

Investor presentation

Third quarter 2020

January - September 2020

SEB



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An aerial night photograph of a city, likely Stockholm, featuring a large train station with multiple tracks and a modern, curved building with many lit windows. The sky is dark with some clouds, and the city lights are visible in the background.

SEB in brief

SEB – a leading Nordic financial services group



- **Unique customer base** and **leading market position** in economically robust home markets with international reach
- Stable, long-term **ownership** structure
- **Diversified business model** delivering strong, profitable growth over time
- **Financial strength** with high asset quality, one of Europe's best capitalisation levels, and a robust funding and liquidity structure
- **Solid credit rating** of AA-/Aa2/A+ (Fitch/Moody's/S&P)

No. 1

Large corporate and financial institutions Sweden ranking

Business bank of the year 2019 & 2020

Finansbarometern

No. 1

Bank in life & pension

No. 2

Baltic bank

9.7% (13.8)

Return on equity

0.46 (0.46)

Cost / Income

19.4% (17.6)

CET1 ratio

30bps (10)

Net ECL level

SEB has a unique customer base and diversified business model



2,000

Large corporations

1,100

Financial institutions

272k

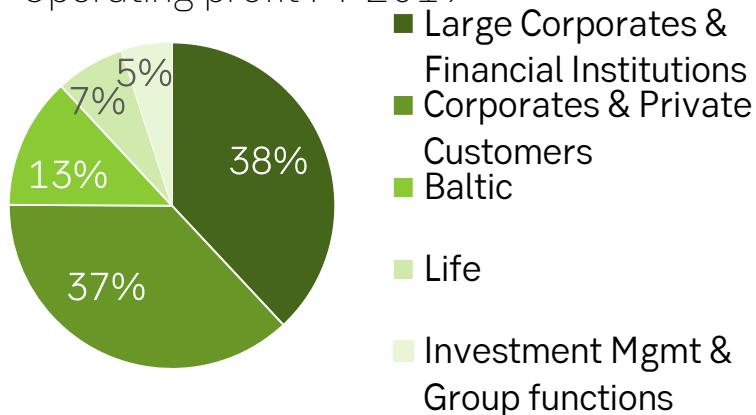
Small- & medium-sized companies

1.4m

Private individuals

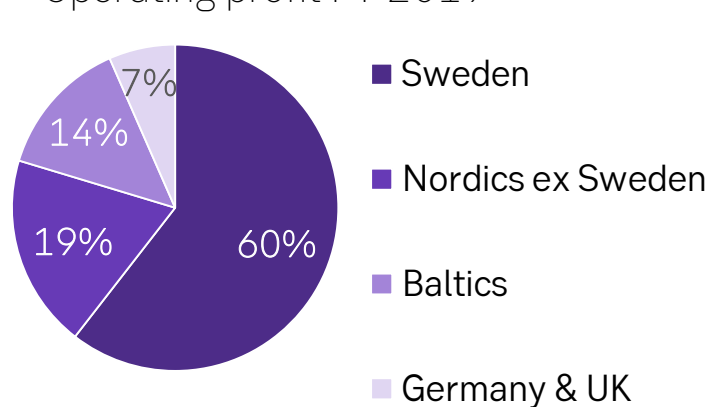
Divisional breakdown

Operating profit FY 2019¹



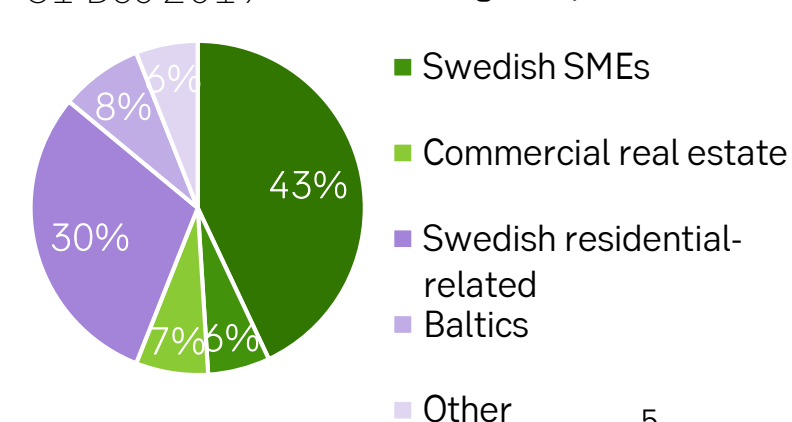
Geographical breakdown

Operating profit FY 2019¹



Credit portfolio breakdown

31 Dec 2019²



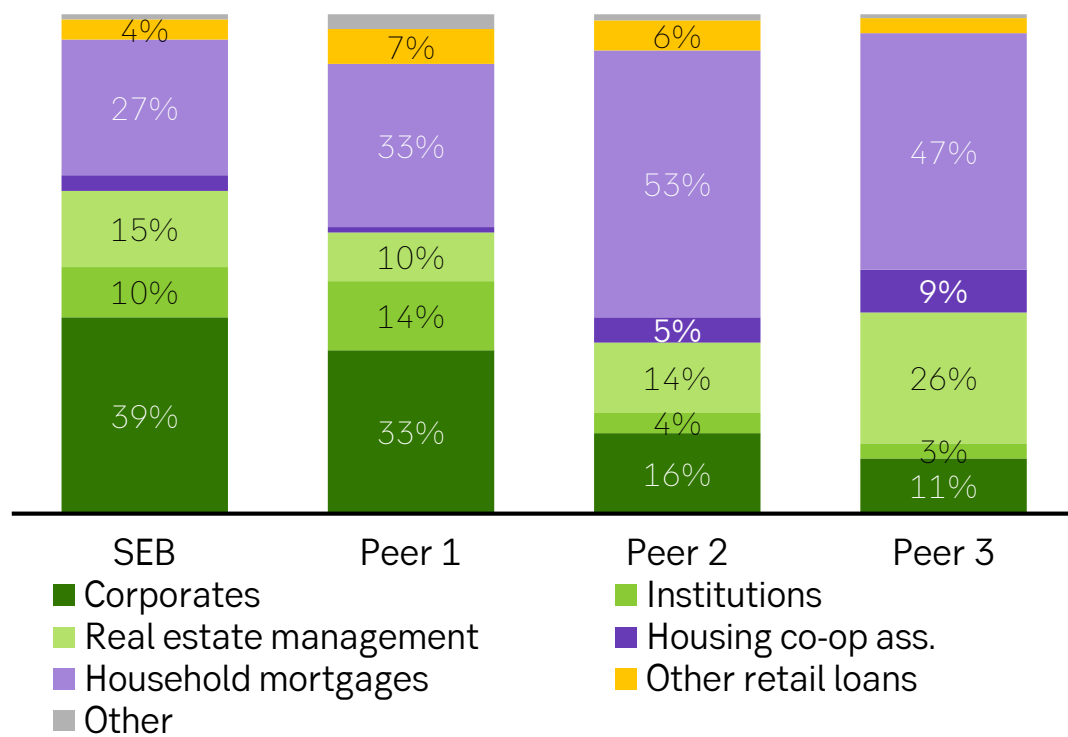
¹ Business divisions excluding Other and eliminations, Geography excluding International network and eliminations

² Swedish residential related includes household mortgages, residential real estate and housing co-ops

SEB is more corporate focused and has a more diversified income stream compared to peers

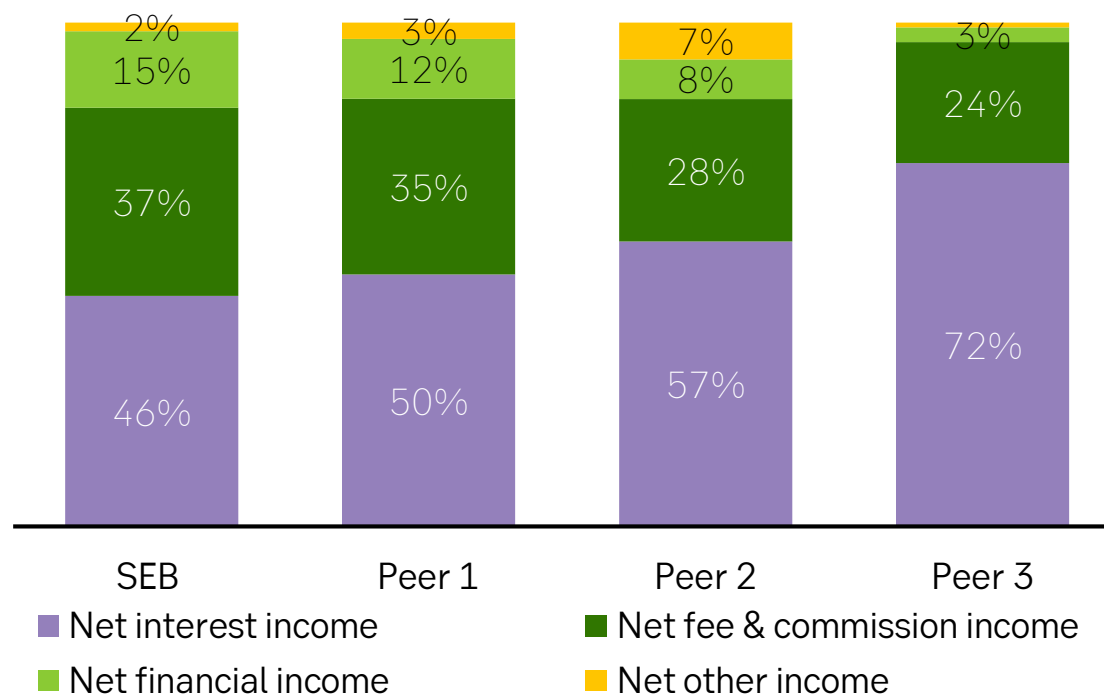
Highest corporate & institutional exposure and low real estate & mortgage exposure

Sector credit exposure composition, EAD¹, 31 Dec 2019



Diversified income stream

Operating income by revenue stream, FY 2019

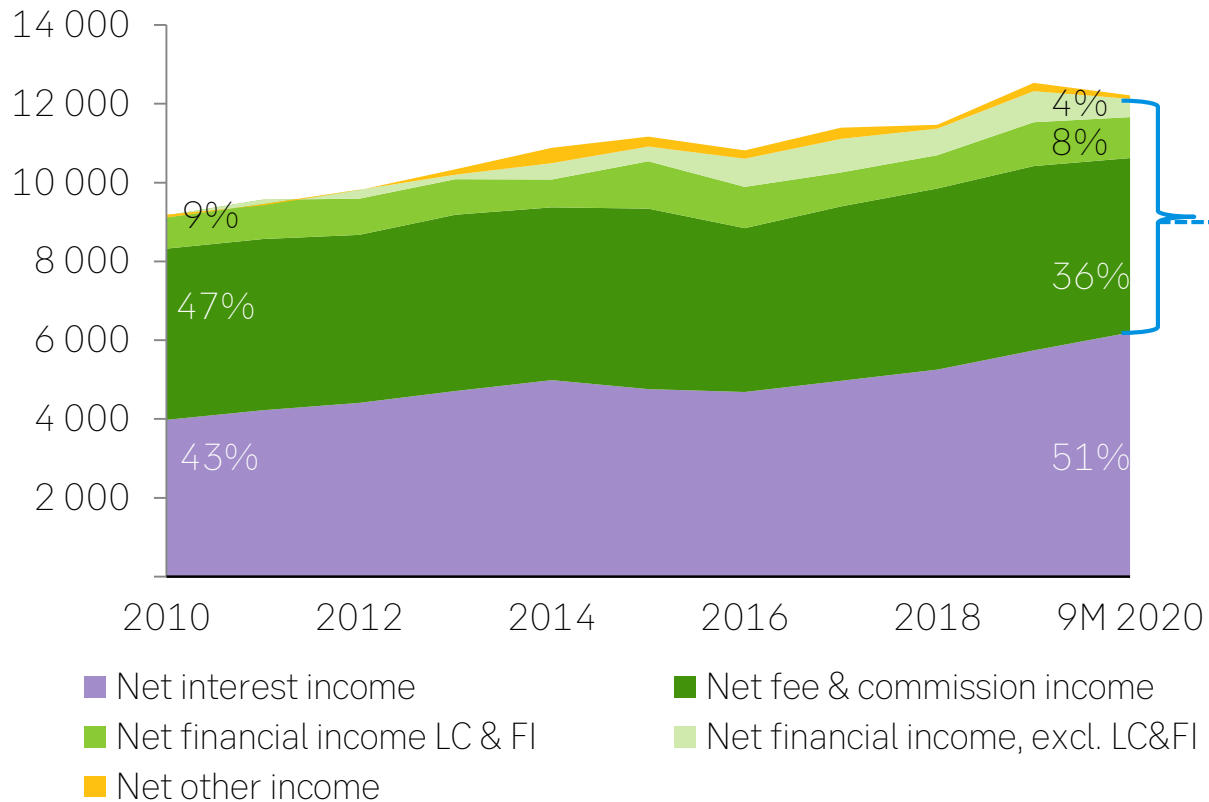


¹ EAD = Risk Exposure Amount/Risk Weight. Source: SEB + Swedish peers Q4 2019 reports

SEB's business model generates a stable and diversified income stream

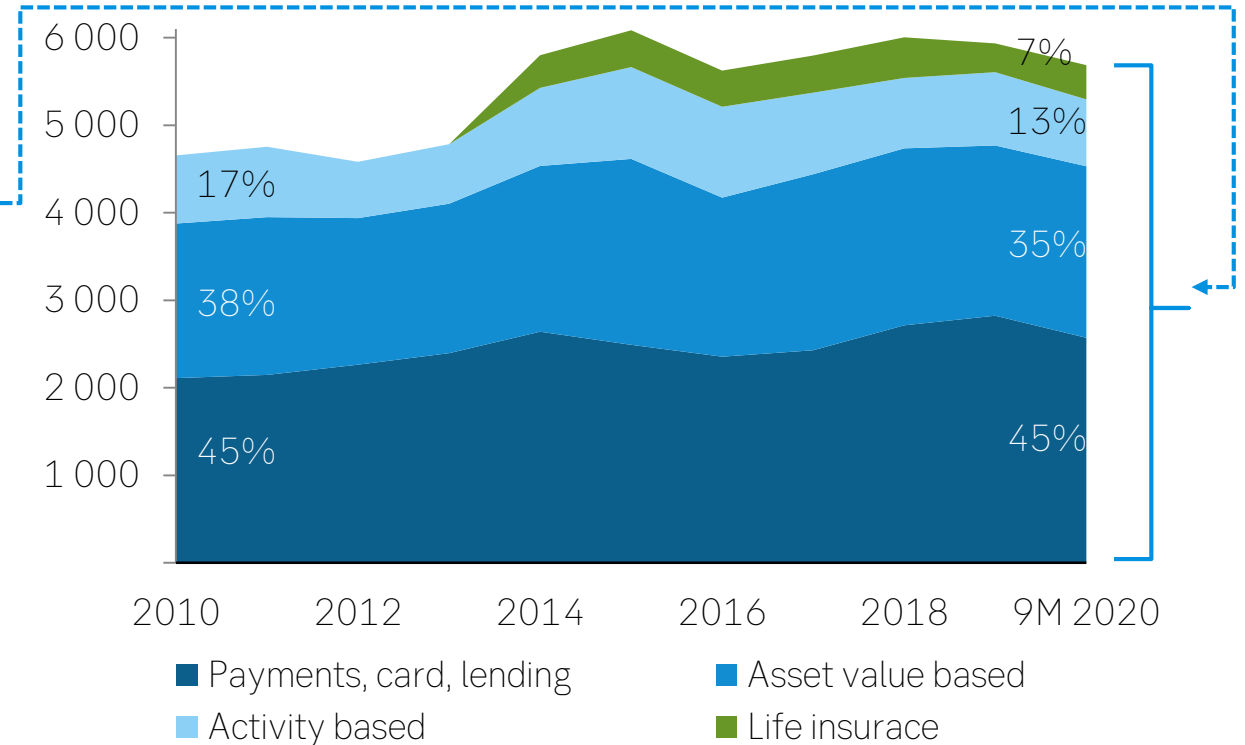
Balanced mix of NII (net interest income) and non-NII

2010 - Sep 2020 Average quarterly income, SEK m



Stable fees & commissions generated through strong market franchise and recurring income

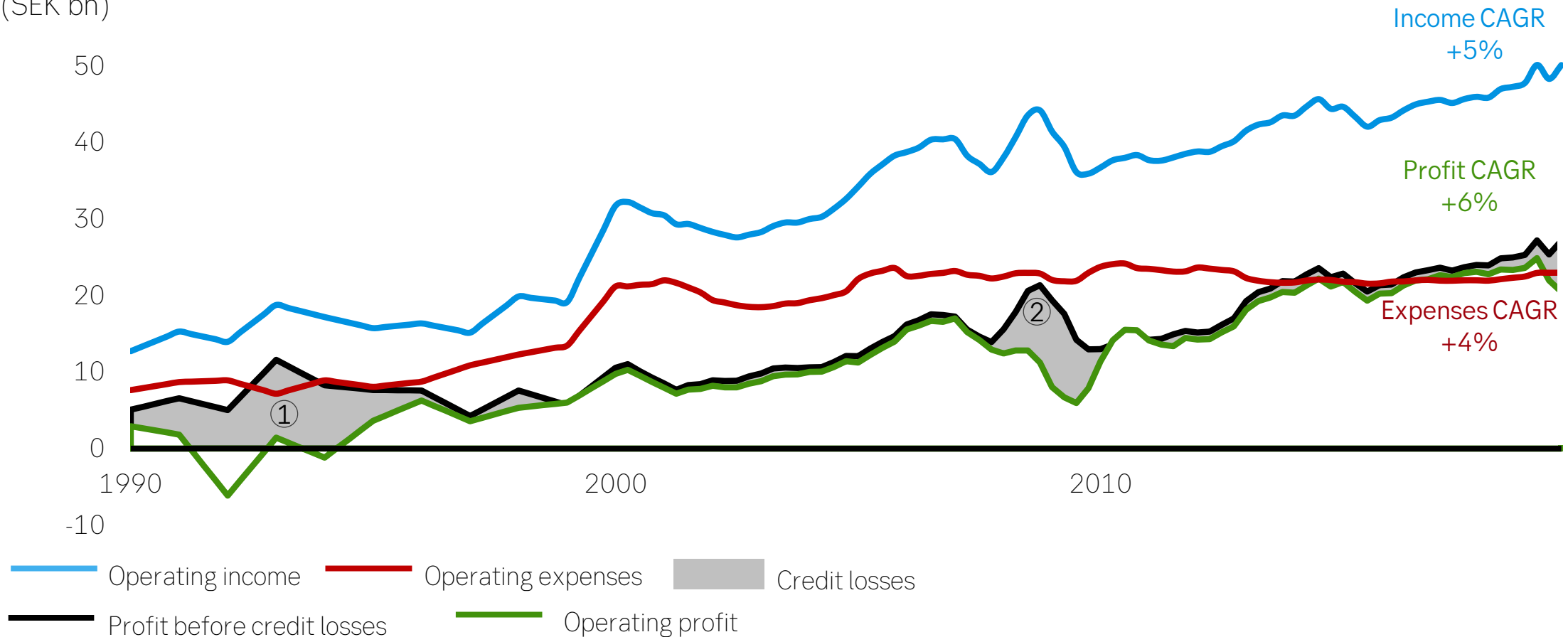
2010 - Sep 2020 Average quarterly fees & commissions income, SEK m



Note: LC&FI is the division Large Corporates and Financial Institutions. Traditional Life income booked under net financial income from Jan 2014

SEB has delivered sustainable value creation over time...

Long-term profit development 1990 - Sep 2020, rolling 12m
(SEK bn)



1. Consequences of Swedish economic paradigm shift and the ensuing financial crisis. SEB was one of two of major banks that was not taken over or directly guaranteed by the State

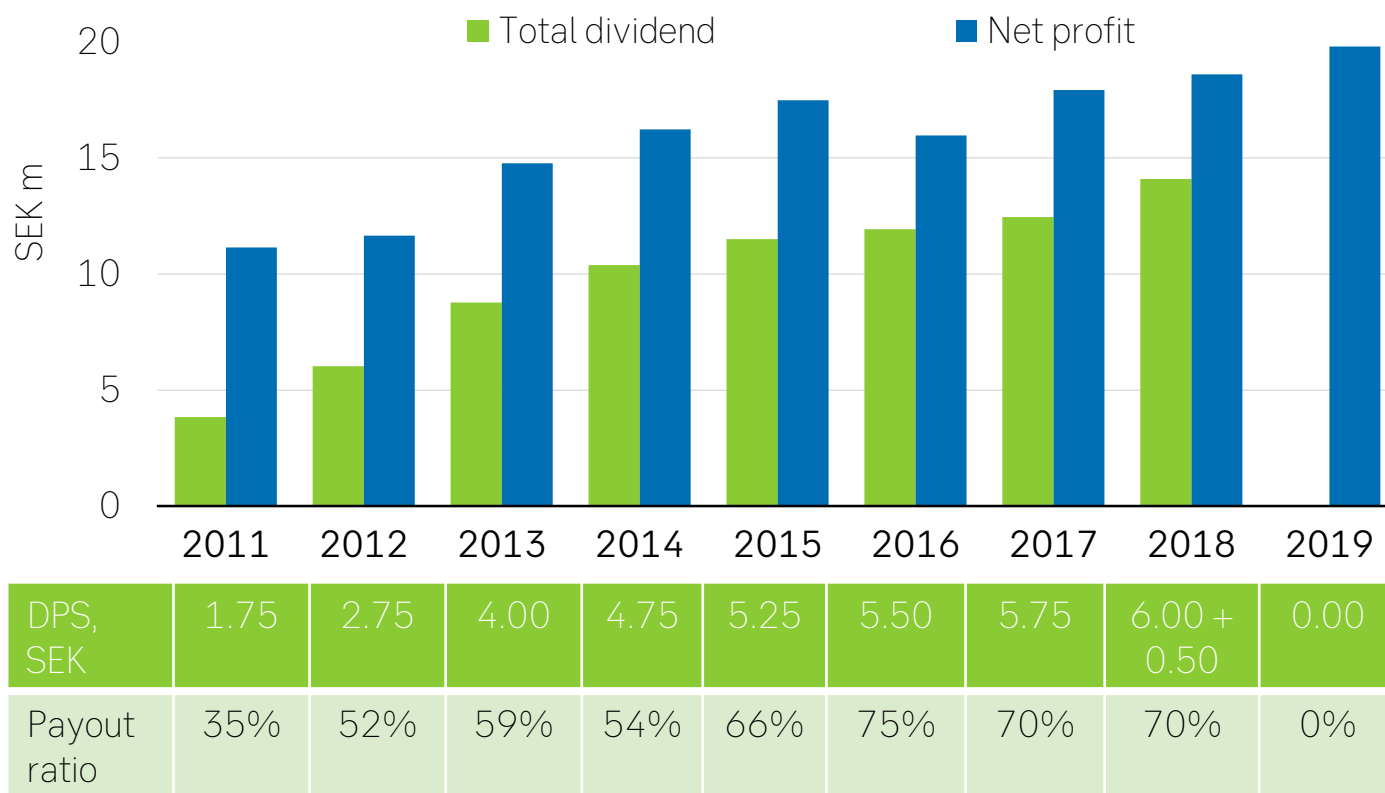
2. Credit losses driven by the Baltics during the Financial Crisis – important to note the strong revenue generation and overall profitability during this period notwithstanding the Financial Crisis

Adjusted for items affecting comparability in 2014-2020

...generating long-term shareholder value

Dividends paid

Dividend policy: 40% or above of net profit (Earnings per share)



SEB's main shareholders

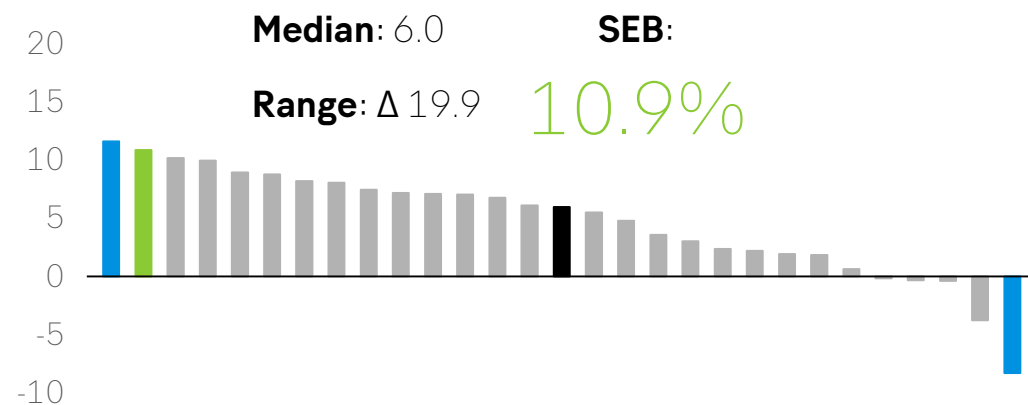
30 September 2020		Share of capital, per cent
Investor AB		20.8
Alecta Pension Insurance		6.6
Trygg Foundation		5.2
Swedbank Robur Funds		3.8
AMF Insurance & Funds		3.7
BlackRock		2.4
Vanguard		2.0
SEB Funds		2.0
Own shareholding		1.5
Handelsbanken Funds		1.4
Total share of foreign shareholders		25.6
Source: Euroclear Sweden/Modular Finance		

Note: 2018 payout ratio excluding items affecting comparability and extraordinary dividend per share (DPS). 2018 payout ratio was 76% if including extraordinary dividend. 2014-2018 excluding items affecting comparability.

