



Freshwater

Position statement

*Statement for the SEB Group
Derived from the Instruction for the
President and Chief Executive Officer.*

S|E|B

Preamble

a) About SEB

SEB is a leading Nordic financial services group, offering a wide range of financial services to private, corporate and institutional customers in eight countries in Northern Europe. The international nature of our business is reflected in a presence in 20 countries worldwide. In total, SEB has 17,000 employees.

Through its business activities, SEB has an impact in many countries and local communities. Banks, in general, play an important role in society, by providing credit and managing financial assets in ways that promote economic growth and prosperity. SEB's vision is to be the trusted partner for customers with aspirations. Responsible corporate behaviour is a means to remain successful in a changing global environment.

b) SEB and Corporate Sustainability (CS)

At SEB, sustainable development means building a sustainable business as a bank and financial institution: supporting customers and employees, creating long-term value for our shareholders, contributing to the economy as a whole and being a force for good in the communities in which we live and work.

By running a business which takes responsibility for the environment, makes a social contribution and shows good corporate governance and ethical behaviour, we contribute to a sound and sustainable economic development.

Our efforts are guided by international initiatives and codes of conduct, including the UN Global Compact and the UN Principles for Responsible Investments (PRI). SEB is also a signatory of the Equator Principles and The United Nations Environment Programme Finance Initiative (UNEP FI).

c) Purpose with Sector policies and Position statements

We aim to support sustainable business practices for the long term and believe that by improving our own work, as well as encouraging the progress of others, real and lasting change can be achieved.

Addressing the environmental, social and governance aspects of doing business involves managing both risk and opportunity. As a guide for managing sustainability issues at SEB, we have developed position statements and policies for certain industry sectors.

The purpose of these policies and statements is to establish a common framework for a proactive and future-oriented dialogue with the clients and portfolio companies we work with, focusing on business opportunities and risk reduction.

d) Scope and external guidance

The sector policies and position statements are applicable in all markets where SEB operates and include banking services such

as financing and advisory work. SEB's Wealth Management division is a signatory to the UN PRI, and is thereby committed to integrating sustainability aspects in its activities. SEB's sector policies and position statements will further influence this process.

SEB's sector policies and position statements provide guidelines on best practice as well as on the international conventions and standards that we encourage companies to follow. We aim to work with our clients and portfolio companies towards improved business practices. This will be a step-by-step process.

By remaining engaged with clients and portfolio companies, we believe we can make a bigger contribution than by exiting relationships if we find that they do not live up to our recommended approach. In such cases, our preference will be to support clients and portfolio companies to make satisfactory progress along a credible, transparent and time-bound implementation plan. Ultimately, SEB has the option, over time, to terminate the relationship with any client not progressing in line with the suggested plan.

e) Existing policies and position statements

We have initially selected issues and sectors where there are great potential of environmental and social aspects to be considered and which are of relevance to our business.

As of February 18, 2011, the following sector policies have been adopted: Arms and Defence, Mining and Metals, Shipping, Forestry, Fossil Fuels and Renewable Energy.

As of February 18, 2011, the following position statements have been adopted: Climate Change, Freshwater and Child Labour.

f) Engagement and feedback

We welcome comments and feedback on our approach to sector policies and position statements. Any feedback could be directed to SEB's Group Corporate Sustainability office at cs@seb.se.

In addition, please also visit:

SEB's corporate website

To find out more on our approach to Corporate Sustainability, for our full Sustainability Reporting, our facts & figures; www.sebgroup.com/sustainability

SEB Sustainable Perspectives

Our dedicated social media site with our Sustainability Academy and QUIZ, stories and best practices through which you can learn more about corporate sustainability in general and at SEB in particular; www.sebgroup.com/sustainableperspectives

Position statement – Freshwater

Introduction

Freshwater is a scarce commodity, but one that is essential for sustaining life. Within SEB's home markets clean water is a commodity that often is taken for granted. On a global perspective however, billions of people live in dry regions and are therefore vulnerable to freshwater stress. Available water is often contaminated, leading to waterborne diseases. Water scarcity is rarely a major problem in our home markets, however we appreciate that through our business decisions we may have an impact in regions where our customers are active and freshwater is a scarce commodity.

It is important to us to contribute to the reduction of water scarcity and contamination of surface and groundwater. We recognise UN Millennium Development Goal 7, target 10¹, and are aware that the increasing global water stress threat destabilises regions and increases our clients' financial risk. We acknowledge that unless forceful measures are taken globally to improve the efficiency of freshwater usage and reduce pollution, our ecosystems will be further endangered. SEB fully appreciates these risks and addresses them in our corporate sustainability efforts.

Purpose

The purpose of this position statement is to form the basis for dialogue with clients, portfolio companies and our stakeholders as well as clarify our potential impact and role. We recognise that by promoting water management best practice among clients and portfolio companies we can positively impact the situation of many.

Participation

In our own operations, we are not a big user of freshwater. We are monitoring our freshwater usage and are working on reducing our consumption. SEB are aware of the importance of freshwater in a global perspective and therefore we have signed the CDP Water Disclosure².

As well as SEB's own ambition to positively impact the existing situation, we work with our clients and portfolio companies to ensure, as far as possible, that they are aware of the risks related to pollution and excessive water usage as well as the business opportunities linked to freshwater and wastewater management. The sustainability efforts are manifested by various guiding principles within SEB, where we:

- acknowledge the role as financial intermediary and its potential impact on water scarcity and pollution;
- contribute to an understanding that water stress and pollution can translate into growing financial risk;
- contribute to financing environmentally friendly projects, and develop financial products and services that contribute to sustainable actions;
- strive to identify and mitigate the exposure to water scarcity and pollution risk; and
- influence our clients and portfolio companies, when possible, to have appropriate water management policies and monitoring systems of sufficient quality.

¹) A goal set to halve, by year 2015 from year 2000, the proportion of people without sustainable access to safe drinking water.

²) CDP Water Disclosure will provide water-related data from the world's largest corporations to inform the global market place on investment risk and commercial opportunity. www.cdproject.net