

Quarterly report

Stockholm 24 April 2024

First quarter 2024 | January - March 2024



Positively shaping the future.
Today and for generations to come.



A foundation for growth

As we entered 2024, optimism prevailed with the global economy gradually moving toward greater stability, with declining inflation driving expectations of lower interest rates.

However, sentiment grew more cautious at the end of the first quarter, with decreasing expectations of rapid rate cuts. Geopolitics remained a risk driver, with the current military conflicts causing vast human suffering. Despite uncertainties, the assessment that the global economy is moving toward a recovery was maintained. The Swedish economy has seen a more negative development than most of Europe since the start of the interest rate hike cycle, largely due to high interest rate sensitivity. However, with inflation under better control and strong public finances with a low debt-to-GDP ratio, many economists believe in a combination of monetary and fiscal stimulus going forward. Positive signs from leading indicators such as the Swedish Purchasing Managers' Index and the SEB Housing Price Indicator support SEB economists' forecast of Swedish GDP growth of close to 3 per cent in 2025. The strengthening macroeconomic picture in Sweden was partly reflected in an improved market sentiment.

Continuously delivering toward our capital target

The high interest rate environment continued to have a dampening effect on credit demand, both among our corporate and private customers. Deposit flows to higher-yielding accounts continued in the Baltics, while in Sweden the trend flattened out. Swedish household mortgage margins remained at historically low levels in a competitive market. Within the Large Corporates & Financial Institutions (LC&FI) division, SEB continued to perform well. This was exemplified by a strong development within FX and Fixed Income, both higher activity and increased pipeline within Investment Banking, as well as SEB being awarded a couple of large Nordic cash management mandates outside of Sweden.

Operating profit increased by 9 per cent quarter on quarter, driven mainly by higher operating income and a decrease in net expected credit losses. Return on equity was strong at 17 per cent and our capital buffer remains solid at 420 basis points. Our cost target for the full year is unchanged. Asset quality remained robust with net expected credit losses of 1 basis point.

During the first quarter of 2024, SEB repurchased shares for capital management purposes for a total amount of SEK 1.75bn. On 19 March, the Board of Directors decided on a new quarterly share buyback programme of SEK 2bn until 12 July. With this we continue the progress toward our capital target, to be within 100–300 basis points above the regulatory requirement towards the end of 2024.

Profitable geographical expansion

With a focus on large international corporate customers, we have continued our successful geographical expansion for more than a decade. To serve our customers locally is one of our core strengths. By staying close to our customers, we are better equipped to meet their needs with SEB's wide range of products and services. Hence, as our corporate customers have increased their international presence, so have we as we follow them around the world. Following our long-term profitable and cost-efficient geographical expansion, we have seen a growing number of new customers leading to an increased financial contribution from these home markets over time. This is evidenced by the fact that in 2023, almost a fifth of the client income derived in the LC&FI division came from new clients added through this geographical expansion. Since 2010, total client income from markets outside of Sweden has grown from 34 to 52 per cent in the LC&FI division, further evidencing SEB's geographical diversification. Thus, as we work to future-proof our customer relationships, we continue to expand our corporate banking footprint.

Continued progress within focus areas

We strive to strengthen our abilities within the sustainability area and are therefore pleased that large corporates and financial institutions in the Nordic region continue to regard SEB as a valuable sustainability advisor, according to a recently published Prospera survey. In line with our commitment to the Net-Zero Banking Alliance (NZBA), we have now set a net-zero aligned 2030 target for the shipping sector. The seven sector targets now cover 77 per cent of SEB's latest reported financed emissions. We also increased our commitment to renewable energy through our investment in Copenhagen Energy Islands, whose large-scale, sea-based energy hubs can play an important role in the global strive to reach net zero by 2050.

We have also taken further steps to ensure continued progress in our Artificial Intelligence journey at SEB. In the first quarter we expanded the use of advanced AI models to monitor our IT platforms. Our AI project linked to Tellus, our strategic hub for sustainability data, was highlighted by our partner Google Cloud as a successful example of AI applied in the banking sector.

Organised crime and fraud continue to challenge all of society including banks. During the past years, we have taken several measures to strengthen the safeguards for our customers and our efforts continue unabated. We continue our collaboration with other banks and the authorities as well as our development of additional preventive technical solutions.

Creating long-term value

As a bank, SEB is a vital part of society's infrastructure and plays an important role in keeping the wheels of the economy turning. The robust and well-capitalised banking sector has been able to contribute to a stabilisation of the economy during a longer period of uncertainty. SEB's strong financial position enables us to continue to support households and corporates with responsible advice and capital, in turn contributing to the broader economy.

I am proud of our employees who dedicatedly serve our customers daily – in both good times and bad – and develop the bank to future-proof our business. That is how we create long-term value for our customers, shareholders, and the communities in which we operate.

Lastly, I would like to thank all of you who attended our Annual General Meeting in March. We appreciate your presence and look forward to a good, continued dialogue.



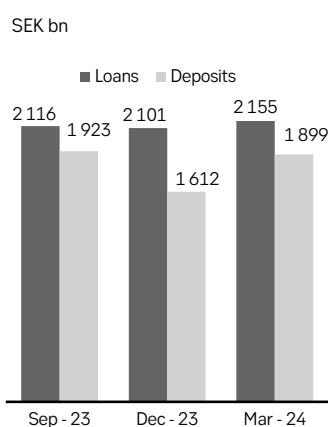
*Johan Torgeby
President and CEO*

First quarter 2024

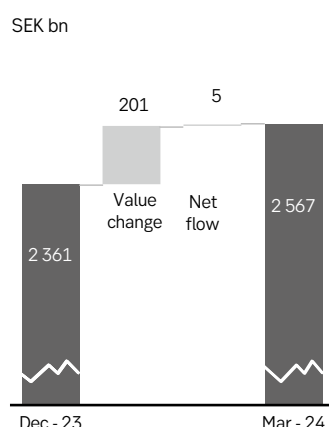
- The strengthening macroeconomic picture in Sweden was partly reflected in an improved market sentiment.
- Asset quality remained robust with net expected credit losses of 1 basis point.
- Return on equity amounted to 17.2 per cent on a Common Equity Tier 1 capital ratio of 18.9 per cent. The capital buffer was 420 basis points above the regulatory requirement.
- On 19 March, the Board of Directors decided on a new quarterly share buyback programme of SEK 2bn until 12 July. With this we continue the progress toward our capital target, to be within 100–300 basis points above the regulatory requirement towards the end of 2024.

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Total operating income	20 682	20 136	3	20 682	19 060	9	20 682	19 060	9	80 193
Total operating expenses	7 160	7 130	0	7 160	6 465	11	7 160	6 465	11	27 449
Net expected credit losses	73	664	-89	73	272	-73	73	272	-73	962
Imposed levies	1 133	1 075	5	1 133	702	61	1 133	702	61	3 819
Operating profit	12 316	11 267	9	12 316	11 620	6	12 316	11 620	6	47 963
NET PROFIT	9 503	8 373	13	9 503	9 393	1	9 503	9 393	1	38 116
Return on equity, %	17.2	15.2		17.2	17.9		17.2	17.9		17.9
Basic earnings per share, SEK	4.60	4.03		4.60	4.45		4.60	4.45		18.20

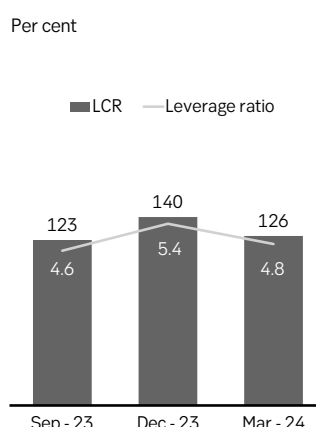
Loans to and deposits from the public



Assets under management



Liquidity coverage and leverage ratios



CET1 capital ratio and return on equity

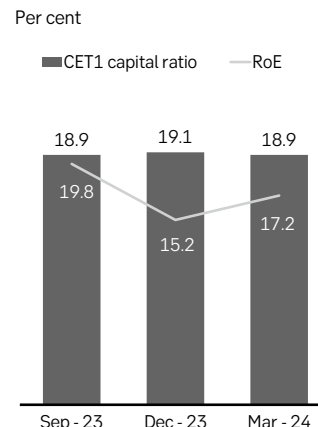


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SEB Group

Income statement on a quarterly basis, condensed

SEK m	Q1	Q4	Q3	Q2	Q1
	2024	2023	2023	2023	2023
Net interest income	11 765	12 100	12 248	11 881	11 297
Net fee and commission income	5 625	5 542	5 320	5 637	5 170
Net financial income	3 249	2 386	2 594	2 609	2 403
Net other income	44	109	817	-108	190
Total operating income	20 682	20 136	20 979	20 019	19 060
Staff costs	4 795	4 443	4 551	4 330	4 235
Other expenses	1 863	2 153	1 863	2 127	1 748
Depreciation, amortisation and impairment of tangible and intangible assets	501	535	491	491	483
Total operating expenses	7 160	7 130	6 905	6 948	6 465
Profit before credit losses and imposed levies	13 522	13 006	14 073	13 070	12 594
Net expected credit losses	73	664	-17	43	272
Imposed levies	1 133	1 075	1 108	934	702
Operating profit	12 316	11 267	12 983	12 093	11 620
Income tax expense	2 813	2 894	2 401	2 326	2 227
NET PROFIT	9 503	8 373	10 581	9 768	9 393
Attributable to shareholders of Skandinaviska Enskilda Banken AB	9 503	8 373	10 581	9 768	9 393
Basic earnings per share, SEK	4.60	4.03	5.07	4.65	4.45
Diluted earnings per share, SEK	4.56	4.00	5.03	4.62	4.42

Key figures

	Q1	Q4	Jan-Mar		Full year
	2024	2023	2024	2023	2023
Return on equity, %	17.2	15.2	17.2	17.9	17.9
Return on total assets, %	1.0	0.8	1.0	1.0	0.9
Return on risk exposure amount, %	4.2	3.7	4.2	4.4	4.3
Cost/income ratio	0.35	0.35	0.35	0.34	0.34
Basic earnings per share, SEK	4.60	4.03	4.60	4.45	18.20
Weighted average number of shares, millions ¹⁾	2 068	2 078	2 068	2 110	2 094
Diluted earnings per share, SEK	4.56	4.00	4.56	4.42	18.06
Weighted average number of diluted shares, millions ²⁾	2 085	2 094	2 085	2 126	2 110
Net worth per share, SEK	108.99	113.83	108.99	108.24	113.83
Equity per share, SEK	101.46	106.99	101.46	101.29	106.99
Average shareholders' equity, SEK bn	221.3	220.6	221.3	209.5	212.7
Number of outstanding shares, millions ¹⁾	2 059	2 073	2 059	2 104	2 073
Net ECL level, %	0.01	0.09	0.01	0.04	0.03
Stage 3 Loans / Total Loans, gross, %	0.35	0.37	0.35	0.30	0.37
Stage 3 Loans / Total Loans, net, %	0.18	0.20	0.18	0.13	0.20
Liquidity Coverage Ratio (LCR), % ³⁾	126	140	126	137	140
Net Stable Funding Ratio (NSFR), % ⁴⁾	110	112	110	111	112
Own funds requirement, Basel III					
Risk exposure amount, SEK m	926 500	891 992	926 500	866 914	891 992
Expressed as own funds requirement, SEK m	74 120	71 359	74 120	69 353	71 359
Common Equity Tier 1 capital ratio, %	18.9	19.1	18.9	19.2	19.1
Tier 1 capital ratio, %	20.5	20.7	20.5	20.8	20.7
Total capital ratio, %	22.8	22.4	22.8	22.7	22.4
Leverage ratio, %	4.8	5.4	4.8	4.7	5.4
Number of full time equivalents ⁵⁾	17 595	17 502	17 565	16 873	17 288
Assets under custody, SEK bn	21 928	20 167	21 928	18 822	20 167
Assets under management, SEK bn	2 567	2 361	2 567	2 221	2 361

¹⁾ At 31 March 2024 the number of issued shares amounted to 2,139,983,495 and SEB held 80,593,624 own Class A shares with a market value of SEK 11,682m. The number of outstanding shares therefore amounted to 2 059 389 871. At year-end 2023 the number of issued shares was 2,139,983,495 and SEB owned 67,135,764 Class A shares. During 2024 SEB has purchased 4,344,839 shares for the long-term equity-based programmes and 2,784,808 shares were sold/distributed. During 2024 SEB has purchased 11,897,829 shares for capital purposes.

²⁾ Weighted average diluted number of shares, adjusted for the dilution effect of potential shares in the long-term equity-based programmes.

³⁾ In accordance with the EU delegated act.

⁴⁾ In accordance with CRR2.

⁵⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Presentation changes in the financial statements

Starting from the first quarter 2024, the following changes were implemented:

- Income statements are presented in absolute values. The change mainly impacts expenses, net expected credit losses and imposed levies.
- The additional information in the net financial income table has been broadened. The previous valuation adjustments relating to counterparty risk (CVA) and own credit standing (DVA) have been complemented with adjustments relation to funding (FVA) and collateral (ColVa).
- The lending and deposit volumes of the division Large Corporates & Financial Institutions were adjusted to exclude collateral margin.
- The name of the division Investment Management was changed to division Asset Management.

Comparative numbers

(in parenthesis throughout the report)

Unless otherwise stated:

- the result for the reporting quarter is compared with the prior quarter and
- business volumes are compared with the prior quarter.

The first quarter

Operating profit increased by 9 per cent compared with the fourth quarter 2023, to SEK 12,316m (11,267). Year-on-year, operating profit increased by 6 per cent. *Net profit* amounted to SEK 9,503m (8,373).

Operating income

Total operating income increased by 3 per cent compared with the fourth quarter 2023 and amounted to SEK 20,682m (20,136). Compared with the first quarter 2023, total operating income increased by 9 per cent.

Net interest income decreased by 3 per cent compared with the fourth quarter, to SEK 11,765m (12,100). Net interest income was affected negatively both by a currency effect amounting to SEK 66m in the first quarter and because the quarter was one day shorter than the fourth quarter. Year-on-year, net interest income increased by 4 per cent.

The table below specifies interest income from loans to the public and interest expense from deposits from the public, and other, without adjustments for internal transfer pricing.

SEK m	Q1	Q4	Q1
	2024	2023	2023
Loans to the public	24 332	24 344	17 685
Deposits from the public	-15 518	-15 094	-9 848
Other, including funding and liquidity	2 951	2 850	3 460
Net interest income	11 765	12 100	11 297

Interest income from loans to the public remained stable compared with the previous quarter, with a marginal decrease of SEK 12m.

Interest expense on deposits from the public increased by SEK 424m in the first quarter. Among other things, interest expense to financial corporates increased compared with the lower level at year-end while both corporate and private customers migrated to higher yielding accounts. The deposit guarantee fees amounted to SEK 111m (107).

Other interest income increased by SEK 101m with positive effects from lending to other customer categories than those included in loans to the public, such as credit institutions.

Net fee and commission income increased by 2 per cent in the first quarter to SEK 5,625m (5,542). Year-on-year, net fee and commission income increased by 9 per cent.

With improved equity markets, the average assets under management were higher than the previous quarter. Gross fee income from custody and mutual funds, excluding performance fees, increased by SEK 166m to SEK 2,514m (2,348). Performance fees increased and amounted to SEK 85m (36).

Gross fee income from issuance of securities and advisory services amounted to SEK 347m (341). Within Investment Banking, Corporate Finance observed increased activity during the quarter. Gross secondary market and derivatives income remained stable at SEK 440m (450).

Gross lending fees decreased by 9 per cent to SEK 956m (1,050). One large transaction in the fourth quarter impacted comparability.

Net payment and card fees decreased marginally to SEK 1,199m (1,216) compared with the fourth quarter 2023.

Net life insurance commissions, related to the unit-linked insurance business, increased to SEK 280m (243), due to higher average assets under management.

Net financial income increased by 36 per cent to SEK 3,249m in the first quarter (2,386). Year-on-year, net financial income increased by 35 per cent. Net financial income from the divisions increased and amounted to SEK 2,438m (1,890).

