 323	129 400
Agriculture, forestry and fishing	31 440	1 235	108	32 783	-28	-11	-30	-69	32 714
Mining, oil and gas extraction	6 020	1 367	12	7 398	-6	-125	-4	-135	7 263
Electricity, gas and water supply	80 639	1 067	32	81 739	-41	-49	-28	-118	81 621
Other	26 978	1 242	51	28 270	-45	-23	-14	-81	28 189
<b>Corporates</b>	<b>797 578</b>	<b>31 400</b>	<b>5 074</b>	<b>834 052</b>	<b>-1 261</b>	<b>-906</b>	<b>-3 143</b>	<b>-5 309</b>	<b>828 743</b>
Commercial real estate management	182 026	2 205	129	184 361	-360	-46	-36	-442	183 919
Residential real estate management	131 796	2 253	29	134 078	-116	-39	-3	-158	133 920
<b>Real Estate Management</b>	<b>313 822</b>	<b>4 458</b>	<b>159</b>	<b>318 439</b>	<b>-476</b>	<b>-85</b>	<b>-39</b>	<b>-600</b>	<b>317 838</b>
<b>Housing co-operative associations</b>	<b>62 250</b>	<b>5 702</b>	<b>2</b>	<b>67 955</b>	<b>-2</b>	<b>-0</b>	<b>-0</b>	<b>-3</b>	<b>67 952</b>
<b>Public Administration</b>	<b>19 122</b>	<b>282</b>	<b>5</b>	<b>19 408</b>	<b>-2</b>	<b>-1</b>	<b>-2</b>	<b>-6</b>	<b>19 403</b>
Household mortgages	611 346	22 647	671	634 663	-113	-195	-191	-500	<b>634 163</b>
Other	41 059	3 656	912	45 626	-340	-312	-531	-1 184	<b>44 443</b>
<b>Households</b>	<b>652 404</b>	<b>26 303</b>	<b>1 582</b>	<b>680 289</b>	<b>-453</b>	<b>-508</b>	<b>-723</b>	<b>-1 683</b>	<b>678 606</b>
<b>TOTAL</b>	<b>1 982 103</b>	<b>69 372</b>	<b>6 846</b>	<b>2 058 321</b>	<b>-2 202</b>	<b>-1 503</b>	<b>-3 911</b>	<b>-7 616</b>	<b>2 050 705</b>

The tables above show only the exposures and ECL allowances for Loans and excludes Debt securities, Financial guarantees and Loan commitments. Loans are including trade and client receivables presented as other assets.

# SEB consolidated situation

## Note 14. Capital adequacy analysis

SEK m	30 Sep 2023	30 Jun 2023	31 Dec 2022
<b>Available own funds and total risk exposure amount</b>			
Common Equity Tier 1 (CET1) capital	173 736	170 757	162 956
Tier 1 capital	189 005	185 840	177 517
Total capital	200 889	201 976	193 025
Total risk exposure amount (TREA)	919 298	884 934	859 320
<b>Capital ratios and minimum capital requirement (as a percentage of TREA)</b>			
Common Equity Tier 1 ratio (%)	18.9%	19.3%	19.0%
Tier 1 ratio (%)	20.6%	21.0%	20.7%
Total capital ratio (%)	21.9%	22.8%	22.5%
Pillar 1 minimum capital requirement (% P1)	8.0%	8.0%	8.0%
Pillar 1 minimum capital requirement (amounts)	73 544	70 795	68 746
<b>Additional own funds requirements (P2R) to address risks other than the risk of excessive leverage (as a percentage of TREA)</b>			
Additional own funds requirements (% P2R)	2.3%	2.0%	2.0%
of which: to be made up of CET1 capital (percentage points)	1.6%	1.4%	1.4%
of which: to be made up of Tier 1 capital (percentage points)	1.8%	1.6%	1.6%
Total SREP own funds requirements (% P1+P2R)	10.3%	10.0%	10.0%
Total SREP own funds requirements (amounts)	94 393	88 710	86 142
<b>Additional CET1 buffer requirements and CET1 Pillar 2 Guidance (as a percentage of TREA)</b>			
Capital conservation buffer (%)	2.5%	2.5%	2.5%
Institution specific countercyclical capital buffer (%)	1.5%	1.4%	0.8%
Systemic risk buffer (%)	3.1%	3.1%	3.1%
Other Systemically Important Institution buffer (%)	1.0%	1.0%	1.0%
Combined buffer requirement (% CBR)	8.0%	8.0%	7.4%
Combined buffer requirement (amounts)	73 982	70 495	63 391
Overall capital requirements (% P1+P2R+CBR)	18.3%	18.0%	17.4%
Overall capital requirements (amounts)	168 376	159 205	149 533
CET1 available after meeting the total SREP own funds requirements (% P1+P2R)	11.6%	12.8%	12.4%
Pillar 2 Guidance (% P2G)	0.5%	1.0%	1.0%
Pillar 2 Guidance (amounts)	4 596	8 849	8 593
Overall capital requirements and P2G (%)	18.8%	19.0%	18.4%
Overall capital requirements and P2G (amounts)	172 972	168 054	158 127
<b>Leverage ratio, requirements and CET1 Pillar 2 Guidance (as a percentage of total exposure measure)</b>			
Tier 1 capital (amounts)	189 005	185 840	177 517
Leverage ratio total exposure measure (amounts)	4 067 497	4 097 935	3 539 598
Leverage ratio (%)	4.6%	4.5%	5.0%
Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%
Overall leverage ratio requirements (%)	3.0%	3.0%	3.0%
Overall leverage ratio requirements (amounts)	122 025	122 938	106 188
Pillar 2 Guidance (% P2G)	0.5%	0.5%	0.5%
Pillar 2 Guidance (amounts)	20 337	18 441	15 928
Overall leverage ratio requirements and P2G (%)	3.5%	3.5%	3.5%
Overall leverage ratio requirements and P2G (amounts)	142 362	141 379	122 116



