

SEB's acquisition of AirPlus

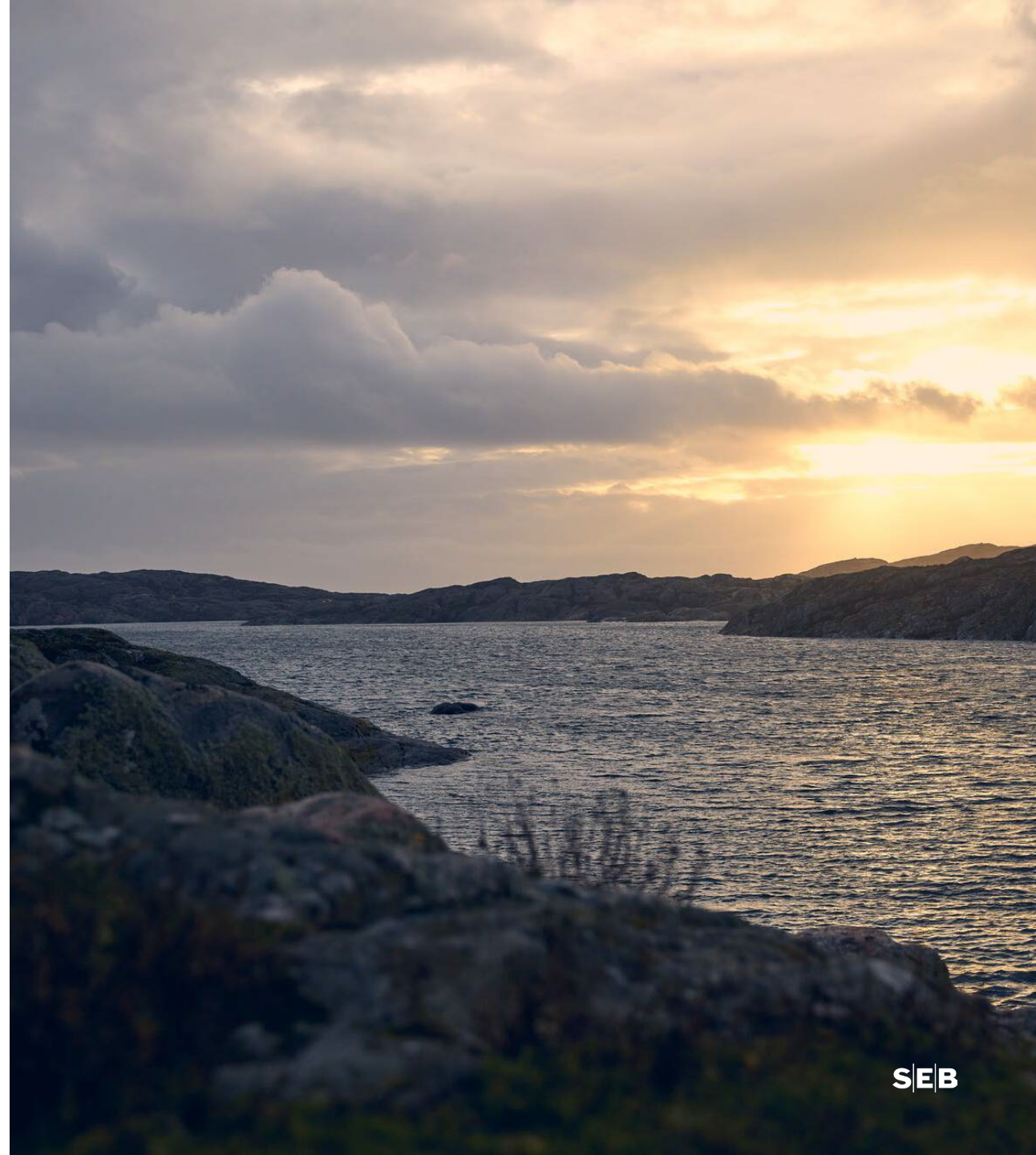
21 June 2023

Jonas Söderberg, Head of C&PC division

Masih Yazdi, CFO

Agenda

- 01 Our 2030 Strategy
- 02 The card market, SEB Kort & AirPlus
- 03 Summary of the transaction