In the Large Corporates & Financial Institutions division, fixed income-related activity was robust. Treasury portfolios had positive valuation effects.

The fair value adjustments on derivative positions¹⁾ amounted to SEK 50m, an improvement of SEK 356m compared with the fourth quarter. The definition of this explanation factor has been widened without changing net financial income overall.

The change in market value of certain strategic holdings amounted to SEK 284m in the first quarter, a positive change of SEK 55m compared with the fourth quarter.

Net financial income from the Life division decreased from a high level in the fourth quarter to SEK 367m (425). The underlying net financial income included increased income from the Swedish risk insurance business and continued contribution from higher returns of own portfolios.

Net other income amounted to SEK 44m (109). Unrealised valuation and hedge accounting effects are included in this line item.

¹⁾ Includes unrealised valuation adjustments from counterparty risk (CVA), own credit risk standing in derivatives (DVA), funding (FVA) and collateral (ColVa). Own credit risk for issued securities (OCA) is reflected in Other comprehensive income.

Operating expenses

Total operating expenses amounted to SEK 7,160m (7,130). Year-on-year, total operating expenses increased by 11 per cent, or SEK 695m.

Staff costs increased by 8 per cent during the first quarter, mainly as costs and social charges for long-term incentive programmes increased with the higher SEB share price, pension costs increased and the number of full-time equivalents increased to 17,595 (17,502).

Other expenses decreased by 13 per cent, mainly due to lower marketing, consultants and IT costs. Supervisory fees amounted to SEK 45m (29).

The cost target which is unchanged is outlined on p. 12.

Net expected credit losses

Net expected credit losses amounted to SEK 73m (664), corresponding to a net expected credit loss level of 1 basis point (9). New provisions were somewhat offset by updated macroeconomic scenarios. The overall asset quality of the credit portfolio remained robust, however, in sectors most impacted by the higher interest rate environment, negative risk migration continued.

For more information on credit risk, asset quality, net expected credit losses and the portfolio model overlays, see p. 9 and notes 5, 10, 11 and 12.

Imposed levies

Imposed levies amounted to SEK 1,133m (1,075).

The risk tax on credit institutions in Sweden amounted to SEK 396m (394). The resolution fund fees increased and amounted to SEK 349m (324).

The Lithuanian solidarity contribution decreased to SEK 330m in the first quarter (357).

On 6 December 2023, Latvia established a temporary (one year) mortgage levy for 2024. The contribution is calculated as

50 basis points on a credit institution's mortgage volume in Latvia, per quarter (2 per cent annually). The levy amounted to SEK 58m in the first quarter 2024.

Income tax expense

Income tax expense amounted to SEK 2,813m (2,894) with an effective tax rate of 22.8 per cent (25.7). The decrease in the effective tax rate is mainly explained by a new tax surcharge in Latvia where an additional tax provision of SEK 330m was booked in the fourth quarter of 2023.

The tax in the first quarter remained elevated due to higher dividends paid, including an extra dividend from SEB Pank in Estonia to the parent company, compared with the previous year.

Return on equity

Return on equity for the first quarter amounted to 17.2 per cent (15.2).

Other comprehensive income

Other comprehensive income amounted to SEK 4,040m (-2,862).

The value of SEB's pension plan assets continued to exceed the defined benefit obligations to the employees. Equity markets improved during the quarter, while the discount rate used for the Swedish pension obligation was changed to 3.5 per cent (3.25). The net value of the defined benefit pension plans therefore increased other comprehensive income by SEK 3,347m (-2,104). The long-term inflation assumption remained unchanged at 2 per cent.

The net effect from the valuation of balance sheet items that may subsequently be reclassified to the income statement, i.e. cash flow hedges and translation of foreign operations amounted to SEK 701m (-764).

Business volumes

Total assets as of 31 March 2024 amounted to SEK 4,130bn, representing an increase of SEK 521bn from the end of the fourth quarter 2023 (3,608).

Loans

SEK bn	31 Mar	31 Dec
	2024	2023
General governments	21	21
Financial corporations	112	113
Non-financial corporations	1 054	1 016
Households	722	722
Collateral margin	32	67
Reverse repos	214	163
Loans to the public	2 155	2 101

Loans to the public increased by SEK 54bn in the first quarter, to SEK 2,155bn (2,101), with positive quarter-on-quarter currency effects amounting to SEK 62bn.

Loans as well as contingent liabilities and derivatives are included and managed in the credit portfolio. See the section Risk and capital for information on the credit portfolio.

Deposits and borrowings

SEK bn	31 Mar	31 Dec
	2024	2023
General governments	49	25
Financial corporations	605	396
Non-financial corporations	752	704
Households	445	441
Collateral margin	37	33
Repos	11	13
Deposits and borrowings from the public	1 899	1 612

Deposits and borrowings from the public increased by SEK 287bn in the first quarter, to SEK 1,899bn. This was mainly driven by a reversal of the seasonal decrease of deposits from financial corporations, which also includes Treasury deposits, in the fourth quarter. Non-financial corporations' deposits increased by SEK 48bn in the first quarter (of which SEK 25bn was a currency effect) and household deposits increased by SEK 4bn.

Debt securities

Debt securities increased by SEK 63bn to SEK 329bn in the first quarter (266), reflecting a correlation in movements between deposit and debt securities volumes. The securities are short-term in nature, have high credit worthiness and are recognised at market value.

Assets under management and custody

Total *assets under management* increased to SEK 2,567bn (2,361). With the rebound in the financial markets, the market value increased by SEK 201bn during the quarter (163). The net flow of assets under management amounted to SEK 5bn (4).

Assets under custody increased to SEK 21,928bn, mainly due to higher asset values (20,167).

Risk and capital

SEB's business is exposed to many different types of risks. The risk composition of the group, as well as the related risk, liquidity and capital management, are described in SEB's Annual and Sustainability Report for 2023 (see page 51-58 and notes 40 and 41), in the Capital Adequacy and Risk Management Report for 2023 as well as the quarterly additional Pillar 3 disclosures. Further information is available in SEB's Fact Book that is published quarterly.

Credit risk and asset quality

SEK bn	31 Mar	31 Dec
	2024	2023
Banks	134	114
Corporates	1 739	1 675
Commercial real estate management	221	216
Residential real estate management	147	148
Housing co-operative associations Sweden	65	66
Public administration	61	65
Household mortgage	680	670
Household other	87	85
Total credit portfolio	3 133	3 040

SEB's credit portfolio, which includes loans, contingent liabilities and derivatives, increased by SEK 93bn in the first quarter to SEK 3,133bn (3,040), largely explained by the weakening Swedish krona. Most of the increase was in the corporate segment which grew by SEK 64bn mainly due to currency effects. The real estate portfolios, including housing co-operative associations, increased by SEK 3bn. The household mortgage credit portfolio increased by SEK 9bn mainly driven by commitments.

Credit-impaired loans (gross loans in stage 3) amounted to SEK 7.3bn (7.6), corresponding to 0.35 per cent of total loans (0.37). Stage 2 exposures increased, mainly driven by negative risk migration in the corporate and household mortgage portfolios.

Notes 11-12 provide a more detailed breakdown of SEB's loan portfolio by industry and asset quality as well as corresponding ECL allowances.

Market risk

Average VaR in the regulatory trading book decreased somewhat during the first quarter and amounted to SEK 163m (169). The group does not expect to lose more than this amount, on average, during a period of ten trading days with 99 per cent probability. SEB's business model is mainly driven by customer demand.

Liquidity and funding

SEB maintains a strong and diversified liquidity and funding position with good market access. The loan-to-deposit ratio amounted to 103 per cent per 31 March 2024 (121).

New issuance of long-term funding during the quarter amounted to SEK 48bn. Notable transactions included USD 1.75bn in senior preferred and senior non-preferred bonds and EUR 500m in Tier 2 capital. The remainder of SEK 24bn was in the form of covered bonds. Short-term funding in the form of commercial paper and certificates of deposit increased by SEK 111bn during the first quarter.

Weighted High Quality Liquid Assets, defined according to the liquidity coverage ratio (LCR) requirements, increased to SEK 1,099bn at 31 March 2024 (739). The LCR was 126 per cent (140). The minimum regulatory requirement is 100 per cent.

The net stable funding ratio (NSFR) requirement is that stable funding shall be at least 100 per cent of illiquid assets. Per 31 March 2024, SEB's NSFR was 110 per cent (112).

Rating

In March 2024, Moody's affirmed SEB's rating and changed the outlook from stable to positive. Moody's rates SEB's long-term senior unsecured debt at Aa3 reflecting the bank's strong asset quality and solid capitalisation, which is expected to demonstrate continued resilience despite the challenges in the real estate sector in Sweden and the economic downturn.

Fitch rates SEB's long-term senior unsecured debt at AA- with stable outlook. The rating is based on SEB's low risk appetite, stable and well-executed strategy, and robust asset quality and capitalisation. The rating was affirmed in June 2023.

S&P rates SEB's long-term senior unsecured debt at A+ with stable outlook. The rating is based on the stable and low-risk operating environment in Sweden, the bank's stable and well-diversified revenue base and leading position among large Nordic corporates, robust capitalisation and resilient earnings, despite expected increasing pressure on revenues and asset quality in the economic environment. The rating was affirmed in June 2023.

Risk exposure amount

The total risk exposure amount (REA) increased by SEK 35bn to SEK 926bn during the first quarter.

SEK bn	
Balance 31 Dec 2023	892
Underlying credit risk change	29
-whereof asset size	14
-whereof asset quality	-3
-whereof foreign exchange movements	18
Underlying market risk change	4
-whereof CVA risk	1
Underlying operational risk change	1
Model updates, methodology & policy, other	
-whereof credit risk	
Balance 31 Mar 2024	926

Underlying credit risk REA increased by SEK 29bn resulting from foreign exchange movements (SEK 18bn) and volume growth (SEK 14bn). Market risk REA increased by SEK 4bn, while operational risk REA increased by SEK 1bn.

Capital position

The following table shows REA and capital ratios according to applicable capital regulation:

Own funds requirement, Basel III	31 Mar	31 Dec
	2024	2023
Risk exposure amount, SEK bn	926	892
Common Equity Tier 1 capital ratio, %	18.9	19.1
Tier 1 capital ratio, %	20.5	20.7
Total capital ratio, %	22.8	22.4
Leverage ratio, %	4.8	5.4

SEB's Common Equity Tier 1 (CET1) capital ratio decreased to 18.9 per cent (19.1) during the first quarter. CET1 capital increased by SEK 4.6bn, mainly driven by the quarterly net result. REA increased by SEK 35bn mainly driven by higher credit risk REA due to a weaker Swedish krona.

SEB's eighth share buyback programme of SEK 1.75bn was completed on 18 March 2024 and on 19 March 2024 the Board of Directors resolved to initiate a new programme. The new programme amounts to SEK 2bn and is to be completed, at the latest, by 12 July 2024.

SEB's applicable CET1 capital requirement and Pillar 2 guidance (P2G) per the end of the first quarter was 14.7 per cent (14.7). SEB's target is to have a buffer of 100 to 300 basis points above the regulatory capital requirement. The buffer shall cover sensitivity to currency fluctuations in REA, changes in the net value of the Swedish defined benefit pension plan as well as general macroeconomic uncertainties. The buffer amounts to approximately 420 basis points (440).

SEB's leverage ratio was 4.8 per cent at the end of the quarter (5.4), whereas the leverage ratio requirement and P2G was 3.5 per cent (3.5). The decrease in the leverage ratio mainly stems from a higher leverage exposure amount.

Other information

The group's long-term financial targets

With the overall purpose to increase capital management flexibility, the Board of Directors' long-term financial targets are:

- to pay a yearly dividend that is around 50 per cent of the earnings per share excluding items affecting comparability, and distribute potential capital in excess of the targeted capital position mainly through share repurchases,
- to maintain a Common Equity Tier 1 capital ratio of 100–300 basis points above the requirement from the Swedish Financial Supervisory Authority (FSA), and
- to generate a return on equity that is competitive with peers.

In the long term, SEB aspires to reach a sustainable return on equity of 15 per cent.

Business plan 2022–2024 and cost target

The aim is to create shareholder value by accelerating income growth, driving earnings per share growth, increasing our profitability and future-proofing the business. This will be achieved by capitalising on a position of strength and by further investing into the business, as outlined in the 2030 Strategy and the business plan for 2022–2024. All of this is with the overall ambition to grow earnings per share and reach the long-term aspirational target of 15 per cent return on equity.

The 2030 Strategy remains firm and in 2024 we will develop our business by further investing in the savings area and in our technological infrastructure. The cost target for 2024 is below or equal to SEK 29bn, assuming average 2023 foreign exchange rates and not including AirPlus. With average foreign exchange rates so far during 2024, the implied cost target was unchanged at SEK 29bn.

Towards the end of the 2022–2024 business plan period, the plan is to be within the long-term capital target of 100–300 basis points above the regulatory requirement.

Sustainability ambitions and goals

As part of SEB's strategy, sustainability ambitions and goals have been defined, laying out a path for reducing fossil fuel credit exposure and setting growth ambitions for sustainable activities.

Carbon exposure index –The Brown. The goal is to reduce fossil fuel credit exposure within SEB's energy portfolio by 45–60 per cent by 2030 compared with a 2019 baseline.

Sustainability activity index –The Green. The ambition is to increase average sustainability activity 6 to 8 times by 2030 compared with a 2021 baseline. Sustainability activity is a volume-based metric including sustainability-related financing, sustainable finance advisory, greentech venture capital investments and sustainable savings as share of SEB's total savings offering.

Net Zero Banking Alliance – sector targets for financed emissions. SEB has committed to align the credit portfolio with 1.5 degrees Celsius pathways to net zero by 2050 or sooner and has set 2030 reduction targets for relevant sectors.

For detailed information see sebgroup.com.

Financial aspirations for the divisions

The long-term divisional aspirations for profitability (RoBE) and cost efficiency (C/I ratio) are set mainly based on two factors. Firstly, each division will have the ambition to achieve best in class profitability and cost efficiency compared with similar businesses among relevant peers. Secondly, each division's aspirations are set so that they enable SEB to achieve its long-term aspiration of 15 per cent return on equity on group level. The divisional financial aspirations for 2024 are:

	Return on business equity	Cost/income ratio
Large Corporates & Financial Institutions	>13%	<0.50
Corporate & Private Customers	>16%	<0.40
Private Wealth Management & Family Office	>25%	<0.50
Baltic	>20%	<0.35
Life	>30%	<0.45
Asset Management	>40%	<0.40

Impact from exchange rate fluctuations

The currency effect decreased operating profit for the first quarter by SEK 74m. Loans to the public increased by SEK 62bn and deposits from the public increased by SEK 59bn. Total REA increased by SEK 18bn and the increase of total assets was SEK 11.5bn.

Uncertainties

The relevant overall risks and uncertainties for the SEB Group are outlined in the 2023 Annual and Sustainability Report. In respect of the re-assessment of credited withholding tax in Germany, the investigation of alleged tax evasion of a severe nature and the supervisory matters there have been no material developments during 2024 that require an update of the description of the matters listed under future uncertainties in the 2023 Annual and Sustainability Report. Regarding the claim from the Swedish Pensions Agency there has been no further development apart from a response filed by the Swedish Pensions Agency with the Stockholm District Court in March 2024.

Share buyback programmes

In total, since 2021 SEB has completed eight share buyback programmes and 106 million shares have been repurchased.