Continued relative financial strength

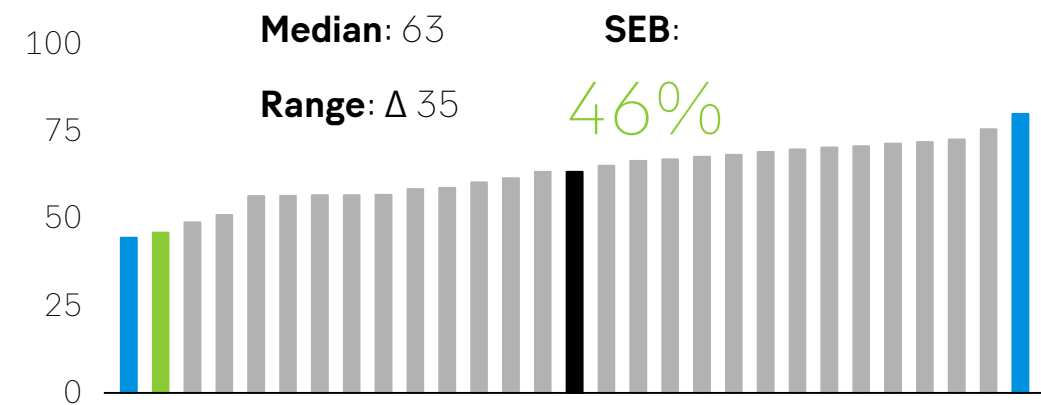
Return on equity

Jan-Jun 2020 (%)



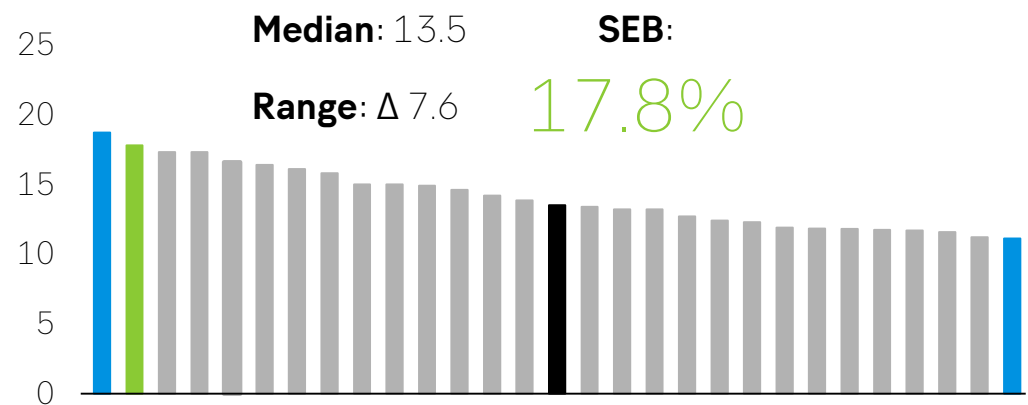
Cost/income ratio

Jan-Jun 2020 (%)



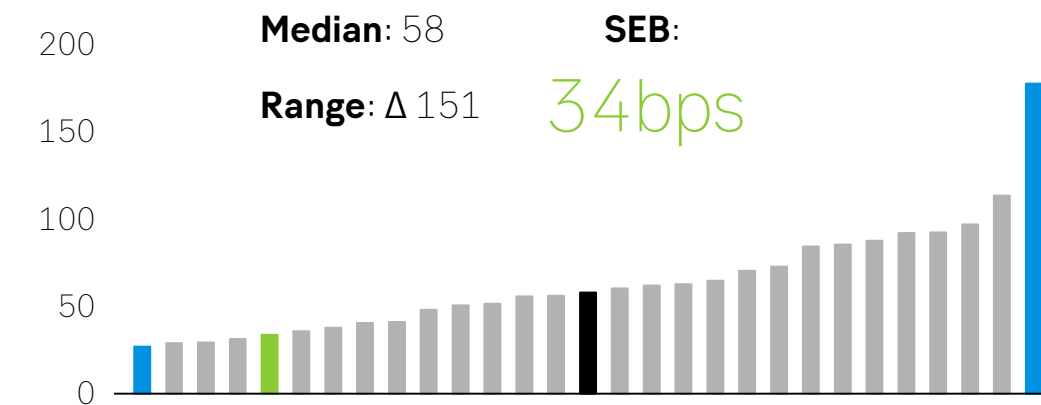
CET1 capital ratio

Jan-Jun 2020 (%)



CDS spread

Aug 2020 (bps)

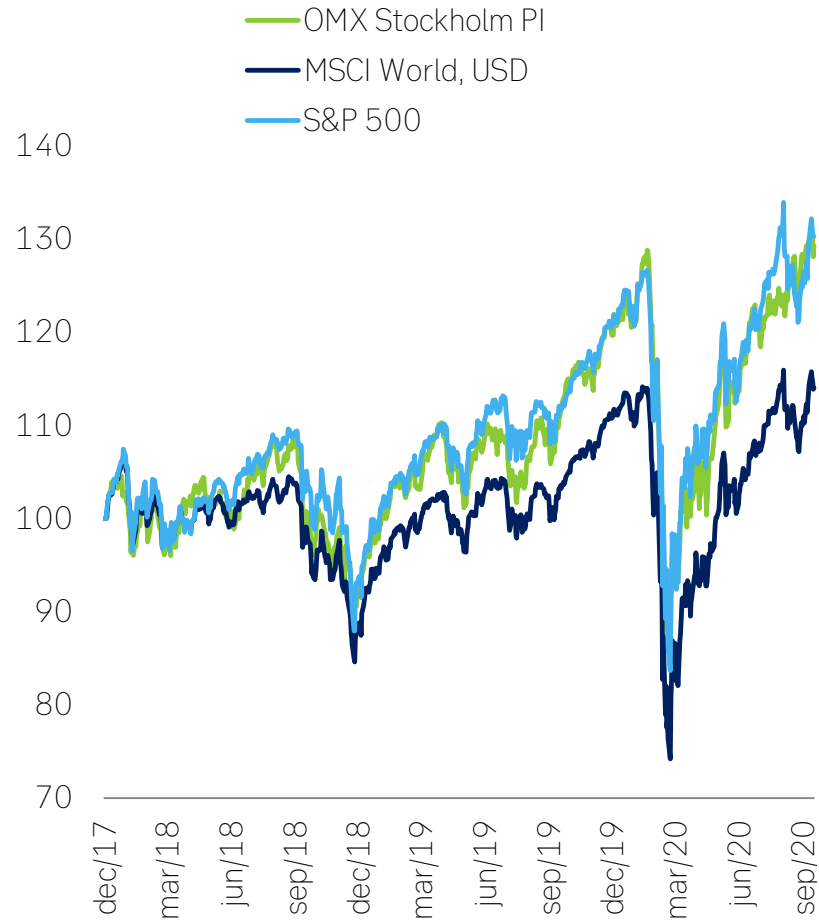


Q3 financial update

Financial markets development

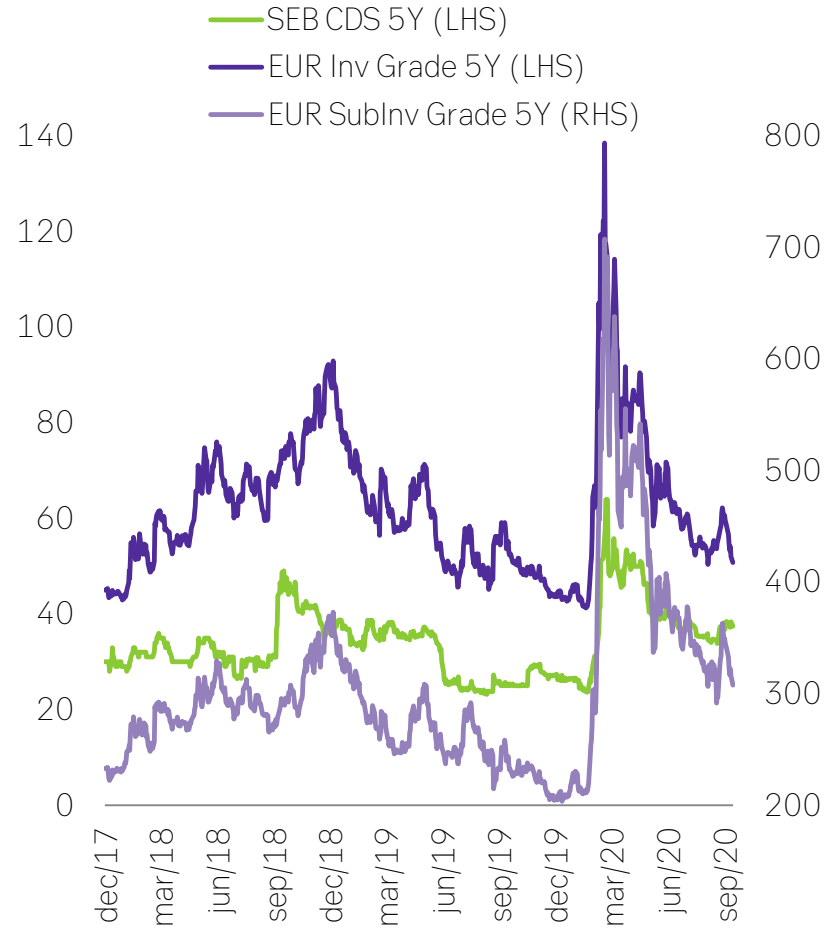
Equity markets

Sweden, US and global



Credit spreads

SEB vs. corporate sector



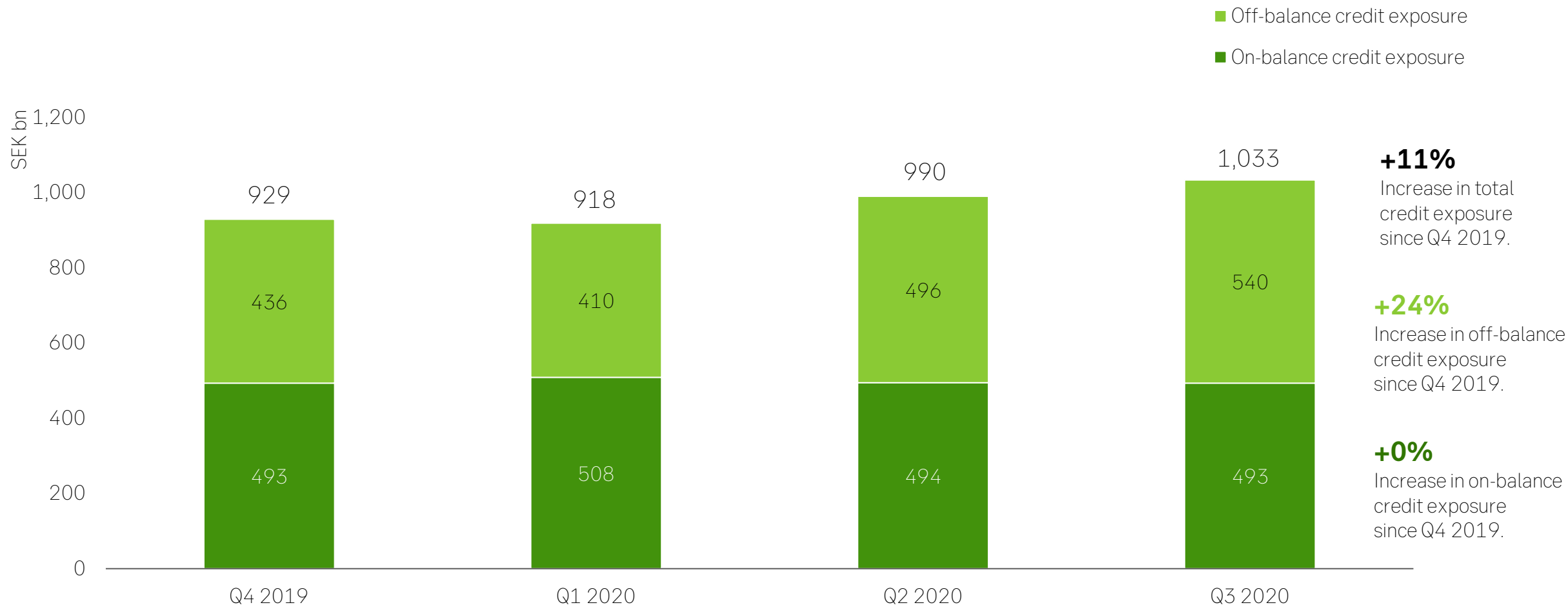
Interest rates

Annual yield of 10-year gvt bonds



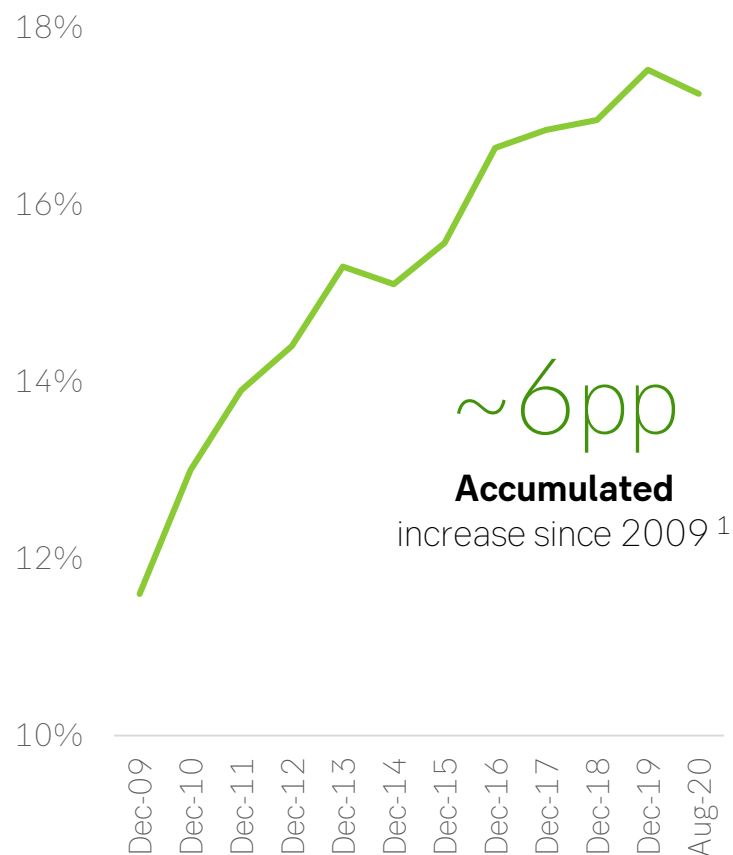
Development of credit exposure

Large Corporates & Financial Institutions

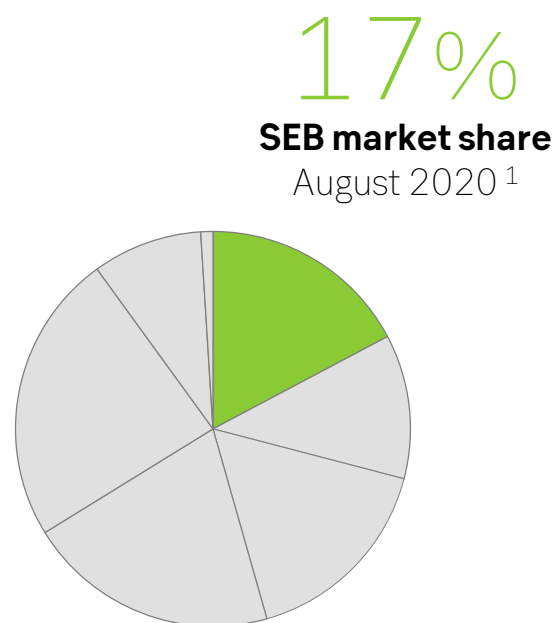


Solid market position among SME customers...

Continuous market share gain



Solid position in Swedish market



Satisfied customers

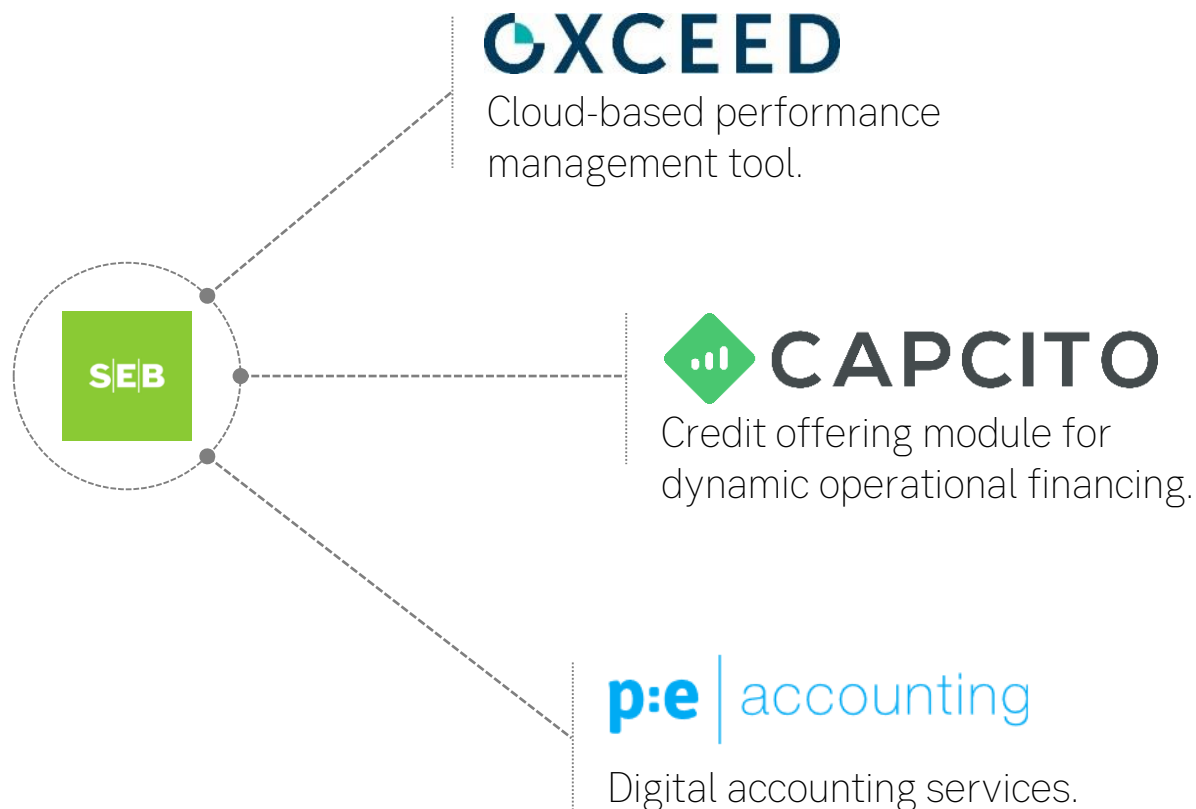
Awarded **Business Bank of the year**
for the second consecutive year²

Ranking(2019)	Bank	Score
1 (1)	SEB	4.7
2 (2)	Peer 1	4.5
	Sector average	3.4
3 (5)	Peer 2	2.8
4 (3)	Peer 3	2.7
5 (4)	Peer 4	2.5

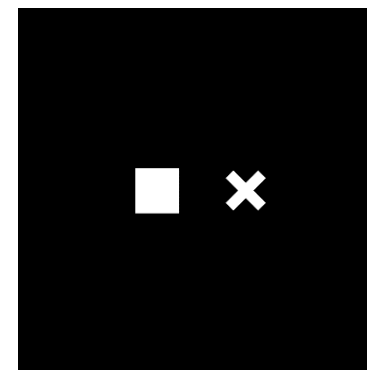
¹ Statistics Sweden. ² Finansbarometern as per publication in September 2020.

...while developing next-generation offering to SME customers

Digital ecosystem enabled by SEB's API platform



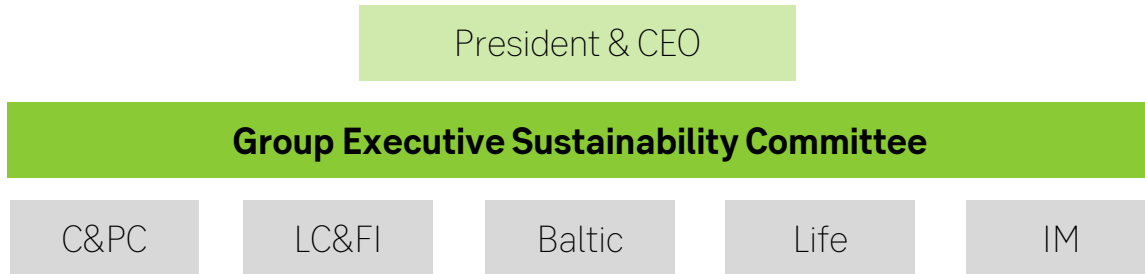
SEBx – a bank within the bank



- Continued development of **mobile-only** offering to **solopreneurs**.
- Exploration of **new technologies** with insights being shared with SEB Group.

Accelerating the sustainability transition

Strengthened governance



- Group-wide **sustainability organisation**.
- Gathers expertise and takes comprehensive approach from a **strategic and business perspective**, including product development.

Enhanced offering



- Applying **most strict sustainability criteria** to an addition of funds, representing SEK 51bn in AuM.
- A selection of **sustainability transactions**, arranging issues and advising on green frameworks.
- **SEB Greentech** established to invest venture capital in green technology.

Highlights in Q3 2020

- Continued stabilisation of financial markets and customer behaviours.
- Return on equity of 11.7 per cent despite elevated provisions.
- Strong capital and liquidity position, well placed to continue supporting our customers.
- The Board of Directors confirms its previous decision to not propose a dividend during 2020.

Financial summary YTD 2020

SEK m	2020 January-September	2019 January-September	%
Total operating income	36,651	36,045	2
Total operating expenses	-16,905	-16,918	0
Profit before credit losses	19,746	19,127	3
Net expected credit losses etc.	-5,283	-1,296	
Operating profit before IAC	14,463	17,831	-19
IAC	-1,000		
Operating profit	13,463	17,831	-24

Net ECL level

30bps

C/I

0.46

CET 1

19.4 %

RoE¹

9.7%

¹ Excluding items affecting comparability.

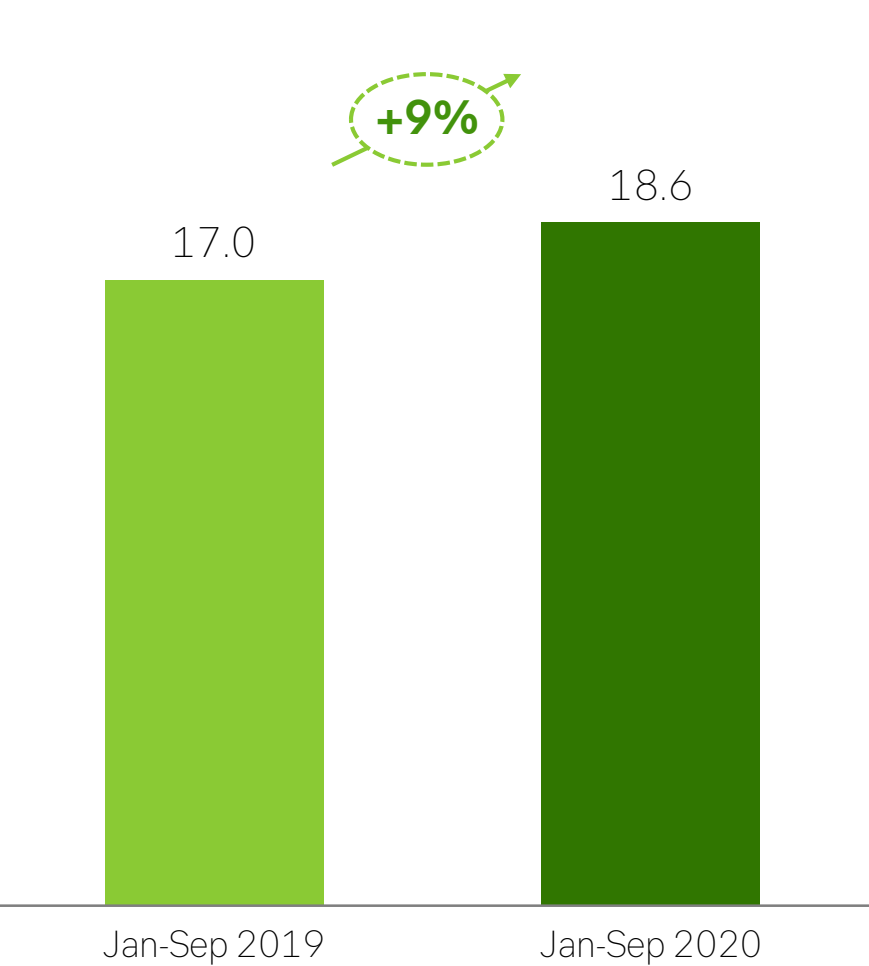
Financial summary Q3 2020

SEK m	Q3 2020	Q2 2020	%	Q3 2019	%
Total operating income	12,563	13,999	-10	11,942	5
Total operating expenses	-5,547	-5,712	-3	-5,589	-1
Profit before credit losses	7,016	8,287	-15	6,353	10
Net expected credit losses etc.	-1,099	-2,690		-488	
Operating profit before IAC	5,916	5,598	6	5,864	1
IAC		-1,000			
Operating profit	5,916	4,598	29	5,864	1
Net ECL level					RoE
19bps					11.7 %
C/I					CET 1
0.44					19.4 %

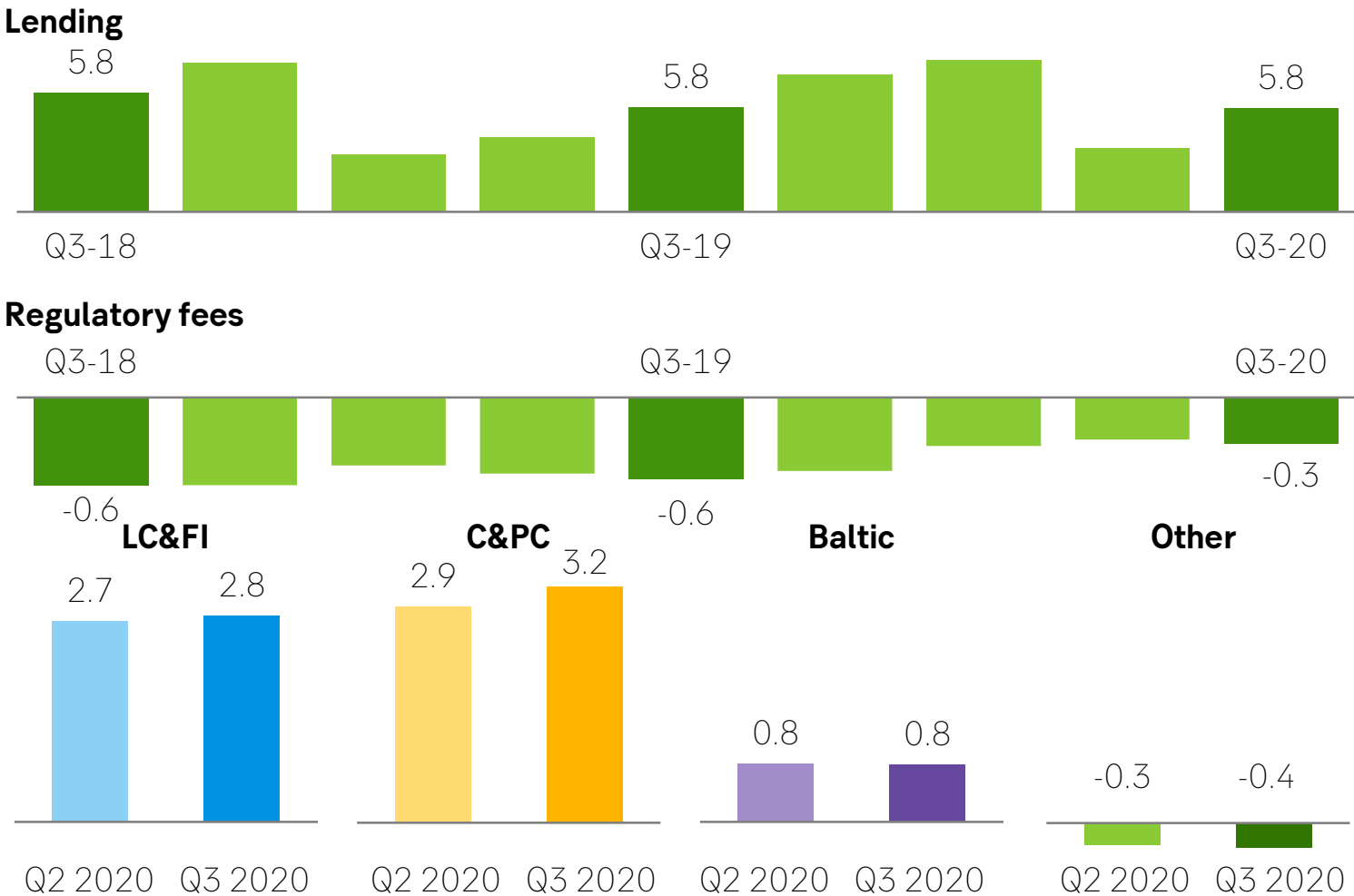
Net interest income development



Net interest income (SEK bn)
Jan-Sep 2020 vs. Jan-Sep 2019

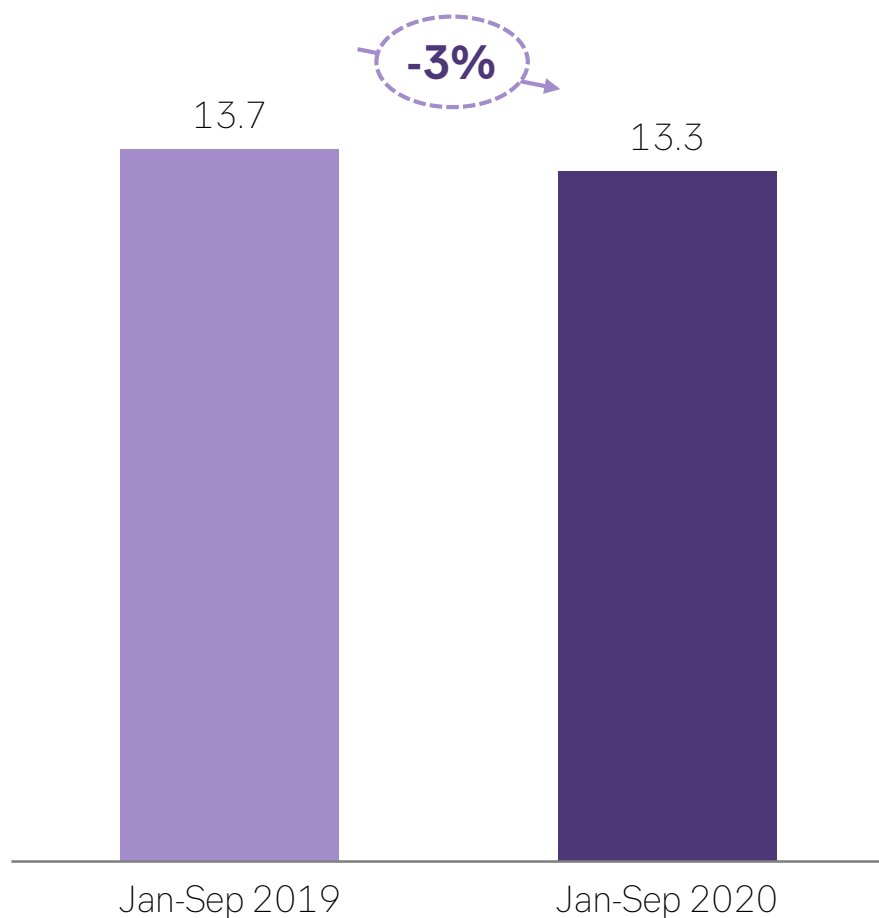


Net interest income type (SEK bn)
Q3 2018 – Q3 2020



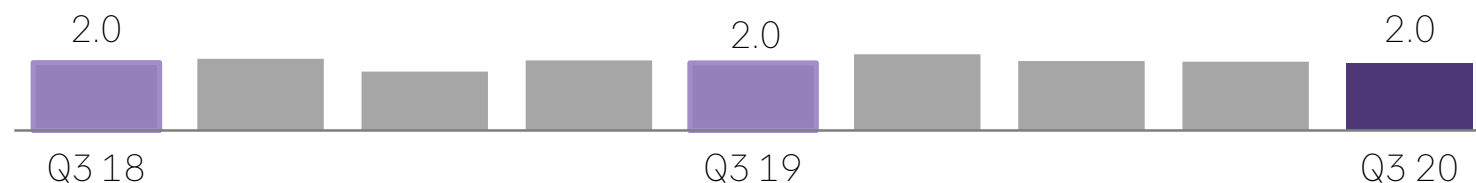
Net fee & commission income development

Net fee & commissions (SEK bn)
Jan-Sep 2020 vs. Jan-Sep 2019

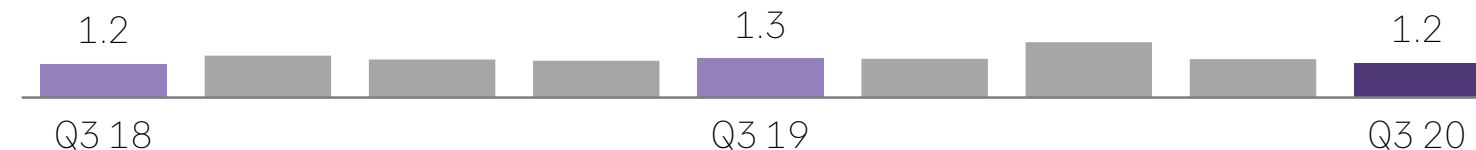


Net fee & commissions by income type (SEK bn)
Q3 2018 – Q3 2020

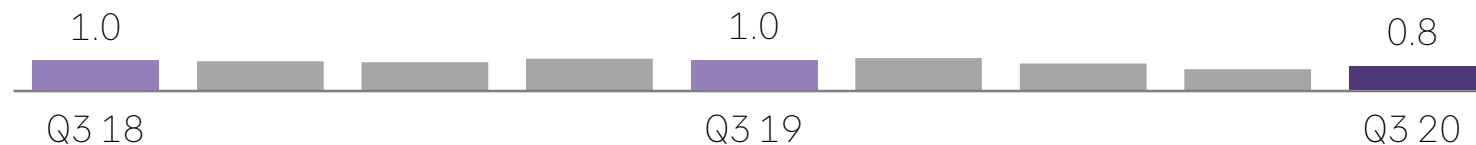
Net securities commissions (custody, mutual funds, brokerage)



