



Skandinaviska Enskilda Banken

(Incorporated in the Kingdom of Sweden with limited liability)

Global Programme for the Continuous Issuance of Medium Term Notes and Covered Bonds

This Supplement (the **Supplement**) to the Information Memorandum dated 7th September, 2021, as supplemented on 26th October, 2021, in relation to the Global Programme for the Continuous Issuance of Medium Term Notes and Covered Bonds (as so supplemented, the **Information Memorandum**), which comprises a Base Prospectus for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) constitutes a supplement to the prospectus for the purposes of Article 23 of the Prospectus Regulation and is prepared in connection with the Global Programme for the Continuous Issuance of Medium Term Notes and Covered Bonds (the **Programme**) which was established by Skandinaviska Enskilda Banken AB (publ) (**SEB**).

Terms defined in the Information Memorandum have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Information Memorandum and any other supplements to the Information Memorandum issued by SEB.

SEB accepts responsibility for the information contained in this Supplement. To the best of the knowledge of SEB the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been approved by the Central Bank of Ireland (the **Central Bank**) as competent authority under the Prospectus Regulation. The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank should not be considered as an endorsement of SEB or the quality of the Notes. Investors should make their own assessment as to the suitability of the Notes.

On 27th January, 2022, SEB published its interim report entitled "Annual Accounts – Fourth quarter 2021 | January – December 2021" (the **Quarterly Report**) containing its unaudited consolidated and non-consolidated interim financial statements (including the auditor's review report thereon) as at, and in respect of the twelve month period ended, 31st December, 2021 (the **Q4 Financial Statements**), together with the publication entitled "Fact Book | January – December 2021" relating thereto (the **Q4 Fact Book**).

The purpose of this Supplement is to (i) incorporate by reference certain sections of the Quarterly Report and the Q4 Fact Book as specified below; (ii) confirm there has been no significant change in the financial performance or position of the Bank or the SEB Group since 31st December, 2021; (iii) update the paragraph entitled "*Key Figures*" contained in the Information Memorandum, together with the immediately following paragraph; (iv) update the Information Memorandum to replace the section entitled "*Use of Proceeds*"; and (v) update the Information Memorandum to include a new section entitled "Recent Developments" at the end of the section entitled "*Skandinaviska Enskilda Banken AB*".

By virtue of this Supplement, the following documents shall be incorporated by reference in, and form part of, the Information Memorandum:

1. the Q4 Financial Statements set out on pages 24 – 49 (inclusive) and the section entitled “*Auditor’s review report*” on page 50 of the Quarterly Report; and
2. the section entitled “Market Risk” set out on page 30 of the Q4 Fact Book.

Since 31st December, 2021, the last day of the financial period in respect of which the most recent unaudited interim financial statements of the Bank have been published, there has been no significant change in the financial performance or position of the Bank or the SEB Group.

If the documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Regulation except where such information or other documents are specifically incorporated by reference.

The non-incorporated parts of the Quarterly Report and the Q4 Fact Book are either not relevant for the investor or are covered elsewhere in the Information Memorandum.

A copy of the Quarterly Report can be viewed on the website of SEB and is available at [https://webapp.sebgroup.com/mb/mblib.nsf/alldocsbyunid/C98C4691D79DFC52C12587C600548161/\\$FILE/2021_q4_interim.pdf](https://webapp.sebgroup.com/mb/mblib.nsf/alldocsbyunid/C98C4691D79DFC52C12587C600548161/$FILE/2021_q4_interim.pdf). A copy of the Q4 Fact Book can be viewed on the website of SEB and is available at [https://webapp.sebgroup.com/mb/mblib.nsf/alldocsbyunid/8B5232DDE164DD8EC12587C600549F74/\\$FILE/2021_q4_factbook.pdf](https://webapp.sebgroup.com/mb/mblib.nsf/alldocsbyunid/8B5232DDE164DD8EC12587C600549F74/$FILE/2021_q4_factbook.pdf).

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Information Memorandum by this Supplement and (b) any other statement in or incorporated by reference into the Information Memorandum, the statements in (a) above will prevail.