	Number of repurchased shares	Average purchase price (SEK per share)	Purchase amount (SEK m)
October 2021 - March 2022	20 055 133	124.66	2 500
March 2022 - October 2022	23 375 979	106.95	2 500
October 2022 - December 2022	10 508 310	118.95	1 250
January 2023 - April 2023	10 249 921	121.95	1 250
April 2023 - July 2023	10 660 063	117.26	1 250
July 2023 - October 2023	9 746 391	128.25	1 250
October 2023 - December 2023	9 739 700	128.34	1 250
January 2024 - March 2024	11 478 937	152.45	1 750
Total	105 814 434	122.86	13 000

Business segments

Income statement by segment

Jan-Mar 2024, SEK m	Large Corporates & Financial Institutions	Corporate & Private Customers	Private Wealth Mgmt & Family Office	Baltic	Life	Asset Management	Group Functions	Eliminations	SEB Group
Net interest income	4 777	5 071	703	2 628	- 50	29	-1 326	- 67	11 765
Net fee and commission income	1 878	1 344	409	477	646	801	66	3	5 625
Net financial income	1 688	128	23	204	367	28	766	46	3 249
Net other income	98	9	2	3	5	0	- 71	- 2	44
Total operating income	8 440	6 552	1 137	3 312	968	858	- 565	- 20	20 682
Staff costs	1 244	859	229	415	208	153	1 687	- 1	4 795
Other expenses	1 649	1 245	266	265	188	222	-1 952	- 19	1 863
Depreciation, amortisation and impairment of tangible and intangible assets	4	15	1	20	9	3	450		501
Total operating expenses	2 897	2 118	496	700	405	378	184	- 20	7 160
Profit before credit losses and imposed levies	5 543	4 433	641	2 612	563	480	- 750	0	13 522
Net expected credit losses	70	28	- 19	- 3	0	0	- 2	- 1	73
Imposed levies	423	257	23	388			42	0	1 133
Operating profit	5 050	4 149	636	2 228	563	480	- 790	1	12 316

Jan-Mar 2023, SEK m	Large Corporates & Financial Institutions	Corporate & Private Customers	Private Wealth Mgmt & Family Office	Baltic	Life	Asset Management	Group Functions	Eliminations	SEB Group
Net interest income	4 727	4 912	670	2 157	- 37	20	-1 183	31	11 297
Net fee and commission income	1 802	1 231	357	462	639	759	65	- 144	5 170
Net financial income	1 300	129	32	128	241	16	594	- 36	2 403
Net other income	28	2	2	3	4	0	153	- 2	190
Total operating income	7 857	6 274	1 060	2 750	847	795	- 372	- 151	19 060
Staff costs	1 156	767	218	366	195	145	1 388	0	4 235
Other expenses	1 552	1 143	247	257	188	203	-1 691	- 150	1 748
Depreciation, amortisation and impairment of tangible and intangible assets	6	15	1	19	7	3	431		483
Total operating expenses	2 714	1 925	466	643	390	350	128	- 151	6 465
Profit before credit losses and imposed levies	5 143	4 349	594	2 107	456	445	- 499	0	12 594
Net expected credit losses	58	155	9	51	0	0	- 1	1	272
Imposed levies	393	300	25	16		0	- 32	0	702
Operating profit	4 692	3 894	560	2 040	456	444	- 465	- 1	11 620

Large Corporates & Financial Institutions

- Operating profit amounted to SEK 5,050m and return on business equity was 19 per cent
- Investment Banking activity in mergers & acquisitions and equity capital markets picked up
- High activity in the credit markets

Income statement

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Net interest income	4 777	4 861	-2	4 777	4 727	1	4 777	4 727	1	19 334
Net fee and commission income	1 878	1 879	-0	1 878	1 802	4	1 878	1 802	4	7 325
Net financial income	1 688	1 241	36	1 688	1 300	30	1 688	1 300	30	5 166
Net other income	98	-7		98	28		98	28		-34
Total operating income	8 440	7 974	6	8 440	7 857	7	8 440	7 857	7	31 791
Staff costs	1 244	1 213	3	1 244	1 156	8	1 244	1 156	8	4 746
Other expenses	1 649	1 631	1	1 649	1 552	6	1 649	1 552	6	6 280
Depreciation, amortisation and impairment of tangible and intangible assets	4	6	-30	4	6	-32	4	6	-32	25
Total operating expenses	2 897	2 851	2	2 897	2 714	7	2 897	2 714	7	11 050
Profit before credit losses and imposed levies	5 543	5 122	8	5 543	5 143	8	5 543	5 143	8	20 740
Net expected credit losses	70	476	-85	70	58	21	70	58	21	382
Imposed levies	423	389	9	423	393	8	423	393	8	1 556
Operating profit	5 050	4 257	19	5 050	4 692	8	5 050	4 692	8	18 803
Cost/Income ratio	0.34	0.36		0.34	0.35		0.34	0.35		0.35
Business equity, SEK bn	81.6	81.3		81.6	81.7		81.6	81.7		81.5
Return on business equity, %	19.1	16.1		19.1	17.7		19.1	17.7		17.8
FTEs, present ¹⁾	2 399	2 354		2 382	2 307		2 382	2 307		2 342

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comments on the first quarter

The quarter started cautiously with a wait-and-see-approach in the Nordic markets. However, as positive inflation data emerged together with falling interest rates, activity increased. The strong credit market activity seen in the end of 2023 carried over into 2024, with markets open for all types of credits. With ample liquidity, investors pursued higher yielding products before potential rate cuts with activity seen across sectors, but mainly in investment grade rated corporates and institutions.

We are pleased that our customers in the Nordic region continue to regard SEB as a valuable sustainability advisor, according to a 2023 Prospera survey.

Within the *large corporate* customer segment, activity started slower, but picked up towards the end of the quarter. Overall lending demand remained subdued. High financing costs and supply chain cost inflation deferred investment decisions on new projects. Refinancings were processed as planned with continued focus on working capital optimisation. Trade finance activity remained on healthy levels with high demand for credit guarantees. Customer deposits remained stable. Investment Banking activity in mergers & acquisitions and equity capital markets picked up during the quarter as market sentiment improved.

Within the *financial institutions*' segment, FX activity remained high, but declined somewhat compared with the strong previous quarter. Fixed income activity was robust, with heightened activity in new issuances in debt capital markets and strong trading demand. Equities trading activity showed an uptick in the first two months, followed by a slight decrease towards end of the quarter.

Lending volumes¹ increased by SEK 31bn to SEK 768bn while deposit volumes¹ increased by SEK 71bn and amounted to SEK 782bn. Both increases were mainly driven by currency effects. Assets under custody increased to SEK 21,928bn (20,167) mainly as a consequence of increased asset values.

Operating profit amounted to SEK 5,050m. Net interest income decreased by 2 per cent partly explained by currency effects and an effect from one large repayment in the fourth quarter. Net fee and commission income was unchanged from the previous quarter. Net financial income increased by 36 per cent mainly due to the elevated fixed income activity. Operating expenses increased by 2 per cent between the quarters. Net expected credit losses decreased and amounted to SEK 70m, corresponding to a credit loss level of 2 basis points, reflecting continued solid credit quality.

¹ Excluding repos and collateral margins.

Corporate & Private Customers

- Operating profit amounted to SEK 4,149m and return on business equity was 27 per cent
- Positive trend in customers' net fund savings
- The pace of customers' migration to term deposits flattened out

Income statement

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Net interest income	5 071	5 091	-0	5 071	4 912	3	5 071	4 912	3	19 996
Net fee and commission income	1 344	1 306	3	1 344	1 231	9	1 344	1 231	9	5 096
Net financial income	128	128	-0	128	129	-1	128	129	-1	515
Net other income	9	5	84	9	2		9	2		16
Total operating income	6 552	6 530	0	6 552	6 274	4	6 552	6 274	4	25 623
Staff costs	859	810	6	859	767	12	859	767	12	3 190
Other expenses	1 245	1 325	-6	1 245	1 143	9	1 245	1 143	9	4 796
Depreciation, amortisation and impairment of tangible and intangible assets	15	15	-1	15	15	-3	15	15	-3	60
Total operating expenses	2 118	2 149	-1	2 118	1 925	10	2 118	1 925	10	8 046
Profit before credit losses and imposed levies	4 433	4 380	1	4 433	4 349	2	4 433	4 349	2	17 577
Net expected credit losses	28	190	-85	28	155	-82	28	155	-82	604
Imposed levies	257	259	-1	257	300	-14	257	300	-14	1 036
Operating profit	4 149	3 932	6	4 149	3 894	7	4 149	3 894	7	15 937
Cost/Income ratio	0.32	0.33		0.32	0.31		0.32	0.31		0.31
Business equity, SEK bn	47.8	46.7		47.8	46.8		47.8	46.8		46.9
Return on business equity, %	26.7	25.9		26.7	25.6		26.7	25.6		26.2
FTEs, present ¹⁾	3 435	3 477		3 457	3 374		3 457	3 374		3 462

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comments on the first quarter

Demand for financial products continued to be subdued in most areas. Competition remained high in both the private and corporate segments. The improved service offering continued to be appreciated with high customer satisfaction also in the first quarter. Business volumes declined in the quarter and so did the net interest margin.

In the *private customer segment*, SEB's mortgage market share decreased slightly. Market growth remained subdued and mortgage lending volumes decreased to SEK 556bn (559). New lending margins declined slightly as competition remained tough but are still above the turning point in the middle of last year.

Household deposits decreased by SEK 3bn to SEK 246bn (249) explained by higher living expenses, a continued elevated level of amortisations, rising interest costs and high competition. Net interest margins on deposits were only slightly down from the last quarter as the migration to term deposits continued but flattened out.

The positive stock market performance during the quarter contributed to an increase in assets under management and net fund savings increased compared with the previous quarter.

Customers in the *corporate segment* were cautious, reflected in unchanged volumes of corporate and card-related lending of SEK 288bn (288). Corporate deposits decreased by almost SEK 11bn in the quarter due to seasonal effects.

In total, lending volumes decreased by SEK 3bn to SEK 862bn (865). Deposit volumes decreased by SEK 14bn and amounted to SEK 427bn (441).

Operating profit amounted to SEK 4,149m. Net interest income decreased slightly. Net fee and commission income increased marginally, mainly due to higher fund-related base commissions. Total operating expenses decreased by 1 per cent compared with the last quarter, partly driven by seasonal effects. Asset quality remained stable and net expected credit losses amounted to SEK 28m, with a net expected credit loss level of 1 basis point.

The closing of the Airplus acquisition is now expected to occur in the second half of 2024.

Private Wealth Management & Family Office

- Operating profit amounted to SEK 636m and return on business equity was 39 per cent
- Strong equity markets contributed to assets under management growth
- Continued demand for financing solutions led to increasing lending volumes

Income statement

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Net interest income	703	704	-0	703	670	5	703	670	5	2 797
Net fee and commission income	409	387	6	409	357	15	409	357	15	1 457
Net financial income	23	21	10	23	32	-27	23	32	-27	94
Net other income	2	2	-18	2	2	-5	2	2	-5	8
Total operating income	1 137	1 114	2	1 137	1 060	7	1 137	1 060	7	4 356
Staff costs	229	232	-1	229	218	5	229	218	5	884
Other expenses	266	250	6	266	247	8	266	247	8	1 006
Depreciation, amortisation and impairment of tangible and intangible assets	1	1	-2	1	1	-3	1	1	-3	4
Total operating expenses	496	483	3	496	466	6	496	466	6	1 894
Profit before credit losses and imposed levies	641	631	2	641	594	8	641	594	8	2 462
Net expected credit losses	-19	-3		-19	9		-19	9		-4
Imposed levies	23	23	3	23	25	-7	23	25	-7	90
Operating profit	636	611	4	636	560	14	636	560	14	2 375
Cost/Income ratio	0.44	0.43		0.44	0.44		0.44	0.44		0.43
Business equity, SEK bn	5.0	4.3		5.0	3.8		5.0	3.8		4.1
Return on business equity, %	39.0	43.3		39.0	45.7		39.0	45.7		44.5
FTEs, present ¹⁾	501	496		499	492		499	492		502

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comments on the first quarter

The first quarter was characterised by strong equity markets driving asset value growth and high customer demand for investment advisory within all client segments. The number of customers increased in all geographies.

Assets under management increased by 11 percent compared with the fourth quarter to SEK 1,269bn. Net sales amounted to SEK 5bn. The positive stock market development explained the market value-related increase of SEK 119bn.

Customer demand for financing continued, primarily in the Family Office segment, and lending volumes increased by SEK 2bn

to SEK 82bn. Deposit volumes decreased by SEK 1bn to SEK 141bn.

Operating profit amounted to SEK 636m. Net interest income remained unchanged during the quarter. Net fee and commission income was up compared with the fourth quarter, mainly driven by increased asset values. Total operating expenses were up 3 per cent, primarily driven by other costs such as premises and information services. Net expected credit losses amounted to SEK -19m due to reversal of provisions.

Baltic

- Operating profit amounted to SEK 2,228m and return on business equity was 41 per cent
- Consumer and business sentiment remained subdued despite normalising inflation
- Proportion of savings and term deposit accounts continued to increase

Income statement

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Net interest income	2 628	2 800	-6	2 628	2 157	22	2 628	2 157	22	10 324
Net fee and commission income	477	522	-9	477	462	3	477	462	3	1 995
Net financial income	204	85	140	204	128	59	204	128	59	600
Net other income	3	1	127	3	3	-3	3	3	-3	11
Total operating income	3 312	3 408	-3	3 312	2 750	20	3 312	2 750	20	12 930
Staff costs	415	413	1	415	366	13	415	366	13	1 612
Other expenses	265	294	-10	265	257	3	265	257	3	1 078
Depreciation, amortisation and impairment of tangible and intangible assets	20	19	3	20	19	1	20	19	1	78
Total operating expenses	700	726	-4	700	643	9	700	643	9	2 768
Profit before credit losses and imposed levies	2 612	2 683	-3	2 612	2 107	24	2 612	2 107	24	10 163
Net expected credit losses	-3	13		-3	51		-3	51		-7
Imposed levies	388	370	5	388	16		388	16		999
Operating profit	2 228	2 299	-3	2 228	2 040	9	2 228	2 040	9	9 171
Cost/Income ratio	0.21	0.21		0.21	0.23		0.21	0.23		0.21
Business equity, SEK bn	17.6	17.7		17.6	15.9		17.6	15.9		17.0
Return on business equity, %	41.5	44.1		41.5	43.5		41.5	43.5		45.8
FTEs, present ¹⁾	2 949	2 959		2 953	2 893		2 953	2 893		2 949

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comments on the first quarter

On balance, economic activity remained sluggish across the region. The continued decline in inflation contributed to the ongoing recovery in purchasing power of households, although both consumer and business sentiment remained pessimistic, particularly in Estonia. Estonia's Nordic-dependent export sector was subdued from continued weak foreign demand.

While residential construction was constrained by the weak real estate market, positive activity was observed in infrastructure projects, buoyed by public investments.

Foreign exchange effects grew overall lending volumes to SEK 199bn (191). However, modest increases were observed in both corporate and private lending volumes in local currency.

Reflecting both the cautiousness from continuing challenges in the local economy and recovery in purchasing power, Estonian household deposits grew by 4 per cent in local currency. Overall Baltic deposit volumes grew modestly. The proportion of savings account and term deposit volumes continued to increase and stood at 28 per cent, compared with 25 per cent in the fourth

quarter. Foreign exchange effects grew total deposit volumes to SEK 259bn (248).

Operating profit amounted to SEK 2,228m. Net interest income decreased by 5 per cent in local currency, due in part to the higher rates of deposit interest paid out to customers. Net fee and commission income decreased by 7 per cent in local currency, partly due to seasonality effects in the fourth quarter. Net financial income more than doubled in local currency following increases in valuations of interest rate swaps in the liquidity portfolio. Operating expenses decreased by 2 per cent in local currency, driven mainly by higher marketing, project and VAT costs in the prior quarter. Imposed levies increased by 7 per cent in local currency. The temporary solidarity contribution levy introduced by the Lithuanian government amounted to SEK 330m gross, while the first full quarter of the temporary mortgage levy introduced by the Latvian government amounted to SEK 58m. Net expected credit loss reversals amounted to SEK -3m.