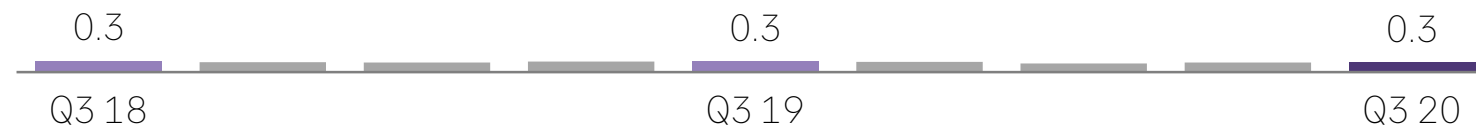
Net advisory fees, lending fees & other commissions



Net payment & card fees

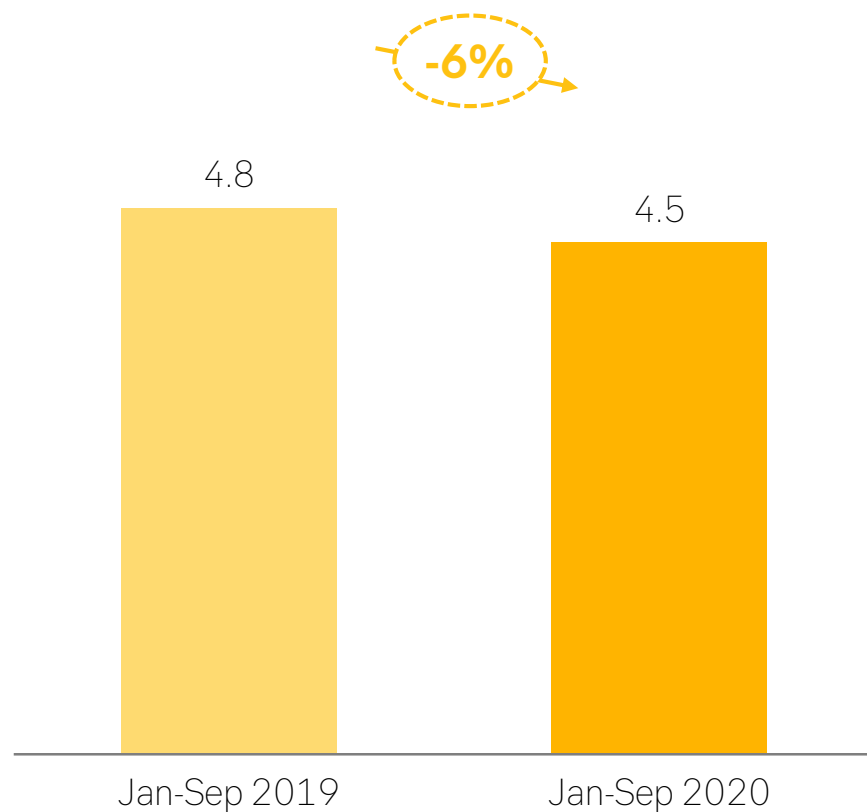


Net life insurance commissions

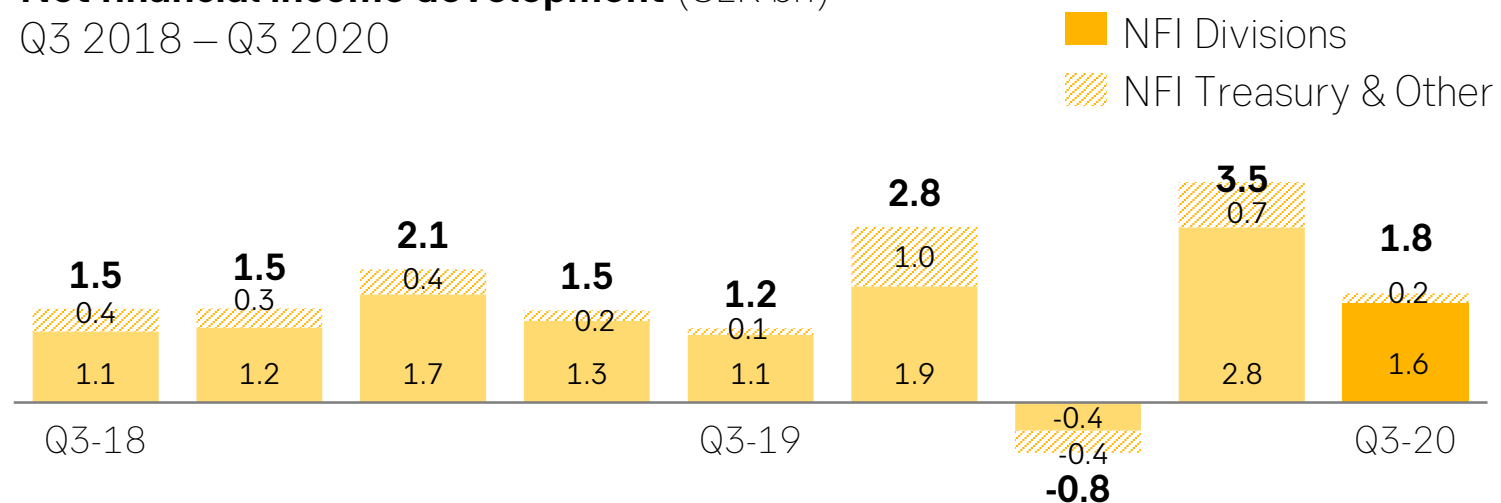


Net financial income development

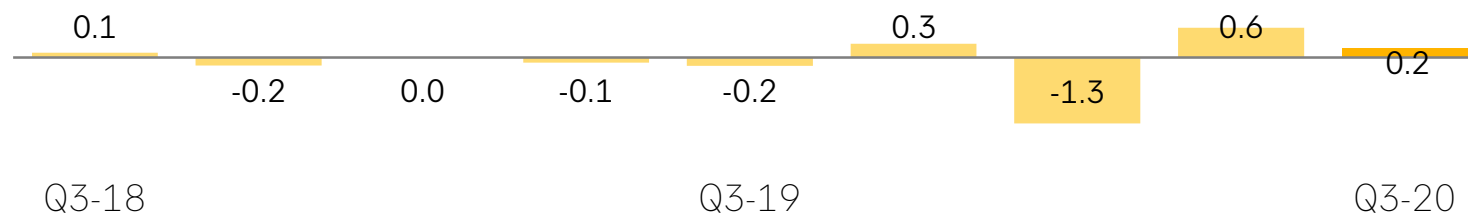
Net financial income (SEK bn)
Jan-Sep 2020 vs. Jan-Sep 2019



Net financial income development (SEK bn)
Q3 2018 – Q3 2020

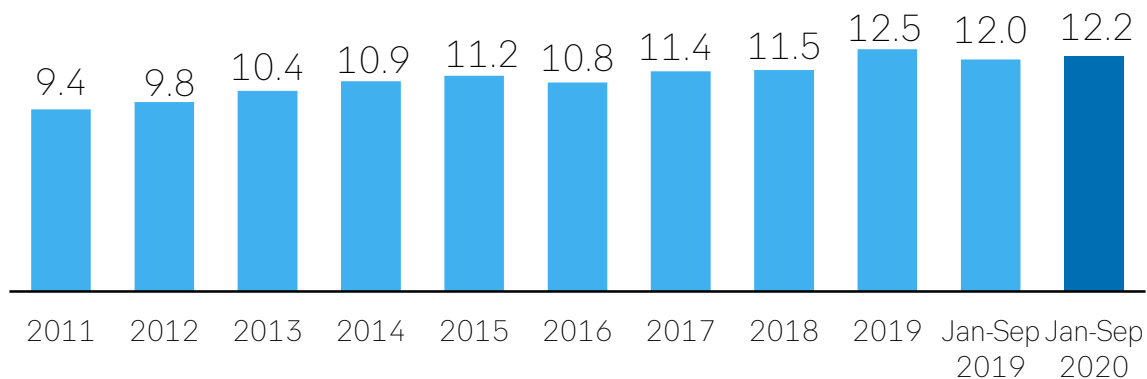


whereof **CVA/DVA** (SEK bn)

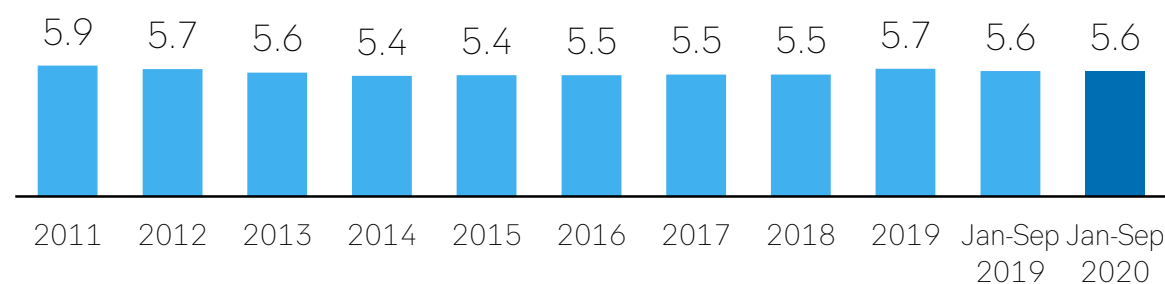


Operating leverage

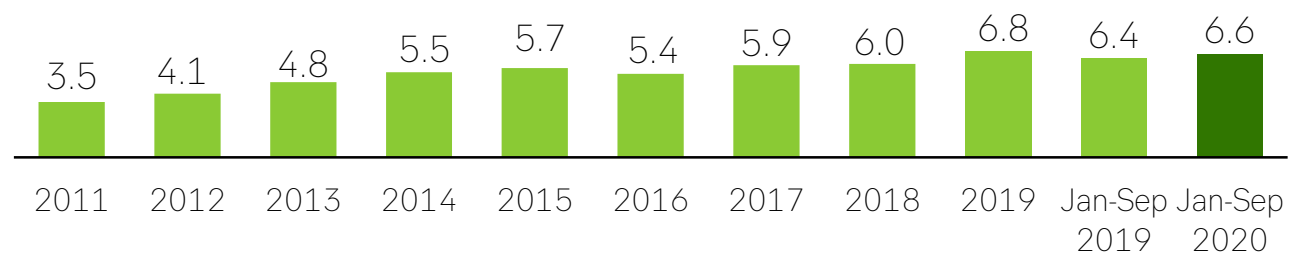
Average quarterly income (SEK bn)



Average quarterly expenses (SEK bn)



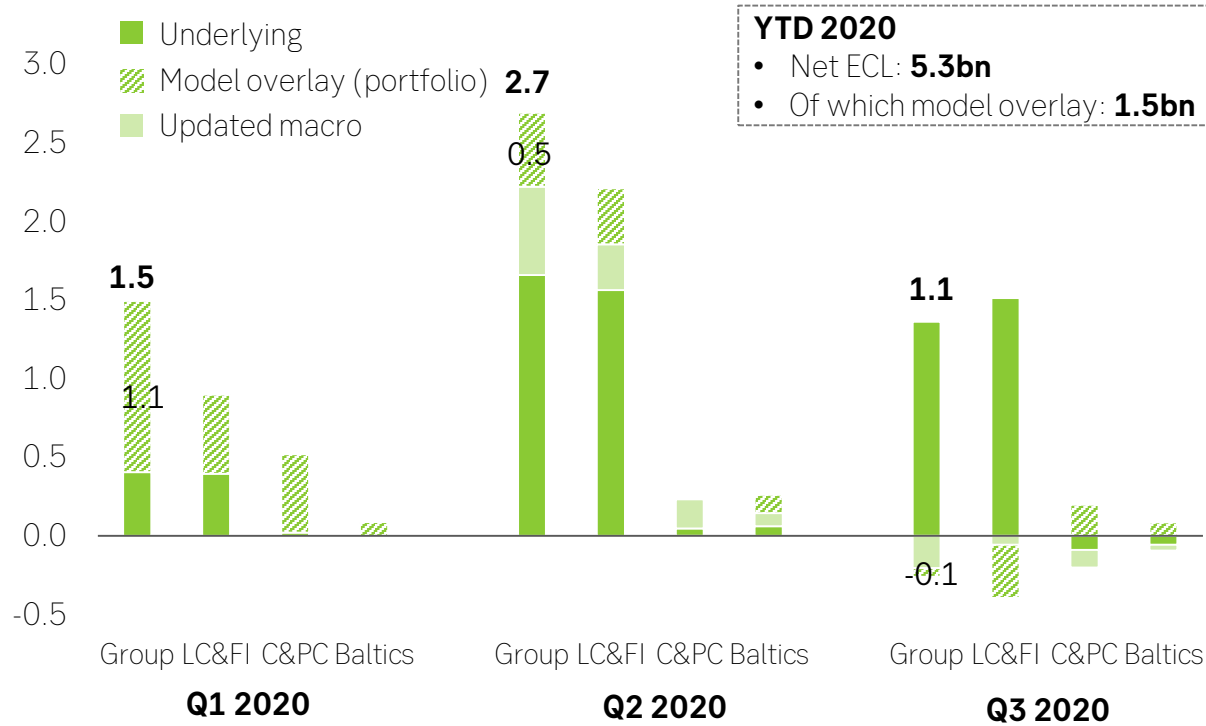
Average quarterly profit before credit losses (SEK bn)



Provisioning for future expected credit losses

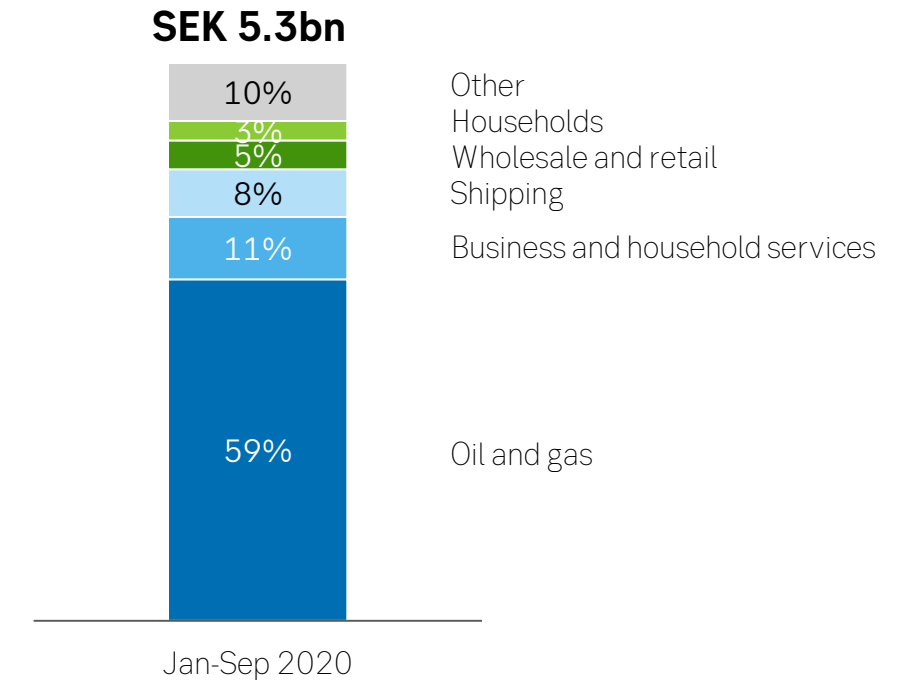
Net ECL development

SEK bn, Jan-Sep 2020



Net ECL by industry

Share of net ECL by industry, Jan-Sep 2020

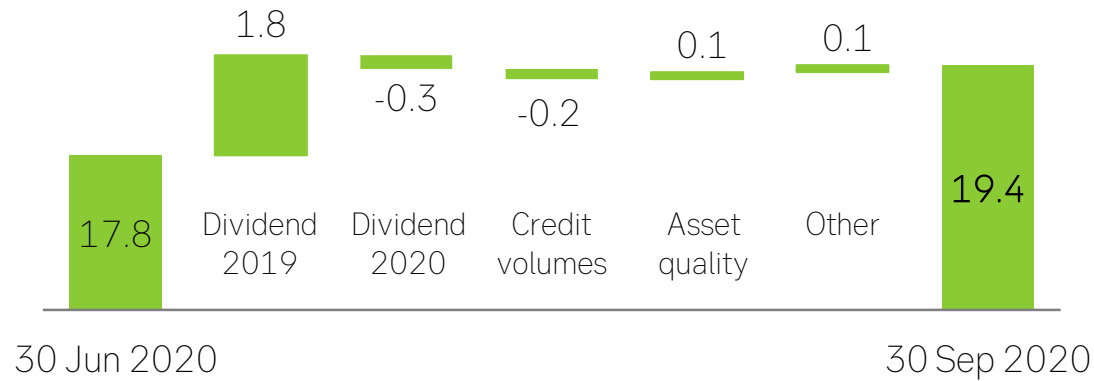


FY 2020 net ECL expected to amount to **around SEK 6bn.**

Capital development

CET1 ratio development

QoQ, %



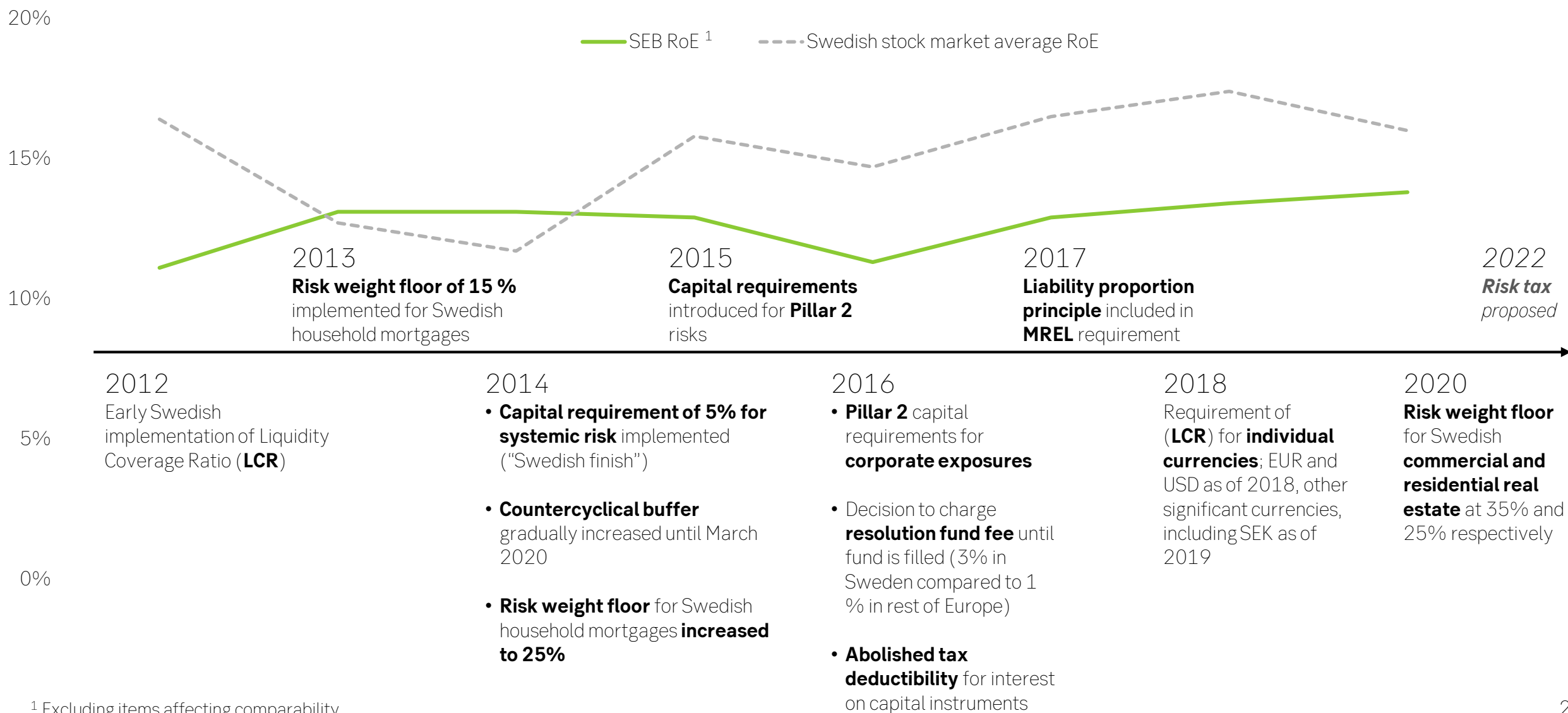
CET1 buffer development

QoQ, bps

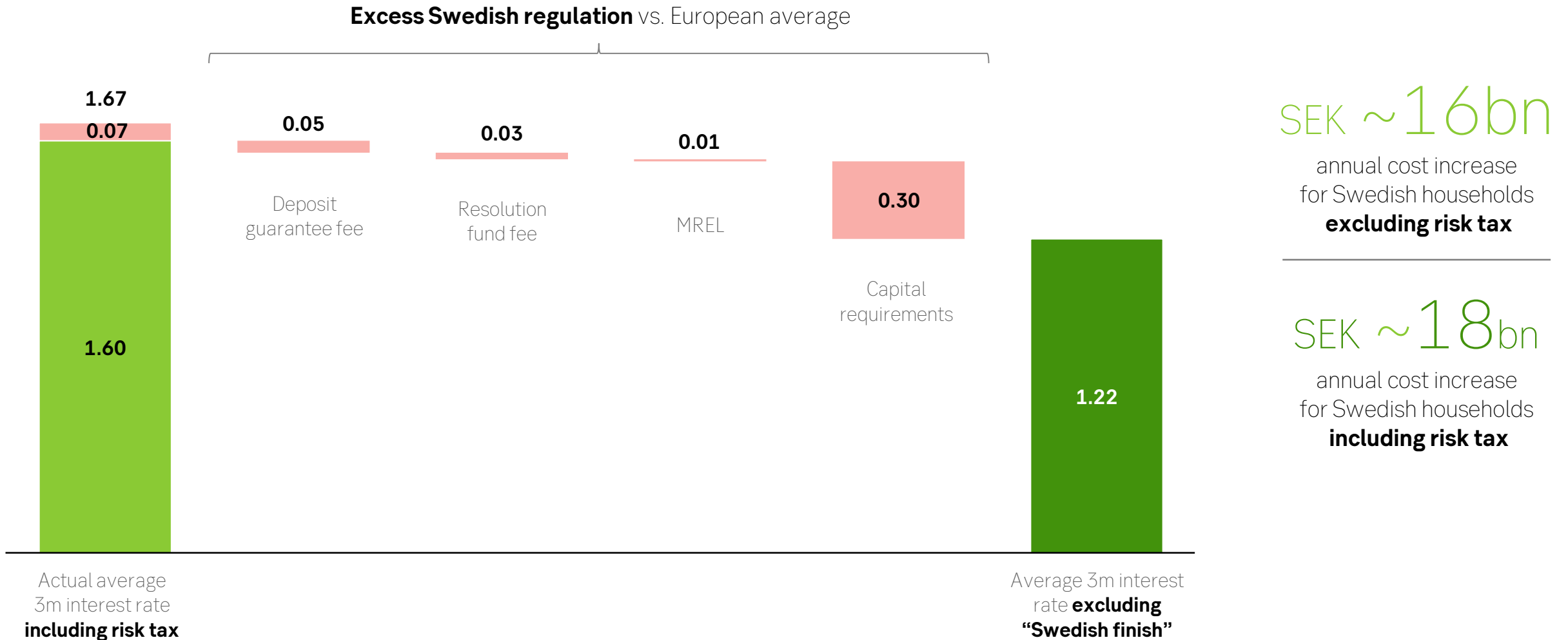


The **buffer change** was positively affected by the initially proposed 2019 dividend that was added back to the capital base and negatively affected by a higher accrued dividend for 2020.

Stable profitability despite increased regulations



Impact from Swedish regulation on mortgage rates



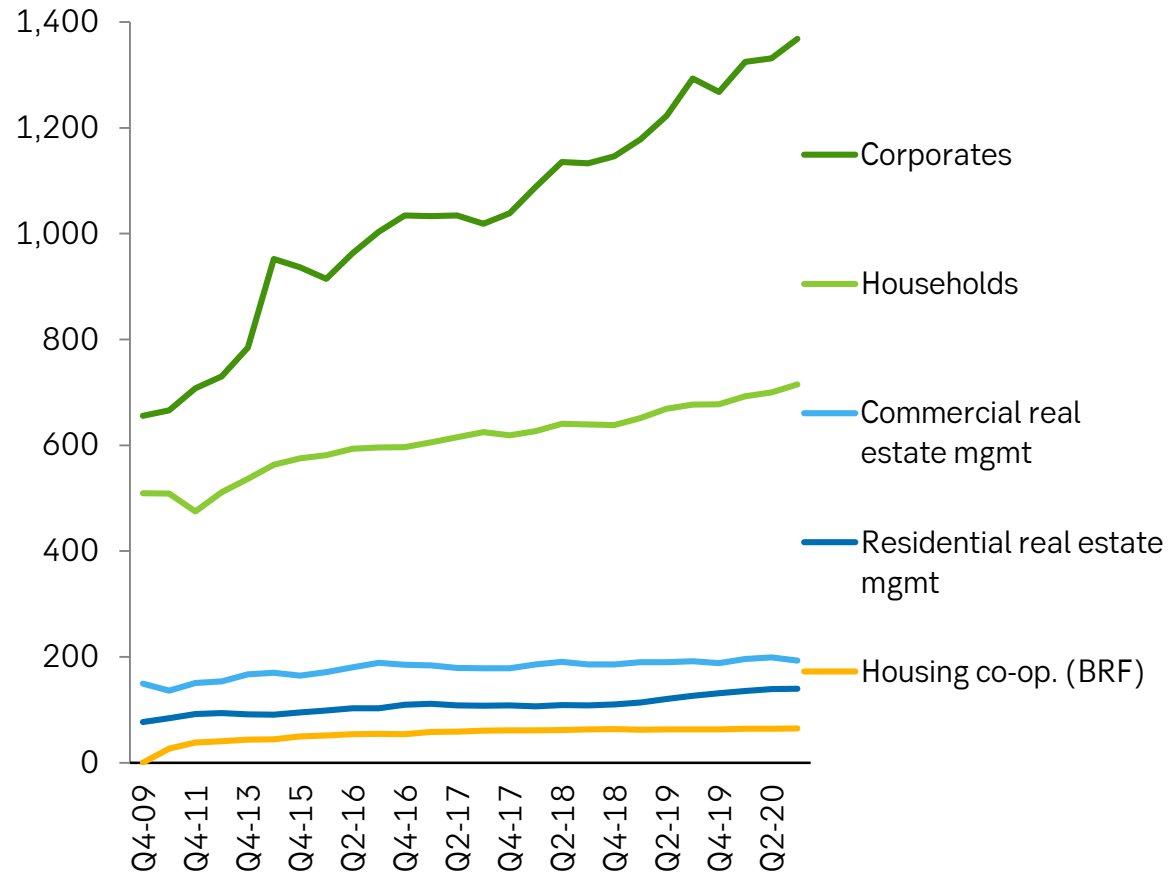
Note: Actual average 3m interest rate is based on an average of SEB, Nordea, Swedbank, Handelsbanken, Danske, Länsförsäkringar and SBAB. Annual cost increase based on assumption of 2.4 million Swedish households, calculated pre interest rate deduction.

