



S|E|B

Transition in Numbers

Creating value through sustainability

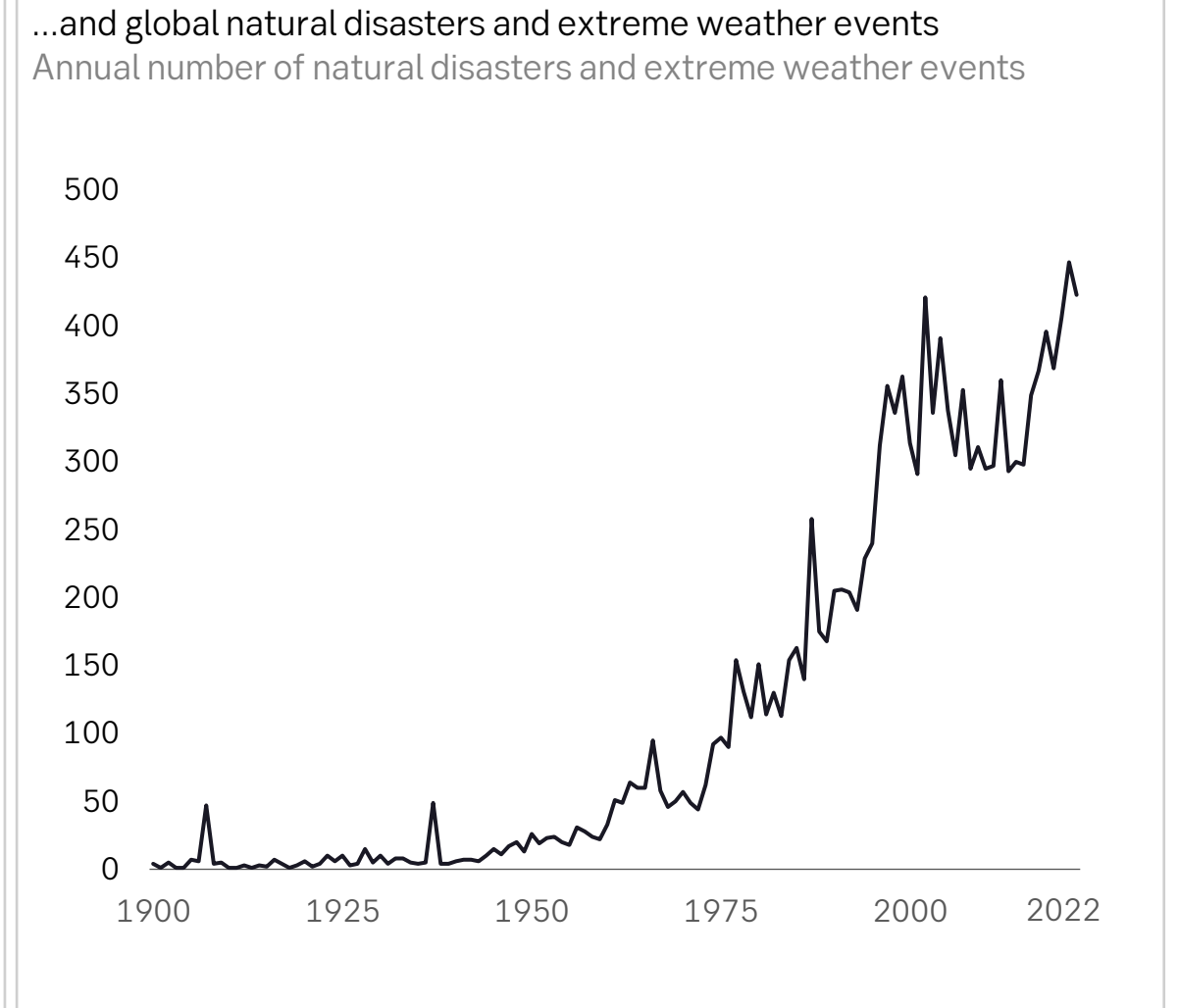
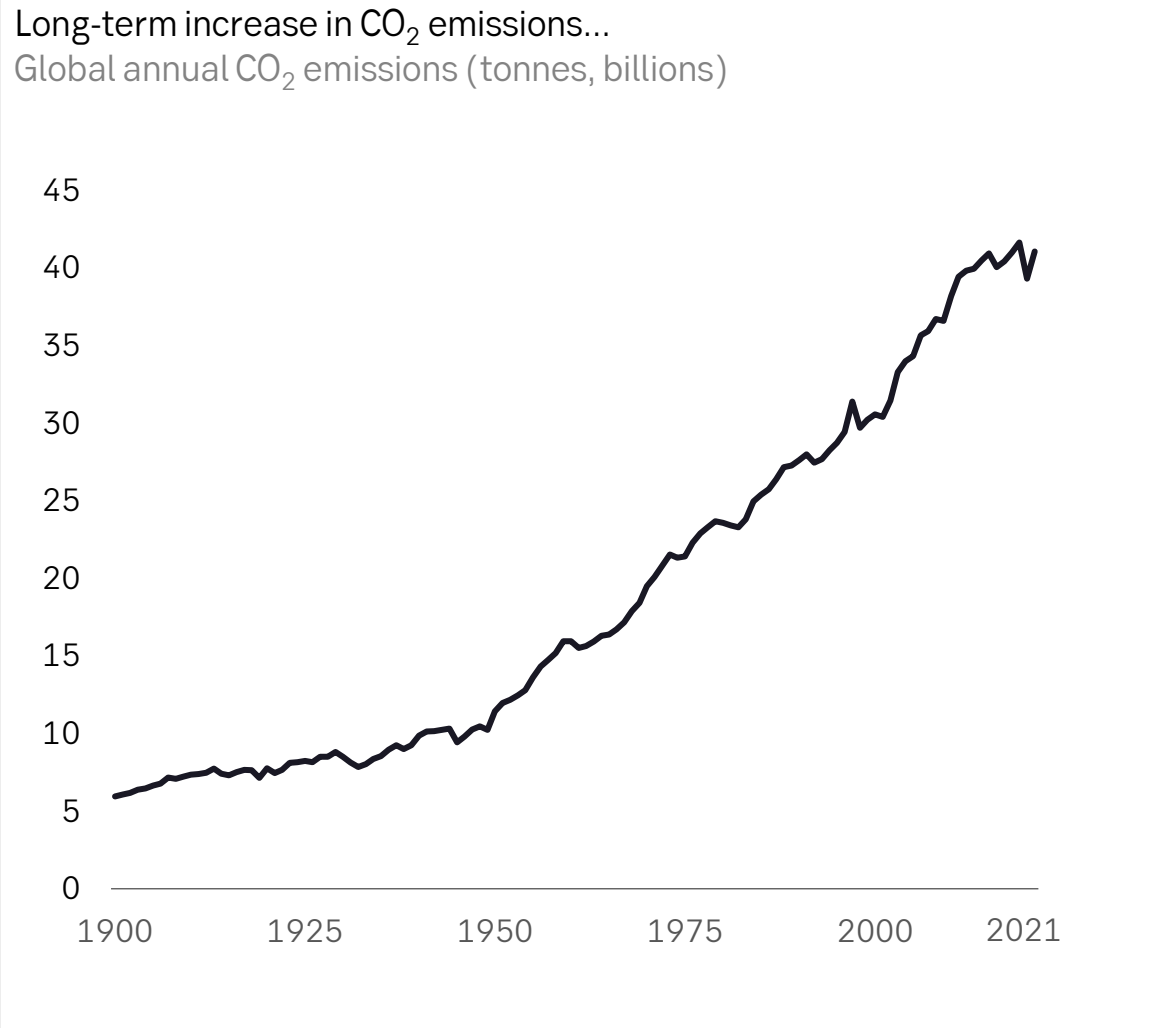
Towards Net Zero

