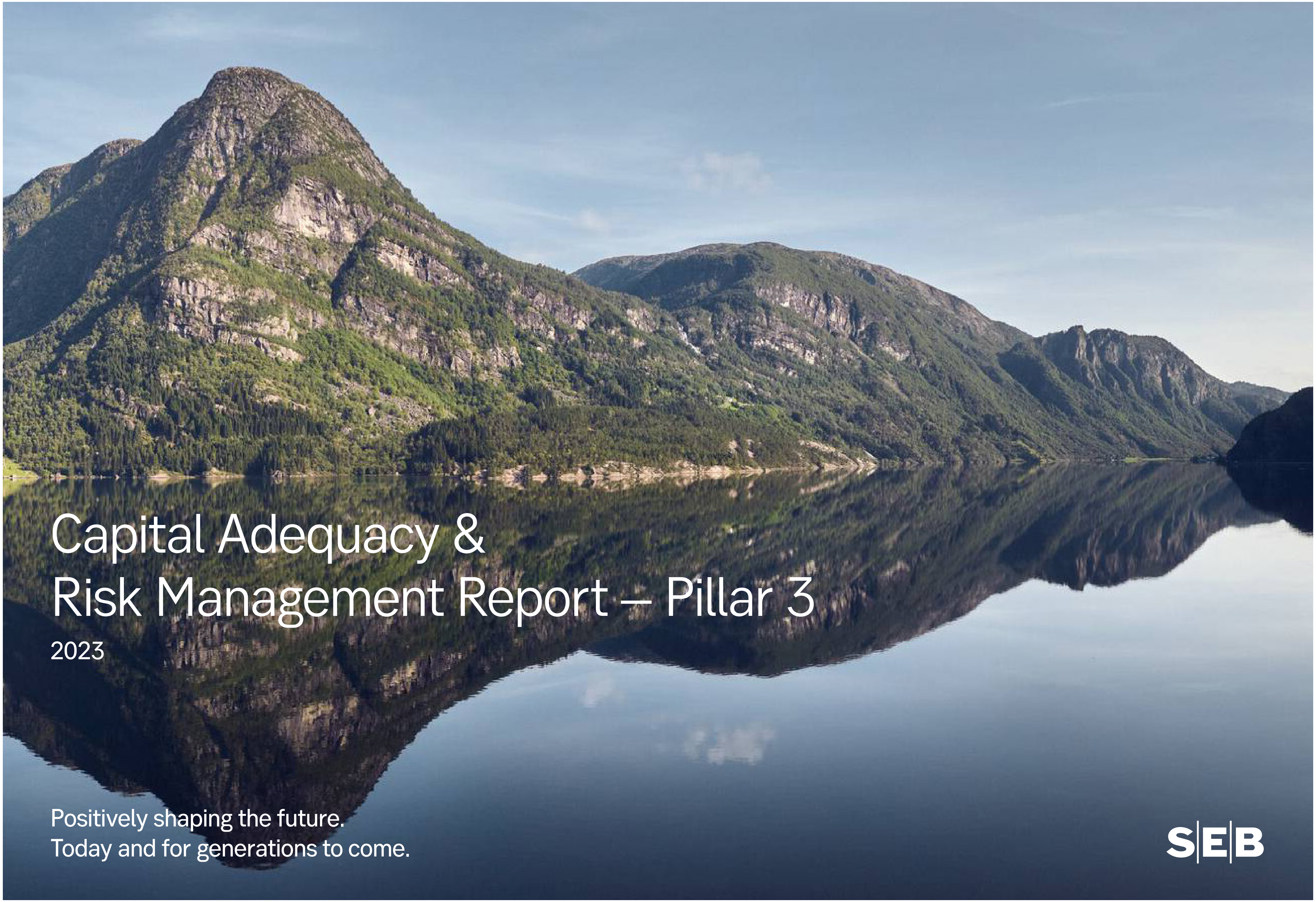

Capital Adequacy & Risk Management Report – Pillar 3

2023

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

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Our northern European market position

Home markets – we serve customers with a wide range of products
in Sweden, Norway, Denmark, Finland, Estonia, Latvia, Lithuania, Germany and the United Kingdom.

Geographical expansion – we expand our business for large corporate customers
in The Netherlands, Switzerland and Austria.

Furthermore, we support our home market customers around the world in Beijing, Hong Kong, Kyiv, Luxembourg, New Delhi, New York, Nice, São Paulo, Shanghai, Singapore and Warsaw.

Our customers and stakeholders

2,000
Large corporations

1,100
Financial institutions

400,000
Small and medium-sized companies. Of these, some 292,000 are home bank customers.[1)]

4,000,000
Private individuals. Of these, some 1.3 million are home bank customers.[1)]

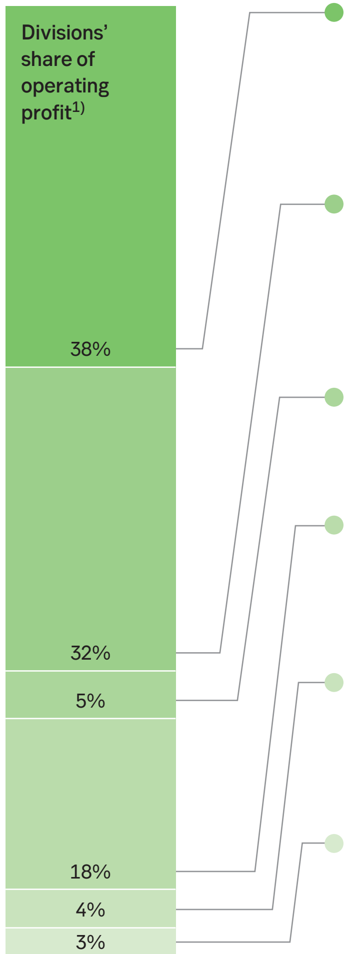
17,500
Employees

280,000
Shareholders

Society
We are a key part of society's infrastructure and an engaged corporate citizen.

1) Home bank customers are active users of several products and services within SEB.

Our customers and divisions



Large Corporates & Financial Institutions
Commercial and investment banking services for large corporate and institutional customers in the Nordic region, Germany and the United Kingdom as well as in our international network.

Corporate & Private Customers
Full banking and advisory services for private individuals and small and medium-sized corporate customers in Sweden, as well as card services in four Nordic countries.

Private Wealth Management & Family Office
Leading private banking services with global reach for Nordic high-net-worth individuals.

Baltic
Full banking and advisory services for private individuals and small and medium-sized corporate customers in Estonia, Latvia and Lithuania.

Life
Life insurance solutions for private as well as corporate and institutional customers mainly in the Nordic and Baltic countries.

Investment Management
Management and distribution of mandates, SEB-labelled and external funds for customers channelled via the Group's divisions.

1) Excluding Group functions and eliminations.

The year in summary

Long-term financial targets and outcome	2023	2022	2021	2020	2019
Dividend payout ratio of around 50 per cent of earnings per share[1,2], per cent	47	51	51	106	0
CET 1 capital ratio of 100–300 basis points over requirement[3], basis points	440	470	590	840	250
Return on equity competitive with peers[2,4], per cent	17.9	14.5	13.9	10.3	13.8

Key figures	2023	2022	2021	2020	2019
Cost/income ratio	0.34	0.39	0.42	0.45	0.44
Earnings per share[5], SEK	18.20	12.58	11.75	7.28	9.33
Dividend per share[1], SEK	11.50	6.75	6.00	8.20	0.00
Carbon Exposure Index. Target 2030: 45–60% reduction[6]	61	78	88		
Sustainability Activity Index. Target 2030: 6–8 times increase[6]	223	158	100		

1) Board proposal for 2023. Ordinary dividend: SEK 8.50 and a special dividend of SEK 3.00 per share. The ordinary dividend corresponds to a payout ratio of 47 per cent.
2) Excluding items affecting comparability.
3) Regulatory requirement: 14.7 per cent (14.2).
4) With a long-term target to reach a sustainable return on equity of 15 per cent.
5) Comparative figures for 2022 have been restated for the transition to IFRS 17 Insurance Contracts.
6) 2022 outcome revised for information quality reasons. See Annual and Sustainability Report, p. 191.

+24%
Operating income

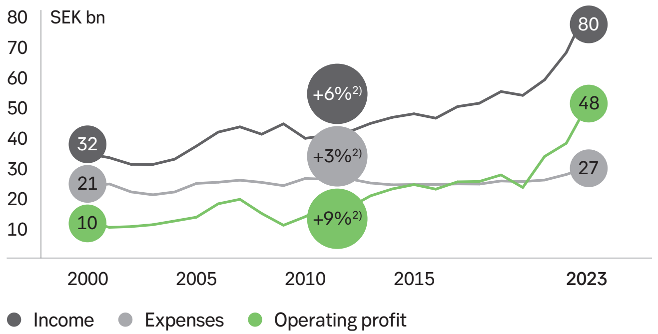
+37%
Operating profit
Excluding items affecting comparability

17.9%
Return on equity
Excluding items affecting comparability

11.50
Proposed dividend
Total of ordinary and extraordinary dividend, SEK per share

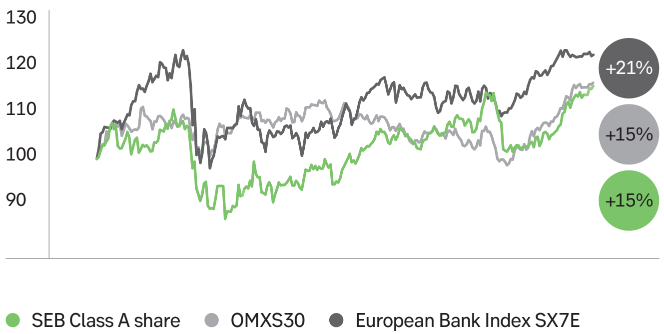
Development and performance

Our profit development[1]



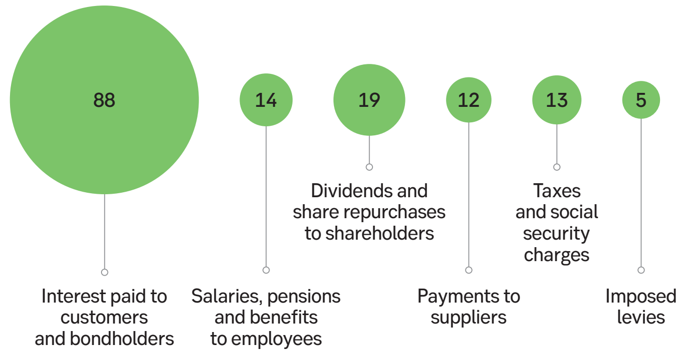
1) Excluding items affecting comparability. 2) Compound Annual Growth Rate (CAGR).

Share price development 2023 SEB Class A share[1]



1) Index 1 January 2023 = 100

Value distributed in 2023, SEK bn



About this report

SEB is committed to maintain public transparency with regards to the development of its business, financial performance and risks. Extensive information is provided in the group's financial reports, including the Annual and Sustainabilty Report, the quarterly interim reports and in the Fact Books. In the Pillar 3 disclosures, SEB provides additional information on its risk exposures, risk management and capital adequacy.

Regulatory framework for disclosures

The Basel Committee's framework for banking regulation is based on a concept of three pillars:

Pillar 1 – Minimum capital requirements to meet credit, market and operational risk;

Pillar 2 – Supervisory review process, and the bank's internal process for assessing overall capital and liquidity adequacy in accordance with its risks; and

Pillar 3 – Market discipline enabled by disclosures.

Pillar 3 entails extended disclosures by banks with regard to their capital position, risk exposures and risk management processes. Pillar 3 requires all material risks to be disclosed in order for investors and other market participants to assess the risk profile of individual banks. The disclosure requirements are stipulated in the *Capital Requirements Regulation* (CRR) and in the *Capital Requirements Directive* (CRD). Additional CRR requirements entered into force on 27 June 2019, while amendments to the CRD, after transposition to Swedish law, started to apply on 29 December 2020. The majority of the supplementary CRR requirements entered into force on 28 June 2021.

Basis for SEB's Pillar 3 disclosures

SEB's Pillar 3 disclosures are prepared in accordance with the requirements stipulated in the Capital Requirements Regulation (Regulation (EU) 575/2013), the EBA's implementing technical standards (ITS) with regard to disclosure of own funds (EU Regulation No 1423/2013), the Swedish FSA's regulations on prudential requirements and capital buffers (FFFS 2014:12) and the EBA's guidelines on disclosure requirements under Part 8 of the CRR. Together with the Annual and Sustainability Report, this report and the additional quarterly and semi-annual Pillar 3 disclosures provide information on SEB's material risks, including details on the group's risk profile forming the basis for the calculation of the capital requirement. The Pillar 3 disclosures complement the Annual and Sustainability Report with additional information and is therefore intended to be read in conjunction with the Annual and Sustainability Report. In particular the sections on "Risk, Liquidity and Capital Management", "Corporate Governance" and the Notes to the financial statements.

The Pillar 3 report 2023 is based on the group consolidated situation as at 31 December 2023. The group consolidated situation represents the regulatory scope of consolidation according to the CRR, established for the purposes of prudential supervision and differs from the group's consolidated financial statements as set out in the Annual and Sustainability Report.

The relationship between the group consolidated situation and the group consolidated financial statements is set out in Tables 64–66 in this report.

The group consolidated situation is based upon its financial position established by the accounting policies of the group, in accordance with International Financial Reporting Standards (IFRS) and interpretations of those standards as adopted by the European Commission. In this report, SEB consolidated situation is referred to as SEB, unless otherwise stated.

The significant accounting policies for the group are presented in the Annual and Sustainabilty Report, note 1 Accounting Policies. The information in this report has not been subject to external audit. The Pillar 3 disclosures can be found on SEB's website www.sebgroup.com.

This report is produced in accordance with the group's disclosure policy and internal processes, systems and controls for financial and regulatory reporting.

Stockholm, 27 February 2024

Masih Yazdi	Mats Holmström
CFO	*CRO*

Table 1. EU KM1 – Key metrics

SEK m		a	b	c	d	e
		31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	170,364	173,736	170,757	166,144	162,956
2	Tier 1 capital	184,409	189,005	185,840	180,615	177,517
3	Total capital	199,688	200,889	201,976	196,362	193,025
Risk-weighted exposure amounts						
4	Total risk-weighted exposure amount	891,992	919,298	884,934	866,914	859,320
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	19.1	18.9	19.3	19.2	19.0
6	Tier 1 ratio (%)	20.7	20.6	21.0	20.8	20.7
7	Total capital ratio (%)	22.4	21.9	22.8	22.7	22.5
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.3	2.3	2.0	2.0	2.0
EU 7b	*of which: to be made up of CET1 capital (percentage points)*	*1.6*	*1.6*	*1.4*	*1.4*	*1.4*
EU 7c	*of which: to be made up of Tier 1 capital (percentage points)*	*1.8*	*1.8*	*1.6*	*1.6*	*1.6*
EU 7d	Total SREP own funds requirements (%)	10.3	10.3	10.0	10.0	10.0
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)					
9	Institution specific countercyclical capital buffer (%)	1.6	1.5	1.4	0.9	0.8
EU 9a	Systemic risk buffer (%)	3.1	3.1	3.1	3.1	3.1
10	Global Systemically Important Institution buffer (%)					
EU 10a	Other Systemically Important Institution buffer	1.0	1.0	1.0	1.0	1.0
11	Combined buffer requirement (%)	8.1	8.0	8.0	7.5	7.4
EU 11a	Overall capital requirements (%)	18.4	18.3	18.0	17.5	17.4
12	CET1 available after meeting the total SREP own funds requirements (%)	12.1	11.6	12.8	12.6	12.4
Leverage ratio						
13	Total exposure measure	3,401,754	4,067,497	4,097,935	3,860,124	3,539,598
14	Leverage ratio (%)	5.4	4.6	4.5	4.7	5.0
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)					
EU 14b	*of which: to be made up of CET1 capital (percentage points)*					
EU 14c	Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)					
EU 14e	Overall leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value)	1,082,931	1,102,947	1,090,068	1,087,299	1,067,445
EU 16a	Cash outflows – Total weighted value	1,122,936	1,159,072	1,168,623	1,165,944	1,142,012
EU 16b	Cash inflows – Total weighted value	282,182	298,005	307,010	300,644	286,247
16	Total net cash outflows (adjusted value)	840,754	861,067	861,613	865,300	855,764
17	Liquidity coverage ratio (%) [1)]	129	129	128	127	126
Net Stable Funding Ratio						
18	Total available stable funding	1,690,324	1,770,321	1,754,173	1,705,374	1,642,404
19	Total required stable funding	1,508,402	1,558,817	1,563,080	1,530,201	1,503,584
20	NSFR ratio (%)	112	114	112	111	109

1) Averages of month end observations over the twelve months preceding the end of each quarter.

Risk management

SEB takes risk with the aim of creating customer value and sustainable returns to shareholders. Management of risk is a core activity in a bank and fundamental to long-term profitability and stability.

Risk management framework

SEB defines risk as the possibility of a negative deviation from an expected financial outcome. Risk-taking and risk management are integral parts of all SEB's business activities and shall therefore be inter-linked with the business strategy. SEB's profitability and viability are directly dependent on its ability to evaluate, manage and price the risks encountered, while maintaining an adequate capital and liquidity position to meet unforeseen events.

SEB's main risk is credit risk. Other risks include market risk, operational risk, liquidity risk, insurance risk, pension risk, business risk, strategic risk and reputational risk. Sustainability related risks are not regarded as a separate risk category, but as risk factors that have bearing on the existing risk categories. This means that the management of sustainability-related risks is integrated into the existing governance and processes for identifying, measuring, assessing, monitoring, managing, mitigating, reporting and pricing risks.

SEB has a robust risk management framework, with defined Board risk appetite , independent risk control, risk analysis and credit approval functions supported by advanced internal risk measurement models. The cornerstones of SEB's risk and capital management include Board supervision, common definitions and principles, a clear decision-making structure, controlled risk-taking within established limits, a high level of risk awareness among staff, and a high degree of transparency in external disclosure. SEB's risk culture is based on long experience, strong customer relationships and sound banking principles providing a solid foundation for the bank's risk governance.

Risk appetite

The Board of Directors is responsible for deciding on the Risk Appetite. The Risk Appetite consists of risk appetite statements that articulate in written form the long-term aggregate level and types of risk SEB is willing to assume to achieve its strategic objectives, and risk appetite measures that quantify the statements and set out the levels of risk tolerated by the Board. Risk Appetite measures are established for the group and cascaded to the divisions and the business areas through limits, key risk indicators, portfolio caps etc. The Risk Appetite is reviewed in connection with the annual approval of SEB's Business Plan and apply to the entire group.

SEB's risk profile, in relation to the risk appetite, is monitored and followed up regularly by the risk organisation and is reported on a quarterly basis to the *Group Executive Committee* (GEC), the *Group Risk Committee* (GRC), the *Board's Risk and Capital Committee* (RCC) and the Board.

Three lines of defence

As the first line of defence, the business units are responsible for the risks that arise as a result of their business activities. Long-term customer relationships and a sound risk culture provide a solid foundation for SEB's risk-taking decisions. Initial risk assessments are made of both the customer relationship and the proposed transaction. The business units ensure that transactions are correctly priced and that the assumed risks are managed throughout the life of the transaction. Larger transactions are approved by the bank's credit committees.

The business units are responsible for ensuring that their activities comply with applicable external and internal rules. They are supported by policies and instructions, and a clear decision-making structure.

The risk and compliance organisations constitute the second line of defence and are independent from the business. The risk organisation is responsible for ensuring that risks are identified, measured, assessed, monitored, managed, mitigated and reported in SEB. Risks are managed both on an aggregated level as well as on a detailed divisional and geographical level. SEB has developed advanced internal measurement models for a major part of its credit portfolio, as well as for market and operational risk, and has approval from the Swedish FSA and the ECB to use these models for calculation of regulatory capital. Risks are monitored and controlled through limits on transactional, counterparty, desk and portfolio levels. Asset quality is monitored and analysed regularly, for example through stress testing.

The compliance organisation ensures the quality of compliance and focuses on issues such as customer protection, conduct in the financial market, prevention of money laundering and financing of terrorism, and other regulatory compliance and control, under the direction of the Board and management.

The internal audit function is the third line of defence. The function reviews and evaluates that SEB's risk and compliance management is adequate and effective both in the first and second line of defence. The internal auditors are in turn evaluated by external auditors. Based on the evaluations by the third line, the processes in the first and second lines of defence are continuously strengthened. SEB's robust governance framework, in com-

Risk Appetite statements in brief

SEB shall:

- **Maintain a high-quality credit portfolio** through a robust credit culture based on long-term relationships, knowledge about customers and focus on debt service ability
- **Maintain a sound structural liquidity position**, a balanced wholesale funding dependence and sufficient liquid reserves to meet potential net cash outflows in a stressed scenario
- **Limit the bank's exposure to non-financial risk** through an effective internal control framework and by ensuring a structured and consistent usage of risk mitigating tools and processes for all identified material non-financial risks
- **Limit the impact of adverse developments** in economic value and earnings from market risk, including valuation uncertainty, from both a short- and long-term perspective
- **Maintain satisfactory capital strength** to manage aggregated risks, guarantee SEB's long-term survival, operate safely above regulatory minimum levels, and support rating targets and the bank's position as financial counterparty.

bination with its sound risk culture and business acumen, constitutes the cornerstones of an effective risk management.

» *For further information about SEB's risk management and the development of the risk profile in 2023, please see the Annual and Sustainability Report – Risk, liquidity and capital management.*

Risk governance

SEB's risk governance is structured as follows.

The *Board of Directors* shall ensure that SEB is organised in such a way that, among other things, it has an effective internal control framework ensuring that all risks inherent in the activities of the group are identified, measured, assessed, monitored, managed, mitigated and reported, and that the functions for risk control, compliance and internal audit are in place, that they are independent, separate from each other and have adequate resources, competences and responsibilities. The Board defines the principles for risk management in SEB's Group Risk Policy. This policy is supplemented by instructions issued by the ***Risk and Capital Committee*** and the *Group Risk Committee*. The Board defines the bank's overall risk appetite, and risk mandates are allocated by board committees and executive management committees. A comprehensive risk management governance structure ensures that policies approved by the Board are effectively complied with in all of SEB's risk-taking activities.

The *Risk and Capital Committee* (RCC) supports the Board in ensuring that SEB is organised and managed in such a way that all risks inherent in the group's business are controlled in accordance with the Board's Risk Appetite as well as with external and internal rules. The RCC also monitors the group's capital situation on a regular basis. The RCC sets the principles and parameters for measuring and allocating risk and capital within the group and oversees risk management systems and the risk appetite and strategy for the near and long-term.

The RCC prepares a recommendation for the appointment and dismissal of the Chief Risk Officer (CRO). Furthermore, the committee decides on individual credit matters of major importance or of importance as to principles and assists the Board's Remuneration Committee in providing a risk-based view on the remuneration system. The group's Chief Financial Officer (CFO) has the overall responsibility for informing and submitting proposals to the RCC on matters related to capital and funding. The CRO has the same overall responsibility regarding risk and credit related matters. The CEO, the CFO and the CRO regularly participate in the meetings.

The *Group Risk Committee* (GRC) is a group-wide, decision-making committee that addresses all types of risk at group level in order to evaluate portfolios, products and customers from a comprehensive risk perspective. The GRC is tasked with making important credit decisions and ensuring that all risks inherent in the group's activities are identified, measured, assessed, monitored, managed, mitigated and reported in accordance with internal and external rules. The GRC also supports the CEO in ensuring that decisions regarding the group's long-term risk appetite are followed in the business organisation and ensures that the Board's guidelines for risk management are implemented and that the necessary rules and policies for risk taking in the group are maintained and enforced. The committee's chairman is the CEO and the deputy chair is the CRO.

The *Asset and Liability Committee* (ALCO) is a groupwide decision-making, monitoring and consultative body that manages financial stability, particularly in new regulatory frameworks, strategic capital and liquidity issues (including internal capital allocation and principles for internal pricing), balance sheet structure and development and other balance sheet related issues, financing of wholly owned subsidiaries, as well as the group's funding strategy. The committee's chairman is the CEO and the deputy chair is the CFO.

The *Group Internal Control and Compliance Committee* (GICC) primarily handles matters and follow-up in the area of internal control and regulatory compliance. The GICC is a consultative forum to the CEO and consists of the CEO, the CFO and the Deputy CEO(s).

The CRO is appointed by the Board and reports to the CEO. The CRO regularly informs the Board, the RCC, the ACC, the GEC, the ALCO and the GRC regarding risk matters. The CRO has a global functional responsibility, and the activities of the CRO are governed by and set out in an instruction adopted by the Board. The CRO Function is organised in three units: *Group Risk, Group Credits* and *Group Risk Aggregation*.