An aerial night photograph of a city, likely Copenhagen, showing a train station with tracks and a modern building with a curved facade on the left. The city is illuminated by streetlights and building lights, with a dramatic, cloudy sky in shades of blue and purple.

Credit portfolio & asset quality

Credit portfolio driven by corporates and household mortgages

Credit portfolio by main sectors (SEK bn)



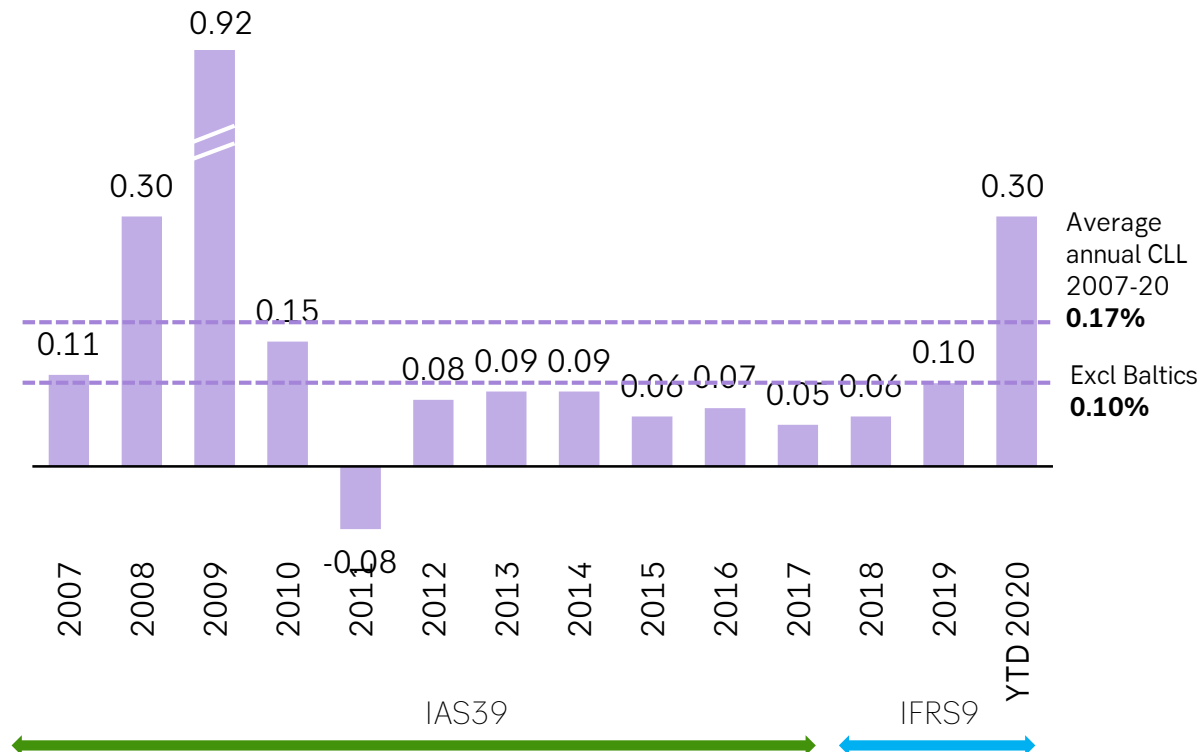
Note: data includes on- & off-balance sheet exposures.

Credit portfolio growth rates

Sector	QoQ	YoY
Corporates	3%	6%
FX-adjusted	3%	9%
Households	2%	6%
Swedish mortgages	3%	8%
Commercial real estate mgmt.	-3%	1%
Residential real estate mgmt	1%	11%
Housing co-op associations (BRF)	1%	3%
Total (excl. banks)	1%	6%

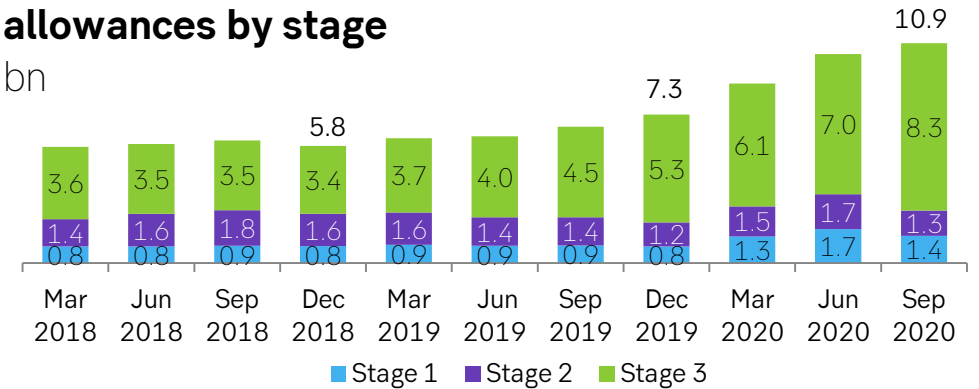
High asset quality renders low credit losses over time

Credit loss level, %



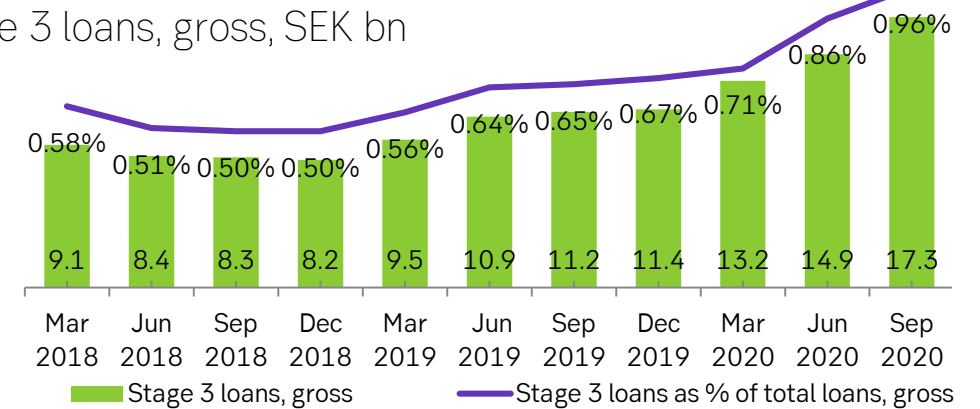
ECL allowances by stage

SEK bn



Credit-impaired loans

Stage 3 loans, gross, SEK bn



- Credit-impaired loans increase in 2020 mainly driven by challenges in the offshore segment in the oil portfolio

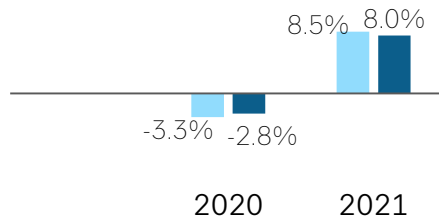
Macroeconomic assumptions and sensitivity

Three scenarios used in ECL modelling Q3 2020

Macro assumptions as of September 2020

Positive – 20% probability

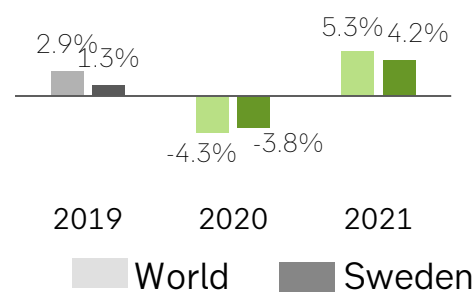
GDP growth



- Large scale vaccinations start early 2021 or current economic policy stimulus are underestimated when it has better conditions to work in

Base – 60% probability

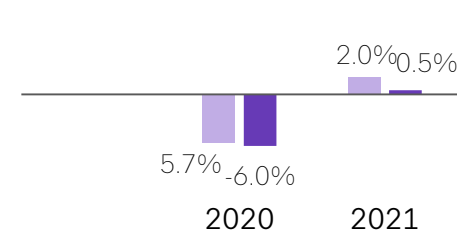
GDP growth



- Assumes that the world must go through winter without mass vaccinations and the risk of a worsening pandemic situation, with vaccinations available in second half of 2021 reducing need for restrictions

Negative – 20% probability

GDP growth



- Dominant risk that the pandemic takes off during winter in such a severe way that large new lockdowns are necessary with severe negative impact on GDP and confidence

Probability-weighted ECL allowances:
SEK 10.9bn

100% probability of positive scenario:

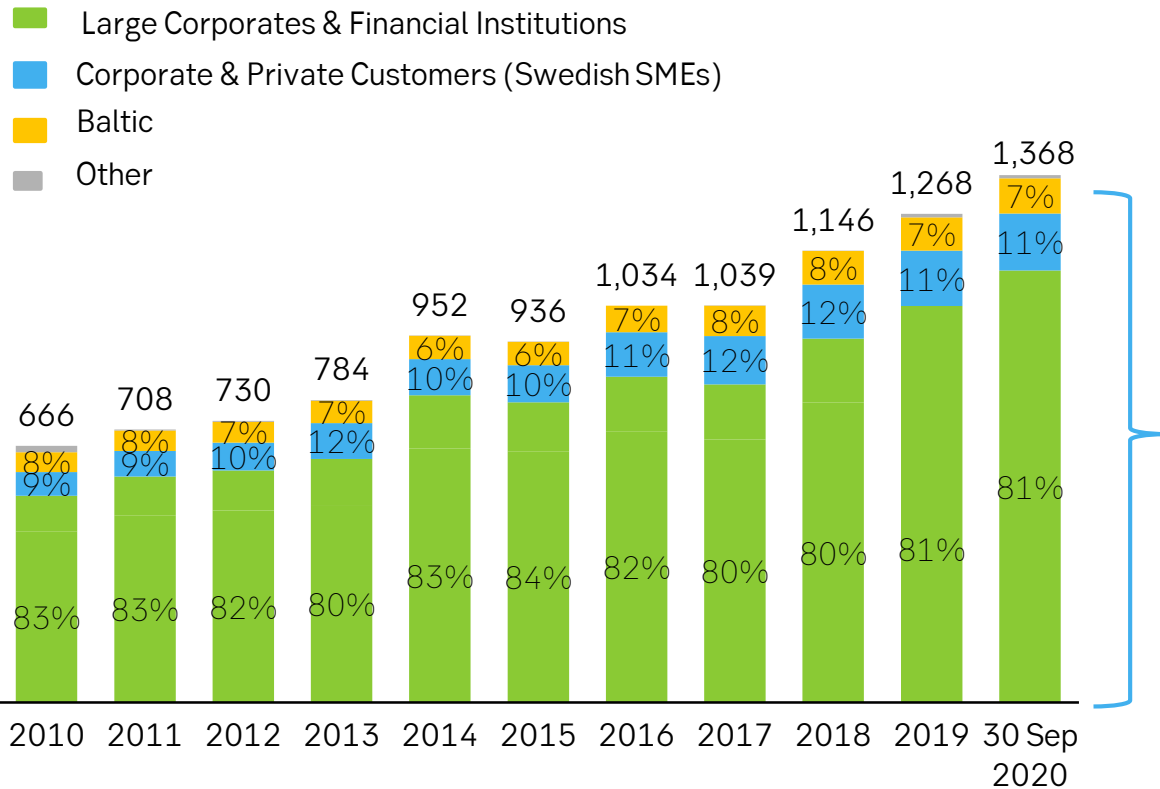
-4% ECL allowances

100% probability of negative scenario:

+9% ECL allowances

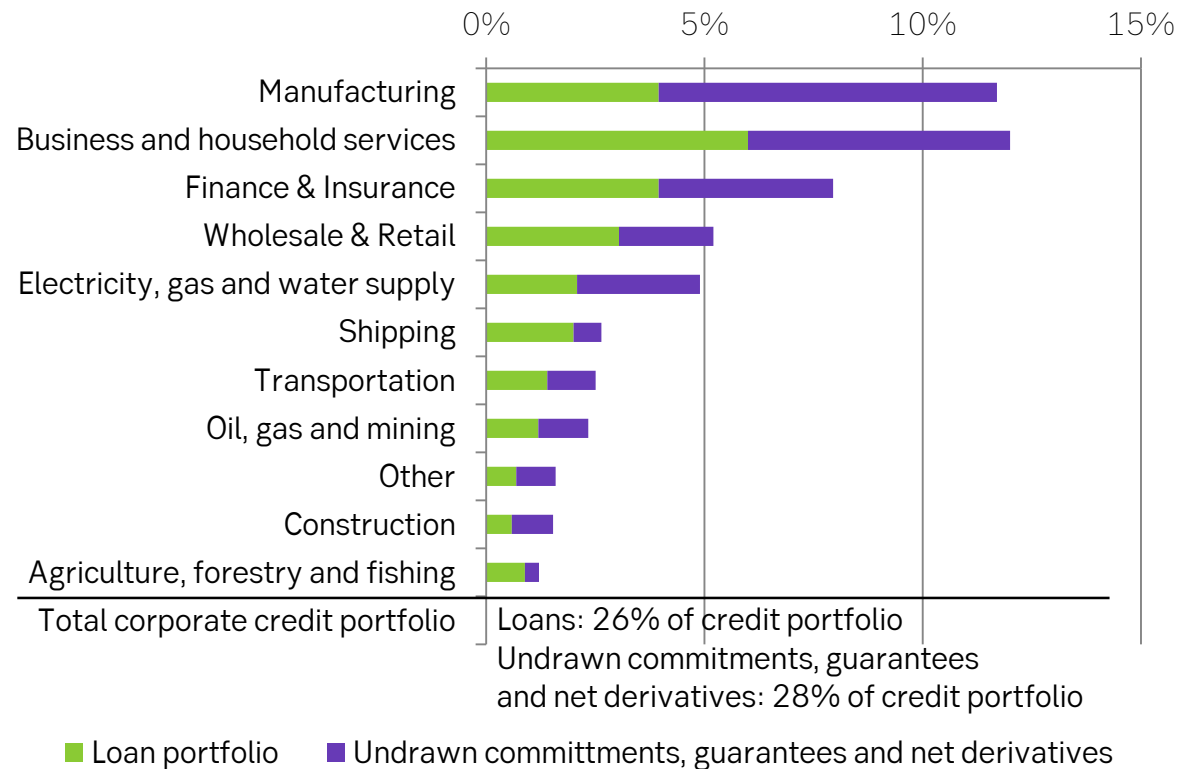
Industry diversification and low on-balance sheet exposure render lower corporate credit risk

Corporate credit portfolio by division (SEK bn)



Corporate credit portfolio by sector and by loans and other exposures

% of credit portfolio excl. banks

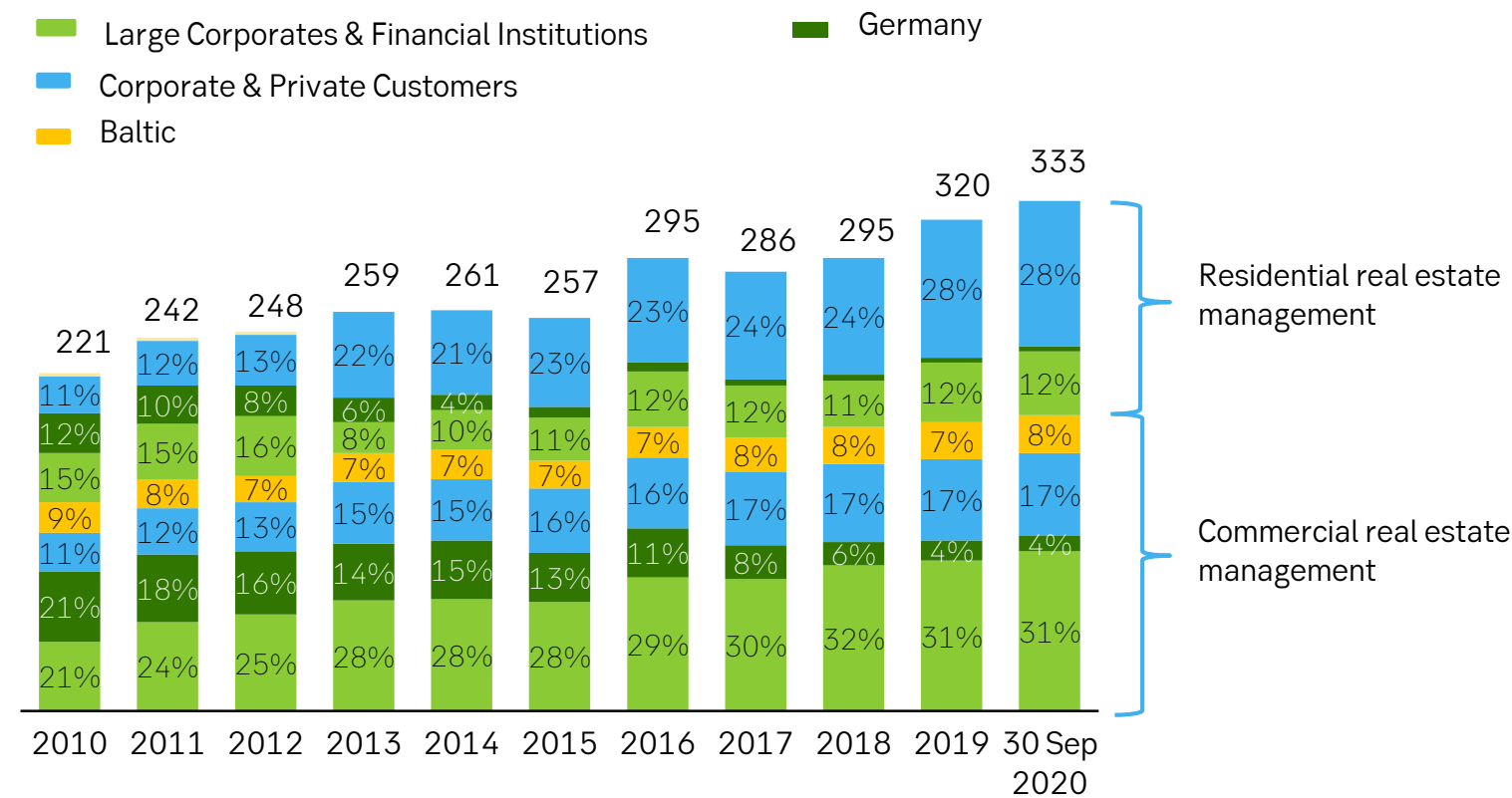


Note: Corporate credit portfolio does not include real estate management

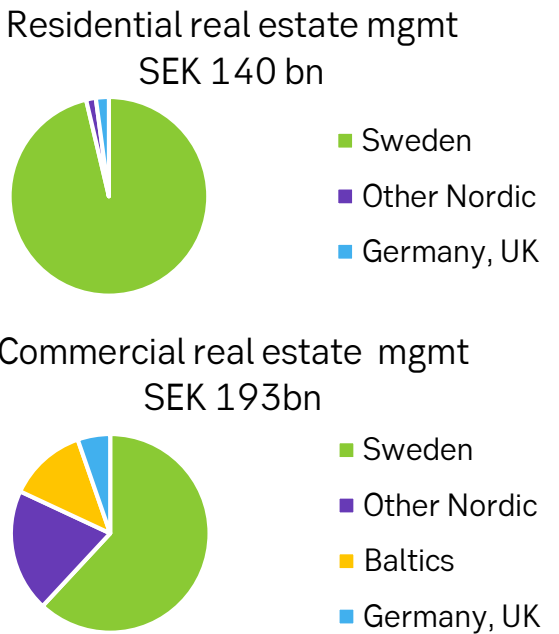
Real estate exposure focused on Nordic commercial real estate and Swedish residential sector



Real estate management credit portfolio by division (SEK bn)

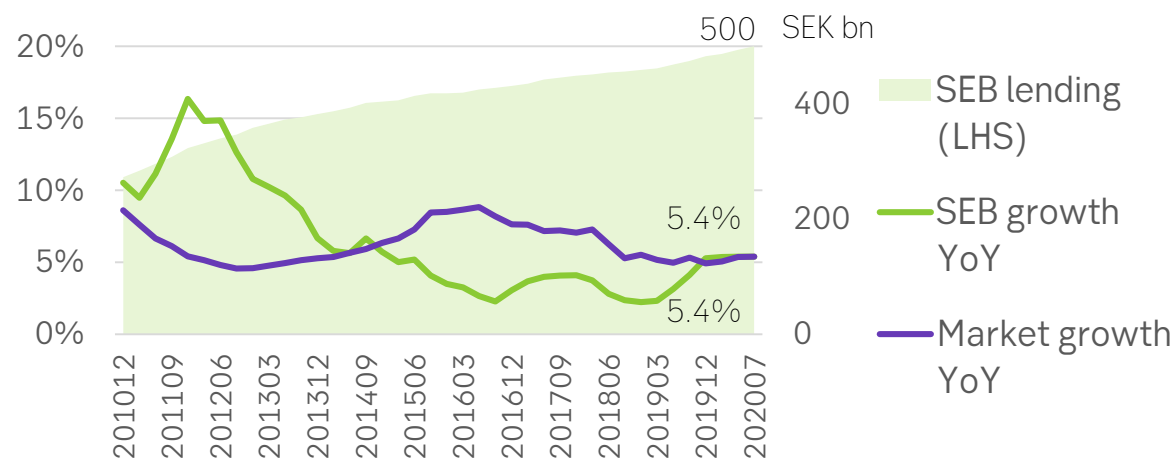


Real estate management credit portfolio by geography (30 Sep 2020)

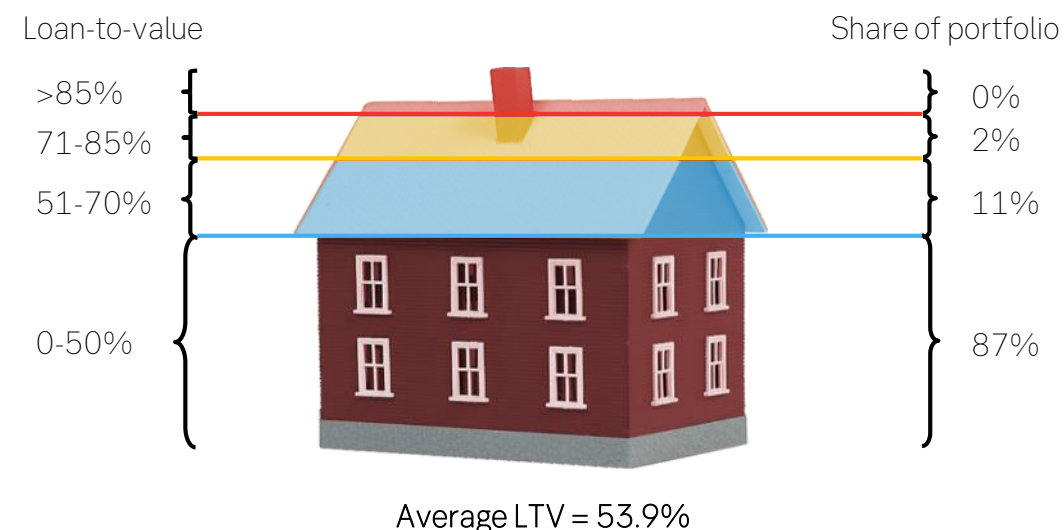


Robust Swedish household mortgage portfolio

SEB's household mortgage lending vs. total market



Low LTVs by regional and global standards



Selective origination - SEB's mortgage lending based on affordability

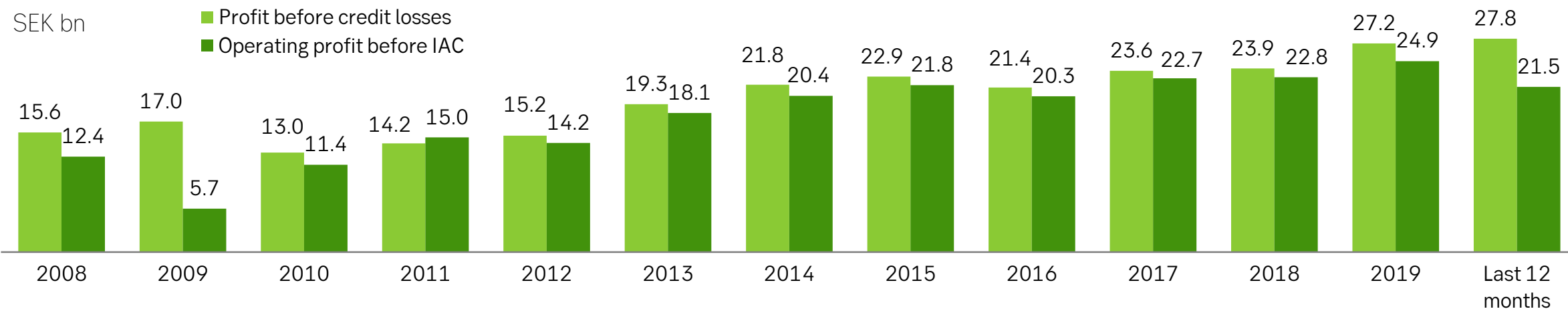
- **Strong customer base:** According to UC AB (national credit information agency), SEB's customers have higher credit quality than market average and are over-proportionally represented in higher income segments. Customers are also concentrated to larger cities
- **High asset quality** – negligible past dues and losses
- **Strict credit scoring and assessment**
- **Strengthened advisory services** - "sell first and buy later"
- **Affordability assessment** (funds left to live on post all fixed costs and taxes) includes stressed interest rate scenario of 6% on personal debt and 3% on a housing co-op's debt which indirectly affects the private individual ("double leverage")
- **Amortisation requirement:** LTV 70-85% loans amortise min. 2%/yr and between 50-70% at least 1%/year. As of 2018, loans with DTI > 4.5x amortise an additional percentage point – regulatory requirement. Amortisation requirements temporarily removed due to COVID-19 (until June 2021)
- **Max loan amount:** In general 5x total gross household income irrespective of LTV and no more than one payment remark on any kind of debt

An aerial night photograph of a city, likely Copenhagen, showing a train station with tracks and a modern building with a curved facade on the left. The city is illuminated by streetlights and building lights, with a dramatic, cloudy sky in shades of blue and purple. A semi-transparent white box is overlaid on the right side of the image, containing the word "Capital".