Agenda

01 Creating value through sustainability

02 Update on SEB's sustainability ambitions and goals

The Anthropocene era



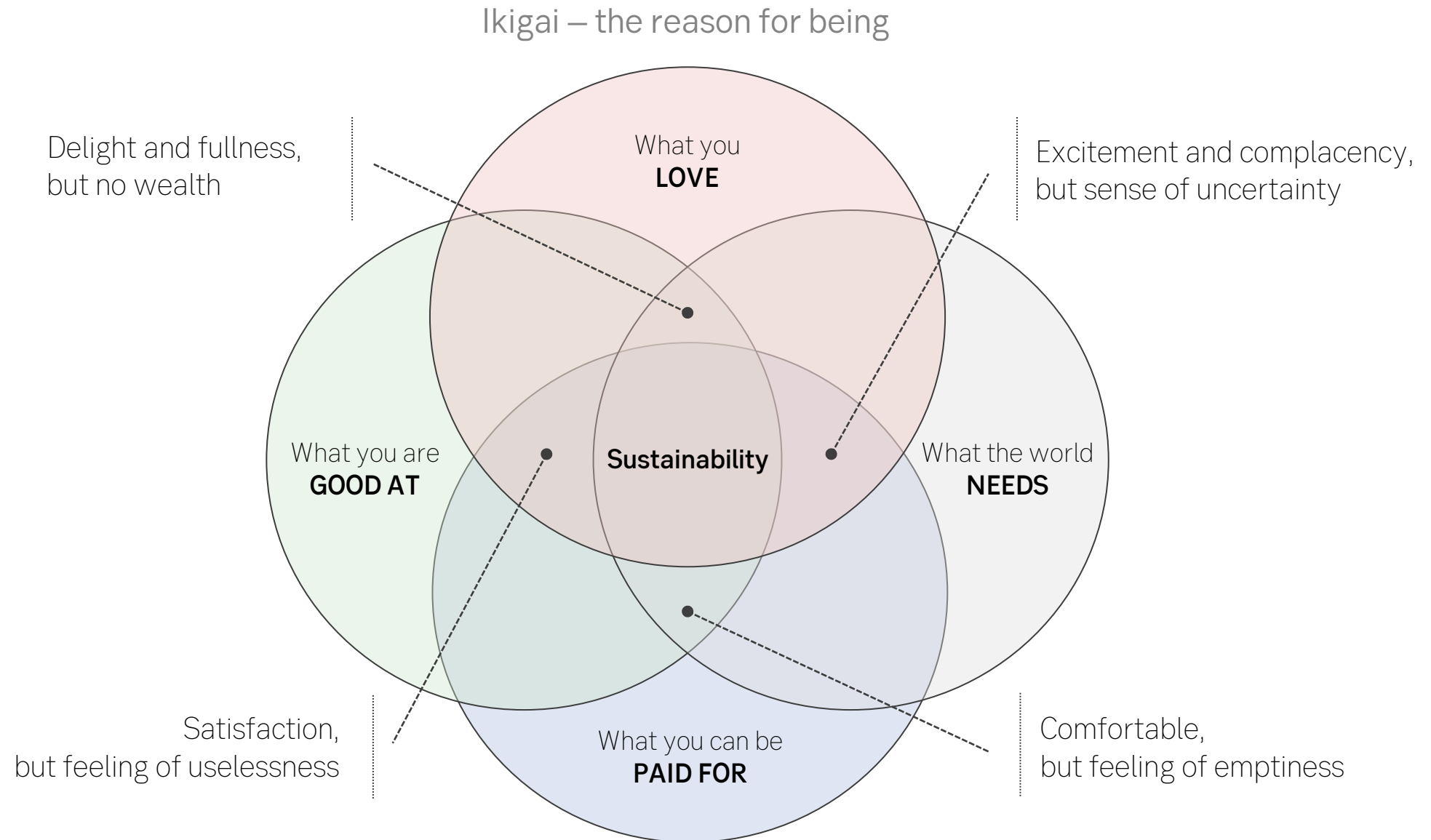
Source: Global Carbon Budget (2022). EM-DAT (natural disasters including drought, extreme temperature, storms, floods, wildfires.).

” Sustainable development means meeting the needs of the present without compromising the ability of future generations to meet their own needs.

”

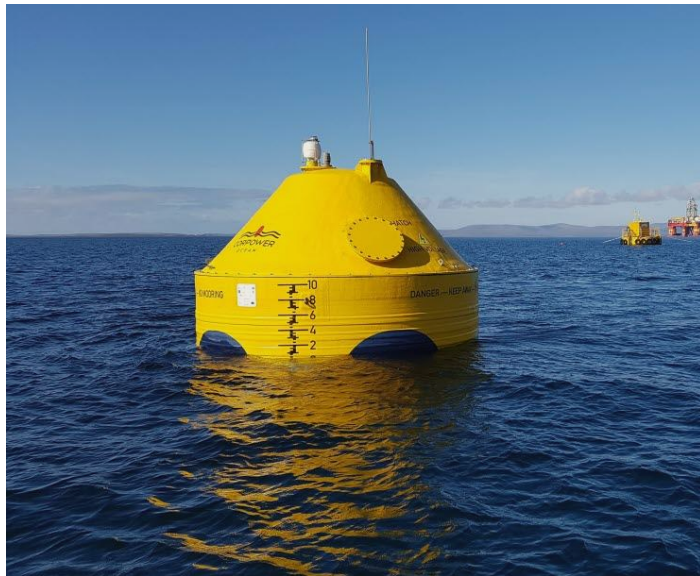
*The Brundtland Report
Published by the 1987 UN Commission
on Environment and Development*

What is sustainability, really?



