



Corporate Sustainability Policy for the SEB Group

derived from the Rules of Procedure of the Board of Directors

adopted by the Board of Directors of
Skandinaviska Enskilda Banken AB (publ)
on 5 December 2017

Group Sustainability

Corporate Sustainability

1. Introduction

Banks play an important role in society, by providing credit and managing financial assets in ways that promote sustainable economic growth and prosperity. Thus, Skandinaviska Enskilda Banken AB's (publ) ("SEB") business has a direct and indirect impact in the markets and communities where it operates. SEB defines Corporate Sustainability as the delivery of long-term value in economic, ethical, social and environmental terms. SEB integrates corporate sustainability in its activities by taking a broad business approach and targeting three areas— Responsible Business, People and Community, and Environment.

The Policy is supplemented by SEB's Environmental Policy, Human Rights Policy and SEB's position statements¹ and sector policies². The latter regulate our view on specific key issues and industry sectors that are considered critical from an environmental and social perspective. SEB's way of working is also expressed in the Code of Conduct and through SEB's core values: Customers first, Commitment, Collaboration and Simplicity.

2. Purpose

The purpose with this Policy is to define the framework for sustainability in SEB and provide a governing platform for SEB's sustainability work for all business decisions, including investment and credit decisions.

3. Scope

The Policy applies to the SEB Group and covers SEB's business activities and operations globally.

4. Corporate Sustainability Statement

SEB recognises that sustainable development is an important and integral part of the pursuit of value creation for customers, employees, shareholders and society at large. SEB is convinced that companies that include sustainability in their operations and business decisions are more successful in the long term. SEB's ambition is to create long-term value from a financial, ethical, social and environmental perspective. SEB strives to address sustainability issues that are relevant and meaningful for SEB as a bank and the markets in which SEB operates.

SEB:

¹ Climate Change, Freshwater and Child Labour

² Arms and Defence, Mining and Metals, Shipping, Forestry, Fossil Fuels and Renewable Energy

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- integrates sustainability throughout its business, taking responsibility for acting and living SEB's values, striving for simplicity and transparency;
- influences through dialogue and develops solutions and offerings that provide opportunities for SEB's customers, other key stakeholders and SEB to make positive contributions to a sustainable future;
- manages risks, including those related to environmental, social and governance aspects;
- contributes to the development of society and future generations.

5. Corporate Sustainability Management

5.1 SEB integrates sustainability in its activities by taking a broad business approach. This includes identifying and seizing opportunities for positive impact as well as avoiding adverse impacts through SEB's own activities or through our financial products and transactions. SEB aims to promote awareness, knowledge and innovation by educating and motivating employees as well as customers. SEB monitors and follows up its sustainability performance.

5.2 Within SEB's three areas of responsibility for corporate sustainability (Responsible Business, People and Community, Environment), SEB has defined eight priorities:

- Selling and advising
Facilitate customers' own control and understanding of their financial situation. Ensure quality advice based on long-term needs and taking into consideration environmental, social and governance aspects..
- Cyber security and crime prevention
Ensure cyber security, covering information security and customer integrity. Take actions to prevent money laundering, fraud and financing of criminal activity.
- Investments
Ensure responsible investment decisions by integrating environmental, social and governance aspects into the decision process. Perform the ownership role responsibly.
- Finance
Together with SEB's customers, reducing the risk for negative social and environmental impact related to SEB's finance activities. Increase the positive contribution by offering sustainable finance products and services.

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- Our people
Be a sound workplace, attract and retain the right people that promote SEB's values, and adapt the organisation for future needs. Provide scope for professional and personal growth and development opportunities for all. Make SEB's employees feel valued, knowledgeable, included and engaged.
- Corporate citizenship
Engage for future generations and enhance financial literacy. Support youth and entrepreneurship through active partnerships..
- Direct environmental impact
Manage SEB's direct environmental impact with the ambition to reduce the negative footprint.
- Indirect environmental impact
Manage SEB's indirect environmental impact, linked to our services to customers and our cooperation with suppliers, with the ambition to reduce the negative and increase the positive impact.