Life

- Operating profit amounted to SEK 563m and return on business equity was 39 per cent
- Increased asset values
- Occupational pension sales volumes increased

Income statement

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Net interest income	-50	-43	15	-50	-37	34	-50	-37	34	-165
Net fee and commission income	646	619	4	646	639	1	646	639	1	2 513
Net financial income	367	425	-14	367	241	52	367	241	52	1 282
Net other income	5	-12		5	4	34	5	4	34	-5
Total operating income	968	989	-2	968	847	14	968	847	14	3 624
Staff costs	208	204	2	208	195	7	208	195	7	806
Other expenses	188	207	-9	188	188	-0	188	188	-0	766
Depreciation, amortisation and impairment of tangible and intangible assets	9	9	-1	9	7	32	9	7	32	33
Total operating expenses	405	421	-4	405	390	4	405	390	4	1 604
Profit before credit losses and imposed levies	563	568	-1	563	456	23	563	456	23	2 020
Net expected credit losses	-0	0		-0	-0		-0	-0		1
Imposed levies										
Operating profit	563	568	-1	563	456	23	563	456	23	2 020
Cost/Income ratio	0.42	0.43		0.42	0.46		0.42	0.46		0.44
Business equity, SEK bn	5.4	5.4		5.4	5.4		5.4	5.4		5.4
Return on business equity, %	38.8	39.4		38.8	31.5		38.8	31.5		35.1
FTEs, present ¹⁾	899	903		899	895		899	895		908

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comments on the first quarter

Strong sales across the division coupled with favourable financial markets defined the first quarter. Inflow of new business in the unit-linked offering in Sweden, the portfolio bond and the Baltic pension funds provided for a solid start of the year. Rising asset values provided for increases in fee-driven income.

Swedish sales increased 38 per cent compared with previous quarter and 22 per cent compared with last year, largely driven by strong inflow of volumes to the portfolio bond product. Occupational pension in Sweden continued to develop well and grew by 2 per cent compared with the previous quarter and 13 per cent year-on-year.

The Baltic business showed sales rising by 13 per cent, specifically within the local pension fund product.

SEB's share of the Swedish life insurance market decreased to 10.6 per cent¹⁾ (11.1) but the bank maintained the position among the top-three market participants.

Total assets under management amounted to SEK 526bn, an increase of 9 per cent compared with the previous quarter (482). The increase in asset values was largely driven by market effects. Net flows in the quarter remained challenging for the Swedish

business, somewhat offset by positive net flows in the Baltic business.

Unit-linked assets amounted to SEK 431bn (394), traditional and risk insurance products amounted to SEK 34bn (34) and other savings products to SEK 61bn (54).

Operating profit amounted to SEK 563m. Net fee and commission income increased by 4 per cent due to higher underlying asset values predominantly in the unit-linked and portfolio bond business, which was somewhat offset by continued margin pressure. Net financial income decreased by 14 per cent compared with the high level in the previous quarter. The underlying net financial income in the quarter included increased income from the Swedish risk insurance business and continued strong contribution from higher returns of own portfolios. Increasing interest rates contributed positively to income from insurance contracts. Operating expenses decreased by 4 per cent, mainly due to seasonality.

¹⁾ Latest available market statistics from the Swedish insurance trade association, measured as new sales.

Asset Management

- Operating profit amounted to SEK 480m and return on business equity was 62 per cent
- Continued high customer demand for equity investments
- Assets under management increased by SEK 72bn

Income statement

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Net interest income	29	47	-39	29	20	42	29	20	42	126
Net fee and commission income	801	749	7	801	759	6	801	759	6	2 949
Net financial income	28	-10		28	16	77	28	16	77	15
Net other income	0	2	-87	0	0	5	0	0	5	3
Total operating income	858	788	9	858	795	8	858	795	8	3 093
Staff costs	153	161	-5	153	145	6	153	145	6	609
Other expenses	222	207	7	222	203	10	222	203	10	803
Depreciation, amortisation and impairment of tangible and intangible assets	3	3	-0	3	3	-1	3	3	-1	11
Total operating expenses	378	370	2	378	350	8	378	350	8	1 423
Profit before credit losses and imposed levies	480	418	15	480	445	8	480	445	8	1 670
Net expected credit losses	-0	0		-0	0		-0	0		0
Imposed levies		0	-100		0	-100		0	-100	0
Operating profit	480	418	15	480	444	8	480	444	8	1 669
Cost/Income ratio	0.44	0.47		0.44	0.44		0.44	0.44		0.46
Business equity, SEK bn	2.4	2.5		2.4	2.5		2.4	2.5		2.5
Return on business equity, %	61.9	52.9		61.9	55.2		61.9	55.2		52.0
FTEs, present ¹⁾	272	274		270	269		270	269		274

¹⁾ Quarterly numbers are for end of quarter. Accumulated numbers are average for the period.

Comments on the first quarter

The positive development in the financial markets continued in the first quarter and contributed to higher assets under management and increased demand for equity investments.

In total, assets under management increased by SEK 72bn to SEK 1,203bn (1,131) due to increased market values. Net flow amounted to SEK 0bn.

In *SEB Investment Management*, assets under management in SEB-labelled mutual funds increased by SEK 74bn to SEK 832bn (758). Net flow was SEK 5bn and market values increased by SEK 69bn, mainly driven by equities. SEB-labelled mutual funds classified as Article 8 and 9¹⁾ in the Sustainable Finance Disclosure Regulation (SFDR), amounted to SEK 805bn (729). SEK 782bn was classified as Article 8 and SEK 22bn was classified as Article 9.

Institutional Asset Management benefitted from the continued positive market sentiment. Client interest in equity and credit strategies remained robust while appetite for short-term bonds weakened. SEB Europe Equity Fund was selected by the Swedish

Fund Selection Agency as one of the funds to be offered in the fund category actively managed European equity funds on the Swedish Pension Agency's new platform for public premium pensions. In 2023, a law was passed to reform this platform. As a result, the Swedish Fund Selection Agency was formed to redefine the selection of funds on the platform, moving from 500 to around 100 funds through a number of procurements. This was the first fund category, actively managed European funds, to be procured in a process that is set to run for several years.

Operating profit amounted to SEK 480m. Net fee and commission income increased by 7 per cent, mainly driven by increased performance fees amounting to SEK 85m (41). Base commissions increased by 1 percent as a result of higher average assets under management. Operating expenses increased by 2 per cent, mainly driven by IT-costs and information services. A partial move to new offices in central Stockholm increased costs for premises.

¹⁾ Article 8 refers to funds that promote environmental or social characteristics while Article 9 funds must have a sustainable investment objective. See esma.europa.eu

Financial statements – SEB Group

Income statement, condensed

SEK m	Note	Q1			Jan-Mar			Full-year 2023
		2024	2023	%	2024	2023	%	
Net interest income	2	11 765	12 100	-3	11 765	11 297	4	47 526
Net fee and commission income	3	5 625	5 542	2	5 625	5 170	9	21 669
Net financial income	4	3 249	2 386	36	3 249	2 403	35	9 991
Net other income		44	109	-60	44	190	-77	1 008
Total operating income		20 682	20 136	3	20 682	19 060	9	80 193
Staff costs		4 795	4 443	8	4 795	4 235	13	17 558
Other expenses		1 863	2 153	-13	1 863	1 748	7	7 892
Depreciation, amortisation and impairment of tangible and intangible assets		501	535	-6	501	483	4	1 999
Total operating expenses		7 160	7 130	0	7 160	6 465	11	27 449
Profit before credit losses and imposed levies		13 522	13 006	4	13 522	12 594	7	52 744
Net expected credit losses	5	73	664	-89	73	272	-73	962
Imposed levies	6	1 133	1 075	5	1 133	702	61	3 819
Operating profit		12 316	11 267	9	12 316	11 620	6	47 963
Income tax expense		2 813	2 894	-3	2 813	2 227	26	9 848
NET PROFIT		9 503	8 373	13	9 503	9 393	1	38 116
Attributable to shareholders of Skandinaviska Enskilda Banken AB		9 503	8 373	13	9 503	9 393	1	38 116
Basic earnings per share, SEK		4.60	4.03		4.60	4.45		18.20
Diluted earnings per share, SEK		4.56	4.00		4.56	4.42		18.06

Statement of comprehensive income

SEK m	Q1			Jan-Mar			Full-year 2023
	2024	2023	%	2024	2023	%	
NET PROFIT	9 503	8 373	13	9 503	9 393	1	38 116
Cash flow hedges	-18	-21	-14	-18	-9	92	-49
Translation of foreign operations	718	-744		718	667	8	-385
Items that may subsequently be reclassified to the income statement	701	-764		701	657	7	-433
Own credit risk adjustment (OCA) ¹⁾	-8	7		-8	-11	-22	0
Defined benefit plans	3 347	-2 104		3 347	319		-659
Items that will not be reclassified to the income statement	3 339	-2 097		3 339	308		-659
OTHER COMPREHENSIVE INCOME	4 040	-2 862		4 040	965		-1 092
TOTAL COMPREHENSIVE INCOME	13 543	5 512	146	13 543	10 359	31	37 024
Attributable to shareholders of Skandinaviska Enskilda Banken AB	13 543	5 512	146	13 543	10 359	31	37 024

¹⁾ Own credit risk adjustment from financial liabilities at fair value through profit or loss.

Balance sheet, condensed

SEK m	31 Mar 2024	31 Dec 2023
Cash and cash balances at central banks	584 551	312 373
Loans to central banks	101 525	97 691
Loans to credit institutions ²⁾	122 717	84 128
Loans to the public	2 154 609	2 101 181
Debt securities	328 986	266 252
Equity instruments	132 840	92 707
Financial assets for which the customers bear the investment risk	429 227	392 457
Derivatives	153 378	183 080
Other assets	121 811	78 349
TOTAL ASSETS	4 129 644	3 608 218
Deposits from central banks and credit institutions	174 428	147 323
Deposits and borrowings from the public ¹⁾	1 899 221	1 611 651
Financial liabilities for which the customers bear the investment risk	429 348	392 362
Liabilities to policyholders	36 942	36 453
Debt securities issued	1 025 194	867 838
Short positions	40 387	33 700
Derivatives	158 813	204 176
Other financial liabilities	147	100
Other liabilities	156 217	92 839
Total liabilities	3 920 697	3 386 443
Equity	208 947	221 775
TOTAL LIABILITIES AND EQUITY	4 129 644	3 608 218
¹⁾ Deposits covered by deposit guarantees	397 006	395 885

²⁾ Loans to credit institutions and liquidity placements with other direct participants in interbank fund transfer systems.

Statement of changes in equity

SEK m	Other reserves ¹⁾						Equity
	Share capital	OCA ²⁾	Cash flow hedges	Translation of foreign operations	Defined benefit plans	Retained earnings	
Jan-Mar 2024							
Opening balance	21 942	-175	14	1 191	19 780	179 023	221 775
Net profit						9 503	9 503
Other comprehensive income (net of tax)		-8	-18	718	3 347		4 040
Total comprehensive income		-8	-18	718	3 347	9 503	13 543
Dividend to shareholders						-23 709	-23 709
Equity-based programmes						159	159
Change in holdings of own shares ⁴⁾						-2 821	-2 821
Closing balance	21 942	-183	-4	1 909	23 127	162 156	208 947
Jan-Dec 2023							
Opening balance	21 942	-175	62	877	20 439	160 995	204 141
Transfer of translation differences ³⁾				698		-698	
Restated balance at 1 January 2023	21 942	-175	62	1 575	20 439	160 297	204 141
Net profit						38 116	38 116
Other comprehensive income (net of tax)		0	-49	-385	-659		-1 092
Total comprehensive income		0	-49	-385	-659	38 116	37 024
Dividend to shareholders						-14 195	-14 195
Bonus issue	390					-390	
Cancellation of shares	-390					-4 106	-4 496
Equity-based programmes						146	146
Change in holdings of own shares ⁴⁾						-845	-845
Closing balance³⁾	21 942	-175	14	1 191	19 780	179 023	221 775
Jan-Mar 2023							
Opening balance	21 942	-175	62	877	20 439	160 995	204 141
Transfer of translation differences ³⁾				698		-698	
Restated balance at 1 January 2023	21 942	-175	62	1 575	20 439	160 297	204 141
Net profit						9 393	9 393
Other comprehensive income (net of tax)		-11	-9	667	319		965
Total comprehensive income		-11	-9	667	319	9 393	10 359
Equity-based programmes						-68	-68
Change in holdings of own shares ⁴⁾						-1 333	-1 333
Closing balance³⁾	21 942	-186	53	2 242	20 758	168 290	213 099

¹⁾ Amounts under Other reserves may be reclassified in the future to the income statement under certain circumstances, e.g. if they are related to dissolved Cash flow hedges or Translation of foreign operations when SEB ceases to consolidate a foreign operation. Amounts related to OCA and Defined benefit plans will not be reclassified to the income statement.

²⁾ Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in own credit risk.

³⁾ Opening balance 2023 has been restated due to transfer of translation differences.

⁴⁾ Number of shares owned by SEB, for table see next page.

Statement of changes in equity, cont.

	Jan-Mar	Jan-Dec	Jan-Mar
Number of shares owned by SEB, million	2024	2023	2023
Opening balance	67.1	65.3	65.3
Repurchased shares for equity-based programmes	4.3	6.2	2.7
Sold/distributed shares	-2.8	-6.4	-3.0
Repurchased shares for capital purposes	11.9	40.7	9.8
Cancelled shares held for capital purposes		-38.7	
Closing balance	80.6	67.1	74.8
Market value of shares owned by SEB, SEK m	11 682	9 318	8 550
Net acquisition cost for purchase of own shares for equity-based programmes deducted from equity, period	-367	-123	-56
Net acquisition cost for purchase of own shares for equity-based programmes deducted from equity, accumulated	-3 061	-2 695	-2 628

In accordance with the decision by the Annual General Meeting, SEB holds own shares of Class A for the long-term equity-based programmes and capital purposes. The transactions may take place at one or several occasions during the year.

Cash flow statement, condensed

SEK m	Jan-Mar			Full-year
	2024	2023	%	2023
Cash flow from the profit and loss statement	-3 615	9 100		45 876
Increase (-)/decrease (+) in trading portfolios	-112 025	-202 197	-45	-79 179
Increase (+)/decrease (-) in issued short term securities	155 814	106 702	46	71 854
Increase (-)/decrease (+) in lending	-89 041	-56 267	58	-58 431
Increase (+)/decrease (-) in deposits and borrowings	311 109	159 507	95	-11 431
Increase/decrease in other balance sheet items	19 417	1 512		-7 076
Cash flow from operating activities	281 658	18 356		-38 387
Cash flow from investing activities	-500	-403	24	-607
Cash flow from financing activities	-20 039	-1 278		-19 331
Net increase in cash and cash equivalents	261 120	16 676		-58 326
Cash and cash equivalents at the beginning of year	320 879	382 972	-16	382 972
Exchange rate differences on cash and cash equivalents	15 643	1 897		-3 767
Net increase in cash and cash equivalents	261 120	16 676		-58 326
Cash and cash equivalents at the end of period¹⁾	597 642	401 545	49	320 879

¹⁾ Cash and cash equivalents at the end of period is defined as Cash and cash balances with central banks and Loans to other credit institutions payable on demand.

Notes to the financial statements – SEB Group

Note 1. Accounting policies and presentation

This Report is presented in accordance with IAS 34 *Interim Financial Reporting*. The group's consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations of these standards as adopted by the European Commission. The accounting also follows the Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) and the regulation and general guidelines issued by the Swedish Financial Supervisory Authority: Annual Reports in Credit Institutions and Securities Companies (FFFS 2008:25). In addition, the Supplementary Accounting Rules for Groups (RFR 1) from the Swedish Corporate Reporting Board have been applied. The parent company has prepared its accounts in accordance with Swedish Annual Act for Credit Institutions and Securities Companies, the Swedish Financial Supervisory Authority's Regulations and General Guidelines (FFFS 2008:25) on Annual Reports in Credit

Institutions and Securities Companies and the Supplementary Accounting Rules for Legal Entities (RFR 2) issued by the Swedish Corporate Reporting Board.

As of 1 January 2024, the group applies the following amendments to IFRS standards: Classification of Liabilities as Current or Non-Current - The amendments to IAS 1 *Presentation of Financial Statements* specify the requirements for classifying liabilities as current or non-current. The amendments have not had a significant effect on the group's consolidated financial statements.

In all other material aspects, the group's and the parent company's accounting policies, basis for calculations and presentations are unchanged in comparison with the Annual and Sustainability Report 2023.