Value generation in three ways

New value creation



Value appreciation



Value preservation



Value generation in three ways, and sustainability takes part in all of them

New value creation



Value appreciation

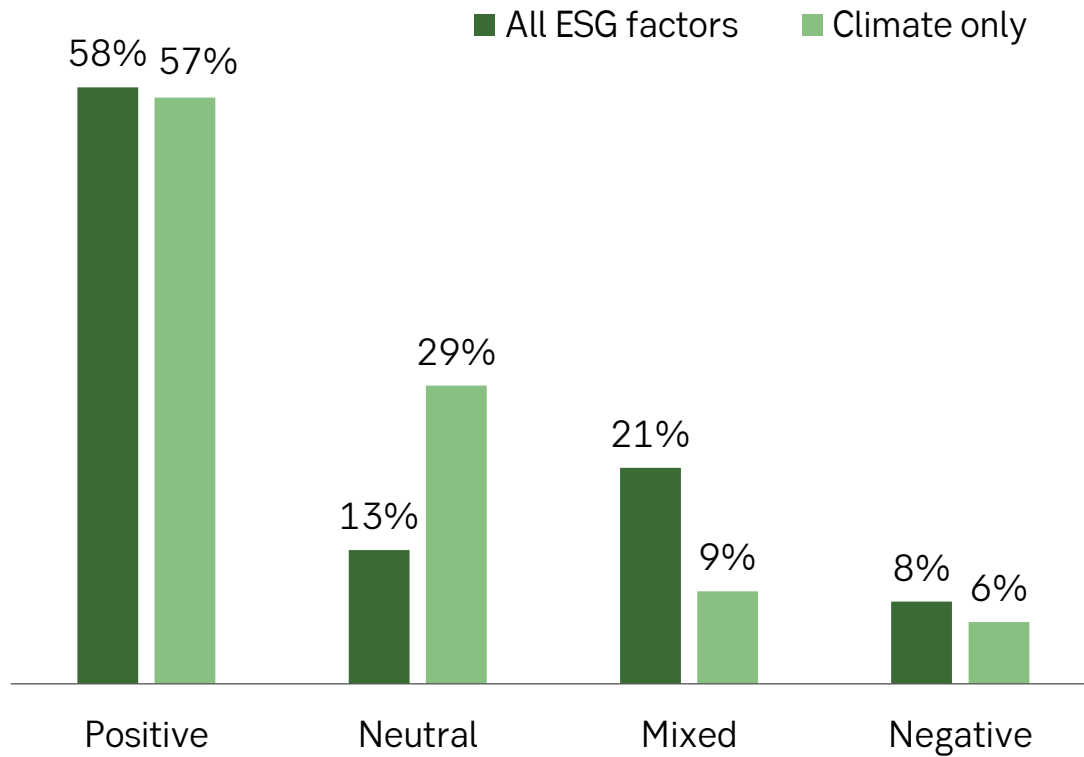


Value preservation

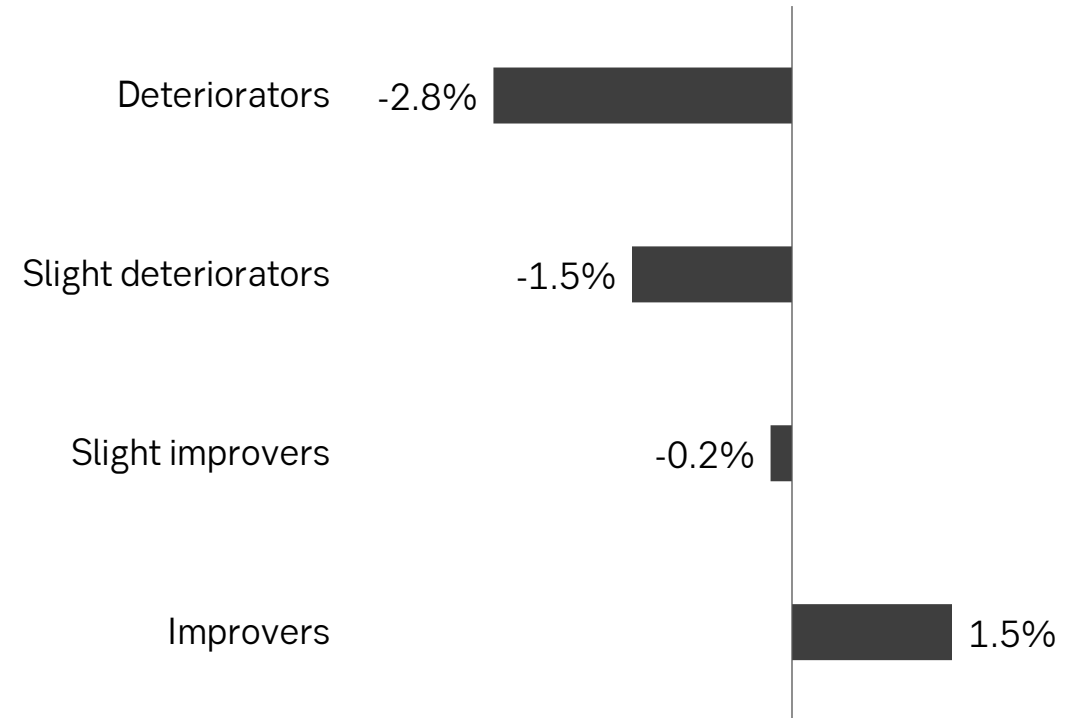


A fact-based approach within academia still evolving

Positive relationship between ESG and financial performance
Breakdown of >1,000 studies published between 2015-2020 ¹



Positive impact on Total Shareholder Return (TSR) by change in ESG score
Median of annualised excess TSR from 2017-2021 ²



Source: ¹“ESG and Financial Performance”, NYU Stern and Rockefeller Asset Management, 2021. ² “Does ESG really matter – and why”, McKinsey, 2022.