Capital

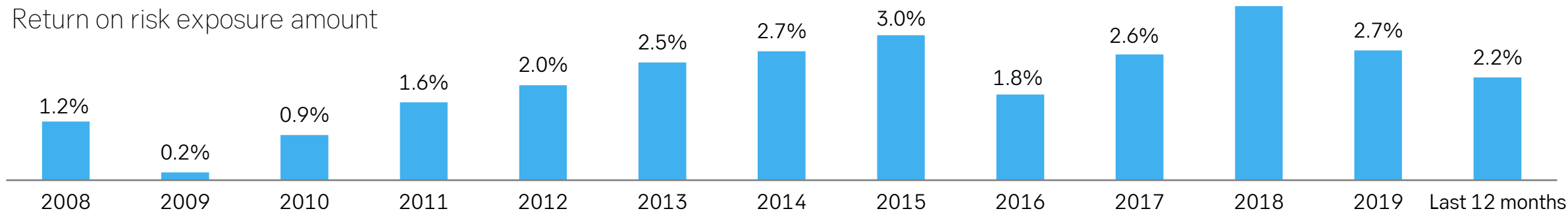
Sustainable earnings and capital generation

Profitable throughout the financial crisis



Sustained underlying profit

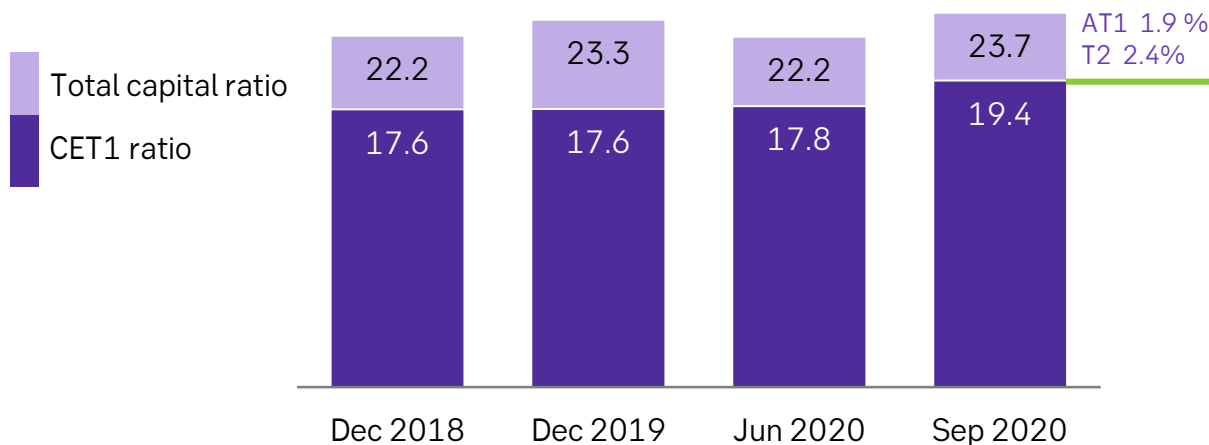
Strong underlying capital generation



Solid capital position vs requirement

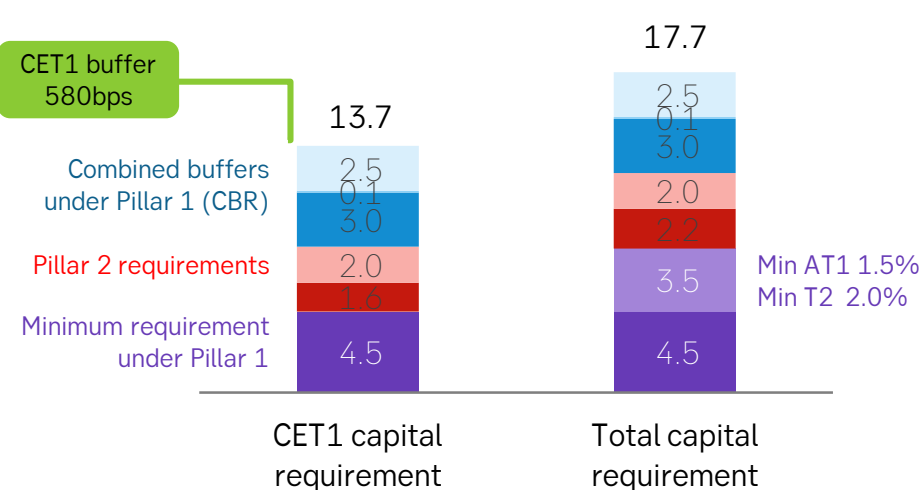
Capital development

%



Capital requirement

30 Sep 2020, %



SEK bn

Common Equity T1	125.9	131.2	132.5	144.9
Capital base	159.3	173.4	165.3	176.7
REA	716	746	745	746
Leverage ratio T1, %	5.1	5.1	4.3	4.6

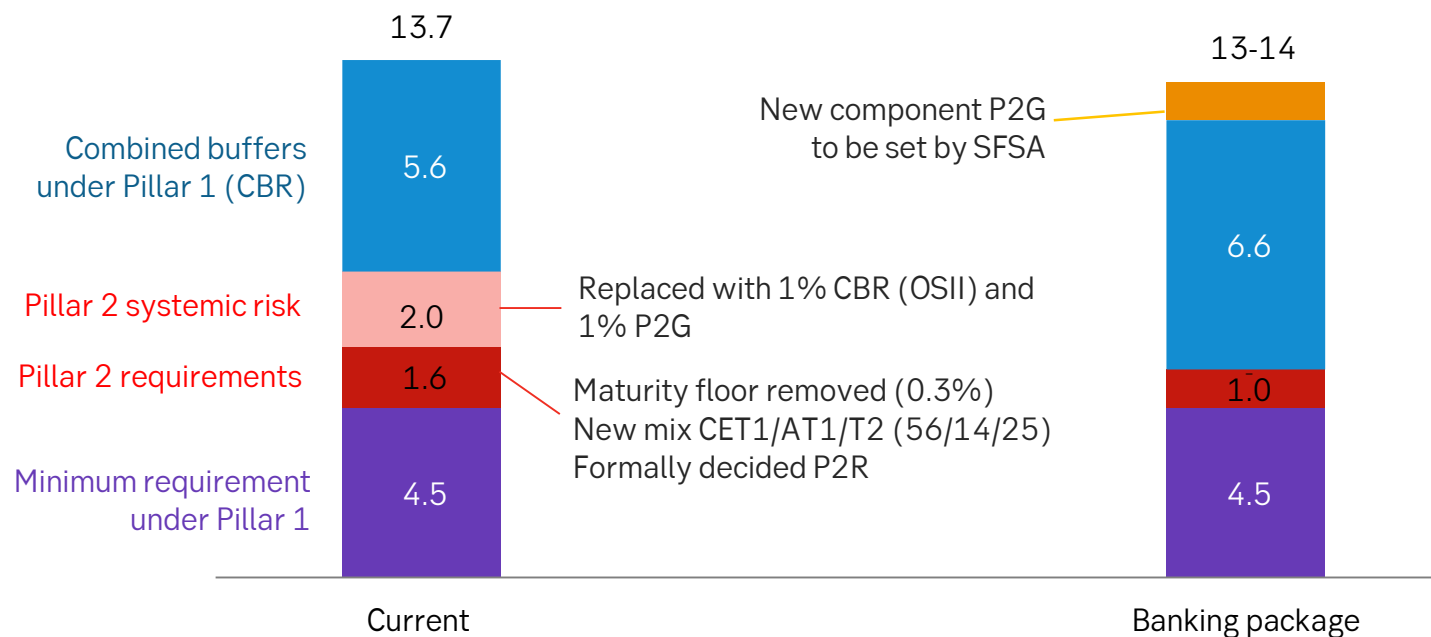
- Minimum requirement
- Systemic risk P2
- Countercyclical buffer
- Other P2 requirements
- Systemic risk P1
- Capital conservation buffer

- Countercyclical buffer reduced to 0% in Sweden in March
- Risk weight floor for commercial real estate exposures postponed to December 2020

SFSA's proposed changes to capital requirements

CET1 capital requirement

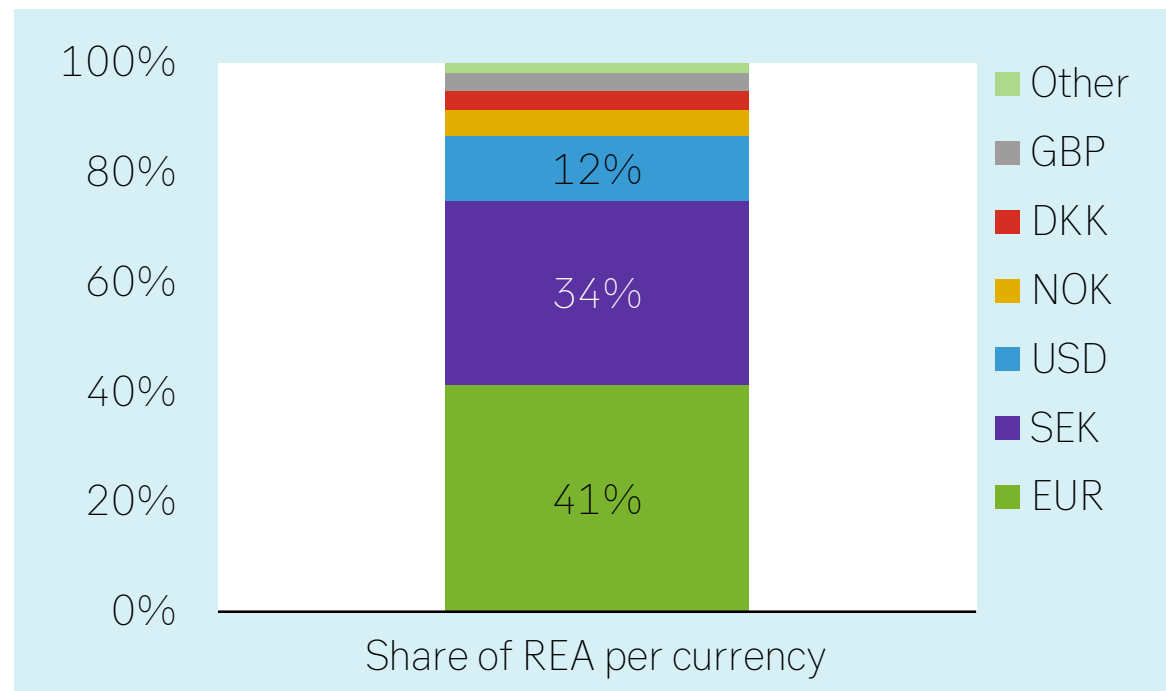
%



- SFSA's proposal to align capital requirements with the Banking package is not expected to result in significant change to total CET or total capital requirements, but increases MDA restriction level from 10.1% to 12.1% as P2R becomes formal decision and the combined buffer requirement under Pillar 1 increases

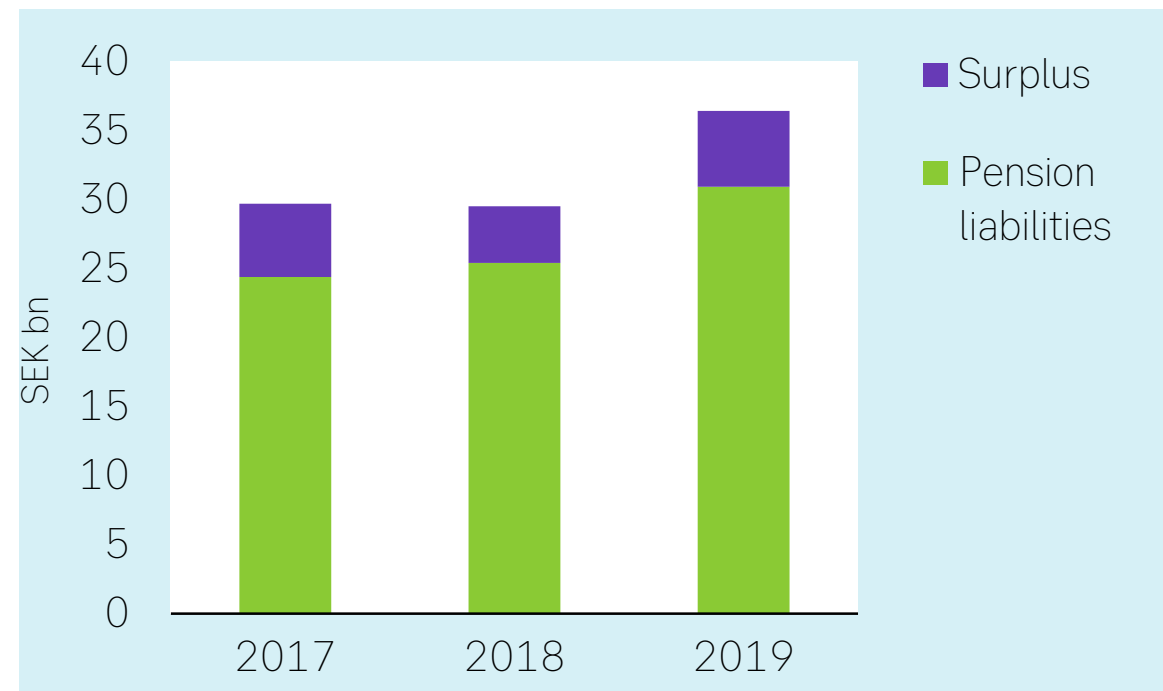
Reasons for management buffer of around 150bps

Sensitivity to currency fluctuations



±5% SEK
impact 40bps CET1 ratio

Sensitivity to surplus of Swedish pensions



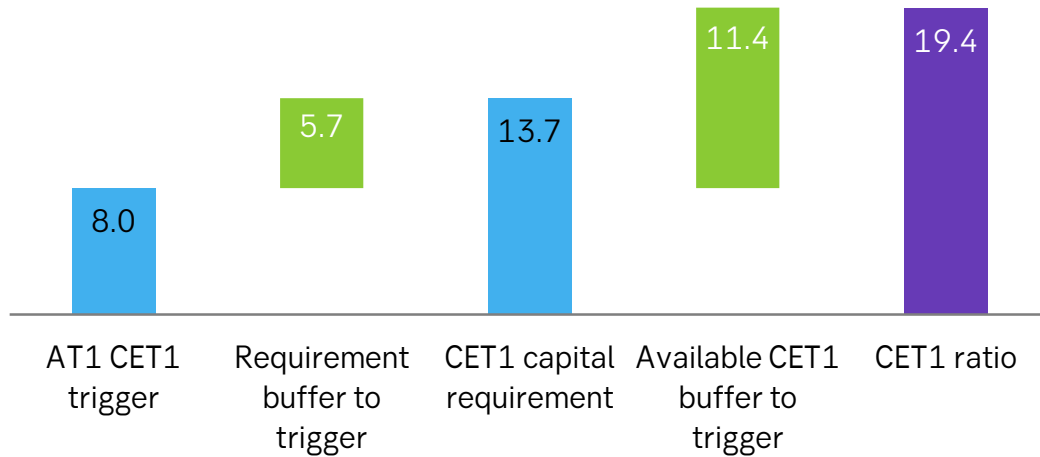
-50 bps discount rate
impact -50bps CET1 ratio

...& general macroeconomic uncertainties

SEB retains strong buffers to trigger levels and MDA threshold

SEB Group's buffer to trigger

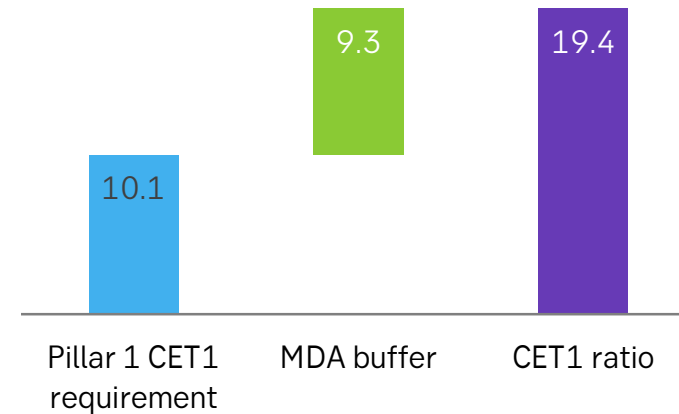
30 Sep 2020, %



- SEB's AT1 transactions have a dual trigger structure, implying a trigger event in the case that Group CET1 ratio falls below 8.0% or Bank CET1 ratio falls below 5.125%
- As of 30 September 2020, SEB retains a strong buffer to both triggers:
 - Buffer to Group 8.0% trigger: 11.4%
 - Buffer to Bank 5.125% trigger: 13.9%
- SEB's capital target is to have a management buffer of around 150bps above regulatory requirements

Coupon risk: SEB's buffer to MDA

30 Sep 2020, %



- The Swedish FSA does not normally intend to make a formal decision under Pillar 2 : *"Insofar as a formal decision has not been made, the capital requirement under Pillar 2 does not affect the level at which automatic restrictions on distributions linked to the combined buffer requirement come into effect"*
- SFSA's proposal for new capital requirements will increase MDA level as P2R becomes formal decision and CBR increases
- SEB has a significant amount of Available Distributable Items (SEK 91.9bn as of 30 September 2020) to cover coupon payments

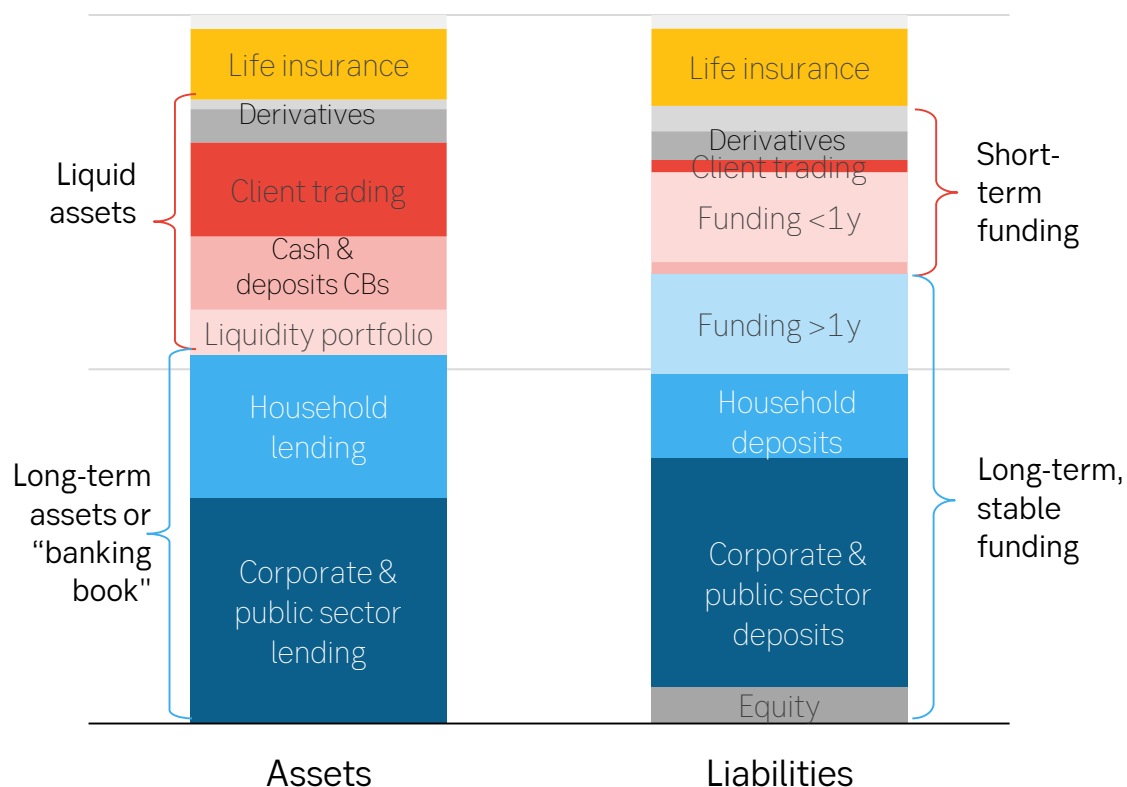
An aerial night photograph of a city, likely Copenhagen, showing a train station with tracks and a modern building with a curved facade on the left. The city is illuminated by streetlights and building lights, with a dramatic, cloudy sky in shades of blue and orange. A semi-transparent white box is overlaid on the right side of the image, containing the text 'Liquidity & funding'.

Liquidity & funding

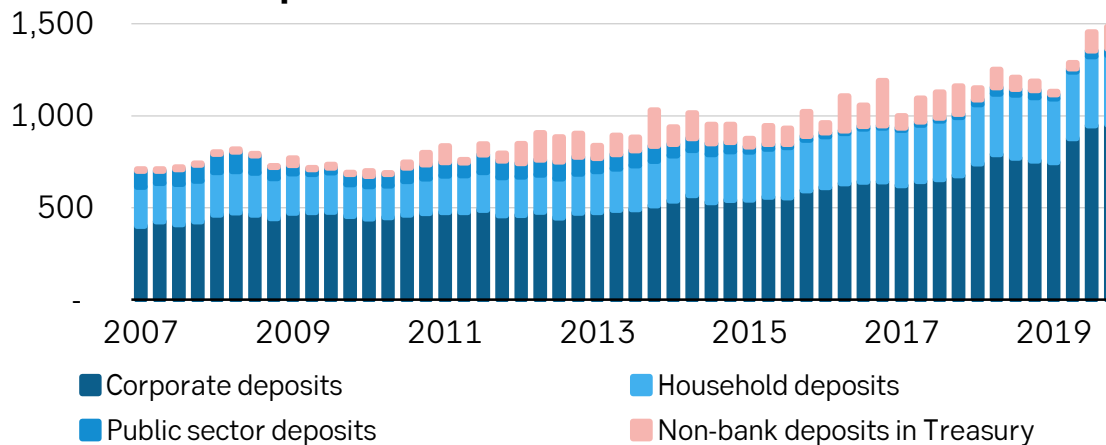
Stable deposit base and structural funding position

Strong balance sheet structure with deposits as primary source of funding 30 Sep 2020

SEK 3,201bn

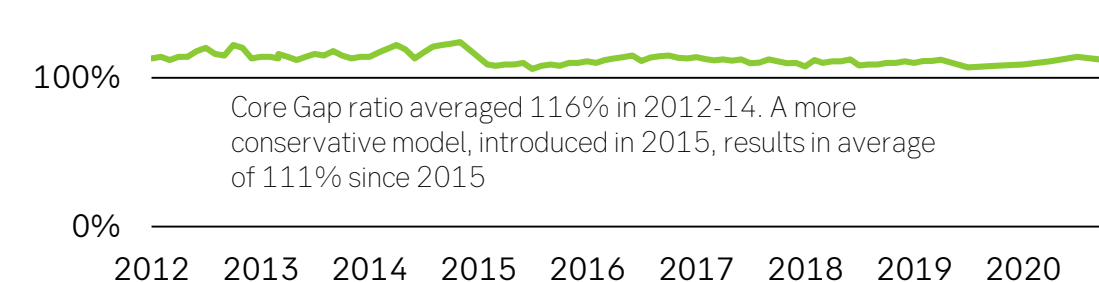


Long-term stable development of deposits - strong increase in deposits YTD 2020 SEK bn



Stable structural funding position

Core Gap Ratio – SEB's internal NSFR-like measure

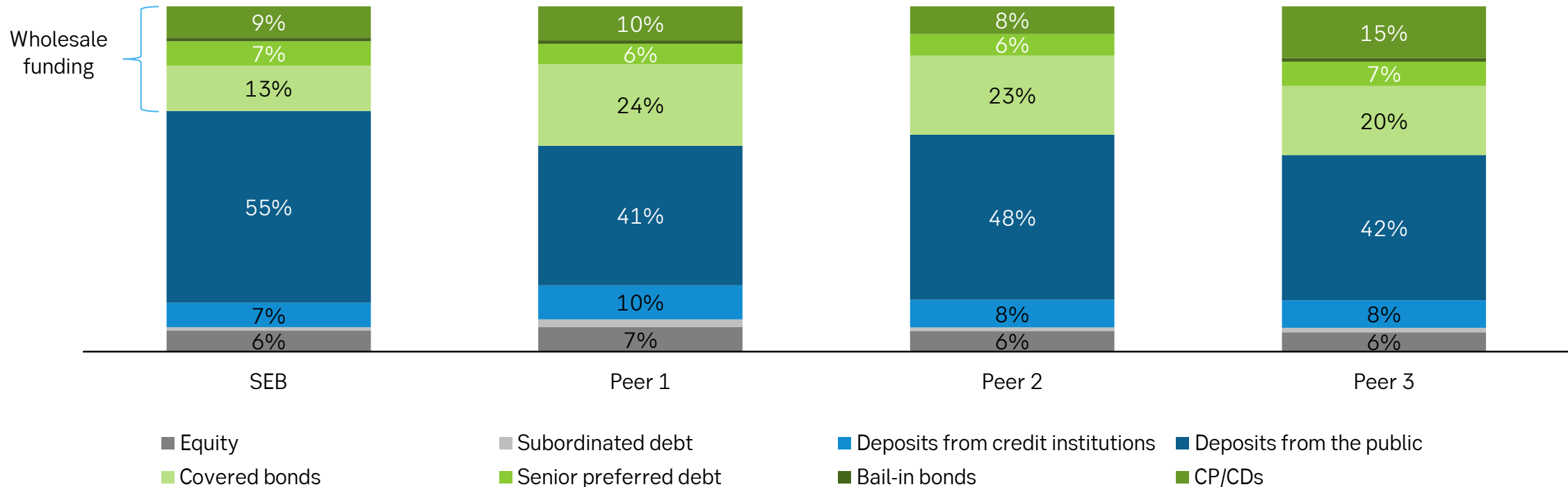


Core Gap ratio = relation between total liabilities deemed to mature beyond one year and total assets deemed to mature beyond one year, based on internal behavioural modelling.

Strong funding structure with low wholesale funding dependence compared to peers

Benchmarking Swedish banks' total funding sources incl. equity

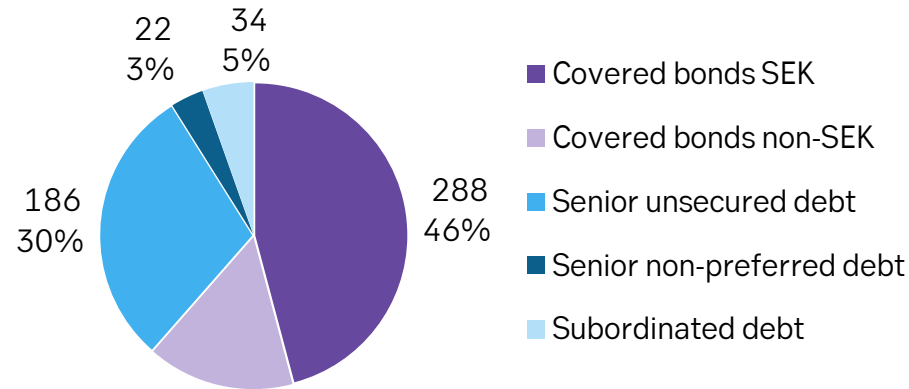
Balances as of 30 June 2020



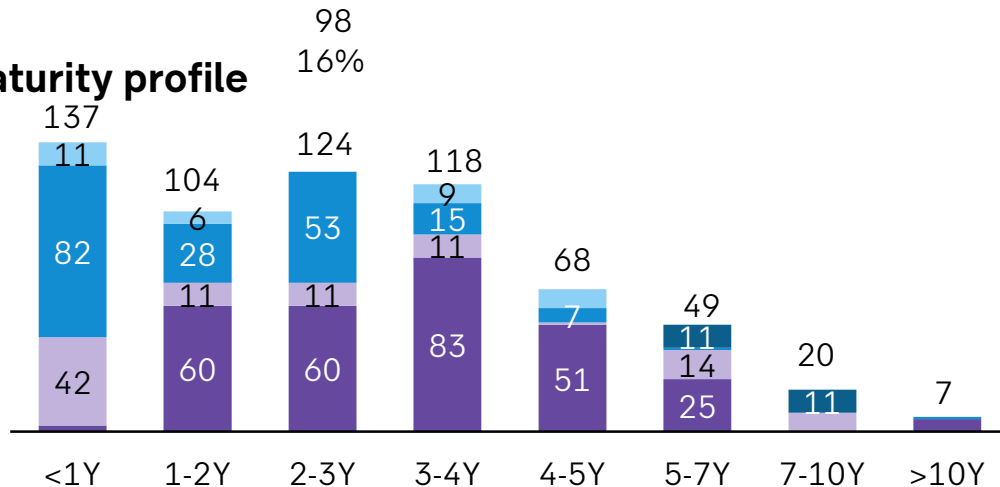
Well-balanced long-term funding profile and solid credit rating

Wholesale funding by product

SEK 628bn equivalent¹



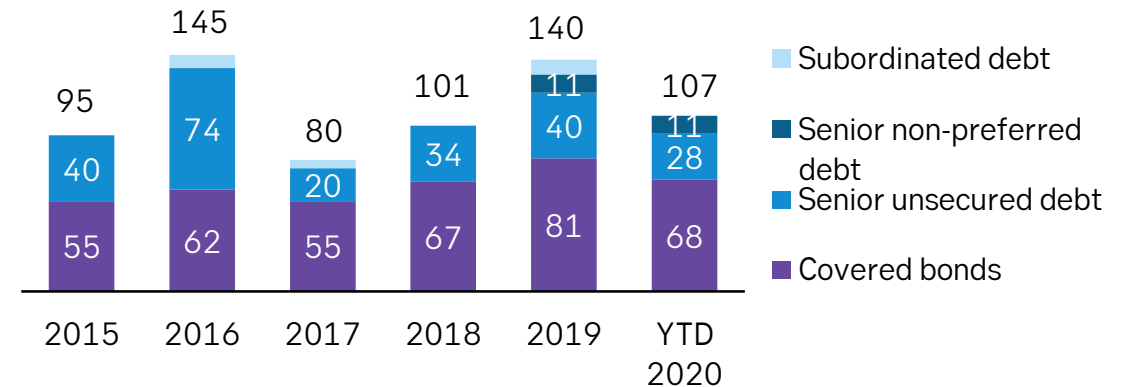
Maturity profile



SEB's credit rating

Rating Institute	Short term	"Stand-alone rating"	Long term	Uplift	Outlook
Fitch	F1+	aa-	AA-	0	Negative
Moody's	P-1	a3	Aa2	4	Stable
S&P	A-1	a	A+	1	Stable

Issuance history



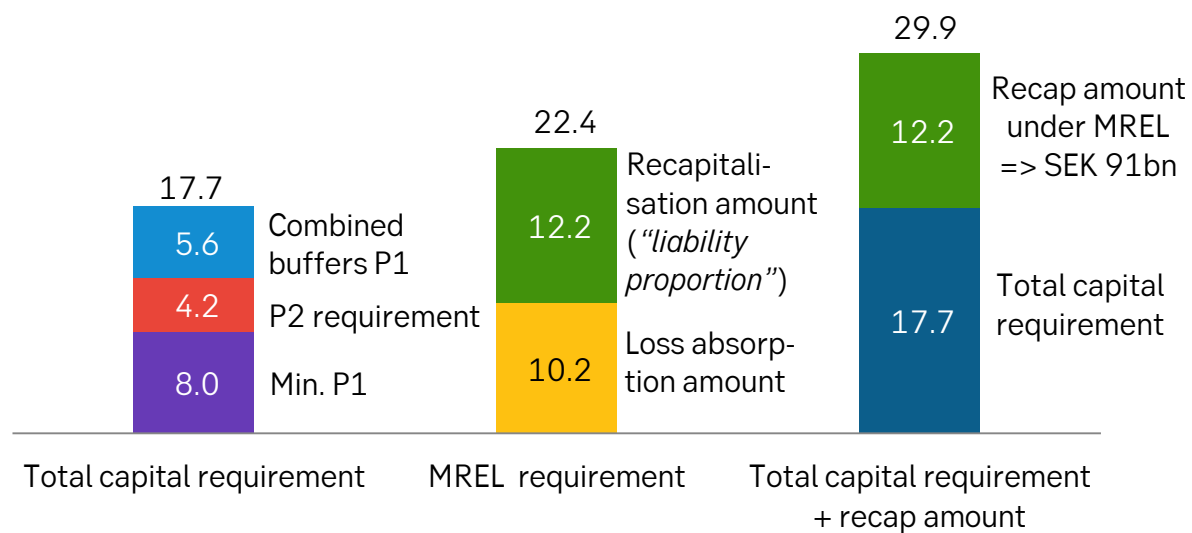
¹ Excluding participation in lending facilities from Riksbanken during Q1 2020. Excluding public covered bonds.