Save as disclosed in this Supplement and in any other supplement to the Information Memorandum previously issued, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Information Memorandum since the publication of the Information Memorandum.

Amendments to the Information Memorandum

1. *Key Figures*

Further to the incorporation by reference of the above sections of the Quarterly Report and the Q4 Fact Book into the Information Memorandum, the paragraph entitled “*Key Figures*” on starting page 131 of the Information Memorandum, together with the immediately following paragraph, shall be updated and replaced with the following paragraphs:

“KEY FIGURES

The table below shows certain key figures for SEB on a consolidated basis.

	As at/year ended 31st December,		
	2021	2020	2019
(Unaudited)			

	As at/year ended 31st December,		
	2021	2020	2019
Return on equity ¹⁾ %	13.9	9.7	13.7
Return on equity, excluding items affecting comparability ²⁾ %	13.9	10.3	13.8
Return on tangible equity %	-	10.2	14.5
Return on tangible equity, excluding items affecting comparability ²⁾ %	-	10.8	14.6
Return on risk exposure amounts ³⁾	3.4	2.1	2.7
Basic earnings per share ⁴⁾ (<i>SEK</i>)	11.75	7.28	9.33
Cost/income ratio ⁵⁾	0.43	0.46	0.46
Net ECL level ⁶⁾ %	0.02	0.26	0.10
Stage 3 (credit-impaired) loans/total loans, gross %	0.53	0.87	0.67
Total capital ratio ^{7), 8)} % (<i>at period end</i>)	23.1	25.1	23.3
CET1 capital ratio ⁹⁾ % (<i>at period end</i>)	19.7	21.0	17.6
Tier 1 capital ratio ¹⁰⁾ % (<i>at period end</i>)	21.4	22.7	20.8
Weighted average number of shares outstanding (<i>millions</i>) ¹¹⁾	2,164	2,163	2,162
Liquidity Coverage Ratio ¹²⁾ % (<i>at period end</i>)	145	163	218
Leverage ratio ¹³⁾ % (<i>at period end</i>)	5.0	5.1	5.1

- 1) Net profit attributable to shareholders in relation to average shareholders' equity (calculated using month-end data).
- 2) Net profit attributable to shareholders, excluding items affecting comparability and their related tax effect, in relation to average shareholders' equity (calculated using month-end data). Items affecting comparability include an administrative fine of SEK 1,000 million issued by the SFSA to SEB on the SFSA finalising its review of SEB's governance and control of measures against money laundering in SEB's Baltic banks.
- 3) Net profit attributable to shareholders in relation to average risk exposure amounts (**REA**) (calculated using month-end data).
- 4) Net profit attributable to shareholders in relation to the weighted average number of shares outstanding (calculated on a daily basis) before dilution.
- 5) Total operating expenses in relation to total operating income.
- 6) Net credit impairments as a percentage of the opening balance of debt securities and loans to the public and credit institutions measured at amortised cost, financial guarantees and loan commitments, less the expected credit loss (**ECL**) allowances (the allowance for expected credit losses on financial assets, contract assets, loan commitments and financial guarantee contracts). The net ECL level is based on the IFRS 9 expected loss model.
- 7) The total capital of the financial group of undertakings, which includes both Group companies (other than insurance companies within the Group) and non-consolidated associated companies, adjusted according to the Basel III capital adequacy rules as a percentage of REA.
- 8) According to SEB's interpretation of the CRD IV/CRR regulatory requirements and as reported to the SFSA.
- 9) The common equity Tier 1 capital as a percentage of REA.
- 10) The Tier 1 capital as a percentage of REA.

- 11) The number of issued shares, less shares owned by the Group, weighted on a daily basis.
- 12) High-quality liquid assets in relation to the estimated net cash outflows over the next 30 days. Calculated according to SFSA regulations for the respective period. This is according to the definition under the relevant EU regulations.
- 13) Tier 1 capital as a percentage of total assets including off balance sheet items with conversion factors according to the standardised approach.