Group Risk is responsible for ensuring that risks are identified, measured, assessed, monitored, managed, mitigated and reported in SEB. The unit also develops and maintains SEB's risk measurement models. The Head of Group Risk is appointed by the CEO upon recommendation by the CRO, and reports to the CRO. The main objectives and the responsibilities of Group Risk are stipulated in the Instruction for Group Risk.

Group Credits is responsible for managing the credit approval process for certain individual credit decisions and for monitoring compliance with the credit policies set by the RCC and the Board. Its activities are regulated by the group's Credit Instruction, adopted by the Board, as well as the Instruction for Group Credits. The chairs of the respective divisional credit committees have the right to veto credit decisions. Material exceptions to the group's credit policies must be escalated to a higher level in the decision-making structure. The Group Credit Officers are appointed by the CEO, upon recommendation by the CRO, and report to the CRO.

The *Group Risk Aggregation* unit aggregates and analyses data across risk types and the group's credit portfolios and handles general matters surrounding risk governance and risk disclosure. The unit also supports the CRO, Group Risk and Group Credits.

» *For further information about SEB's governance arrangements, please see the Annual and Sustainability Report – Corporate Governance. This section also provides information on the number of directorships held by Board members, the recruitment and diversity policies for the selection of Board members, as well as more information on the work of the RCC.*

Credit risk

Credit risk is the risk of loss due to the failure of an obligor to fulfil its obligations towards SEB. The credit risk concept also comprises counterparty credit risk derived from trading activities, country risk, settlement risk and credit concentration risk.

Risk management

The predominant risk in SEB is credit risk which arises from lending activities and through commitments to customers, including large companies, small and medium-sized companies, financial institutions, public sector entities and private individuals.

SEB's credit portfolio includes loans, contingent liabilities and trading products and is well-balanced with a stable risk profile. The main focus is on corporate customers in the Nordics, Germany, UK and the Baltics and households in Sweden and the Baltics.

More than half of the credit portfolio consists of exposure to corporates, primarily Nordic and German large corporates active in a wide range of industries and geographies. The household portfolio, accounting for 25 per cent (24) of the total credit portfolio, is dominated by Swedish household mortgages. This portfolio is of high quality with low and stable historical credit losses, a sound portfolio loan-to-value ratio and proven strong repayment capacity among customers. Exposure to real estate management accounts for 14 per cent (14) of the total credit portfolio and is comprised of residential real estate and housing co-operative associations in Sweden and commercial real estate in the Nordic region. Of the total credit portfolio, the Baltic countries account for 8 per cent (7).

Credit policies and approval process

The main principle in SEB's general credit policy is that all lending is based on credit analysis and is proportionate to the customer's cash flow and ability to repay. The customer must be known by the bank and the purpose of the loan shall be fully understood. The business units take full responsibility for the credit risk until repayment.

A credit approval is based on an evaluation of the customer's creditworthiness and the type of credit. Relevant factors include the customer's business and financial risk factors (current and anticipated) and protection provided by covenants and collateral. A credit approval takes the proposed transaction into account as well as the customer's total business with SEB. The credit decision also includes a separate and independently assigned risk classification of the customer based on this analysis. The process differs depending on the type of customer (for example retail, corporate or institutional), risk level, as well as the size and type of transaction.

For larger corporate and institutional customers, independent and professional credit analysis is particularly important, and the credit decisions supported by the business areas are independently verified by a credit committee. For private individuals and small businesses, the credit approval process is often based on credit scoring models. All credit decisions of significance require the approval of the chair of a credit committee who is independent from the business.

Credit decision-making is based on a hierarchical structure, with the *Group Risk Committee* (GRC) being the highest credit granting body, with limited exceptions. Below the GRC are divisional credit committees, and, in turn, local credit committees depending on the location of the customer, with small approval authorities for certain bank officers. The approval mandates for each level are set on a risk-adjusted basis using both quantitative and qualitative criteria.

Managing sustainability risks in the credit portfolio

In SEB's counterparty credit analysis, the group assesses the impact that environmental, social and governance (ESG) drivers might have on the customer's repayment capacity. According to SEB's general credit policy, all lending should be in line with the Corporate Sustainability Policy for the SEB Group with supplemental policies, as well as with relevant position statements and sector policies .

» *For further information regarding SEB's management of sustainability risks in its credit portfolio, in particular climate risks, please see the Sustainability section in this report and the Annual and Sustainability Report.*

Limits and monitoring

To manage the credit risk for each individual customer or customer group, a limit is established, reflecting the maximum exposure that SEB is willing to accept on the customer. Limits are also established for total exposure in geographies with higher risk classes, certain customer segments and for settlement risks in trading operations.

SEB continuously reviews the quality of its credit exposures. All total limits and risk classes are reviewed at least annually by a credit approval body (a credit committee consisting of at least two bank officers as authorised by the group's Credit Instruction, adopted by the Board). Weak or impaired exposures (risk classes 13–16) are subject to more frequent reviews, including analysis of performance, outlook and debt service capacity. The objective is to identify, at an early stage, credit exposures with an elevated risk of loss to SEB, and to work together with the customer towards a constructive solution that enables the customer to meet its financial obligations and SEB to reduce or limit credit losses. In its core markets, SEB maintains local restructuring teams that are engaged in problem exposures. These are supported by a restructuring function on group level with overall responsibility for managing problem exposures.

Allowances are made for expected credit losses of financial instruments in scope for impairment measured at amortised costs according to the accounting standard IFRS9 Financial Instruments. The guiding principle of the expected credit loss model is to reflect the general pattern of deterioration or improvement in the credit quality of the financial instruments.

» *For a description of the methodology and assumptions made to estimate the expected credit losses, please see note 1 and note 18 in the Annual and Sustainability Report.*

Loans where the contractual terms have been amended in favour of the customer due to the customer's financial difficulties are referred to as forborne loans. Forbearance measures range from amortisation holidays (the most common measure) to refinancing with new terms and debt forgiveness. Both forbearance measures and the classification of the loan as being forborne require approval by the relevant credit approval body.

Credit portfolio analysis and stress tests
The risk organisation regularly reviews and assesses the aggregated credit portfolio and its asset quality based on industry, geography, risk class, product type, size and other parameters.

Thorough analyses are made on risk concentrations in geographic and industry sectors as well as towards large customers, both in respect of direct and indirect exposures and in the form of collateral, guarantees and credit derivative protection. The analysis of the credit risk profile is presented on a quarterly basis to the GRC, the RCC and to the Board of Directors.

Stress tests of the credit portfolio, including reverse stress tests, are performed regularly as a part of SEB's annual internal capital adequacy assessment process (ICAAP). Specific analyses and stress tests of certain sectors or sub-portfolios are performed as required. These portfolio reviews are presented to the GRC and to the Board's RCC.

Table 2. **EU CR1 – Performing and non-performing exposures and related provisions**

SEK m		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
31 Dec 2023			of which stage 1	of which stage 2		of which stage 2	of which stage 3		of which stage 1	of which stage 2		of which stage 2	of which stage 3			
005	**Cash balances at central banks and other demand deposits**	**414,078**	**413,746**	**332**				**0**	**0**	**0**						
010	**Loans and advances**	**2,028,654**	**1,953,900**	**74,754**	**9,113**	**1,525**	**7,587**	**–3,519**	**–1,567**	**–1,953**	**–3,540**	**–82**	**–3,458**	**–61**	**1,331,179**	**3,879**
020	Central banks	1,597	1,595	1				0	0	0						
030	General governments	20,759	20,423	337	5	5	0	–1	–1	–1	0	0	0		7,679	5
040	Credit institutions	76,948	76,136	812	15	4	12	–3	–2	–1	–2	0	–2		6,859	
050	Other financial corporations	171,872	170,644	1,228	216	2	214	–42	–35	–7	–154	0	–154		29,837	
060	Non-financial corporations	1,034,915	994,267	40,648	6,190	516	5,675	–2,533	–1,169	–1,364	–2,638	–28	–2,610	–56	598,567	2,377
070	*of which SMEs*	323,629	309,669	13,959	859	35	824	–749	–453	–296	–263	–1	–262	–6	285,868	533
080	Households	722,563	690,834	31,729	2,686	999	1,687	–940	–359	–581	–746	–55	–691	–4	688,237	1,497
090	**Debt securities**	**166,050**	**157,999**													
100	Central banks	82,350	80,862													
110	General governments	15,715	9,151													
120	Credit institutions	53,567	53,567													
130	Other financial corporations	11,433	11,433													
140	Non-financial corporations	2,986	2,986													
150	**Off-balance-sheet exposures**	**936,770**	**921,516**	**15,034**	**1,454**	**18**	**1,436**	**–767**	**–347**	**–420**	**–172**	**0**	**–172**		**156,680**	**74**
160	Central banks	3	3					0	0							
170	General governments	20,578	20,575	4				0	0	0					314	
180	Credit institutions	26,015	25,330	684	13	13		–1	–1	0	0	0			3,612	2
190	Other financial corporations	95,598	95,556	42	30		30	–5	–5	0	–16		–16		16,733	
200	Non-financial corporations	715,605	703,572	11,814	1,405	5	1,401	–709	–314	–395	–155	0	–155		131,542	71
210	Households	78,971	76,481	2,490	6	1	5	–51	–28	–24	–1	0	–1		4,479	1
220	**TOTAL**	**3,545,552**	**3,447,161**	**90,120**	**10,566**	**1,543**	**9,023**	**–4,287**	**–1,914**	**–2,373**	**–3,712**	**–83**	**–3,629**	**–61**	**1,487,859**	**3,954**

Table 2. EU CR1 – Performing and non-performing exposures and related provisions

SEK m	a	b	c	d	e	f	g	h	i	i	k	l	m	n	o
	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collateral and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
30 Jun 2023		*of which stage 1*	*of which stage 2*		*of which stage 2*	*of which stage 3*		*of which stage 1*	*of which stage 2*		*of which stage 2*	*of which stage 3*			
005 **Cash balances at central banks and other demand deposits**	**738,376**	***737,917***	***460***	**2**	***2***		**0**	***0***	***0***						
010 **Loans and advances**	**2,137,481**	***2,068,458***	***69,023***	**6,989**	***989***	***5,986***	**–3,613**	***–1,910***	***–1,702***	**–3,334**	***–51***	***–3,283***	**–107**	**1,356,752**	**2,191**
020 Central banks	3,836	*3,834*	*2*				0								
030 General governments	21,557	*21,197*	*360*				–2	*–1*	*0*			*0*		8,997	
040 Credit institutions	117,269	*116,204*	*1,064*	17	*4*	*12*	–5	*–3*	*–2*	–2		*–2*		6,426	
050 Other financial corporations	173,260	*172,165*	*1,095*	354	*82*	*272*	–61	*–52*	*–9*	–167		*–167*		35,356	79
060 Non-financial corporations	1,095,551	*1,058,799*	*36,752*	4,255	*175*	*4,070*	–2,613	*–1,474*	*–1,139*	–2,369	*–6*	*–2,363*	–85	612,447	1,004
070 *of which SMEs*	*331,003*	*318,451*	*12,552*	*775*	*73*	*698*	*–794*	*–498*	*–296*	*–215*	*–6*	*–209*	*–6*	*290,370*	*501*
080 Households	726,009	*696,259*	*29,750*	2,363	*728*	*1,631*	–931	*–379*	*–552*	–796	*–44*	*–751*	–23	693,526	1,108
090 **Debt securities**	**248,698**	***240,380***													
100 Central banks	166,134	*164,958*													
110 General governments	16,831	*9,689*													
120 Credit institutions	52,077	*52,077*													
130 Other financial corporations	10,994	*10,994*													
140 Non-financial corporations	2,661	*2,661*													
150 **Off-balance-sheet exposures**	**964,613**	***948,662***	***15,715***	**398**	***96***	***302***	**–900**	***–545***	***–355***	**–71**	***0***	***–71***		**156,990**	**54**
160 Central banks	7	*7*													
170 General governments	22,682	*22,679*	*3*											625	
180 Credit institutions	29,360	*27,892*	*1,468*				–2	*–1*	*–1*					2,700	
190 Other financial corporations	98,137	*98,015*	*123*	32		*32*	–12	*–12*	*0*	–18		*–18*		13,630	
200 Non-financial corporations	723,786	*711,875*	*11,674*	355	*95*	*260*	–805	*–483*	*–322*	–52		*–52*		135,193	52
210 Households	90,641	*88,194*	*2,447*	10	*1*	*10*	–80	*–48*	*–32*	–2		*–2*		4,842	2
220 **TOTAL**	**4,089,168**	***3,995,416***	***85,198***	**7,389**	***1,085***	***6,288***	**–4,513**	***–2,455***	***–2,058***	**–3,406**	***–51***	***–3,355***	**–107**	**1,513,743**	**2,245**

COMMENT

- *The total exposure decreased due to the strengthening of the Swedish krona and a decrease in cash balances at central banks and other demand deposits. The underlying asset quality of the credit portfolio remained robust, but asset quality indicators started to marginally weaken. Non-performing exposures increased to SEK 10.6 bn (7.4) and credit-impaired loans (gross loans in stage 3) increased to 0.37 of total loans (0.28) mainly due to negative risk migration of one exposure in the large corporate segment which was partly offset by currency effects. This also increased stage 3 ECL allowances.*
- *Total ECL allowances amounted to SEK 8.0 bn (7.9) and the ECL coverage ratio was 0.27 per cent (0.26).*

Table 3. EU CR1-A – Maturity of exposures

SEK m	a	b	c	d	e	f
	Net exposure value					
31 Dec 2023	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1 Loans and advances	235,842	177,449	1,011,002	1,315,156		2,739,448
2 Debt securities	84,364	3,631	60,228	6,794		155,017
3 **Total**	**320,206**	**181,080**	**1,071,229**	**1,321,950**		**2,894,466**

SEK m	a	b	c	d	e	f
	Net exposure value					
30 Jun 2023	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1 Loans and advances	262,461	204,458	1,019,323	1,306,100		2,792,342
2 Debt securities	171,603	3,442	56,637	9,016		240,699
3 **Total**	**434,064**	**207,901**	**1,075,960**	**1,315,116**		**3,033,041**

COMMENT

- *52 per cent of the loans and advances has a maturity below five years, mainly due to corporate exposures. Compared to 30 June 2023, this has not changed materially.*

Table 4. EU CQ1 – Credit quality of forborne exposures

SEK m	a	b	c	d	e	f	g	h
	Gross carrying amount/ Nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collaterals received and financial guarantees received on forborne exposures	
		Non-performing forborne						
31 Dec 2023	Performing forborne		*of which defaulted*	*of which impaired*	On performing forborne exposures	On non-performing forborne exposures		*of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures*
005 Cash balances at central banks and other demand deposits								
010 Loans and advances	8,573	3,686	*2,773*	*2,848*	–605	–2,058	7,654	*1,360*
020 Central banks								
030 General governments								
040 Credit institutions								
050 Other financial corporations	*180*	*213*	*213*	*213*	*0*	*–153*	*180*	
060 Non-financial corporations	*7,639*	*2,901*	*2,372*	*2,410*	*–592*	*–1,771*	*6,355*	*955*
070 Households	*754*	*572*	*188*	*225*	*–13*	*–134*	*1,119*	*405*
080 Debt Securities								
090 Loan commitments given	674	12	*12*	*12*	–58	–10	456	*2*
100 TOTAL	**9,248**	**3,698**	***2,785***	***2,860***	**–548**	**–2,048**	**7,198**	***1,358***

SEK m	a	b	c	d	e	f	g	h
	Gross carrying amount/ Nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collaterals received and financial guarantees received on forborne exposures	
		Non-performing forborne						
30 Jun 2023	Performing forborne		*of which defaulted*	*of which impaired*	On performing forborne exposures	On non-performing forborne exposures		*of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures*
005 Cash balances at central banks and other demand deposits								
010 Loans and advances	5,474	3,399	*3,105*	*3,168*	–354	–2,065	5,657	*886*
020 Central banks								
030 General governments								
040 Credit institutions								
050 Other financial corporations	186	218	*218*	*218*	–2	–157	185	
060 Non-financial corporations	4,675	2,774	*2,699*	*2,736*	–342	–1,770	4,655	*637*
070 Households	612	408	*189*	*215*	–11	–138	817	*248*
080 Debt Securities								
090 Loan commitments given	337	11	*11*	*11*	–16	–11	217	
100 TOTAL	**5,811**	**3,410**	***3,116***	***3,179***	**–338**	**–2,054**	**5,439**	***886***

COMMENT

- *Forborne credit exposures are exposures where the contractual terms have been amended in favour of the customer due to financial difficulties. Forbearance measures range from amortisation holidays (the most common measure) to refinancing with new terms and debt forgiveness.*
- *Total performing and non-performing forborne exposures increased to SEK 12.9bn (9.2) of which about half of the increase was due to forberance measures given to counterparties within the real estate management sector. Currency translation effects decreased the total forborne loans as the SEK strengthend during the second half of 2023 and the majority of the forborne loans are denominated in EUR and USD.*

Table 5. EU CQ3 – Credit quality of performing and non-performing exposures by past due days

SEK m		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
31 Dec 2023			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	*of which defaulted*
005	**Cash balances at central banks and other demand deposits**	**414,078**	**414,078**										
010	**Loans and advances**	**2,028,654**	**2,026,248**	**2,406**	**9,113**	**5,899**	**700**	**1,269**	**309**	**683**	**199**	**53**	***7,622***
020	Central banks	1,597	1,597										
030	General governments	20,759	20,758	2	5	0	5						
040	Credit institutions	76,948	76,185	763	15	12		0	0	0	3	0	*12*
050	Other financial corporations	171,872	171,831	42	216	45	0	1	0	169	0	0	*214*
060	Non-financial corporations	1,034,915	1,034,616	299	6,190	4,244	289	1,008	144	404	89	11	*5,593*
070	*of which SMEs*	*323,629*	*323,553*	*76*	*859*	*716*	*111*	*3*	*6*	*15*	*7*	*0*	*786*
080	Households	722,563	721,262	1,301	2,686	1,597	406	259	165	109	107	41	*1,804*
090	**Debt securities**	**166,050**	**166,050**										
100	Central banks	82,350	82,350										
110	General governments	15,715	15,715										
120	Credit institutions	53,567	53,567										
130	Other financial corporations	11,433	11,433										
140	Non-financial corporations	2,986	2,986										
150	**Off-balance-sheet exposures**	**936,770**			**1,454**								***1,436***
160	Central banks	3											
170	General governments	20,578											
180	Credit institutions	26,015			13								
190	Other financial corporations	95,598			30								*30*
200	Non-financial corporations	715,605			1,405								*1,401*
210	Households	78,971			6								*5*
220	**TOTAL**	**3,545,552**	**2,606,376**	**2,406**	**10,566**	**5,899**	**700**	**1,269**	**309**	**683**	**199**	**53**	***9,058***

» Table 5. **EU CQ3 – Credit quality of performing and non-performing exposures by past due days**

SEK m		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
31 Dec 2022			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	*of which defaulted*
005	**Cash balances at central banks and other demand deposits**	**446,454**	**446,452**	**2**	**2**		**2**						
010	**Loans and advances**	**2,047,017**	**2,045,900**	**1,118**	**7,374**	**4,219**	**357**	**281**	**858**	**1,306**	**296**	**58**	***6,646***
020	Central banks	4,960	4,960										
030	General governments	27,144	27,142	2	5	5		0					*5*
040	Credit institutions	70,269	70,268	1	24	15	0	6	0	0	3	0	*14*
050	Other financial corporations	156,935	156,930	5	492	231	9	83	0	169	0	0	*262*
060	Non-financial corporations	1,068,070	1,067,849	221	4,888	2,884	69	33	739	983	168	12	*4,714*
070	*of which SMEs*	*323,857*	*323,822*	*35*	*708*	*582*	*36*	*11*	*19*	*48*	*12*	*0*	*598*
080	Households	719,640	718,751	889	1,966	1,085	279	159	119	154	124	46	*1,651*
090	**Debt securities**	**129,598**	**129,598**										
100	Central banks	39,915	39,915										
110	General governments	23,404	23,404										
120	Credit institutions	50,749	50,749										
130	Other financial corporations	13,457	13,457										
140	Non-financial corporations	2,074	2,074										
150	**Off-balance-sheet exposures**	**906,869**			**459**								***418***
160	Central banks	6											
170	General governments	26,162											
180	Credit institutions	27,673			48								*48*
190	Other financial corporations	85,876			67								*31*
200	Non-financial corporations	685,987			337								*333*
210	Households	81,164			7								*6*
220	**TOTAL**	**3,529,938**	**2,621,950**	**1,119**	**7,835**	**4,219**	**358**	**281**	**858**	**1,306**	**296**	**58**	***7,064***

COMMENT

- *Non-performing exposures increased to SEK 10.6bn (7.8) mainly due to negative risk migration of one exposure in the large corporate segment which was partly offset by currency effects and write-offs.*

Table 6. EU CQ4 – Quality of non-performing exposures by geography

SEK m		a	b	c	d	e	f	g
		Gross carrying amount/nominal amount					Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			of which: non-performing		*of which: subject to impairment*			
31 Dec 2023				*of which: defaulted*		Accumulated impairment		
010	**On balance sheet exposures**	**2,203,816**		***7,622***		**–7,060**		
020	Sweden	1,291,741		*4,306*		–3,607		
030	Denmark	74,346		*477*		–403		
040	Norway	90,418		*93*		–273		
050	Finland	106,336		*92*		–374		
060	Estonia	76,674		*192*		–237		
	Latvia	38,731		*137*		–247		
	Lithuania	86,312		*309*		–442		
	Germany	85,811		*1,036*		–713		
	United Kingdom	57,746		*250*		–148		
070	Other countries	295,701		*730*		–617		
080	**Off balance sheet exposures**	**938,224**		***1,436***			**–939**	
090	Sweden	307,900		*1,166*			–420	
100	Denmark	78,632		*127*			–21	
110	Norway	84,408		*6*			–49	
120	Finland	68,551		*0*			–30	
130	Estonia	15,882		*13*			–25	
	Latvia	9,905		*0*			–35	
	Lithuania	21,942		*3*			–45	
	Germany	119,967		*120*			–252	
	United Kingdom	55,249					–20	
140	Other countries	175,787		*0*			–42	
150	**TOTAL**	**3,142,040**		***9,058***		**–7,060**	**–939**	

SEK m		a	b	c	d	e	f	g
		Gross carrying amount/nominal amount					Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			of which: non-performing		*of which: subject to impairment*			
30 Jun 2023				*of which: defaulted*		Accumulated impairment		
010	**On balance sheet exposures**	**2,393,168**		***6,060***		**–6,947**		
020	Sweden	1,414,938		*2,356*		–3,327		
030	Denmark	82,686		*159*		–355		
040	Norway	87,975		*116*		–276		
050	Finland	109,760		*733*		–488		
060	Estonia	78,400		*214*		–249		
	Latvia	41,556		*184*		–265		
	Lithuania	86,626		*630*		–518		
	Germany	86,147		*655*		–620		
	United Kingdom	71,226		*269*		–169		
070	Other countries	333,853		*744*		–681		
080	**Off balance sheet exposures**	**965,011**		***397***			**–971**	
090	Sweden	313,767		*257*			–305	
100	Denmark	77,038		*12*			–28	
110	Norway	82,169		*11*			–81	
120	Finland	74,588		*1*			–80	
130	Estonia	19,807		*5*			–31	
	Latvia	10,354		*1*			–43	
	Lithuania	22,681		*1*			–50	
	Germany	122,567		*108*			–249	
	United Kingdom	61,113					–34	
140	Other countries	180,928		*0*			–68	
150	**TOTAL**	**3,358,179**		***6,457***		**–6,947**	**–971**	

COMMENT

- *The NPL ratio in SEB is below 5 per cent. According to the CRR, the columns "of which non-performing" and "of which subject to impairment" in EU CQ4 are applicable to institutions with a threshold ratio on non-performing loans and advances (NPL ratio) of 5 per cent or above.*
- *Gross carrying amount/nominal amount for defaulted loans increased to SEK 9.1bn (6.5) mainly due to negative risk migration of one exposure in the large corporate segment which was partly offset by currency effects.*

Table 7. EU CQ5 – Credit quality of loans and advances to non-financial corporations by industry