² Tier 2 and Additional Tier 1 issues assumed to be called at first call date.

MREL requirement

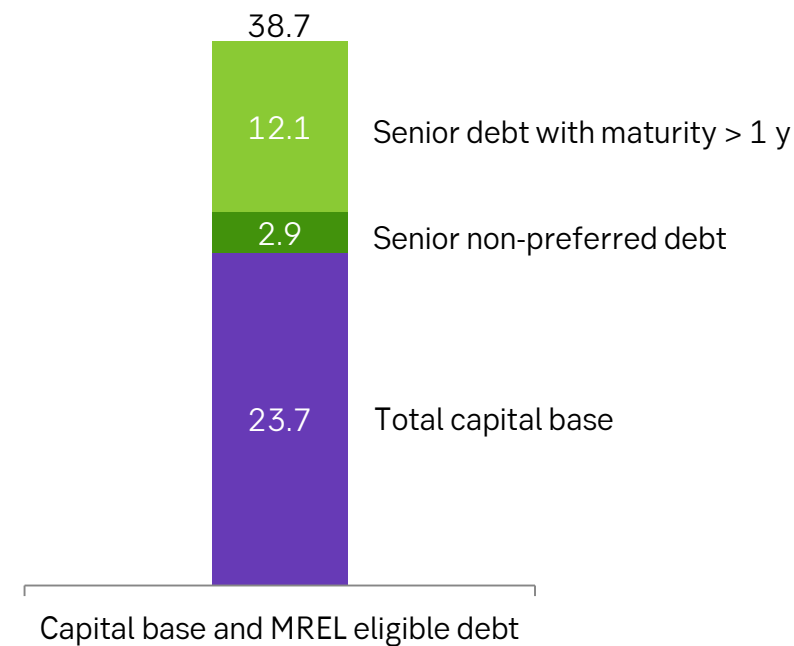
SEB's Total capital and MREL requirements

30 Sep 2020, % of REA



SEB's capital base and outstanding senior debt with maturity > 1 year

30 Sep 2020, % of REA



- The recapitalisation amount (min. P1+P2) is SEK 91bn based on the applicable capital requirement at 30 September 2020
- The SNDO has prolonged the transition period of the MREL requirement until 1 January 2024
- SEB has issued SEK 22bn equivalent of senior non-preferred debt to date

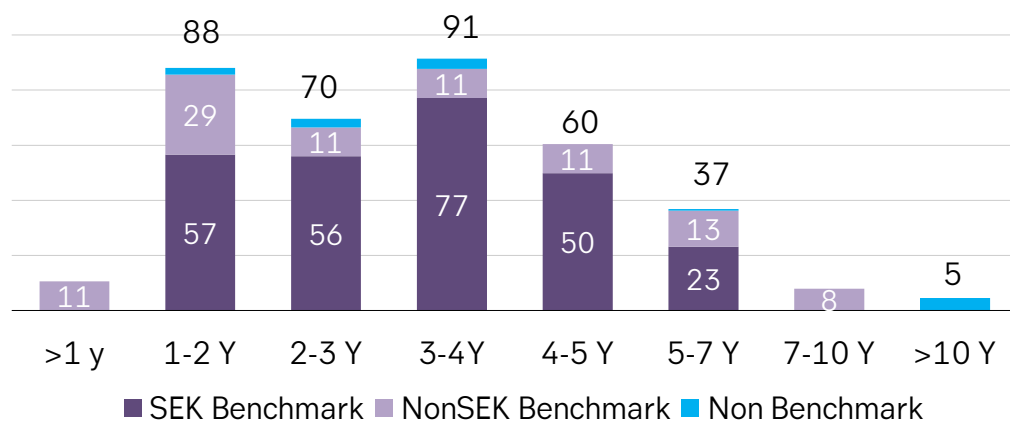
Profile of outstanding covered bonds

30 Sep 2020

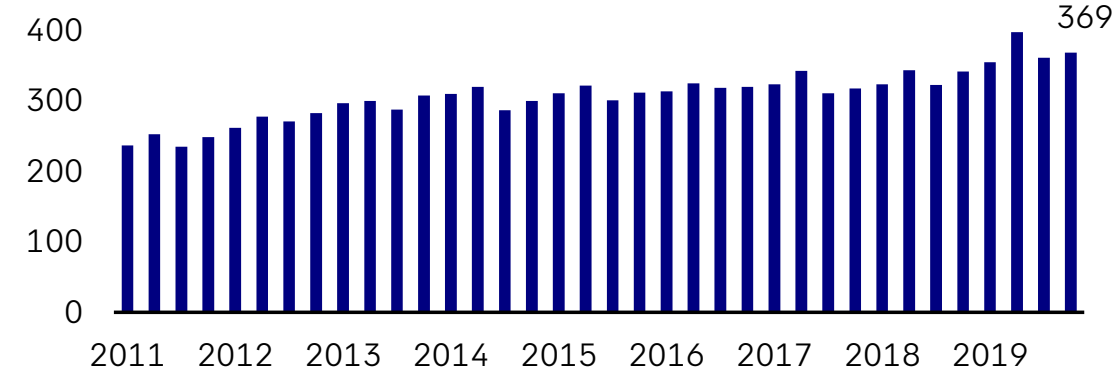
Total outstanding covered bonds (SEK bn)	369
Rating by Moody's	Aaa
Share of benchmark issues	96%

Maturity profile

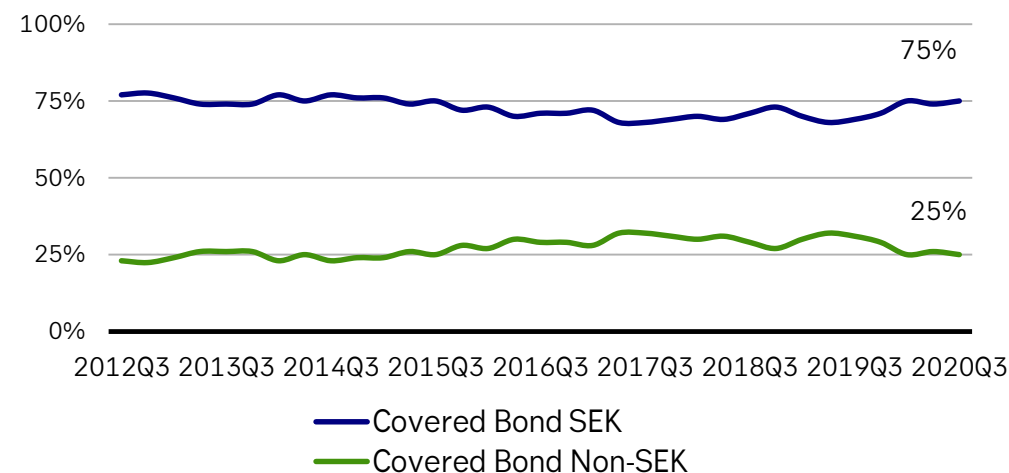
Nominal amount, SEK bn equivalent



Outstanding covered bonds (SEK bn)



Currency mix



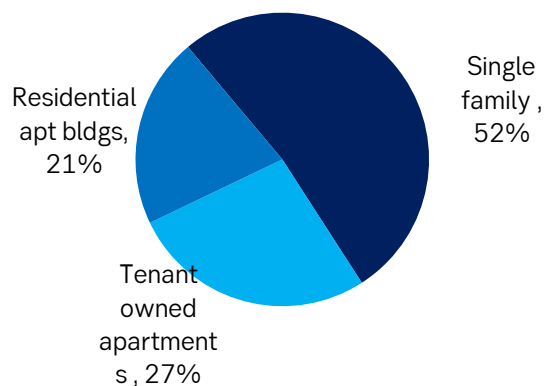
Only Swedish residential mortgages in SEB's cover pool

Cover pool	30 Sep 2020	30 Jun 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017
Total residential mortgage assets (SEK bn)	641	633	613	501	525
Weighted average LTV (property level)	52%	52%	51%	53%	51%
Number of loans ('000)	746	743	737	713	717
Number of borrowers ('000)	430	429	428	418	423
Weighted average loan balance (SEK '000)	859	852	831	702	732
Substitute assets (SEK '000)	0	0	0	0	0
Loans past due 60 days (bps)	5	4	5	1	5
Net Expected Credit Losses (bps)	0	0	0	0	0
Overcollateralisation level	73%	75%	73%	55%	62%

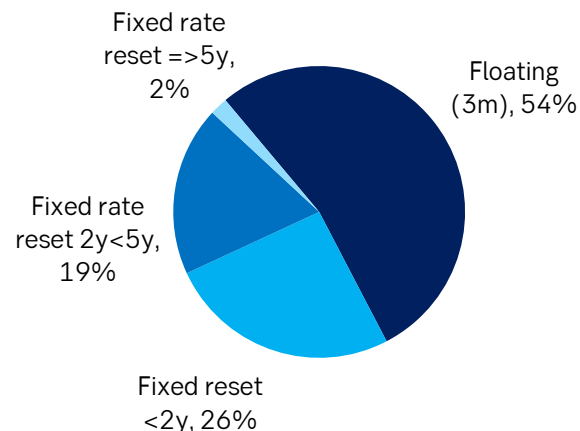
- Only Swedish residential mortgages, which historically have had very low credit losses
- More concentrated towards single family homes and tenant-owned apartments, which generally have somewhat higher LTVs
- On parent bank SEB AB's balance sheet contrary to major Swedish peers
 - All eligible Swedish residential mortgages are directly booked in the cover pool on origination, i.e. no cherry picking
 - Covered bonds are issued by SEB AB and investors have full and dual recourse to the parent bank's assets as well as secured exposure to the cover pool
- SEB runs a high overcollateralisation level

SEB's mortgages mainly in three largest and fastest growing city areas

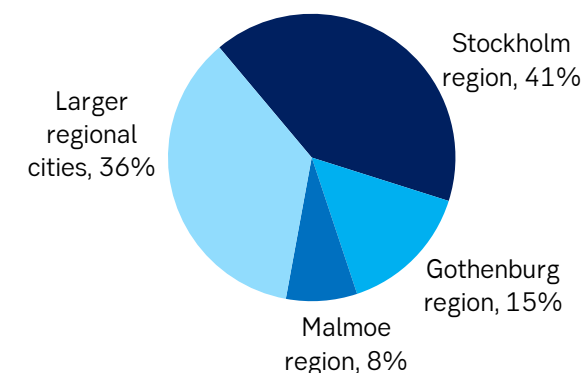
Type of loans



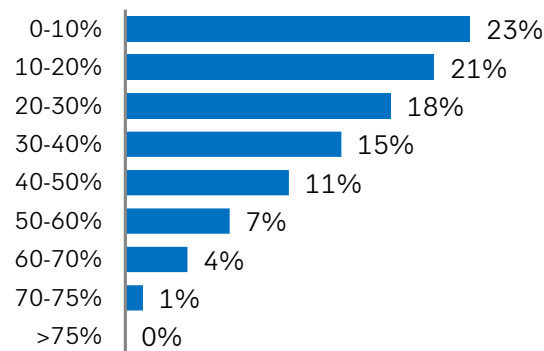
Interest rate type



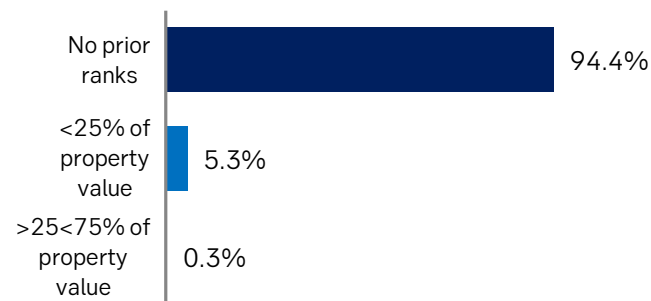
Geographical distribution



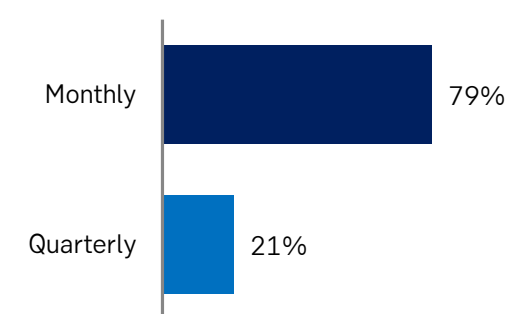
LTV distribution by volume in % of cover pool



Prior ranking loans

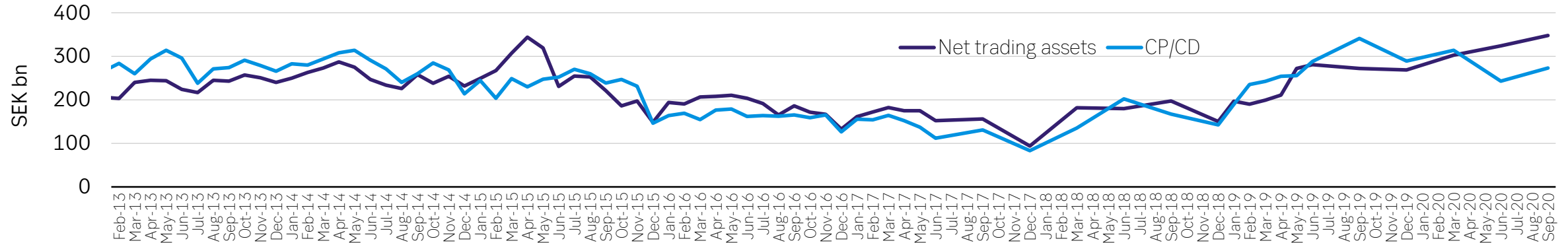


Interest payment frequency

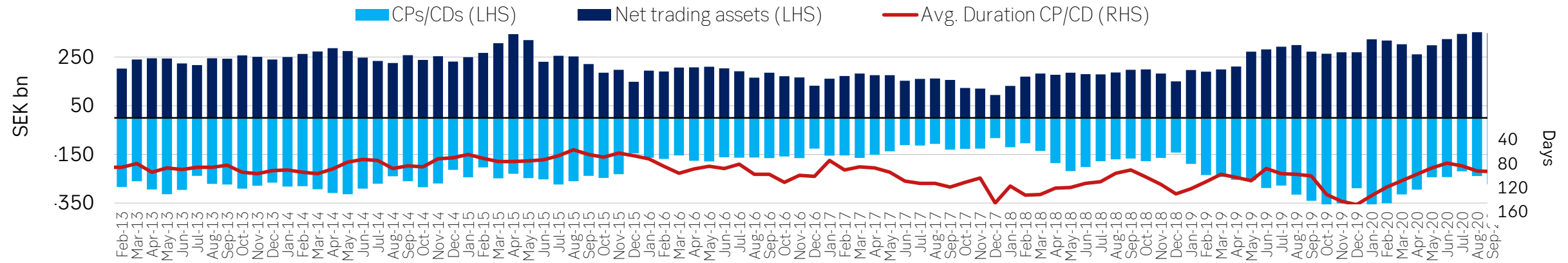


Short-term CP/CD funding to support client facilitation business

Volumes: Net trading assets adaptable to CP/CD funding access



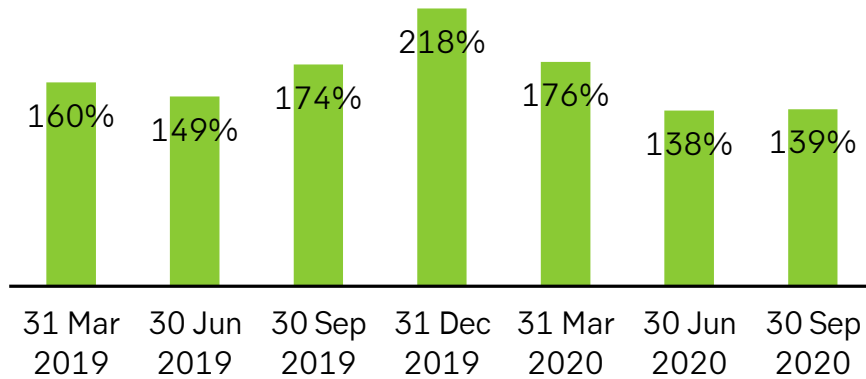
Duration: CP/CDs fund net trading assets with considerably shorter duration



Note: Net Trading Assets = Net of repoable bonds, equities and repos for client facilitation purposes

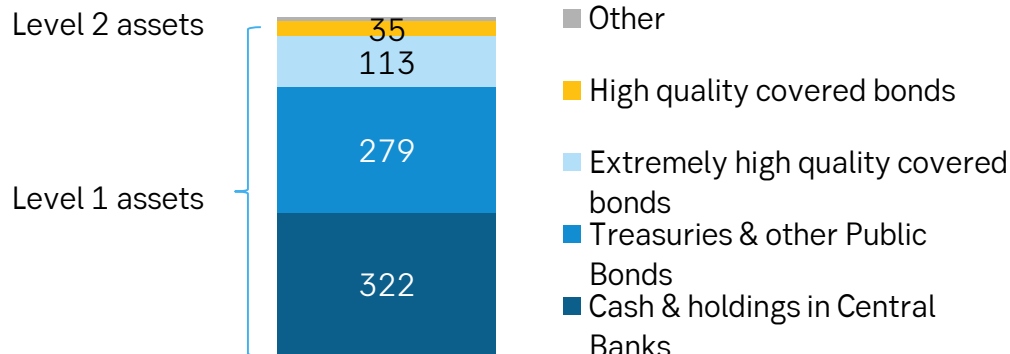
Strong liquidity and maturing funding position

Liquidity Coverage Ratio



Liquid Assets

30 Sep 2020, SEK 757bn

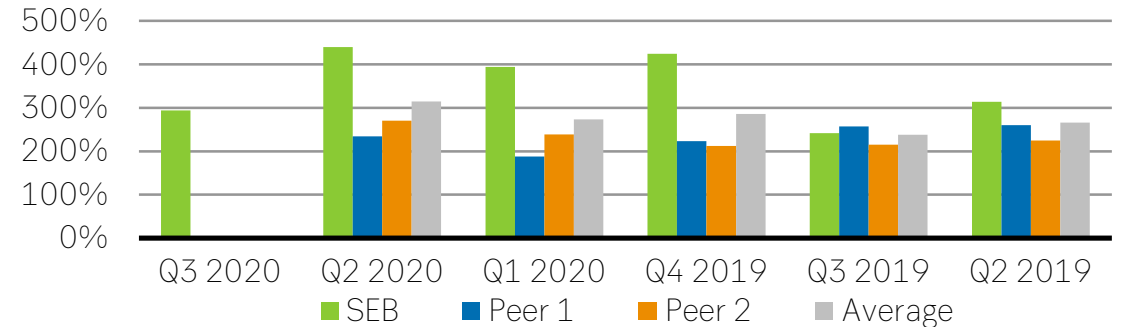


Note: Liquid Assets in accordance with Liquidity Coverage Ratio in CRR. Liquid assets defined as on balance sheet cash and balances with central banks + securities (bonds and equities) net of short positions

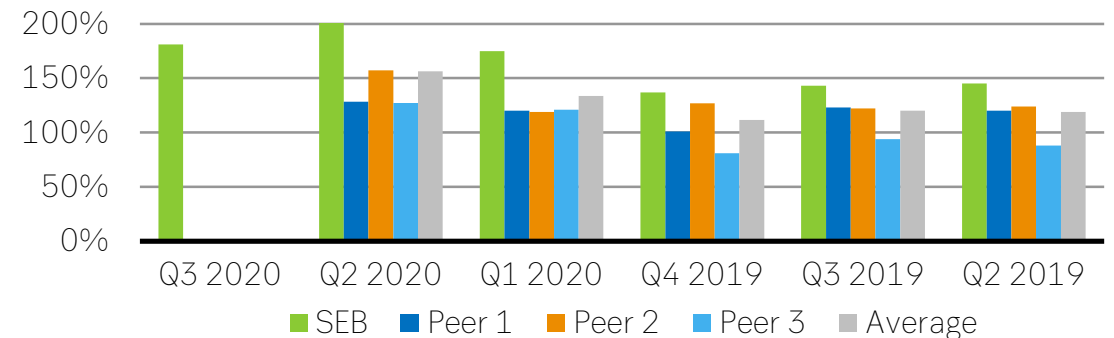
Maturing Funding ratio, 3m and 12m

Peer benchmarking

Development 3m funding ratio



Development 12m funding ratio



Definition: Liquid Assets / (Maturing Wholesale Funding within 3/12m + Net interbank borrowing within 3/12m)

Source: Fact Books of SEB and three other major Swedish banks. One peer does not disclose 3m ratio

Strategy & business plan

Our strategic focus areas for world-class service



Operational excellence

Efficiency & speed, including swift transaction execution, through technology & data



Advisory leadership

Value-enhancing advisory based on human & digital interaction



Extended presence

Part of digital ecosystems & sharpened offering through integration of external products & data

Our ambition by division



The undisputed leading
Nordic corporate & institutional bank

Large Corporates & Financial Institutions

- Nordic, German & UK corporates
- Leverage Markets' business
- Advisory within Corporate & Investment Banking

Corporate & Private Customers

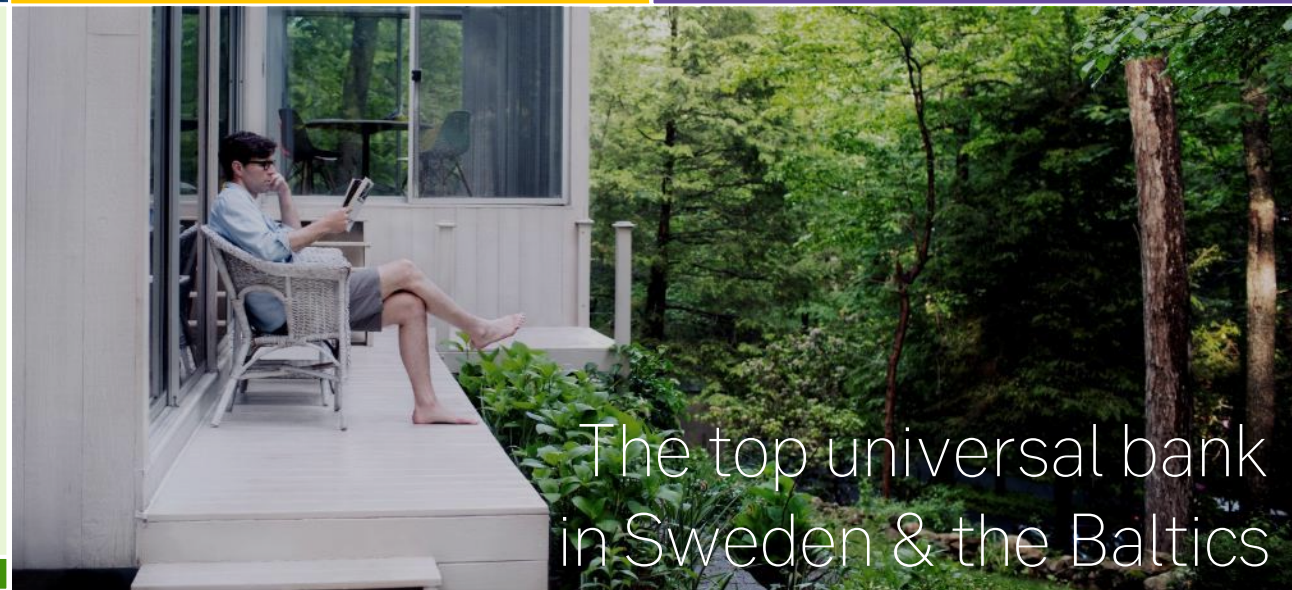
- Attract SME customers
- Expand Private Banking
- Improve mortgages & savings

Life & Investment Management

- Strengthen Investment Management capabilities
- Accelerate Bancassurance
- Re-model Life

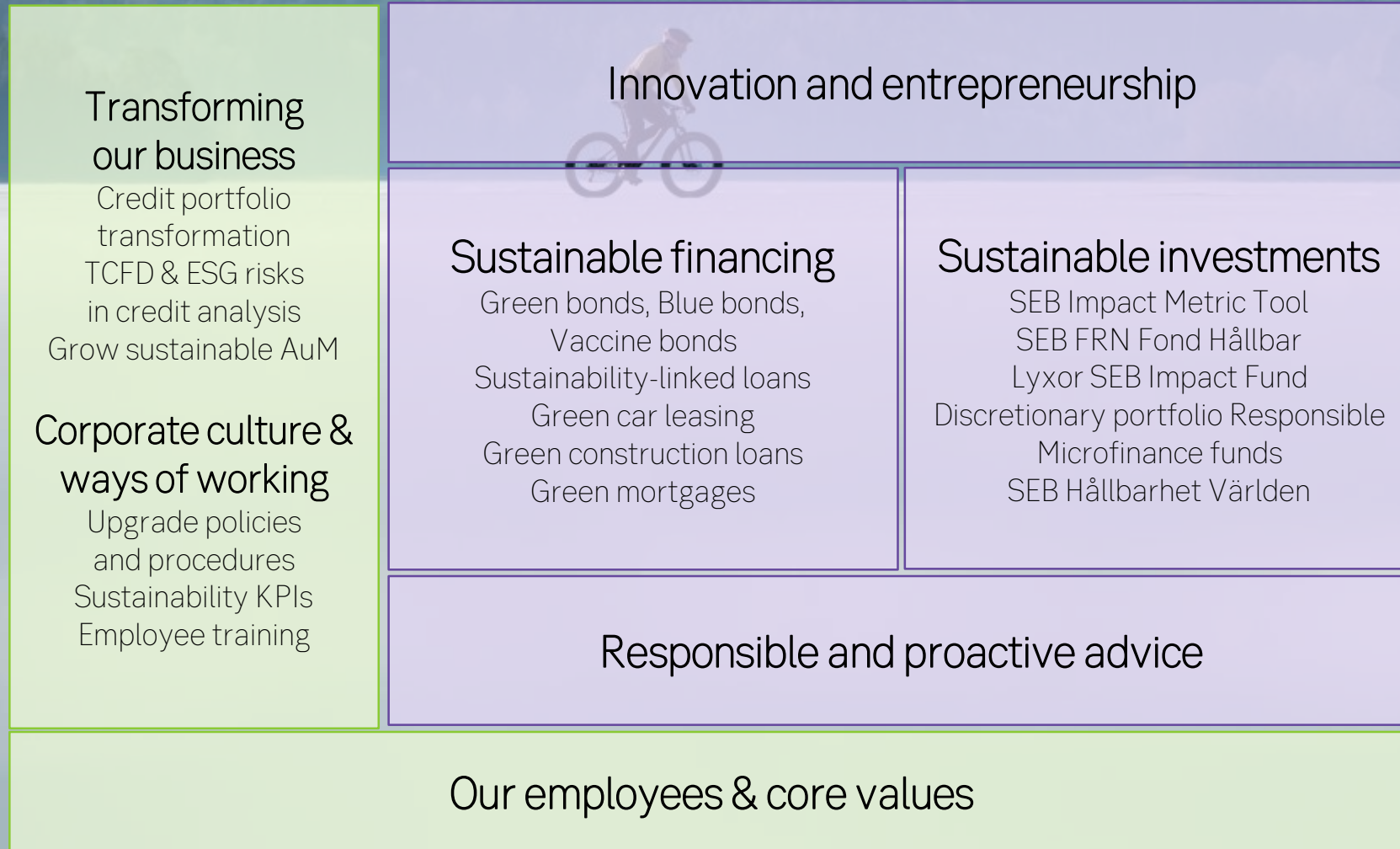
Baltic

- Balanced growth in private & corporate segment
- Digital sales
- Completion of core IT program