Strategic alignment of acquisition

Future-proofing customer relationships and profit generation

Future-proofing our platform

Acceleration of efforts

1

- **Expand Corporate and Investment Banking**
- Leverage Custody and Markets platforms to become Nordic market leader
- Grow Savings and Investments in the Nordics and the Baltics
- Capture the sustainability supercycle

Strategic change

2

- Transform Retail Banking to go more digital, with a mobile first approach, in Sweden and the Baltics
- Establish Private Wealth Management & Family Office division in all home markets
- Scale and implement SEBx capabilities

Strategic partnerships

3

- Rethink ways of producing and distributing products and services
- Strengthen innovation and business momentum through external partnerships

Efficiency improvement

4

- Change approach from automation to end-to-end processes
- Develop into a fully data-driven organisation
- **Accelerate technology development**
- Enhance regulatory efficiency

Corporate & Private Customers Division Strategy

Expand Corporate and Investment Banking

- Leverage Investment Banking expertise and products from LC&FI
- Capture sustainability supercycle
- **Grow card franchise**

Corporate & Private Customers 2030 Strategy

Corporate & Private Customers

Transform Retail Banking to go more digital

- Accelerate development of digital and remote capabilities
- Enhance Bancassurance offering
- Advance savings and investments offering

Expand Corporate and Investment Banking

- Leverage Investment Banking expertise and products from LC&FI
- Capture sustainability supercycle
- Grow card franchise

Enhance regulatory efficiency

- Improve on- and offboarding
- Expand advisory tools
- Leverage industry common initiatives

Financials

	2020	2021	Aspirational target	Adjusted Aspirational target (ex PWM&FO)
C/I	0.43	0.46	<0.40	<0.40
RoE	15.1 %	15.6 %	>17.0 %	>16.0 %

Customer satisfaction

2021 SKI* Corporate #1 SKI* Private #2 Prospera 1

Target ← #1 →

Additional benefits

- Customer convenience
- Attracting talents
- Employee engagement

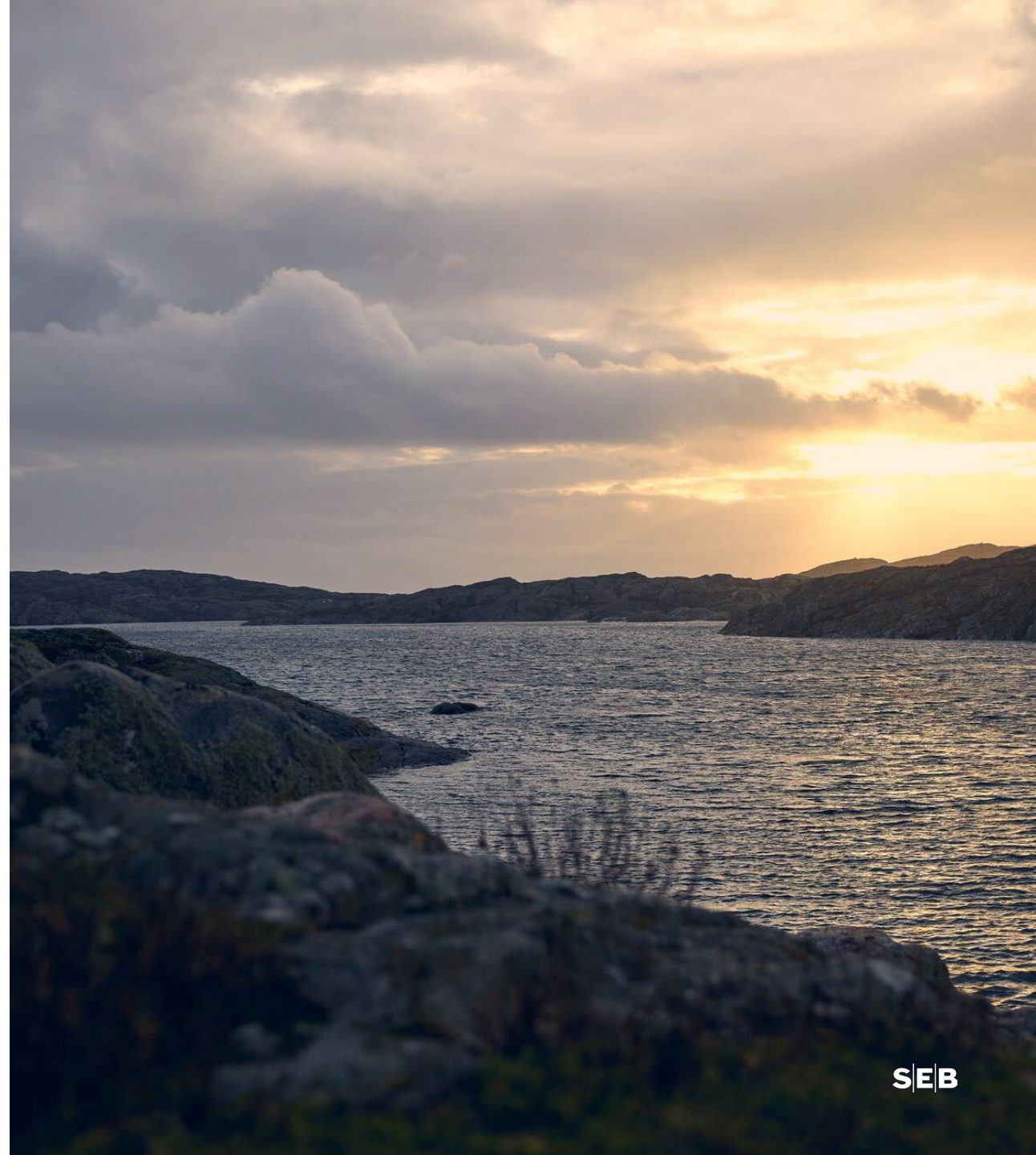
* Svenskt Kvalitetsindex (Swedish Quality Index) versus large bank peers.