SEK m		a	b	c	d	e	f
		Gross carrying amount/nominal amount					Accumulated negative changes in fair value due to credit risk on non-performing exposures
			of which: non-performing		*of which: loans and advances subject to impairment*		
31 Dec 2023				*of which: defaulted*		Accumulated impairment	
010	Agriculture, forestry and fishing	20,216		*87*		–50	
020	Mining and quarrying	5,423		*0*		–109	
030	Manufacturing	106,724		*1,300*		–1,425	
040	Electricity, gas, steam and air conditioning supply	84,600		*251*		–197	
050	Water supply	4,437		*2*		–10	
060	Construction	16,797		*87*		–83	
070	Wholesale and retail trade	82,452		*587*		–436	
080	Transport and storage	78,593		*234*		–205	
090	Accommodation and food service activities	4,697		*40*		–24	
100	Information and communication	45,942		*813*		–350	
110	Real estate activities	362,929		*360*		–913	
120	Financial and insurance activities	121,566		*896*		–748	
130	Professional, scientific and technical activities	64,592		*857*		–338	
140	Administrative and support service activities	17,939		*13*		–56	
150	Public administration and defense, compulsory social security	1,288				–1	
160	Education	3,879		*3*		–8	
170	Human health services and social work activities	6,455		*44*		–17	
180	Arts, entertainment and recreation	2,455		*10*		–8	
190	Other services	10,121		*8*		–193	
200	**TOTAL**	**1,041,106**		***5,592***		**–5,171**	

SEK m		a	b	c	d	e	f
		Gross carrying amount/nominal amount					Accumulated negative changes in fair value due to credit risk on non-performing exposures
			of which: non-performing		*of which: loans and advances subject to impairment*		
30 Jun 2023				*of which: defaulted*		Accumulated impairment	
010	Agriculture, forestry and fishing	19,408		*93*		–60	
020	Mining and quarrying	7,123		*1*		–101	
030	Manufacturing	123,991		*1,426*		–1,590	
040	Electricity, gas, steam and air conditioning supply	87,487		*269*		–174	
050	Water supply	3,673		*0*		–4	
060	Construction	18,362		*178*		–125	
070	Wholesale and retail trade	83,715		*183*		–336	
080	Transport and storage	86,109		*336*		–267	
090	Accommodation and food service activities	6,362		*107*		–64	
100	Information and communication	41,939		*35*		–84	
110	Real estate activities	368,867		*162*		–741	
120	Financial and insurance activities	138,195		*469*		–583	
130	Professional, scientific and technical activities	69,181		*67*		–316	
140	Administrative and support service activities	18,089		*15*		–57	
150	Public administration and defense, compulsory social security	1,322		*0*		–2	
160	Education	4,864		*6*		–8	
170	Human health services and social work activities	8,326		*27*		–201	
180	Arts, entertainment and recreation	2,243		*10*		–10	
190	Other services	10,550		*651*		–261	
200	**TOTAL**	**1,099,806**		***4,037***		**–4,982**	

COMMENT

- *The NPL ratio in SEB is below 5 per cent. According to the CRR, the columns "of which non-performing" and "of which loans and advances subject to impairment" in EU CQ5 are applicable to institutions with a threshold ratio on non-performing loans and advances (NPL ratio) of 5 per cent or above.*
- *The industry distribution in EU CQ5 is according to NACE industry classification and differs from the distribution by industry used by SEB in interim reports and annual reports. The non-financial corporate portfolio is well diversified between industries.*
- *Gross carrying amount for defaulted loans and accumulated impairments increased mainly due to negative risk migration of one exposure in the large corporate segment which was partly offset by currency effects.*

Table 8. EU CQ7 – Collateral obtained by taking possession and execution processes

SEK m		a	b	a	b
		Collateral obtained by taking possession accumulated		Collateral obtained by taking possession accumulated	
		31 Dec 2023		30 Jun 2023	
		Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
010	Property Plant and Equipment (PP&E)				
020	Other than Property Plant and Equipment	0		3	
030	Residential immovable property				
040	Commercial Immovable property				
050	Movable property (auto, shipping, etc.)				
060	Equity and debt instruments	0		3	
070	Other	0		0	
080	**TOTAL**	**0**		**3**	

COMMENT
- *The collateral obtained by taking possession remained low and amounted to SEK 0.1m (3).*

Credit risk mitigation and collateral

Depending on the creditworthiness of the customer, as well as the nature and complexity of the transaction, collateral and netting agreements can be used to a varying extent to mitigate the credit risk. In the selection of a particular credit risk mitigation technique, consideration is given to its suitability for the product and customer in question, its legal enforceability, paired with SEB's experience and capacity to manage and control the particular technique. The most important credit risk mitigation techniques are pledges, guarantees and netting agreements. The most common types of pledges are real estate, floating charges and financial securities.

For large corporate customers, credit risk is commonly mitigated through the use of restrictive covenants in the credit agreements, including negative pledges. Independent and professional credit analysis is particularly important for this customer segment.

Banks, securities firms and insurance companies are typically counterparties in more sophisticated risk mitigation transactions, such as credit derivatives. SEB's credit policy requires the credit derivative counterparty to be of high credit quality. Closeout netting agreements are widely used for derivative, repo and securities lending transactions (while on-balance sheet netting is a less frequent practice).

All non-retail collateral values are reviewed at least annually by the relevant credit committees. Collateral values for watch-listed engagements are reviewed on a more frequent basis. The general rule is that the value of the collateral shall be calculated on the basis of the estimated market value of the asset. The market value shall be documented by an independent external valuation or, when applicable, by a well justified internal estimate.

The general control process for various credit risk mitigation techniques includes credit review and approval requirements, specific credit product policies and credit risk monitoring and control. The value of both the exposure and the mitigating collateral are monitored on a regular basis. The frequency depends on the type of counterparty, the structure of the transaction and the type of collateral. The control process does differ among instruments and business units. For example, within the Large Corporates & Financial Institutions (LC&FI) division, there is a collateral management unit responsible for the daily collateralisation of exposures in trading products, i.e., foreign exchange and derivatives contracts, repos and securities lending transactions.

» *See also the section counterparty credit risk on page 51.*

Table 9. EU CR2 – Changes in the stock of non-performing loans and advances

SEK m 31 Dec 2023		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	**7,375**
020	Inflows to non-performing portfolios	5,979
030	Outflows from non-performing portfolios	–4,241
040	*Outflows due to write-offs*	*–1,637*
050	*Outflow due to other situations*	*–2,604*
060	**Final stock of non-performing loans and advances**	**9,113**

COMMENT
- *Non-performing loans and advances inreased from SEK 7.4 bn to SEK 9.1 bn in 2023. There were inflows due to negative risk migration and outflows due to both positive risk migrations and write-offs.*

Table 10. EU CR3 – CRM techniques overview: ***Disclosure of the use of credit risk mitigation techniques***

SEK m		a	b	c	d	e
			Secured carrying amount			
					of which secured by financial guarantees	
31 Dec 2023		Unsecured carrying amount		*of which secured by collateral*		*of which secured by credit derivatives*
1	Loans and advances	1,109,727	1,335,058	*1,221,186*	*113,872*	
2	Debt securities	166,050				
3	**TOTAL**	**1,275,777**	**1,335,058**	***1,221,186***	***113,872***	
4	*of which non-performing exposures*	*5,233*	*3,879*	*2,496*	*1,383*	

SEK m		a	b	c	d	e
			Secured carrying amount			
					of which secured by financial guarantees	
30 Jun 2023		Unsecured carrying amount		*of which secured by collateral*		*of which secured by credit derivatives*
1	Loans and advances	1,516,958	1,358,944	*1,242,342*	*116,601*	
2	Debt securities	248,698				
3	**TOTAL**	**1,765,656**	**1,358,944**	***1,242,342***	***116,601***	
4	*of which non-performing exposures*	*4,798*	*2,191*	*1,912*	*280*	

COMMENT
- *Loans and advances include cash balances at central banks and other demand deposits. Excluding cash balances and loans to central banks, 66 per cent of the total loans and advances are secured, mainly by private housing mortgages or other real estate collateral.*

Measurement of credit risk

Internal risk classification system

SEB's non-retail risk classification system is a central part of SEB's credit risk assessment of corporates, real estate management, financial institutions and specialised lending (Basel non-retail).

SEB's risk classification system is based on both qualitative and quantitative risk analysis and assesses the counterparty's financial risk and business risk profile, including environmental, social and governance aspects. Understanding repayment capacity by combining financial analysis and an assessment of ownership and management, and thorough knowledge of the customer's business model are key components of SEB's credit culture. In the risk classification, the obligor's risk profile is assessed both statistically and taking into account expert knowledge. Financial ratios, peer group comparison and scoring tools, external rating information and through-the-cycle analysis are used to enhance the risk assessment of the obligors. The result of the risk classification is reviewed by SEB's credit approval bodies in conjunction with review of the obligor and facilities at least once per year. Finally, the components of the risk classification system are reviewed and validated from a quantitative and qualitative perspective, including a use test, on a yearly basis.

Scoring systems

For the Basel retail segment, consisting of mainly mortgages and other retail exposures (private individuals and small businesses), SEB uses credit scoring systems when granting a credit and for estimating the probability of default for the customer. The customer is allocated to a PD pool of customers with similar PD. The most important factors of the credit scoring systems are measures of payment behaviour based on internal data for existing customers. New customers without a history in the group are scored using publicly available information and well tested risk indicators. SEB uses local, customised credit scoring models for different regions and product segments, as both data accessibility and customer characteristics normally vary by country and product.

The risk classes provided by SEB's Risk Class Assignment (RCA) system and credit scoring systems are directly used in every credit risk decision as well as in the following areas:

1. setting of delegated credit approval limits
2. defining credit policy boundaries
3. credit portfolio monitoring and management
4. credit loss forecasting and provisioning
5. as an input to credit facility pricing
6. as an input to calculation of SEB's economic capital
7. as an input to calculation of SEB's risk-weighted exposure amount and regulatory capital.

Credit risk estimation

Credit risk is calculated for all assets, both in the banking book and the trading book. The methodology for calculating capital requirements and expected loss using the IRB approach addresses risk parameters including *Probability of Default* (PD), *Exposure at Default* (EAD), *Maturity* (M) and *Loss Given Default* (LGD). For portfolios that are approved for IRB Advanced modelling, the LGD and *Credit Conversion Factor* (CCF) are also modelled on both internal and external data.

Probability of Default

The Probability of Default (PD), or the risk that a counterparty defaults on its payment obligations, is measured through SEB's risk classification system and credit scoring systems.

For all non-retail portfolios, SEB has developed an internal risk classification system to assess the risk of default on payment obligations (PD).

The risk classification system includes specific rating tools and PD scales for significant segments such as large corporates, large real estate, institutions, and small and medium-sized enterprises (SMEs).

This enables a more accurate assessment of each segment based on SEB's internal historical portfolio performance. The large corporate, large real estate and institution segments are measured on a risk class scale of 1–16, including three "watch list" risk classes (13–15) and one risk class for defaulted counterparties (risk class 16). The SME segments are measured on a scale of 12 risk classes and have a separate nomenclature of A1–D2 plus watch list and default. For each segment, PD estimates, which are based on up to 20 years of internal default history, and external data, are derived.

The segment-specific rating scales are mapped onto a universal risk class scale covering 24 risk classes, each with different PD intervals. The risk class scale is shown below by PD interval and an approximate relation to two rating agencies' rating scales. Such relation is based on similarity between the method and the definitions used by SEB and these agencies to rate obligors. The mapping is based on SEB's PD scale and S&P's and Moody's published long-term default history per rating grade, which leads to a reasonable correspondence between SEB's mapping of risk classes onto S&P's and Moody's rating scales.

Table 11. Structure of risk class scale in PD dimension

	Lower PD	Moody's	S&P
Investment grade	0.00%	Aaa	AAA
	0.02%	Aa	AA
	0.03%	Aa	AA
	0.04%	A	A
	0.05%	A	A
	0.07%	A	A
	0.10%	Baa	BBB
	0.14%	Baa	BBB
	0.20%	Baa	BBB
	0.29%	Baa	BBB
	0.40%	Ba	BB
	0.57%	Ba	BB
	0.81%	Ba	BB
	1.14%	Ba	BB
	1.62%	B	B
	2.28%	B	B
	3.23%	B	B
	5%	B	B
Watch list	6%	B	B
	9%	B	B
	13%	Caa	CCC
	18%	C	C
	26%	C	C
Default	100%	Default	Default

For the Basel retail segment, the PD values are organised in PD pools of counterparties with similar risk behaviour. All PD pools are adjusted through-the-cycle and show historically differentiated patterns of default, e.g., worse risk class pools display higher default ratios than better risk class pools in both good and bad times, similar to the non-retail RCA system.

Exposure at Default

EAD is measured in nominal terms for loans, bonds and leasing contracts; as a percentage of committed amounts for credit lines, letters of credit, guarantees and other off-balance sheet exposures; and, through current market values plus an amount for possibly increased exposure in the future, net of any eligible collateral, in the case of derivative contracts, repos and securities lending.

Loss Given Default
LGD represents an estimation of loss on an outstanding exposure in case of default and takes into account collateral provided and other loss mitigants. It is based on internal and external historical experience for at least seven years and the specific details of each relevant transaction. LGD estimates for the performing portfolio are set to reflect the conditions in a severe economic downturn, which, for the Nordic portfolios, means that they are adjusted to the early 1990's economic downturn.

Maturity
M is calculated as the effective maturity of every transaction. In the case of simple term loan contracts with bullet repayment, M is the contractual repayment date. For amortising loans, M is shortened to reflect the reducing balance over time.

The risk parameters calculated for regulatory capital reporting are also used for stress testing and forms the foundation for SEB's methodology for credit risk. Here, risk estimates are combined in a portfolio model which also considers risk concentration to industrial and geographic sectors as well as large individual exposures.

As a member of the Global Credit Data Consortium (GCD) SEB participates in a data-sharing program where comparison of historical PD, EAD and LGD experience is possible with a large number of global banks. Pooled data is also used for estimating parameters for low default portfolios such as large corporates and banks.

Validation of rating systems
The performance of the risk rating and scoring systems is regularly reviewed according to group instructions. The validation is performed in order to secure that SEB's risk classification system is working satisfactorily and that it is used in accordance with external regulations and internal rules and instructions. The validation is performed by a unit within the risk organisation, which is independent of those responsible for risk class assignment of counterparties as well as those developing the models.

IRB approval
SEB was first approved to report legal capital adequacy using the internal ratings-based (IRB) approach for its main non-retail and retail mortgage portfolios in February 2007, when the Basel II framework came into force in Sweden. Since then, a number of portfolios and countries have been added.

For the parent company, SEB operates with an IRB-Advanced approval for all major portfolios and, since June 2017, with an IRB-Foundation approval for the sovereign portfolio. In the Baltic subsidiaries, SEB holds an IRB-Advanced approval for all major retail portfolios and an IRB-Foundation approval for its non-retail portfolio. As of 31 December 2023, 89 per cent (88) of the credit risk-weighted exposure amount and 97 per cent (97) of the total exposure value was covered by the IRB approach and only a minor number of portfolios were reported under the standardised method.

Adaptation of the bank's IRB models with regards to the EBA IRB repair program is ongoing and will continue during the forthcoming year.

Credit risk exposures under the standardised approach
The standardised approach is used for calculating risk-weighted exposure amounts for a number of minor portfolios, including some smaller sovereign exposures in certain foreign subsidiaries. According to the regulation, either the rating from an export credit agency (such as the Swedish Export Credits Guarantee Board) shall be used, or, where not available, the country rating from eligible credit assessment agencies such as Moody's, S&P, Fitch and DBRS.

Table 12. EU CR4 – Standardised approach: *Credit risk exposure and CRM effects*

SEK m		a	b	c	d	e	f
31 Dec 2023		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	Exposure classes	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density (%)
1	Central governments or central banks	4,406		4,406		3,210	72.9
3	Public sector entities	3,555		3,555		711	20.0
6	Institutions	3,456	486	2,148	10	157	7.3
7	Corporates	7,696	2,625	4,134	511	4,433	95.4
8	Retail	21,745	2,180	16,905	746	12,247	69.4
9	Secured by mortgages on immovable property	5,428	162	5,428	81	1,873	34.0
10	Exposures in default	101	4	98	3	137	136.3
11	Exposures associated with particularly high risk	265		265		397	150.0
14	Collective investment undertakings	458		458		458	100.0
15	Equity[1)]	16,102		16,102		31,195	193.7
16	Other items[2)]	20,359		20,359		15,571	76.5
17	**TOTAL**	**83,569**	**5,457**	**73,857**	**1,351**	**70,389**	**93.6**

SEK m		a	b	c	d	e	f
30 Jun 2023		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	Exposure classes	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density (%)
1	Central governments or central banks	7,239		7,239		4,674	64.6
3	Public sector entities	2,261		2,261		452	20.0
6	Institutions	4,035	44	2,347	10	224	9.5
7	Corporates	6,559	2,860	4,399	490	4,636	94.8
8	Retail	20,943	2,603	16,566	635	11,937	69.4
9	Secured by mortgages on immovable property	7,888	150	7,888	75	2,604	32.7
10	Exposures in default	78	1	76	1	104	135.8
11	Exposures associated with particularly high risk	375		375		562	150.0
14	Collective investment undertakings	967		967		967	100.0
15	Equity[1)]	15,424		15,424		29,669	192.4
16	Other items[2)]	19,629		19,629		16,345	83.3
17	**TOTAL**	**85,398**	**5,658**	**77,170**	**1,212**	**72,175**	**92.1**

1) Investment in insurance business is included in the CR4 template, but presented on a separate row in the interim report.
2) Deferred tax assets, software assets, paid out pensions which the bank has unrestricted ability to use and significant holdings in financial companies, are included in the CR4 template, but presented on a separate row as Other exposures in the interim report.

COMMENT
- *Only a small part of SEB's credit risk exposure is reported according to the standardised approach.*

Table 13. EU CR5 – Standardised approach

SEK m		a	b	e	f	g	i	j	k	l	o	p	q
31 Dec 2023		Risk weight											
	Exposure classes	0%	2%	20%	35%	50%	75%	100%	150%	250%	Others	**Total**	*Of which unrated*
1	Central governments or central banks	2,025						722	1,659			**4,406**	
3	Public sector entities			3,555								**3,555**	
6	Institutions		1,552	596		8			2			**2,158**	*1,240*
7	Corporates			6		58		4,576	5			**4,645**	*4,558*
8	Retail			6			17,646					**17,652**	*17,652*
9	Secured by mortgages on immovable property				5,507	2						**5,509**	*5,509*
10	Exposures in default							28	73			**101**	*101*
11	Exposures associated with particularly high risk								265			**265**	*265*
14	Collective investment undertakings							458				**458**	*458*
15	Equity[1]							6,040		10,062		**16,102**	*16,102*
16	Other items[2]	3,431		2,422				14,119		387		**20,359**	*20,359*
17	**TOTAL**	**5,456**	**1,552**	**6,585**	**5,507**	**67**	**17,646**	**25,942**	**2,004**	**10,449**		**75,208**	***66,243***

SEK m		a	b	e	f	g	i	j	k	l	o	p	q
30 Jun 2023		Risk weight											
	Exposure classes	0%	2%	20%	35%	50%	75%	100%	150%	250%	Others	**Total**	*Of which unrated*
1	Central governments or central banks	3,341						2,344	1,553			**7,239**	
3	Public sector entities			2,261								**2,261**	
6	Institutions		1,403	944		8			2			**2,357**	*1,212*
7	Corporates			5		75		4,804	5			**4,889**	*4,776*
8	Retail			13			17,188					**17,201**	*17,201*
9	Secured by mortgages on immovable property				7,961	2						**7,963**	*7,963*
10	Exposures in default							22	55			**77**	*77*
11	Exposures associated with particularly high risk								375			**375**	*375*
14	Collective investment undertakings							967				**967**	*967*
15	Equity[1]							5,927		9,497		**15,424**	*15,424*
16	Other items[2]	3,223		757		80		15,179		390		**19,629**	*19,629*
17	**TOTAL**	**6,565**	**1,403**	**3,980**	**7,961**	**165**	**17,188**	**29,243**	**1,990**	**9,887**		**78,381**	**67,624**

1) Investment in insurance business is included in the CR5 template, but presented on a separate row in the interim report.
2) Deferred tax assets, software assets, paid out pensions which the bank has unrestricted ability to use and significant holdings in financial companies, are included in the CR5 template, but presented on a separate row as Other exposures in the interim report.

COMMENT

- *Only a small part of SEB's credit risk exposure is reported according to the standardised approach.*

Credit risk exposures under IRB approaches

The following tables show credit risk exposures under IRB approaches excluding counterparty credit risk.

Table 14. **EU CR6 – IRB approach:** ***Credit risk exposures by exposure class and PD range***

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 **A-IRB**	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – other													
	0.00 to < 0.15	145,809	272,888	55	301,969	0.07	1,595	29.7	2.0	41,755	13.8	62	–35
	0.00 to < 0.10	*93,897*	*203,541*	*55*	*211,186*	*0.05*	*1,058*	*28.9*	*2.0*	*24,185*	*11.5*	*30*	*–20*
	0.10 to < 0.15	*51,912*	*69,347*	*55*	*90,784*	*0.11*	*537*	*31.7*	*1.8*	*17,571*	*19.4*	*32*	*–15*
	0.15 to < 0.25	138,141	120,498	56	204,441	0.20	1,382	30.1	2.2	57,040	27.9	119	–90
	0.25 to < 0.50	101,691	35,944	58	120,591	0.36	1,204	21.8	1.9	32,017	26.6	96	–92
	0.50 to < 0.75	90,994	14,503	63	96,497	0.57	1,144	12.5	1.9	18,355	19.0	69	–245
	0.75 to < 2.50	89,629	28,660	59	95,315	1.15	1,215	22.4	2.3	46,887	49.2	248	–379
	0.75 to < 1.75	*89,485*	*28,646*	*59*	*95,177*	*1.14*	*1,182*	*22.4*	*2.3*	*46,858*	*49.2*	*248*	*–378*
	1.75 to < 2.50	*143*	*14*	*33*	*138*	*1.91*	*33*	*9.0*	*1.2*	*29*	*21.0*	*0*	*0*
	2.50 to < 10.00	10,904	8,149	60	13,733	3.93	1,337	28.8	2.2	12,054	87.8	130	–344
	2.50 to < 5.00	*9,023*	*6,732*	*60*	*10,997*	*2.92*	*1,284*	*32.6*	*2.5*	*10,641*	*96.8*	*100*	*–94*
	5.00 to < 10.00	*1,881*	*1,417*	*62*	*2,736*	*8.00*	*53*	*13.5*	*1.2*	*1,413*	*51.6*	*30*	*–250*
	10.00 to < 100.00	2,265	88	72	2,198	17.69	47	27.2	2.1	3,081	140.2	99	–350
	10.00 to < 20.00	*783*	*11*	*100*	*729*	*11.00*	*13*	*37.0*	*4.0*	*1,375*	*188.7*	*30*	*–183*
	20.00 to < 30.00	*1,481*	*76*	*68*	*1,470*	*21.00*	*34*	*22.4*	*1.2*	*1,706*	*116.1*	*69*	*–168*
	30.00 to < 100.00												
	100.00 (Default)	3,172	1,205	35	2,933	100.00	68	5.6	1.4	2,054	70.0	1,358	–1,400
	Sub-total	**582,604**	**481,933**	**56**	**837,678**	**0.78**	**7,992**	**25.8**	**2.0**	**213,243**	**25.5**	**2,181**	**–2,935**