The top universal bank
in Sweden & the Baltics

Contributing to a sustainable world



Prioritised UN Sustainable Development Goals:



PRINCIPLES FOR
RESPONSIBLE
BANKING

$\geq 40\%$
dividend **payout**
ratio of EPS

$\sim 150\text{bps}$
CET1 ratio
above requirement

RoE
competitive
with peers

15% RoE long-term aspiration

SEB



Our
financial targets

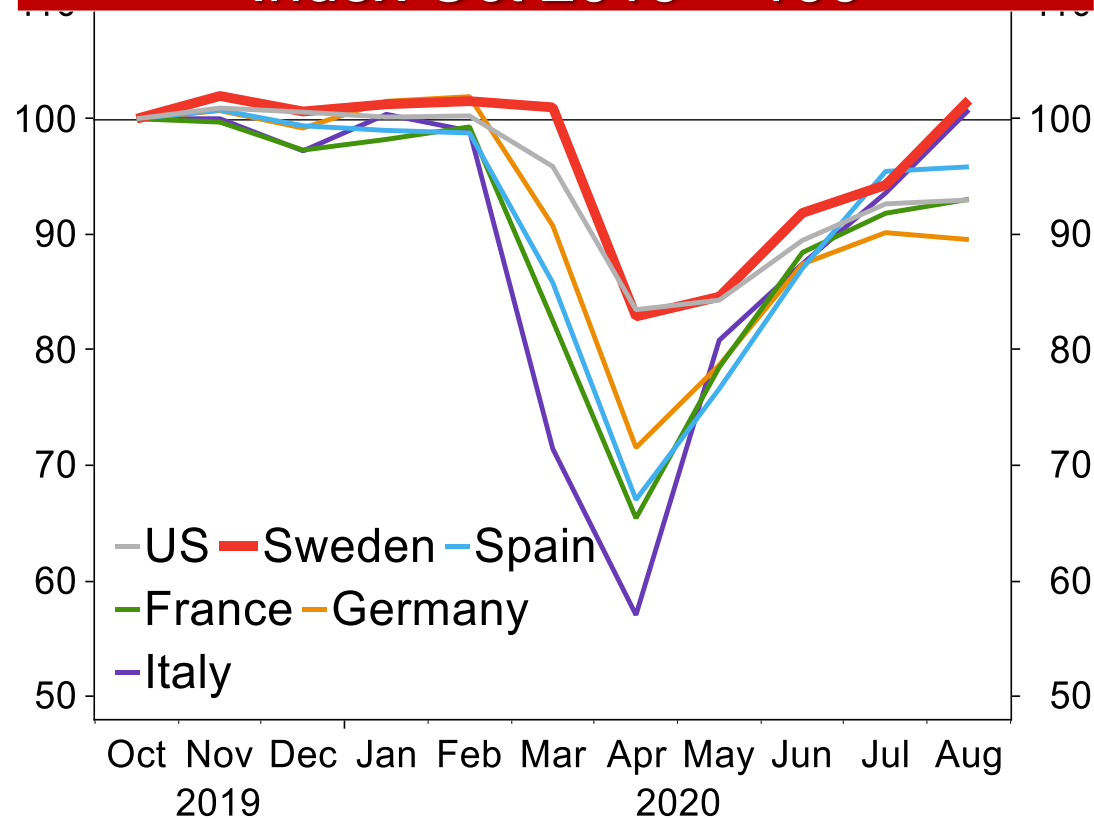
An aerial night photograph of a city, likely Stockholm, Sweden. The image shows a mix of modern and traditional architecture. In the foreground, there's a large, curved, modern building with many lit windows. Below it, a train station with several tracks and a train is visible. The middle ground features a variety of residential and commercial buildings, some with lights on. In the background, more city lights and a distant bridge can be seen under a dramatic, cloudy sky with a hint of sunset or sunrise colors.

Swedish macro outlook

Globally: Major downturns, impressive upturns

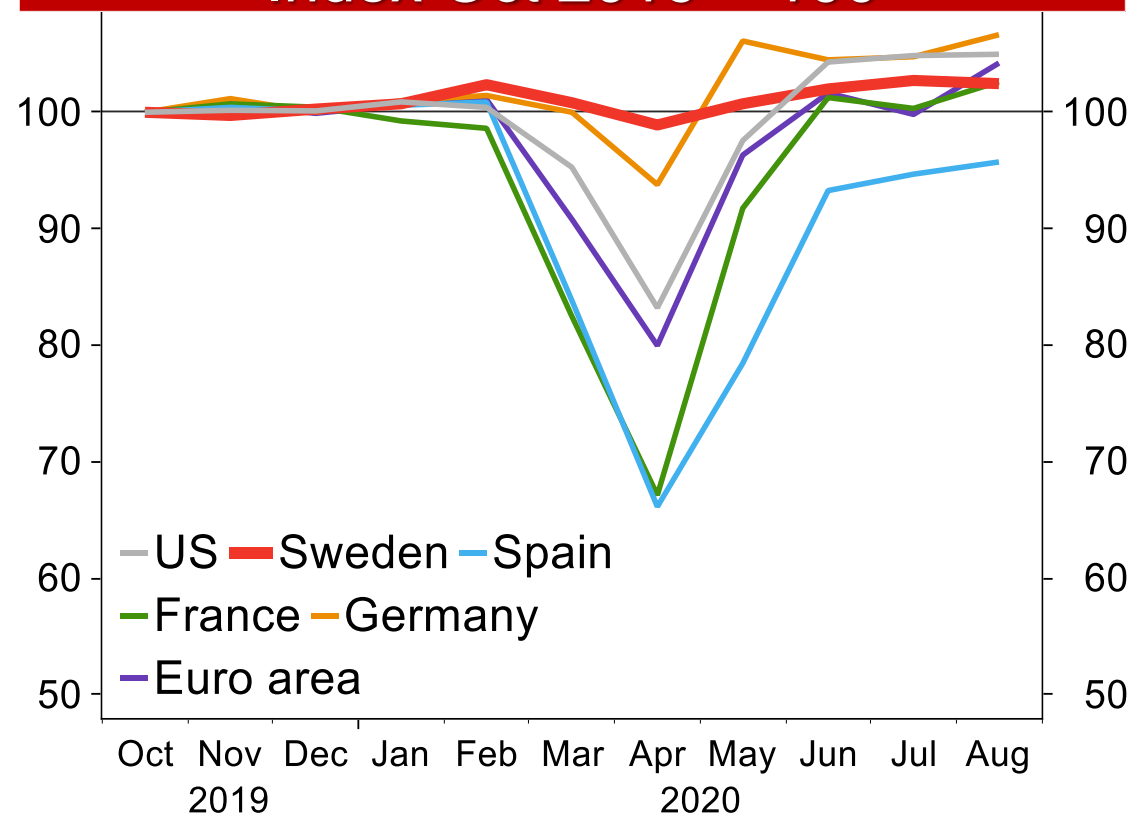
Industrial production

Index Oct 2019 = 100



Retail sales

Index Oct 2019 = 100

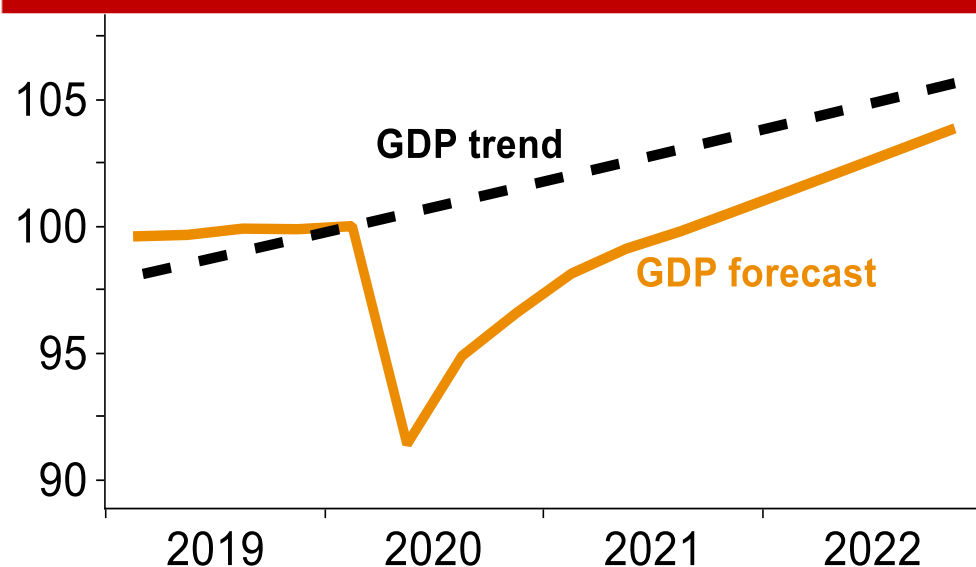


A strong desire to return to normality

Sweden: Less bad than expected

Below-trend GDP in 2022

GDP level, index Q1 2020 = 100

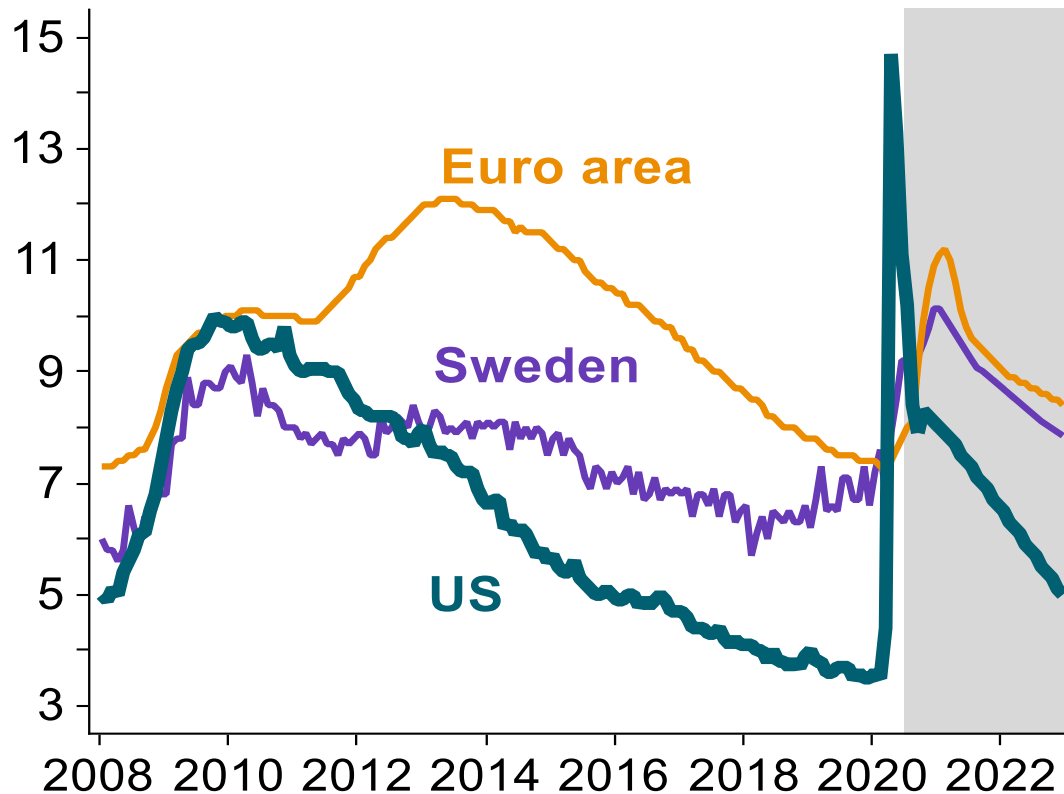


GDP	2019	2020	2021	2022
%	1.2	-3.1	4.2	3.1

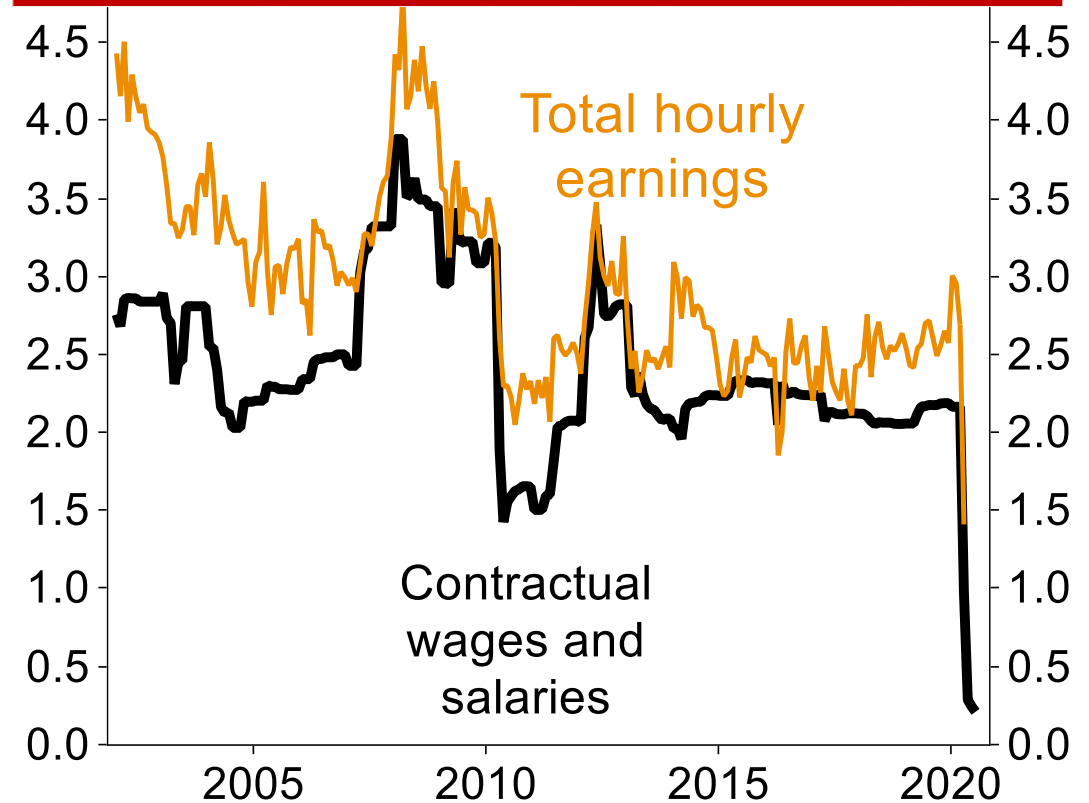
- **GDP growth figure (Q2): -8.3%**
- **Unemployment: +0-1%-point**
Limited by wage subsidy scheme
- **Public sector debt \approx 45% of GDP**
Crisis measures “cheaper” than expected
New stimulus in autumn budget: SEK 105 bn
- **Stronger SEK, weak wage pressure**
- **High bar for new negative key rate**
Easier for Riksbank to buy securities (=QE)

Sweden: Labour markets and wage growth

Lingering high unemployment
Per cent of labour force

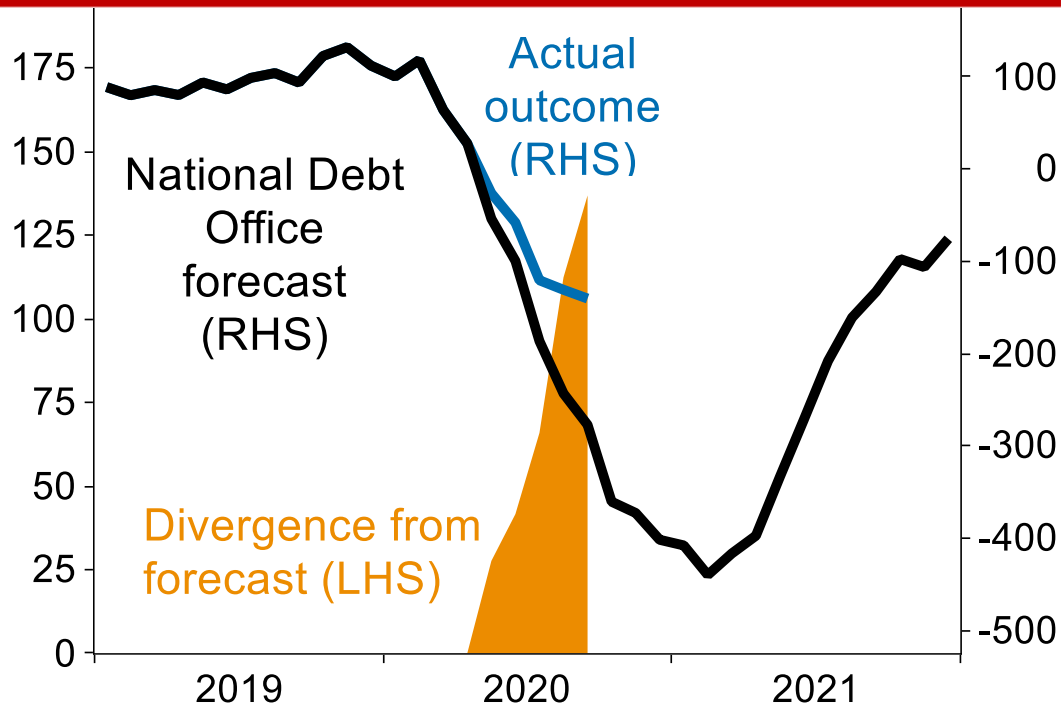


Record-low pay increases
Hourly earnings, y-o-y % change



Sweden: Government still on borrowing spree

Increasing budget deficit Government budget balance, SEK bn



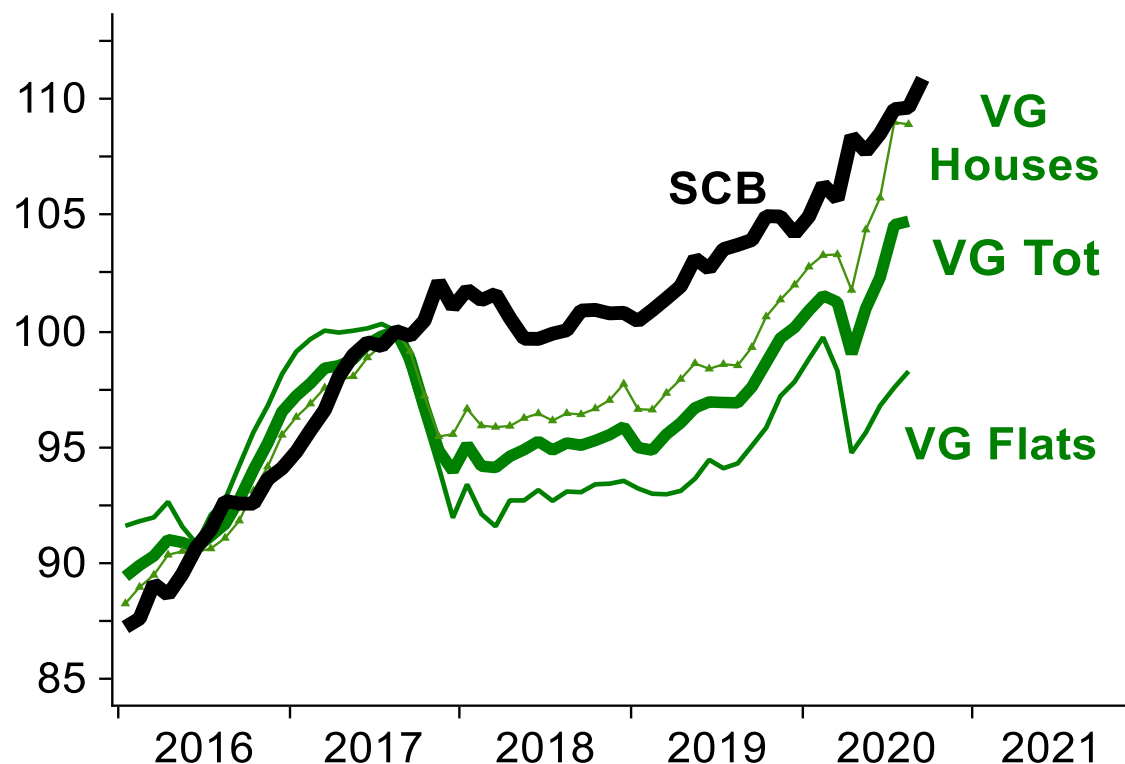
- Reopening policy raising political temperature
- SEK 105 bn extra in autumn budget
- Budget framework on hold
- Under-utilised crisis packages SEK 140 bn

Forecast	2019	2020	2021	2022
Net lending	0.5	-5.0	-4.0	-3.0
Govt. debt	35.2	41.0	43.0	44.0

Sweden: Resilient housing market

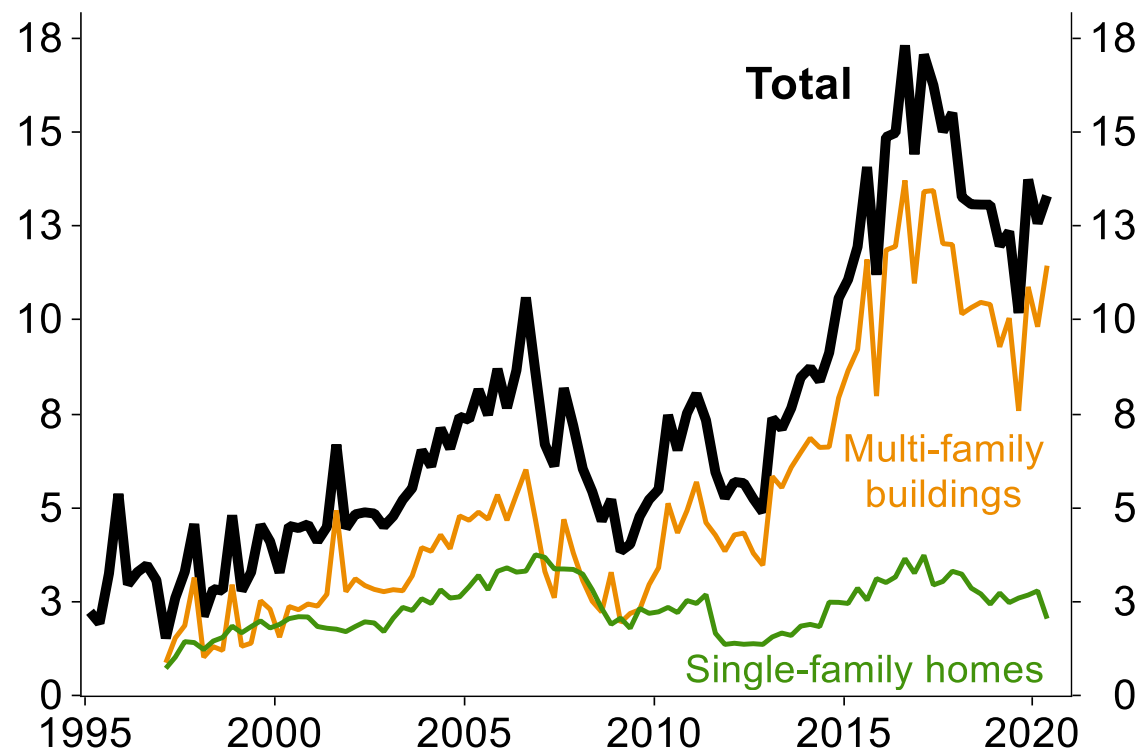
Home prices SCB/Valueguard VG

Index Aug 2017=100



Housing starts

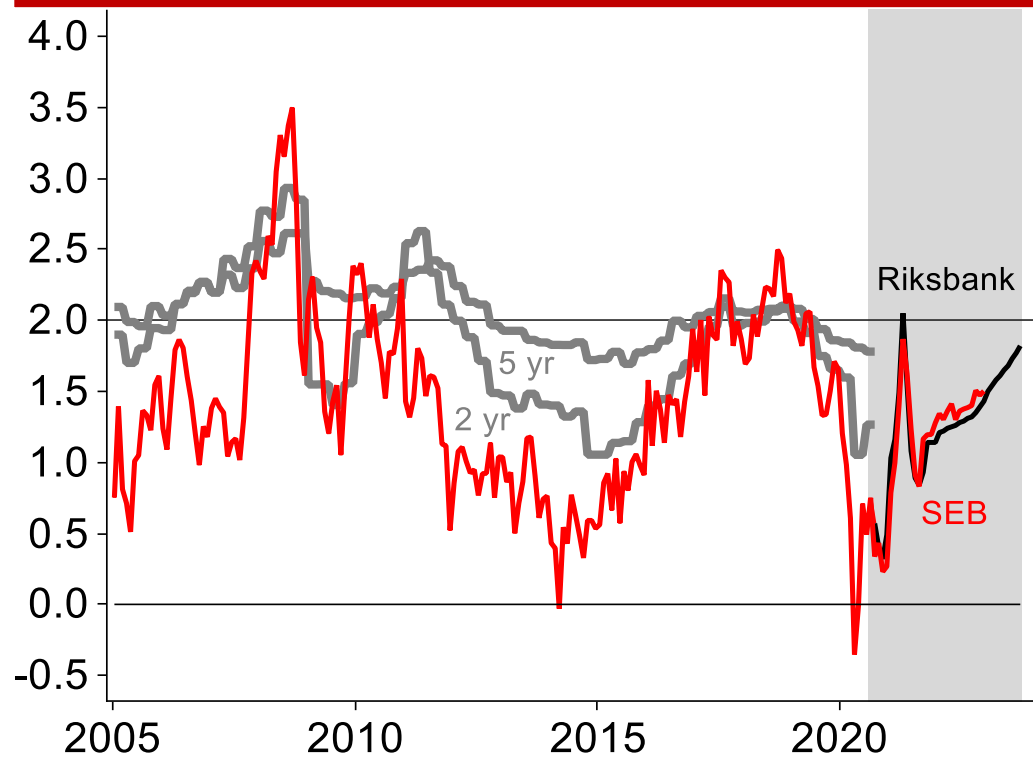
Thousands per quarter



Sweden: High bar for negative Riksbank rate

Inflation – CPIF

SEB and Riksbank forecasts. Per cent



- **Fiscal stimulus will assume more of the burden**
- **Riksbank headache:**
Stronger krona, low contractual pay hikes
- **Unchanged key interest rate: 0%**
- **Unchanged QE programme**

Crisis packages	Loans	Bond buying	Liquidity	USD loans
Limit SEK bn	500	500	Unlimited	530
Utilised, %	33	46	SEK 29bn	3

An aerial night photograph of a cityscape. In the foreground, a train station with multiple tracks and a train is visible. To the left, a modern building with a curved facade and many lit windows stands out. In the background, several large, multi-story apartment buildings are illuminated. The sky is dark with some clouds, and the city lights create a warm glow.