## Note 15. Own funds

SEK m	30 Sep 2023	30 Jun 2023	31 Dec 2022
Shareholders equity according to balance sheet <sup>1)</sup>	217 671	209 350	204 523
Accrued dividend	-14 487	-9 375	-14 266
Reversal of holdings of own CET1 instruments	3 709	2 407	4 248
<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>206 893</b>	<b>202 382</b>	<b>194 506</b>
Additional value adjustments	-1 447	-1 526	-1 331
Goodwill	-4 292	-4 290	-4 308
Intangible assets	-1 034	-932	-1 236
Deferred tax assets that rely on future profitability	-18	-18	-17
Fair value reserves related to gains or losses on cash flow hedges	-34	-44	-62
Insufficient coverage for non-performing exposures	-105	-105	-24
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-937	-1 037	-1 060
Defined-benefit pension fund assets	-18 814	-19 721	-17 712
Direct and indirect holdings of own CET1 instruments	-6 476	-3 953	-5 799
<b>Total regulatory adjustments to Common Equity Tier 1</b>	<b>-33 157</b>	<b>-31 625</b>	<b>-31 550</b>
<b>Common Equity Tier 1 capital</b>	<b>173 736</b>	<b>170 757</b>	<b>162 956</b>
Additional Tier 1 instruments	15 269	15 084	14 561
<b>Tier 1 capital</b>	<b>189 005</b>	<b>185 840</b>	<b>177 517</b>
Tier 2 instruments <sup>2)</sup>	11 534	15 890	15 002
Net provisioning amount for IRB-reported exposures	1 550	1 445	1 706
Holdings of Tier 2 instruments in financial sector entities	-1 200	-1 200	-1 200
<b>Tier 2 capital</b>	<b>11 884</b>	<b>16 135</b>	<b>15 508</b>
<b>Total own funds</b>	<b>200 889</b>	<b>201 976</b>	<b>193 025</b>

1) The Swedish Financial Supervisory Authority has approved SEB's application to use the quarterly net profit in measuring own funds on condition that the responsible auditors have reviewed the surplus and that the surplus is calculated in accordance with applicable accounting frameworks.

2) Following an approval from the Swedish Financial Supervisory Authority to call an Additional Tier 2 instrument of EUR 850m issued in 2016, the instrument was excluded from the bank's own funds as of Q3 2023. In the third quarter SEB issued an Additional Tier 2 instrument of EUR 500m, which is included in the bank's own funds as of Q3 2023.

## Note 16. Risk exposure amount

SEK m	30 Sep 2023		30 Jun 2023		31 Dec 2022	
	Risk exposure amount	Own funds requirement <sup>1)</sup>	Risk exposure amount	Own funds requirement <sup>1)</sup>	Risk exposure amount	Own funds requirement <sup>1)</sup>
<b>Credit risk IRB approach</b>						
Exposures to central governments or central banks	21 426	1 714	20 808	1 665	18 304	1 464
Exposures to institutions	63 365	5 069	65 321	5 226	66 245	5 300
Exposures to corporates	430 460	34 437	435 783	34 863	407 153	32 572
Retail exposures	75 896	6 072	75 377	6 030	67 811	5 425
of which secured by immovable property	51 647	4 132	51 453	4 116	44 643	3 571
of which retail SME	6 036	483	6 050	484	6 044	484
of which other retail exposures	18 213	1 457	17 875	1 430	17 124	1 370
Securitisation positions	2 502	200	2 380	190	2 036	163
<b>Total IRB approach</b>	<b>593 649</b>	<b>47 492</b>	<b>599 670</b>	<b>47 974</b>	<b>561 550</b>	<b>44 924</b>
<b>Credit risk standardised approach</b>						
Exposures to central governments or central banks	4 377	350	4 674	374	6 640	531
Exposures to administrative bodies and non-commercial undertakings	443	35	452	36		
Exposures to institutions	701	56	781	63	962	77
Exposures to corporates	5 197	416	4 923	394	6 933	555
Retail exposures	12 045	964	11 939	955	14 521	1 162
Exposures secured by mortgages on immovable property	2 472	198	2 604	208	2 486	199
Exposures in default	120	10	104	8	122	10
Exposures associated with particularly high risk	534	43	562	45	515	41
Exposures in the form of collective investment undertakings (CIU)	677	54	967	77	1 628	130
Equity exposures	5 788	463	5 927	474	5 540	443
Other items	12 329	986	12 627	1 010	9 851	788
<b>Total standardised approach</b>	<b>44 682</b>	<b>3 575</b>	<b>45 562</b>	<b>3 645</b>	<b>49 197</b>	<b>3 936</b>
<b>Market risk</b>						
Trading book exposures where internal models are applied	23 968	1 917	28 562	2 285	39 876	3 190
Trading book exposures applying standardised approaches	7 241	579	8 830	706	7 251	580
<b>Total market risk</b>	<b>31 210</b>	<b>2 497</b>	<b>37 393</b>	<b>2 991</b>	<b>47 128</b>	<b>3 770</b>
<b>Other own funds requirements</b>						
Operational risk advanced measurement approach	52 464	4 197	52 134	4 171	50 452	4 036
Settlement risk	2	0	0	0	0	0
Credit value adjustment	10 857	869	11 724	938	12 309	985
Investment in insurance business	24 295	1 944	23 742	1 899	23 851	1 908
Other exposures	3 982	319	3 717	297	2 991	239
Additional risk exposure amount, Article 458 CRR <sup>2)</sup>	158 158	12 653	110 991	8 879	111 841	8 947
<b>Total other own funds requirements</b>	<b>249 757</b>	<b>19 981</b>	<b>202 309</b>	<b>16 185</b>	<b>201 444</b>	<b>16 116</b>
<b>Total</b>	<b>919 298</b>	<b>73 544</b>	<b>884 934</b>	<b>70 795</b>	<b>859 320</b>	<b>68 746</b>

1) Own funds requirement 8% of risk exposure amount according to Regulation (EU) No 575/2013 (CRR).