SEB's net expected credit losses were SEK 510 million, with a net expected credit loss level (**net ECL level**) of 0.02 per cent., for the twelve months ended 31st December, 2021 compared to SEK 6,118 million, with a net ECL level of 0.26 per cent., for the corresponding period in 2020.”.

2. *Use of Proceeds*

On page 105 of the Information Memorandum replace the section entitled "*Use of Proceeds*" with the following:

"USE OF PROCEEDS

The net proceeds from each issue of Notes will be used for the Group's general corporate purposes, which include making a profit. In addition, where the Notes are stated to be "Green" Notes in "*Reasons for the Offer*" in Part B of the applicable Final Terms and it is stated that the proceeds from the issue of the Notes are intended to be used for "green" purposes as described in this "Use of Proceeds" section (**Green Notes**) the net proceeds from each such issue of Green Notes will be used as so described. If specified otherwise in the applicable Final Terms, the net proceeds from the issue of the relevant Notes will be used as so specified.

For any Green Notes, an amount equal to the net proceeds of the issue of the Green Notes will be allocated to the financing and/or refinancing of Eligible Green Assets (as defined below). The Bank has established an Eligible Green Asset Portfolio (as defined below) for the allocation of the proceeds of any such issue of Green Notes. Such proceeds will be earmarked against the relevant Eligible Green Assets within the Eligible Green Asset Portfolio and will be monitored within the internal systems of the Bank as further described in the Bank's Green Bond Framework. The Eligible Green Asset Portfolio will be reviewed on a quarterly basis to account for any re-allocation or repayments of, or drawings on, the Eligible Green Assets within the Eligible Green Asset Portfolio.

In the event that the full amount of the proceeds of the issue of any Green Notes cannot be allocated to the financing and/or refinancing of Eligible Green Assets within the Eligible Green Asset Portfolio, any unallocated proceeds will be applied by the Bank in the same manner as it manages its liquidity reserves.

It is the intention of the Bank for such allocation to be adjusted on a quarterly basis to reflect amounts advanced for the financing or refinancing, and any repayment or prepayment of the relevant Eligible Green Assets within the Eligible Green Asset Portfolio in the immediately preceding quarterly period. The Bank only intends to issue new Green Notes when the aggregate amount of the Eligible Green Assets within the Eligible Green Asset Portfolio exceeds the aggregate outstanding nominal amount of the Bank's outstanding Green Notes, including the potential new issuance.

Eligible Green Assets means loans by the Bank and/or the SEB Group (including where already disbursed) for the purpose of financing and/or refinancing Eligible Projects that make a substantial contribution towards a low carbon and/or environmentally sustainable society or directly enable others to make a substantial contribution towards a low-carbon and/or

environmentally sustainable society, in each case as determined by the Bank and that meet the Bank's eligibility criteria for such loans, as further described in the Bank's Green Bond Framework.

The projects financed and/or refinanced by Eligible Green Assets can fall into one of the ten following categories, which have been identified by the Bank in the Bank's Green Bond Framework:

- renewable energy;
- energy efficiency;
- pollution prevention and control;
- environmentally sustainable management of living natural resources and land use;
- terrestrial and aquatic biodiversity
- clean transportation
- sustainable water and wastewater management
- climate change adaptation;
- circular economy; and
- green buildings,

together with any further projects or any other categories of project identified pursuant to the Bank's Green Bond Framework (**Eligible Projects**), as reviewed and approved by Cicero (as defined below) and in respect of which Cicero has issued a Second Opinion, or that otherwise benefit from an equivalent assessment that the relevant project or category of project makes a substantial contribution towards a low carbon and/or environmentally sustainable society or directly enable others to make a substantial contribution towards a low-carbon and/or environmentally sustainable society, in each case as determined by the Bank at the time of allocation of the relevant proceeds of the Notes in the financing and/or refinancing of any such Eligible Project.

Eligible Green Asset Portfolio means the portfolio of Eligible Green Assets established by the Bank, which aligns with the substantial contribution criteria of the EU Sustainable Finance Taxonomy Technical Screening Criteria as described in the Green Bond Framework and against which the proceeds of any issuance of Green Notes will be earmarked.

