



S|E|B

Annual Review

13

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### Strategy

SEB has three priority areas: long-term customer relationships, growth in areas of strength and ensuring resilience and flexibility.

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### Large corporates and institutions

Close relations and deep knowledge about customers' needs are the foundation of SEB's work with corporate customers and financial institutions. In 2013 SEB's expansion in the Nordic countries and Germany continued.



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### Small and medium-sized companies

SEB's continued focus on small and medium-sized companies resulted in 16,700 new corporate customers in Sweden and the Baltic countries in 2013.

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### Private individuals

SEB assists private individuals with easy-to-use, everyday services as well as more complex matters. We look at the customer's entire situation in every advisory meeting.



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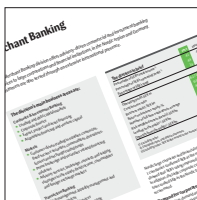
### Annual General Meeting

At SEB's Annual General Meeting 2013, some 1,000 out of SEB's close to 270,000 shareholders participated.

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### 2013 in figures

SEB's net profit increased by 27 per cent to SEK 14,778m. Of this, SEK 8,719m is distributed to the shareholders in accordance with the Board's proposal.



# 2013 in brief

	2013	2012
Operating income, SEK m	41,553	38,823
Profit before credit losses, SEK m	19,266	15,171
Operating profit, SEK m	18,127	14,235
Return on equity, per cent	13.1	11.1
Earnings per share, SEK	6.74	5.31
Proposed dividend, SEK	4.00	2.75
Common Equity Tier I capital ratio <sup>1)</sup> , per cent	15.0	13.1
Core Tier I capital ratio <sup>2)</sup> , per cent	11.0	10.1

1) Basel III 2) Basel II with transitional rules

## The most important events in 2013:

- The EU decided on implementation of the requirements on capital and liquidity under Basel III - CRR/CRD IV.
- SEB's investments in the corporate segments resulted in 108 new large corporate and institutional customers and 16,700 new SME customers. The number of private customers increased by some 37,400.
- SEB launched a new mobile app for corporate customers and an upgraded internet bank for private individuals in Sweden.
- SEB was the bank that large Nordic corporations and financial institutions were most willing to recommend (Prospera).
- SEB was awarded as the best bank for small and medium-sized companies in Sweden by the magazine Privata Affärer.
- For the fourth year in a row SEB received Global Private Banking Award as the best Nordic bank for private banking services (The Banker and PWM).
- SEB facilitated the first issue of green bonds in the Nordic region (the City of Gothenburg) as well as the first green corporate bond issue in the world (Vasakronan).

**As a relationship bank strongly committed to deliver customer value, SEB in Sweden and the Baltic countries offers financial advice and a wide range of financial services. In Denmark, Finland, Norway and Germany the Bank's operations have a strong focus on a full-service offering to corporate and institutional clients.**

## SEB's divisions

**Commercial and investment banking** – Commercial and investment banking services to large corporate and institutional clients in 18 countries, mainly in the Nordic region and Germany.

**Private banking** – Banking and advisory services to private individuals and small and medium-sized corporate customers in Sweden as well as card operations in the Nordic countries.

**Life insurance** – Life insurance products for private individuals and corporate customers, mainly in Sweden, Denmark and the Baltic countries.

**Asset management** – Asset management, including mutual funds, and private banking services to institutional clients and high net worth individuals in the Nordic countries.

**Banking and advisory services** – Banking and advisory services to private individuals and small and medium-sized corporate customers in Estonia, Latvia and Lithuania.

### Operating profit

SEK 8,171m (7,109)

SEK 5,743m (4,353)

SEK 1,892m (1,980)

SEK 1,610m (1,289)

SEK 1,280m (918)

## SEB's representation worldwide



### Subsidiaries, branches and representative offices

SEB's activities principally embrace customers based in the Nordic and Baltic countries and Germany. The Bank has 286 branch offices in Sweden and the Baltic countries.

### Operating income

By geography, per cent

	2013	2012
Sweden	59	57
Norway	8	8
Denmark	8	8
Finland	4	4
Germany <sup>1)</sup>	7	7
Estonia	3	3
Latvia	2	3
Lithuania	3	4
Other	6	6

1) Excluding centralised treasury operations.

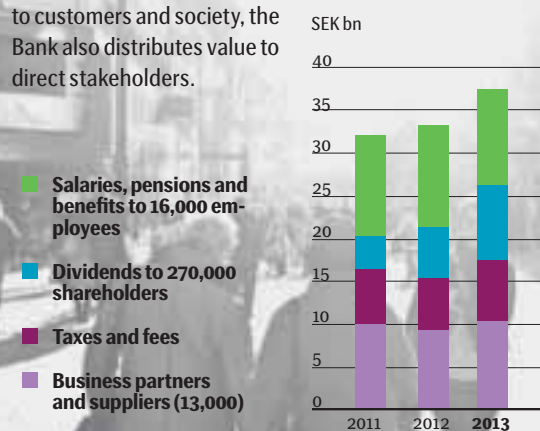
SEB's activities are carried out with a long-term perspective to fulfil the Bank's role to assist individuals, businesses and markets to thrive. The international nature of SEB's business is reflected in its presence in some 20 countries worldwide. SEB serves approximately 4 million customers and has around 16,000 employees.

## SEB's strength

	2013	2012
<b>Increased earnings</b>		
Net profit, SEK bn	14.8	11.7
<b>Continued high asset quality</b>		
Credit loss level	0.09	0.08
<b>Solid funding and liquidity</b>		
Liquidity coverage ratio	129	113
<b>Strong capital</b>		
Common Equity Tier 1 (Basel III)	15.0	13.1

## SEB's value distribution <sup>1)</sup>

While creating economic value to customers and society, the Bank also distributes value to direct stakeholders.



<sup>1)</sup> See inside back cover

## SEB's financial targets

	Target <sup>1)</sup>	Outcome	
		2013	2012
<b>Dividend payout ratio</b>	<b>≥40 %</b> earnings per share	<b>59 <sup>2)</sup></b>	<b>52</b>
<b>Common Equity Tier 1 capital ratio</b>	<b>13 %</b> according to Basel III	<b>15.0</b>	<b>13.1</b>
<b>Return on Equity</b> competitive with peers	<b>15 %</b> on equity	<b>13.1</b>	<b>11.1</b>

The capital target may be revised as the Swedish implementation of the European Capital Requirements Directive, CRD IV, is clarified.

<sup>1)</sup> The targets are explained on page 29. <sup>2)</sup> Subject to the approval by the AGM of the proposed dividend



## Mission

To help people and businesses thrive by providing quality advice and financial resources

## Vision

To be the trusted partner for customers with aspirations

## Brand promise

Rewarding relationships

## Corporate objectives

- The leading Nordic bank for corporates and institutions
- The top universal bank in Sweden and the Baltic countries

## Strategic priorities

- Long-term customer relationships
- Growth in areas of strength
- Resilience and flexibility

# SEB's customers

Rewarding relationships are the cornerstones of our business. Ever since A O Wallenberg founded SEB in 1856, we have provided financial services to assist our customers in reaching their financial objectives.

## 2,900

**Corporates and institutions**

SEB is the leading corporate and investment bank in the Nordic countries, serving large corporations and financial institutions with corporate banking, trading and capital markets and global transaction services. Comprehensive pension and asset management solutions are also offered.

## 400,000

**SME customers**

SEB offers small and medium-sized corporate customers several customised products that were initially developed in cooperation with SEB's large corporate clients. In addition, numerous services are specifically designed for small companies and entrepreneurs.

## 4,000,000

**Private customers**

SEB provides some four million individuals with advice and services to meet all their financial needs. These include products and services for daily finances, savings, loans, pension solutions, cards, wealth management and life insurance.

# The relationship bank in our part of the world

Over the past years the world economy has faced a host of challenges, including a global financial crisis, subdued real economic growth and rising debt levels. Slowly a recovery – including Europe - is gaining momentum. However, until central bank liquidity support has been materially reduced, stable business conditions will be hard to achieve.

For banks, a key take-away from these years has been the importance of a strong balance sheet. With ample liquidity and strong capital ratios, banks can ensure resilience to future possible system shocks as well as have the capacity to invest in and support long-term customer relationships. This has also been the guiding principle for SEB as we were determined to come out of the crisis as a stronger bank with our mind set on always putting customers first.

## Customer loyalty and profitable growth

During the past years we have strengthened long-term customer relationships, continued to grow in our areas of strength, reduced earnings volatility and have improved both cost and capital efficiency. We have an attractive customer base, and we are taking important steps to improve customer satisfaction. Our corporate customers have been more inclined to deepen their business with us, while private individuals are increasingly choosing SEB as their home bank. All this was also reflected in the 2013 numbers, with an operating profit of SEK 18.1bn and return on equity reaching 13.1 per cent. We stay firm in our belief that high customer loyalty is the foundation for long-term profitability.

**“SEB has a stronger position today. We have deepened the relationship with our customers and more customers are choosing SEB as their financial partner.”**

## The Nordic corporate bank

SEB has a unique corporate profile. The bank was founded more than 150 years ago in the service of entrepreneurs and enterprise. With the long-term strategic direction we have set out, our objectives are to be the leading Nordic bank for corporates and institutions, and the top universal bank in Sweden and the Baltic countries.

Since starting our growth initiative in 2010, we have gained more than 240 new large corporate and institutional customers in Denmark, Finland and Norway, and average annual profit growth has been 15 to 20 per cent in these three countries. Our way of doing business in close co-operation with our customers has made SEB the bank Nordic corporate customers and financial institutions are most willing to recommend (Prospera 2013). The Nordic countries outside Sweden now constitute 27 per cent of SEB's operating profit.

## A top universal bank in Sweden and the Baltics

We have made progress to firmly establish SEB as a top universal bank in Sweden and the Baltic countries. In Sweden, 466,000 private customers and 140,000 small and medium-



sized corporate customers have chosen SEB as their main banking partner.

We are constantly working to improve our offerings as well as increase accessibility. Customers demand several and more frequent meeting points and thus we serve our customers through our branch network, telephone bank, internet bank and through mobile banking services. The development of digital banking services has been dramatic. As examples, in 2013 we launched the first smartphone app for corporate customers and an improved internet bank and the number of mobile logins now far exceeds those of the internet bank.

In the savings area, we are seeing growing demand for qualified advice and guidance on the back of the demographic shift that is currently taking place, posing higher demands for retirement savings. Another trend is the wish for transparent and easy-to-use savings products. We are meeting these requirements by offering actively managed asset allocation funds as well as index funds together with alternative niche products.

### **The relationship bank in our part of the world**

As *the* relationship bank in our part of the world, we never compromise on what it takes to be the trusted financial partner for businesses and individuals alike. I am proud of the distinct culture we have in SEB, where our dedicated employees have a built-in compass that guides us to always put customers first in each and every situation. It boils down to having a genuine service approach, focusing on quality advice, and having a sense for attention to details. It also involves being capable of giving customers long-term support through a strong balance sheet. None of this would be possible to achieve without our clear reli-

**“SEB’s strategy remains firm. We strive to be the leading Nordic corporate bank and the best bank in Sweden and the Baltic region.”**

ance on the values that govern the way we do business in SEB – professionalism, commitment, mutual respect and continuity. Working at SEB means being part of a team where we never take any shortcuts.

Together, SEB’s committed employees have clearly shown the potential of the platform we have built since the crisis. I would really like to take this opportunity and thank them all.

A year ago we presented a new long-term business plan along with a new set of financial targets. One year into the plan we are on track to deliver what is most important – customer value based on their long-term needs and thus over time sustainable and competitive profitability to our shareholders. We take great care to cater for the trust our customers have shown us.