2) Additional risk exposure amount according to Article 458, Regulation (EU) No 575/2013 (CRR), for risk-weight floors in the Swedish mortgage portfolio and as from Q3 2021 for risk-weight floors in the Norwegian mortgage portfolio as well as for Norwegian corporate exposures collateralised by immovable property. As from Q3 2023 the capital requirements for risk weight floors on exposures secured by commercial real estate in Sweden was moved from Pillar 2 to Pillar 1.

## Note 17. Average risk-weight

The following table summarises average risk-weights (risk exposure amount divided by exposure at default (EAD)) for exposures, where the risk exposure amount is calculated according to the internal ratings based (IRB) approach. Repos

and securities lending transactions are excluded from the analysis, since they carry low risk-weights, and can vary considerably in volume, thus making numbers less comparable.

<b>IRB reported credit exposures (less repos and securities lending)</b>			
<b>Average risk-weight</b>	<b>30 Sep 2023</b>	<b>30 Jun 2023</b>	<b>31 Dec 2022</b>
Exposures to central governments or central banks	2.1%	2.0%	2.8%
Exposures to institutions	21.3%	21.9%	24.9%
Exposures to corporates	27.7%	27.8%	27.3%
Retail exposures	10.2%	10.1%	9.3%
of which secured by immovable property	7.8%	7.7%	6.8%
of which retail SME	54.7%	53.3%	51.0%
of which other retail exposures	26.6%	26.5%	28.0%
Securitisation positions	16.2%	16.4%	16.9%

# Skandinaviska Enskilda Banken AB (publ) – parent company

## Income statement

In accordance with FSA regulations SEK m	Q3			Q2			Q3			Jan-Sep			Full-year
	2023	2023	%	2022	%	2023	2022	%	2023	2022	%	2022	
Interest income	33 725	29 567	14	13 040	159	88 113	28 491		88 113	28 491		48 883	
Leasing income	1 554	1 452	7	1 313	18	4 402	3 934	12	4 402	3 934	12	5 309	
Interest expense	-26 011	-21 880	19	-6 233		-65 096	-10 556		-65 096	-10 556		-23 994	
Dividends	456	1 453	-69	773	-41	5 009	9 952	-50	5 009	9 952	-50	10 447	
Fee and commission income	4 099	4 122	-1	4 068	1	12 602	12 786	-1	12 602	12 786	-1	16 925	
Fee and commission expense	- 947	- 790	20	- 958	-1	-2 949	-3 118	-5	-2 949	-3 118	-5	-4 042	
Net financial income <sup>1)</sup>	2 141	2 333	-8	1 787	20	6 512	4 745	37	6 512	4 745	37	7 510	
Other income <sup>1)</sup>	1 082	204		86		1 794	450		1 794	450		867	
<b>Total operating income</b>	<b>16 100</b>	<b>16 461</b>	<b>-2</b>	<b>13 876</b>	<b>16</b>	<b>50 387</b>	<b>46 683</b>	<b>8</b>	<b>50 387</b>	<b>46 683</b>	<b>8</b>	<b>61 904</b>	
Administrative expenses	-5 415	-5 396	0	-4 660	16	-15 956	-13 781	16	-15 956	-13 781	16	-18 380	
Depreciation, amortisation and impairment of tangible and intangible assets	-1 505	-1 411	7	-1 411	7	-4 303	-4 226	2	-4 303	-4 226	2	-5 635	
<b>Total operating expenses</b>	<b>-6 919</b>	<b>-6 807</b>	<b>2</b>	<b>-6 071</b>	<b>14</b>	<b>-20 258</b>	<b>-18 007</b>	<b>13</b>	<b>-20 258</b>	<b>-18 007</b>	<b>13</b>	<b>-24 015</b>	
<b>Profit before credit losses</b>	<b>9 180</b>	<b>9 653</b>	<b>-5</b>	<b>7 805</b>	<b>18</b>	<b>30 129</b>	<b>28 676</b>	<b>5</b>	<b>30 129</b>	<b>28 676</b>	<b>5</b>	<b>37 890</b>	
Net expected credit losses	-60	-64	-7	-547	-89	- 359	-1 480	-76	- 359	-1 480	-76	-2 119	
Impairment of financial assets <sup>2)</sup>		- 504	-100	-1 167	-100	- 504	-6 631	-92	- 504	-6 631	-92	-6 631	
<b>Operating profit</b>	<b>9 121</b>	<b>9 086</b>	<b>0</b>	<b>6 091</b>	<b>50</b>	<b>29 266</b>	<b>20 565</b>	<b>42</b>	<b>29 266</b>	<b>20 565</b>	<b>42</b>	<b>29 139</b>	
Appropriations	387	361	7	378	2	1 235	1 252	-1	1 235	1 252	-1	3 300	
Income tax expense	-2 232	-1 066	109	-1 359	64	-4 988	-3 267	53	-4 988	-3 267	53	-4 929	
Other taxes	0	- 38	-100	32		- 41	79		- 41	79		-180	
<b>NET PROFIT</b>	<b>7 276</b>	<b>8 342</b>	<b>-13</b>	<b>5 143</b>	<b>41</b>	<b>25 472</b>	<b>18 629</b>	<b>37</b>	<b>25 472</b>	<b>18 629</b>	<b>37</b>	<b>27 329</b>	

<sup>1)</sup> From 2023 the parent bank presents realised gains and losses on investment shares as Net financial income and not Net other income. Comparative figures have been restated SEK 256m; 1,416m; 1,615m.

<sup>2)</sup> Following P27's announcement in the second quarter of 2023, that it had decided to withdraw its clearing license application from the Swedish Financial Supervisory Authority, the parent company recognised an impairment loss of SEK 178m. In the second quarter 2023 Invidem announced that it will be wound down due to reduced economies of scale. Hence, the parent company recognised an impairment loss of SEK 124m. The book value in SEB Strategic Investments AB was written down by SEK 200m after parent company received a dividend of the same amount. The Russian Federation has limited different transactions between subsidiaries in Russia with parent companies in so called unfriendly countries. A maximum of RUB 10m per calendar month may be transferred abroad. Due to the prevailing uncertainty, the parent company recognised a total impairment loss of SEK 177m for SEB Bank in Russia in the first quarter 2022 and an additional impairment loss of SEK 652m in the third quarter 2022. In addition, during the first quarter 2022, the parent company recognised an impairment loss of SEK 63m for the investment in SEB Corporate Bank in Ukraine. During the second quarter 2022 the parent company recognised an impairment loss of SEK 5,224m for the investment in the subsidiary DSK Hyp AG. In addition, the subsidiary Skandinaviska Enskilda Ltd was written down by SEK 515m in the third quarter 2022 and liquidated in the third quarter 2023.