EU Sustainable Finance Taxonomy Technical Screening Criteria means the technical screening criteria established by Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives, as amended or replaced.

Green Bond Framework means the Green Bond Framework (January 2022) of the Bank published on its website ([https://webapp.sebgroup.com/mb/mblib.nsf/a-w/4CBB139B638842FEC12587D80057803B/\\$FILE/SEB_Green_Bond_Framework_January_2022_Final2.pdf](https://webapp.sebgroup.com/mb/mblib.nsf/a-w/4CBB139B638842FEC12587D80057803B/$FILE/SEB_Green_Bond_Framework_January_2022_Final2.pdf)), including as amended, supplemented, restated or otherwise updated from time to time on the investor relations pages of the website of the Bank at <https://sebgroup.com/investor-relations/debt-investors/sebs-green-bonds>, relating to the issuance of Green Notes.

The Bank will publish on an annual basis a Green Bond Investor Report, which describes the allocation of proceeds from the issuance of Green Notes as well as, on a best efforts basis, the expected or actual outputs and/or environmental impacts of the Eligible Green Asset

Portfolio. The Green Bond Investor Report is also intended to provide, on a best efforts basis, information on the alignment of the Eligible Green Asset Portfolio with the substantial contribution criteria of the EU Sustainable Finance Taxonomy Technical Screening Criteria. Each Green Bond Investor Report will be published on the investor relations pages of the website of the Bank at <https://sebgroup.com/investor-relations/debt-investors/sebs-green-bonds>. Each Green Bond Investor Report is intended to include the following details (1) a description of the outstanding Green Notes issued and the amount of proceeds allocated at end of the annual reporting period; (2) a breakdown of the Eligible Green Asset Portfolio by category; (3) the geographical distribution of Eligible Green Assets, on a country level; and (4) the ratio of new financing to refinancing. The Green Bond Investor Report will also include impact reporting with the objective of disclosing the environmental impact of the Eligible Green Asset Portfolio financed under the Bank's Green Bond Framework where feasible and subject to data availability, as further described in the Green Bond Framework.

On an annual basis, the Bank intends to engage an independent external auditor to provide limited assurance on the processes and systems of the Bank for (a) the financing of Eligible Green Assets and (b) the allocation by the Bank of the proceeds of any Green Notes, and that such processes and allocation are in accordance with the Bank's Green Bond Framework. The limited assurance of the auditor will be included in the Green Bond Investor Report.

An independent third party second opinion (the **Second Opinion**) on the Green Bond Framework has been issued by CICERO Shades of Green AS (**Cicero**). The Green Bond Framework and the Second Opinion by Cicero are available on the investor relations pages of the website of the Bank at <https://sebgroup.com/investor-relations/debt-investors/sebs-green-bonds>.

None of the Green Bond Framework, any Second Opinion, any Green Bond Investor Report, any auditor limited assurance nor any of the other above investor reports, verification assessments, opinions or the contents of any of the above websites are incorporated in or form part of this Information Memorandum.

Prospective investors in any Green Notes should also refer to "*Risk Factors – Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme – Risks related to the structure of a particular issue of Notes - Risks relating to Green Notes – The application of the net proceeds of Green Notes as described in "Use of Proceeds" may not meet investor expectations or be suitable for an investor's investment criteria*".

3. *Recent Developments*

On page 137 of the Information Memorandum a new paragraph entitled "*Recent Developments*" shall be included after the paragraph entitled "*Properties*" in the section entitled "*Skandinaviska Enskilda Banken AB*":

"RECENT DEVELOPMENTS

Further to the circular issued by the German Federal Ministry of Finance on 17th July, 2017, the tax authority in Frankfurt has reclaimed withholding tax from SEB's German subsidiary, DSK Hyp AG, of EUR 936 million, excluding interest, out of a total withholding tax paid during the period of from 2008 to 2015 of approximately EUR 1,500 million. DSK Hyp AG will appeal these claims and therefore, in accordance with current accounting rules, no provisions have been made at a Group level. The legal proceedings are estimated to take several years and further reclaims by the Frankfurt tax authority cannot be ruled out by SEB."