Stockholm, February 2014

Annika Falkengren  
President and Chief Executive Officer

# Long-term perspective and relationships

*SEB's strategic focus remains. Long-term customer relationships built upon a strong financial position form the foundation for sustainable profitability. At SEB the customers always come first, and they benefit from the Bank's expertise, services and holistic advice - at their convenience and through a multitude of channels.*

## SEB – the relationship bank

Founded more than 150 years ago in the service of entrepreneurs and enterprise SEB has played an active part in the development of the societies and markets in which it operates. SEB has long been the bank of choice for large corporate customers and institutions in Sweden and, increasingly, in the other Nordic countries. SEB's way of doing business is based on understanding customers' needs from a long-term perspective and building close partnerships. SEB offers advisory services, high-quality products and services and shares its expertise and know-how with its customers. Together with its strong financial position this contributes to competitive and sustainable profitability, to the benefit of the Bank's shareholders.

## Strategic priorities

In order to reach the objectives of being the leading Nordic bank for corporates and financial institutions and the top universal bank in Sweden and the Baltic countries, SEB has adopted a strategy based on three pillars:

### 1. Long-term customer relationships

### 2. Growth in areas of strength

- Large corporate and institutional business in the Nordic countries and Germany
- Small and medium-sized enterprises in Sweden
- Savings offering to private individuals and institutions

### 3. Resilience and flexibility

## Long-term customer relationships

**Strategy:** To build and develop customer relationships based on a holistic perspective on customers' long-term needs

SEB's business is strongly focused on providing a full service offering to private customers and corporate and institutional clients looking for a long-term banking relationship. Customers should encounter a highly accessible and integrated bank with short decision-making channels where it is easy to interface and do business. This requires continuous learning from customer feedback as well as empowered employees. The Bank's fundamental belief is that high customer loyalty leads to long-term profitability.



### Customer relationships in 2013

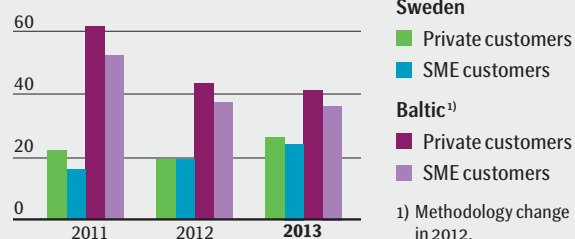
SEB continuously measures and follows up customer loyalty. Following are a few examples that illustrate the Bank's customer focus:

- Customer satisfaction surveys – NPS and Prospera – were conducted for relevant customer segments.

- An upgraded smartphone app for private customers was launched and SEB was the first bank in Sweden to launch a mobile app for companies, making it easier for customers to do business with the Bank.
- SEB launched an upgraded version of the Internet bank for private individuals in Sweden.
- Personal service and advice by phone 24 hours a day, every day of the year, is now also offered in Estonia and Lithuania.
- SEB conducted its employee survey, Insight, which measures the level of engagement and performance excellence.

### Customer satisfaction

According to Net Promoter Score (NPS)





## Growth in areas of strength

### Large corporate and institutional business in the Nordic countries and Germany

**Strategy:** To be the leading Nordic bank for corporate customers, the preferred bank among a selected category of companies in Germany and to excel as the bank of choice for financial institutions in the Nordic region.

SEB is a truly embedded bank in the wholesale segment meaning that SEB supports its customers with everything from traditional products like loans, cash management, foreign exchange and asset servicing to more complex transactions like M&As and syndications. Clients are served through a “one point of entry approach”. Traditionally SEB’s market position has been particularly strong in Sweden, where large corporate customers use an average of seven to eight product clusters.



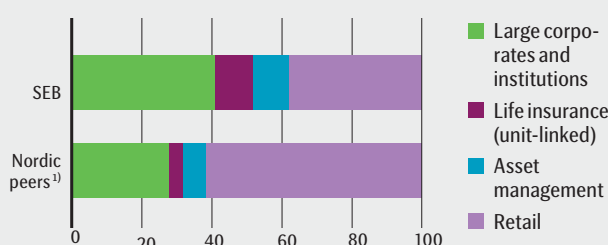
#### Development in 2013

- SEB’s growth initiatives in the Nordic and German markets progressed according to plan, with more than 100 new customers and a higher average number of products per customer.
- In the debt capital markets, SEB was the lead bank in both SEK- and euro-denominated Nordic corporate issues.

- The Bank made progress in its work on improving the service to financial institutions.
- SEB was the Nordic bank that large corporations and financial institutions in the Nordic area were most willing to recommend, according to the yearly Prospera client survey.
- In Asia, the offering to corporate customers and financial institutions was broadened and a new type of international financing between Hong Kong and China in the Chinese currency, CNH, was introduced.

#### The leading Nordic corporate bank

Share of total income 2013, per cent



<sup>1)</sup> Distribution of total income for Swedbank, Handelsbanken, Nordea, Danske Bank and DNB. Business units only (indicative).

### Small and medium-sized enterprises in Sweden

**Strategy:** Develop and expand SEB’s offering to small and medium-sized enterprises (SME), through building on SEB’s reputation as the leading corporate bank in Sweden.

SEB offers small businesses easily accessible packaged services, while for medium-sized companies SEB adapts the Bank’s services and advice for large corporations to suit the needs of smaller organisations. In recent years SEB’s local presence has been strengthened through an increased number of corporate advisers and the establishment of business centres in the large cities. In addition, high availability for customers is prioritised through personal telephone advice 24 hours a day, on-line services and mobile applications. The key is to take a holistic approach to each company’s situation, including the needs of its employees and owners.



#### Development in 2013

- Investments in SEB’s SME offering resulted in a market share of approximately 13 per cent.

- The number of SME full service customers grew by 9,500 and reached 140,000 in total.
- SEB further strengthened its offering to medium-sized corporate customers that do business internationally.
- To further improve accessibility, SEB launched a mobile app for businesses.

#### Customer satisfaction among Swedish SMEs

According to Svenskt Kvalitetsindex, SKI



## Savings offering to private individuals and institutions

**Strategy:** Pursue growth by offering customers advisory-based savings solutions with a holistic perspective.

Customers currently find themselves in an environment characterised by low interest rates and relatively high volatility in the equity markets. In parallel, a long-term shift is taking place in terms of demography and individuals' need of financial security ahead of retirement. This is creating a need for comprehensive, qualified advice. SEB is meeting this need by providing holistic advice covering deposits, mutual funds, life insurance and structured products. SEB has a strong position in the savings segment with a market-leading position in private banking in Sweden and in unit-linked insurance in Sweden and Denmark.

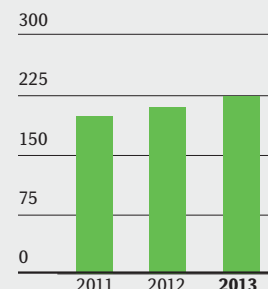


### Development in 2013

- SEB advanced its position in the evaluation of mutual funds offerings of the major Swedish banks carried out by Morningstar.
- New innovative investment products were launched for institutional customers, including a micro-finance fund, that provides loans to entrepreneurs in developing countries.

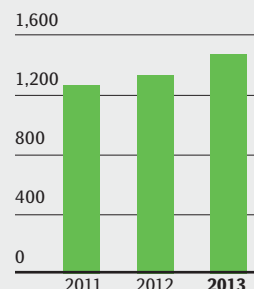
### Deposits from households

SEK bn



### Assets under management

SEK bn



- For the fourth year in a row SEB was named as best private bank in the Nordic region by The Banker and Professional Wealth Management.

## Resilience and flexibility

**Strategy:** Maintain resilience and flexibility in order to adapt operations to the prevailing market conditions. This financial strength will be supported by cost and capital efficiency.































In the new financial landscape, SEB has been able to capitalise on growth opportunities by maintaining a strong capital base and ready access to funding, a stable market position with high asset quality and an advantageous competitive position in the Nordic and German corporate markets, while increasing cost efficiency. SEB has continued to strive for capital efficiency, for instance in the development and pricing of products, while adapting to new regulations.



### Development in 2013

- SEB reduced funding costs and diversified its funding base.
- The Bank further strengthened its capital position.
- The Common Equity Tier 1 capital ratio was 15 per cent.
- The leverage ratio was 4.2 per cent.
- Total liquidity reserves amounted to SEK 625bn, 25 per cent of total assets.
- Non-performing loans fell by 32 per cent and the credit loss level remained low at 0.09 per cent.
- Cost efficiency increased further. The cost cap will be kept at SEK 22.5bn per year until 2015 through continued efficiency improvements.

## SEB's geographical markets

Market and responsibility		Market position	Share of SEB's	
			Operating income Total 2013: SEK 41,553m	Operating result Total 2013: SEK 18,127m
 <b>Sweden</b> Annika Falkengren, President and CEO		<b>Universal bank.</b> Clearly leading wholesale bank among large corporate and institutional clients. Has advanced its positions also among small and medium-sized enterprises, with several years of growing market share. Growing customer base also in the private market, with particularly strong position in savings, where SEB has the second largest share of households' aggregate savings. The undisputed leader in private banking.	 SEK 24,695m	 SEK 10,002m
 <b>Denmark</b> Peter Høftermand		<b>Corporate bank,</b> with comprehensive solutions for corporate and institutional clients. Top positions in trading and investment banking. As a significant participant in the private banking, asset management, life insurance and cards markets, SEB is regarded as the main challenger to the larger local universal banks.	 SEK 3,123m DKK 2,693m	 SEK 1,743m DKK 1,502m
 <b>Norway</b> William Paus		<b>Corporate bank,</b> with comprehensive solutions for corporate and institutional clients. Very strong position in capital market and as home bank for companies and institutions. A leader in private banking with Family Office offering for top-tier wealth management segment.	 SEK 3,276m NOK 2,953m	 SEK 1,973m NOK 1,779m
 <b>Finland</b> Marcus Nystén		<b>Corporate bank,</b> with comprehensive solutions for corporate and institutional clients. Top position as provider of asset management services for institutions. Strengthened position as home bank for companies and clear challenger to the dominant, domestic universal bank. A leading participant in private banking, with established relationships that go far back in time.	 SEK 1,656m EUR 191m	 SEK 1,024m EUR 118m
 <b>Germany</b> Fredrik Boheman		<b>Corporate bank</b> with comprehensive solutions for corporate and institutional clients. Largest Nordic bank in Germany's fragmented bank market, with solid position as core bank in the focus segment German corporates, including Germany's so-called Mittelstand. In addition, strategic product provider to a majority of DAX companies.	 SEK 2,813m EUR 325m	 SEK 1,030m EUR 119m
 <b>Estonia</b> Riho Unt		<b>Universal bank.</b> Second largest bank in Estonia, with comprehensive offering of banking services. Strong position in private and corporate banking, with particular strength in asset management and life insurance. Front-runner in development of mobile banking services.	 SEK 1,143m EUR 132m	 SEK 639m EUR 74m
 <b>Latvia</b> Ainārs Ozols		<b>Universal bank.</b> Assetwise the second largest bank in the country, with comprehensive offering of banking services. Strong position in both private and corporate banking, particularly in long-term savings and lending for corporate customers, where SEB is the market leader.	 SEK 1,022m LVL 83m	 SEK 228m LVL 19m
 <b>Lithuania</b> Raimondas Kvedaras		<b>Universal bank.</b> Largest bank in Lithuania, with comprehensive offering of banking services. Strong position in both private and corporate banking, particularly in corporate deposits and unit-linked insurance.	 SEK 1,472m LTL 587m	 SEK 543m LTL 217m
 <b>International network</b> Annika Falkengren		<b>Corporate bank.</b> With offices in international financial centres such as New York and London, in Asia via offices in Shanghai, Beijing, Hong Kong and Singapore, and through presence in Poland, Russia and Ukraine, SEB is well positioned to serve corporate customers from the Nordic countries and Germany around the globe. The Bank's international network is also highly instrumental in its ability to offer global financial institutions access to investment opportunities in Nordic assets – an area in which SEB is the leader.	 SEK 2,353m	 SEK 945m

# Greater activity and cautious optimism

*SEB's position among Nordic corporates strengthened further in 2013. Customers showed a greater need for advice in the uncertain market climate. Demand for corporate bonds remained strong.*

The outlook for a global economic recovery improved during the course of 2013. The macroeconomic situation in SEB's core markets in the Nordic countries, the Baltic countries and Germany was generally relatively favourable. SEB's corporate customers had strong balance sheets, good liquidity and were profitable across the board. Following a weak start to the year, corporate activity rose, and demand for various services rose – including in M&As and stock market activities, albeit from a low level.