A summary of conclusions from selected academic reports

Positive **correlation** between ESG and financial performance **more evident over longer time horizon** ¹

ESG disclosure on its own does not drive financial performance – effectively developed and communicated strategy needed ¹

ESG investing **provides downside protection** during social or economic crises ¹

ESG scores associated with **higher EV/EBITDA multiples** ²

ESG is increasing in importance related to **talent acquisition and employee loyalty** ³



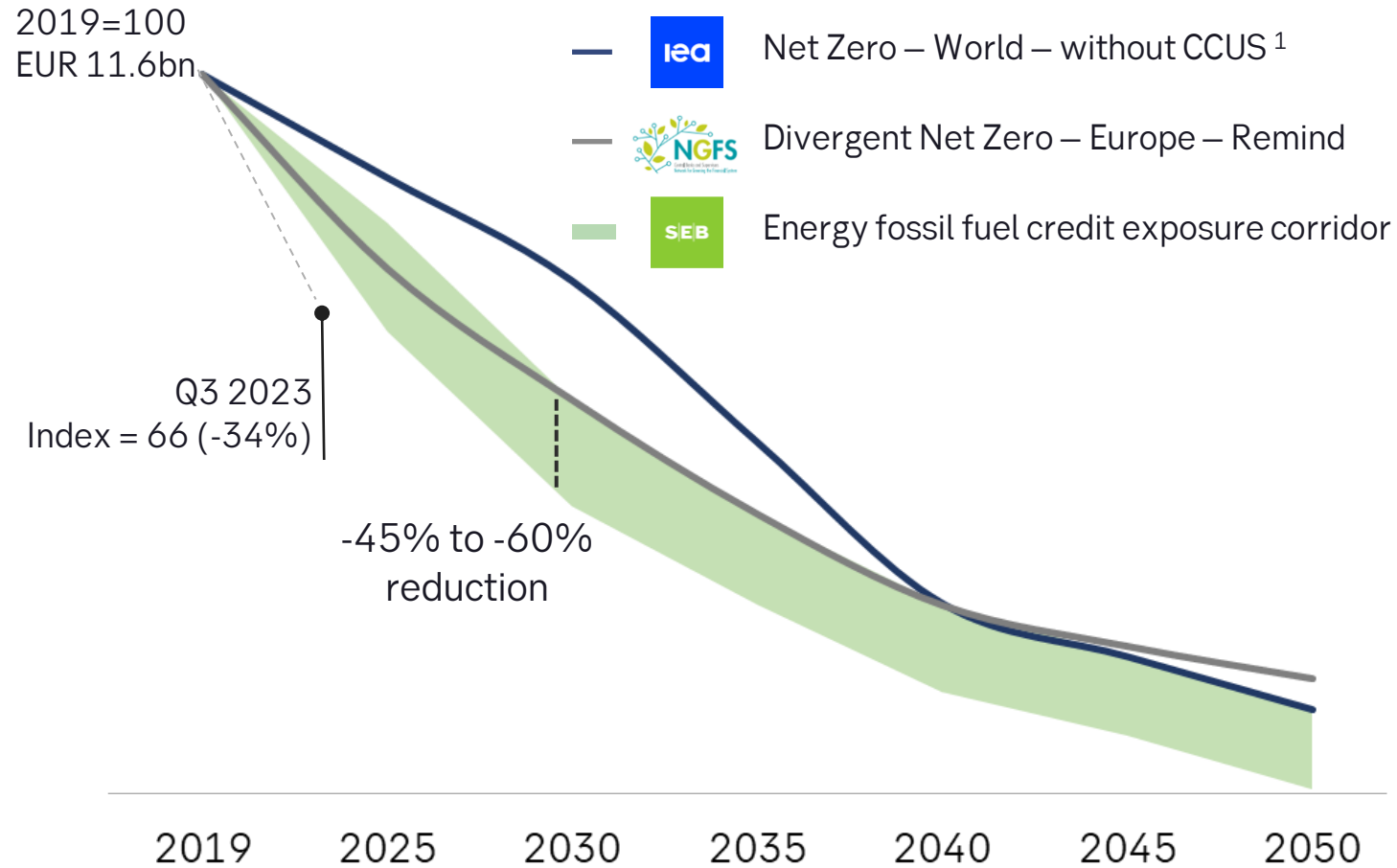
Agenda

01 Creating value through sustainability

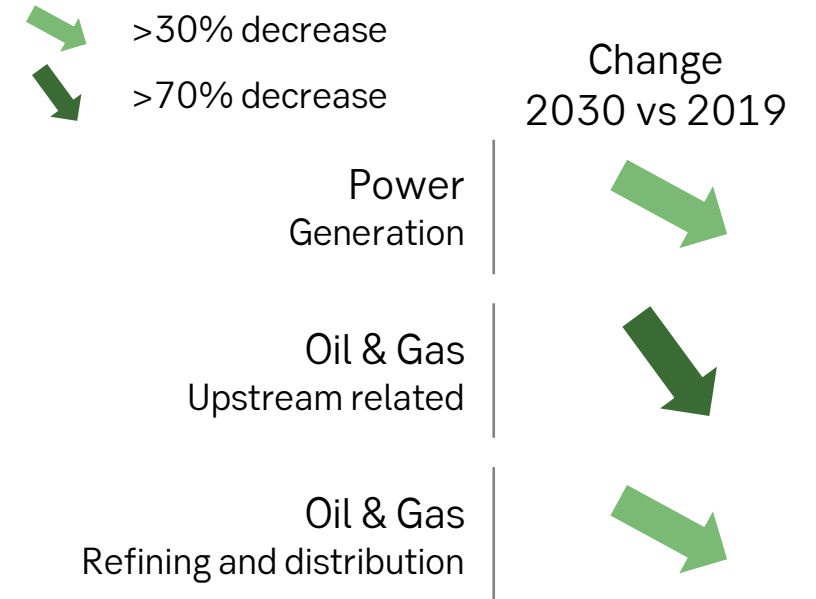
02 Update on SEB's sustainability ambitions and goals

The Brown: Carbon Exposure Index to reduce our fossil fuel credit exposure

Goal to reduce our fossil fuel credit exposure in energy portfolio by 45-60% by 2030



SEB fossil fuel credit exposure



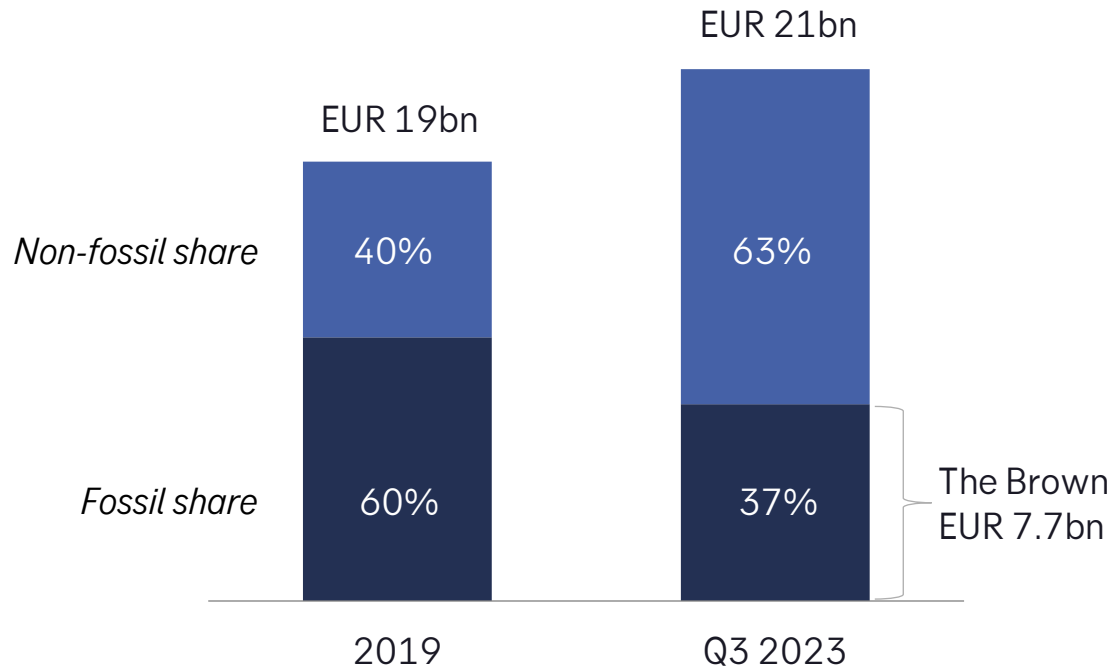
	2019 Q4	2023 Q3
Credit exposure	EUR 11.6bn	EUR 7.7bn
Share of credit portfolio	4.8%	2.8%