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 **A-IRB**	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – SME													
	0.00 to < 0.15	21,692	5,989	68	25,361	0.10	1,168	15.8	1.5	1,400	5.5	4	–3
	0.00 to < 0.10	*9,784*	*3,912*	*71*	*12,085*	*0.07*	*436*	*17.6*	*1.6*	*646*	*5.3*	*1*	*–1*
	0.10 to < 0.15	*11,908*	*2,077*	*62*	*13,277*	*0.13*	*732*	*14.3*	*1.3*	*755*	*5.7*	*2*	*–1*
	0.15 to < 0.25	26,589	5,741	61	33,203	0.20	2,467	15.4	1.7	3,340	10.1	10	–6
	0.25 to < 0.50	52,693	5,012	62	56,506	0.34	5,080	8.9	1.6	4,023	7.1	17	–29
	0.50 to < 0.75	45,133	6,252	61	49,630	0.60	4,180	10.2	1.4	5,183	10.4	31	–68
	0.75 to < 2.50	44,800	3,182	61	48,115	1.14	3,520	11.2	1.6	7,827	16.3	66	–110
	0.75 to < 1.75	*43,078*	*2,976*	*61*	*45,703*	*1.10*	*3,106*	*11.1*	*1.6*	*7,306*	*16.0*	*60*	*–92*
	1.75 to < 2.50	*1,722*	*206*	*58*	*2,412*	*1.97*	*414*	*13.0*	*1.8*	*521*	*21.6*	*6*	*–18*
	2.50 to < 10.00	4,048	862	62	4,164	4.47	4,652	17.6	1.6	1,571	37.7	32	–82
	2.50 to < 5.00	*3,148*	*780*	*63*	*3,386*	*3.78*	*4,515*	*18.4*	*1.7*	*1,327*	*39.2*	*24*	*–56*
	5.00 to < 10.00	*899*	*82*	*61*	*777*	*7.47*	*137*	*13.7*	*1.0*	*244*	*31.4*	*8*	*–25*
	10.00 to < 100.00	1,727	584	63	2,019	12.47	143	24.6	1.2	1,478	73.2	60	–213
	10.00 to < 20.00	*1,458*	*517*	*63*	*1,727*	*11.02*	*80*	*25.8*	*1.2*	*1,305*	*75.6*	*49*	*–168*
	20.00 to < 30.00	*269*	*66*	*60*	*292*	*21.00*	*63*	*17.4*	*1.0*	*173*	*59.0*	*11*	*–45*
	30.00 to < 100.00												
	100.00 (Default)	688	31	47	450	100.00	153	4.2	1.1	237	52.7	196	–222
	Sub-total	**197,370**	**27,652**	**63**	**219,448**	**0.92**	**21,363**	**11.8**	**1.6**	**25,059**	**11.4**	**416**	**–732**

» Table 14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 **A-IRB**	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – Specialised lending	0.00 to < 0.15	3,743	1,521	61	4,677	0.07	16	19.2	4.5	590	12.6	1	–1
	0.00 to < 0.10	*2,452*	*265*	*62*	*2,616*	*0.03*	*11*	*20.0*	*4.9*	*261*	*10.0*	*0*	*0*
	0.10 to < 0.15	*1,291*	*1,256*	*61*	*2,061*	*0.11*	*5*	*18.1*	*3.9*	*329*	*16.0*	*0*	*0*
	0.15 to < 0.25	587	106	50	639	0.18	2	20.0	5.0	145	22.7	0	0
	0.25 to < 0.50	4,026	1,614	56	4,924	0.32	13	23.5	4.6	1,541	31.3	4	–2
	0.50 to < 0.75	5,892	1,634	55	6,799	0.54	19	25.4	4.0	2,615	38.5	9	–5
	0.75 to < 2.50	1,497	842	62	1,673	1.57	5	24.1	4.6	1,209	72.2	6	–33
	0.75 to < 1.75	*1,497*	*842*	*62*	*1,673*	*1.57*	*5*	*24.1*	*4.6*	*1,209*	*72.2*	*6*	*–33*
	1.75 to < 2.50												
	2.50 to < 10.00	0			0	2.69	2	7.8	1.0	0	14.9	0	
	2.50 to < 5.00	*0*			*0*	*2.69*	*2*	*7.8*	*1.0*	*0*	*14.9*	*0*	
	5.00 to < 10.00												
	10.00 to < 100.00												
	10.00 to < 20.00												
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (Default)	251			251	100.00	1		5.0			115	–115
	Sub-total	**15,996**	**5,717**	**58**	**18,965**	**1.76**	**58**	**22.7**	**4.4**	**6,101**	**32.2**	**135**	**–156**

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 **A-IRB**	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Institutions													
	0.00 to < 0.15	86,769	67,078	56	111,608	0.07	1,318	39.6	1.5	19,719	17.7	30	–11
	0.00 to < 0.10	*72,147*	*58,596*	*55*	*91,877*	*0.06*	*1,147*	*39.6*	*1.5*	*14,706*	*16.0*	*21*	*–9*
	0.10 to < 0.15	*14,622*	*8,483*	*60*	*19,731*	*0.12*	*171*	*39.7*	*1.5*	*5,013*	*25.4*	*10*	*–2*
	0.15 to < 0.25	14,840	8,407	47	18,796	0.20	1,035	31.5	1.3	4,969	26.4	12	–2
	0.25 to < 0.50	4,595	2,357	46	5,690	0.36	181	36.7	1.1	2,412	42.4	8	–1
	0.50 to < 0.75	7	2	65	8	0.65	2	31.0	1.0	3	43.7	0	0
	0.75 to < 2.50	3,629	459	20	3,311	1.20	105	25.1	1.4	1,939	58.6	11	–7
	0.75 to < 1.75	*2,777*	*399*	*22*	*2,864*	*1.11*	*74*	*20.3*	*1.5*	*1,267*	*44.2*	*7*	*–7*
	1.75 to < 2.50	*852*	*60*	*11*	*448*	*1.80*	*31*	*56.0*	*0.9*	*673*	*150.2*	*5*	*0*
	2.50 to < 10.00	1,288	1,338	11	990	5.98	109	56.0	0.5	2,087	210.9	33	–1
	2.50 to < 5.00	*647*	*309*	*11*	*464*	*3.70*	*54*	*56.0*	*0.5*	*835*	*179.8*	*10*	*0*
	5.00 to < 10.00	*641*	*1,029*	*10*	*525*	*8.00*	*55*	*55.9*	*0.5*	*1,252*	*238.4*	*24*	*–1*
	10.00 to < 100.00	625	1,346	11	431	11.53	139	56.0	0.3	1,172	271.7	28	0
	10.00 to < 20.00	*618*	*1,244*	*11*	*415*	*11.14*	*81*	*56.0*	*0.3*	*1,117*	*269.5*	*26*	*0*
	20.00 to < 30.00	*8*	*101*	*11*	*17*	*21.00*	*58*	*56.0*	*0.3*	*55*	*325.8*	*2*	*0*
	30.00 to < 100.00												
	100.00 (Default)	12			12	100.00	9	41.2	4.9	61	514.8	2	–2
	Sub-total	**111,764**	**80,987**	**53**	**140,846**	**0.21**	**2,898**	**38.2**	**1.4**	**32,362**	**23.0**	**124**	**–24**

» Table 14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 **A-IRB**	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail – Secured by immovable property non-SME	0.00 to < 0.15	223,677	3,347	35	224,562	0.09	314,659	7.6		3,927	1.7	15	–4
	0.00 to < 0.10	*223,677*	*3,347*	*35*	*224,562*	*0.09*	*314,659*	*7.6*		*3,927*	*1.7*	*15*	*–4*
	0.10 to < 0.15												
	0.15 to < 0.25	207,009	6,247	29	208,865	0.16	283,651	10.5		7,821	3.7	35	–7
	0.25 to < 0.50	111,375	19,091	28	116,771	0.34	167,828	14.5		10,476	9.0	57	–14
	0.50 to < 0.75	27,571	3,824	31	28,779	0.68	35,401	13.8		4,065	14.1	27	–9
	0.75 to < 2.50	28,657	1,047	41	29,094	1.53	44,839	12.8		6,507	22.4	57	–19
	0.75 to < 1.75	*21,962*	*919*	*39*	*22,322*	*1.40*	*28,757*	*12.3*		*4,509*	*20.2*	*38*	*–14*
	1.75 to < 2.50	*6,695*	*128*	*60*	*6,772*	*1.96*	*16,082*	*14.4*		*1,998*	*29.5*	*19*	*–5*
	2.50 to < 10.00	21,913	509	51	22,180	4.42	29,211	13.1		9,270	41.8	129	–70
	2.50 to < 5.00	*15,211*	*273*	*53*	*15,359*	*3.29*	*20,056*	*13.0*		*5,529*	*36.0*	*65*	*–34*
	5.00 to < 10.00	*6,703*	*236*	*49*	*6,821*	*6.98*	*9,155*	*13.4*		*3,741*	*54.8*	*64*	*–37*
	10.00 to < 100.00	8,669	58	38	8,692	29.01	13,039	12.3		5,874	67.6	300	–237
	10.00 to < 20.00	*4,229*	*36*	*30*	*4,240*	*13.81*	*6,028*	*13.0*		*2,987*	*70.5*	*77*	*–47*
	20.00 to < 30.00	*166*			*166*	*25.12*	*389*	*18.0*		*184*	*111.1*	*8*	*–6*
	30.00 to < 100.00	*4,274*	*22*	*51*	*4,286*	*44.21*	*6,622*	*11.3*		*2,703*	*63.1*	*216*	*–184*
	100.00 (Default)	680			680	100.00	1,303	31.6		424	62.4	190	–223
	Sub-total	**629,552**	**34,124**	**30**	**639,622**	**0.90**	**889,931**	**10.6**		**48,364**	**7.6**	**809**	**–583**

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 **A-IRB**	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail – Secured by immovable property SME	0.00 to < 0.15	1,086	38	102	1,056	0.09	991	12.7		24	2.2	0	–1
	0.00 to < 0.10	*1,086*	*38*	*102*	*1,056*	*0.09*	*991*	*12.7*		*24*	*2.2*	*0*	*–1*
	0.10 to < 0.15												
	0.15 to < 0.25	1,593	119	66	1,674	0.16	1,664	16.3		76	4.6	0	–1
	0.25 to < 0.50	696	174	62	805	0.31	920	23.5		86	10.7	1	0
	0.50 to < 0.75	1,932	344	70	2,170	0.64	2,336	20.6		323	14.9	3	0
	0.75 to < 2.50	4,764	337	72	5,002	1.34	4,422	17.9		1,122	22.4	13	–5
	0.75 to < 1.75	*3,391*	*275*	*73*	*3,589*	*1.13*	*3,202*	*17.2*		*687*	*19.1*	*7*	*–2*
	1.75 to < 2.50	*1,372*	*63*	*69*	*1,413*	*1.89*	*1,220*	*19.6*		*436*	*30.8*	*5*	*–2*
	2.50 to < 10.00	2,446	67	78	2,497	4.56	1,881	15.7		987	39.6	18	–5
	2.50 to < 5.00	*1,662*	*30*	*74*	*1,683*	*3.20*	*1,175*	*14.9*		*536*	*31.8*	*8*	*–3*
	5.00 to < 10.00	*784*	*38*	*81*	*814*	*7.37*	*706*	*17.2*		*452*	*55.5*	*10*	*–2*
	10.00 to < 100.00	352	8	72	358	25.76	453	23.2		357	99.7	20	–7
	10.00 to < 20.00	*174*	*2*	*66*	*176*	*13.70*	*222*	*28.0*		*206*	*117.4*	*7*	*–3*
	20.00 to < 30.00	*11*	*0*	*98*	*11*	*24.87*	*24*	*35.8*		*19*	*172.9*	*1*	*–1*
	30.00 to < 100.00	*167*	*6*	*75*	*171*	*38.20*	*207*	*17.5*		*132*	*76.9*	*12*	*–3*
	100.00 (Default)	40			40	100.00	50	17.9		66	167.0	3	–4
	Sub-total	**12,907**	**1,088**	**71**	**13,601**	**2.45**	**12,717**	**17.8**		**3,042**	**2.2**	**58**	**–23**

» Table 14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m		a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 A-IRB		PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail – Other non-SME		0.00 to < 0.15	8,339	30,652	82	33,718	0.06	1,029,749	41.2		2,669	7.9	10	–22
		0.00 to < 0.10	*3,893*	*18,240*	*85*	*19,628*	*0.03*	*649,578*	*34.3*		*739*	*3.8*	*2*	*–11*
		0.10 to < 0.15	*4,445*	*12,412*	*77*	*14,090*	*0.11*	*380,171*	*50.7*		*1,930*	*13.7*	*7*	*–11*
		0.15 to < 0.25	2,221	2,905	73	4,709	0.19	99,103	43.5		836	17.8	4	–6
		0.25 to < 0.50	3,503	425	70	3,840	0.35	68,888	52.5		1,248	32.5	7	–15
		0.50 to < 0.75	8,849	4,776	72	12,451	0.66	288,112	38.4		4,220	33.9	31	–34
		0.75 to < 2.50	3,324	266	67	3,543	1.33	56,475	47.5		2,010	56.7	22	–46
		0.75 to < 1.75	*3,062*	*208*	*69*	*3,247*	*1.28*	*42,714*	*46.5*		*1,778*	*54.8*	*19*	*–45*
		1.75 to < 2.50	*263*	*58*	*58*	*297*	*1.85*	*13,761*	*58.4*		*232*	*78.1*	*3*	*–1*
		2.50 to < 10.00	5,652	1,148	78	6,595	3.93	107,343	49.9		4,948	75.0	128	–242
		2.50 to < 5.00	*4,234*	*703*	*72*	*4,781*	*2.79*	*74,634*	*50.0*		*3,475*	*72.7*	*65*	*–101*
		5.00 to < 10.00	*1,418*	*445*	*86*	*1,815*	*6.91*	*32,709*	*49.4*		*1,472*	*81.1*	*63*	*–141*
		10.00 to < 100.00	1,011	86	76	1,081	24.48	64,008	44.7		1,145	105.9	113	–210
		10.00 to < 20.00	*432*	*71*	*76*	*489*	*15.49*	*10,164*	*51.3*		*526*	*107.5*	*38*	*–73*
		20.00 to < 30.00	*436*	*5*	*50*	*439*	*27.57*	*5,597*	*38.3*		*445*	*101.6*	*47*	*–109*
		30.00 to < 100.00	*142*	*10*	*82*	*154*	*44.31*	*48,247*	*42.0*		*174*	*112.9*	*28*	*–28*
		100.00 (Default)	769	5	107	776	100.00	14,267	51.6		394	50.8	370	–430
		Sub-total	**33,668**	**40,262**	**80**	**66,713**	**2.21**	**1,727,945**	**42.9**		**17,470**	**26.2**	**685**	**–1,006**

SEK m		a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 A-IRB		PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail – Other SME														
		0.00 to < 0.15	462	160	93	328	0.04	4,300	82.4		34	10.4	0	–18
		0.00 to < 0.10	*448*	*160*	*93*	*313*	*0.04*	*4,281*	*83.9*		*32*	*10.3*	*0*	*–18*
		0.10 to < 0.15	*15*			*15*	*0.13*	*19*	*48.7*		*2*	*11.7*	*0*	*0*
		0.15 to < 0.25	90	136	75	205	0.17	2,383	44.7		27	13.2	0	0
		0.25 to < 0.50	238	271	76	492	0.32	6,175	76.5		202	41.1	1	–3
		0.50 to < 0.75	1,086	1,580	70	2,382	0.62	25,360	54.7		912	38.3	8	–11
		0.75 to < 2.50	2,041	3,213	76	4,557	1.44	24,075	50.7		2,331	51.2	35	–39
		0.75 to < 1.75	*1,131*	*2,462*	*76*	*2,976*	*1.18*	*8,279*	*45.1*		*1,195*	*40.2*	*16*	*–14*
		1.75 to < 2.50	*911*	*752*	*75*	*1,582*	*1.92*	*15,796*	*61.3*		*1,136*	*71.8*	*19*	*–24*
		2.50 to < 10.00	1,958	1,124	76	2,892	5.17	19,928	55.5		2,179	75.4	88	–69
		2.50 to < 5.00	*1,137*	*811*	*75*	*1,741*	*3.55*	*8,329*	*51.8*		*1,146*	*65.9*	*34*	*–31*
		5.00 to < 10.00	*822*	*314*	*78*	*1,151*	*7.61*	*11,599*	*61.0*		*1,032*	*89.7*	*55*	*–38*
		10.00 to < 100.00	345	104	81	452	32.09	10,336	59.2		609	134.8	88	–34
		10.00 to < 20.00	*62*	*13*	*83*	*75*	*14.14*	*546*	*55.3*		*71*	*95.1*	*6*	*–5*
		20.00 to < 30.00	*50*	*1*	*93*	*64*	*22.16*	*921*	*62.7*		*80*	*125.0*	*9*	*–6*
		30.00 to < 100.00	*233*	*90*	*81*	*314*	*38.37*	*8,869*	*59.4*		*459*	*146.2*	*73*	*–23*
		100.00 (Default)	171	9	75	185	100.00	1,544	56.0		245	132.8	84	–72
		Sub-total	**6,391**	**6,598**	**75**	**11,492**	**4.89**	**94,101**	**55.1**		**6,540**	**56.9**	**304**	**–245**
		TOTAL A-IRB	**1,590,253**	**678,361**	**56**	**1,948,364**	**0.89**	**2,757,005**	**20.8**	**1.2**	**352,182**	**18.1**	**4,712**	**–5,705**

» Table 14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 **F-IRB**	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Central governments and central banks	0.00 to < 0.15	551,800	20,874	71	596,314	0.01	1,587	44.8	1.3	15,931	2.7	16	–2
	0.00 to < 0.10	*551,794*	*20,874*	*71*	*596,308*	*0.01*	*1,583*	*44.8*	*1.3*	*15,929*	*2.7*	*16*	*–2*
	0.10 to < 0.15	*6*			*6*	*0.10*	*4*	*42.8*	*2.5*	*2*	*29.9*	*0*	*0*
	0.15 to < 0.25	84	35	73	109	0.23	19	40.9	2.5	50	45.5	0	0
	0.25 to < 0.50	169	66	75	211	0.36	17	41.7	2.5	122	58.1	0	0
	0.50 to < 0.75	22	38	75	49	0.55	18	42.5	2.5	36	72.6	0	0
	0.75 to < 2.50	56	29	66	41	1.16	14	43.7	2.5	41	99.1	0	0
	0.75 to < 1.75	*56*	*29*	*66*	*41*	*1.16*	*14*	*43.7*	*2.5*	*41*	*99.1*	*0*	*0*
	1.75 to < 2.50												
	2.50 to < 10.00	0			0	6.69	3	45.0	2.5	0	175.7	0	
	2.50 to < 5.00												
	5.00 to < 10.00	*0*			*0*	*6.69*	*3*	*45.0*	*2.5*	*0*	*175.7*	*0*	
	10.00 to < 100.00	31	0	50	3	11.61	6	44.8	2.5	6	213.2	0	0
	10.00 to < 20.00	*31*		*0*	*3*	*11.00*	*2*	*45.0*	*2.5*	*6*	*211.9*	*0*	*0*
	20.00 to < 30.00	*0*	*0*	*50*	*0*	*24.98*	*4*	*41.5*	*2.5*	*0*	*240.9*	*0*	*0*
	30.00 to < 100.00												
	100.00 (Default)												
	Sub-total	**552,162**	**21,042**	**71**	**596,728**	**0.01**	**1,664**	**44.8**	**1.3**	**16,186**	**27.1**	**17**	**–2**

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 **F-IRB**	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – SME	0.00 to < 0.15	7,352	4,752	73	10,590	0.05	101	43.0	2.5	1,560	14.7	2	–4
	0.00 to < 0.10	*6,633*	*4,149*	*75*	*9,513*	*0.04*	*32*	*43.1*	*2.5*	*1,313*	*13.8*	*2*	*–4*
	0.10 to < 0.15	*719*	*602*	*60*	*1,077*	*0.13*	*69*	*42.4*	*2.5*	*247*	*22.9*	*1*	*0*
	0.15 to < 0.25	4,078	1,215	42	4,586	0.21	476	29.5	2.5	899	19.6	3	–1
	0.25 to < 0.50	5,117	1,486	36	5,652	0.35	643	26.5	2.5	1,399	24.7	5	–12
	0.50 to < 0.75	8,026	2,410	24	8,594	0.62	798	33.9	2.5	3,684	42.9	18	–50
	0.75 to < 2.50	21,520	7,788	64	26,150	1.39	1,510	37.1	2.5	15,353	58.7	135	–104
	0.75 to < 1.75	*18,615*	*6,594*	*65*	*22,718*	*1.27*	*1,150*	*37.0*	*2.5*	*12,997*	*57.2*	*107*	*–71*
	1.75 to < 2.50	*2,905*	*1,194*	*58*	*3,431*	*2.13*	*360*	*38.4*	*2.5*	*2,356*	*68.7*	*28*	*–33*
	2.50 to < 10.00	1,573	490	30	1,668	4.43	302	36.3	2.5	1,302	78.0	26	–31
	2.50 to < 5.00	*1,065*	*332*	*27*	*1,111*	*3.40*	*253*	*36.3*	*2.5*	*815*	*73.4*	*14*	*–18*
	5.00 to < 10.00	*508*	*158*	*36*	*557*	*6.47*	*49*	*36.2*	*2.5*	*487*	*87.4*	*13*	*–12*
	10.00 to < 100.00	102	814	42	442	13.25	24	43.0	2.5	604	136.5	25	–203
	10.00 to < 20.00	*10*	*697*	*49*	*350*	*11.01*	*11*	*44.7*	*2.5*	*477*	*136.2*	*17*	*–161*
	20.00 to < 30.00	*92*	*117*	*0*	*92*	*21.75*	*13*	*36.4*	*2.5*	*127*	*137.8*	*7*	*–42*
	30.00 to < 100.00												
	100.00 (Default)	202	37	30	213	100.00	41	41.1	2.5			88	–93
	Sub-total	**47,969**	**18,992**	**55**	**57,895**	**0.14**	**3,895**	**36.1**	**2.5**	**24,801**	**42.8**	**301**	**–499**

» Table 14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 **F-IRB**	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – Other													
	0.00 to < 0.15	55,509	95,742	66	118,455	0.07	542	43.5	2.5	27,534	23.2	33	–28
	0.00 to < 0.10	*43,597*	*63,792*	*66*	*85,338*	*0.05*	*370*	*44.2*	*2.5*	*16,945*	*19.9*	*18*	*–20*
	0.10 to < 0.15	*11,911*	*31,950*	*67*	*33,117*	*0.11*	*172*	*41.8*	*2.5*	*10,589*	*32.0*	*15*	*–8*
	0.15 to < 0.25	34,655	52,003	64	69,890	0.19	550	40.0	2.5	28,095	40.2	53	–46
	0.25 to < 0.50	26,211	10,985	59	30,653	0.36	516	37.2	2.5	15,633	51.0	41	–51
	0.50 to < 0.75	15,401	6,124	49	18,292	0.60	495	35.8	2.5	11,271	61.6	39	–48
	0.75 to < 2.50	46,150	12,768	62	53,580	1.20	1,259	37.0	2.5	43,401	81.0	243	–142
	0.75 to < 1.75	*42,442*	*11,560*	*61*	*49,111*	*1.11*	*974*	*36.7*	*2.5*	*38,400*	*78.2*	*204*	*–121*
	1.75 to < 2.50	*3,709*	*1,208*	*66*	*4,469*	*2.11*	*285*	*41.2*	*2.5*	*5,002*	*111.9*	*39*	*–21*
	2.50 to < 10.00	6,336	2,147	70	7,691	3.99	228	40.5	2.5	10,128	131.7	128	–177
	2.50 to < 5.00	*4,784*	*1,968*	*70*	*6,049*	*3.00*	*183*	*39.6*	*2.5*	*7,182*	*118.7*	*73*	*–112*
	5.00 to < 10.00	*1,552*	*180*	*69*	*1,642*	*7.63*	*45*	*43.8*	*2.5*	*2,946*	*179.4*	*55*	*–65*
	10.00 to < 100.00	1,019	212	75	1,178	20.88	28	43.7	2.5	2,880	244.5	107	–168
	10.00 to < 20.00	*109*	*13*	*75*	*119*	*11.00*	*4*	*43.8*	*2.5*	*245*	*206.5*	*6*	*–9*
	20.00 to < 30.00	*910*	*199*	*75*	*1,059*	*21.98*	*24*	*43.6*	*2.5*	*2,635*	*248.8*	*102*	*–159*
	30.00 to < 100.00												
	100.00 (Default)	1,241	127	51	1,306	100.00	39	44.3	2.5			578	–796
	Sub-total	**186,522**	**180,108**	**64**	**301,045**	**0.10**	**3,657**	**40.4**	**2.5**	**138,944**	**46.2**	**1,222**	**–1,456**

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 **F-IRB**	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – Specialised Lending	0.00 to < 0.15	641			641	0.07	4	44.5	2.5	118	18.4	0	0
	0.00 to < 0.10	*303*			*303*	*0.03*	*2*	*43.9*	*2.5*	*34*	*11.2*	*0*	*0*
	0.10 to < 0.15	*338*			*338*	*0.11*	*2*	*45.0*	*2.5*	*84*	*24.9*	*0*	*0*
	0.15 to < 0.25	1,819	290	69	2,019	0.18	9	44.9	2.5	694	34.4	2	–1
	0.25 to < 0.50	6,856	1,427	71	7,867	0.32	13	45.0	2.5	3,705	47.1	11	–5
	0.50 to < 0.75	782	874	63	1,330	0.54	7	26.3	2.5	447	33.6	2	–1
	0.75 to < 2.50	1,297	379	61	1,528	1.19	21	39.9	2.5	1,263	82.7	7	–7
	0.75 to < 1.75	*1,297*	*354*	*62*	*1,515*	*1.18*	*18*	*40.0*	*2.5*	*1,259*	*83.1*	*7*	*–7*
	1.75 to < 2.50		*26*	*50*	*13*	*2.00*	*3*	*17.6*	*2.5*	*5*	*36.7*	*0*	*0*
	2.50 to < 10.00												
	2.50 to < 5.00												
	5.00 to < 10.00												
	10.00 to < 100.00	86			5	21.00	1	45.0	2.5	9	191.2	0	0
	10.00 to < 20.00												
	20.00 to < 30.00	*86*			*5*	*21.00*	*1*	*45.0*	*2.5*	*9*	*191.2*	*0*	*0*
	30.00 to < 100.00												
	100.00 (Default)	30	3	100	34	100.00	5	43.0	2.5			14	–14
	Sub-total	**11,512**	**2,974**	**67**	**13,423**	**0.66**	**60**	**42.5**	**2.5**	**6,236**	**46.5**	**37**	**–29**