## Statement of comprehensive income

SEK m	Q3			Q2			Q3			Jan-Sep			Full year
	2023	2023	%	2022	%	2023	2022	%	2023	2022	%	2022	
<b>NET PROFIT</b>	<b>7 276</b>	<b>8 342</b>	<b>-13</b>	<b>5 143</b>	<b>41</b>	<b>25 472</b>	<b>18 629</b>	<b>37</b>	<b>25 472</b>	<b>18 629</b>	<b>37</b>	<b>27 329</b>	
Cash flow hedges	- 9	- 10	-2	28		- 28	83		- 28	83		81	
Translation of foreign operations	- 21	- 162	-87	- 102	-80	- 108	- 158	-32	- 108	- 158	-32	-112	
<b>Items that may subsequently be reclassified to the income statement:</b>	<b>- 30</b>	<b>- 172</b>	<b>-82</b>	<b>- 74</b>	<b>-59</b>	<b>- 136</b>	<b>- 75</b>	<b>81</b>	<b>- 136</b>	<b>- 75</b>	<b>81</b>	<b>- 31</b>	
<b>OTHER COMPREHENSIVE INCOME</b>	<b>- 30</b>	<b>- 172</b>	<b>-82</b>	<b>- 74</b>	<b>-59</b>	<b>- 136</b>	<b>- 75</b>	<b>81</b>	<b>- 136</b>	<b>- 75</b>	<b>81</b>	<b>- 31</b>	
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>7 245</b>	<b>8 170</b>	<b>-11</b>	<b>5 069</b>	<b>43</b>	<b>25 336</b>	<b>18 554</b>	<b>37</b>	<b>25 336</b>	<b>18 554</b>	<b>37</b>	<b>27 298</b>	

## Balance sheet, condensed

SEK m	30 Sep 2023	30 Jun 2023	31 Dec 2022
Cash and cash balances with central banks	559 937	540 848	354 970
Loans to central banks	34 386	138 511	16 676
Loans to credit institutions	127 381	145 686	101 928
Loans to the public	1 877 092	1 903 010	1 839 188
Debt securities	478 745	400 553	227 323
Equity instruments	70 396	43 512	44 645
Derivatives	183 665	173 478	179 144
Other assets	133 930	142 118	108 812
<b>TOTAL ASSETS</b>	<b>3 465 533</b>	<b>3 487 718</b>	<b>2 872 686</b>
Deposits from central banks and credit institutions	281 309	227 746	106 019
Deposits and borrowings from the public <sup>1)</sup>	1 705 867	1 754 140	1 467 319
Debt securities issued	977 493	1 003 853	795 149
Short positions	37 984	47 227	44 635
Derivatives	205 619	189 653	229 933
Other financial liabilities	148	134	172
Other liabilities	86 990	100 978	66 645
Untaxed reserves	15 680	15 680	15 680
Equity	154 443	148 308	147 133
<b>TOTAL LIABILITIES, UNTAXED RESERVES AND EQUITY</b>	<b>3 465 533</b>	<b>3 487 718</b>	<b>2 872 686</b>
<sup>1)</sup> Private and SME deposits covered by deposit guarantee	251 914	258 675	257 639
Private and SME deposits not covered by deposit guarantee	160 509	162 801	161 495
All other deposits	1 293 444	1 332 663	1 048 185
<b>Total deposits from the public</b>	<b>1 705 867</b>	<b>1 754 140</b>	<b>1 467 319</b>

## Pledged assets and obligations

SEK m	30 Sep 2023	30 Jun 2023	31 Dec 2022
Pledged assets for own liabilities	705 087	704 913	585 547
Other pledged assets	120 727	89 532	62 565
<b>Pledged assets</b>	<b>825 813</b>	<b>794 445</b>	<b>648 113</b>
Contingent liabilities	194 390	195 109	173 316
Commitments	838 684	844 947	815 987
<b>Obligations</b>	<b>1 033 074</b>	<b>1 040 056</b>	<b>989 303</b>