Liquidity also remained good among financial institutions. However, as a result of low interest rates, they had difficulty finding safe investments with favourable returns, which pared with cautious, growing optimism, led to an increase in risk appetite.

SEB's focus on growth in the Nordic countries and Germany remained on track. In 2013 SEB gained more than 100 new corporate clients in the Nordic countries and Germany, and thereby had 2,900 customers in this segment by year-end. Relationships with existing customers were deepened during the year, and SEB handled more and larger transactions for existing customers than a year earlier. This also applied for the Bank's international network, particularly in Asia.

Although the global economy moved in the right direction and the most serious threats in the eurozone appear to have been avoided in 2013, uncertainty remains about the macroeconomic trend going forward. However, the starting point for SEB's corporate and financial institution customers is generally favourable.

## Continued great need for advice

"In spite of the recovery of the real economy, uncertainty about where the economy is heading is giving rise to a greater need for advice among companies. Customers are seeking guidance on how to avoid risks while at the same time seizing existing opportunities," says Johan Torgeby, head of Client Coverage, SEB's Merchant Banking division.

"During 2013 customers moved from defensive investments toward a more active stance in many areas. For example, requests for new bank credits rose. This is a good indication that companies have a cautiously optimistic view of the future."

### How can customers benefit from SEB's international network?

"We have invested substantially in our international markets and can through our network offer a comprehensive service around the world. Apart from our Nordic customers it is especially gratifying that German corporate customers have discovered our international service offering, which measures well compared to local and international banks."

### How are customers being affected by all of the new regulations?

"The pace of changes in regulations is high. Our focus is now to



Johan Torgeby, Head of Client Coverage

ensure that the customers are always kept up to date about how these changes affect their everyday business. In this respect it is of utmost importance to have a constructive and close relationship in order to find the best solutions."



## Strong market for corporate bonds

In recent years, corporations in Europe – and especially in the Nordic countries – have increasingly opted to fund their operations by issuing corporate bonds as a complement to traditional bank loans.

SEB has a very strong position in the corporate bond market and was number one in Sweden as well as in the Nordic countries as a whole in 2013. During the year, the Bank conducted 394 transactions worth a combined total of EUR 14.4bn. SEB's market share of corporate bonds denominated in SEK was 21 per cent.

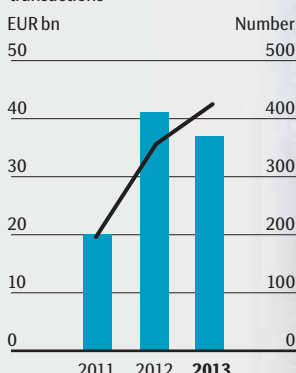
The market for corporate bonds remained strong and SEB acquired a number of new customers, not least in Germany. The breakthrough there came when SEB, in tough competition with leading international banks, earned the confidence to arrange the year's first issue of corporate bonds for the German automaker BMW. In addition, demand rose among

medium-sized companies in the Nordic countries and Germany. In 2013 SEB also led issues for Deutsche Bahn and GE among others in addition to BMW.

SEB has also been a pioneer in launching so-called green bonds. As early as 2008, SEB and the World Bank developed the first green bonds. Since then, the market has grown steadily.

### Corporate bond issues in the Nordic countries

Volume in EUR and number of transactions



Issuing **corporate bonds** is a way for companies to borrow money by issuing a bond with a set yield (or "coupon") and set duration. The bank's role is to intermediate contacts between borrowers and investors, draw up documentation, and make sure that there is an effective secondary market.

## Gothenburg first in the Nordic region to issue green bonds

During the autumn of 2013, the City of Gothenburg was first in the Nordic region to use SEB and the World Bank's green bond financial framework. The issuance of SEK 500m is part of a funding programme for

environmental projects in public transport, water management, energy and waste management in Gothenburg.

The City of Gothenburg's bonds, which are traded on the London Stock Exchange, have the highest possible credit rating (AAA), and have been subscribed by the Church of Sweden and the Second AP Fund, among others.

**Green bonds** are financing projects contributing to a better environment. Apart from that, they have similar terms as other bonds.



## No. 1 among the large corporates and institutions

SEB has for many years been named as the best bank for large corporations in Sweden and is a leading corporate bank in the Nordic region. In 2013, the Bank advanced its position also among Nordic financial institutions. During the year, SEB was the bank that most large corporate and institutional customers in the Nordic region were willing to recommend to others, according to Prospera's yearly survey.

Prospera's ranking lists are based on interviews with presidents and CFO's in large corporations, financial institutions, insurance companies, pension funds, asset managers and hedge funds in the Nordic countries.

Most recommended bank 

**SEB #1**  
Among large **corporations** in the Nordics

**SEB #1**  
Among large **financial institutions** in the Nordics



Source: Prospera

# “ A relationship bank at its best

“SEB has played an important role in the BW Group’s development over the past decade, supporting us in the areas of commercial banking, advisory and capital markets. We have seen all the hallmarks of what a customer looks for in a financial partner – customer orientation, professionalism, speed of execution and long-term thinking. SEB demonstrates relationship banking at its best.”

Andreas Sohmen-Pao  
CEO BW Group

**The BW Group**, formerly Bergesen Worldwide, is an international maritime group operating in the tanker, gas and offshore segments, with a fleet of more than 100 wholly owned, part-owned or controlled vessels. Two of the subsidiaries within the group are listed. The company was founded by Andreas Sohmen-Pao’s grandfather, Sir Yue-Kong Pao. Main offices are in Oslo and Singapore, and the principal owner is the Sohmen family.



Andreas Sohmen-Pao, CEO, BW Group (left) and Andreas Røde, Client Executive, SEB Norway.



## “ BW – a truly dynamic company

“SEB has a long-standing relationship with the Norwegian shipping company Bergesen, now part of BW Group, and has worked with the merged company since its start. In 2013 we served as adviser and coordinator in the extensive work with refinancing and launching the IPO for the subsidiary BW LPG, the world's largest shipper of liquid petroleum gas. Many people in the Bank were involved, including currency traders, equity analysts, equity traders and experts in corporate finance and capital raising.”

“It is truly exciting to work with such a professional and dynamic company as BW Group and its CEO, Andreas Sohlen-Pao, who played an active and key role in connection with the company's stock market introduction.”

Andreas Røde  
*Client Executive, SEB Norway*



# Stronger relationships and many new customers

*SEB has been working hard for many years to be the best bank for small and medium-sized companies, with knowledge about and insight into the needs of companies and small business owners. Today, one out of every four newly started businesses is an SEB customer.*

The business climate for small and medium-sized companies in the markets in which SEB works, i.e., Sweden and the Baltic countries, improved on the whole in 2013 for this segment.

SEB is working to strengthen its relationships with small and medium-sized companies by meeting the financial needs of businesses and their owners as well as their employees. We aim to help business owners both in their role as a company leader and as a private person – and we understand the economic interdependencies that exist in between these roles.

SEB also strives to simplify banking for its customers by offering various packages tailored for various target groups (see article on opposite page) and by developing more digital solutions for banking online and via mobile devices.

The number of SEB home bank customers among small and medium-sized companies in Sweden increased during the year by 9,500 to 140,000. One out of every four newly started busi-

nesses in Sweden is an SEB customer. In the Baltic countries, the number of customers who call SEB their home bank increased by 7,000 to 94,000.

In a comparatively favourable business climate, SEB increased its lending to companies by 11 per cent in Sweden and 5 per cent in the Baltic countries. SEB stands by its customers even in tougher times; during the financial crisis in 2008/2009, when the financial markets came to a standstill and companies had a hard time obtaining funding, SEB's rise in lending to Swedish companies was the strongest ever.

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**16,700 new SME customers**  
in Sweden and the Baltic region 2013

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## Greater focus on entrepreneurship

“At SEB we not only want to be a good partner to existing companies – we also want to do our part to make sure new ones are started, too. Sweden needs more small businesses that grow and create new jobs. Toward this end, for many years we have been supporting various organisations dedicated to helping new business owners and entrepreneurs,” says Belgin Fortaci, head of SEB's entrepreneur alliances in Sweden.”

“Our partnership agreements cover all phases – from *Junior Achievement*, which gives secondary school students a chance to see what it's like to start and run a business, to *Entrepreneur of the Year*, which awards successful entrepreneurs in relatively large companies.”

### What else are you doing for entrepreneurs?

“In addition to our customer offering, we can contribute with attractive meeting places and networks for small business owners and entrepreneurs. One such example is our newly started forum on LinkedIn, which offers opportunities to share experiences and for discussions both between companies and with business advisers from SEB. Another is the recurring Business Day event, where 1,200 business owners met at four different venues in 2013.”



Belgin Fortaci, head of SEB's entrepreneur alliances



## First in Sweden with app for mobile business banking

In spring 2013 SEB was the first bank in Sweden to launch a mobile banking platform for corporate customers. With this solution, in addition to using the Bank's ordinary account and payment solutions, corporate customers can now also approve payments using a mobile device. Via SEB's corporate banking app, which is designed for the needs of sole proprietorships as well as limited liability companies,



customers can scan, pay and approve their companies' invoices with a mobile BankID. In developing the app SEB sought the input of customers to gain insight into their needs. The app is included in the Bank's packaged Enkla Firman and Företagspaket solutions at no extra charge.



## Award-winning customised small business services

As a result of SEB's strong focus on small businesses, again in 2013 the Bank was named as Small Business Bank of the Year by the personal investment magazine *Privata affärer*. "Year after



year, SEB surprises with a sharper offering for small business owners," wrote the magazine in its motivation statement.

During the year SEB increased the number of corporate advisers at its branch offices. It also became possible to obtain a designated adviser via the Telephone Bank.

To simplify everyday banking for small business owners, SEB has developed several offerings for these customers, including the *Enkla firman* and *Företagspaketet* packaged solutions, which feature a number of practical services. Also in the area of loans and insurance, SEB offers special solutions that are custom-tailored to the needs of small businesses.



## The year's "super gazelle" an SEB customer from the start

Swedish business daily Dagens Industri's "Super Gazelle of the Year" award was given to the company Zound Industries in Jönköping. The company, which makes and sells state-of-the-art headphones, has been an SEB customer since its start in 2008.



The entrepreneurs behind Zound Industries are Kenneth Schönborg and Konrad Bergström, who from the onset had planned for their company's products to be sold internationally. Today Zound's headphones are sold in 95 countries, and sales in 2013 amounted to more than SEK 300m.

"For us it was important that the bank believed in our vision and was willing to help us achieve rapid growth. Such a partnership requires close co-operation and fast decision-making paths," says Kenneth Schönborg.

To meet Zound Industries' various needs, SEB's branch in Jönköping works together with various units within the bank, in order to assist in currency trading, pensions and Insurance.



Konrad Bergström (left) and Kenneth Schönborg, Zound Industries

With SEB's help, the company is now preparing to take a new step in its expansion, including broader distribution in the USA.



## “ Deep understanding of our business

“We have been SEB customers since 2000 and are assisted by the bank in several different areas. What we really appreciate is SEB’s capacity to walk in our shoes, to really understand our business. We are also pleased that SEB is in the frontline when it comes to digital services and solutions. That definitively facilitates our everyday work.”

**Martti Lemendik**  
CEO and partner in Metaprint

**Metaprint** is since 1995 a privately held company that produces decorated metal aerosol containers. All packages are 100 per cent recyclable. The company has a turnover of approximately 40 million euro and a little more than 200 employees. Approximately 75 per cent of the production is exported to some 15 countries around the world.

## “ A rewarding co-operation

“Success as a result of hard work – that is how I would describe Metaprint. Our co-operation consists primarily of cash management, trade finance and lending. Recently we financed Metaprint’s new state-of-the-art plant in the city of Pärnu in south-west Estonia.

It is truly rewarding to work with a company as successful, innovative and environment-friendly as Metaprint.”