Note: 1.5-degree scenarios applied developed by the International Energy Agency as well as the Network of Central Banks and Supervisors for Greening the Financial System.

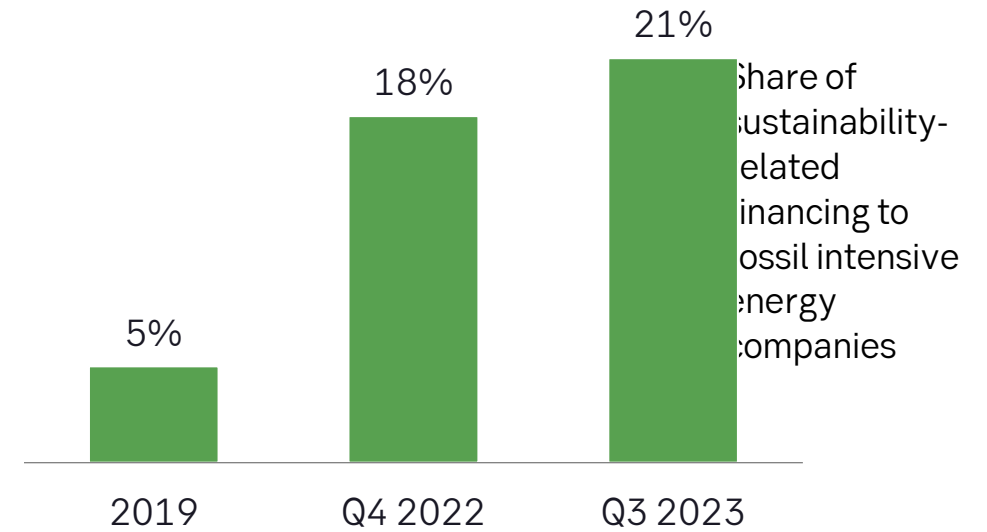
¹ CCUS abbreviation for "Carbon Capture Usage and Storage".

Sustainability-related financing has increased over time

The fossil share of the energy portfolio has decreased over time...
SEB's energy portfolio in EUR, credit exposure



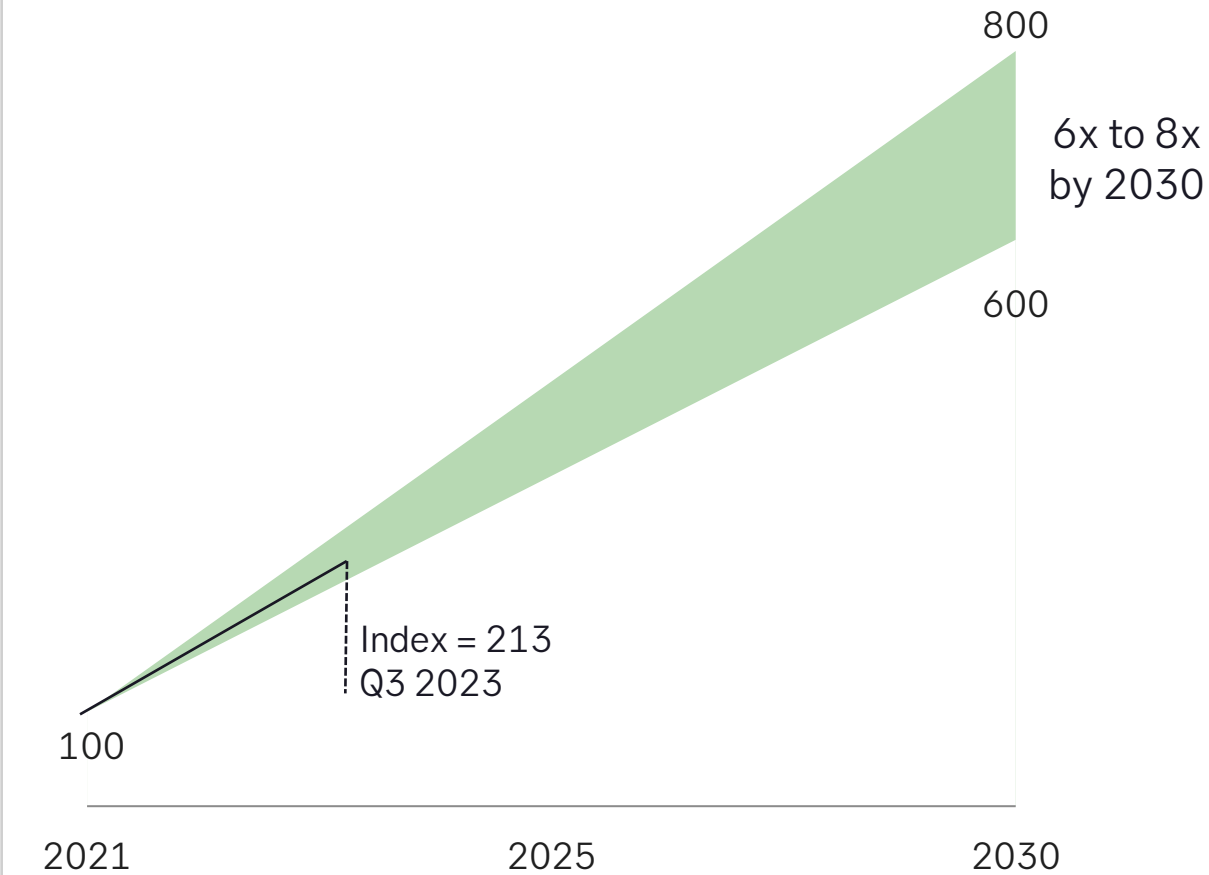
... while sustainability-related financing to fossil intensive energy companies has increased
Sustainability-related financing¹ as share of total financing to fossil intensive energy companies²