# Capital adequacy

## Capital adequacy analysis

SEK m	30 Sep 2023	30 Jun 2023	31 Dec 2022
<b>Available own funds and total risk exposure amount</b>			
Common Equity Tier 1 (CET1) capital	142 732	142 679	136 851
Tier 1 capital	158 001	157 762	151 413
Total capital	170 049	174 095	166 708
Total risk exposure amount (TREA)	826 170	793 441	778 243
<b>Capital ratios and minimum capital requirement (as a percentage of TREA)</b>			
Common Equity Tier 1 ratio (%)	17.3%	18.0%	17.6%
Tier 1 ratio (%)	19.1%	19.9%	19.5%
Total capital ratio (%)	20.6%	21.9%	21.4%
Pillar 1 minimum capital requirement (% P1)	8.0%	8.0%	8.0%
Pillar 1 minimum capital requirement (amounts)	66 094	63 475	62 259
<b>Additional own funds requirements (P2R) to address risks other than the risk of excessive leverage (as a percentage of TREA)</b>			
Additional own funds requirements (% P2R)	1.6%	1.7%	1.7%
of which: to be made up of CET1 capital (percentage points)	1.1%	1.2%	1.2%
of which: to be made up of Tier 1 capital (percentage points)	1.2%	1.3%	1.3%
Total SREP own funds requirements (% P1+P2R)	9.6%	9.7%	9.7%
Total SREP own funds requirements (amounts)	79 015	77 257	75 777
<b>Additional CET1 buffer requirements and CET1 Pillar 2 Guidance (as a percentage of TREA)</b>			
Capital conservation buffer (%)	2.5%	2.5%	2.5%
Institution specific countercyclical capital buffer (%)	1.6%	1.5%	0.8%
Systemic risk buffer (%)	0.0%	0.0%	0.0%
Other Systemically Important Institution buffer (%)	0.0%	0.0%	0.0%
Combined buffer requirement (% CBR)	4.1%	4.0%	3.3%
Combined buffer requirement (amounts)	33 676	31 667	25 727
Overall capital requirements (% P1+P2R+CBR)	13.6%	13.7%	13.0%
Overall capital requirements (amounts)	112 690	108 924	101 504
CET1 available after meeting the total SREP own funds requirements (% P1+P2R)	11.0%	12.2%	11.7%
Pillar 2 Guidance (% P2G)	0.0%	0.0%	0.0%
Pillar 2 Guidance (amounts)	0	0	0
Overall capital requirements and P2G (%)	13.6%	13.7%	13.0%
Overall capital requirements and P2G (amounts)	112 690	108 924	101 504
<b>Leverage ratio, requirements and CET1 Pillar 2 Guidance (as a percentage of total exposure measure)</b>			
Tier 1 capital (amounts)	158 001	157 762	151 413
Leverage ratio total exposure measure (amounts)	3 805 715	3 825 551	3 263 128
Leverage ratio (%)	4.2%	4.1%	4.6%
Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%
Overall leverage ratio requirements (%)	3.0%	3.0%	3.0%
Overall leverage ratio requirements (amounts)	114 171	114 767	97 894
Pillar 2 Guidance (% P2G)	0.0%	0.0%	0.0%
Pillar 2 Guidance (amounts)	0	0	0
Overall leverage ratio requirements and P2G (%)	3.0%	3.0%	3.0%
Overall leverage ratio requirements and P2G (amounts)	114 171	114 767	97 894

## Own funds

SEK m	30 Sep 2023	30 Jun 2023	31 Dec 2022
Shareholders equity according to balance sheet <sup>1)</sup>	166 893	160 758	159 583
Accrued dividend	-14 487	-9 375	-14 266
Reversal of holdings of own CET1 instruments	3 551	2 118	4 249
<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>155 957</b>	<b>153 501</b>	<b>149 566</b>
Additional value adjustments	-1 382	-1 491	-1 289
Goodwill	-3 358	-3 358	-3 358
Intangible assets	-945	-846	-1 132
Fair value reserves related to gains or losses on cash flow hedges	-34	-44	-62
Insufficient coverage for non-performing exposures	-103	-103	-23
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-927	-1 028	-1 050
Direct and indirect holdings of own CET1 instruments	-6 476	-3 953	-5 799
<b>Total regulatory adjustments to Common Equity Tier 1</b>	<b>-13 225</b>	<b>-10 822</b>	<b>-12 715</b>
<b>Common Equity Tier 1 capital</b>	<b>142 732</b>	<b>142 679</b>	<b>136 851</b>
Additional Tier 1 instruments	15 269	15 084	14 561
<b>Tier 1 capital</b>	<b>158 001</b>	<b>157 762</b>	<b>151 413</b>
Tier 2 instruments <sup>2)</sup>	11 534	15 890	15 002
Net provisioning amount for IRB-reported exposures	1 714	1 642	1 494
Holdings of Tier 2 instruments in financial sector entities	-1 200	-1 200	-1 200
<b>Tier 2 capital</b>	<b>12 047</b>	<b>16 332</b>	<b>15 295</b>
<b>Total own funds</b>	<b>170 049</b>	<b>174 095</b>	<b>166 708</b>

1) Shareholders equity for the parent company includes untaxed reserves.

2) Following an approval from the Swedish Financial Supervisory Authority to call an Additional Tier 2 instrument of EUR 850m issued in 2016, the instrument was excluded from the bank's own funds as of Q3 2023. In the third quarter SEB issued an Additional Tier 2 instrument of EUR 500m, which is included in the bank's own funds as of Q3 2023.

## Risk exposure amount

SEK m	30 Sep 2023		30 Jun 2023		31 Dec 2022	
	Risk exposure amount	Own funds requirement <sup>1)</sup>	Risk exposure amount	Own funds requirement <sup>1)</sup>	Risk exposure amount	Own funds requirement <sup>1)</sup>
<b>Credit risk IRB approach</b>						
Exposures to central governments or central banks	14 053	1 124	13 283	1 063	9 987	799
Exposures to institutions	62 769	5 022	64 729	5 178	65 707	5 257
Exposures to corporates	351 569	28 126	355 746	28 460	334 983	26 799
Retail exposures	45 726	3 658	45 571	3 646	44 316	3 545
of which secured by immovable property	36 398	2 912	36 134	2 891	35 015	2 801
of which retail SME	1 818	145	2 019	162	2 046	164
of which other retail exposures	7 510	601	7 418	593	7 256	580
Securitisation positions	2 502	200	2 380	190	2 036	163
<b>Total IRB approach</b>	<b>476 619</b>	<b>38 130</b>	<b>481 709</b>	<b>38 537</b>	<b>457 029</b>	<b>36 562</b>
<b>Credit risk standardised approach</b>						
Exposures to central governments or central banks						
Exposures to administrative bodies and non-commercial undertakings	443	35	452	36	14 168	1 133
Exposures to institutions	9 562	765	11 147	892	5 048	404
Exposures to corporates	3 501	280	3 228	258	8 285	663
Retail exposures	8 436	675	8 426	674	2 484	199
Exposures secured by mortgages on immovable property	2 471	198	2 603	208	98	8
Exposures in default	104	8	89	7	515	41
Exposures associated with particularly high risk	535	43	562	45	1 628	130
Exposures in the form of collective investment undertakings (CIU)	677	54	967	77	51 432	4 115
Equity exposures	53 129	4 250	54 199	4 336	3 022	242
Other items	4 714	377	5 097	408		
<b>Total standardised approach</b>	<b>83 571</b>	<b>6 686</b>	<b>86 771</b>	<b>6 942</b>	<b>86 680</b>	<b>6 934</b>
<b>Market risk</b>						
Trading book exposures where internal models are applied	23 968	1 917	28 562	2 285	39 876	3 190
Trading book exposures applying standardised approaches	7 208	577	8 807	705	7 226	578
<b>Total market risk</b>	<b>31 176</b>	<b>2 494</b>	<b>37 370</b>	<b>2 990</b>	<b>47 103</b>	<b>3 768</b>
<b>Other own funds requirements</b>						
Operational risk advanced measurement approach	40 850	3 268	40 354	3 228	38 923	3 114
Settlement risk	2	0	0	0	0	0
Credit value adjustment	10 839	867	11 719	938	12 304	984
Investment in insurance business	24 295	1 944	23 742	1 899	23 851	1 908
Other exposures	666	53	790	63	519	42
Additional risk exposure amount, Article 458 CRR <sup>2)</sup>	158 152	12 652	110 985	8 879	111 833	8 947
<b>Total other own funds requirements</b>	<b>234 804</b>	<b>18 784</b>	<b>187 591</b>	<b>15 007</b>	<b>187 432</b>	<b>14 995</b>
<b>Total</b>	<b>826 170</b>	<b>66 094</b>	<b>793 441</b>	<b>63 475</b>	<b>778 243</b>	<b>62 259</b>