Note 2. Net interest income

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Interest income ¹⁾	38 368	38 022	1	38 368	27 420	40	38 368	27 420	40	135 394
Interest expense	-26 603	-25 922	3	-26 603	-16 123	65	-26 603	-16 123	65	-87 868
Net interest income	11 765	12 100	-3	11 765	11 297	4	11 765	11 297	4	47 526
¹⁾ Of which interest income calculated using the effective interest method	33 762	33 985	-1	33 762	24 538	38	33 762	24 538	38	120 021

Note 3. Net fee and commission income

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Issue of securities and advisory services	347	341	2	347	317	10	347	317	10	1 193
Secondary market and derivatives	440	450	-2	440	428	3	440	428	3	2 015
Custody and mutual funds	2 599	2 384	9	2 599	2 376	9	2 599	2 376	9	9 604
<i>Whereof performance fees</i>	85	36	139	85	82	3	85	82	3	146
Payments, cards, lending, deposits, guarantees and other	3 410	3 552	-4	3 410	3 418	-0	3 410	3 418	-0	13 724
<i>Whereof payments and card fees</i>	1 850	1 878	-2	1 850	1 764	5	1 850	1 764	5	7 446
<i>Whereof lending</i>	956	1 050	-9	956	846	13	956	846	13	3 841
Life insurance commissions	383	367	4	383	358	7	383	358	7	1 427
Fee and commission income	7 180	7 094	1	7 180	6 897	4	7 180	6 897	4	27 962
Fee and commission expense	-1 555	-1 552	0	-1 555	-1 727	-10	-1 555	-1 727	-10	-6 293
Net fee and commission income	5 625	5 542	2	5 625	5 170	9	5 625	5 170	9	21 669
<i>Whereof Net securities commissions</i>	2 510	2 359	6	2 510	2 289	10	2 510	2 289	10	9 558
<i>Whereof Net payment and card fees</i>	1 199	1 216	-1	1 199	1 154	4	1 199	1 154	4	4 802
<i>Whereof Net life insurance commissions</i>	280	243	15	280	255	9	280	255	9	991
<i>Whereof Other commissions</i>	1 636	1 724	-5	1 636	1 471	11	1 636	1 471	11	6 319

Note 3. Fee and commission income by segment

SEK m	Large Corporates & Financial Institutions	Corporate & Private Customers	Private Wealth Mgmt & Family Office	Baltic	Life	Asset Management	Group Functions	Eliminations	SEB Group
Q1 2024									
Issue of securities and advisory	345	1	6			-4	0		347
Secondary market and derivatives	356	13	67	9	0	0	-6	0	440
Custody and mutual funds	391	288	794	58	64	1 988	0	-985	2 599
Payments, cards, lending, deposits, guarantees and other	1 470	1 418	73	619	59	7	105	-340	3 410
Life insurance commissions					816			-433	383
Fee and commission income	2 562	1 721	941	687	939	1 990	98	-1 758	7 180
Q4 2023									
Issue of securities and advisory	314	3	7		0	7	10		341
Secondary market and derivatives	359	50	32	9	0	2	-1	0	450
Custody and mutual funds	380	224	787	57	61	1 822	0	-947	2 384
Payments, cards, lending, deposits, guarantees and other	1 542	1 391	73	670	73	28	93	-317	3 552
Life insurance commissions					771			-404	367
Fee and commission income	2 595	1 668	898	736	905	1 859	102	-1 668	7 094
Jan-Mar 2024									
Issue of securities and advisory	345	1	6			-4	0		347
Secondary market and derivatives	356	13	67	9	0	0	-6	0	440
Custody and mutual funds	391	288	794	58	64	1 988	0	-985	2 599
Payments, cards, lending, deposits, guarantees and other	1 470	1 418	73	619	59	7	105	-340	3 410
Life insurance commissions					816			-433	383
Fee and commission income	2 562	1 721	941	687	939	1 990	98	-1 758	7 180
Jan-Mar 2023									
Issue of securities and advisory	307	2	7						317
Secondary market and derivatives	341	8	75	9	0	3	-7	0	428
Custody and mutual funds	377	259	229	52	53	1 833	0	-428	2 376
Payments, cards, lending, deposits, guarantees and other	1 562	1 331	72	592	64	12	94	-309	3 418
Life insurance commissions					782			-424	358
Fee and commission income	2 587	1 600	384	653	899	1 848	87	-1 161	6 897

Fee and commission income is disaggregated in major types of service tied to primary geographical markets and operating segments. Revenues from Issue of securities and advisory, Secondary market and derivatives, Payments, cards, lending and deposits are mainly recognised at a point in time. Revenues from Custody and mutual funds and Life insurance commissions are mainly recognised over time.

Note 4. Net financial income

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Equity instruments and related derivatives	473	455	4	473	328	44	473	328	44	1 638
Debt instruments and related derivatives	966	-356		966	228		966	228		962
Currency and related derivatives	953	2 166	-56	953	1 335	-29	953	1 335	-29	5 683
Other	857	121		857	512	68	857	512	68	1 709
Net financial income	3 249	2 386	36	3 249	2 403	35	3 249	2 403	35	9 991
<i>Whereof gains/losses from counterparty risk (CVA), own credit standing (DVA), funding value adjustment (FVA) and collateral value adjustment (ColVa)</i>	50	-306		50	-257		50	-257		-172

Note 5. Net expected credit losses

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Impairment gains or losses - Stage 1	-86	-307	-72	-86	-84	2	-86	-84	2	-927
Impairment gains or losses - Stage 2	-63	253		-63	140		-63	140		790
Impairment gains or losses - Stage 3	201	689	-71	201	230	-13	201	230	-13	1 088
Impairment gains or losses	52	634	-92	52	286	-82	52	286	-82	952
Write-offs and recoveries										
Total write-offs	257	251	2	257	660	-61	257	660	-61	1 884
Reversals of allowance for write-offs	-176	-146	20	-176	-594	-70	-176	-594	-70	-1 580
Write-offs not previously provided for	81	105	-23	81	66	23	81	66	23	304
Recovered from previous write-offs	-60	-75	-20	-60	-80	-25	-60	-80	-25	-294
Net write-offs	21	30	-29	21	-14		21	-14		10
Net expected credit losses	73	664	-89	73	272	-73	73	272	-73	962
Net ECL level, %	0.01	0.09		0.01	0.04		0.01	0.04		0.03

The income statement is presented with absolute values, which means net expected credit losses are presented with a positive sign.

Exposure and expected credit loss (ECL) allowances by stage, Movements in allowances for expected credit losses (ECL), Loans and expected credit loss (ECL) allowances by industry are presented in notes 10-12.

Note 6. Imposed levies

SEK m	Q1			Q4			Jan-Mar			Full-year
	2024	2023	%	2024	2023	%	2024	2023	%	2023
Resolution fees	349	324	8	349	308	13	349	308	13	1 296
Risk tax, Sweden	396	394	1	396	394	1	396	394	1	1 576
Temporary mortgage levy, Latvia	58			58			58			
Temporary solidarity contribution, Lithuania	330	357	-8	330			330			947
Imposed levies	1 133	1 075	5	1 133	702	61	1 133	702	61	3 819

On 16 May 2023, Lithuania established a temporary (two years) solidarity contribution for credit institutions, the reason being the increase in banks' net interest income when central banks raised interest rates. The contribution is calculated on a formula-defined net interest income tax base. On 6 December 2023, Latvia established a temporary (one year) mortgage levy for 2024. The contribution is calculated as 50 basis points on a credit institutions mortgage volume in Latvia, per quarter (2 per cent annually).

Note 7. Pledged assets and obligations

SEK m	31 Mar 2024	31 Dec 2023
Pledged assets for own liabilities ¹⁾	672 970	664 391
Pledged assets for liabilities to insurance policyholders	466 186	428 673
Other pledged assets ²⁾	107 796	68 546
Pledged assets	1 246 951	1 161 610
Contingent liabilities ³⁾	205 592	201 010
Commitments	916 977	904 280
Obligations	1 122 570	1 105 290

¹⁾ Of which collateralised for own issued covered bonds SEK 350,392m (328,308).

²⁾ Of which pledged but unencumbered bonds SEK 59,615m (23,830).

³⁾ Of which financial guarantees SEK 12,856m (11,833).

Note 8. Financial assets and liabilities

SEK m	31 Mar 2024		31 Dec 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Loans ¹⁾	2 960 807	2 965 992	2 593 042	2 600 783
Debt securities	328 986	328 966	266 252	266 250
Equity instruments	132 840	132 840	92 707	92 707
Financial assets for which the customers bear the investment risk	429 227	429 227	392 457	392 457
Derivatives	153 378	153 378	183 080	183 080
Other	52 976	52 976	18 104	18 104
Financial assets	4 058 213	4 063 378	3 545 641	3 553 380
Deposits	2 073 625	2 075 039	1 758 975	1 757 516
Financial liabilities for which the customers bear the investment risk	429 348	429 348	392 362	392 362
Debt securities issued ²⁾	1 061 950	1 054 917	897 525	887 041
Short positions	40 387	40 387	33 700	33 700
Derivatives	158 813	158 813	204 176	204 176
Other	57 759	57 529	21 740	21 749
Financial liabilities	3 821 882	3 816 033	3 308 478	3 296 544

¹⁾ Loans includes Cash balances at central banks (excluding Cash), Loans to central banks, Loans to credit institutions and Loans to the public.

²⁾ Debt securities issued includes Debt securities issued and Subordinated liabilities (part of Other liabilities).

SEB has classified its financial instruments by class taking into account the characteristics of the instruments. The fair value of each class of financial assets and liabilities are compared with its carrying amount. A description of the characteristics of the classes can be found in note 37 in the Annual and Sustainability Report 2023.

Note 9. Assets and liabilities measured at fair value

SEK m	31 Mar 2024				31 Dec 2023			
	Quoted prices in active markets (Level 1)	Valuation technique using observable inputs (Level 2)	Valuation technique using non-observable inputs (Level 3)	Total	Quoted prices in active markets (Level 1)	Valuation technique using observable inputs (Level 2)	Valuation technique using non-observable inputs (Level 3)	Total
Assets								
Loans		228 377	2 057	230 434		164 516	2 052	166 568
Debt securities	141 190	174 153	17	315 361	145 010	109 036		254 046
Equity instruments	110 937	192	21 710	132 840	72 094	187	20 425	92 707
Financial assets for which the customers bear the investment risk	405 391	14 578	9 258	429 227	370 326	13 606	8 525	392 457
Derivatives	580	152 293	505	153 378	558	181 916	606	183 080
Investment in associates ¹⁾			687	687			608	608
Total	658 098	569 594	34 235	1 261 927	587 988	469 261	32 217	1 089 465
Liabilities								
Deposits		18 241		18 241		13 387		13 387
Financial liabilities for which the customers bear the investment risk	405 512	14 578	9 258	429 348	370 231	13 606	8 525	392 362
Debt securities issued		3 844		3 844		5 207		5 207
Short positions	28 335	12 052		40 387	30 341	3 359		33 700
Derivatives	537	157 802	474	158 813	617	203 139	421	204 176
Other financial liabilities at fair value	64	82		147	81	19		100
Total	434 448	206 600	9 733	650 780	401 270	238 716	8 946	648 932

¹⁾ Venture Capital activities designated at fair value through profit and loss.

Fair value measurement

The objective of the fair value measurement is to arrive at the price at which an orderly transaction would take place between market participants at the measurement date under current market conditions.

The group has an established control environment for the determination of fair values of financial instruments that includes a review, independent from the business, of valuation models and prices. If the validation principles are not adhered to, the Head of Group Finance shall be informed. Exceptions of material and principal importance require approval from the Valuation Committee / GRMC (Group Risk Measurement Committee) and the ARC (Accounting and Reporting Committee).

In order to arrive at the fair value of a financial instrument SEB uses different methods; quoted prices in active markets, valuation techniques incorporating observable data and valuation techniques based on internal models. For disclosure purposes, financial instruments carried at fair value are classified in a fair value hierarchy according to the level of market observability of the inputs. Group Risk classifies and continuously reviews the classification of financial instruments in the fair value hierarchy. The valuation process is the same for financial instruments in all levels.

An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis. The objective is to arrive at a price at which a transaction without modification or repackaging would occur in the principal market for the instrument to which SEB has immediate access.

Fair value is generally measured for individual financial instruments, in addition portfolio adjustments are made to cover the credit risk. To reflect counterparty risk and own credit risk in OTC derivatives, adjustments are made based on the net exposure towards each counterpart. These adjustments are calculated on a counterparty level based on estimates of exposure at default, probability of default and recovery rates. Probability of default and recovery rate information is generally sourced from the CDS markets. For counterparties where this information is not available, or considered unreliable due to the nature of the exposure, alternative approaches are taken where the probability of default is based on generic credit indices for specific industry and/or rating.

When valuing financial liabilities at fair value SEB's own credit standing is reflected.

In order to arrive at the fair value of investment properties a market participant's ability to generate economic benefit by using the asset in its highest and best use are taken into account. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible. The current use of the investment properties in SEB is in accordance with the highest and best use. The valuation of investment properties is described in the accounting policies in the Annual and Sustainability Report note 1. The valuation of the investment properties is performed semi-annually, they are presented and approved by the board in each real estate company. The valuation principles used in all entities are in accordance with regulations provided by the local Financial Supervisory Authorities (FSA) which is in accordance with international valuation principles and in accordance with IFRS.

Note 9. Assets and liabilities measured at fair value, cont.

Level 1: Quoted market prices

Valuations in Level 1 are determined by reference to unadjusted quoted market prices for identical instruments in active markets where the quoted prices are readily available and the prices represent actual and regularly occurring market transactions on an arm's length basis.

Examples of Level 1 financial instruments are listed equity securities, debt securities, and exchange-traded derivatives. Instruments traded in an active market for which one or more market participants provide a binding price quotation on the balance sheet date are also examples of Level 1 financial instruments.

Level 2: Valuation techniques with observable inputs

In Level 2 valuation techniques, all significant inputs to the valuation models are observable either directly or indirectly. Level 2 valuation techniques include using discounted cash flows, option pricing models, recent transactions and the price of another instrument that is substantially the same.

Examples of observable inputs are foreign currency exchange rates, binding securities price quotations, market interest rates, volatilities implied from observable option prices for the same term and actual transactions with one or more external counterparts executed by SEB. An input can transfer from being observable to being unobservable during the holding period due to e.g. illiquidity of the instrument. Examples of Level 2 financial instruments are most OTC derivatives such as options and interest rate swaps based on the Libor swap rate or a foreign-denominated yield curve. Other examples are instruments for which SEB recently entered into transactions with third parties and instruments for which SEB interpolates between observable variables.

Level 3: Valuation techniques with significant unobservable inputs

Level 3 valuation techniques incorporate significant inputs that are unobservable. These techniques are generally based on extrapolating from observable inputs for similar instruments, analysing historical data or other analytical techniques. Examples of Level 3 financial instruments are more complex OTC derivatives, long dated options for which the volatility is extrapolated or derivatives that depend on an unobservable correlation. Other examples are instruments for which there is currently no active market or binding quotes, such as unlisted equity instruments, private equity holdings and investment properties.

If the fair value of financial instruments includes more than one unobservable input, the unobservable inputs are aggregated in order to determine the classification of the entire instrument. The level in the fair value hierarchy within which a financial instrument is classified is determined on the basis of the lowest level of input that is significant to the fair value in its entirety.

Significant transfers and reclassifications between levels

Transfers between levels may occur when there are indications that market conditions have changed, e.g. a change in liquidity. The Valuation / Pricing committee of each relevant division decides on material shifts between levels. The largest open market risk within Level 3 financial instruments remains in the traditional life insurance investment portfolios within the insurance business.

Changes in level 3, SEK m	Opening balance	Reclassi- fication	Gain/loss in				Transfers	Transfers	Exchange	Closing balance
	1 Jan 2024		Income statement ¹⁾	Purchases	Sales	Settlements	into Level 3	out of Level 3	rate differences	31 Mar 2024
Assets										
Loans	2 052		24		-124	0			104	2 057
Debt securities	0		-60				77		0	17
Equity instruments	20 425		1 264	456	-588				153	21 710
Financial assets for which the customers bear the investment risk	8 525		53	898	-586		32		336	9 258
Derivatives	606		6		-104	-4			0	505
Investment in associates	608		78						1	687
Total	32 216	0	1 366	1 354	-1 402	-3	109	0	594	34 235
Liabilities										
Financial liabilities for which the customers bear the investment risk	8 525		53	898	-586		32		336	9 258
Derivatives	421		66	-9		-4			0	474
Total	8 946	0	119	889	-586	-4	32	0	336	9 733

¹⁾ Fair value gains and losses recognised in the income statement are included in Net financial income and Net other income.