We aim to be the #1 full-service bank in the Swedish market
"Digital first and with a human touch or face-to-face, in the moments that matter"

SEB

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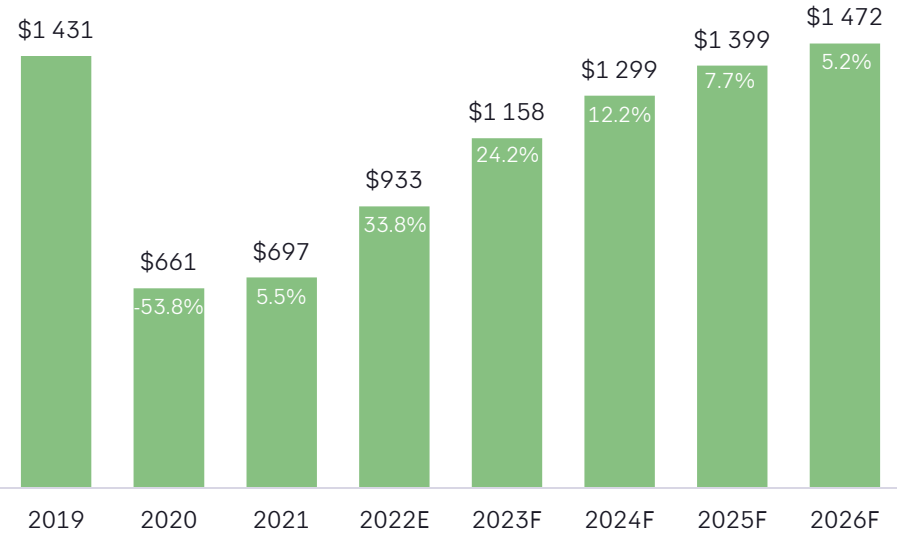