1) Own funds requirement 8% of risk exposure amount according to Regulation (EU) No 575/2013 (CRR).

2) Additional risk exposure amount according to Article 458, Regulation (EU) No 575/2013 (CRR), for risk-weight floors in the Swedish mortgage portfolio and as from Q3 2021 for risk-weight floors in the Norwegian mortgage portfolio as well as for Norwegian corporate exposures collateralised by immovable property. As from Q3 2023 the capital requirements for risk weight floors on exposures secured by commercial real estate in Sweden was moved from Pillar 2 to Pillar 1.

## Average risk weight

IRB reported credit exposures (less repos and securities lending)	30 Sep 2023	30 Jun 2023	31 Dec 2022
<b>Average risk-weight</b>			
Exposures to central governments or central banks	1.5%	1.4%	1.9%
Exposures to institutions	21.2%	21.8%	24.9%
Exposures to corporates	24.9%	24.9%	24.5%
Retail exposures	7.6%	7.6%	7.4%
of which secured by immovable property	6.3%	6.3%	6.1%
of which retail SME	32.9%	33.7%	33.5%
of which other retail exposures	41.3%	41.6%	40.8%
Securitisation positions	16.2%	16.4%	16.9%



# Restated comparative figures – SEB Group

## Effects from the implementation of IFRS 17

### Insurance Contracts

IFRS 17 *Insurance Contracts* replaces IFRS 4 *Insurance Contracts* for annual periods beginning on or after 1 January 2023. As the standard requires comparative information for the annual reporting period immediately preceding the date of initial application, the transition date of IFRS 17 is 1 January 2022. On adoption, IFRS 17 impacted the measurement of insurance contracts and participating investment contracts.

The group has restated comparative information for 2022 in the reports for 2023. The effects of adopting IFRS 17 was recognised 1 January 2022 as a reduction of retained earnings

of SEK 0.3bn. The changes have reduced net profit by SEK 112m for the full year 2022 and had a marginal effect on capital adequacy. The changes impact division Life and the group. The new standard is not applied by the parent company.

There is no significant impact on the balance sheet, although the new standard also introduces new estimates and judgements that affect the measurement of insurance liabilities.

See note 1 and note 5.1 in the Annual and Sustainability Report 2022 for more information about accounting policies and transition effects from the implementation of IFRS 17.

## SEB Group reconciliation to previously published figures – income statement

SEK m	Previously reported	Change	Restated	Previously reported	Change	Restated
	Q3 2022		Q3 2022	Jan-Sep 2022		Jan-Sep 2022
Net interest income	8 925		8 925	23 728		23 728
Net fee and commission income	5 261	-5	5 257	16 157	-33	16 124
Net financial income	2 324	6	2 330	5 812	-46	5 766
Net other income	41		41	62		62
<b>Total operating income</b>	<b>16 551</b>	<b>1</b>	<b>16 552</b>	<b>45 759</b>	<b>-79</b>	<b>45 680</b>
Staff costs	-4 028		-4 028	-11 808		-11 808
Other expenses	-1 755		-1 755	-5 004		-5 004
Depreciation, amortisation and impairment of tangible and intangible assets	-510		-510	-1 476		-1 476
<b>Total operating expenses</b>	<b>-6 293</b>		<b>-6 293</b>	<b>-18 288</b>		<b>-18 288</b>
<b>Profit before credit losses and imposed levies</b>	<b>10 258</b>	<b>1</b>	<b>10 259</b>	<b>27 472</b>	<b>-79</b>	<b>27 393</b>
Net expected credit losses	-567		-567	-1 501		-1 501
Imposed levies	-572		-572	-1 711		-1 711
<b>Operating profit before items affecting comparability</b>	<b>9 118</b>	<b>1</b>	<b>9 119</b>	<b>24 260</b>	<b>-79</b>	<b>24 181</b>
Items affecting comparability						
<b>Operating profit</b>	<b>9 118</b>	<b>1</b>	<b>9 119</b>	<b>24 260</b>	<b>-79</b>	<b>24 181</b>
Income tax expense	-1 807		-1 807	-4 705	-1	-4 706
<b>NET PROFIT</b>	<b>7 311</b>	<b>1</b>	<b>7 311</b>	<b>19 555</b>	<b>-80</b>	<b>19 475</b>
Attributable to shareholders of Skandinaviska Enskilda Banken AB	7 311	1	7 311	19 555	-80	19 475
Basic earnings per share, SEK	3.43		3.43	9.13		9.09
Diluted earnings per share, SEK	3.40		3.40	9.06		9.02