Note 9. Assets and liabilities measured at fair value, cont.

Sensitivity of Level 3 assets and liabilities to unobservable inputs

The table below illustrates the potential Profit or Loss impact of the relative uncertainty in the fair value of assets and liabilities that for their valuation are dependent on unobservable inputs. The sensitivity to unobservable inputs is assessed by altering the assumptions to the valuation techniques, illustrated below by changes in index-linked swap spreads, implied volatilities, credit spreads or comparator multiples. It is unlikely that all unobservable inputs would be simultaneously at the extremes of their ranges of reasonably possible alternatives. Further details about SEB's fair value measurement can be found in note 36 in the Annual and Sustainability Report 2023.

SEK m	31 Mar 2024				31 Dec 2023			
	Assets	Liabilities	Net	Sensitivity	Assets	Liabilities	Net	Sensitivity
Derivative instruments ¹⁾⁴⁾	385	-474	-90	30	394	-421	-27	29
Debt instruments ³⁾	2 074		2 074	311	2 052		2 052	308
Equity instruments ²⁾⁵⁾⁶⁾	5 686		5 686	1 134	4 920		4 920	984
Insurance holdings - Financial instruments ³⁾⁴⁾⁶⁾⁷⁾	16 818		16 818	2 371	16 312		16 312	2 266

¹⁾ Volatility valuation inputs for Bermudan swaptions are unobservable. Volatilities used for ordinary swaptions are adjusted further in order to reflect the additional uncertainty associated with the valuation of Bermudan style swaptions. The sensitivity is calculated from shift in implied volatilities and aggregated from each currency and maturity bucket.

²⁾ Valuation is estimated in a range of reasonable outcomes. Sensitivity analysis is based on 20 per cent shift in market values.

³⁾ Sensitivity for debt securities is generally quantified as shift in market values of 5 per cent except for credit opportunity 10 per cent and for distressed debt and structured credits 15 per cent.

⁴⁾ Shift in implied volatility by 10 per cent.

⁵⁾ Sensitivity analysis is based on a shift in market values of hedge funds 5 per cent, private equity of 20 per cent, structured credits 15 per cent.

⁶⁾ Sensitivity from a shift of investment properties/real estate funds market values of 10 per cent and infrastructure/infrastructure funds market values of 20 per cent.

⁷⁾ The sensitivity show changes in the value of the insurance holdings which do not at all times affect the P/L of the group since any surplus in the traditional life portfolios are consumed first.

Note 10. Exposure and expected credit loss (ECL) allowances by stage

SEK m	31 Mar 2024	31 Dec 2023
Stage 1 (12-month ECL)		
Debt securities	13 625	12 207
Loans ¹⁾	2 021 722	1 959 910
Financial guarantees and Loan commitments	918 973	895 656
Gross carrying amounts/Nominal amounts Stage 1	2 954 320	2 867 773
Debt securities	-0	-0
Loans ¹⁾	-1 529	-1 567
Financial guarantees and Loan commitments	-332	-347
ECL allowances Stage 1	-1 860	-1 914
Debt securities	13 625	12 206
Loans ¹⁾	2 020 193	1 958 344
Financial guarantees and Loan commitments	918 641	895 309
Carrying amounts/Net amounts Stage 1	2 952 460	2 865 859
Stage 2 (lifetime ECL)		
Loans ¹²⁾	80 196	76 363
Financial guarantees and Loan commitments	17 508	15 052
Gross carrying amounts/Nominal amounts Stage 2	97 704	91 414
Loans ¹²⁾	-2 081	-2 035
Financial guarantees and Loan commitments	-360	-420
ECL allowances Stage 2	-2 441	-2 455
Loans ¹²⁾	78 115	74 327
Financial guarantees and Loan commitments	17 148	14 632
Carrying amounts/Net amounts Stage 2	95 263	88 959
Stage 3 (credit impaired/lifetime ECL)		
Loans ¹³⁾	7 326	7 588
Financial guarantees and Loan commitments	2 784	1 436
Gross carrying amounts/Nominal amounts Stage 3	10 111	9 023
Loans ¹³⁾	-3 508	-3 458
Financial guarantees and Loan commitments	-258	-172
ECL allowances Stage 3	-3 766	-3 629
Loans ¹³⁾	3 818	4 130
Financial guarantees and Loan commitments	2 527	1 264
Carrying amounts/Net amounts Stage 3	6 345	5 394

Note 10. Exposure and expected credit loss (ECL) allowances by stage, cont.

SEK m	31 Mar 2024	31 Dec 2023
Total		
Debt securities	13 625	12 207
Loans ¹⁾²⁾³⁾	2 109 245	2 043 860
Financial guarantees and Loan commitments	939 266	912 144
Gross carrying amounts/Nominal amounts	3 062 135	2 968 211
Debt securities	-0	-0
Loans ¹⁾²⁾³⁾	-7 118	-7 060
Financial guarantees and Loan commitments	-950	-939
ECL allowances	-8 067	-7 999
Debt securities	13 625	12 206
Loans ¹⁾²⁾³⁾	2 102 127	2 036 801
Financial guarantees and Loan commitments	938 316	911 205
Carrying amounts/Net amounts	3 054 068	2 960 212

¹⁾ Including trade and client receivables presented as other assets.

²⁾ Whereof gross carrying amounts SEK 1,936m (1,165) and ECL allowances SEK 4m (3) under Lifetime ECLs -simplified approach for trade receivables.

³⁾ Whereof gross carrying amounts SEK 892m (916) and ECL allowances SEK 701m (722) for Purchased or Originated Credit Impaired loans.

The table shows gross carrying amounts for exposures on balance and nominal amounts for exposures off-balance divided by stage as a mean to put ECL allowances in context to overall exposure levels. For trade receivables a simplified approach based on past-due information is used to calculate loss allowances.

Stage 3 loans / Total loans, gross, %	0.35	0.37
Stage 3 loans / Total loans, net, %	0.18	0.20
ECL coverage ratio Stage 1, %	0.06	0.07
ECL coverage ratio Stage 2, %	2.50	2.69
ECL coverage ratio Stage 3, %	37.25	40.22
ECL coverage ratio, %	0.26	0.27

Development of exposures and ECL allowances by stage

Credit-impaired loans (gross loans in stage 3) amounted to SEK 7.3bn (7.6), corresponding to 0.35 per cent of total loans (0.37). Credit-impaired exposures (gross exposures in stage 3) increased to SEK 10.1bn (9.0) mainly due to negative risk migration and currency effects. This also increased Stage 3 ECL allowances. The ECL coverage ratio for Stage 3 decreased to 37.25 per cent (40.22) due to an increase in financial guarantees and loan

commitments, which has a lower ECL coverage ratio than loans. Stage 2 exposures increased, mainly driven by negative risk migration in the corporate and household mortgage portfolios. Stage 1 and 2 ECL allowances marginally decreased mainly due to the effect of slightly more positive forecasts in the updated macroeconomic scenarios being partly offset by currency effects.

Note 10. Exposure and expected credit loss (ECL) allowances by stage, cont.

Key macroeconomic assumptions for calculating ECL allowances

Macroeconomic forecasts made by SEB's economic research department are used as the basis for the forward-looking information incorporated in the ECL measurement. Three scenarios – base, positive and negative – and their probability weightings are reviewed every quarter, or more frequently when appropriate due to rapid or significant changes in the economic environment. Compared with the previous quarter, only smaller revisions were made to the forecast. The base scenario assumes growth in 2024 will be anemic, especially in Europe, and labour

markets will deteriorate moderately. Foundations are being laid for a recovery in 2025, despite an environment of heightened security policy concerns. Inflation is expected to come down which is crucial for central banks' rate cut forecasts. This will provide support to interest-sensitive sectors. Lower inflation will boost purchasing power. A more predictable economic world will support risk appetite and global stock markets, while stimulating consumption and investment.

The main macroeconomic assumptions in the base scenario are shown in the table below.

Base scenario assumptions	2024	2025	2026
Global GDP growth	2.9%	3.1%	3.4%
OECD GDP growth	1.4%	2.0%	2.3%
Sweden			
GDP growth	0.1%	2.8%	2.7%
Household consumption expenditure growth	1.4%	3.2%	2.6%
Interest rate (STIBOR)	3.05%	2.30%	2.30%
Residential real estate price growth	2.0%	4.0%	4.0%
Baltic countries			
GDP growth	-0.5% - 2.0%	2.7% - 3.5%	2.5% - 3.0%
Household consumption expenditure growth	0.0% - 2.8%	2.2% - 3.2%	2.5% - 3.0%
Inflation rate	1.4% - 3.8%	2.4% - 2.7%	2.3% - 2.5%
Nominal wage growth	6.5% - 8.5%	6.0% - 7.7%	5.0% - 6.5%
Unemployment rate	6.5% - 8.7%	6.4% - 7.5%	6.2% - 6.5%

The potential for more favourable economic performance in the positive scenario lies mainly in inflation falling faster than according to the current consensus and our main forecast. The negative scenario reflects the downside risk from the monetary policy, especially considering the lengthy time lag before rate hikes have an impact on the economy, and a continued increase in geopolitical risks. A further description of the scenarios is available in the Nordic Outlook update published in January 2024.

The probability for the base scenario was lowered from 65 to 60 per cent, the probability for the positive scenario was raised from 15 to 20 per cent, and the probability for the negative scenarios was maintained at 20 per cent.

In the first quarter, the update of the macroeconomic parameters and scenario probability weights led to a marginal decrease of total ECL allowances. Should the positive and negative scenarios in the macroeconomic update be assigned 100 per cent probability, the model calculated ECL allowances would decrease by 2 per cent and increase by 4 per cent respectively compared with the probability-weighted calculation.

Expert credit judgement

SEB uses models and expert credit judgement (ECJ) for calculating ECL allowances. The degree of expert credit judgement depends on model outcome, materiality and information available. ECJ may be applied to incorporate factors

not captured by the models, either on counterparty or portfolio level.

Model overlays on portfolio level have been made using ECJ. These have been determined through top-down scenario analysis, including various scenarios of risk migration of complete portfolios. This has been combined with bottom-up individual customer analysis of larger corporate customers as well as analysis and stress tests of sectors specifically exposed to economic distress, including higher interest rates, supply chain issues, higher energy prices and inflation risks.

The portfolio model overlays are re-evaluated quarterly in connection with the assessment of ECL allowances. In the first quarter, the portfolio model overlays amounted to SEK 2.2bn (2.3), reflecting the risks in general from higher energy prices, supply chain issues and inflation as well as the challenges within the real estate sector in Sweden as many companies are adjusting to the interest rate and capital market environments. SEK 0.8bn of the total model overlays related to the Large Corporates & Financial Institutions division, SEK 1.0bn to the Corporate & Private Customers division and SEK 0.5bn to the Baltic division.

SEB's measurement of ECL allowances and related assumptions according to IFRS 9 can be found in notes 1 and 18 in the Annual and Sustainability Report for 2023.

Note 11. Movements in allowances for expected credit losses

SEK m	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total
Loans and Debt securities				
ECL allowance as of 31 Dec 2023	1 567	2 035	3 458	7 060
New and derecognised financial assets, net	72	-84	-138	-150
Changes due to change in credit risk	-131	83	261	214
Changes due to modifications	1	8	2	10
Changes due to methodology change	-4	0	-1	-5
Decreases in ECL allowances due to write-offs			-176	-176
Change in exchange rates	24	39	102	165
ECL allowance as of 31 Mar 2024	1 529	2 081	3 508	7 118
Financial guarantees and Loan commitments				
ECL allowance as of 31 Dec 2023	347	420	172	939
New and derecognised financial assets, net	15	-94	251	172
Changes due to change in credit risk	-39	23	-175	-191
Changes due to modifications		1	1	1
Changes due to methodology change	-0	0	0	1
Change in exchange rates	8	10	9	27
ECL allowance as of 31 Mar 2024	332	360	258	950
Total Loans, Debt securities, Financial guarantees and Loan commitments				
ECL allowance as of 31 Dec 2023	1 914	2 456	3 629	7 999
New and derecognised financial assets, net	87	-178	113	22
Changes due to change in credit risk	-170	106	86	23
Changes due to modifications	1	8	2	12
Changes due to methodology change	-5	0	-0	-5
Decreases in ECL allowances due to write-offs			-176	-176
Change in exchange rates	32	49	111	192
ECL allowance as of 31 Mar 2024	1 860	2 441	3 766	8 067

SEB's measurement of ECL allowances and related assumptions according to IFRS 9 can be found on pages 90-91 and 121-122 in the Annual and Sustainability Report 2023.

Note 12. Loans and expected credit loss (ECL) allowances by industry

SEK m	Gross carrying amounts				ECL allowances				Net carrying amount
	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Total
31 Mar 2024									
Banks	115 715	967	12	116 694	-4	-2	-2	-8	116 687
Finance and insurance	208 662	796	229	209 687	-52	-8	-160	-220	209 467
Wholesale and retail	81 774	3 834	720	86 328	-102	-103	-259	-464	85 863
Transportation	31 721	1 579	298	33 598	-33	-28	-30	-91	33 507
Shipping	50 525	829	55	51 410	-9	-83	-48	-140	51 270
Business and household services	209 071	10 288	1 926	221 285	-309	-476	-898	-1 683	219 602
Construction	16 549	1 244	106	17 898	-30	-45	-33	-107	17 791
Manufacturing	111 865	6 208	1 323	119 396	-102	-216	-1 149	-1 467	117 930
Agriculture, forestry and fishing	31 502	1 567	195	33 264	-18	-29	-33	-80	33 184
Mining, oil and gas extraction	2 868	884	0	3 752	-6	-108	-0	-114	3 638
Electricity, gas and water supply	91 690	1 115	265	93 070	-34	-56	-129	-219	92 851
Other	20 491	2 155	80	22 726	-39	-20	-11	-71	22 656
Corporates	856 718	30 499	5 197	892 414	-733	-1 173	-2 750	-4 656	887 758
Commercial real estate management	186 433	4 398	118	190 949	-386	-103	-19	-508	190 441
Residential real estate management	129 762	7 969	276	138 008	-109	-260	-64	-434	137 574
Real Estate Management	316 196	12 367	394	328 956	-495	-363	-83	-942	328 015
Housing co-operative associations	58 644	3 998	56	62 698	-5	-0	-1	-5	62 692
Public Administration	22 907	454	1	23 361	-1	-1	-0	-2	23 359
Household mortgages	607 992	28 632	815	637 439	-56	-279	-234	-568	636 871
Other	43 552	3 279	851	47 682	-234	-263	-439	-937	46 745
Households	651 543	31 911	1 666	685 121	-290	-542	-673	-1 505	683 616
TOTAL	2 021 722	80 196	7 326	2 109 245	-1 529	-2 081	-3 508	-7 118	2 102 127

Note 12. Loans and expected credit loss (ECL) allowances by industry, cont.