Jaanis Rooste  
*Client Executive, SEB Estonia*



# Accessibility and professional advice

*Simplicity and accessibility are watchwords in SEB's offerings, where advice is at the core of the Bank's relationships with private customers.*

For SEB's private customers in Sweden and the Baltic countries, 2013 was a good year on the whole. In Sweden, household net worth grew during the third quarter by 3.6 per cent to SEK 9,188m, reaching a new record high.

In the three Baltic countries, households' finances improved in pace with rising real wages, higher pensions and falling unemployment.

Savings in mutual funds and unit-linked insurance rose and performed generally well after the year's stock market upswing, at the same time that housing costs were tempered by low interest rates.

With SEB's depth and breadth in banking, asset management and insurance, we have a range of opportunities to help customers save in the manner that suits them best. Apart from traditional deposit accounts, SEB's savings offering includes a pallet of own and external funds, and insurance and pension savings. For customers with larger capital and a need for more

qualified advice, the Bank offers wealth management and private banking services.

Demand for home mortgages continued to rise, and SEB's lending rose by 7 per cent. SEB is still the only bank in Sweden that posts its own borrowing costs daily on its website.

A little more than 1.3 million private individuals in Sweden and the Baltic countries are home bank customers in SEB. The ambition is to simplify banking for these customers by making the bank's services easy to understand and use. Accordingly, we offer personal service 24 hours a day via the Telephone Bank, through interaction via social media and the Internet, and through a growing array of mobile banking services.

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**37,000 new customers**  
among private individuals in 2013

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## Our ambition is to help customers get control of their personal economy

"What's most important in our interaction with customers is to build a good relationship. We do this by listening to the customers and then helping them get good control of their economy and make good decisions," says Annika Helg, district manager for SEB's Retail Banking operation in Östergötland and Svealand, with 16 branches.

### What savings advice do you give customers in the current low interest environment?

"Rising real wages and lower mortgage rates are making it a little easier to save than usual. As always, we stress the importance of having a buffer for unforeseen expenses. On top of this we help customers build up savings for specific goals and retirement based on their preferences and needs. We also take up the issue of amortisation, which in fact is also a form of savings."

### What is your view of the current consumer demand for home mortgages?

"For most customers, housing is the single-largest expense item, and buying a house or apartment is the most important



Annika Helg, district manager for SEB's retail operations in Östergötland and Svealand with 16 branches.

investment in their lives. It is in such context that we can present our full customer offering. We have an advantage, since SEB is the only major bank that openly reports its own mortgage funding costs. This makes it clear and simple for customers, who are generally much more aware of the importance of amortising their mortgages than previously."



## Record rise for SEB's mobile banking services in Sweden...

SEB's digital services are being developed at a very fast rate. More and more customers are visiting the Bank via mobile apps instead of via the Internet Bank. One of the most successful mobile services is the Swish payment service (developed in co-operation with other major banks), which was named as Mobile Payment Solution of the Year in 2013. At year-end there were 750,000 Swish users. Mobile banking services were also expanded with an app that shows the balance trend in an account, which allows customers to see how much room they have for savings.



### ... and new Internet Bank for private individuals

In autumn 2013 SEB launched an updated version of its internet bank, with a new appearance and improved navigation. Introduction of a responsive design is planned for 2014, whereby the layout will automatically adapt to work regardless of whether the user is accessing the Bank from a stationary computer, a tablet or a smart phone.



## Strategy funds – stable platform for savings

When stock prices fluctuate up and down, being a personal investor can be nerve-wracking.

Getting the asset allocation right, customers have greater opportunities to earn a more stable and favourable return. That is the idea behind SEB's strategy funds, which invest in carefully selected funds with exposure to seven different asset classes: equities, fixed-income instruments, real estate, currencies, commodities, private equity and hedge funds.

By saving in SEB's strategy funds, customers can benefit from the Bank's combined expertise and analysis resources and earn a more steady return. For example, in 2013 SEB's "Growth" strategy fund grew by 12 per cent, while the "Balanced" strategy fund grew by 6 per cent.



From traditional...



...to modern asset management

## New, simple pension solution



In 2013 SEB launched a new solution for pension savings – SEB Pensionsfond. The fund was created to generate a favourable, long-term return on pension savings for customers who do not actively make fund choices.

The new fund is based on modern portfolio thinking, where the asset allocation is adjusted to the current outlook for the respective asset classes. The fund includes both traditional savings forms such as stocks and bonds, but also alternative investments like hedge funds and commodities.

## “Fast and flexible

“I am very satisfied with SEB. Nicolas and his colleagues are service-minded and have a pleasant attitude. They are informal, flexible and fast, like a small business. At the same time, that have all the resources of a major bank at their disposal.”

**Per A. Norell** together with the rest of his family, is a customer of SEB's Sollentuna branch. Per does all of his banking with SEB.





## “ Important to understand the customer’s needs

“When a customer turns to us, he or she usually has a specific need or problem. So I get back to the customer as fast as possible so that he or she does not need to wait an unnecessarily long time for a response. For us it is a matter of always looking out for the customer’s entire personal economy. If a customer asks about a home mortgage, then we also take up the issue of savings – and this often brings us into the realm of pensions.”

“In our role as advisers, we need to understand the customer’s needs and build up mutual trust. I genuinely feel this is the case with Per - he trusts me and I trust him, regardless of whether we are talking about banking or our shared interest: military history.”

Nicolas von Schmidt-Laussitz  
Branch manager, SEB Sollentuna

# Sustainable perspectives on banking

*SEB promotes economic growth and social progress by supporting private individuals, companies, entrepreneurship and innovation. We work continuously to ensure that the entire business is conducted with a long-term sustainable perspective from an economic, ethical, social and environmental perspective.*

## Purpose of SEB's sustainability work

SEB's business is based on trust and long-term relations. An important part of our role is to contribute to a positive development of society. Economic uncertainty and environmental and social imbalances around the world present numerous challenges. Many of these have a direct impact on the Bank and its business and need to be managed in a responsible way. SEB also has a significant indirect impact in its role as a financial partner.

## Focus on three areas of responsibility

Corporate Sustainability is about the Bank's core business and we therefore actively work to integrate the ethical, social and environmental responsibility throughout our business. We target three areas – Responsible business, People and community and Environment.



## Progress during the year

The importance of sustainability issues is increasing among all customer groups. Many also put an emphasis on their banking partner to work in a responsible and sustainable way. As an example, we see a greater interest from institutional investors. This was noticeable in connection with some of the ground-breaking transactions SEB contributed to during the year.

SEB facilitated the first Nordic Green Bond issuance, for the City of Gothenburg. Green bonds were developed by SEB in co-operation with the World Bank in 2008 and are financing climate-related projects.

As the first bank in Sweden SEB launched in 2013 a micro finance fund where the money invested is lent to selected microfinance institutions around the globe, which in turn lend directly to small, local entrepreneurs. Selection criteria include

## Jukka Honkaniemi

*Merchant Banking, Member of the Corporate Sustainability Committee*



## What is on top of your sustainability agenda?

"We have implemented sustainability policies for six industry sectors and position statements for climate change, freshwater and child labour. This is a good foundation to build on. It is now time to take the next step in inspiring and creating personal engagement regarding responsible banking, our core contribution to society."

"Responsible business at its core is about our corporate culture and about how we live by our values – these will be tested most when facing head winds in our daily business. It is the responsibility of each and everyone in the Bank to know what our values are and have the dialogue on how they link into responsible business. This dialogue will fuel change and enable us to further contribute to the business communities and societies where we operate."

social responsibility, long-term credit quality and diversification between regions, countries and currencies.

During 2013, SEB established a human rights policy based on the UN guiding principles on Business and Human Rights. The policy is implemented with a particular focus on SEB's own behaviour, suppliers, investments and customer transactions.

SEB is an important part of society and is therefore engaged in the communities where we are present. By focusing on future generations we want to create long-term value and support entrepreneurship and innovation, children and youth, as well as knowledge and education.

Our direct environmental impact is small, primarily relating to business travel, computers, heating, cooling and paper usage. SEB's goal is to reduce total CO<sub>2</sub> emissions by 45 per cent from 2008 to 2015. At year-end 2013, we had reduced these emissions by 36 per cent. *SEB's corporate sustainability reports are available at [www.sebgroup.com/sustainability](http://www.sebgroup.com/sustainability)*



# People and culture in SEB

*SEB strives to promote an inclusive and stimulating work environment in which employees and managers can develop and contribute to the Bank's long-term success. This is why having the most committed employees is an explicit goal in SEB's business plan.*

## Culture and values

SEB's core values – commitment, mutual respect, professionalism and continuity – form the foundation for how employees work in their everyday roles. Together with SEB's Code of Business Conduct, these values lay the foundation for the way we work at SEB. They are also clearly linked to SEB's business plan.

Dialogue and participation are important to keep the culture and our values alive. Employees and managers are given numerous opportunities to share experiences and inspire each other regarding best practice and behaviours. For example, in Business Support, more than 3,000 employees in Sweden, the Baltic countries and SEB sites around the world participated in value dialogue meetings. [Read more in Sustainability report.](#)

## Attracting talent

SEB in Sweden continues to be one of the most popular banking employers among young professional with a business degree. In Lithuania SEB was named the most desirable employer in the country for the seventh time. We are actively

## Elisabeth Sterner

Wealth Management



## Why values are important

"As a leader I want to set a good example. I try to always live according to our values and hope to encourage an environment in which commitment, mutual respect, continuity and professionalism are a matter of course. I think that this will grow in importance going forward. Younger people clearly feel it is increasingly important to work in a culture that is aligned with their own values. A job is no longer "just a job".

"For me personally, commitment means the most. Professionalism, continuity and mutual respect can be built upon, but commitment has to come from the heart. When you do something you're passionate about and that fulfils a purpose, you automatically do a good job and have fun at the same time!"

## SEB's core values

### Commitment

We are all dedicated to that everything we do creates stronger customer relations.

### Professionalism

We make it easy for people to do business with us by sharing our knowledge and being accountable for our actions.

### Mutual respect

We are open and always strive to earn the trust of others as well as from each other.

### Continuity

We learn, challenge and take action based on our long experience.



working to build long term relationships with future employees, both through meetings at colleges and universities and in social media such as Facebook and Linked-In.

At SEB, we believe that people want to develop and make a difference in their work. SEB has several group-wide leadership development programmes for managers at all levels. They provide solid knowledge of both strategic and operational impacts and get very high marks from participants.

## Diversity

SEB works continuously to improve equal opportunity and diversity. All employees should have the same opportunities to develop regardless of their gender, ethnic origin, age, sexual orientation or faith. SEB's goal is to have a gender balance in all leadership positions. At year-end, the share of women in all managerial positions was 42 per cent.

# Managing risk in SEB

*A bank’s fundamental role is to intermediate transfers of money between companies or private individuals in connection with borrowing, investing, saving or making payments. As a bank we must manage the risks that arise, and as part of the Bank’s strategy, SEB’s board of directors has set a suitable risk level.*

Based on our fundamental role as a bank, we accept risk to create value both for customers and shareholders. Risk management is thus indispensable for the bank’s long-term profitability. The board of directors and management take a position on what is a suitable level of risk for the bank and regularly follow up the actual level of risk.

Following the global financial crisis, a wave of new regulations swept across the world for the financial markets. The aim of these is to increase the resilience of the banking system and prevent the collapse of an individual bank from leading to a systemic crisis that spreads through the entire financial system. A number of new rules are also being introduced that affect how the capital markets work and are

aimed at ensuring adequate consumer protection. Taken together, the new regulations entail a substantial undertaking for the financial industry.

In many areas, SEB already has a view of risk and risk management that is well aligned with the new rules and regulations. The total cost for SEB for dealing with the new regulations is estimated at SEK 300m in 2013 alone.