» Table 14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
31 Dec 2023 **F-IRB**	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Institutions													
	0.00 to < 0.15	44,505	24,704	60	56,497	0.04	163	25.1	2.5	6,974	12.3	6	–2
	0.00 to < 0.10	*42,972*	*23,038*	*59*	*53,777*	*0.04*	*147*	*24.4*	*2.5*	*6,077*	*11.3*	*4*	*–1*
	0.10 to < 0.15	*1,533*	*1,666*	*71*	*2,721*	*0.11*	*16*	*40.4*	*2.5*	*897*	*33.0*	*1*	*–1*
	0.15 to < 0.25	2,958	2,092	67	3,517	0.21	39	27.1	2.5	1,018	28.9	2	0
	0.25 to < 0.50	2,698	352	59	2,905	0.42	23	20.5	2.5	1,003	34.5	2	0
	0.50 to < 0.75	321	18	71	334	0.66	2	38.7	2.5	238	71.4	1	0
	0.75 to < 2.50	1,262	225	66	1,411	1.53	18	42.1	2.5	1,499	106.3	9	–2
	0.75 to < 1.75	*1,262*	*201*	*68*	*1,398*	*1.53*	*14*	*42.0*	*2.5*	*1,481*	*105.9*	*9*	*–2*
	1.75 to < 2.50	*0*	*25*	*50*	*13*	*1.81*	*4*	*45.0*	*2.5*	*19*	*147.4*	*0*	*0*
	2.50 to < 10.00	1,532	734	34	1,780	4.08	32	45.0	2.5	2,696	151.5	33	–6
	2.50 to < 5.00	*1,491*	*362*	*41*	*1,641*	*3.75*	*19*	*45.0*	*2.5*	*2,389*	*145.6*	*28*	*–6*
	5.00 to < 10.00	*41*	*372*	*26*	*138*	*8.00*	*13*	*45.0*	*2.5*	*307*	*221.8*	*5*	*0*
	10.00 to < 100.00	15	14	23	18	12.28	9	45.0	2.5	45	254.0	1	0
	10.00 to < 20.00	*15*	*13*	*20*	*17*	*11.89*	*7*	*45.0*	*2.5*	*44*	*252.8*	*1*	*0*
	20.00 to < 30.00	*0*	*1*	*50*	*1*	*25.00*	*2*	*45.0*	*2.5*	*2*	*293.6*	*0*	*0*
	30.00 to < 100.00												
	100.00 (Default)	239	30	84	264	100.00	1	45.0	2.5			119	–170
	Sub-total	**53,530**	**28,169**	**60**	**66,726**	**0.61**	**287**	**26.1**	**2.5**	**13,473**	**20.2**	**173**	**–180**
	TOTAL F-IRB	**851,695**	**251,284**	**63.55**	**1,035,816**	**0.41**	**9,563**	**41.8**	**1.8**	**199,640**	**19.3**	**1,751**	**–2,164**

» Table 14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m 30 Jun 2023 A-IRB	a PD scale	b On-balance sheet exposures	c Off-balance-sheet exposures pre-CCF	d Exposure weighted average CCF	e Exposure post CCF and post CRM	f Exposure weighted average PD (%)	g Number of obligors	h Exposure weighted average LGD (%)	i Exposure weighted average maturity (years)	j Risk weighted exposure amount after supporting factors	k Density of risk weighted exposure amount	l Expected loss amount	m Value adjustments and provisions
Corporates – other													
	0.00 to < 0.15	169,233	283,127	55	327,999	0.07	1,503	29.9	2.0	46,344	14.1	69	–104
	0.00 to < 0.10	106,373	198,841	55	218,646	0.05	1,002	28.9	2.0	24,437	11.2	31	–47
	0.10 to < 0.15	62,860	84,286	55	109,353	0.11	501	31.8	1.9	21,907	20.0	39	–57
	0.15 to < 0.25	144,181	116,316	55	206,585	0.19	1,390	29.8	2.0	54,736	26.5	116	–207
	0.25 to < 0.50	102,271	37,158	58	125,380	0.36	1,097	21.2	1.9	32,707	26.1	97	–271
	0.50 to < 0.75	91,832	14,255	62	95,301	0.57	1,065	12.7	2.1	18,912	19.8	69	–221
	0.75 to < 2.50	87,009	27,098	56	93,268	1.10	1,137	21.6	2.3	44,066	47.2	226	–405
	0.75 to < 1.75	86,976	27,098	56	93,246	1.10	1,104	21.7	2.3	44,063	47.3	226	–405
	1.75 to < 2.50	33	0	30	22	1.82	33	6.8	1.0	3	13.6	0	0
	2.50 to < 10.00	12,791	8,011	71	13,210	3.79	1,210	33.5	2.0	13,508	102.3	162	–409
	2.50 to < 5.00	11,366	7,610	72	11,584	3.20	1,176	33.4	2.1	11,301	97.6	117	–136
	5.00 to < 10.00	1,425	401	56	1,626	8.00	34	34.4	1.6	2,206	135.7	45	–273
	10.00 to < 100.00	1,862	59	94	1,725	20.05	47	23.6	1.4	2,060	119.5	80	–135
	10.00 to < 20.00	268	53	100	164	11.00	13	36.9	0.5	253	154.1	7	–6
	20.00 to < 30.00	1,594	6	38	1,561	21.00	34	22.2	1.5	1,807	115.8	73	–129
	30.00 to < 100.00												
	100.00 (Default)	1,797	210	46	1,845	100.00	39	1.8	3.4	413	22.4	1,153	–1,162
	Sub-total	**610,978**	**486,233**	**56**	**865,313**	**0.62**	**7,488**	**25.8**	**2.0**	**212,745**	**24.6**	**1,973**	**–2,914**

SEK m 30 Jun 2023 A-IRB	a PD scale	b On-balance sheet exposures	c Off-balance-sheet exposures pre-CCF	d Exposure weighted average CCF	e Exposure post CCF and post CRM	f Exposure weighted average PD (%)	g Number of obligors	h Exposure weighted average LGD (%)	i Exposure weighted average maturity (years)	j Risk weighted exposure amount after supporting factors	k Density of risk weighted exposure amount	l Expected loss amount	m Value adjustments and provisions
Corporates – SME													
	0.00 to < 0.15	22,252	5,361	62	25,078	0.10	1,156	16.4	1.5	1,562	6.2	4	–5
	0.00 to < 0.10	10,217	2,471	61	11,226	0.07	427	16.0	1.7	563	5.0	1	–3
	0.10 to < 0.15	12,035	2,890	62	13,852	0.13	729	16.7	1.4	999	7.2	3	–3
	0.15 to < 0.25	28,923	7,298	62	36,611	0.20	2,827	15.4	1.9	4,312	11.8	11	–18
	0.25 to < 0.50	53,943	5,572	61	58,134	0.34	5,532	9.5	1.6	4,269	7.3	19	–32
	0.50 to < 0.75	51,761	6,706	60	57,034	0.60	4,781	10.7	1.4	6,233	10.9	37	–75
	0.75 to < 2.50	46,823	2,755	60	49,743	1.12	3,980	11.0	1.5	7,485	15.0	66	–107
	0.75 to < 1.75	44,830	2,424	62	47,230	1.07	3,537	10.9	1.5	6,935	14.7	59	–91
	1.75 to < 2.50	1,993	330	47	2,514	1.99	443	12.8	1.9	550	21.9	7	–16
	2.50 to < 10.00	2,787	731	56	2,811	4.31	4,397	18.1	1.6	1,056	37.6	22	–45
	2.50 to < 5.00	2,082	680	55	2,160	3.40	4,272	19.0	1.7	840	38.9	14	–18
	5.00 to < 10.00	705	51	62	651	7.35	125	15.0	1.1	216	33.2	7	–26
	10.00 to < 100.00	1,958	511	80	2,166	11.56	148	25.6	1.2	1,641	75.8	63	–143
	10.00 to < 20.00	1,777	491	81	2,045	11.00	100	26.0	1.2	1,563	76.4	59	–112
	20.00 to < 30.00	181	20	59	120	21.01	48	19.2	1.0	78	65.0	5	–31
	30.00 to < 100.00												
	100.00 (Default)	509	14	46	386	100.00	121	5.1	1.2	248	64.3	171	–176
	Sub-total	**208,956**	**28,948**	**61**	**231,962**	**0.84**	**22,942**	**12.0**	**1.6**	**26,805**	**11.6**	**393**	**–601**

» Table 14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m 30 Jun 2023 A-IRB	a PD scale	b On-balance sheet exposures	c Off-balance-sheet exposures pre-CCF	d Exposure weighted average CCF	e Exposure post CCF and post CRM	f Exposure weighted average PD (%)	g Number of obligors	h Exposure weighted average LGD (%)	i Exposure weighted average maturity (years)	j Risk weighted exposure amount after supporting factors	k Density of risk weighted exposure amount	l Expected loss amount	m Value adjustments and provisions
Corporates – Specialised lending	0.00 to < 0.15	4,611	1,353	61	5,440	0.07	16	22.8	3.8	723	13.3	1	–1
	0.00 to < 0.10	*2,618*	*270*	*62*	*2,786*	*0.03*	*11*	*20.0*	*4.9*	*276*	*9.9*	*0*	*0*
	0.10 to < 0.15	*1,992*	*1,082*	*61*	*2,654*	*0.12*	*5*	*25.8*	*2.7*	*447*	*16.8*	*1*	*0*
	0.15 to < 0.25	1,326	514	59	1,631	0.22	3	20.0	3.2	348	21.4	1	0
	0.25 to < 0.50	4,506	1,900	56	5,574	0.32	14	26.9	4.7	2,026	36.3	5	–3
	0.50 to < 0.75	6,625	3,476	59	8,668	0.54	22	23.2	4.0	3,112	35.9	11	–6
	0.75 to < 2.50	1,656			1,274	1.21	3	23.4	4.5	737	57.8	3	–1
	0.75 to < 1.75	*1,656*			*1,274*	*1.21*	*3*	*23.4*	*4.5*	*737*	*57.8*	*3*	*–1*
	1.75 to < 2.50												
	2.50 to < 10.00	0			0	2.69	1	7.8	1.0		14.8	0	
	2.50 to < 5.00	*0*			*0*	*2.69*	*1*	*7.8*	*1.0*		*14.8*	*0*	
	5.00 to < 10.00												
	10.00 to < 100.00												
	10.00 to < 20.00												
	20.00 to < 30.00												
	30.00 to < 100.00												
	100.00 (Default)	260			260	100.00	1		5.0			124	–124
	Sub-total	**18,984**	**7,243**	**59**	**22,847**	**1.52**	**60**	**23.5**	**4.1**	**6,945**	**30.4**	**144**	**–134**

SEK m 30 Jun 2023 A-IRB	a PD scale	b On-balance sheet exposures	c Off-balance-sheet exposures pre-CCF	d Exposure weighted average CCF	e Exposure post CCF and post CRM	f Exposure weighted average PD (%)	g Number of obligors	h Exposure weighted average LGD (%)	i Exposure weighted average maturity (years)	j Risk weighted exposure amount after supporting factors	k Density of risk weighted exposure amount	l Expected loss amount	m Value adjustments and provisions
Institutions													
	0.00 to < 0.15	107,143	68,861	57	134,740	0.07	1,341	39.3	1.5	25,635	19.0	36	–26
	0.00 to < 0.10	*93,813*	*57,017*	*56*	*114,207*	*0.06*	*1,159*	*39.4*	*1.5*	*19,869*	*17.4*	*26*	*–17*
	0.10 to < 0.15	*13,330*	*11,844*	*60*	*20,533*	*0.12*	*182*	*39.2*	*1.4*	*5,766*	*28.1*	*10*	*–9*
	0.15 to < 0.25	15,785	10,366	43	20,217	0.20	1,028	33.1	1.3	5,571	27.6	13	–10
	0.25 to < 0.50	6,002	2,704	36	6,979	0.37	195	34.3	1.7	2,966	42.5	9	–2
	0.50 to < 0.75	7	2	65	8	0.65	3	31.0	1.0	3	43.7	0	0
	0.75 to < 2.50	2,520	1,426	20	2,381	1.12	106	22.5	1.3	1,226	51.5	7	–2
	0.75 to < 1.75	*1,775*	*1,085*	*24*	*2,031*	*1.01*	*76*	*16.8*	*1.3*	*694*	*34.2*	*3*	*–2*
	1.75 to < 2.50	*745*	*341*	*10*	*350*	*1.80*	*30*	*55.9*	*1.0*	*532*	*151.9*	*4*	*0*
	2.50 to < 10.00	1,722	2,395	10	1,292	6.35	110	56.0	0.7	2,830	219.0	46	–1
	2.50 to < 5.00	*625*	*725*	*11*	*497*	*3.70*	*49*	*56.0*	*0.5*	*892*	*179.6*	*10*	*0*
	5.00 to < 10.00	*1,097*	*1,670*	*10*	*796*	*8.00*	*61*	*55.9*	*0.7*	*1,938*	*243.6*	*36*	*–1*
	10.00 to < 100.00	1,048	1,282	11	731	11.74	138	56.0	0.2	1,988	271.9	48	–1
	10.00 to < 20.00	*1,011*	*1,173*	*11*	*688*	*11.16*	*80*	*56.0*	*0.2*	*1,848*	*268.6*	*43*	*–1*
	20.00 to < 30.00	*37*	*109*	*10*	*43*	*21.00*	*58*	*55.9*	*0.2*	*140*	*324.7*	*5*	*0*
	30.00 to < 100.00												
	100.00 (Default)	12			12	100.00	8	41.2	5.0	63	515.6	2	–2
	Sub-total	**134,239**	**87,038**	**52**	**166,362**	**0.22**	**2,929**	**38.3**	**1.5**	**40,283**	**24.2**	**161**	**–44**

» Table 14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
30 Jun 2023 A-IRB	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail – Secured by immovable property non-SME	0.00 to < 0.15	233,362	4,457	59	235,716	0.09	330,374	7.7		4,206	1.8	16	–7
	0.00 to < 0.10	*233,361*	*4,457*	*59*	*235,715*	*0.09*	*330,369*	*7.7*		*4,206*	*1.8*	*16*	*–7*
	0.10 to < 0.15	*1*			*1*	*0.15*	*5*	*10.1*		*0*	*3.4*	*0*	*0*
	0.15 to < 0.25	207,096	8,241	54	211,612	0.16	282,399	10.6		8,059	3.8	36	–13
	0.25 to < 0.50	108,445	24,765	49	120,536	0.34	166,917	14.5		10,933	9.1	60	–22
	0.50 to < 0.75	26,306	5,891	51	29,311	0.68	34,405	14.0		4,199	14.3	28	–10
	0.75 to < 2.50	28,306	1,245	60	29,061	1.54	44,683	13.0		6,628	22.8	58	–21
	0.75 to < 1.75	*21,744*	*1,107*	*60*	*22,414*	*1.41*	*28,560*	*12.6*		*4,641*	*20.7*	*39*	*–17*
	1.75 to < 2.50	*6,562*	*139*	*62*	*6,647*	*2.00*	*16,123*	*14.5*		*1,986*	*29.9*	*19*	*–4*
	2.50 to < 10.00	21,077	652	71	21,544	4.36	28,149	13.6		9,208	42.7	127	–71
	2.50 to < 5.00	*15,116*	*454*	*70*	*15,437*	*3.28*	*19,602*	*13.6*		*5,817*	*37.7*	*69*	*–37*
	5.00 to < 10.00	*5,962*	*197*	*72*	*6,107*	*7.10*	*8,547*	*13.4*		*3,391*	*55.5*	*58*	*–34*
	10.00 to < 100.00	7,678	84	63	7,732	28.69	11,849	12.5		5,342	69.1	275	–207
	10.00 to < 20.00	*3,840*	*20*	*80*	*3,857*	*13.81*	*5,414*	*13.0*		*2,702*	*70.1*	*69*	*–44*
	20.00 to < 30.00	*146*	*1*	*99*	*147*	*26.27*	*353*	*18.3*		*166*	*112.8*	*7*	*–5*
	30.00 to < 100.00	*3,692*	*64*	*57*	*3,729*	*44.18*	*6,082*	*11.9*		*2,473*	*66.3*	*198*	*–157*
	100.00 (Default)	617			617	100.00	1,233	38.2		437	70.8	203	–224
	Sub-total	**632,887**	**45,335**	**52**	**656,129**	**0.82**	**900,009**	**10.7**		**49,011**	**7.5**	**803**	**–575**

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
30 Jun 2023 A-IRB	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Retail – Secured by immovable property SME	0.00 to < 0.15	846	36	96	804	0.09	884	12.9		18	2.3	0	–1
	0.00 to < 0.10	*846*	*36*	*96*	*804*	*0.09*	*884*	*12.9*		*18*	*2.3*	*0*	*–1*
	0.10 to < 0.15												
	0.15 to < 0.25	1,269	121	64	1,345	0.17	1,545	17.7		70	5.2	0	0
	0.25 to < 0.50	1,328	457	67	1,635	0.31	1,953	18.1		137	8.4	1	–1
	0.50 to < 0.75	881	213	69	1,029	0.64	1,436	32.0		242	23.5	2	–1
	0.75 to < 2.50	4,462	246	79	4,649	1.37	4,360	18.2		1,069	23.0	12	–10
	0.75 to < 1.75	*3,396*	*187*	*77*	*3,537*	*1.11*	*3,128*	*16.3*		*629*	*17.8*	*6*	*–6*
	1.75 to < 2.50	*1,065*	*58*	*83*	*1,112*	*2.17*	*1,232*	*24.2*		*439*	*39.5*	*6*	*–4*
	2.50 to < 10.00	850	20	75	866	5.27	874	20.2		488	56.3	10	–5
	2.50 to < 5.00	*623*	*8*	*76*	*629*	*4.49*	*588*	*16.7*		*265*	*42.1*	*5*	*–3*
	5.00 to < 10.00	*228*	*12*	*75*	*237*	*7.37*	*286*	*29.5*		*223*	*94.1*	*5*	*–2*
	10.00 to < 100.00	348	5	93	352	21.59	413	22.4		337	95.6	18	–10
	10.00 to < 20.00	*243*	*5*	*95*	*247*	*13.58*	*269*	*21.3*		*220*	*89.0*	*7*	*–5*
	20.00 to < 30.00	*42*	*0*	*91*	*42*	*27.02*	*44*	*25.9*		*53*	*126.0*	*3*	*–2*
	30.00 to < 100.00	*63*	*0*	*40*	*63*	*49.28*	*100*	*24.6*		*64*	*101.0*	*7*	*–3*
	100.00 (Default)	45	1	91	46	100.00	62	24.8		81	175.8	5	–7
	Sub-total	**10,028**	**1,098**	**71**	**10,725**	**2.29**	**11,527**	**19.4**		**2,441**	**22.8**	**48**	**–34**

» Table 14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m 30 Jun 2023 A-IRB	a PD scale	b On-balance sheet exposures	c Off-balance-sheet exposures pre-CCF	d Exposure weighted average CCF	e Exposure post CCF and post CRM	f Exposure weighted average PD (%)	g Number of obligors	h Exposure weighted average LGD (%)	i Exposure weighted average maturity (years)	j Risk weighted exposure amount after supporting factors	k Density of risk weighted exposure amount	l Expected loss amount	m Value adjustments and provisions
Retail – Other non-SME	0.00 to < 0.15	8,660	30,581	81	33,839	0.06	1,038,702	40.9		2,677	7.9	10	–34
	0.00 to < 0.10	3,967	18,005	84	19,460	0.03	653,014	34.3		731	3.8	2	–14
	0.10 to < 0.15	4,693	12,576	77	14,379	0.11	385,688	49.9		1,947	13.5	8	–20
	0.15 to < 0.25	1,416	2,796	76	3,810	0.17	78,915	52.1		792	20.8	4	–11
	0.25 to < 0.50	4,481	562	64	4,879	0.33	94,656	46.0		1,358	27.8	8	–29
	0.50 to < 0.75	8,278	5,239	73	12,244	0.66	291,457	37.5		4,052	33.1	30	–39
	0.75 to < 2.50	3,579	455	73	3,978	1.31	55,716	49.8		2,351	59.1	25	–61
	0.75 to < 1.75	3,376	395	76	3,740	1.29	42,592	49.3		2,169	58.0	23	–59
	1.75 to < 2.50	203	60	58	238	1.76	13,124	57.9		182	76.4	2	–2
	2.50 to < 10.00	5,667	1,420	79	6,835	3.88	113,733	50.1		5,139	75.2	131	–250
	2.50 to < 5.00	4,162	842	74	4,830	2.71	73,722	51.1		3,576	74.0	66	–114
	5.00 to < 10.00	1,506	577	85	2,005	6.69	40,011	47.7		1,563	78.0	65	–136
	10.00 to < 100.00	941	85	76	1,011	24.38	67,189	45.7		1,087	107.5	107	–183
	10.00 to < 20.00	418	68	78	474	15.07	9,453	51.5		507	107.0	36	–65
	20.00 to < 30.00	378	4	53	380	27.78	5,309	39.4		397	104.4	42	–96
	30.00 to < 100.00	145	13	78	157	44.27	52,427	43.4		183	116.8	29	–22
	100.00 (Default)	836	5	113	843	100.00	14,925	52.5		418	49.5	410	–482
	Sub-total	**33,858**	**41,142**	**79**	**67,439**	**2.27**	**1,755,293**	**43.0**		**17,874**	**26.5**	**724**	**–1,088**

SEK m 30 Jun 2023 A-IRB	a PD scale	b On-balance sheet exposures	c Off-balance-sheet exposures pre-CCF	d Exposure weighted average CCF	e Exposure post CCF and post CRM	f Exposure weighted average PD (%)	g Number of obligors	h Exposure weighted average LGD (%)	i Exposure weighted average maturity (years)	j Risk weighted exposure amount after supporting factors	k Density of risk weighted exposure amount	l Expected loss amount	m Value adjustments and provisions
Retail – Other SME													
	0.00 to < 0.15	454	173	93	346	0.04	4,567	84.6		36	10.5	0	–11
	0.00 to < 0.10	446	173	93	338	0.04	4,542	85.5		35	10.5	0	–11
	0.10 to < 0.15	8			8	0.13	25	46.9		1	11.2	0	0
	0.15 to < 0.25	115	130	74	225	0.19	2,326	45.0		32	14.2	0	0
	0.25 to < 0.50	714	2,856	70	2,731	0.30	12,427	49.3		622	22.8	4	–5
	0.50 to < 0.75	914	294	81	1,339	0.61	22,560	64.5		618	46.1	5	–10
	0.75 to < 2.50	2,457	2,108	80	4,218	1.51	22,938	51.5		2,213	52.5	34	–29
	0.75 to < 1.75	1,187	1,716	80	2,515	1.14	7,281	45.5		1,004	39.9	13	–9
	1.75 to < 2.50	1,271	393	81	1,703	2.06	15,657	60.3		1,209	71.0	21	–20
	2.50 to < 10.00	1,177	542	79	1,708	5.89	17,255	65.3		1,610	94.2	68	–36
	2.50 to < 5.00	754	340	80	1,043	4.64	6,940	59.4		846	81.0	29	–16
	5.00 to < 10.00	423	202	79	665	7.84	10,315	74.4		764	115.0	40	–19
	10.00 to < 100.00	442	142	85	586	26.56	9,682	56.4		683	116.6	93	–40
	10.00 to < 20.00	240	70	90	306	14.52	932	49.2		252	82.2	22	–19
	20.00 to < 30.00	74	9	93	93	24.46	977	53.5		101	108.4	12	–7
	30.00 to < 100.00	128	63	80	187	47.30	7,773	69.8		331	176.7	59	–14
	100.00 (Default)	175	7	75	187	100.00	1,379	55.9		235	126.2	85	–77
	Sub-total	**6,448**	**6,252**	**76**	**11,340**	**4.62**	**93,134**	**55.8**		**6,050**	**53.3**	**290**	**–208**
	TOTAL A-IRB	**1,656,379**	**703,289**	**57**	**2,032,117**	**0.77**	**2,793,382**	**21.0**	**1.2**	**362,156**	**17.8**	**4,537**	**–5,600**