## SEB Group reconciliation to previously published figures – balance sheet

SEK m	Previously reported 30 Sep 2022	Change	Restated 30 Sep 2022
Cash and cash balances at central banks	848 578		848 578
Loans to central banks	42 796		42 796
Loans to credit institutions	95 378		95 378
Loans to the public	2 119 020		2 119 020
Debt securities	315 588	-126	315 462
Equity instruments	76 245	2 150	78 394
Financial assets for which the customers bear the investment risk	344 128	-2 023	342 105
Derivatives	322 349		322 349
Other assets	112 633	-34	112 600
<b>TOTAL ASSETS</b>	<b>4 276 714</b>	<b>-34</b>	<b>4 276 681</b>
Deposits from central banks and credit institutions	202 105		202 105
Deposits and borrowings from the public	2 126 881		2 126 881
Financial liabilities for which the customers bear the investment risk	345 949	-2 123	343 826
Liabilities to policyholders	30 544	2 361	32 905
Debt securities issued	840 506		840 506
Short positions	67 279		67 279
Derivatives	327 922		327 922
Other financial liabilities	6 810		6 810
Other liabilities	130 605	81	130 685
<b>Total liabilities</b>	<b>4 078 600</b>	<b>319</b>	<b>4 078 919</b>
<b>Equity</b>	<b>198 115</b>	<b>-353</b>	<b>197 762</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>4 276 714</b>	<b>-34</b>	<b>4 276 681</b>

# Signature of the President

The President declares that this financial report for the period 1 January 2023 through 30 September 2023 provides a fair overview of the parent company's and the group's operations, their financial position and results and describes material risks and uncertainties facing the parent company and the group.

**Stockholm, 25 October 2023**

Johan Torgeby  
*President and Chief Executive Officer*

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

## Auditor's review report

To the Board of Directors in Skandinaviska Enskilda Banken AB (publ), 502032-9081

### Introduction

We have reviewed the condensed interim report for Skandinaviska Enskilda Banken AB (publ) as at September 30, 2023 and for the nine-month period ending as at this date. The Board of Directors, the President and the Chief Executive Officer are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review differs from and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies regarding the Group, and in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies regarding the Parent Company.

**Stockholm, 25 October 2023**

Ernst & Young AB

Hamish Mabon  
*Authorised Public Accountant*

# Contacts and calendar

## SEB's result for the third quarter 2023

### Telephone conference

On Wednesday, 25 October 2023, 9 am CET, Johan Torgeby, SEB's President & CEO, and Masih Yazdi, CFO, will present the results for the third quarter 2023. The presentation will be followed by a Q&A session with Johan Torgeby, Masih Yazdi and Pawel Wyszynski, Head of Investor Relations. The presentation and Q&A will be conducted in English.

To participate in the telephone conference, please call in at least 10 minutes in advance on +44 1 212818004 or +46 8 50510030.

The event can be followed live on [sebgroup.com/ir](https://sebgroup.com/ir), where it will also be available afterwards.

### Media

Media may book interviews after the telephone conference. Please contact [press@seb.se](mailto:press@seb.se) to make a request.

## Further information is available from:

Masih Yazdi, Chief Financial Officer  
Tel: +46 771 621 000

Pawel Wyszynski, Head of Investor Relations  
Tel: +46 70 462 21 11

Niklas Magnusson, Head of Media Relations & External Communication  
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[sebgroup.com](https://sebgroup.com)

Corporate organisation number: 502032-9081

**Further financial information is available in SEB's Fact Book and in the additional Pillar 3 disclosures which are published quarterly on [sebgroup.com/ir](https://sebgroup.com/ir).**

## Financial information calendar

25 January 2024	Annual Accounts 2023	Silent period start 1 January 2024
27 February 2024	Annual and Sustainability Report 2023	
19 March 2024	Annual General Meeting	
24 April 2024	First quarterly report 2024	Silent period start 1 April 2024
16 July 2024	Second quarterly report 2024	Silent period start 1 July 2024
24 October 2024	Third quarterly report 2024	Silent period start 1 October 2024

The financial information calendar for 2025 will be published in conjunction with the Quarterly Report for January-September 2024.

# Definitions

## Including Alternative Performance Measures<sup>1)</sup>

### Items affecting comparability

To facilitate the comparison of operating profit between current and previous periods, items with significant impact that management considers affect the comparability or are relevant for the understanding of the financial result, are identified and presented separately, for example impairment of goodwill, restructuring, gains and losses from divestments and other income or costs that are not recurring.

### Operating profit

Total profit before tax.

### Net profit

Total profit after tax.

### Return on equity

Net profit attributable to shareholders in relation to average<sup>2)</sup> shareholders' equity.

### Return on equity excluding items affecting comparability

Net profit attributable to shareholders, excluding items affecting comparability and their related tax effect, in relation to average<sup>2)</sup> shareholders' equity.

### Return on business equity

Operating profit by division, reduced by a standard tax rate, in relation to the divisions' average<sup>2)</sup> business equity (allocated capital).

### Return on total assets

Net profit attributable to shareholders, in relation to average<sup>2)</sup> total assets.

### Return on risk exposure amount

Net profit attributable to shareholders in relation to average<sup>2)</sup> risk exposure amount.

### Cost/income ratio

Total operating expenses in relation to total operating income.

### Basic earnings per share

Net profit attributable to shareholders in relation to the weighted average<sup>3)</sup> number of shares outstanding before dilution.

### Diluted earnings per share

Net profit attributable to shareholders in relation to the weighted average<sup>3)</sup> diluted number of shares. The calculated

dilution is based on the estimated economic value of the long-term equity-based programmes.

### Net worth per share

The total of shareholders' equity, the equity portion of any surplus values in the holdings of debt securities and the surplus value in life insurance operations in relation to the number of shares outstanding.

### Equity per share

Shareholders' equity in relation to the number of shares outstanding.

### Expected credit losses, ECL

Probability-weighted credit losses with the respective risk of a default.

### ECL allowances

The allowance for expected credit losses on financial assets, contract assets, loan commitments and financial guarantee contracts.

### Net ECL level

Net expected credit losses in relation to the opening balance of the year of debt securities, loans to the public and loans to credit institutions measured at amortised cost, financial guarantees and loan commitments, net of ECL allowances.