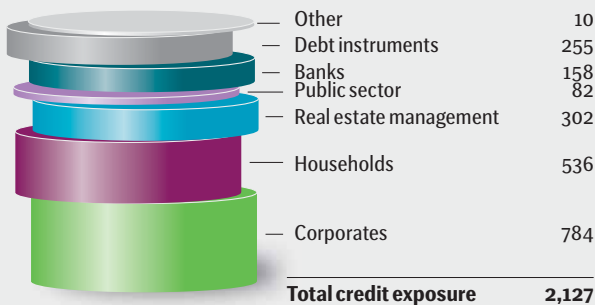
## Credit risk



Maintaining adequate control over credit risk is fundamental for a bank to be able to operate. This means that every credit decision is based on an assessment of the customer’s ability to repay. For smaller household loans, this is done through a standardised process, while larger loans to companies and institutions are based on an individual assessment that is based on knowledge of the customer. The Bank always wants to make sure that borrowers can fulfil their obligations.

**High asset quality in SEB:** The asset quality in the bank’s credit exposure is high and credit losses are low. SEB has a high proportion of large Nordic and German corporate customers that are financially strong. The household segment consists mainly of Swedish mortgages which historically have had very low risk. The real estate management portfolio consists of strong counterparties and sound financing structures.

**SEB’s credit exposure**  
SEK bn, 2013



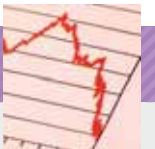
## Liquidity risk



Banks must maintain cash buffers to ensure that funds are available on demand. Since depositors in a bank want to be able to withdraw savings at all times, regardless of when the bank receives loan payments from its borrowers, a liquidity risk arises for the bank. In addition to customer deposits, banks also fund their business through borrowing in the capital markets. This also entails a liquidity risk should the demand in the market to buy the bank’s bonds decrease or disappear.

**A solid liquidity position:** The Swedish regulator requires Swedish banks to maintain a sufficient level of liquidity to meet their obligations in a stressed scenario such as during the 2008 crisis. SEB meets all requirements. SEB’s total liquidity buffer amounts to SEK 625bn, which is 25 per cent of total assets.

## Market risk



One of a bank’s most important roles is to help customers buy and sell various types of securities. In order for this to work, the bank must have a trading portfolio of many instruments, including equities, currencies and fixed-income instruments. Aside from this, SEB also invests a large share of its liquidity buffer in a portfolio of government and mortgage bonds, which have a lower level of credit risk. The Bank is therefore exposed to market risk, since the trading portfolio and liquidity buffer may decrease in value.

**Low market risk in SEB:** Market risk throughout the Bank was historically low in 2013. This is reflected in a low level of customer activity in the markets and low interest rates.

## Operational risk



Banks handle a large number of customer transactions every day. This requires the bank to have reliable systems, well functioning processes, and that the employees know how to act in order to avoid mistakes. Although nearly all transactions are executed without any errors, sometimes mistakes are made. This risk, called operational risk, involves all types of situations where the bank makes a mistake and must reimburse someone or pay damages. Operational risk also includes fraud and external events, such as natural disasters.

**Operational risk in SEB:** A number of new guidelines from the Swedish Financial Supervisory Authority took effect within operational risk management. All of them are emphasize the importance that banks have suitable control mechanism and that they have a uniform view of risk-taking. SEB meets all of the requirements. For example, we work actively to counter money laundering, and we have a well established process for dealing with issues raised by whistleblowers.

## Insurance risk



SEB offers pension insurance in two forms: unit-linked insurance, where the customer decides the risk profile and how his or her savings are to be invested in various funds; and traditional life insurance, where SEB takes responsibility for management of assets and risk, and guarantees the customer a minimum return. SEB's risk in pension and life insurance business is that the premiums, which are based on assumptions about life expectancy and future claims, are inadequate in relation to the actual life expectancy or claims experience. There is also a risk that the return on assets will be insufficient to meet the guaranteed minimum return to customers over time.

**SEB's insurance risk:** Most of SEB's life insurance business consists of unit-linked insurance, where the policyholders are personally in control of their investments without any guaranteed return. Therefore this risk is limited in SEB.



## 5 questions for Johan Andersson Chief Risk Officer

### How would you summarise 2013?

Our risk position was, and is, strong, and our corporate clients have a good financial position, even though the business climate has been a bit hesitant. We saw greater regulatory pressure and there are still uncertainties around some of the capital and liquidity requirements that will apply going forward.

### How does SEB take sustainability aspects into account in its credit assessments?

When we evaluate our customers' long-term ability to pay, naturally we must take responsibility issues into account, since we are certain that all companies will have to adopt sustainable processes over time. As a bank, we have a commitment to sustainable development, with a view to influencing our own as well as our customers' actions.

### What is your view of the Bank's risk philosophy?

Risk-taking and risk management are ever-present considerations when we deliver services to our customers – especially in our lending activities. As a relationship bank, our business is built upon long-term relationships and knowledge about our customers. That is the core of our risk philosophy and the foundation for a stable credit portfolio.

### How can the Bank promote a sound household mortgage repayment culture?

It's a good idea for homeowners to amortise their mortgages, both to build up long-term savings and because anyone could suddenly face a situation in life in which they may want to sell their home with a healthy margin over their debt. We emphasise this in our advice and in our credit policy. Almost all new mortgages with a loan to value above 70 per cent are being amortised today.

### What are the greatest challenges and opportunities going forward?

A well functioning banking system is a prerequisite for enabling a society to develop and flourish. The Bank therefore needs to instil further faith and confidence among the public that we have a robust financial foundation, transparent risk management and responsible lending. It is both our greatest challenge and greatest opportunity.

SEB's Annual Report for 2012 included a risk chapter which was presented with the Risk Transparency Award 2013 by Ernst & Young.

# The SEB share development in 2013

*In 2013 the value of the SEB Class A shares increased by 53 per cent while the FTSE European Banks Index rose by 16 per cent. Earnings per share amounted to SEK 6.74 (5.31). The Board proposes a dividend of SEK 4.00 per share for 2013 (2.75).*

## Share capital

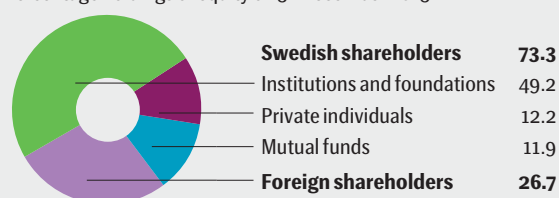
SEB's share capital amounts to SEK 21.942m, distributed on 2,194.2 million shares. Each Class A-share entitles to one vote and each Class C-share to 1/10 of a vote.

## Stock Exchange trading

The SEB shares are listed on the Nasdaq OMX Stockholm Stock Exchange, but are also traded on alternative exchanges, such

## Shareholder structure

Percentage holdings of equity on 31 December 2013



The majority of SEB's approximately 270,000 shareholders are private individuals with small holdings. The ten largest shareholders account for some 50 per cent of capital and votes.

Source: Euroclear/SIS Ägarservice AB

## SEB's largest shareholders

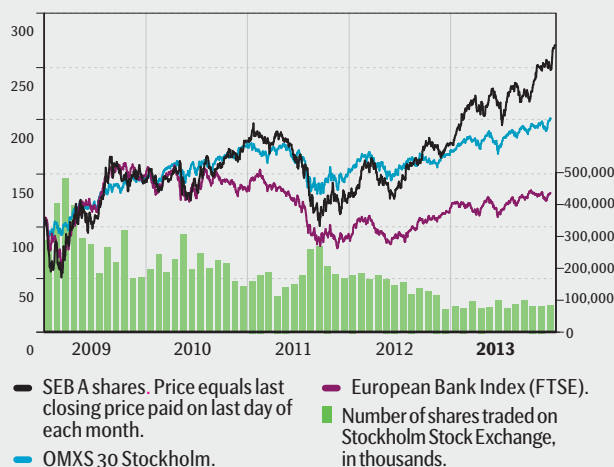
31 December 2013	No. of shares	Of which C-shares	Share of capital, %	Share of votes, %
Investor AB	453,364,264	2,725,000	20.8	20.9
Trygg Foundation	145,573,802	0	6.6	6.7
Alecta	129,250,000	0	5.9	5.9
Swedbank Robur funds	102,475,103	0	4.7	4.7
AMF Insurance & funds	58,795,846	0	2.7	2.7
Norges Bank Investment Management	35,571,703	0	1.6	1.6
SHB funds	34,480,647	0	1.6	1.6
SHB funds	33,252,664	23,680	1.5	1.5
Wallenberg-foundations	27,186,071	5,871,173	1.5	1.3
Fourth Swedish National Pension fund	23,063,922	0	1.1	1.1
First Swedish National Pension fund	22,566,780	0	1.0	1.0
Second Swedish National Pension fund	18,516,442	0	0.8	0.9
Third Swedish National Pension fund	18,220,655	45,469	0.8	0.8
Skandia Life	16,513,827	1,925,828	0.8	0.7
Nordea funds	15,471,376	0	0.7	0.7
Foreign owners	584,996,468	1,533,923	26.7	26.9

## SEB shares

Data per share	2013	2012	2011	2010	2009
Basic earnings, SEK	6.74	5.31	4.93	3.07	0.58
Diluted earnings, SEK	6.69	5.29	4.91	3.06	0.58
Shareholders' equity, SEK	56.33	49.92	46.75	45.25	45.33
Net worth, SEK	62.10	56.33	51.99	50.34	50.17
Paid dividend per A and C share, SEK	4.00	2.75	1.75	1.50	1.00
Year-end market price					
per Class A share, SEK	84.80	55.25	40.09	56.10	44.34
per Class C share, SEK	79.90	53.40	39.00	53.20	46.00
Highest price paid during the year					
per Class A share, SEK	85.10	57.95	62.00	56.55	53.00
per Class C share, SEK	80.30	54.30	61.25	53.95	55.00
Lowest price paid during the year					
per Class A share, SEK	55.70	38.87	30.72	38.84	15.48
per Class C share, SEK	53.20	38.74	33.00	42.18	15.22
Dividend as a percentage of result for the year, %	59.3	51.8	35.5	48.0	172.0
Yield, %	4.7	5.0	4.4	2.7	2.3
P/E	12.6	10.4	8.1	18.2	75.8
Number of outstanding shares					
average, million	2,191	2,192	2,194	2,194	1,906
at year-end, million	2,180	2,192	2,192	2,194	2,194

## SEB share Class A

Index 2009 = 100





as BATS-Chi X, Burgundy and Turquoise. In 2013, about 50 per cent of the trading took place on these alternative exchanges. During the year the value of the SEB class A shares rose by 53 per cent, while the OMX Stockholm General Index was up by 23 per cent and the FTSE European Banks Index increased by 16 per cent. The total turnover in SEB shares amounted to SEK 203bn, of which 95bn on the Stockholm Stock Exchange. Market capitalisation by year-end was SEK 186bn.

### Dividend policy

SEB strives to achieve long-term dividend growth without negatively impacting the Group's targeted capital ratios. The annual dividend per share shall correspond to 40 per cent or

above of earnings per share. Each year's dividend is assessed in the light of prevailing economic conditions and the Group's earnings, growth possibilities and capital position.

### Total shareholder return in SEB 2013

Total shareholder return (TSR) - i.e. market value growth and reinvested dividends per share - increased to 60 per cent (43). In terms of total shareholder return SEB ranked number one among its Nordic peer group in 2013 compared with number two in 2012. The average TSR for the peer group in 2013 was 48 per cent.

## SEB's Annual General Meeting



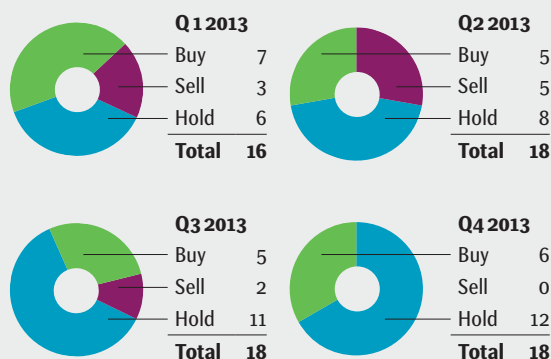
SEB has close to 270,000 shareholders. Some 170,000 of these own less than 500 shares, while slightly more than 200 hold more than 1,000,000 shares, accounting for 80 per cent of capital and votes. The shareholders' influence is exercised at General Meetings of Shareholders, the bank's highest decision-making body.