SEK m	Gross carrying amounts				ECL allowances				Net carrying amount
	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL)	Stage 3 (credit impaired/ lifetime ECL)	Total	Total
31 Dec 2023									
Banks	95 050	1 254	12	96 315	-4	-2	-2	-7	96 308
Finance and insurance	194 690	1 574	221	196 485	-72	-25	-159	-255	196 229
Wholesale and retail	78 620	3 606	582	82 808	-105	-122	-206	-433	82 375
Transportation	28 779	1 372	126	30 277	-35	-26	-22	-83	30 194
Shipping	49 289	1 454	108	50 851	-12	-9	-100	-121	50 730
Business and household services	190 895	9 116	2 724	202 735	-272	-493	-883	-1 648	201 087
Construction	16 544	1 004	87	17 635	-28	-33	-24	-85	17 550
Manufacturing	106 060	5 509	1 299	112 868	-107	-193	-1 123	-1 422	111 446
Agriculture, forestry and fishing	34 003	1 092	139	35 234	-19	-10	-29	-59	35 175
Mining, oil and gas extraction	4 374	837	0	5 212	-6	-101	-0	-108	5 104
Electricity, gas and water supply	91 242	954	253	92 449	-39	-37	-122	-198	92 251
Other	23 058	1 897	70	25 025	-38	-25	-10	-73	24 952
Corporates	817 553	28 415	5 609	851 578	-733	-1 074	-2 679	-4 486	847 092
Commercial real estate management	181 135	4 229	110	185 475	-372	-99	-21	-492	184 983
Residential real estate management	130 487	7 446	226	138 158	-143	-276	-62	-481	137 677
Real Estate Management	311 622	11 675	336	323 633	-514	-376	-84	-974	322 659
Housing co-operative associations	59 239	4 213	56	63 508	-2	-0	-8	-10	63 498
Public Administration	24 897	348	0	25 245	-2	-1	-0	-3	25 242
Household mortgages	608 438	27 081	705	636 224	-62	-293	-223	-578	635 646
Other	43 112	3 376	869	47 357	-250	-291	-461	-1 002	46 355
Households	651 550	30 457	1 574	683 580	-311	-583	-685	-1 579	682 001
TOTAL	1 959 910	76 363	7 588	2 043 860	-1 567	-2 035	-3 458	-7 060	2 036 801

The tables above show only the exposures and ECL allowances for Loans and excludes Debt securities, Financial guarantees and Loan commitments. Loans are including trade and client receivables presented as other assets.

SEB consolidated situation

Note 13. Capital adequacy analysis

SEK m	31 Mar 2024	31 Dec 2023
Available own funds and total risk exposure amount		
Common Equity Tier 1 (CET1) capital	175 004	170 364
Tier 1 capital	189 962	184 409
Total capital	211 068	199 688
Total risk exposure amount (TREA)	926 500	891 992
Capital ratios and minimum capital requirement (as a percentage of TREA)		
Common Equity Tier 1 ratio (%)	18.9%	19.1%
Tier 1 ratio (%)	20.5%	20.7%
Total capital ratio (%)	22.8%	22.4%
Pillar 1 minimum capital requirement (% P1)	8.0%	8.0%
Pillar 1 minimum capital requirement (amounts)	74 120	71 359
Additional own funds requirements (P2R) to address risks other than the risk of excessive leverage (as a percentage of TREA)		
Additional own funds requirements (% P2R)	2.3%	2.3%
of which: to be made up of CET1 capital (percentage points)	1.6%	1.6%
of which: to be made up of Tier 1 capital (percentage points)	1.8%	1.8%
Total SREP own funds requirements (% P1+P2R)	10.3%	10.3%
Total SREP own funds requirements (amounts)	95 133	91 590
Additional CET1 buffer requirements and CET1 Pillar 2 Guidance (as a percentage of TREA)		
Capital conservation buffer (%)	2.5%	2.5%
Institution specific countercyclical capital buffer (%)	1.5%	1.6%
Systemic risk buffer (%)	3.1%	3.1%
Other Systemically Important Institution buffer (%)	1.0%	1.0%
Combined buffer requirement (% CBR)	8.1%	8.1%
Combined buffer requirement (amounts)	75 279	72 539
Overall capital requirements (% P1+P2R+CBR)	18.4%	18.4%
Overall capital requirements (amounts)	170 412	164 128
CET1 available after meeting the total SREP own funds requirements (% P1+P2R)	12.5%	12.1%
Pillar 2 Guidance (% P2G)	0.5%	0.5%
Pillar 2 Guidance (amounts)	4 632	4 460
Overall capital requirements and P2G (%)	18.9%	18.9%
Overall capital requirements and P2G (amounts)	175 045	168 588
Leverage ratio, requirements and CET1 Pillar 2 Guidance (as a percentage of total exposure measure)		
Tier 1 capital (amounts)	189 962	184 409
Leverage ratio total exposure measure (amounts)	3 991 639	3 401 754
Leverage ratio (%)	4.8%	5.4%
Total SREP leverage ratio requirements (%)	3.0%	3.0%
Overall leverage ratio requirements (%)	3.0%	3.0%
Overall leverage ratio requirements (amounts)	119 749	102 053
Pillar 2 Guidance (% P2G)	0.5%	0.5%
Pillar 2 Guidance (amounts)	19 958	17 009
Overall leverage ratio requirements and P2G (%)	3.5%	3.5%
Overall leverage ratio requirements and P2G (amounts)	139 707	119 061

Note 14. Own funds

SEK m	31 Mar 2024	31 Dec 2023
Shareholders equity according to balance sheet ¹⁾	208 947	221 775
Accrued dividend	-4 573	-23 838
Reversal of holdings of own CET1 instruments	7 753	5 360
Common Equity Tier 1 capital before regulatory adjustments	212 128	203 297
Additional value adjustments	-1 425	-1 381
Goodwill	-4 265	-4 256
Intangible assets	-1 267	-1 142
Fair value reserves related to gains or losses on cash flow hedges	4	-14
Insufficient coverage for non-performing exposures	-89	-100
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-508	-579
Defined-benefit pension fund assets	-20 569	-16 468
Direct and indirect holdings of own CET1 instruments	-9 004	-8 992
Total regulatory adjustments to Common Equity Tier 1	-37 123	-32 933
Common Equity Tier 1 capital	175 004	170 364
Additional Tier 1 instruments	14 958	14 045
Tier 1 capital	189 962	184 409
Tier 2 instruments ²⁾	21 266	15 109
Net provisioning amount for IRB-reported exposures	1 040	1 370
Holdings of Tier 2 instruments in financial sector entities	-1 200	-1 200
Tier 2 capital	21 106	15 279
Total own funds	211 068	199 688

¹⁾ The Swedish Financial Supervisory Authority has approved SEB's application to use the quarterly net profit in measuring own funds on condition that the responsible auditors have reviewed the surplus and that the surplus is calculated in accordance with applicable accounting frameworks.

²⁾ In the first quarter SEB issued an Additional Tier 2 instrument of EUR 500m, which is included in the bank's own funds as of the first quarter 2024.

Note 15. Risk exposure amount

SEK m	31 Mar 2024		31 Dec 2023	
	Risk exposure amount	Own funds requirement ¹⁾	Risk exposure amount	Own funds requirement ¹⁾
Credit risk IRB approach				
Exposures to central governments or central banks	20 166	1 613	17 131	1 370
Exposures to institutions	60 376	4 830	56 837	4 547
Exposures to corporates	443 004	35 440	425 657	34 053
Retail exposures	76 840	6 147	75 418	6 033
of which secured by immovable property	52 504	4 200	51 407	4 113
of which retail SME	6 900	552	6 540	523
of which other retail exposures	17 436	1 395	17 471	1 398
Securitisation positions	2 675	214	2 597	208
Total IRB approach	603 061	48 245	577 640	46 211
Credit risk standardised approach				
Exposures to central governments or central banks	3 552	284	3 210	257
Exposures to administrative bodies and non-commercial undertakings	715	57	711	57
Exposures to institutions	866	69	740	59
Exposures to corporates	5 240	419	4 801	384
Retail exposures	12 619	1 010	12 249	980
Exposures secured by mortgages on immovable property	1 938	155	1 873	150
Exposures in default	140	11	137	11
Exposures associated with particularly high risk	515	41	397	32
Exposures in the form of collective investment undertakings (CIU)	481	38	458	37
Equity exposures	6 614	529	6 040	483
Other items	12 078	966	11 695	936
Total standardised approach	44 758	3 581	42 312	3 385
Market risk				
Trading book exposures where internal models are applied	20 335	1 627	19 375	1 550
Trading book exposures applying standardised approaches	7 427	594	5 614	449
Total market risk	27 762	2 221	24 989	1 999
Other own funds requirements				
Operational risk advanced measurement approach	54 781	4 382	53 381	4 271
Settlement risk	15	1	0	0
Credit value adjustment	11 766	941	10 407	833
Investment in insurance business	25 991	2 079	25 155	2 012
Other exposures	3 578	286	3 875	310
Additional risk exposure amount, Article 3 CRR ²⁾	23	2		
Additional risk exposure amount, Article 458 CRR ³⁾	154 764	12 381	154 233	12 339
Total other own funds requirements	250 918	20 073	247 051	19 764
Total	926 500	74 120	891 992	71 359

1) Own funds requirement 8% of risk exposure amount according to Regulation (EU) No 575/2013 (CRR).

2) Additional risk exposure amount according to Article 3, Regulation (EU) No 575/2013 (CRR), related to EAD model in Estonia.

3) Additional risk exposure amount according to Article 458, Regulation (EU) No 575/2013 (CRR), for risk-weight floors in the Swedish mortgage portfolio and as from the third quarter 2021 for risk-weight floors in the Norwegian mortgage portfolio as well as for Norwegian corporate exposures collateralised by immovable property. As from third the quarter 2023 the capital requirements for risk weight floors on exposures secured by commercial real estate in Sweden was moved from Pillar 2 to Pillar 1.

Note 16. Average risk-weight

The following table summarises average risk-weights (risk exposure amount divided by exposure at default (EAD)) for exposures, where the risk exposure amount is calculated according to the internal ratings based (IRB) approach. Repos and

securities lending transactions are excluded from the analysis, since they carry low risk-weights, and can vary considerably in volume, thus making numbers less comparable.

IRB reported credit exposures (less repos and securities lending)		
Average risk-weight	31 Mar 2024	31 Dec 2023
Exposures to central governments or central banks	2.3%	2.8%
Exposures to institutions	21.0%	20.8%
Exposures to corporates	28.5%	28.4%
Retail exposures	10.4%	10.3%
of which secured by immovable property	8.0%	7.9%
of which retail SME	56.7%	56.9%
of which other retail exposures	26.0%	26.2%
Securitisation positions	16.7%	16.7%

Skandinaviska Enskilda Banken AB (publ) – parent company

Income statement

In accordance with FSA regulations	Q1			Q4			Jan-Mar			Full-year
SEK m	2024	2023	%	2024	2023	%	2024	2023	%	2023
Interest income	36 194	34 434	5	36 194	24 821	46	36 194	24 821	46	122 546
Leasing income	1 441	1 204	20	1 441	1 395	3	1 441	1 395	3	5 606
Interest expense	-28 738	-26 093	10	-28 738	-17 205	67	-28 738	-17 205	67	-91 189
Dividends	6 864	505		6 864	3 100	121	6 864	3 100	121	5 513
Fee and commission income	4 276	4 211	2	4 276	4 381	-2	4 276	4 381	-2	16 814
Fee and commission expense	- 945	- 904	4	- 945	-1 211	-22	- 945	-1 211	-22	-3 853
Net financial income	2 714	1 457	86	2 714	2 038	33	2 714	2 038	33	7 969
Other income ¹⁾	-1 178	98		-1 178	212	0	-1 178	212	0	964
Total operating income	20 628	14 911	38	20 628	17 531	18	20 628	17 531	18	64 370
Administrative expenses ¹⁾	5 313	4 789	11	5 313	4 849	10	5 313	4 849	10	19 816
Depreciation, amortisation and impairment of tangible and intangible assets	1 397	1 337	4	1 397	1 387	1	1 397	1 387	1	5 640
Total operating expenses	6 710	6 126	10	6 710	6 236	8	6 710	6 236	8	25 456
Profit before credit losses	13 918	8 786	58	13 918	11 295	23	13 918	11 295	23	38 915
Net expected credit losses	92	649	-86	92	235	-61	92	235	-61	1 008
Impairment of financial assets ²⁾		15	-100							519
Operating profit	13 826	8 122	70	13 826	11 060	25	13 826	11 060	25	37 388
Appropriations	441	1 651	-73	441	487	-9	441	487	-9	2 886
Income tax expense	1 293	2 718	-52	1 293	1 690	-23	1 293	1 690	-23	7 706
Other taxes	0	- 21	-100	0	3	-100	0	3	-100	20
NET PROFIT	12 974	7 076	83	12 974	9 854	32	12 974	9 854	32	32 548

¹⁾ Group internal reimbursements for costs are now recognised net as Administrative costs. This has no impact on group. Comparative figures have been restated SEK 353m; 296m; 1,282m.

²⁾ The parent company made a write down of the dormant subsidiary Aktiv Placerings AB by SEK 15m during 2023. In addition, following P27's announcement that it had decided to withdraw its clearing license application from the Swedish Financial Supervisory Authority, the parent company recognised an impairment loss of SEK 179m. The parent company also recognised an impairment loss of SEK 125m for Invidem as it announced that it will be wound down due to reduced economies of scale. Also, in 2023, the book value of SEB Strategic Investments AB was written down by SEK 200m after parent company received a dividend of the same amount. In total, impairment of SEK 519m was recognised for shares in subsidiaries, associates and joint ventures.

Statement of comprehensive income

	Q1			Q4			Jan-Mar			Full year
SEK m	2024	2023	%	2024	2023	%	2024	2023	%	2023
NET PROFIT	12 974	7 076	83	12 974	9 854	32	12 974	9 854	32	32 548
Cash flow hedges	-4	- 21	-81	-4	- 9	-57	-4	- 9	-57	- 49
Translation of foreign operations	-539	24		-539	76		-539	76		- 84
Items that may subsequently be reclassified to the income statement:	- 543	4		- 543	66		- 543	66		- 132
OTHER COMPREHENSIVE INCOME	- 543	4		- 543	66		- 543	66		- 132
TOTAL COMPREHENSIVE INCOME	12 431	7 080	76	12 431	9 920	25	12 431	9 920	25	32 416

Balance sheet, condensed

SEK m	31 Mar 2024	31 Dec 2023
Cash and cash balances with central banks	578 389	307 047
Loans to central banks	41 801	30 891
Loans to credit institutions	149 662	109 644
Loans to the public	1 914 615	1 870 983
Debt securities	303 202	242 173
Equity instruments	108 233	69 738
Derivatives	151 921	180 806
Other assets	148 340	107 550
TOTAL ASSETS	3 396 162	2 918 833
Deposits from central banks and credit institutions	217 404	181 428
Deposits and borrowings from the public ¹⁾	1 672 212	1 396 028
Debt securities issued	1 025 194	867 838
Short positions	40 387	33 700
Derivatives	157 110	203 037
Other financial liabilities	147	100
Other liabilities	123 004	62 560
Untaxed reserves	14 040	14 040
Equity	146 664	160 102
TOTAL LIABILITIES, UNTAXED RESERVES AND EQUITY	3 396 162	2 918 833
¹⁾ Private and SME deposits covered by deposit guarantee	244 644	247 578
Private and SME deposits not covered by deposit guarantee	151 664	156 667
All other deposits	1 275 904	991 784
Total deposits from the public	1 672 212	1 396 028

Pledged assets and obligations

SEK m	31 Mar 2024	31 Dec 2023
Pledged assets for own liabilities	672 192	663 643
Other pledged assets	107 796	68 546
Pledged assets	779 988	732 188
Contingent liabilities	193 697	190 120
Commitments	847 237	836 788
Obligations	1 040 935	1 026 908