» Table14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
30 Jun 2023 F-IRB	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Central governments and central banks	0.00 to < 0.15	965,452	21,703	74	1,013,060	0.00	1,618	44.9	1.2	19,249	1.9	19	–13
	0.00 to < 0.10	*965,445*	*21,703*	*74*	*1,013,053*	*0.00*	*1,614*	*44.9*	*1.2*	*19,247*	*1.9*	*19*	*–13*
	0.10 to < 0.15	*7*			*7*	*0.10*	*4*	*44.6*	*2.5*	*2*	*31.2*	*0*	*0*
	0.15 to < 0.25	77	32	75	101	0.23	17	40.2	2.5	45	44.7	0	0
	0.25 to < 0.50	127	28	75	141	0.35	16	38.9	2.5	76	54.1	0	0
	0.50 to < 0.75	23	10	75	30	0.55	16	41.6	2.5	22	71.2	0	0
	0.75 to < 2.50	60	14	53	29	1.18	15	42.7	2.5	28	97.5	0	0
	0.75 to < 1.75	*60*	*14*	*53*	*29*	*1.18*	*14*	*42.7*	*2.5*	*28*	*97.5*	*0*	*0*
	1.75 to < 2.50				*0*	*2.09*	*1*	*40.7*	*2.5*	*0*	*111.5*	*0*	
	2.50 to < 10.00	33			0	7.68	6	45.0	2.5	0	185.1	0	0
	2.50 to < 5.00	*0*				*4.00*	*1*	*45.0*	*2.5*		*148.0*	*0*	
	5.00 to < 10.00	*33*			*0*	*7.76*	*5*	*45.0*	*2.5*	*0*	*185.9*	*0*	*0*
	10.00 to < 100.00	4	0	75	4	11.62	6	45.0	2.5	9	214.2	0	0
	10.00 to < 20.00	*4*			*4*	*11.00*	*2*	*45.0*	*2.5*	*8*	*211.9*	*0*	*0*
	20.00 to < 30.00	*0*	*0*	*75*	*0*	*23.90*	*4*	*45.0*	*2.5*	*1*	*259.6*	*0*	*0*
	30.00 to < 100.00												
	100.00 (Default)												
	Sub-total	**965,776**	**21,786**	**74**	**1,013,366**	**0.00**	**1,694**	**44.9**	**1.2**	**19,429**	**1.9**	**20**	**–13**

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
30 Jun 2023 F-IRB	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – SME													
	0.00 to < 0.15	9,669	6,694	74	14,404	0.05	95	44.1	2.5	2,339	16.2	3	–5
	0.00 to < 0.10	*8,491*	*6,152*	*75*	*12,872*	*0.04*	*36*	*44.1*	*2.5*	*1,884*	*14.6*	*2*	*–5*
	0.10 to < 0.15	*1,178*	*542*	*65*	*1,531*	*0.12*	*59*	*44.0*	*2.5*	*455*	*29.7*	*1*	*–1*
	0.15 to < 0.25	4,626	1,560	52	5,433	0.21	574	32.5	2.5	1,221	22.5	4	–5
	0.25 to < 0.50	4,897	1,739	34	5,481	0.35	779	28.3	2.5	1,420	25.9	5	–12
	0.50 to < 0.75	8,913	3,062	28	9,681	0.61	896	34.5	2.5	4,177	43.2	20	–37
	0.75 to < 2.50	21,962	7,794	65	26,645	1.34	1,626	37.5	2.5	15,882	59.6	137	–76
	0.75 to < 1.75	*18,603*	*6,512*	*66*	*22,782*	*1.20*	*1,218*	*37.2*	*2.5*	*13,123*	*57.6*	*104*	*–56*
	1.75 to < 2.50	*3,359*	*1,282*	*61*	*3,862*	*2.13*	*408*	*39.5*	*2.5*	*2,759*	*71.4*	*33*	*–20*
	2.50 to < 10.00	2,110	452	34	2,190	4.70	317	32.2	2.5	1,622	74.1	34	–44
	2.50 to < 5.00	*1,353*	*310*	*33*	*1,391*	*3.49*	*252*	*28.6*	*2.5*	*800*	*57.5*	*13*	*–17*
	5.00 to < 10.00	*757*	*142*	*36*	*799*	*6.82*	*65*	*38.4*	*2.5*	*822*	*103.0*	*21*	*–27*
	10.00 to < 100.00	238	1,585	46	958	13.99	41	39.4	2.5	1,225	127.8	49	–159
	10.00 to < 20.00	*150*	*1,231*	*48*	*739*	*11.11*	*16*	*43.6*	*2.5*	*982*	*133.0*	*36*	*–133*
	20.00 to < 30.00	*88*	*354*	*39*	*220*	*23.65*	*25*	*25.5*	*2.5*	*242*	*110.3*	*13*	*–26*
	30.00 to < 100.00												
	100.00 (Default)	316	9	29	319	100.00	39	40.5	2.5			129	–77
	Sub-total	**52,731**	**22,895**	**57**	**65,111**	**1.55**	**4,367**	**37.2**	**2.5**	**27,887**	**42.8**	**381**	**–417**

» Table14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
30 Jun 2023 F-IRB	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – Other													
	0.00 to < 0.15	63,273	94,944	66	125,573	0.07	487	42.4	2.5	29,167	23.2	35	–59
	0.00 to < 0.10	*49,323*	*59,796*	*66*	*88,333*	*0.05*	*347*	*43.7*	*2.5*	*17,726*	*20.1*	*18*	*–41*
	0.10 to < 0.15	*13,949*	*35,148*	*66*	*37,240*	*0.11*	*140*	*39.5*	*2.5*	*11,440*	*30.7*	*16*	*–17*
	0.15 to < 0.25	31,901	44,558	63	61,921	0.19	521	41.1	2.5	25,432	41.1	48	–82
	0.25 to < 0.50	33,431	12,868	63	39,612	0.36	495	36.6	2.5	19,956	50.4	52	–79
	0.50 to < 0.75	14,609	6,241	55	18,003	0.59	468	38.0	2.5	11,716	65.1	40	–59
	0.75 to < 2.50	42,471	12,845	66	50,590	1.24	1,227	36.9	2.5	41,293	81.6	234	–163
	0.75 to < 1.75	*38,957*	*11,737*	*66*	*46,487*	*1.16*	*970*	*37.1*	*2.5*	*37,456*	*80.6*	*204*	*–122*
	1.75 to < 2.50	*3,514*	*1,107*	*66*	*4,103*	*2.16*	*257*	*34.5*	*2.5*	*3,838*	*93.5*	*30*	*–41*
	2.50 to < 10.00	5,792	2,068	71	7,117	4.52	228	40.8	2.5	9,770	137.3	132	–184
	2.50 to < 5.00	*3,901*	*1,831*	*71*	*5,055*	*3.13*	*180*	*40.3*	*2.5*	*6,179*	*122.2*	*63*	*–80*
	5.00 to < 10.00	*1,891*	*237*	*73*	*2,062*	*7.91*	*48*	*42.0*	*2.5*	*3,591*	*174.2*	*68*	*–104*
	10.00 to < 100.00	1,287	199	46	1,378	22.49	39	40.6	2.5	3,258	236.4	125	–134
	10.00 to < 20.00	*133*	*12*	*75*	*142*	*11.08*	*4*	*43.7*	*2.5*	*293*	*206.2*	*7*	*–9*
	20.00 to < 30.00	*1,154*	*187*	*44*	*1,236*	*23.80*	*35*	*40.3*	*2.5*	*2,965*	*239.8*	*118*	*–125*
	30.00 to < 100.00												
	100.00 (Default)	927	117	53	990	100.00	34	43.9	2.5			434	–691
	Sub-total	**193,692**	**173,841**	**65**	**305,183**	**0.88**	**3,499**	**40.2**	**2.5**	**140,592**	**46.1**	**1,100**	**–1,450**

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m
30 Jun 2023 F-IRB	PD scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
Corporates – Specialised Lending	0.00 to < 0.15	703			703	0.07	4	44.5	2.5	129	18.4	0	0
	0.00 to < 0.10	*333*			*333*	*0.03*	*2*	*44.0*	*2.5*	*37*	*11.2*	*0*	*0*
	0.10 to < 0.15	*370*			*370*	*0.11*	*2*	*45.0*	*2.5*	*92*	*24.9*	*0*	*0*
	0.15 to < 0.25	1,959	1,191	73	2,834	0.18	9	44.9	2.5	1,024	36.1	2	–1
	0.25 to < 0.50	7,823	1,359	69	8,764	0.32	13	44.4	2.5	4,067	46.4	13	–6
	0.50 to < 0.75	832	379	50	1,021	0.54	5	18.5	2.5	229	22.4	1	–1
	0.75 to < 2.50	2,237	1,944	73	3,648	1.22	25	44.0	2.5	2,860	78.4	19	–8
	0.75 to < 1.75	*2,237*	*1,917*	*73*	*3,634*	*1.21*	*22*	*44.1*	*2.5*	*2,855*	*78.6*	*19*	*–8*
	1.75 to < 2.50		*27*	*50*	*14*	*2.00*	*3*	*17.6*	*2.5*	*5*	*36.7*	*0*	*0*
	2.50 to < 10.00												
	2.50 to < 5.00												
	5.00 to < 10.00												
	10.00 to < 100.00	116			6	21.00	1	45.0	2.5	12	191.2	1	0
	10.00 to < 20.00												
	20.00 to < 30.00	*116*			*6*	*21.00*	*1*	*45.0*	*2.5*	*12*	*191.2*	*1*	*0*
	30.00 to < 100.00												
	100.00 (Default)	148	4	100	152	100.00	7	42.5	2.5			65	–57
	Sub-total	**13,819**	**4,876**	**70**	**17,129**	**1.39**	**64**	**42.8**	**2.5**	**8,322**	**48.6**	**101**	**–73**

» Table14. EU CR6 – IRB approach: *Credit risk exposures by exposure class and PD range*

SEK m 30 Jun 2023 F-IRB	a PD scale	b On-balance sheet exposures	c Off-balance-sheet exposures pre-CCF	d Exposure weighted average CCF	e Exposure post CCF and post CRM	f Exposure weighted average PD (%)	g Number of obligors	h Exposure weighted average LGD (%)	i Exposure weighted average maturity (years)	j Risk weighted exposure amount after supporting factors	k Density of risk weighted exposure amount	l Expected loss amount	m Value adjustments and provisions
Institutions													
	0.00 to < 0.15	34,741	23,641	56	45,506	0.04	155	27.2	2.5	6,243	13.7	5	–1
	0.00 to < 0.10	*33,600*	*20,809*	*55*	*42,465*	*0.04*	*142*	*26.2*	*2.5*	*5,193*	*12.2*	*4*	*0*
	0.10 to < 0.15	*1,142*	*2,832*	*67*	*3,041*	*0.12*	*13*	*40.6*	*2.5*	*1,050*	*34.5*	*1*	*–1*
	0.15 to < 0.25	3,664	2,193	67	4,250	0.21	35	26.7	2.5	1,208	28.4	2	–3
	0.25 to < 0.50	3,921	105	74	3,999	0.39	22	12.9	2.5	736	18.4	2	–1
	0.50 to < 0.75	908	22	65	922	0.66	4	19.2	2.5	328	35.6	1	0
	0.75 to < 2.50	1,756	480	45	1,970	1.38	21	43.5	2.5	2,083	105.7	12	–3
	0.75 to < 1.75	*1,734*	*478*	*45*	*1,948*	*1.38*	*17*	*43.5*	*2.5*	*2,050*	*105.3*	*12*	*–3*
	1.75 to < 2.50	*22*	*2*	*20*	*22*	*1.81*	*4*	*45.0*	*2.5*	*33*	*147.5*	*0*	*0*
	2.50 to < 10.00	1,629	796	31	1,873	3.67	17	45.0	2.5	2,733	146.0	31	–7
	2.50 to < 5.00	*1,597*	*160*	*73*	*1,713*	*3.27*	*12*	*45.0*	*2.5*	*2,380*	*138.9*	*25*	*–7*
	5.00 to < 10.00	*32*	*636*	*20*	*159*	*8.00*	*5*	*45.0*	*2.5*	*353*	*221.8*	*6*	*0*
	10.00 to < 100.00	16	17	22	20	16.07	14	45.0	2.5	53	269.3	1	0
	10.00 to < 20.00	*8*	*16*	*20*	*11*	*12.02*	*3*	*45.0*	*2.5*	*28*	*253.7*	*1*	*0*
	20.00 to < 30.00	*8*	*1*	*50*	*9*	*21.17*	*11*	*45.0*	*2.5*	*25*	*288.9*	*1*	*0*
	30.00 to < 100.00												
	100.00 (Default)	238	32	84	265	100.00	1	45.0	2.5			119	–174
	Sub-total	**46,874**	**27,285**	**56**	**58,803**	**0.70**	**269**	**27.3**	**2.5**	**13,385**	**22.8**	**174**	**–189**
	TOTAL F-IRB	**1,272,893**	**250,683**	**64**	**1,459,592**	**0.30**	**9,892**	**42.8**	**1.6**	**209,615**	**14.4**	**1,775**	**–2,142**

COMMENT

- *The IRB approach is applied for the majority of SEB's credit risk exposures. For the parent company SEB operates with an IRB Advanced approval for all major portfolios and since June 2017, with an IRB Foundation approval for the sovereign portfolio. In the Baltic subsidiaries, SEB holds an IRB Advanced approval for all major retail portfolios and an IRB Foundation approval for the non-retail portfolio.*

Table 15. EU CR6-A – Scope of the use of IRB and SA approaches

SEK m		a	b	c	d	e
31 Dec 2023		Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to a roll-out plan (%)	Percentage of total exposure value subject to IRB Approach (%)
1	Central governments or central banks	571,513	566,046	0.7%	0.1%	99.2%
1.1	*of which Regional governments or local authorities*		*29,387*			*100.0%*
1.2	*of which Public sector entities*		*874*			*100.0%*
2	Institutions	228,519	220,421	0.8%	0.9%	98.3%
3	Corporates	1,471,986	1,390,014	0.4%	0.5%	99.1%
3.1	*of which Corporates – Specialised lending, excluding slotting approach*		*31,707*			*100.0%*
3.2	*of which Corporates – Specialised lending under slotting approach*					
4	Retail	758,635	727,214	0.3%	3.5%	96.2%
4.1	*of which Retail – Secured by real estate SMEs*		*14,276*		*6.9%*	*93.1%*
4.2	*of which Retail – Secured by real estate non-SMEs*		*650,666*	*0.1%*	*2.1%*	*97.8%*
4.3	*of which Retail – Qualifying revolving*					
4.4	*of which Retail – Other SMEs*		*14,449*	*0.2%*	*42.7%*	*57.1%*
4.5	*of which Retail – Other non-SMEs*		*47,823*	*3.8%*	*9.0%*	*87.2%*
5	Equity	16,825	15,893	98.3%	1.7%	0.0%
6	Other non-credit obligation assets	21,323	21,320	100.0%		0.0%
7	**TOTAL**	**3,068,801**	**2,940,908**	**1.7%**	**1.2%**	**97.1%**

SEK m		a	b	c	d	e
31 Dec 2022		Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to a roll-out plan (%)	Percentage of total exposure value subject to IRB Approach (%)
1	Central governments or central banks	594,710	588,445	1.2%	0.1%	98.7%
1.1	*of which Regional governments or local authorities*		*28,369*			*100.0%*
1.2	*of which Public sector entities*		*1,347*			*100.0%*
2	Institutions	213,560	204,463	1.1%	1.1%	97.8%
3	Corporates	1,467,930	1,380,460	0.4%	0.5%	99.2%
3.1	*of which Corporates – Specialised lending, excluding slotting approach*		*57,665*			*100.0%*
3.2	*of which Corporates – Specialised lending under slotting approach*					
4	Retail	759,943	718,758	0.3%	3.9%	95.7%
4.1	*of which Retail – Secured by real estate SMEs*		*10,102*		*5.3%*	*94.7%*
4.2	*of which Retail – Secured by real estate non-SMEs*		*649,909*	*0.1%*	*2.1%*	*97.8%*
4.3	*of which Retail – Qualifying revolving*					
4.4	*of which Retail – Other SMEs*		*12,441*	*0.2%*	*37.3%*	*62.6%*
4.5	*of which Retail – Other non-SMEs*		*46,305*	*3.7%*	*20.2%*	*76.1%*
5	Equity	17,051	16,392	97.9%	2.1%	
6	Other non-credit obligation assets	17,262	17,262	100.0%		
7	**TOTAL**	**3,070,456**	**2,925,781**	**1.7%**	**1.3%**	**97.0%**

COMMENT

- *As of 31 December 2023, 97,1 per cent of the credit risk exposure was calculated using the IRB approach, and only a few minor portfolios were reported according to the standardised approach.*

Table 16. EU CR7 – IRB approach: *Effect on the RWEAs of credit derivatives used as CRM techniques*

SEK m		a	b	a	b
		31 Dec 2023		30 Jun 2023	
		Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount	Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount
1	**Exposures under F-IRB**	**199,640**	**199,640**	**209,615**	**209,615**
2	Central governments and central banks	16,186	16,186	19,429	19,429
3	Institutions	13,473	13,473	13,385	13,385
4	Corporates	169,981	169,981	176,800	176,800
4.1	*of which SMEs*	*24,801*	*24,801*	*27,887*	*27,887*
4.2	*of which Specialised lending*	*6,236*	*6,236*	*8,322*	*8,322*
5	**Exposures under A-IRB**	**352,182**	**352,182**	**362,156**	**362,156**
6	Central governments and central banks				
7	Institutions	32,362	32,362	40,283	40,283
8	Corporates	244,403	244,403	246,496	246,496
8.1	*of which Corporates – SMEs*	*25,059*	*25,059*	*26,805*	*26,805*
8.2	*of which Corporates – Specialised lending*	*6,101*	*6,101*	*6,945*	*6,945*
9	**Retail**	**75,417**	**75,417**	**75,377**	**75,377**
9.1	*of which Retail – SMEs – Secured by immovable property collateral*	*3,042*	*3,042*	*2,441*	*2,441*
9.2	*of which Retail – non-SMEs – Secured by immovable property collateral*	*48,364*	*48,364*	*49,011*	*49,011*
9.3	*of which Retail – Qualifying revolving*				
9.4	*of which Retail – SMEs – Other*	*6,540*	*6,540*	*6,050*	*6,050*
9.5	*of which Retail – Non-SMEs – Other*	*17,470*	*17,470*	*17,874*	*17,874*
10	**TOTAL (including F-IRB exposures and A-IRB exposures)**	**551,822**	**551,822**	**571,771**	**571,771**

COMMENT

• *Credit derivatives are not used as CRM technique in the capital reporting.*

Table 17. EU CR7-A – IRB approach: *Disclosure of the extent of the use of CRM techniques*

	SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m	n
	31 Dec 2023		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
				Part of exposures covered by Other eligible collaterals (%)				Part of exposures covered by Other funded credit protection (%)							
	A-IRB	Total exposures	Part of exposures covered by Financial Collaterals (%)		Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)		Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
1	Central governments and central banks														
2	Institutions	140,846		1.9	1.9							1.6		32,890	32,362
3	Corporates	1,076,091		35.4	35.4							2.1		244,855	244,403
3.1	*of which Corporates – SMEs*	*219,448*		*75.0*	*75.0*							*1.5*		*24,251*	*25,059*
3.2	*of which Corporates – Specialised lending*	*18,965*		*9.6*	*9.6*							*0.0*		*6,112*	*6,101*
3.3	*of which Corporates – Other*	*837,678*		*25.6*	*25.6*							*2.3*		*214,491*	*213,243*
4	Retail	731,428	0.0	79.7	78.5	0.1	1.1							75,521	75,417
4.1	*of which Retail – Immovable property SMEs*	*13,601*	*0.1*	*96.9*	*95.9*	*0.0*	*1.0*							*3,052*	*3,042*
4.2	*of which Retail – Immovable property non-SMEs*	*639,622*	*0.0*	*87.7*	*87.7*		*0.0*							*48,413*	*48,364*
4.3	*of which Retail – Qualifying revolving*														
4.4	*of which Retail – Other SMEs*	*11,492*	*1.4*	*34.4*	*0.3*	*7.7*	*26.4*							*6,586*	*6,540*
4.5	*of which Retail – Other non-SMEs*	*66,713*	*0.0*	*7.6*	*0.2*		*7.4*							*17,470*	*17,470*
5	**TOTAL**	**1,948,364**	**0.0**	**49.6**	**49.2**	**0.0**	**0.4**					**1.3**		**353,266**	**352,182**

	SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m	n
	31 Dec 2023		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
				Part of exposures covered by Other eligible collaterals (%)				Part of exposures covered by Other funded credit protection (%)							
	F-IRB	Total exposures	Part of exposures covered by Financial Collaterals (%)		Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)		Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
1	Central governments and central banks	596,728	0.3	0.7	0.2		0.6					0.6		14,753	16,186
2	Institutions	66,726	11.9	3.1	2.7		0.4					8.7		13,907	13,473
3	Corporates	372,363	7.0	25.5	14.9	2.0	8.6					2.8		169,809	169,981
3.1	*of which Corporates – SMEs*	*57,895*	*11.0*	*47.8*	*23.6*	*7.4*	*16.9*					*2.2*		*24,860*	*24,801*
3.2	*of which Corporates – Specialised lending*	*13,423*	*4.7*	*3.9*	*3.7*		*0.1*					*0.6*		*6,244*	*6,236*
3.3	*of which Corporates – Other*	*301,045*	*6.3*	*22.1*	*13.8*	*1.0*	*7.4*					*3.0*		*138,706*	*138,944*
4	**TOTAL**	**1,035,816**	**3.4**	**9.8**	**5.6**	**0.7**	**3.4**					**1.9**		**198,470**	**199,640**

» Table 17. EU CR7-A – IRB approach: *Disclosure of the extent of the use of CRM techniques*

SEK m		a	b	c	d	e	f	g	h	i	j	k	l	m	n
30 Jun 2023			Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
				Part of exposures covered by Other eligible collaterals (%)				Part of exposures covered by Other funded credit protection (%)							
	A-IRB	Total exposures	Part of exposures covered by Financial Collaterals (%)		Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)		Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
1	Central governments and central banks														
2	Institutions	166,362		1.4	1.4									40,855	40,283
3	Corporates	1,120,122		34.4	34.4							1.8		246,971	246,496
3.1	*of which Corporates – SMEs*	*231,962*		*75.3*	*75.3*							*1.9*		*25,890*	*26,805*
3.2	*of which Corporates – Specialised lending*	*22,847*		*8.7*	*8.7*							*0.0*		*6,958*	*6,945*
3.3	*of which Corporates – Other*	*865,313*		*24.1*	*24.1*							*1.8*		*214,123*	*212,745*
4	Retail	745,633	0.0	78.0	76.8	0.1	1.1							75,489	75,377
4.1	*of which Retail – Immovable property SMEs*	*10,725*	*0.1*	*96.3*	*95.1*	*0.1*	*1.2*							*2,454*	*2,441*
4.2	*of which Retail – Immovable property non-SMEs*	*656,129*	*0.0*	*85.7*	*85.7*		*0.0*							*49,063*	*49,011*
4.3	*of which Retail – Qualifying revolving*														
4.4	*of which Retail – Other SMEs*	*11,340*	*1.4*	*32.8*	*0.4*	*8.2*	*24.2*							*6,097*	*6,050*
4.5	*of which Retail – Other non-SMEs*	*67,439*	*0.0*	*7.7*	*0.2*		*7.5*							*17,874*	*17,874*
5	**TOTAL**	**2,032,117**	**0.0**	**47.7**	**47.2**	**0.0**	**0.4**					**1.1**		**363,315**	**362,156**