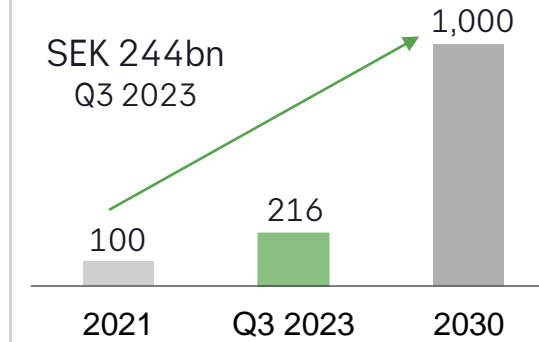
Note: ¹ Sustainability-related financing defined as sustainability-linked loans, green loans and green project financing. ² Fossil intensive energy companies defined as oil and gas related companies and electricity producers with coal power in the energy mix.

The Green: Sustainability Activity Index to accelerate our efforts

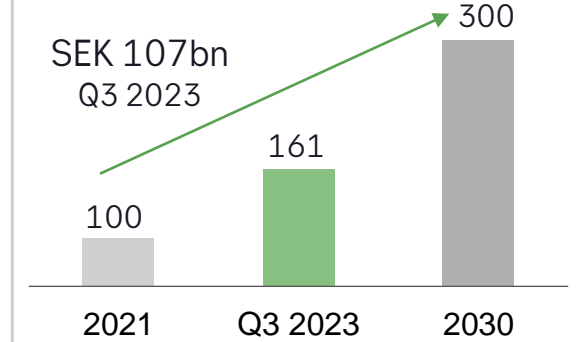
Ambition to increase average activity 6x-8x by 2030



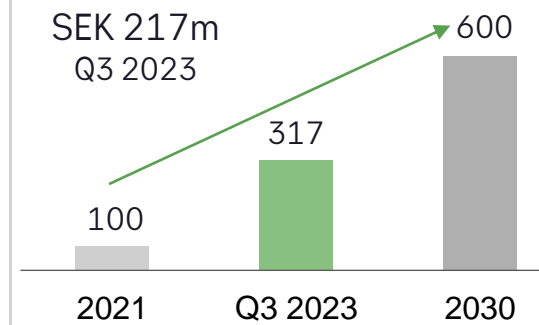
Sustainability-related financing
Volume, indexed



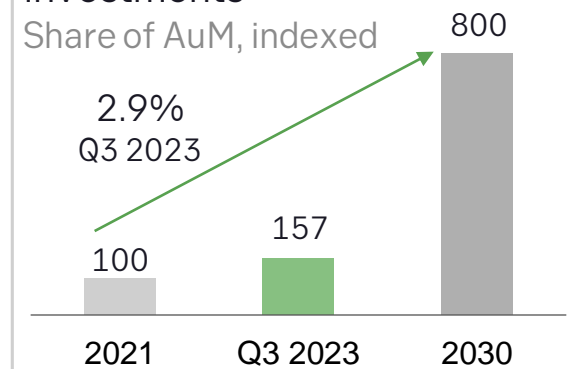
Sustainable finance advisory
Volume, indexed