Slightly more than 1,000 persons were in attendance at the AGM 2013.

### The main resolutions made at the AGM were:

- Approval of the dividend of SEK 2.75 per share
- Expansion of the Board to twelve members
- Re-election of nine directors
- New election of Samir Brikho, Winnie Fok and Sven Nyman as directors
- Re-election of Marcus Wallenberg as Chairman of the Board
- Re-election of PricewaterhouseCoopers as auditor
- Adoption of guidelines for remuneration for the President and the other members of the GEC
- Approval of three long-term equity programmes
- Issuance of a mandate to the Board concerning the acquisition and sale of own shares for SEB's securities business, for the long-term equity programmes and for capital management purposes.

### Analysts' recommendations 2013



More than 30 analysts are following SEB's financial development. Apart from the quarterly press conferences, SEB annually arranges a number of meetings with analysts and investors in order to clarify the bank's development and answer their questions. A summary of some of the analysts' recommendations is published via news agencies every quarter.

# Income statement

*Net profit for the year is summed up in the income statement as the net of income and expenses, as well as credit losses and impairment charges.*

## Description of the income statement

### OPERATING INCOME

**Net interest income** consists mainly of the difference between income from lending and expenses associated with deposits and borrowings. Banks' interest margins differ in various parts of the market, mainly due to varying maturities and risks.

Changes in the margins as well as in the volumes of deposits and lending have a major bearing on net interest income. In addition, net interest income is affected by the return on holdings of fixed-income securities and expenses associated with the bank's issuance of securities used to fund the operations.

**Net fee and commission income**, which includes commissions from various services such as equities trading, lån, advisory services payments and cards, has long been a larger source of revenue for SEB than for other Swedish banks. This is because SEB works to a greater extent than other banks with corporate services and wealth management. This item also includes fees from assets under management.

**Net financial income** includes both realised gains and losses associated with sales of equities, bonds and other financial instruments, and unrealised changes in the market value of securities. The trend in the financial markets plays a great role in this context. This item also includes earnings from foreign exchange trading.

**Net life insurance income** includes fees from sales of life insurance products, where unit-linked insurance accounts for a very large share.

**Other income, net**, includes certain capital gains, dividends, hedges and other items.

### OPERATING EXPENSES

The largest operating expense consists of **staff costs** for the Bank's some 16,000 employees. **Other operating expenses** consist primarily of IT costs, consulting costs and costs for premises. **Depreciation and impairments of assets** pertains to equipment and IT costs, for example, which are spread over several years. To ensure a competitive and efficient cost base for the bank a cost cap of SEK 22.5bn was applied in 2013.

### Net credit losses

Credit losses consist of incurred losses as well as provisions for probable losses, where SEB has determined that the counterparty will likely be unable to fulfil its payment obligations. Any recoveries have a positive impact on net credit losses.

Income statement			
SEK m	2013	2012	Change, %
Net interest income	18,827	17,635	7
Net fee and commission income	14,664	13,620	8
Net financial income	4,052	4,579	-12
Net life insurance income	3,255	3,428	-5
Net other income	755	-439	
<b>Total operating income</b>	<b>41,553</b>	<b>38,823</b>	<b>7</b>
Staff costs	-14,029	-14,596	-4
Other expenses	-6,299	-6,444	-2
Depreciation, amortisation and impairments of assets	-1,959	-2,612	-25
<b>Total operating expenses</b>	<b>-22,287</b>	<b>-23,652</b>	<b>-6</b>
Gains less losses from tangible and intangible assets	16	1	
Net credit losses	-1,155	-937	23
<b>Operating profit</b>	<b>18,127</b>	<b>14,235</b>	<b>27</b>
Income tax expense	-3,338	-2,093	59
<b>Net profit from continuing operations</b>	<b>14,789</b>	<b>12,142</b>	<b>22</b>
Discontinued operations	-11	-488	-98
<b>Net profit</b>	<b>14,778</b>	<b>11,654</b>	<b>27</b>

### Discontinued operations

Discontinued operations pertains in 2013 and 2012 to the costs incurred in connection with the divestments of the retail operations in Germany and Ukraine.

### Net profit

Net profit for the year forms the basis for calculating earnings per share and the proposed dividend to the shareholders.

## Net profit 2013

### OPERATING INCOME

**Net interest income** increased by 7 per cent, to SEK 18,827m, primarily due to higher average volumes of customer-related loans and deposits and stable margins. This was partly counteracted by fees to the Swedish stability fund and the deposit guarantee scheme which amounted to around SEK 1bn in total. Net interest income corresponded to 45 per cent of SEB's income for 2013.

**Net fee and commission income** increased by 8 per cent, to SEK 14,664m. Among other things, assets under management increased during the year to SEK 1,475bn and there was higher activity on the stock exchanges leading to higher commissions. Lending fees increased.

**Net financial income** decreased by 12 per cent. This was primarily due to an increase in value of the bond portfolio at the end of 2012.

**Net life insurance income** decreased. Unit-linked income increased with rising stock exchanges, but the traditional life insurance portfolios were negatively affected by higher long-term interest rates.

**Net other income** amounted to SEK 755m. Certain one-time effects from securities transactions were part of this result.

### OPERATING EXPENSES

The expenses decreased by 6 per cent during the year to SEK 22,287m which was below the cost cap of SEK 22.5bn for 2013. Operating expenses for 2012 included a one-time charge of SEK 753m. Excluding this charge, expenses decreased by SEK 600m. The cost cap of SEK 22.5bn for 2014 was extended to include 2015.

### Net credit losses

The net credit losses amounted to SEK 1,155m. The non-performing loans decreased by 32 per cent during the year and amounted to SEK 9.5bn.

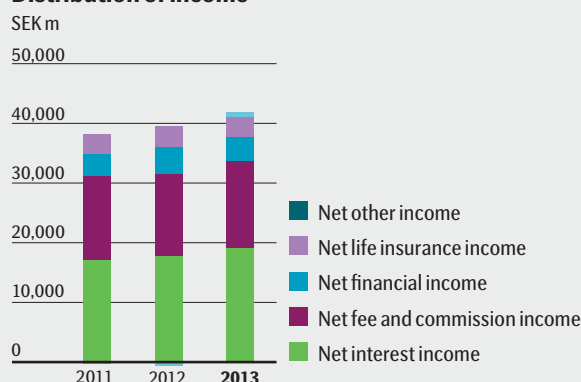
### Income tax expense

Income taxes increased by 59 per cent mainly because the income tax expense for 2012 was unusually low as they were one-time effects from the new corporate tax in Sweden that became effective from 1 January 2013.

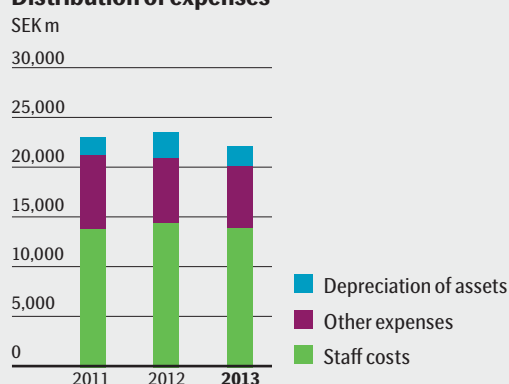
### Profit and dividends

Operating profit for the year increased by 27 per cent to SEK 18,127m. Net profit amounted to SEK 14,778m. The Board of Directors proposes a dividend of SEK 4.00 per share to be distributed to the shareholders.

### Distribution of income



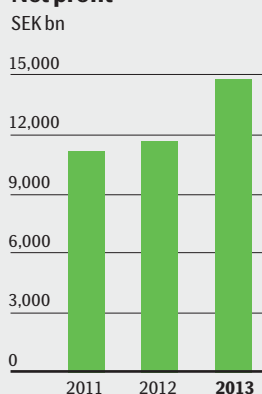
### Distribution of expenses



### Net credit losses



### Net profit



# Balance sheet

*The book value of the Group's assets, liabilities and equity is reported on the balance sheet.*

## Balance sheet description

Simply put, traditional banking is a matter of intermediating capital between customers with a surplus of capital and customers in need of borrowing whose needs vary widely with respect to amount, maturity and other terms. In its role as an intermediary, SEB can use household savings and short-term deposits for corporate and long-term mortgage lending. Due to the large number of accounts with varying maturities, savings and deposits serve as a stable source of funding.

### ASSETS

Loans to the public (households, corporate, etc.) and to credit institutions together account for slightly more than half of total assets. Holdings of debt securities are another large item.

### LIABILITIES AND EQUITY

The largest items consist of liabilities to credit institutions, and deposits and borrowing from the public. Debt securities issued by SEB is another major item. Shareholders' equity consists of the share capital, capital contributions and retained earnings.

## Performance in 2013

### ASSETS

Loans to the public increased by 5 per cent. The strategy for Nordic growth was successful and loans to corporates and households increased by SEK 34 and 26bn, respectively. Net holdings of debt instruments decreased.

### LIABILITIES AND EQUITY

Household deposits increased by SEK 14bn. Taking advantage of its high credit worthiness, SEB issued securities at a net amount of SEK 59bn. Equity increased by SEK 13bn, primarily due to the 2013 result.

### Balance sheet

SEKm

ASSETS	2013	2012	LIABILITIES AND EQUITY	2013	2012
<b>Cash balances with central banks</b>	<b>183,611</b>	<b>209,163</b>	<b>Deposits from central banks</b>	<b>62,413</b>	<b>30,073</b>
Lending	71,457	71,841	Credit institutions	105,109	126,210
Repos	19,996	30,822	Repos	8,669	14,373
Debt instruments	11,170	23,360	<b>Deposits from credit institutions</b>	<b>113,778</b>	<b>140,583</b>
<b>Loans to other credit institutions</b>	<b>102,623</b>	<b>126,023</b>	Public administration	70,502	74,248
Public administration	51,678	55,584	Private individuals	223,439	208,972
Private individuals	493,215	466,988	Corporate	544,242	564,577
Corporate	646,725	612,557	Repos	11,292	14,463
Repos	87,436	75,702	<b>Deposits and borrowings from the public</b>	<b>849,475</b>	<b>862,260</b>
Debt instruments	23,514	25,257	<b>Liabilities to policyholders</b>	<b>315,512</b>	<b>285,973</b>
<b>Loans to the public</b>	<b>1,302,568</b>	<b>1,236,088</b>	Commercial paper and certificates	265,751	257,794
Debt instruments	185,870	191,478	Long term debt	448,239	404,057
Equity instruments	132,459	85,210	<b>Debt securities</b>	<b>713,990</b>	<b>661,851</b>
Derivatives	142,776	170,600	Debt instruments	31,556	43,060
Insurance assets	315,519	278,650	Equity instruments	44,230	34,161
<b>Financial assets at fair value</b>	<b>776,624</b>	<b>725,938</b>	Derivatives	138,159	159,780
Debt instruments	44,725	47,159	<b>Financial liabilities at fair value</b>	<b>213,945</b>	<b>237,001</b>
Other	4,178	3,440	<b>Other liabilities</b>	<b>70,098</b>	<b>101,921</b>
<b>Available-for-sale financial assets</b>	<b>48,903</b>	<b>50,599</b>	<b>Subordinated liabilities</b>	<b>22,809</b>	<b>24,281</b>
<b>Tangible and intangible assets</b>	<b>28,924</b>	<b>28,494</b>	<b>Total equity</b>	<b>122,814</b>	<b>109,513</b>
<b>Other assets</b>	<b>41,581</b>	<b>77,151</b>	<b>Total liabilities and equity</b>	<b>2,484,834</b>	<b>2,453,456</b>
<b>Total assets</b>	<b>2,484,834</b>	<b>2,453,456</b>			



# Financial targets

*The Board of Directors' and management's targets for capital strength, dividends and return on equity taken together form the basis for the aspiration to reach 15 per cent return on equity.*

## Capital strength

Banks' capital increases through profits and decreases through losses. The capital thus serves as a buffer for the risks that the Bank takes, and its size determines how much a bank can lend and invest. The regulators prescribe how large a bank's capital must be in relation to its risks. The regulatory requirements currently undergoing change and are becoming increasingly stricter.