### ECL coverage ratio

ECL allowances in relation to underlying gross carrying amounts for loans and debt securities as well as nominal amounts of financial guarantees and loan commitments.

### Stage 3 loans / Total loans, gross

Gross carrying amount for stage 3 loans (credit-impaired loans) in relation to gross carrying amount for total loans measured at amortised cost (including trade and client receivables presented as other assets).

### Stage 3 loans / Total loans, net

Carrying amount for stage 3 loans (credit-impaired loans) in relation to carrying amounts for total loans measured at amortised cost (including trade and client receivables presented as other assets)

**The Excel file Alternative Performance Measures, available on [sebgroupp.com/ir](http://sebgroupp.com/ir), provides information on how the measures are calculated.**

<sup>1</sup> 1) Alternative Performance Measures, APMs, are financial measures of historical or future financial performance, financial position, or cash flows, other than those defined in the applicable financial reporting framework (IFRS) or in the EU Capital Requirements Regulation and Directive CRR/CRD IV. APMs are used by SEB when relevant to assess and describe SEB's financial situation and provide additional relevant information and tools to enable analysis of SEB's performance. APMs on basic earnings per share, diluted earnings per share, net worth per share, equity per share, return on equity, return on tangible equity, return on total assets and return on

risk exposure amount provide relevant information on the performance in relation to different investment measurements. The cost/income ratio provides information on SEB's cost efficiency. APMs related to lending provide information on provisions in relation to credit risk. All these measures may not be comparable to similarly titled measures used by other companies.

2) Average year-to-date, calculated on month-end figures.

3) Average, calculated on a daily basis.

## Definitions, cont.

### According to the EU Capital Requirements Regulation no 575/2013 (CRR):

#### Risk exposure amount

Total assets and off-balance sheet items, risk-weighted in accordance with capital adequacy regulations for credit risk and market risk. The operational risks are measured and added as risk exposure amount. Risk exposure amounts are only defined for the consolidated situation, excluding insurance entities and exposures deducted from own funds.

#### Common Equity Tier 1 capital (CET)

Shareholders' equity excluding dividend, deferred tax assets, intangible assets and certain other regulatory adjustments defined in EU Regulation no 575/2013 (CRR).

#### Tier 1 capital

Common Equity Tier 1 capital plus qualifying forms of subordinated loans liabilities, so-called additional tier 1 instruments.

#### Tier 2 capital

Mainly subordinated loans liabilities not qualifying as Tier 1 capital contribution.

#### Own funds

The sum of Tier 1 and Tier 2 capital.

#### Common Equity Tier 1 capital ratio

Common Equity Tier 1 capital as a percentage of risk exposure amount.

#### Tier 1 capital ratio

Tier 1 capital as a percentage of risk exposure amount.

#### Total capital ratio

Total own funds as a percentage of risk exposure amount.

#### Liquidity coverage ratio (LCR)

High-quality liquid assets in relation to the estimated net liquidity outflow over the next 30 calendar days.

### According to the EU Capital Requirements Regulation no 876/2019 (CRR2) and according to the EU Directive no 879/2019 (BRRD II):

#### Leverage ratio

Tier 1 capital as a percentage of the exposure value of assets, derivatives and off-balance sheet items.

#### Net stable funding ratio (NSFR)

Available stable funding in relation to the amount of required stable funding.

#### Minimum requirement of eligible liabilities (MREL)

Minimum requirement for own funds and eligible liabilities, as set by the Swedish National Debt Office.

## Divisions of the SEB Group

### Large Corporates & Financial Institutions

The division offers commercial and investment banking services to large corporate and institutional clients in the Nordic region, Germany and the United Kingdom. Customers are also served through the international network.

### Corporate & Private customers

The division offers full banking and advisory services to private individuals and small and medium-sized corporate customers in Sweden, as well as card services in four Nordic countries. Swedish affluent individuals are also offered private banking services.

### Private Wealth Management & Family Office

The division offers comprehensive banking infrastructure, access to capital markets, financing solutions and individually tailored advisory services to entrepreneurs, high net worth individuals, foundations and family offices.

### Baltic

The division provides full banking and advisory services to private individuals and small and medium-sized corporate customers in Estonia, Latvia and Lithuania.

### Life

The division offers life insurance solutions to private as well as corporate and institutional clients mainly in the Nordic and Baltic countries.

### Investment Management

The division consists of SEB Investment Management, which manages SEB funds and mandates distributed via SEB's customer channels, and Institutional Asset Management, which distributes funds and mandates managed by SEB Investment Management and other institutes.

# This is SEB

## **We connect ideas, people and capital to drive progress**

Being a leading northern European corporate bank with international reach, we support our customers in making their ideas come true. We do this through long-term relationships, innovative solutions, tailored advice and digital services – and by partnering with our customers in accelerating change towards a more sustainable world.

## **Our customers**

2,000 large corporations, 1,100 financial institutions, 292,000 SME and 1.5 million private full-service customers bank with SEB.

## **Our values**

We are guided by our Code of Conduct and the SEB behaviours: create value, act long-term and build positive relationships.

## **Our employees**

Around 17,500 highly skilled employees serving our customers from locations in more than 20 countries – covering different time zones, securing reach and local market knowledge.

## **Our history**

We have a long tradition of supporting people and companies and helping drive development. Ever since we welcomed our first customer almost 170 years ago, we have been guided by engagement and curiosity about the future. By providing financial products and tailored advisory services to meet our customers' changing needs, we build on our long-term relationships and do our part to contribute to a more sustainable society

## **Focus areas**

*Acceleration of efforts* – Strengthening our customer offering by continuing to build on existing strengths through extra focus and resources targeted at already established areas.

*Strategic change* – Evaluating the need for strategic change and transforming the way we do business within already established areas.

*Strategic partnerships* – Collaborating and partnering with external stakeholders and rethinking how we produce and distribute our products and services.

*Efficiency improvement* – Increasing our focus on strategic enablers allowing us to improve efficiency and accelerate SEB's transformation journey.

Additional financial information is available in SEB's Fact Book which is published quarterly on [sebgroupp.com/ir](http://sebgroupp.com/ir).