Greentech VC investments
Volume, indexed

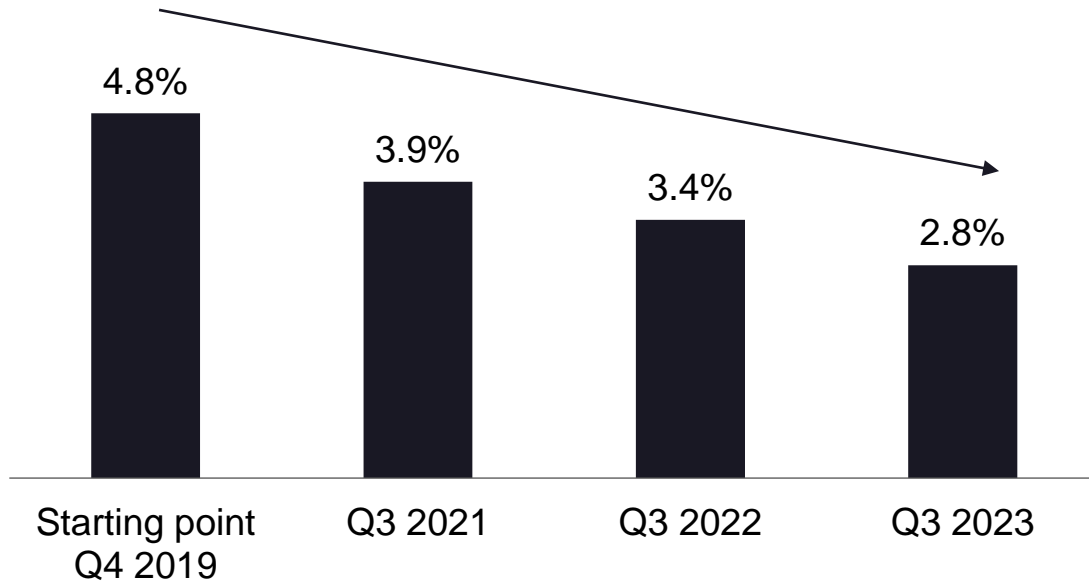


Sustainable savings and investments
Share of AuM, indexed

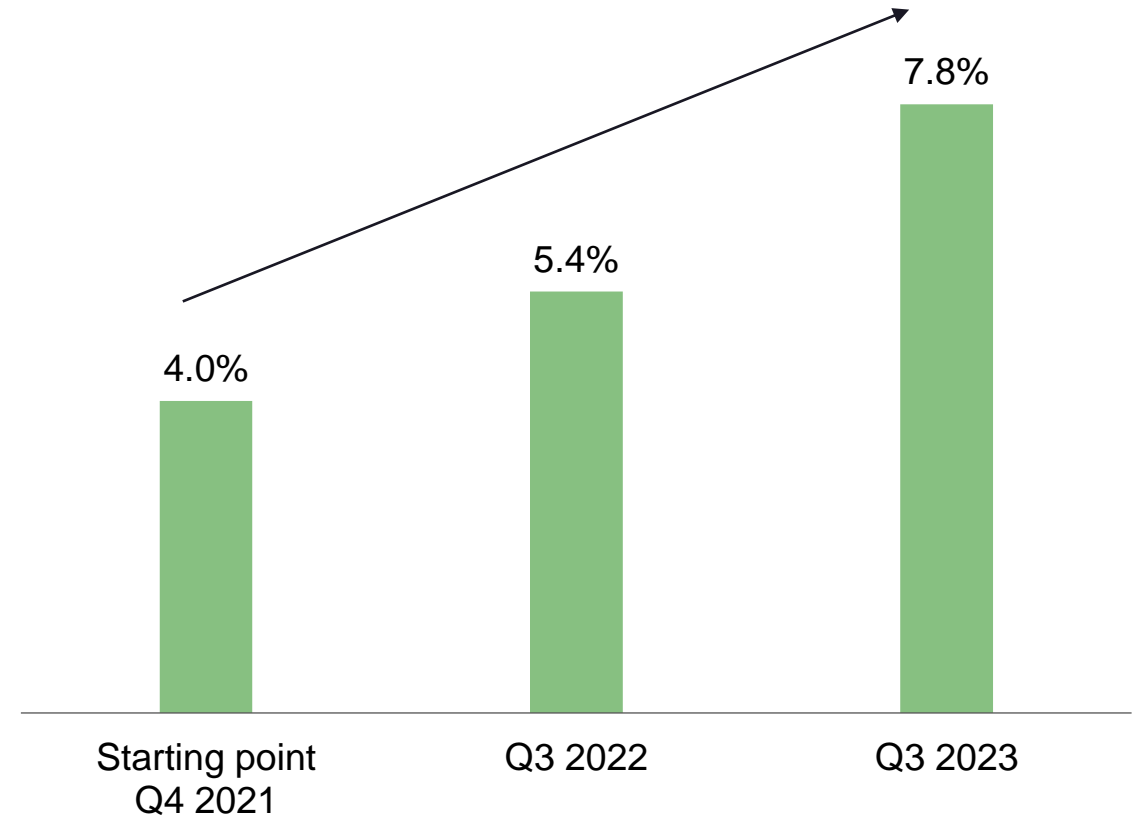


Positive development in both green and brown exposure

Brown exposure as share of total credit portfolio
Brown exposure as defined in the Brown index



Sustainability-related financing as share of total credit portfolio
Sustainability-related financing as defined in the Green index



Progressing according to plan on Net-Zero Banking Alliance sector targets

- Overall **progressing according to plan**
 - Targets in line or exceeding relevant 1.5°C scenarios
 - **Oil & Gas** sector progressing faster than planned, resulting in a **revised 2030 target**
 - Included a **new sector; Heavy vehicle manufacturing**
 - The 6 sectors cover 77% of SEB 2020 proforma financed emissions
- **Reduced by 47% since 2020**



SEB sector targets	Metric	Financed emissions target Δ 2020 ¹ - 2030	Status update	
			2022 outcome	Δ 2020 – 2022
Oil and gas: E&P ² and refining	mtCO ₂ e ³	-56% → -70%	7.3	-61%
Power generation	g CO ₂ e / kWh	-44%	95	-24%
Steel	tCO ₂ e / t steel	-29%	1.47	+6%
Car manufacturing	g CO ₂ e / km	-62%	143	-10%
Swedish household mortgages	kg CO ₂ e / m ²	-32%	3.12	-2%
Heavy vehicle manufacturing	% of ZEV ⁴ in new sales	35% ¹	0.5%	n/a

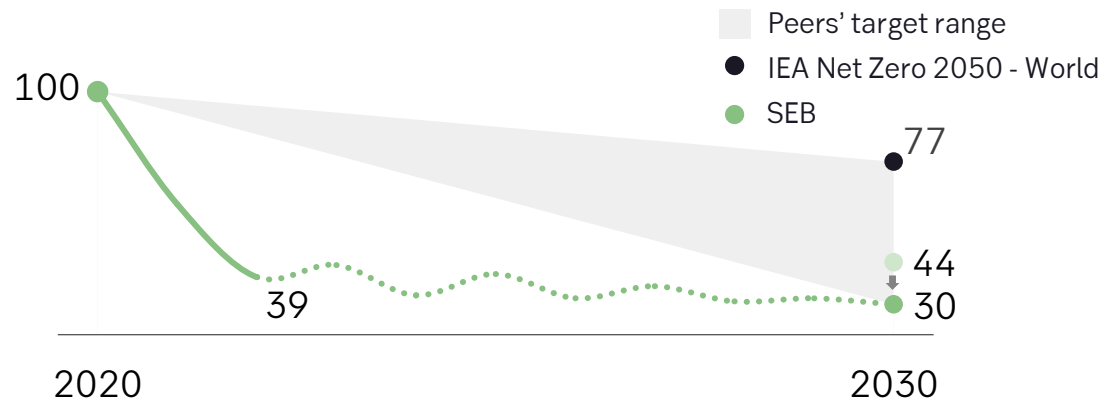
Note: ¹ 2020 baseline has been restated to reflect updated emission data from customers and emission factors. Baseline for heavy vehicle manufacturing is per 2022. ² Exploration and production. ³ Financed emissions. ⁴ Zero Emission Vehicles.

Progressing according to plan on Net-Zero Banking Alliance sector targets



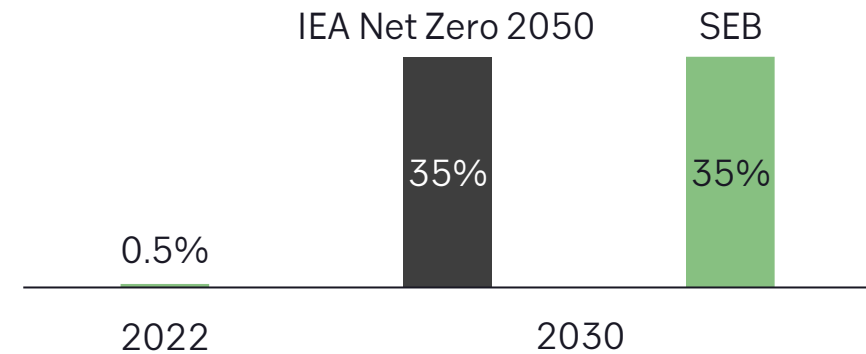
New target for Oil & Gas sector

E&P² and refining. 17 peers – Index, 2020=100 (mtCO₂e³)



New sector included; Heavy vehicle manufacturing

Share of ZEV⁴ in new sales, %



Note: ¹ 2020 baseline has been restated to reflect updated emission data from customers and emission factors. Baseline for heavy vehicle manufacturing is per 2022. ² Exploration and production. ³ Financed emissions. ⁴ Zero Emission Vehicles. Peers: Oil & Gas: Wells fargo, CITI, BBVA, Deutsche Bank, Santander, Société Générale, Barclays, Standard Chartered, Lloyds, HSBC, Danske Bank, Swedbank, Nordea, Unicredit, Crédit agricole, BPCE, MUFG

In summary...