Attractive and growing commercial card market

Importance of global card infrastructure continues to increase

Commercial cards: attractive market with high complexity and stickiness

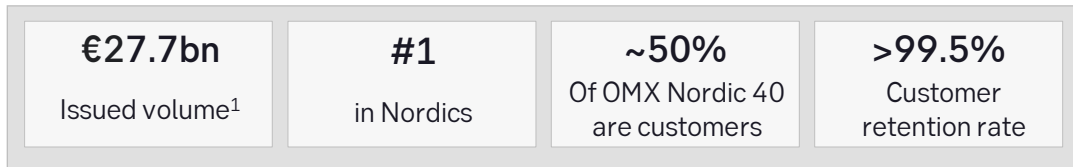
Global Business Travel Spend (Billion US\$)



Source: GBTA 2022 Business Travel Index Outlook

SEB Kort

- A leader in commercial cards in the Nordics
- Fundamentally **strong business** on course for full recovery post Covid-19
- **Well positioned corporate** customer franchise, with a strong position within large corporates throughout the Nordic region
- **4-5% of group operating profit** and **ROBE of +20%**

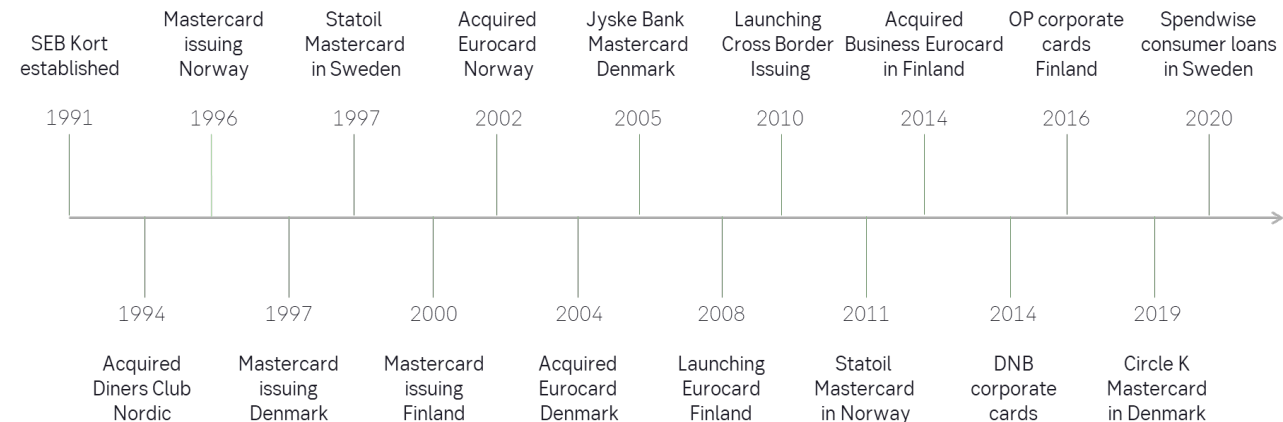


AirPlus

- A leader in company accounts with a particularly strong footprint in the DACH region and Europe
- Fundamentally **strong business** on course for full recovery post Covid-19
- **Well positioned corporate** customer franchise, with a strong position within EURO STOXX corporate companies
- Currently owned by Lufthansa



SEB Kort has extensive experience of organic growth & adding scale through partnerships & acquisitions



Complementary product offerings

Commercial cards	Company accounts	Current positions
<p>Either physical or virtual, issued to corporate customers' employees to facilitate such employees' corporate spend (e.g., T&E, indirect purchases, and recurring payments)</p> <p style="text-align: center;">∨</p> <p style="text-align: center;">Gives customers:</p> <ul style="list-style-type: none">• Access to interest-free credit for travel expenses• Real-time integration, deliveries to ERPs• One service to manage thousands of employees worldwide	<p>Issued to corporate customers, combining employees' travel expenses from travel agencies and other travel suppliers (taxi, hotel, and train) into one centralised invoice, serving both as an information and invoicing service to corporate customers</p> <p style="text-align: center;">∨</p> <p style="text-align: center;">Gives customers:</p> <ul style="list-style-type: none">• An equivalent of a factoring solution, with 100 % automation between parties, and funding through process time between transaction and invoice• A cost-efficient solution, with reseller only paying 30-50 bps	<p>SEB Kort is a leader in commercial cards in the Nordics with a legacy company account platform</p> <p>AirPlus is a leader in company accounts with a particularly strong footprint in the DACH region with a smaller complementing commercial card business</p>