Appendix

Strong customer franchise

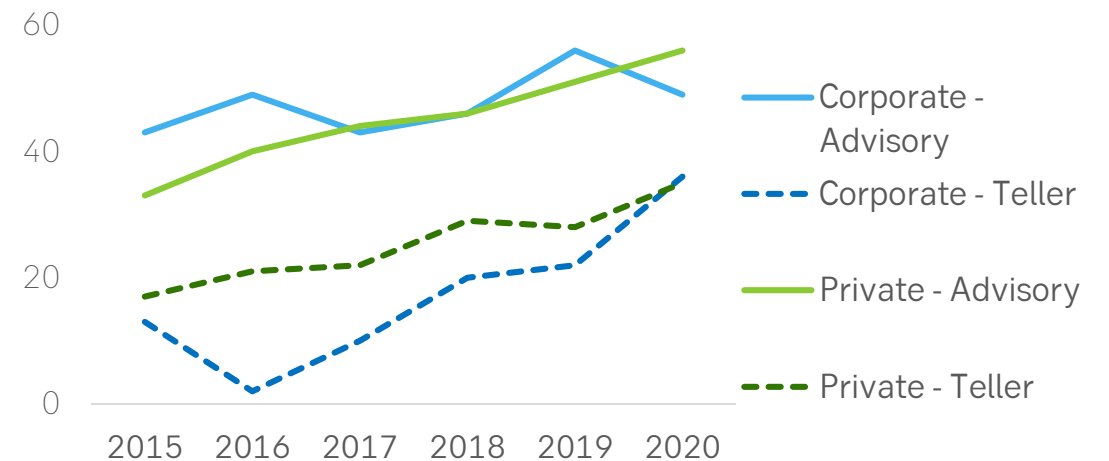
Large Corporates & Financial Institutions

Customer satisfaction (Prospera, ranking)

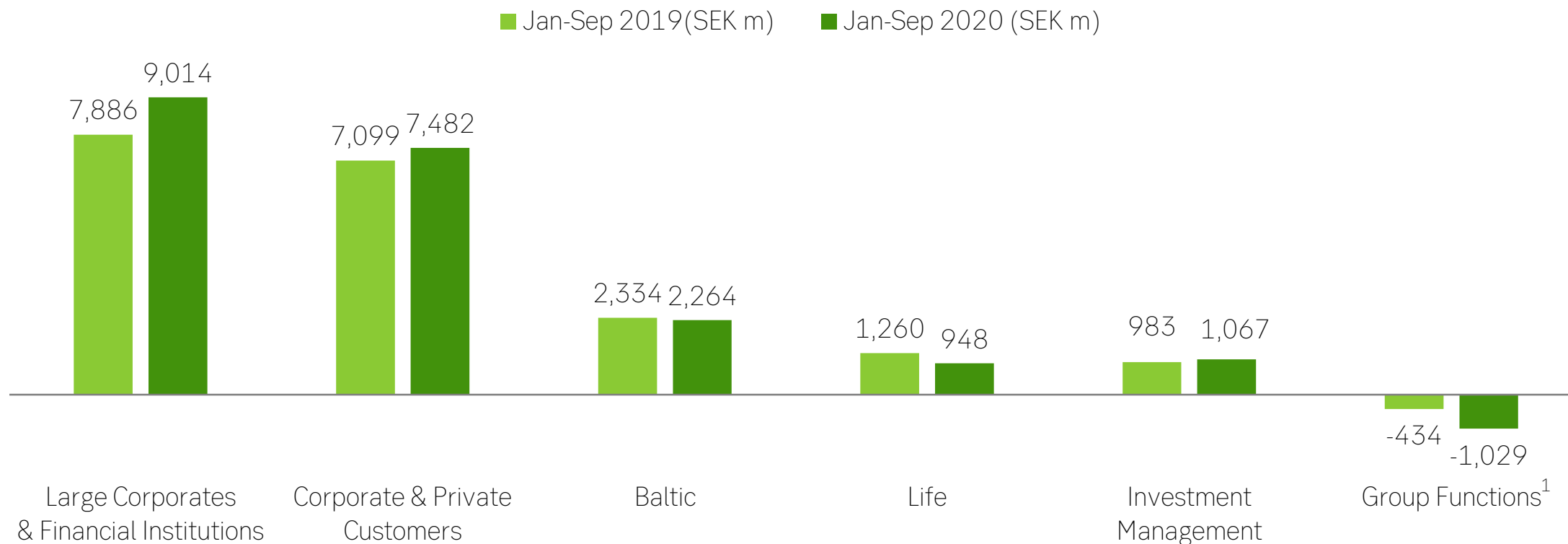
		2015	2016	2017	2018	2019
Large Corporates	Sweden	1	1	1	1	1
	Nordics	2	2	3	2	2
Financial Institutions	Sweden	2	1	1	1	1
	Nordics	4	1	2	1	1

Corporate & Private Customers

Customer satisfaction (Net Promoter Score)



Pre-provision profit by division



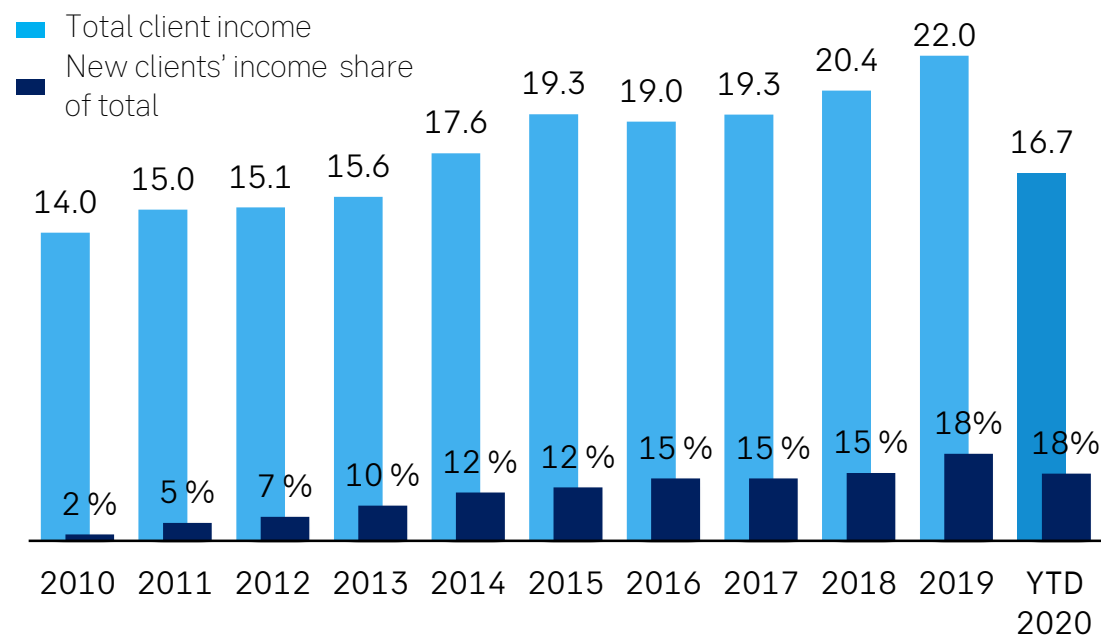
RoBE (%)	6.9 (10.5)	14.8 (15.4)	16.8 (24.5)	22.1 (28.8)	48.3 (43.7)
C/I	0.44 (0.47)	0.43 (0.43)	0.40 (0.39)	0.56 (0.48)	0.37 (0.39)

¹ Group Functions consist of Business Support, Technology, Treasury, Staff units and the German run-off operations.

Large Corporate & Financial Institutions division

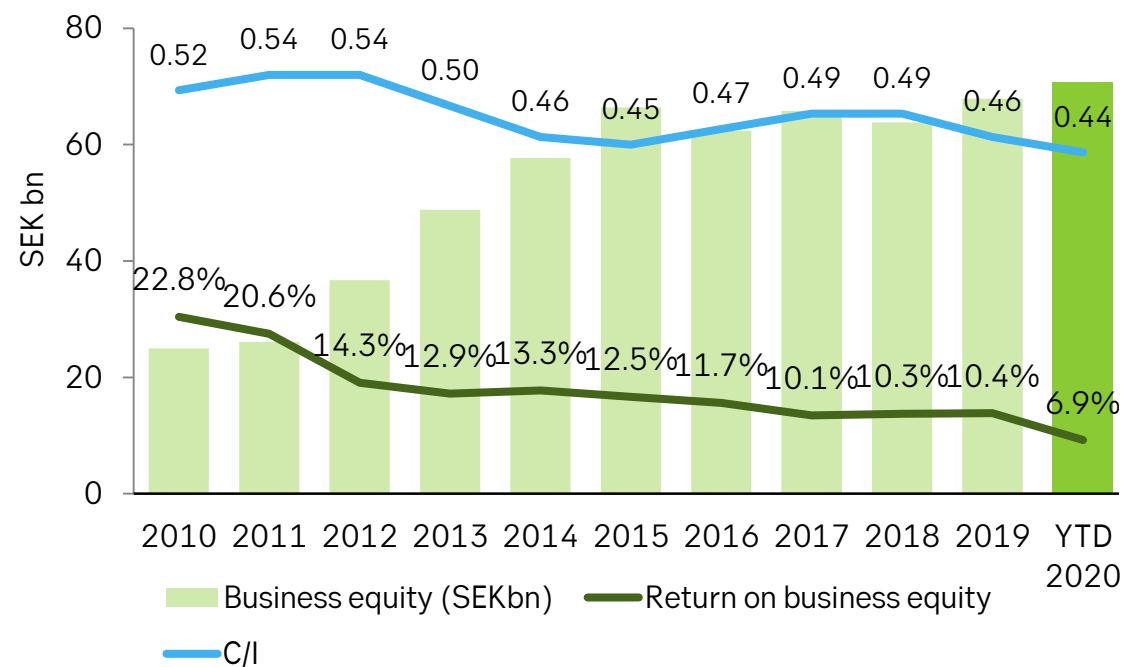
Strong franchise and successful client acquisition strategy

Total client income in SEK bn



No. of accumulated new clients	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD 2020
	84	209	305	413	472	535	594	652	713	765*	795

Diversified business and solid efficiency render healthy profitability despite considerably higher regulatory requirements



2016 C/I: Excl. one-off costs of SEK 354m

2015 C/I: Excl. one-off costs of SEK 902m

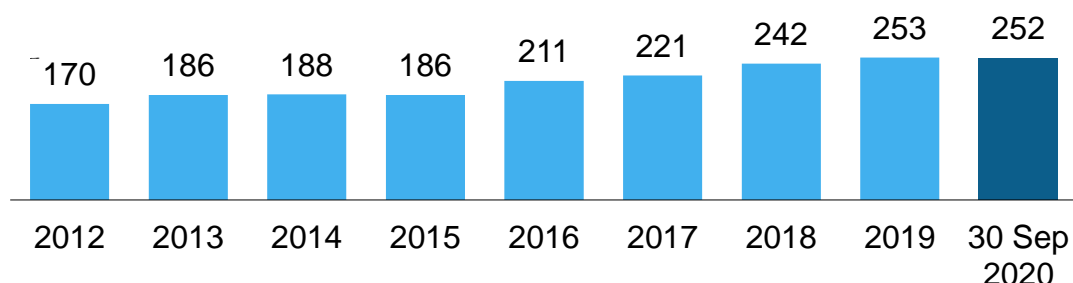
2010-13: Restated figures following the new organisational structure as of Jan 1, 2016.

As a result 2010-2013 figures not comparable

Corporate & Private Customers division

Stable lending growth in corporate segment

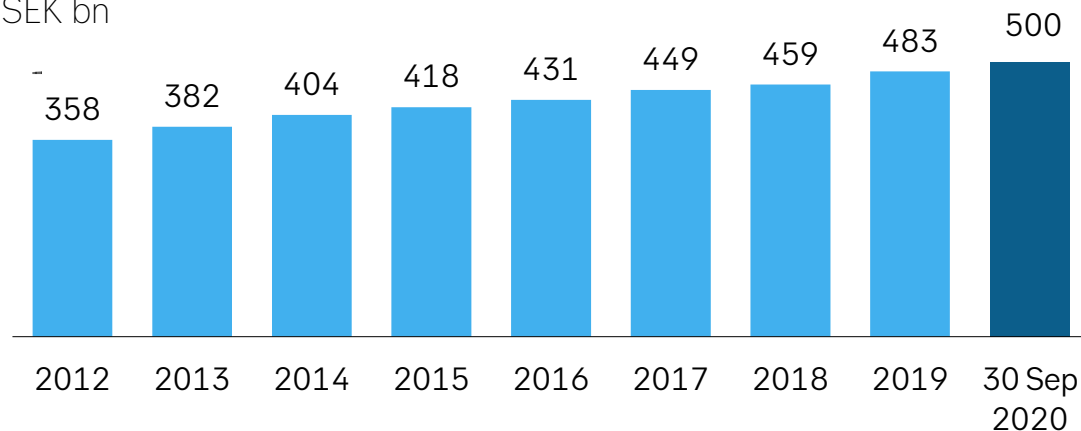
Loans to corporates and real estate management, SEK bn



2015: Adjusted for transfer of sole traders SEK 16bn

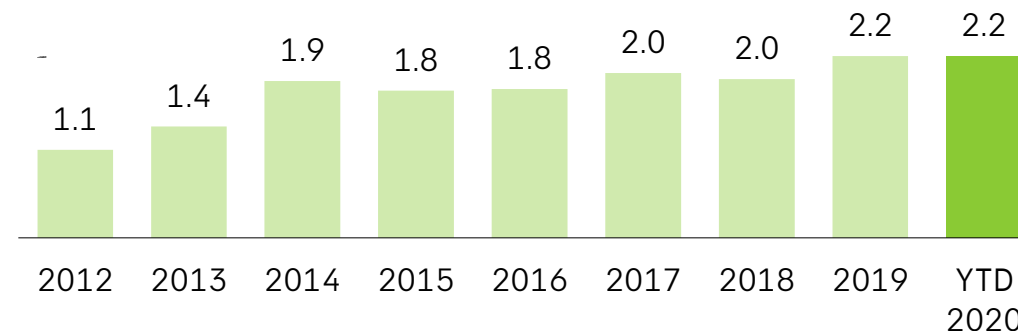
Stable growth in household mortgage lending

SEK bn



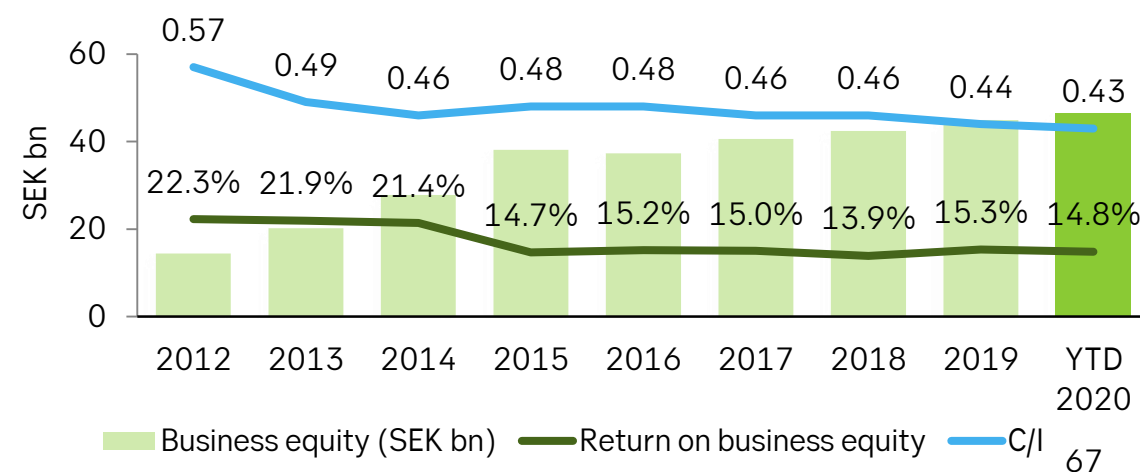
Solid operating profit

Average quarterly operating profit, SEK bn



2014-2015 restated following the new organisational structure as of 1 Jan 2016.
As a result, 2012-2013 figures are not comparable.

Steady improvement in efficiency

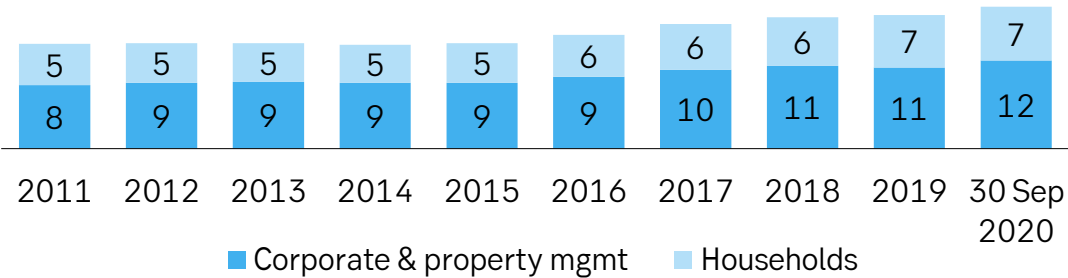


Baltic division

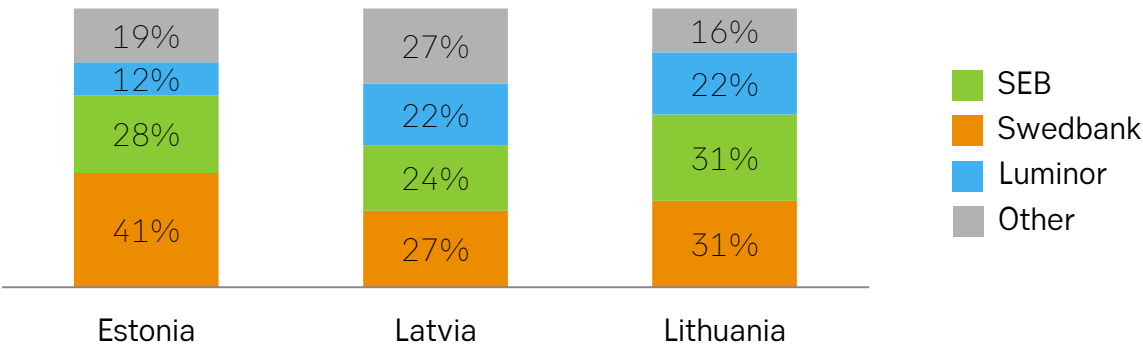


Stable credit growth driven by healthy economic development last five years

Credit portfolio, EUR bn

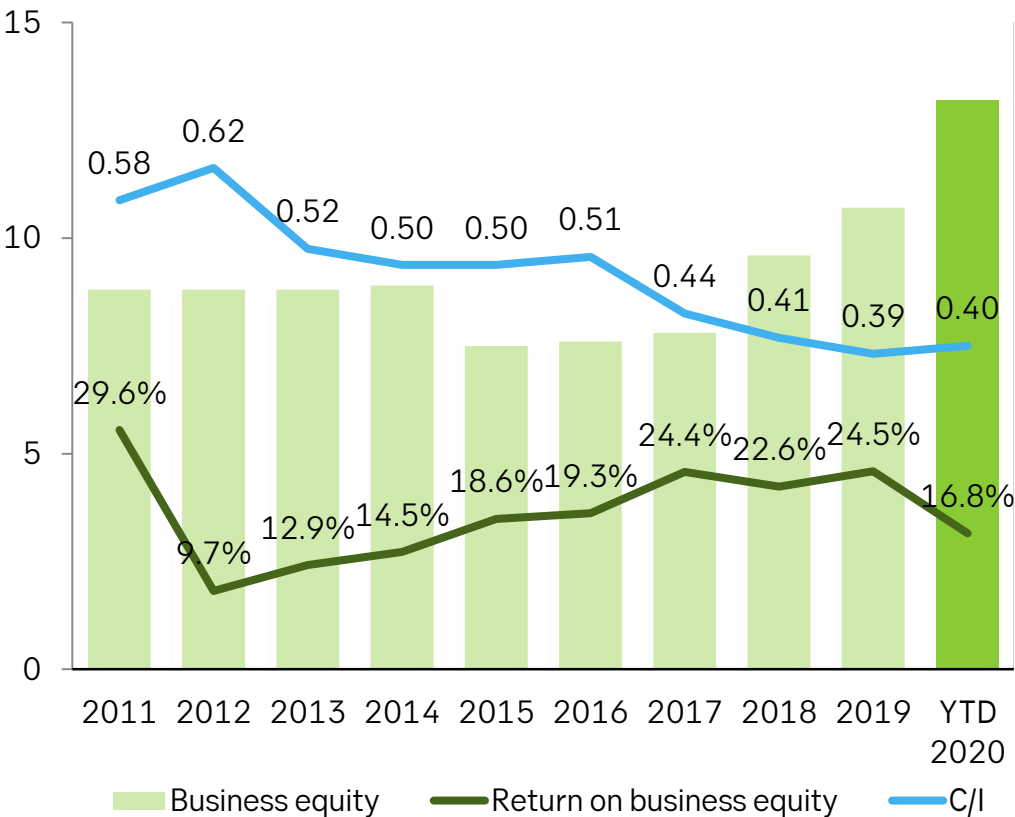


Leading position in terms of lending market share



Strong development of key ratios

SEK bn



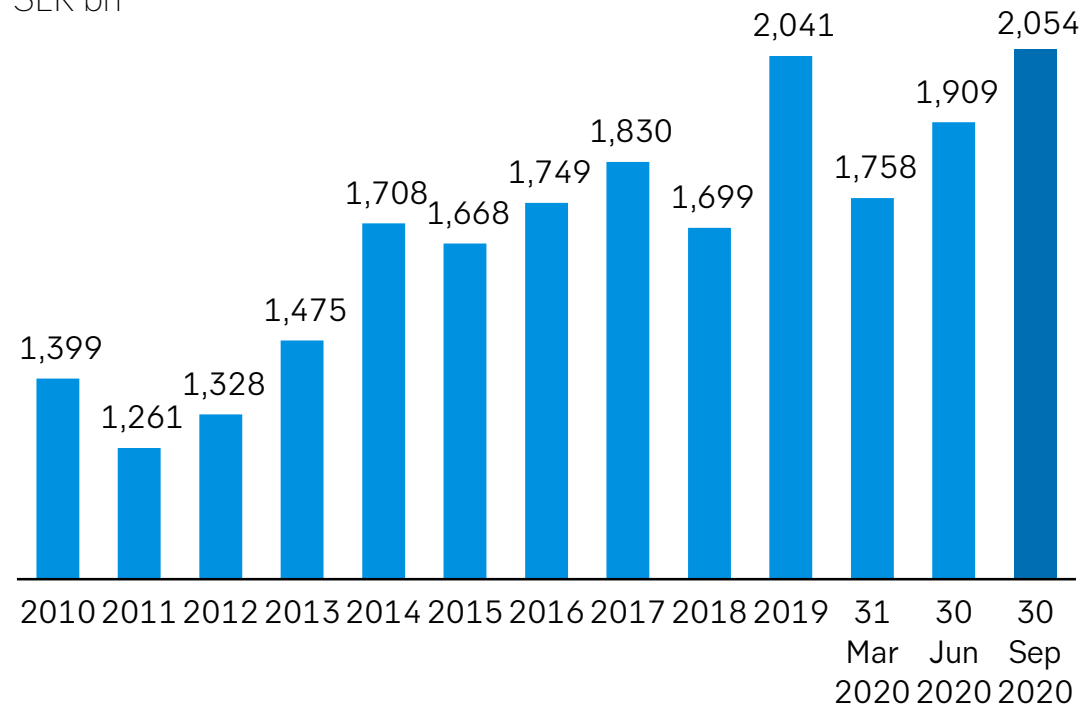
Source: Estonian Financial Supervision Authority , Association of Latvian Commercial Banks, Association of Lithuanian Banks, 30 June 2020

2020: Business equity increased due to updated credit risk models in Q1
 2011-2018: Excluding Real Estate Holding Companies
 2011: Write-back of provisions of SEK 1.5bn

Assets under management supported by market development

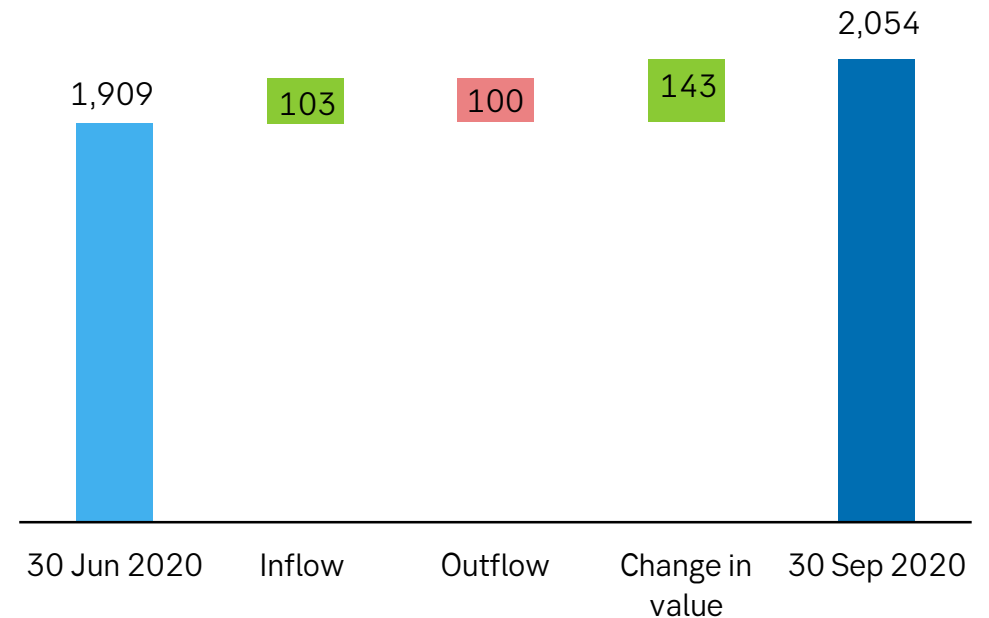
Assets under management¹

SEK bn



Development in Q3 2020

SEK bn



¹ Definition of assets under management changed from 2015. Divestment of SEB Pension DK in 2018 reduced AUM by approx. SEK 116m.

Summary key financials

	Jan-Sep 2020	2019	2018	2017	2016	2015	2014	2013	2012	2011 ¹⁾
Return on equity, % ⁶⁾	9.7	13.8	13.4	12.9	11.3	12.9	13.1	13.1	11.5	12.3
Cost/income ratio, %	46	46	48	48	50	49	50	54	61	62
Net ECL level / Credit loss level, % ³⁾	0.30	0.10	0.06	0.05	0.07	0.06	0.09	0.09	0.08	-0.08
Stage 3 loans/total loans, gross / NPL/lending, % ⁴⁾	0.86	0.67	0.50	0.5	0.5	0.6	0.8	0.7	1.0	1.4
Liquidity Coverage Ratio (LCR), % ⁵⁾	139	218	147	145	168	128	115	129	NA	NA
CET1 ratio, % ²⁾	19.4	17.6	17.6	19.4	18.8	18.8	16.3	15.0	NA	NA
Total capital ratio, % ²⁾	23.7	23.3	22.2	24.2	24.8	23.8	22.2	18.1	NA	NA
Leverage ratio, % ²⁾	4.6	5.1	5.1	5.2	5.1	4.9	4.8	4.2	NA	NA
Assets under custody, SEK bn	10,803	10,428	7,734	8,046	6,859	7,196	6,763	5,958	5,191	4,490
Assets under management, SEK bn	2,054	2,041	1,699	1,830	1,749	1,668	1,708	1,475	1,328	1,261

Notes:

1) Restated for introduction of IAS 19 (pension accounting).

2) 2016 - 2014 is according to CRD IV/CRR and 2013 was estimated based on SEB's interpretation of future regulation.

3) Net aggregate of write-offs, write-backs and provisioning. Net ECL (expected credit loss) level (2018) is based on IFRS 9 expected loss model, net credit loss level (2011-2017) is based on IAS39 incurred loss model..

4) ECL coverage ratio for Stage 3 (credit-impaired) loans is based on IFRS 9 expected loss model, NPL coverage ratio and NPL/lending ratio (2011-2017) are based on IAS39 incurred loss model. NPLs = Non Performing Loans, including individually and portfolio assessed impaired loans (loans >60 days past due)..

5) LCR based on EU definition as from 2018 and on SFSA definition 2013-2017.

6) **Excl. Items affecting comparability incl. technical impairment (write-down) of goodwill**

a. 2014: Excluding capital gains of SEK 2,982m (sale of non-core business and shares)

b. 2015: Excluding a cost of SEK 902m relating to the Swiss Supreme Court's not unanimous ruling against SEB in the long running tax litigation relating to SEB's refund claim of withholding tax dating back to the years 2006 through 2008

c. 2016: Excluding the effects of the technical impairment of goodwill to the amount of SEK 5,334m and SEK 615m of one-off costs and derecognition of intangible IT assets no longer in use and the positive tax effect SEK 101m. Excluding a capital gain of SEK 520m from the sale of VISA Europe shares by the Baltic subsidiaries and the generated tax expense SEK 24m

d. 2017: Excluding a dividend from VISA of SEK 494m, costs related to the transformation to a German branch of SEK 521m, transfer of pension obligation to BVV of SEK 891m, impairment and derecognition of IT intangibles of SEK 978m.

e. 2018: Excluding the sale of SEB Pension SEK 3.6bn and settlement of UC AB's merger SEK 0.9bn

f. 2020: Excluding administrative fine from Swedish FSA of SEK 1.0bn

To show the underlying operating momentum in this presentation:

a. and b. The FY 2014 and FY 2015 results' presentations, profitability, capital generation and efficiency ratios exclude the effects of the above-mentioned items affecting comparability

c. and d. The FY 2016 results, profitability and efficiency ratios exclude the effects of the above mentioned items affecting comparability.

An aerial night photograph of a city, likely Copenhagen, showing a train station with tracks and a modern building with a curved facade on the left. The sky is dark with some clouds, and city lights are visible throughout the scene.

Contacts & calendar

IR contacts and calendar



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Financial calendar

2021

1 January	Silent period starts
27 January	Annual accounts 2020
2 March	Annual report 2020
30 March	Annual General Meeting
1 April	Silent period starts
28 April	Quarterly report Jan – Mar 2021
1 July	Silent period starts
15 July	Quarterly report Jan – Jun 2021
1 October	Silent period starts
20 October	Quarterly report Jan – Sep 2021

The journey towards...

SEB

...world-class service
to our customers continues