Capital adequacy

Capital adequacy analysis

SEK m	31 Mar 2024	31 Dec 2023
Available own funds and total risk exposure amount		
Common Equity Tier 1 (CET1) capital	148 533	137 213
Tier 1 capital	163 491	151 257
Total capital	187 545	166 656
Total risk exposure amount (TREA)	834 361	802 153
Capital ratios and minimum capital requirement (as a percentage of TREA)		
Common Equity Tier 1 ratio (%)	17.8%	17.1%
Tier 1 ratio (%)	19.6%	18.9%
Total capital ratio (%)	22.5%	20.8%
Pillar 1 minimum capital requirement (%,P1)	8.0%	8.0%
Pillar 1 minimum capital requirement (amounts)	66 749	64 172
Additional own funds requirements (P2R) to address risks other than the risk of excessive leverage (as a percentage of TREA)		
Additional own funds requirements (%, P2R)	1.6%	1.6%
of which: to be made up of CET1 capital (percentage points)	1.1%	1.1%
of which: to be made up of Tier 1 capital (percentage points)	1.2%	1.2%
Total SREP own funds requirements (%, P1+P2R)	9.6%	9.6%
Total SREP own funds requirements (amounts)	79 798	76 718
Additional CET1 buffer requirements and CET1 Pillar 2 Guidance (as a percentage of TREA)		
Capital conservation buffer (%)	2.5%	2.5%
Institution specific countercyclical capital buffer (%)	1.6%	1.6%
Systemic risk buffer (%)	0.0%	0.0%
Other Systemically Important Institution buffer (%)	0.0%	0.0%
Combined buffer requirement (%, CBR)	4.1%	4.1%
Combined buffer requirement (amounts)	34 088	32 847
Overall capital requirements (%,P1+P2R+CBR)	13.6%	13.7%
Overall capital requirements (amounts)	113 886	109 565
CET1 available after meeting the total SREP own funds requirements (%,P1+P2R)	12.2%	11.2%
Pillar 2 Guidance (%, P2G)	0.0%	0.0%
Pillar 2 Guidance (amounts)	0	0
Overall capital requirements and P2G (%)	13.6%	13.7%
Overall capital requirements and P2G (amounts)	113 886	109 565
Leverage ratio, requirements and CET1 Pillar 2 Guidance (as a percentage of total exposure measure)		
Tier 1 capital (amounts)	163 491	151 257
Leverage ratio total exposure measure (amounts)	3 711 785	3 118 996
Leverage ratio (%)	4.4%	4.8%
Total SREP leverage ratio requirements (%)	3.0%	3.0%
Overall leverage ratio requirements (%)	3.0%	3.0%
Overall leverage ratio requirements (amounts)	111 354	93 570
Pillar 2 Guidance (%, P2G)	0.0%	0.0%
Pillar 2 Guidance (amounts)	0	0
Overall leverage ratio requirements and P2G (%)	3.0%	3.0%
Overall leverage ratio requirements and P2G (amounts)	111 354	93 570

Own funds

SEK m	31 Mar 2024	31 Dec 2023
Shareholders equity according to balance sheet ¹⁾	160 704	171 250
Accrued dividend	-4 573	-23 838
Reversal of holdings of own CET1 instruments	7 605	5 179
Common Equity Tier 1 capital before regulatory adjustments	163 736	152 591
Additional value adjustments	-1 375	-1 285
Goodwill	-3 358	-3 358
Intangible assets	-879	-1 058
Fair value reserves related to gains or losses on cash flow hedges	4	-14
Insufficient coverage for non-performing exposures	-86	-97
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-505	-575
Direct and indirect holdings of own CET1 instruments	-9 004	-8 992
Total regulatory adjustments to Common Equity Tier 1	-15 203	-15 378
Common Equity Tier 1 capital	148 533	137 213
Additional Tier 1 instruments	14 958	14 045
Tier 1 capital	163 491	151 257
Tier 2 instruments ²⁾	21 266	15 109
Net provisioning amount for IRB-reported exposures	3 988	1 489
Holdings of Tier 2 instruments in financial sector entities	-1 200	-1 200
Tier 2 capital	24 054	15 399
Total own funds	187 545	166 656

1) Shareholders equity for the parent company includes untaxed reserves.

2) In the first quarter SEB issued an Additional Tier 2 instrument of EUR 500m, which is included in the bank's own funds as of the first quarter 2024.

Risk exposure amount

SEK m	31 Mar 2024		31 Dec 2023	
	Risk exposure amount	Own funds requirement ¹⁾	Risk exposure amount	Own funds requirement ¹⁾
Credit risk IRB approach				
Exposures to central governments or central banks	11 784	943	8 509	681
Exposures to institutions	59 935	4 795	56 455	4 516
Exposures to corporates	361 027	28 882	347 684	27 815
Retail exposures	47 151	3 772	46 799	3 744
of which secured by immovable property	37 197	2 976	36 928	2 954
of which retail SME	2 890	231	2 680	214
of which other retail exposures	7 065	565	7 191	575
Securitisation positions	2 675	214	2 597	208
Total IRB approach	482 572	38 606	462 044	36 964
Credit risk standardised approach				
Exposures to central governments or central banks				
Exposures to administrative bodies and non-commercial undertakings	715	57	711	57
Exposures to institutions	13 063	1 045	11 880	950
Exposures to corporates	3 348	268	3 224	258
Retail exposures	8 868	709	8 719	697
Exposures secured by mortgages on immovable property	1 937	155	1 872	150
Exposures in default	122	10	121	10
Exposures associated with particularly high risk	515	41	397	32
Exposures in the form of collective investment undertakings (CIU)	481	38	458	37
Equity exposures	55 048	4 404	52 951	4 236
Other items	3 926	314	2 929	234
Total standardised approach	88 023	7 042	83 263	6 661
Market risk				
Trading book exposures where internal models are applied	20 335	1 627	19 375	1 550
Trading book exposures applying standardised approaches	7 375	590	5 540	443
Total market risk	27 710	2 217	24 915	1 993
Other own funds requirements				
Operational risk advanced measurement approach	42 724	3 418	41 628	3 330
Settlement risk	15	1	0	0
Credit value adjustment	11 747	940	10 403	832
Investment in insurance business	25 991	2 079	25 155	2 012
Other exposures	819	66	516	41
Additional risk exposure amount, Article 458 CRR ²⁾	154 760	12 381	154 229	12 338
Total other own funds requirements	236 055	18 884	231 931	18 554
Total	834 361	66 749	802 153	64 172

1) Own funds requirement 8% of risk exposure amount according to Regulation (EU) No 575/2013 (CRR).

2) Additional risk exposure amount according to Article 458, Regulation (EU) No 575/2013 (CRR), for risk-weight floors in the Swedish mortgage portfolio and as from the third quarter 2021 for risk-weight floors in the Norwegian mortgage portfolio as well as for Norwegian corporate exposures collateralised by immovable property. As from the third quarter 2023 the capital requirements for risk weight floors on exposures secured by commercial real estate in Sweden was moved from Pillar 2 to Pillar 1.

Average risk weight

IRB reported credit exposures (less repos and securities lending)		
Average risk-weight	31 Mar 2024	31 Dec 2023
Exposures to central governments or central banks	1.5%	1.6%
Exposures to institutions	21.0%	20.8%
Exposures to corporates	25.6%	25.5%
Retail exposures	8.0%	7.9%
of which secured by immovable property	6.6%	6.5%
of which retail SME	42.0%	41.8%
of which other retail exposures	40.5%	41.1%
Securitisation positions	16.7%	16.7%

Signature of the President

The President declares that this financial report for the period 1 January 2024 through 31 March 2024 provides a fair overview of the parent company's and the group's operations, their financial position and results and describes material risks and uncertainties facing the parent company and the group.

Stockholm den 24 April 2024

Johan Torgeby
President and Chief Executive Officer

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

Auditor's review report

To the Board of Directors in Skandinaviska Enskilda Banken AB (publ), org.nr 502032-9081

Introduction

We have reviewed the condensed financial report for Skandinaviska Enskilda Banken AB (publ) as of March 31, 2024 and for the third-month period ending as at this date. The Board of Directors, the President and the Chief Executive Officer are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review differs from and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed financial report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies regarding the Group, and in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies regarding the Parent Company.

Stockholm, 24 April 2024

Ernst & Young AB

Hamish Mabon
Authorized Public Accountant

Contacts and calendar

SEB's result for the first quarter 2024

On Wednesday 24 April 2024, at approximately 07:00 CET, SEB's results for the first quarter 2024 will be announced. In addition, presentations and the Fact Book will be available on sebgroup.com/ir. You are invited to participate in the following event:

Telephone conference

On Wednesday 24 April 2024 at 09:30 CET, Johan Torgeby, SEB's President and CEO, and Masih Yazdi, CFO, will present the results, followed by a Q&A session with Johan Torgeby, Masih Yazdi and Pawel Wyszynski, Head of Investor Relations. The presentation and Q&A will be conducted in English.

To participate in the telephone conference, please sign up and register here:

register.vevent.com/register/BI3baf393231554bb9af4cc8a668bf27f7

Media interviews

Media can follow the presentation live on sebgroup.com/ir, where it also will be available afterwards. There is a possibility for media to book interviews after the telephone conference. Please contact press@seb.se to make a request.

Further information is available from

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sebgroup.com

Corporate organisation number: 502032-9081

Further financial information is available in SEB's Fact Book and in the additional Pillar 3 disclosures which are published quarterly on sebgroup.com/ir

Financial information calendar 2024

16 July 2024

24 October 2024

Second quarterly report 2024

Third quarterly report 2024

Silent period starts 1 July 2024

Silent period starts 1 October 2024

The financial information calendar for 2025 will be published in conjunction with the Quarterly Report for January-September 2024.

Definitions

Including Alternative Performance Measures¹⁾

Items affecting comparability

To facilitate the comparison of operating profit between current and previous periods, items with significant impact that management considers affect the comparability or are relevant for the understanding of the financial result, are identified and presented separately, for example impairment of goodwill, restructuring, gains and losses from divestments and other income or costs that are not recurring.

Operating profit

Total profit before tax.

Net profit

Total profit after tax.

Return on equity

Net profit attributable to shareholders in relation to average shareholders' equity.

Return on equity excluding items affecting comparability

Net profit attributable to shareholders, excluding items affecting comparability and their related tax effect, in relation to average shareholders' equity.

Return on business equity

Operating profit by division, reduced by a standard tax rate, in relation to the divisions' average business equity (allocated capital).

Return on total assets

Net profit attributable to shareholders, in relation to average total assets.

Return on risk exposure amount

Net profit attributable to shareholders in relation to average risk exposure amount.

Cost/income ratio

Total operating expenses in relation to total operating income.

Basic earnings per share

Net profit attributable to shareholders in relation to the weighted average number of shares outstanding before dilution.

Diluted earnings per share

Net profit attributable to shareholders in relation to the weighted average diluted number of shares, adjusted for the dilution effect of potential shares in the long-term equity-based programmes.

Net worth per share

The total of shareholders' equity, the equity portion of any surplus values in the holdings of debt securities and the surplus value in life insurance operations in relation to the number of shares outstanding.

Equity per share

Shareholders' equity in relation to the number of shares outstanding.

Expected credit losses, ECL

Probability-weighted credit losses with the respective risk of a default.

ECL allowances

The allowance for expected credit losses on financial assets, contract assets, loan commitments and financial guarantee contracts.

Net ECL level

Net expected credit losses in relation to the opening balance of the year of debt securities, loans to the public and loans to credit institutions measured at amortised cost, financial guarantees and loan commitments, net of ECL allowances.

ECL coverage ratio

ECL allowances in relation to underlying gross carrying amounts for loans and debt securities as well as nominal amounts of financial guarantees and loan commitments.

Stage 3 loans / Total loans, gross

Gross carrying amount for stage 3 loans (credit-impaired loans) in relation to gross carrying amount for total loans measured at amortised cost (including trade and client receivables presented as other assets).

Stage 3 loans / Total loans, net

Carrying amount for stage 3 loans (credit-impaired loans) in relation to carrying amounts for total loans measured at amortised cost (including trade and client receivables presented as other assets)

The Excel file Alternative Performance Measures, available on sebgrou.com/ir, provides information on how the measures are calculated.

¹⁾ Alternative Performance Measures, APMs, are financial measures of historical or future financial performance, financial position, or cash flows, other than those defined in the applicable financial reporting framework (IFRS) or in the EU Capital Requirements Regulation and Directive CRR/CRD IV. APMs are used by SEB when relevant to assess and describe SEB's financial situation and provide additional relevant information and tools to enable analysis of SEB's performance. APMs on basic earnings per share, diluted earnings per share, net worth per share, equity per share, return on equity, return on tangible equity, return on total assets and return on risk exposure amount provide

relevant information on the performance in relation to different investment measurements. The cost/income ratio provides information on SEB's cost efficiency. APMs related to lending provide information on provisions in relation to credit risk. All these measures may not be comparable to similarly titled measures used by other companies.

Definitions, cont.

According to the EU Capital Requirements Regulation no 575/2013 (CRR):

Risk exposure amount

Total assets and off-balance sheet items, risk-weighted in accordance with capital adequacy regulations for credit risk and market risk. The operational risks are measured and added as risk exposure amount. Risk exposure amounts are only defined for the consolidated situation, excluding insurance entities and exposures deducted from own funds.

Common Equity Tier 1 capital (CET)

Shareholders' equity excluding dividend, deferred tax assets, intangible assets and certain other regulatory adjustments defined in EU Regulation no 575/2013 (CRR).

Tier 1 capital

Common Equity Tier 1 capital plus qualifying forms of subordinated loans liabilities, so-called additional tier 1 instruments.

Tier 2 capital

Mainly subordinated loans liabilities not qualifying as Tier 1 capital contribution.

Own funds

The sum of Tier 1 and Tier 2 capital.

Common Equity Tier 1 capital ratio

Common Equity Tier 1 capital as a percentage of risk exposure amount.

Tier 1 capital ratio

Tier 1 capital as a percentage of risk exposure amount.

Total capital ratio

Total own funds as a percentage of risk exposure amount.

Liquidity coverage ratio (LCR)

High-quality liquid assets in relation to the estimated net liquidity outflow over the next 30 calendar days.

According to the EU Capital Requirements Regulation no 876/2019 (CRR2) and according to the EU Directive no 879/2019 (BRRD II):

Leverage ratio

Tier 1 capital as a percentage of the exposure value of assets, derivatives and off-balance sheet items.

Net stable funding ratio (NSFR)

Available stable funding in relation to the amount of required stable funding.

Minimum requirement of eligible liabilities (MREL)

Minimum requirement for own funds and eligible liabilities, as set by the Swedish National Debt Office.

Divisions of the SEB Group

Large Corporates & Financial Institutions

The division offers commercial and investment banking services to large corporate and institutional clients in the Nordic region, Germany and the United Kingdom. Customers are also served through the international network.

Corporate & Private customers

The division offers full banking and advisory services to private individuals and small and medium-sized corporate customers in Sweden, as well as card services in four Nordic countries. Swedish affluent individuals are also offered private banking services.

Private Wealth Management & Family Office

The division offers comprehensive banking infrastructure, access to capital markets, financing solutions and individually tailored advisory services to entrepreneurs, high net worth individuals, foundations and family offices.

Baltic

The division provides full banking and advisory services to private individuals and small and medium-sized corporate customers in Estonia, Latvia and Lithuania.

Life

The division offers life insurance solutions to private as well as corporate and institutional clients mainly in the Nordic and Baltic countries.

Asset Management

The division consists of SEB Investment Management, which manages SEB funds and mandates distributed via SEB's customer channels, and Institutional Asset Management, which distributes funds and mandates managed by SEB and other institutes.

This is SEB

We connect ideas, people and capital to drive progress

Being a leading northern European corporate bank with international reach, we support our customers in making their ideas come true. We do this through long-term relationships, innovative solutions, tailored advice and digital services – and by partnering with our customers in accelerating change towards a more sustainable world.

Our customers

2,000 large corporations, 1,100 financial institutions, 292,000 SME and 1.3 million private full-service customers bank with SEB.

Our values

We are guided by our Code of Conduct and the SEB behaviours: create value, act long-term and build positive relationships.

Our employees

Around 17,500 highly skilled employees serving our customers from locations in more than 20 countries – covering different time zones, securing reach and local market knowledge.

Our history

We have a long tradition of supporting people and companies and helping drive development. Ever since we welcomed our first customer almost 170 years ago, we have been guided by engagement and curiosity about the future. By providing financial products and tailored advisory services to meet our customers' changing needs, we build on our long-term relationships and do our part to contribute to a more sustainable society

Focus areas

Acceleration of efforts – Strengthening our customer offering by continuing to build on existing strengths through extra focus and resources targeted at already established areas.

Strategic change – Evaluating the need for strategic change and transforming the way we do business within already established areas.

Strategic partnerships – Collaborating and partnering with external stakeholders and rethinking how we produce and distribute our products and services.

Efficiency improvement – Increasing our focus on strategic enablers allowing us to improve efficiency and accelerate SEB's transformation journey.

Additional financial information is available in SEB's Fact Book which is published quarterly on sebgroup.com/ir