6. Stakeholder Engagement

SEB strives to address sustainability issues that are relevant and meaningful for SEB as a bank and the markets in which SEB operates. Engaging with SEB's stakeholders and incorporating their feedback is therefore instrumental to the success of SEB's sustainability work. SEB also acknowledges the role SEB can play in collaborating with stakeholders on issues and challenges of mutual interest and concern.

7. Governance

- 7.1** The Board of Directors is responsible for deciding on SEB's Strategy and sustainability approach. The President and Chief Executive Officer ("President") decides in the Group Executive Committee ("GEC") on the development and the execution of the corporate sustainability approach, in line with the strategy set by the Board.

Corporate Sustainability (CS) Committee

- 7.2** The President has assigned an operational steering group, the Corporate Sustainability (CS) Committee, responsible for SEB's sustainability activities. The CS Committee is chaired by a member of the GEC, and includes senior representatives from all Divisions as well as applicable Group Functions, including Group Sustainability.

The CS Committee is responsible for

- setting the sustainability agenda - approach, ambitions, targets – which is formally approved by the GEC;

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- recommending policy decisions that are formally adopted by the GEC, or the Board;
- following up and monitoring the development of SEB's sustainable business priorities as well as all sustainability practices within the Group.

Each committee member is also responsible for driving the sustainability agenda in their respective division or unit.

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- 7.3** Group Sustainability is responsible for coordinating and driving the overall sustainability agenda within SEB, ensuring implementation in accordance with the directives of the Board, and for reporting on progress.

Execution

- 7.4** Each Head of Division, Business Area, Group Staff Function or other Group Function is responsible for ensuring that activities carried out and instructions adopted are in accordance with this Policy.

Control

- 7.5** The responsibility for implementing sustainability principles within the Group lies with each division, business area, business unit, SEB subsidiary and business support and staff function. A review of the adherence to the sustainability principles in SEB and subsequent Policies and International Commitments shall be organised and conducted annually by the Group Sustainability team and where applicable by Group Risk and Group Compliance. Regular reports on compliance and progress shall be presented to the CS Committee and, at least yearly, to the GEC. The adherence to sustainability principles is embedded in the risk based activity plans of the Internal Audit function within SEB, and the outcome is reported to the CS Committee, GEC and Board in accordance with established routines. In addition Group Sustainability may commission a review by an external assessor, with appropriate expertise, as decided by the CS Committee.

8. Reporting

SEB shall be transparent in its efforts to support long-term sustainable development of its operations. SEB shall report publicly on the sustainability performance on an annual basis. The sustainability reporting shall be finalised in conjunction with the Annual Report, as a separate report, integrated or a combination. Other external reports follow each international organisation's reporting routines.

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9. International Commitments

SEB recognises the importance of participating in and supporting international commitments that enable businesses to operate in a more sustainable way.

SEB is committed to:

- UN Global Compact
- Universal Declaration of Human Rights
- The eight ILO Core Conventions on Labour Standards³
- UN Guiding Principles on Business and Human Rights
- The Children's Rights and Business Principles
- OECD Guidelines for Multinational Enterprises
- UN supported Principles for Responsible Investments (PRI)
- UN Environment Program Finance Initiative (UNEPFI)
- Equator Principles

³ Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) ; Right to Organise and Collective Bargaining Convention, 1949 (No. 98); Forced Labour Convention, 1930 (No. 29); Abolition of Forced Labour Convention, 1957 (No. 105); Minimum Age Convention, 1973 (No. 138); Worst Forms of Child Labour Convention, 1999 (No. 182); Equal Remuneration Convention, 1951 (No. 100); Discrimination (Employment and Occupation) Convention, 1958 (No. 111)