We continue to face the challenge of high levels of CO₂ in the atmosphere

Sustainability and value generation go hand in hand

SEB is progressing broadly in line or better than planned towards its goals and ambitions

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We continue to face the challenge of high levels of CO₂ in the atmosphere

Sustainability and value generation go hand in hand

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Don't forget...this is only the beginning



Thank you for your attention

Towards Net Zero

A catalyst in the transition to a sustainable society

Our sustainability objectives

- 2050** Net-zero emissions in our lending and investment portfolios, at the latest ¹
- 2045** Carbon emissions within own operations reduced to zero (baseline = 2008)
- 2040** Net-zero assets under management within SEB IM ²
- 2030** Interim target to reach net-zero alignment for material sectors in our credit portfolio ¹ (baseline = 2020)
- 2030** Fossil fuel credit exposure in energy portfolio reduced by half (baseline = 2019)

A selection of our commitments

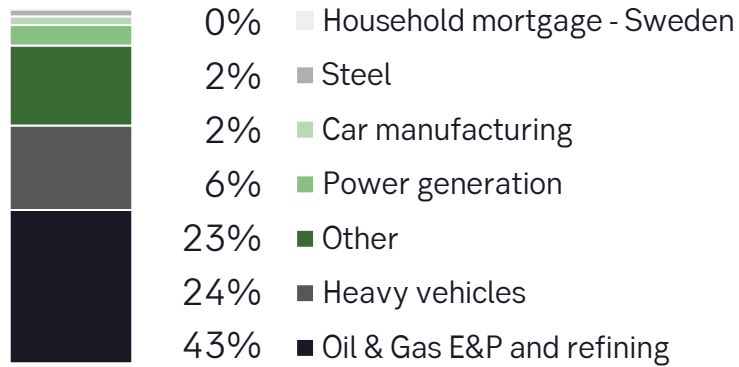
- The UN Global Compact
- The Principles for Responsible Banking
- The Net Zero Banking Alliance
- Net Zero Asset Managers Initiative
- The Task Force on Climate Related Financial Disclosure
- The Principles for Responsible Investments
- Equator Principles
- The Poseidon Principles
- Responsible Ship Recycling Standards

[Read more about our policies here](#)

Note: ¹ In line with commitment to The Net Zero Banking Alliance. ² In line with commitment to Net Zero Asset managers Initiative.

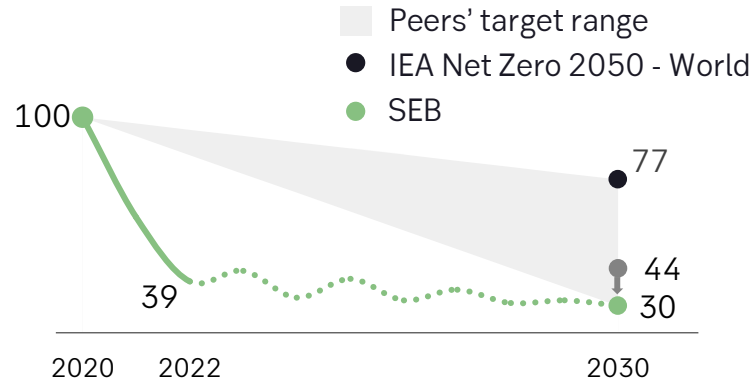
Net-Zero Banking Alliance sector target benchmarks

Sectors cover 77% of financed emissions
SEB 2020 proforma financed emissions



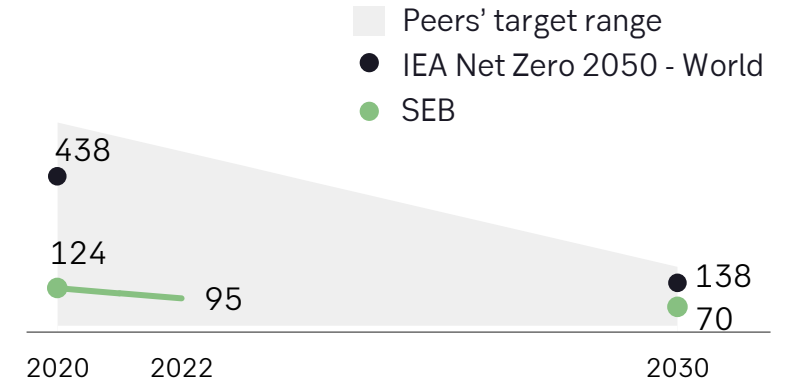
Oil & Gas: E&P and refining

17 peers – Index, 2020=100 (mtCO₂e)



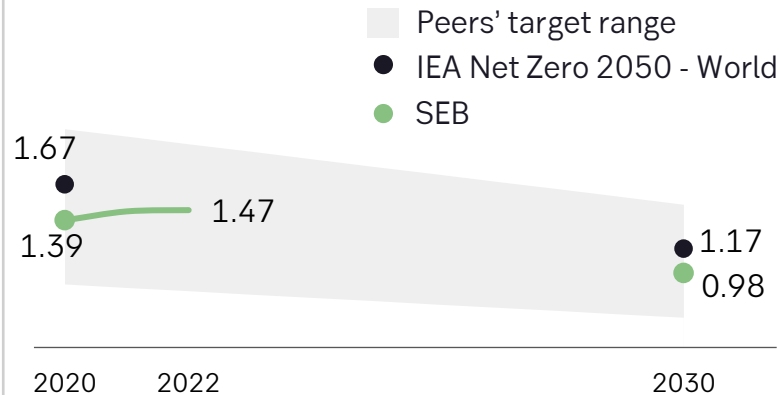
Power generation

23 peers – g CO₂e / kWh



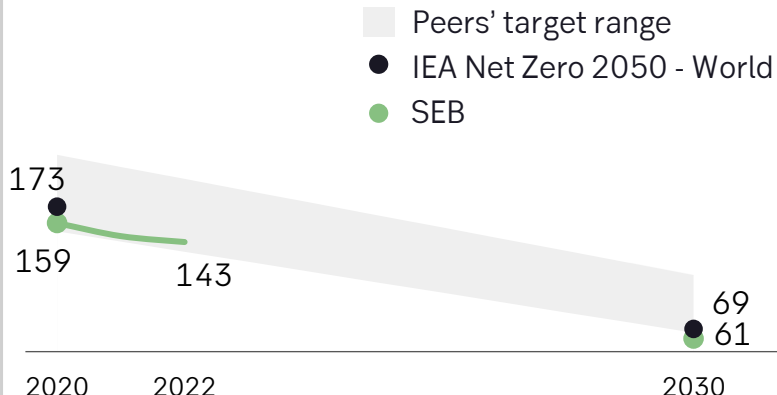
Steel

12 peers – tCO₂e / t steel



Car manufacturing

15 peers – g CO₂e / km



Swedish household mortgage

6 peers – Index, 2020=100 (kg CO₂e / m²)