Combining SEB Kort and AirPlus capabilities will create a **unique value proposition**

- Simplifying a time-consuming and administrative process for managing commercial cards and company accounts
- SEB Kort and AirPlus combined will be well placed to contribute to the development of pan-European payment solutions
- The transaction creates a European leader in corporate payment solutions

A European leader for corporate payment services

Foundation for further growth and value creation

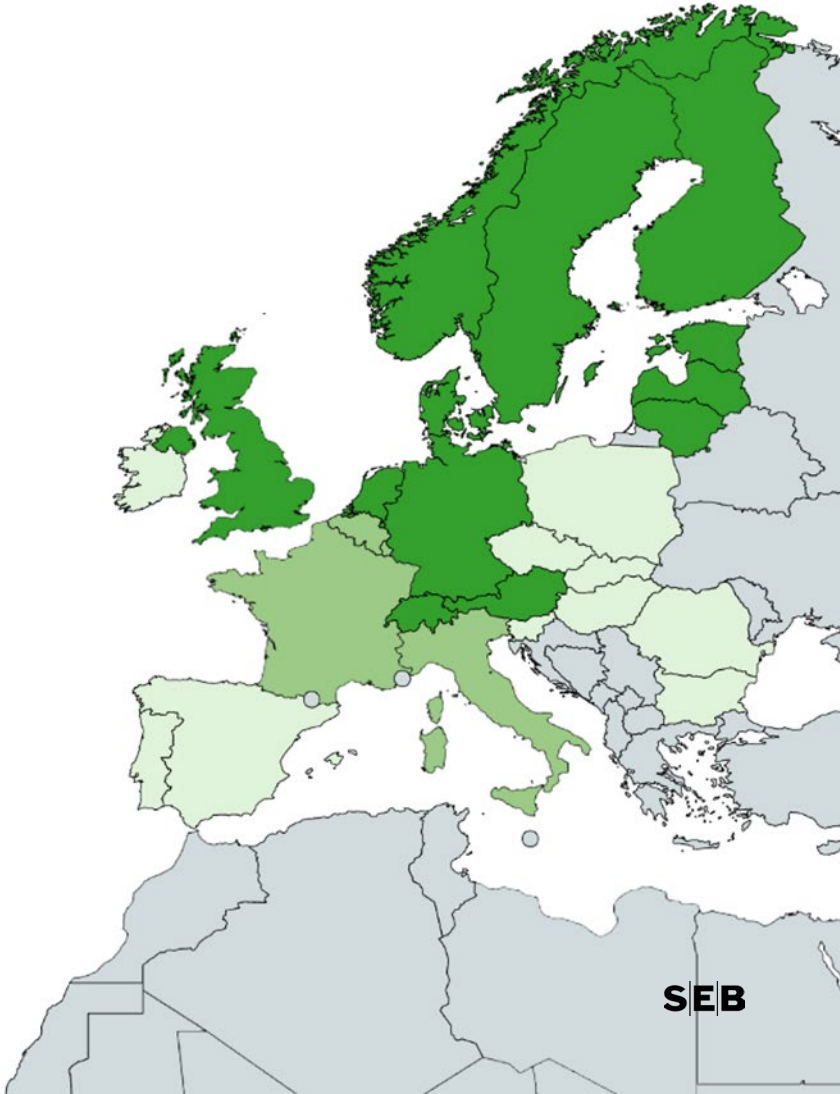
Efficient solutions for complex needs



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Summary of the transaction

Strong strategic rationale

- Attractive, profitable corporate market segment
- Attractive European corporate customer base
- Secure, modern IT platform, scale and long-term investment capacity
- Creates a European market leader

Financial impact

- Cash purchase price of EUR 450m
- Negative CET1 effect of 35-40 bps at closing
- Income, funding and cost synergies
- EPS accretive; year 1 excluding implementation costs, year 2 including implementation costs
- RoE enhancing in the medium term

More details on strategic and financial implications to be communicated at closing - planned for 1H 2024 and subject to closing conditions/regulatory clearances





Q&A