The Swedish Financial Supervisory Authority requires that the Common Equity Tier 1 capital ratio – according to the new Basel III rules – for 2014 must be at least 10 per cent. For the year 2015, the requirement is 12 per cent.

SEB's target for the Common Equity Tier 1 capital ratio according to Basel III is 13 per cent. At year-end this ratio was 15.0 per cent, which is one of the highest in Europe.

## Dividend

SEB's target is that the annual dividend per share shall equal or exceed 40 per cent of earnings per share. The proposed dividend for 2013 corresponds to 59 per cent of earnings per share.

## Return on equity

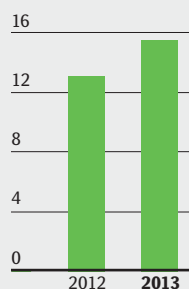
Return on equity expresses the relation between net profit for the year and average shareholders' equity. SEB's goal is to achieve a competitive return on equity - 15 per cent. Return on equity for 2013 was 13.1 per cent.

## Liquidity

The ability of banks to borrow money is a prerequisite for their ability to meet customers' needs and therefore banks always focus on liquidity management. One important aspect is to match long-term loans with stable financing. The Bank's stable funding is considerably larger than its volume of corporate and private lending. At year-end SEB had SEK 625bn in liquid assets.

### Common Equity Tier I capital ratio <sup>1)</sup>

Per cent



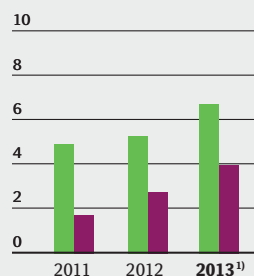
**SEB's target**  
is a common equity  
tier 1 capital ratio of

**13 %**

<sup>1)</sup> Calculated according to SEB's best interpretation of the current version of the Basel III regulations. This measurement was not published for the year 2011.

### Earnings and dividend per share

SEK



■ Net profit ■ Dividend

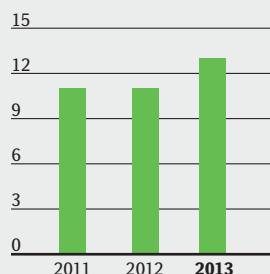
<sup>1)</sup> A dividend of SEK 4.00 per share is proposed for 2013, corresponding to a pay-out ratio of 59 per cent.

**SEB's target**  
a dividend payout  
ratio that is

**≥40 %**

### Return on equity

Per cent



**SEB's target**  
is a competitive return  
on equity, which means

**>15 %**

## Board of Directors

### MARCUS WALLENBERG

Born 1956; B. Sc. (Foreign Service). Chairman since 2005.

**Other assignments:** Chairman of Saab, Electrolux<sup>1)</sup>, LKAB and Foundation Asset Management Sweden. Director of AstraZeneca, Stora Enso<sup>1)</sup> Investor, Temasek Holding, EQT Holdings and the Knut and Alice Wallenberg Foundation.

**Shareholding:** 753,584 class A-shares and 720 class C-shares.

### URBAN JANSSON

Born 1945; Higher bank degree (SEB).

Deputy Chairman since 2013.

**Other assignments:** Chairman of EAB and HMS Networks. Vice chairman of Svedbergs i Dals-torp<sup>1)</sup>, Director of Clas Ohlson and Lindéngruppen.

**Shareholding:** 56,840 class A-shares.

### JACOB WALLENBERG

Born 1956; B. Sc. (Econ) and MBA. Deputy Chairman since 2005.

**Other assignments:** Chairman of Investor. Deputy Chairman of SAS and LM Ericsson. Director of ABB, the Knut and Alice Wallenberg Foundation, the Coca-Cola Company and the Stockholm School of Economics.

**Shareholding:** 430,839 class A-shares and 136 class C-shares.

### JOHAN H. ANDRESEN

Born 1961; B. A. (Government and Policy Studies) and MBA.

**Other assignments:** Owner and Chairman of Ferd. Director of Junior Achievement Young Enterprise (JA-YE) Europe, JA-YE Norway, NMI-Norwegian Micro-finance Initiative and Corporate Partners Advisory Board at BI Norwegian School of Management.

**Shareholding:** 100,000 class A-shares.

### SIGNHILD ARNEGÅRD HANSEN

Born 1960; B. Sc. (Human resources) and journalism studies.

**Other assignments:** Chairman of SLC-Group, Svenska LantChips, Utah Chips Corporation and SFN/Timbro. Vice Chairman of the Swedish-American Chamber of Commerce (SACC), USA. Director of SACC, New York, Business Sweden, ESBRI, King Carl XVI Gustaf's Foundation for Young Leadership, Magnora and Dagens Industri.

**Shareholding:** 2,578 class A-shares.

### SAMIR BRIKHO

Born 1958; M.Sc. (Engineering, Thermal Technology).

**Other assignments:** CEO of AMEC plc. UK. Chairman of Step Change Charity and World Economic Forum Disaster Resource partnership. UK Business Ambassador since 2010. Co-chair of the UK-UAE Business Council and of the UK-ROK CEO Forum. Director of the UK-Japan 21st Century Group. Member of the Advisory Boards of Stena, LIFE Lebanon and School of Oriental & African Studies. Founding Member of Palestine International Business Forum.

**Shareholding:** 0

### WINNIE FOK

Born 1956; Bachelor of Commerce.

**Other assignments:** Director of Volvo Car Corporation, G4S plc, Kemira Oyj and HOPU Investments Co, Ltd. Senior Advisor to Foundation Administration Management Sweden.

**Shareholding:** 3,000 class A-shares

### BIRGITTA KANTOLA

Born 1948; LL.M. and Econ. Dr. H.C.

**Other assignments:** Director of StoraEnso and Nobina.

**Shareholding:** 25,000 class A-shares.

### TOMAS NICOLIN

Born 1954; B. Sc. (Econ) and M.Sc. (Management).

**Other assignments:** Director of Nordstjernan, Nobel Foundation, Axel and Margaret Ax:son Johnsons Foundation, Centre for Justice, Research Institute of Industrial Economics, the Swedish Corporate Governance Board, SFN/Timbro and SVPH. Member of the Investment Committee of NIAM Property Fund.

**Shareholding:** 66,000 class A-shares.

### SVEN NYMAN

Born 1959; B.Sc. (Business and Econ).

**Other assignments:** CEO and Founder of RAM Rational Asset Management and RAM ONE. Director of Consilio International, the Nobel Foundation Investment Committee, the Stockholm School of Economics and the Stockholm School of Economics Association.

**Shareholding:** 10,440 class A-shares and 10,200 class C-shares.



MAGDALENA OLOFSSON MARCUS WALLENBERG URBAN JANSSON



SIGNHILD ARNEGÅRD HANSEN

WINNIE FOK SAMIR BRIKHO



SVEN NYMAN

ANNIKA FALKENGREN

PERNILLA PÅHLMAN HÅKAN WESTERBERG



JACOB WALLENBERG

BIRGITTA KANTOLA

MARIA LINDBLAD



JESPER OVESEN

TOMAS NICOLIN

JOHAN H. ANDRESEN

#### CONTACT THE BOARD OF DIRECTORS:

Skandinaviska  
Enskilda Banken AB  
Board Secretariat  
SE-106 40 Stockholm  
Sweden seboard-  
secretariat@seb.se

### JESPER OVESEN

Born 1957; B. Sc. (Econ) and MBA.

**Other assignments:** Chairman of Nokia Solutions and Networks BV. Director of Orkla ASA.

**Shareholding:** 10,000 class A-shares.

### ANNIKA FALKENGREN

Born 1962; B. Sc. (Econ).

President and CEO since 2005.

**Other assignments:** Chairman of the Swedish Banker's Association. Director of Securitas. Member of Supervisory Board Volkswagen AG and Munich RE<sup>1)</sup>.

**Shareholding:** 374,777 class A-shares, 131,578 performance shares and 209,695 conditional share rights.

Directors appointed  
by the employees

### MAGDALENA OLOFSSON

Born 1953; Studies in Economics and Accounting.

**Other assignments:** Chairman of Financial Sector Union of Sweden SEB Group, Regional Club Stockholm & East and of the European Works Council SEB Group. Member of the Board of Financial Sector Union Sweden.

**Shareholding:** 0.

### PERNILLA PÅHLMAN

Born 1958; Advanced certificate in occupational safety and health and work environment.

**Other assignments:** Vice Chairman of Financial Sector Union of Sweden SEB Group and of regional Club Stockholm & East. Principal Safety Representative at Group level Sweden.

**Shareholding:** 661 class A-shares and 9 class C-shares.

Deputy Directors appointed  
by the employees

### MARIA LINDBLAD

Born 1953; B.Sc. (Econ) Katowice School of Economics, Poland.

**Other assignments:** Second Deputy Chairman of Financial Sector Union of Sweden SEB Group and Chairman of Regional Club Stockholm City of the same union.

**Shareholding:** 5,021 class A-shares.

### HÅKAN WESTERBERG

Born 1968; Engineering logistics.

**Other assignments:** Chairman Association of University Graduates at SEB. Board member SEB Kort Bank.

**Shareholding:** 2,635 class A-shares.

Secretary to the Board

### MARIE EKSTRÖM

1) Not available for re-election 2014.

## Group Executive Committee

### ANNIKA FALKENGREN

Born 1962; SEB employee since 1987; B. Sc. (Econ).

President and CEO since 2005.

**Other assignments:** Chairman of the Swedish Bankers' Association. Director of Securitas. Member of Supervisory Board Volkswagen AG and Munich RE.

**Shareholding:** 374,777 class A-shares, 131,578 performance shares and 209,695 conditional share rights.

### JOHAN ANDERSSON

Born 1957; SEB employee since 1980; B. Sc. (Econ).

Chief Risk Officer since 2010. Head of Credits and Risk Control since 2004.

**Shareholding:** 55,883 class A-shares, 22 class C-shares.

### JAN ERIK BACK

Born 1961; SEB employee since 2008; B. Sc. (Econ).

Executive Vice President, Chief Financial Officer since 2008.

**Shareholding:** 35,755 class A-shares, 139,694 performance shares and 108,172 conditional share rights.

### MAGNUS CARLSSON

Born 1956; SEB employee since 1993; B. Sc. (Econ).

Executive Vice President, Head of the Merchant Banking division since 2005.

**Shareholding:** 54,255 class A-shares, 98,684 performance shares and 129,974 conditional share rights.

### VIVEKA HIRDMAN-RYRBERG

Born 1963; SEB employee since 1990; B. Sc. and Lic. Sc. (Econ).

Head of Group Communications since 2009. Chairman of the Corporate Sustainability Committee.

**Shareholding:** 47,679 class A-shares, 26,315 performance shares and 37,744 conditional share rights.

### MARTIN JOHANSSON

Born 1962; SEB employee since 2005; B. Sc. (Econ).

Head of Business Support from 2011.

**Shareholding:** 53,885 class A-shares, 65,789 performance shares and 87,203 conditional share rights.

### ANDERS JOHNSON

Born 1959; SEB employee since 1984;

Higher bank degree. Head of the Life and Wealth Management Division since 2013.

**Shareholding:** 23,515 class A-shares, 88,034 conditional share rights and 14,094 deferral rights.

### ULF PETERSON

Born 1961; SEB employee since 1987; LLB.

Head of Group Human Resources since 2010.

**Shareholding:** 22,645 class A-shares, 31,998 performance shares and 52,422 conditional share rights.

### MATS TORSTENDAHL

Born 1961; SEB employee since 2009; M. Sc. (Engineering Physics).

Executive Vice President, Head of the Retail Banking division since 2009.

**Shareholding:** 71,789 class A-shares, 139,694 performance shares and 109,004 conditional share rights.



1. Annika Falkengren 2. Peter Høltermand 3. Johan Andersson
4. David Teare 5. Mats Torstendahl 6. Viveka Hirdman-Ryrberg
7. Ulf Peterson 8. Jan Erik Back 9. Anders Johansson 10. William Paus
11. Magnus Carlsson 12. Martin Johansson

#### Additional Members

##### PETER HØLTERMAND

Born 1963; SEB employee since 1997; B. Sc. (Econ).

Country Manager SEB Denmark since 2002.

**Shareholding:** 37,206 class A-shares and 18,265 deferral rights.

##### WILLIAM PAUS

Born 1967; SEB employee since 1992; M. Sc. (Econ).

Country Manager SEB Norway since 2010.

**Shareholding:** 89,245 class A-shares and 24,758 deferral rights.

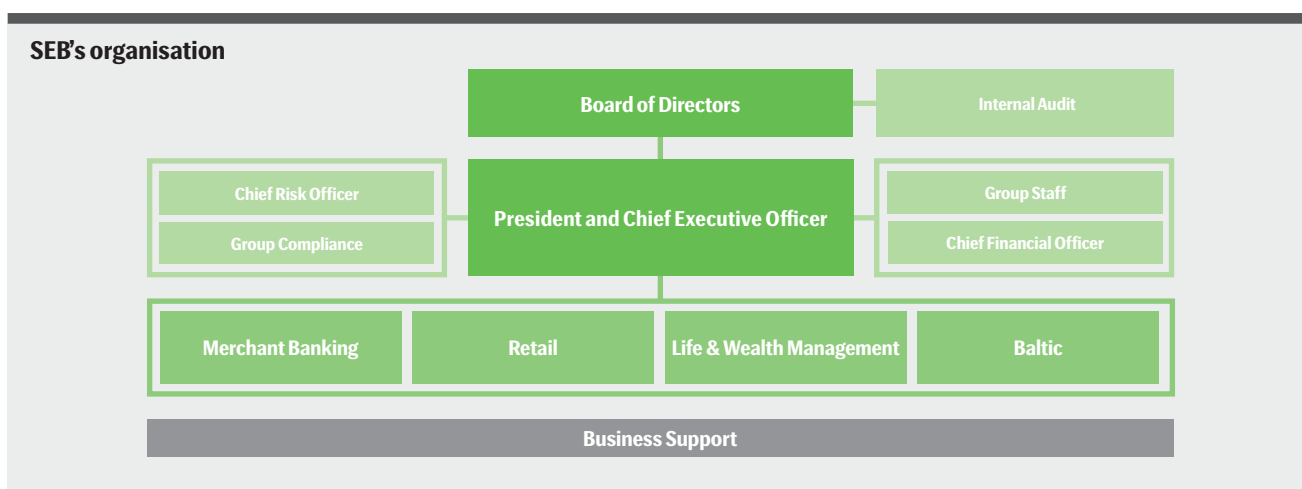
##### DAVID TEARE

Born 1963; SEB employee since 2006; B. Comm.

Head of the Baltic division from 2011.

**Shareholding:** 65,000 class A-shares, 51,989 conditional share rights and 8,104 deferral rights.

# SEB's organisation



## Financial information

SEB's financial information is available on [www.sebgroup.com](http://www.sebgroup.com)

### Financial information during 2014

Annual Accounts for 2013	5 February 2014	Interim report Jan.– March	25 April 2014
Annual Report on the Internet	4 March 2014	Interim report Jan.– June	14 July 2014
Annual General Meeting	25 March 2014	Interim report Jan.– Sept.	23 October 2014
		Annual Account for 2014	29 January 2015

### Kontaktpersoner

Jan Erik Back Chief Financial Officer Telephone +46 8 22 19 00 E-mail: <a href="mailto:janerik.back@seb.se">janerik.back@seb.se</a>	Viveka Hirdman-Ryrberg Head of Group Communications Telephone +46 8 763 85 77 E-mail: <a href="mailto:viveka.hirdman-ryrberg@seb.se">viveka.hirdman-ryrberg@seb.se</a>	Ulf Grunnesjö Head of Investor Relations Telephone +46 8 763 85 01 E-mail: <a href="mailto:ulf.grunnesjo@seb.se">ulf.grunnesjo@seb.se</a>	Malin Schenkenberg Financial Information Officer Telephone +46 8 763 95 31 E-mail: <a href="mailto:malin.schenkenberg@seb.se">malin.schenkenberg@seb.se</a>
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## Annual General Meeting

**The Annual General Meeting will be held on Tuesday, 25 March 2014, at 1.00 p.m. (CET) at Stockholm Concert Hall**

Notices convening the General Meeting including an agenda for the meeting are available on [www.sebgroup.com](http://www.sebgroup.com).

Shareholders who wish to attend the Annual General Meeting shall both

- be registered in the shareholders' register kept by the Euroclear Sweden AB on Wednesday, 19 March 2014, at the latest
- and notify the Bank by telephone 0771-23 18 18 (+46 771 23 18 18 from outside Sweden) between 9.00 a.m. and 4.30 p.m. (CET) or via Internet on [www.sebgroup.com](http://www.sebgroup.com) or in writing at the following address: Skandinaviska Enskilda Banken AB, AGM, Box 7832, SE-103 98 Stockholm, on Wednesday, 19 March 2014, at the latest.

### Dividend

The Board proposes a dividend of SEK 4.00 per share for 2013.

The share is traded ex dividend on Wednesday, 26 March, 2014. Friday, 28 March 2014, is proposed as record date for the dividend payments. If the Annual General Meeting resolves in accordance with the proposals, dividend payments are expected to be distributed by Euroclear Sweden AB on Wednesday, 2 April 2014.



# SEB creates value

SEB is tightly connected to society and the Bank's stakeholders in many ways. Like all banks, SEB supports the economy and overall society by providing financial services to households, businesses, institutions and the public sector. These activities also benefit the Bank's direct stakeholders: employees, suppliers, the public sector and shareholders. This overview illustrates the value creation process.

Corporate, institutional and public sector customers

Financial needs arise in do

Banks' key role as financial engines in society takes place in three main areas:



## Financial intermediation

Banks provide solutions for those with money to invest and for those in need of borrowing. Banks also act as safe and efficient intermediaries between them.



## Payments

Banks provide domestic and international payment services which are the basis for all economic activity.



## Risk management

Banks assume risk and assist customers with financial risk management.

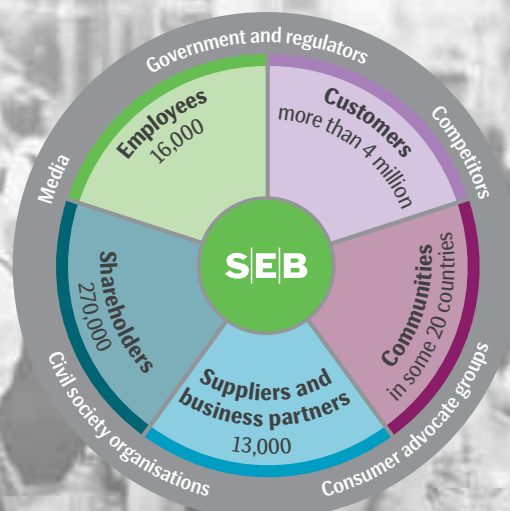
As all these areas are essential to society, banks are an integral part of the economy. Financial markets are at the core of creating economic and social value in a modern society.

Society at large

Economic needs in society include:



## SEB's stakeholders



Private individual customers

Financial needs are part of everyday

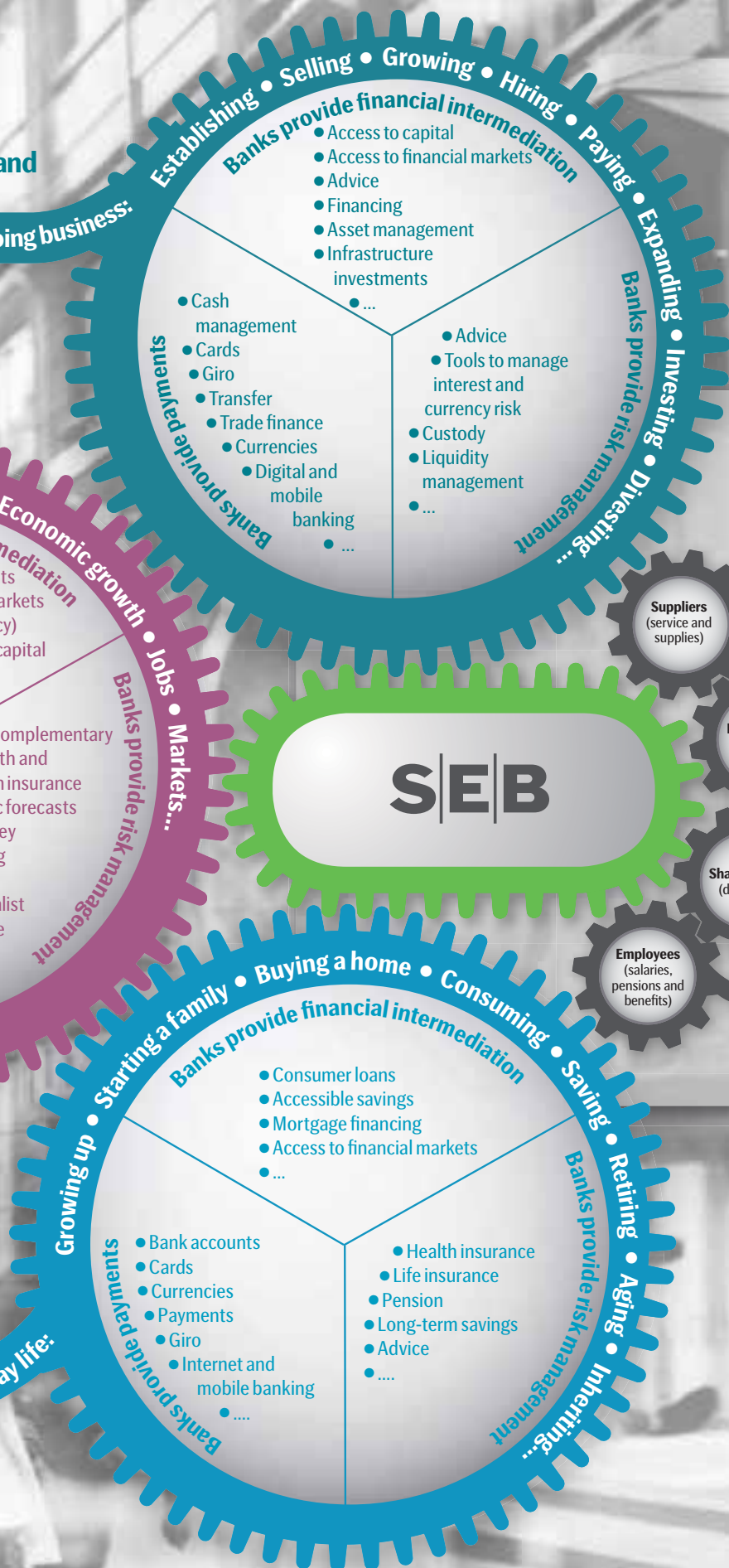
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While creating economic value to customers and society as a whole the Bank also distributes value to direct stakeholders (in total SEK 37,487m in 2013).

**Suppliers**  
(service and supplies)

SEK 10,286m

**Public sector**  
(taxes & fees)

SEK 7,152m

**Shareholders**  
(dividends)

SEK 8,719m

**Employees**  
(salaries, pensions and benefits)

SEK 11,330m



# Welcome to SEB!

SEB assists 2,900 large corporations and financial institutions, 400,000 small and medium-sized companies and four million private individuals with advice and financial solutions.

The international scope of the operations is reflected in SEB's presence in some 20 countries with 16,000 employees.

As a relationship bank SEB is always striving to create value for the customers. In Sweden and the Baltic countries, SEB offers financial advice and a wide range of financial services. In Denmark, Finland, Norway and Germany, SEB has a strong focus on a full-service offering to large corporate and institutional customers.

The Bank has a long-term perspective in all of its operations and contributes to the development of markets and communities.