SEK m		a	b	c	d	e	f	g	h	i	j	k	l	m	n
30 Jun 2023			Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
				Part of exposures covered by Other eligible collaterals (%)				Part of exposures covered by Other funded credit protection (%)							
	F-IRB	Total exposures	Part of exposures covered by Financial Collaterals (%)		Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)		Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
1	Central governments and central banks	1,013,366	0.2	0.5	0.1	0.0	0.4					0.4		17,887	19,429
2	Institutions	58,803	9.7	3.9	3.4		0.5					10.4		13,766	13,385
3	Corporates	387,423	6.8	25.9	14.1	3.6	8.2					2.8		176,702	176,800
3.1	*of which Corporates – SMEs*	*65,111*	*9.0*	*46.2*	*21.8*	*8.1*	*16.3*					*2.1*		*28,005*	*27,887*
3.2	*of which Corporates – Specialised lending*	*17,129*	*4.0*	*3.9*	*3.1*	*0.7*	*0.1*					*0.6*		*8,332*	*8,322*
3.3	*of which Corporates – Other*	*305,183*	*6.5*	*22.8*	*13.1*	*2.7*	*6.9*					*3.0*		*140,364*	*140,592*
4	**TOTAL**	**1,459,592**	**2.3**	**7.4**	**4.0**	**0.9**	**2.4**					**1.4**		**208,355**	**209,615**

COMMENT
• *As of 31 December 2023, 49 per cent of the exposures under IRB Advanced approach were covered by immovable property collateral.*

Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023** **A–IRB**	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – other							
	0.00 to < 0.15	1,753			0.07	0.07	
	0.00 to < 0.10	*1,228*			*0.05*	*0.05*	
	0.10 to < 0.15	*525*			*0.11*	*0.11*	
	0.15 to < 0.25	1,445	*3*	0.2	0.20	0.20	0.0
	0.25 to < 0.50	1,207			0.36	0.37	0.1
	0.50 to < 0.75	1,022	*3*	0.3	0.57	0.59	0.1
	0.75 to < 2.50	1,101	*4*	0.4	1.14	1.11	0.2
	0.75 to < 1.75	*1,059*	*4*	*0.4*	*1.14*	*1.08*	*0.2*
	1.75 to < 2.50	*42*			*1.91*	*2.04*	
	2.50 to < 10.00	1,104	*28*	2.5	3.93	3.88	1.2
	2.50 to < 5.00	*1,062*	*5*	*0.5*	*2.92*	*3.80*	*0.5*
	5.00 to < 10.00	*42*	*23*	*54.8*	*8.00*	*8.00*	*19.8*
	10.00 to < 100.00	22	*5*	22.7	17.69	16.88	20.6
	10.00 to < 20.00	*10*	*2*	*20.0*	*11.00*	*12.25*	*10.2*
	20.00 to < 30.00	*12*	*3*	*25.0*	*21.00*	*21.00*	*28.0*
	30.00 to < 100.00						
	100.00 (Default)	38			100.00	100.00	

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023** **A–IRB**	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – SME							
	0.00 to < 0.15	974			0.10	0.11	0.0
	0.00 to < 0.10	*369*			*0.07*	*0.08*	*0.1*
	0.10 to < 0.15	*605*			*0.13*	*0.13*	
	0.15 to < 0.25	2,189	*3*	0.1	0.20	0.20	0.1
	0.25 to < 0.50	4,646	*9*	0.2	0.34	0.34	0.1
	0.50 to < 0.75	3,659	*18*	0.5	0.60	0.62	0.3
	0.75 to < 2.50	3,030	*23*	0.8	1.14	1.17	0.5
	0.75 to < 1.75	*2,757*	*17*	*0.6*	*1.10*	*1.08*	*0.4*
	1.75 to < 2.50	*273*	*6*	*2.2*	*1.97*	*2.11*	*1.1*
	2.50 to < 10.00	1,149	*14*	1.2	4.47	4.11	1.4
	2.50 to < 5.00	*1,095*	*8*	*0.7*	*3.78*	*3.96*	*0.7*
	5.00 to < 10.00	*54*	*6*	*11.1*	*7.47*	*7.59*	*7.9*
	10.00 to < 100.00	63	*4*	6.3	12.47	17.71	17.2
	10.00 to < 20.00	*22*	*1*	*4.5*	*11.02*	*11.19*	*13.4*
	20.00 to < 30.00	*41*	*3*	*7.3*	*21.00*	*21.32*	*20.9*
	30.00 to < 100.00						
	100.00 (Default)	28			100.00	100.00	

» Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023** **A–IRB**	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – Specialised lending							
	0.00 to < 0.15	24			0.07	0.06	
	0.00 to < 0.10	*16*			*0.03*	*0.03*	
	0.10 to < 0.15	*8*			*0.11*	*0.11*	
	0.15 to < 0.25	8			0.18	0.19	
	0.25 to < 0.50	33			0.32	0.32	
	0.50 to < 0.75	23			0.54	0.54	
	0.75 to < 2.50	16	*1*	6.3	1.57	1.09	1.3
	0.75 to < 1.75	*16*	*1*	*6.3*	*1.57*	*1.09*	*1.3*
	1.75 to < 2.50						
	2.50 to < 10.00	3			2.69	2.69	11.8
	2.50 to < 5.00	*3*			*2.69*	*2.69*	*6.7*
	5.00 to < 10.00						
	10.00 to < 100.00						
	10.00 to < 20.00						
	20.00 to < 30.00						
	30.00 to < 100.00						
	100.00 (Default)	1			100.00	100.00	

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023** **A–IRB**	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Institutions							
	0.00 to < 0.15	1,917			0.07	0.06	
	0.00 to < 0.10	*1,702*			*0.06*	*0.05*	
	0.10 to < 0.15	*215*			*0.12*	*0.13*	
	0.15 to < 0.25	1,024	*1*	0.1	0.20	0.21	0.1
	0.25 to < 0.50	313			0.36	0.40	0.1
	0.50 to < 0.75	4			0.65	0.65	
	0.75 to < 2.50	116			1.20	1.25	0.1
	0.75 to < 1.75	*84*			*1.11*	*1.03*	
	1.75 to < 2.50	*32*			*1.80*	*1.81*	*0.5*
	2.50 to < 10.00	126			5.98	6.04	0.1
	2.50 to < 5.00	*57*			*3.70*	*3.68*	
	5.00 to < 10.00	*69*			*8.00*	*8.00*	*0.2*
	10.00 to < 100.00	147			11.53	15.46	0.4
	10.00 to < 20.00	*90*			*11.14*	*11.72*	
	20.00 to < 30.00	*57*			*21.00*	*21.35*	*1.0*
	30.00 to < 100.00						
	100.00 (Default)	10			100.00	100.00	

» Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023** **A–IRB**	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Retail – Secured by immovable property non-SME	0.00 to < 0.15	300,357	*2*	0.0	0.09	0.09	0.0
	0.00 to < 0.10	*300,357*	*2*	*0.0*	*0.09*	*0.09*	*0.0*
	0.10 to < 0.15						
	0.15 to < 0.25	277,357	*28*	0.0	0.16	0.16	0.0
	0.25 to < 0.50	211,362	*57*	0.0	0.33	0.31	0.0
	0.50 to < 0.75	56,376	*46*	0.1	0.68	0.65	0.1
	0.75 to < 2.50	26,694	*37*	0.1	1.53	1.36	0.2
	0.75 to < 1.75	*26,142*	*33*	*0.1*	*1.40*	*1.35*	*0.2*
	1.75 to < 2.50	*552*	*4*	*0.7*	*1.96*	*2.00*	*2.0*
	2.50 to < 10.00	16,697	*109*	0.7	4.42	4.22	0.6
	2.50 to < 5.00	*12,822*	*49*	*0.4*	*3.29*	*3.41*	*0.4*
	5.00 to < 10.00	*3,875*	*60*	*1.5*	*6.98*	*6.90*	*1.0*
	10.00 to < 100.00	9,393	*486*	5.2	29.01	22.84	5.3
	10.00 to < 20.00	*6,275*	*215*	*3.4*	*13.81*	*15.22*	*3.8*
	20.00 to < 30.00	*698*	*32*	*4.6*	*25.12*	*20.00*	*4.4*
	30.00 to < 100.00	*2,420*	*239*	*9.9*	*44.21*	*43.39*	*9.7*
	100.00 (Default)	1,273			100.00	100.00	

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023** **A–IRB**	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Retail – Secured by immovable property SME	0.00 to < 0.15	840	*3*	0.4	0.09	0.09	0.1
	0.00 to < 0.10	*840*	*3*	*0.4*	*0.09*	*0.09*	*0.1*
	0.10 to < 0.15						
	0.15 to < 0.25	933			0.16	0.16	0.1
	0.25 to < 0.50	3,252	*2*	0.1	0.31	0.33	0.0
	0.50 to < 0.75	745			0.64	0.63	0.1
	0.75 to < 2.50	6,519	*8*	0.1	1.34	1.30	0.3
	0.75 to < 1.75	*5,977*	*5*	*0.1*	*1.13*	*1.22*	*0.2*
	1.75 to < 2.50	*542*	*3*	*0.6*	*1.88*	*2.22*	*1.0*
	2.50 to < 10.00	1,003	*10*	1.0	4.56	4.90	1.5
	2.50 to < 5.00	*719*	*3*	*0.4*	*3.20*	*3.81*	*1.3*
	5.00 to < 10.00	*284*	*7*	*2.5*	*7.37*	*7.68*	*2.1*
	10.00 to < 100.00	186	*7*	3.8	25.76	24.03	6.3
	10.00 to < 20.00	*128*	*1*	*0.8*	*13.70*	*13.28*	*4.7*
	20.00 to < 30.00	*8*			*24.87*	*28.14*	*7.5*
	30.00 to < 100.00	*50*	*6*	*12.0*	*38.19*	*50.89*	*9.5*
	100.00 (Default)	81			100.00	100.00	

» Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023**		Number of obligors at the end of previous year					
A–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Retail – Other non–SME							
	0.00 to < 0.15	1,004,415	*1,956*	0.2	0.06	0.06	0.2
	0.00 to < 0.10	*656,135*	*1,414*	*0.2*	*0.03*	*0.03*	*0.2*
	0.10 to < 0.15	*348,280*	*542*	*0.2*	*0.11*	*0.10*	*0.1*
	0.15 to < 0.25	80,458	*213*	0.3	0.19	0.18	0.2
	0.25 to < 0.50	35,094	*65*	0.2	0.35	0.33	0.3
	0.50 to < 0.75	222,481	*2,834*	1.3	0.66	0.69	1.1
	0.75 to < 2.50	275,465	*510*	0.2	1.33	1.36	0.2
	0.75 to < 1.75	*223,619*	*400*	*0.2*	*1.28*	*1.21*	*0.2*
	1.75 to < 2.50	*51,846*	*110*	*0.2*	*1.85*	*2.00*	*0.3*
	2.50 to < 10.00	76,979	*2,269*	2.9	3.93	4.24	2.9
	2.50 to < 5.00	*48,238*	*722*	*1.5*	*2.79*	*2.81*	*1.4*
	5.00 to < 10.00	*28,741*	*1,547*	*5.4*	*6.91*	*6.65*	*5.3*
	10.00 to < 100.00	59,697	*1,969*	3.3	24.48	43.65	5.1
	10.00 to < 20.00	*7,784*	*869*	*11.2*	*15.49*	*15.43*	*11.8*
	20.00 to < 30.00	*3,330*	*458*	*13.8*	*27.57*	*25.22*	*14.5*
	30.00 to < 100.00	*48,583*	*642*	*1.3*	*44.30*	*49.43*	*2.3*
	100.00 (Default)	16,153			100.00	100.00	

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023**		Number of obligors at the end of previous year					
A–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Retail – Other SME							
	0.00 to < 0.15	8,238	*33*	0.4	0.04	0.06	0.1
	0.00 to < 0.10	*8,202*	*33*	*0.4*	*0.04*	*0.06*	*0.1*
	0.10 to < 0.15	*36*			*0.13*	*0.13*	*0.3*
	0.15 to < 0.25	563	*1*	0.2	0.17	0.15	0.4
	0.25 to < 0.50	16,827	*105*	0.6	0.32	0.32	0.3
	0.50 to < 0.75	21,676	*172*	0.8	0.62	0.55	0.3
	0.75 to < 2.50	513,672	*409*	0.1	1.44	1.38	0.1
	0.75 to < 1.75	*498,574*	*93*	*0.0*	*1.18*	*1.36*	*0.0*
	1.75 to < 2.50	*15,098*	*316*	*2.1*	*1.92*	*2.01*	*0.9*
	2.50 to < 10.00	19,698	*596*	3.0	5.17	6.33	1.4
	2.50 to < 5.00	*8,281*	*195*	*2.4*	*3.55*	*4.34*	*1.4*
	5.00 to < 10.00	*11,417*	*401*	*3.5*	*7.61*	*7.77*	*1.4*
	10.00 to < 100.00	9,191	*477*	5.2	32.09	41.42	3.4
	10.00 to < 20.00	*798*	*81*	*10.2*	*14.14*	*14.16*	*7.8*
	20.00 to < 30.00	*1,034*	*155*	*15.0*	*22.16*	*21.20*	*7.0*
	30.00 to < 100.00	*7,359*	*241*	*3.3*	*38.37*	*47.22*	*2.5*
	100.00 (Default)	836			100.00	100.00	

» Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023**		Number of obligors at the end of previous year					
F–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Central governments and central banks							
	0.00 to < 0.15	789			0.01	0.02	
	0.00 to < 0.10	*787*			*0.01*	*0.02*	
	0.10 to < 0.15	*2*			*0.10*	*0.12*	
	0.15 to < 0.25	1			0.23	0.15	
	0.25 to < 0.50	1			0.35	0.31	
	0.50 to < 0.75				0.55		
	0.75 to < 2.50				1.16		
	0.75 to < 1.75				*1.16*		
	1.75 to < 2.50						
	2.50 to < 10.00	5			6.69	6.80	5.0
	2.50 to < 5.00						
	5.00 to < 10.00	*5*			*6.69*	*6.80*	*5.0*
	10.00 to < 100.00	2			11.61	16.00	6.7
	10.00 to < 20.00	*1*			*11.00*	*11.00*	*10.0*
	20.00 to < 30.00	*1*			*24.98*	*21.00*	
	30.00 to < 100.00						
	100.00 (Default)	1				100.00	

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023**		Number of obligors at the end of previous year					
F–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – SME							
	0.00 to < 0.15	20			0.05	0.05	
	0.00 to < 0.10	*17*			*0.04*	*0.04*	
	0.10 to < 0.15	*3*			*0.13*	*0.12*	
	0.15 to < 0.25	62			0.20	0.21	
	0.25 to < 0.50	96	*1*	1.0	0.35	0.41	0.3
	0.50 to < 0.75	65			0.62	0.61	
	0.75 to < 2.50	1,015			1.39	1.27	0.1
	0.75 to < 1.75	*769*			*1.27*	*1.08*	*0.1*
	1.75 to < 2.50	*246*			*2.13*	*1.85*	*0.4*
	2.50 to < 10.00	105			4.43	4.34	0.5
	2.50 to < 5.00	*80*			*3.40*	*3.43*	*0.6*
	5.00 to < 10.00	*25*			*6.47*	*7.27*	
	10.00 to < 100.00	6	*1*	16.7	13.25	11.00	19.0
	10.00 to < 20.00	*5*			*11.01*	*11.00*	*4.0*
	20.00 to < 30.00				*21.75*		*42.8*
	30.00 to < 100.00						
	100.00 (Default)	8			100.00	100.00	

» Table 18. **EU CR9 – IRB approach – Back-testing of PD per exposure class (fixed PD scale)**

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023**		Number of obligors at the end of previous year					
F–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – Other							
	0.00 to < 0.15	274			0.07	0.07	0.1
	0.00 to < 0.10	*197*			*0.05*	*0.05*	
	0.10 to < 0.15	*77*			*0.11*	*0.12*	*0.2*
	0.15 to < 0.25	342			0.19	0.20	
	0.25 to < 0.50	514			0.36	0.38	0.0
	0.50 to < 0.75	186	*1*	0.5	0.60	0.60	0.1
	0.75 to < 2.50	1,089	*1*	0.1	1.20	1.24	0.2
	0.75 to < 1.75	*836*	*1*	*0.1*	*1.11*	*1.06*	*0.1*
	1.75 to < 2.50	*253*			*2.11*	*1.85*	*0.5*
	2.50 to < 10.00	192	*3*	1.6	3.99	3.56	2.0
	2.50 to < 5.00	*177*	*2*	*1.1*	*3.00*	*3.24*	*2.1*
	5.00 to < 10.00	*15*	*1*	*6.7*	*7.63*	*7.63*	*1.7*
	10.00 to < 100.00	6	*1*	16.7	20.88	13.80	26.7
	10.00 to < 20.00	*5*	*1*	*20.0*	*11.00*	*11.00*	*18.3*
	20.00 to < 30.00	*1*			*21.98*	*25.00*	*25.0*
	30.00 to < 100.00						
	100.00 (Default)	30			100.00	100.00	

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023**		Number of obligors at the end of previous year					
F–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – Specialised Lending							
	0.00 to < 0.15	1			0.07	0.03	
	0.00 to < 0.10	*1*			*0.03*	*0.03*	
	0.10 to < 0.15				*0.11*		
	0.15 to < 0.25	4			0.18	0.17	
	0.25 to < 0.50	10			0.32	0.37	
	0.50 to < 0.75	3			0.54	0.54	
	0.75 to < 2.50	25			1.19	1.50	
	0.75 to < 1.75	*18*			*1.18*	*1.31*	
	1.75 to < 2.50	*7*			*2.00*	*2.00*	
	2.50 to < 10.00						
	2.50 to < 5.00						
	5.00 to < 10.00						
	10.00 to < 100.00	1			21.00	21.00	18.8
	10.00 to < 20.00						
	20.00 to < 30.00	*1*			*21.00*	*21.00*	*12.5*
	30.00 to < 100.00						
	100.00 (Default)	9			100.00	100.00	

» Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

a	b	c	d	e	f	g	h
SEK m **31 Dec 2023**		Number of obligors at the end of previous year					
F–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Institutions							
	0.00 to < 0.15	99			0.04	0.05	
	0.00 to < 0.10	*95*			*0.04*	*0.05*	
	0.10 to < 0.15	*4*			*0.11*	*0.12*	
	0.15 to < 0.25	21			0.21	0.19	
	0.25 to < 0.50	13			0.42	0.37	
	0.50 to < 0.75	3			0.66	0.67	
	0.75 to < 2.50	20			1.53	1.36	0.8
	0.75 to < 1.75	*17*			*1.53*	*1.25*	*0.9*
	1.75 to < 2.50	*3*			*1.81*	*1.93*	
	2.50 to < 10.00	15			4.08	3.52	
	2.50 to < 5.00	*14*			*3.75*	*3.20*	
	5.00 to < 10.00	*1*			*8.00*	*8.00*	
	10.00 to < 100.00	3			12.28	12.33	5.7
	10.00 to < 20.00	*3*			*11.89*	*12.33*	
	20.00 to < 30.00				*25.00*		*25.0*
	30.00 to < 100.00						
	100.00 (Default)	1			100.00	100.00	

a	b	c	d	e	f	g	h
SEK m 31 Dec 2022		Number of obligors at the end of previous year					
A–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – other							
	0.00 to < 0.15	1,699			0.07	0.07	
	0.00 to < 0.10	*1,200*			*0.05*	*0.05*	
	0.10 to < 0.15	*499*			*0.11*	*0.11*	
	0.15 to < 0.25	1,392			0.19	0.20	0.0
	0.25 to < 0.50	1,222	*2*	0.2	0.37	0.37	0.1
	0.50 to < 0.75	937			0.58	0.59	0.1
	0.75 to < 2.50	1,061	*3*	0.3	1.10	1.17	0.1
	0.75 to < 1.75	*1,011*	*3*	*0.3*	*1.10*	*1.13*	*0.2*
	1.75 to < 2.50	*50*			*1.83*	*2.09*	
	2.50 to < 10.00	933	*14*	1.5	3.42	3.96	0.8
	2.50 to < 5.00	*908*	*13*	*1.4*	*3.04*	*3.85*	*0.4*
	5.00 to < 10.00	*25*	*1*	*4.0*	*8.00*	*8.00*	*11.6*
	10.00 to < 100.00	31	*6*	19.4	19.10	16.76	21.3
	10.00 to < 20.00	*12*			*11.00*	*12.17*	*10.0*
	20.00 to < 30.00	*19*	*6*	*31.6*	*21.00*	*21.00*	*31.4*
	30.00 to < 100.00						
	100.00 (Default)	29			100.00	100.00	

» Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

a	b	c	d	e	f	g	h
SEK m 31 Dec 2022 **A–IRB**	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – SME							
	0.00 to < 0.15	909			0.10	0.11	0.0
	0.00 to < 0.10	*351*			*0.06*	*0.08*	*0.1*
	0.10 to < 0.15	*558*			*0.13*	*0.13*	
	0.15 to < 0.25	2,138	*2*	0.1	0.20	0.20	0.0
	0.25 to < 0.50	4,659	*1*	0.0	0.34	0.34	0.0
	0.50 to < 0.75	3,659	*6*	0.2	0.60	0.62	0.2
	0.75 to < 2.50	3,120	*12*	0.4	1.11	1.19	0.4
	0.75 to < 1.75	*2,811*	*11*	*0.4*	*1.06*	*1.08*	*0.4*
	1.75 to < 2.50	*309*	*1*	*0.3*	*1.99*	*2.15*	*0.6*
	2.50 to < 10.00	1,017	*10*	1.0	3.99	4.22	1.3
	2.50 to < 5.00	*933*	*4*	*0.4*	*3.36*	*3.95*	*0.7*
	5.00 to < 10.00	*84*	*6*	*7.1*	*7.70*	*7.53*	*6.1*
	10.00 to < 100.00	63	*7*	11.1	14.67	15.96	19.9
	10.00 to < 20.00	*30*	*1*	*3.3*	*11.00*	*11.14*	*16.8*
	20.00 to < 30.00	*33*	*6*	*18.2*	*21.01*	*21.15*	*22.8*
	30.00 to < 100.00						
	100.00 (Default)	40			100.00	100.00	

a	b	c	d	e	f	g	h
SEK m 31 Dec 2022 **A–IRB**	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – Specialised lending							
	0.00 to < 0.15	18			0.06	0.06	
	0.00 to < 0.10	*11*			*0.03*	*0.03*	
	0.10 to < 0.15	*7*			*0.11*	*0.11*	
	0.15 to < 0.25	8			0.20	0.19	
	0.25 to < 0.50	27			0.32	0.32	
	0.50 to < 0.75	18			0.54	0.54	
	0.75 to < 2.50	15			1.25	1.05	
	0.75 to < 1.75	*15*			*1.25*	*1.05*	
	1.75 to < 2.50						
	2.50 to < 10.00	3	*1*	33.3	2.69	2.69	11.8
	2.50 to < 5.00	*3*	*1*	*33.3*	*2.69*	*2.69*	*6.7*
	5.00 to < 10.00						
	10.00 to < 100.00						
	10.00 to < 20.00						
	20.00 to < 30.00						
	30.00 to < 100.00						
	100.00 (Default)	1			100.00	100.00	

» Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

SEK m 31 Dec 2022 A–IRB	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Institutions							
	0.00 to < 0.15	1,887			0.07	0.06	
	0.00 to < 0.10	*1,686*			*0.06*	*0.05*	
	0.10 to < 0.15	*201*			*0.12*	*0.13*	
	0.15 to < 0.25	1,051	*3*	0.3	0.20	0.21	0.1
	0.25 to < 0.50	308	*2*	0.6	0.37	0.40	0.1
	0.50 to < 0.75	4			0.65	0.65	
	0.75 to < 2.50	136	*1*	0.7	1.04	1.26	0.1
	0.75 to < 1.75	*98*			*1.00*	*1.04*	
	1.75 to < 2.50	*38*	*1*	*2.6*	*1.80*	*1.82*	*0.5*
	2.50 to < 10.00	144	*1*	0.7	6.44	6.12	0.1
	2.50 to < 5.00	*62*			*3.70*	*3.67*	
	5.00 to < 10.00	*82*	*1*	*1.2*	*8.00*	*8.00*	*0.2*
	10.00 to < 100.00	120	*1*	0.8	11.80	15.47	0.4
	10.00 to < 20.00	*76*			*11.10*	*12.08*	
	20.00 to < 30.00	*44*	*1*	*2.3*	*21.01*	*21.47*	*1.0*
	30.00 to < 100.00						
	100.00 (Default)	8			100.00	100.00	

a | b | c | d | e | f | g | h

SEK m 31 Dec 2022 A–IRB	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Retail – Secured by immovable property non-SME	0.00 to < 0.15	301,070	*4*	0.0	0.09	0.09	0.0
	0.00 to < 0.10	*301,070*	*4*	*0.0*	*0.09*	*0.09*	*0.0*
	0.10 to < 0.15						
	0.15 to < 0.25	287,953	*26*	0.0	0.16	0.16	0.0
	0.25 to < 0.50	216,169	*23*	0.0	0.30	0.31	0.0
	0.50 to < 0.75	55,892	*22*	0.0	0.66	0.65	0.1
	0.75 to < 2.50	28,101	*12*	0.0	1.35	1.32	0.2
	0.75 to < 1.75	*27,198*	*10*	*0.0*	*1.34*	*1.30*	*0.2*
	1.75 to < 2.50	*903*	*2*	*0.2*	*2.00*	*2.00*	*2.2*
	2.50 to < 10.00	14,213	*35*	0.2	4.25	4.26	0.6
	2.50 to < 5.00	*10,788*	*23*	*0.2*	*3.36*	*3.43*	*0.5*
	5.00 to < 10.00	*3,425*	*12*	*0.4*	*6.90*	*6.90*	*0.9*
	10.00 to < 100.00	8,370	*215*	2.6	23.64	22.51	5.8
	10.00 to < 20.00	*5,661*	*82*	*1.4*	*14.25*	*15.50*	*4.5*
	20.00 to < 30.00	*720*	*20*	*2.8*	*20.00*	*20.00*	*4.2*
	30.00 to < 100.00	*1,989*	*113*	*5.7*	*43.33*	*43.39*	*10.1*
	100.00 (Default)	1,967			100.00	100.00	

» Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

SEK m 31 Dec 2022 A–IRB	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Retail – Secured by immovable property SME	0.00 to < 0.15	831			0.09	0.09	0.1
	0.00 to < 0.10	*831*			*0.09*	*0.09*	*0.1*
	0.10 to < 0.15						
	0.15 to < 0.25	992			0.16	0.16	0.1
	0.25 to < 0.50	3,488	*3*	0.1	0.32	0.33	0.0
	0.50 to < 0.75	842	*1*	0.1	0.64	0.63	0.1
	0.75 to < 2.50	6,474	*12*	0.2	1.30	1.30	0.3
	0.75 to < 1.75	*5,838*	*11*	*0.2*	*1.12*	*1.20*	*0.2*
	1.75 to < 2.50	*636*	*1*	*0.2*	*2.25*	*2.19*	*1.2*
	2.50 to < 10.00	1,006	*9*	0.9	4.68	4.96	1.6
	2.50 to < 5.00	*715*	*6*	*0.8*	*4.05*	*3.88*	*1.5*
	5.00 to < 10.00	*291*	*3*	*1.0*	*7.49*	*7.60*	*1.8*
	10.00 to < 100.00	135	*8*	5.9	20.05	24.59	6.6
	10.00 to < 20.00	*89*	*6*	*6.7*	*13.25*	*13.24*	*5.4*
	20.00 to < 30.00	*11*	*1*	*9.1*	*28.14*	*28.14*	*9.1*
	30.00 to < 100.00	*35*	*1*	*2.9*	*49.94*	*52.31*	*8.4*
	100.00 (Default)	88			100.00	100.00	

a	b	c	d	e	f	g	h
SEK m 31 Dec 2022 A–IRB	PD range	Number of obligors at the end of previous year	*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Retail – Other non–SME							
	0.00 to < 0.15	974,088	*2,114*	0.2	0.06	0.06	0.1
	0.00 to < 0.10	*636,186*	*1,401*	*0.2*	*0.03*	*0.03*	*0.1*
	0.10 to < 0.15	*337,902*	*713*	*0.2*	*0.10*	*0.10*	*0.1*
	0.15 to < 0.25	81,895	*335*	0.4	0.17	0.18	0.2
	0.25 to < 0.50	37,706	*63*	0.2	0.33	0.33	0.3
	0.50 to < 0.75	265,988	*2,927*	1.1	0.68	0.69	1.0
	0.75 to < 2.50	269,740	*532*	0.2	1.27	1.36	0.3
	0.75 to < 1.75	*214,052*	*434*	*0.2*	*1.21*	*1.20*	*0.3*
	1.75 to < 2.50	*55,688*	*98*	*0.2*	*2.00*	*2.00*	*0.3*
	2.50 to < 10.00	92,589	*2,151*	2.3	3.87	4.42	3.0
	2.50 to < 5.00	*53,393*	*608*	*1.1*	*2.68*	*2.84*	*1.4*
	5.00 to < 10.00	*39,196*	*1,543*	*3.9*	*6.82*	*6.57*	*5.5*
	10.00 to < 100.00	59,304	*2,330*	3.9	23.24	41.92	6.2
	10.00 to < 20.00	*10,376*	*1,071*	*10.3*	*15.49*	*16.10*	*12.6*
	20.00 to < 30.00	*3,796*	*536*	*14.1*	*27.31*	*25.02*	*14.8*
	30.00 to < 100.00	*45,132*	*723*	*1.6*	*39.95*	*49.27*	*3.0*
	100.00 (Default)	18,840			100.00	100.00	

» Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

a	b	c	d	e	f	g	h
SEK m 31 Dec 2022		Number of obligors at the end of previous year					
A–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Retail – Other SME							
	0.00 to < 0.15	8,962	*4*	0.0	0.06	0.06	0.1
	0.00 to < 0.10	*8,915*	*4*	*0.0*	*0.05*	*0.06*	*0.1*
	0.10 to < 0.15	*47*			*0.13*	*0.13*	*0.3*
	0.15 to < 0.25	633	*2*	0.3	0.15	0.15	0.3
	0.25 to < 0.50	17,103	*30*	0.2	0.32	0.32	0.2
	0.50 to < 0.75	21,386	*68*	0.3	0.58	0.56	0.2
	0.75 to < 2.50	441,926	*167*	0.0	1.45	1.38	0.1
	0.75 to < 1.75	*427,377*	*60*	*0.0*	*1.17*	*1.35*	*0.0*
	1.75 to < 2.50	*14,549*	*107*	*0.7*	*2.11*	*2.01*	*0.6*
	2.50 to < 10.00	20,276	*232*	1.1	5.29	6.41	1.0
	2.50 to < 5.00	*8,290*	*84*	*1.0*	*4.05*	*4.35*	*1.1*
	5.00 to < 10.00	*11,986*	*148*	*1.2*	*7.84*	*7.84*	*0.9*
	10.00 to < 100.00	9,238	*272*	2.9	26.97	41.74	3.0
	10.00 to < 20.00	*667*	*35*	*5.2*	*13.44*	*14.24*	*7.8*
	20.00 to < 30.00	*991*	*45*	*4.5*	*23.67*	*21.23*	*5.1*
	30.00 to < 100.00	*7,580*	*192*	*2.5*	*47.71*	*46.84*	*2.2*
	100.00 (Default)	733			100.00	100.00	

a	b	c	d	e	f	g	h
SEK m 31 Dec 2022		Number of obligors at the end of previous year					
F–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Central governments and central banks	0.00 to < 0.15	669			0.01	0.02	
	0.00 to < 0.10	*666*			*0.01*	*0.02*	
	0.10 to < 0.15	*3*			*0.10*	*0.12*	
	0.15 to < 0.25	2			0.23	0.15	
	0.25 to < 0.50	1			0.35	0.31	
	0.50 to < 0.75						
	0.75 to < 2.50						
	0.75 to < 1.75						
	1.75 to < 2.50						
	2.50 to < 10.00	4			6.35	6.50	5.0
	2.50 to < 5.00						
	5.00 to < 10.00	*4*			*7.95*	*6.50*	*5.0*
	10.00 to < 100.00	3	*1*	33.3	14.51	16.00	6.7
	10.00 to < 20.00	*2*	*1*	*50.0*	*11.00*	*11.00*	*10.0*
	20.00 to < 30.00	*1*				*21.00*	
	30.00 to < 100.00						
	100.00 (Default)						

» Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

a	b	c	d	e	f	g	h
SEK m 31 Dec 2022		Number of obligors at the end of previous year					
F–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – SME							
	0.00 to < 0.15	21			0.04	0.06	
	0.00 to < 0.10	*18*			*0.03*	*0.05*	
	0.10 to < 0.15	*3*			*0.13*	*0.12*	
	0.15 to < 0.25	48			0.20	0.21	
	0.25 to < 0.50	127			0.35	0.40	0.1
	0.50 to < 0.75	74			0.61	0.63	
	0.75 to < 2.50	1,006			1.40	1.28	0.3
	0.75 to < 1.75	*769*			*1.26*	*1.10*	*0.1*
	1.75 to < 2.50	*237*			*2.13*	*1.86*	*1.0*
	2.50 to < 10.00	110	*1*	0.9	5.13	4.08	0.5
	2.50 to < 5.00	*87*	*1*	*1.1*	*3.50*	*3.31*	*0.6*
	5.00 to < 10.00	*23*			*7.10*	*6.99*	
	10.00 to < 100.00	15	*1*	6.7	17.33	14.57	20.2
	10.00 to < 20.00	*9*			*12.10*	*11.00*	*8.5*
	20.00 to < 30.00	*6*	*1*	*16.7*	*22.21*	*21.00*	*39.2*
	30.00 to < 100.00						
	100.00 (Default)	10			100.00	100.00	

a	b	c	d	e	f	g	h
SEK m 31 Dec 2022		Number of obligors at the end of previous year					
F–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – Other							
	0.00 to < 0.15	286			0.06	0.07	0.1
	0.00 to < 0.10	*206*			*0.05*	*0.05*	
	0.10 to < 0.15	*80*			*0.11*	*0.12*	*0.2*
	0.15 to < 0.25	388			0.18	0.20	
	0.25 to < 0.50	515	*1*	0.2	0.36	0.38	0.1
	0.50 to < 0.75	168			0.59	0.60	
	0.75 to < 2.50	1,075			1.19	1.23	0.2
	0.75 to < 1.75	*843*			*1.11*	*1.06*	*0.1*
	1.75 to < 2.50	*232*			*2.18*	*1.85*	*0.5*
	2.50 to < 10.00	153	*2*	1.3	3.53	3.73	2.6
	2.50 to < 5.00	*142*	*2*	*1.4*	*3.21*	*3.43*	*2.8*
	5.00 to < 10.00	*11*			*7.68*	*7.53*	
	10.00 to < 100.00	11	*6*	54.5	15.89	18.80	24.5
	10.00 to < 20.00	*7*	*5*	*71.4*	*11.01*	*11.50*	*14.3*
	20.00 to < 30.00	*4*	*1*	*25.0*	*21.00*	*23.67*	*31.7*
	30.00 to < 100.00						
	100.00 (Default)	28			100.00	100.00	

» Table 18. EU CR9 – IRB approach: *Back-testing of PD per exposure class (fixed PD scale)*

a	b	c	d	e	f	g	h
SEK m 31 Dec 2022		Number of obligors at the end of previous year					
F–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Corporates – Specialised Lending							
	0.00 to < 0.15	1			0.03	0.06	
	0.00 to < 0.10				*0.11*		
	0.10 to < 0.15	*5*			*0.18*	*0.17*	
	0.15 to < 0.25	9			0.32	0.38	
	0.25 to < 0.50	4			0.54	0.54	
	0.50 to < 0.75	13			1.39	1.41	
	0.75 to < 2.50	11			1.39	1.30	
	0.75 to < 1.75	*2*			*2.00*	*2.00*	
	1.75 to < 2.50						
	2.50 to < 10.00						
	2.50 to < 5.00						
	5.00 to < 10.00						*18.8*
	10.00 to < 100.00						
	10.00 to < 20.00						*12.5*
	20.00 to < 30.00						
	30.00 to < 100.00	*15*			*100.00*	*100.00*	
	100.00 (Default)						

a	b	c	d	e	f	g	h
SEK m 31 Dec 2022		Number of obligors at the end of previous year					
F–IRB	PD range		*of which number of obligors which defaulted in the year*	Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Institutions							
	0.00 to < 0.15	83			0.04	0.05	
	0.00 to < 0.10	*81*			*0.04*	*0.05*	
	0.10 to < 0.15	*2*			*0.11*	*0.13*	
	0.15 to < 0.25	26			0.20	0.19	
	0.25 to < 0.50	15			0.39	0.37	
	0.50 to < 0.75	4			0.67	0.59	
	0.75 to < 2.50	26	*1*	3.8	1.44	1.40	0.8
	0.75 to < 1.75	*23*	*1*	*4.3*	*1.44*	*1.33*	*0.9*
	1.75 to < 2.50	*3*			*1.97*	*1.93*	
	2.50 to < 10.00	12			2.97	4.26	
	2.50 to < 5.00	*11*			*2.91*	*3.92*	
	5.00 to < 10.00	*1*			*8.00*	*8.00*	
	10.00 to < 100.00	4			11.02	11.75	5.7
	10.00 to < 20.00	*4*			*11.02*	*11.75*	
	20.00 to < 30.00						
	30.00 to < 100.00						
	100.00 (Default)	1			100.00	100.00	

Equity exposures not included in the trading book
Investments in associates held by SEB's venture capital unit have been designated as at fair value through profit or loss, in accordance with IAS 28. Therefore, these holdings are measured according to IFRS 9. All financial assets within SEB's venture capital business are managed and evaluated on a fair value basis in accordance with documented risk management and investment strategies.

Fair values for investments listed in an active market are based on quoted market prices. If the market for a financial instrument is not active, fair value is established by using valuation techniques based on discounted cash flow analysis, valuation with reference to financial instruments that are substantially the same, or valuation with reference to observable market transactions in the same financial instrument.

Strategic investments in associates on group level are accounted for using the equity method.

Some entities where SEB has an ownership of less than 20 per cent have been classified as investments in associates. The reason is that the group is represented in the board of directors and participating in the policy-making processes of those entities.

Equity instruments measured at cost do not have a quoted market price in an active market. Furthermore, it has not been possible to reliably measure the fair values of those equity instruments. Most of these investments are held for strategic reasons and are not intended to be sold in the near future.

» *Further information regarding accounting principles and valuation methodologies can be found in the Annual and Sustainability Report note 1 and note 36. Further information regarding SEB's investments in associates can be found in the Annual and Sustainability Report note 22.*

Table 19. **Equity exposures not included in the trading book**

SEK m 31 Dec 2023	Book value	Fair value	Fair value of listed shares	Unrealised gains/losses	Realised gains/losses
Associates (venture capital holdings)	608	608		109	–188
Associates (strategic investments)	939	939			
Other strategic investments	5,587	5,587	983	977	–190
TOTAL	**7,134**	**7,134**	**983**	**1,086**	**–378**

SEK m 31 Dec 2022	Book value	Fair value	Fair value of listed shares	Unrealised gains/losses	Realised gains/losses
Associates (venture capital holdings)	550	550		–39	–146
Associates (strategic investments)	790	790			
Other strategic investments	5,278	5,278	581	–154	–22
TOTAL	**6,618**	**6,618**	**581**	**–193**	**–168**

Counterparty credit risk

Management of counterparty credit risk
Counterparty credit risk arises when SEB enters into derivative contracts and *Securities Financing Transactions* (SFTs) with a counterparty for instruments like futures, swaps, options, repos or securities lending transactions. The purpose for entering into derivatives contracts is primarily to support corporate customers and financial institutions in their management of financial exposures. This is managed within the *Large Corporates & Financial Institutions* (LC&FI) division. The treasury function also uses derivatives to protect cash flows and fair values of financial assets and liabilities in SEB's own book from market fluctuations. The counterparty credit risk in derivatives contracts and SFTs is the risk of a counterparty not living up to its contractual obligations where SEB has a claim on the counterparty.

Limits for counterparty exposures are set in the regular credit process. The risk organisation identifies, measures, reports and follows up on SEB's counterparty credit risk. The risk is measured daily and reported monthly to the GRC and the RCC of the Board. Counterparty credit risk is monitored through a number of risk measures, including potential future exposure (PFE), nominal, tenor and settlement exposure measures. In addition, stress tests and sensitivity analyses are conducted to estimate effects of tail events, to stress test limits and understand sensitivities in the portfolio.

Wrong way risk (WWR) arises when exposure to a counterparty is negatively correlated with the counterparty's credit quality. There are two types of WWR; general and specific WWR. SEB has processes in place to identify and monitor counterparties and transactions where the WWR is inherent. Specific WWR is considered in the credit review process and is measured daily.

Settlement risk is measured for foreign exchange (FX) transactions. The amount at risk is equal to the FX settlement amount. FX settlement risk is taken into account by all decision-making bodies that decide on counterparty limits for instruments which imply FX settlement risk. FX settlement limits are in place for all counterparties trading in instruments with FX settlement risk.

Measurement of counterparty credit risk
Since the market value of a derivative fluctuates during the term to maturity, the uncertainty of future market conditions must be taken into account when measuring the credit exposure of derivatives. For risk management purposes, the PFE is calculated either through simulation using an internal model method or by applying a standard add-on to the current market value. The add-on depends on product type and time to maturity which reflects potential market movements for the specific contract.

For calculation of regulatory capital for counterparty credit risk, SEB uses the internal model method (IMM) for repos, interest rate derivatives and FX derivatives for the parent company, which was approved by the Swedish FSA in December 2015. The internal model method takes close-out netting agreements and collateral agreements into account. The setup of the internal model automatically detects specific wrong-way risk transactions and collateral, the exposures of which are calculated gross. The internal models are regularly validated and back-tested.

For other derivatives (mainly equities) in the parent company and for other legal entities of the group, SEB uses the standardised approach (SA-CCR). For securities lending transactions SEB is using the *Financial Collateral Comprehensive Method* (FCCM).

Table 20. EU CCR1 – Analysis of CCR exposure by approach

SEK m		a	b	c	d	e	f	g	h
31 Dec 2023		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
1	SA-CCR (for derivatives)	15,361	13,014		1.4	28,037	28,037	28,037	4,733
2	IMM (for derivatives and SFTs)			78,199	1.4	103,001	103,001	103,001	14,453
2a	*of which securities financing transactions netting sets*			*12,476*		*12,524*	*12,524*	*12,524*	*12*
2b	*of which derivatives and long settlement transactions netting sets*			*65,723*		*90,477*	*90,477*	*90,477*	*14,441*
4	Financial collateral comprehensive method (for SFTs)					50,806	50,806	50,806	4,405
6	**TOTAL**					**181,844**	**181,844**	**181,844**	**23,591**

SEK m		a	b	c	d	e	f	g	h
30 Jun 2023		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
1	SA-CCR (for derivatives)	18,151	14,138		1.4	32,085	32,085	32,085	4,974
2	IMM (for derivatives and SFTs)			93,026	1.4	124,815	124,815	124,815	16,541
2a	*of which securities financing transactions netting sets*			*10,318*		*10,433*	*10,433*	*10,433*	*33*
2b	*of which derivatives and long settlement transactions netting sets*			*82,708*		*114,382*	*114,382*	*114,382*	*16,508*
4	Financial collateral comprehensive method (for SFTs)					52,080	52,080	52,080	4,293
6	**TOTAL**					**208,979**	**208,979**	**208,979**	**25,808**

COMMENT
- *Overall, RWEA has decreased by SEK 2.2bn compared to June 2023. Lower derivatives exposure (– SEK 23.9bn) is related to the decrease in EEPE values measured according to the Internal Model Method (IMM).*

Counterparty credit risk in derivative contracts affects SEB's profit and loss through credit/debit valuation adjustments (CVA/ DVA), reflecting the credit risk associated with the derivative positions. These adjustments depend on market risk factors such as interest rate, FX and credit spreads. SEB uses the standardised approach to calculate the regulatory capital requirement for CVA.

Table 21. EU CCR2 – Transactions subject to own funds requirements for CVA risk

SEK m		a	b	a	b
		31 Dec 2023		30 Jun 2023	
		Exposure value	RWEA	Exposure value	RWEA
1	Total transactions subject to the Advanced method				
2	(i) VaR component (including the 3× multiplier)				
3	(ii) stressed VaR component (including the 3× multiplier)				
4	Transactions subject to the Standardised method	49,685	10,407	57,319	11,724
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)				
5	**Total transactions subject to own funds requirements for CVA risk**	**49,685**	**10,407**	**57,319**	**11,724**

COMMENT
- *CVA RWEA decreased compared to June 2023, mainly driven by a decrease in EAD.*

Table 22. EU CCR3 – Standardised approach: *CCR exposures by regulatory portfolio and risk weights*

SEK m

31 Dec 2023	Risk weight	2%	20%	50%	75%	100%	Total
6	Institutions	3,595	1				**3,596**
7	Corporates		2			371	**373**
8	Retail				3		**3**
11	**TOTAL**	**3,595**	**3**		**3**	**371**	**3,972**

SEK m

30 Jun 2023	Risk weight	2%	20%	50%	75%	100%	Total
6	Institutions	4,313	1				**4,313**
7	Corporates		14			301	**315**
8	Retail				4		**4**
11	**TOTAL**	**4,313**	**15**		**4**	**301**	**4,632**

COMMENT
- *Counterparty credit risk exposures under the standardised approach decreased during the second half of 2023, mainly due to decreased exposures to central counterparties.*

Table 23. EU CCR4 – IRB approach: *CCR exposures by exposure class and PD scale*

SEK m		a	b	c	d	e	f	g
31 Dec 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Central governments and central banks (F-IRB)	0.00 to < 0.15	34,183	0.01	116	45.0	1.6	940	2.7
	0.15 to < 0.25							
	0.25 to < 0.50							
	0.50 to < 0.75							
	0.75 to < 2.50							
	2.50 to < 10.00	3	6.00	1	45.0	2.5	5	169.2
	10.00 to < 100.00							
	100.00 (Default)							
Sub-total (Central governments and central banks)		**34,186**	**0.01**	**117**	**45.0**	**1.6**	**945**	**2.8**

SEK m		a	b	c	d	e	f	g
30 Jun 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Central governments and central banks (F-IRB)	0.00 to <0.15	41,515	0.00	136	45.0	1.9	1,377	3.3
	0.15 to <0.25							
	0.25 to <0.50							
	0.50 to <0.75							
	0.75 to <2.50							
	2.50 to <10.00	1	6.00	1	45.0	2.5	2	169.2
	10.00 to <100.00							
	100.00 (Default)							
Sub-total (Central governments and central banks)		**41,516**	**0.00**	**137**	**45.0**	**1.9**	**1,379**	**3.3**

SEK m		a	b	c	d	e	f	g
31 Dec 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Institutions (F-IRB)								
	0.00 to < 0.15	356	0.05	24	8.3	2.0	21	5.8
	0.15 to < 0.25	170	0.21	8	44.8	2.0	80	47.2
	0.25 to < 0.50	27	0.47	5	28.7	2.0	15	55.7
	0.50 to < 0.75							
	0.75 to < 2.50	21	1.60	2	43.1	2.0	28	137.5
	2.50 to < 10.00							
	10.00 to < 100.00							
	100.00 (Default)							
Sub-total (Institutions)		**573**	**0.17**	**39**	**21.3**	**2.0**	**144**	**25.1**

SEK m		a	b	c	d	e	f	g
30 Jun 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Institutions (F-IRB)								
	0.00 to <0.15	3,079	0.04	46	2.0	2.5	36	1.2
	0.15 to <0.25	154	0.20	9	45.0	2.5	90	58.1
	0.25 to <0.50	75	0.48	5	12.8	2.5	18	24.2
	0.50 to <0.75							
	0.75 to <2.50	27	1.59	2	42.7	2.5	37	136.3
	2.50 to <10.00							
	10.00 to <100.00							
	100.00 (Default)							
Sub-total (Institutions)		**3,335**	**0.07**	**62**	**4.6**	**2.5**	**180**	**5.4**

SEK m		a	b	c	d	e	f	g
31 Dec 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – SME (F-IRB)	0.00 to < 0.15							
	0.15 to < 0.25							
	0.25 to < 0.50	9	0.34	1	45.0	2.5	5	55.7
	0.50 to < 0.75							
	0.75 to < 2.50	32	1.45	47	39.7	2.3	19	60.0
	2.50 to < 10.00	0	2.66	1	45.0	2.5	0	95.4
	10.00 to < 100.00							
	100.00 (Default)							
Sub-total (Corporates)		**41**	**1.21**	**49**	**40.8**	**2.4**	**24**	**59.1**

SEK m		a	b	c	d	e	f	g
30 Jun 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – SME (F-IRB)	0.00 to <0.15	3	0.03	1		2.5		
	0.15 to <0.25	15	0.21	1		2.5		
	0.25 to <0.50							
	0.50 to <0.75	1	0.60	1	45.0	2.5	1	51.8
	0.75 to <2.50	24	1.61	48	35.4	2.2	13	55.4
	2.50 to <10.00	3	2.66	2	45.0	2.5	3	95.4
	10.00 to <100.00							
	100.00 (Default)							
Sub-total (Corporates)		**46**	**1.08**	**53**	**22.3**	**2.3**	**17**	**36.1**

» Table 23. EU CCR4 – IRB approach: *CCR exposures by exposure class and PD scale*

SEK m		a	b	c	d	e	f	g
31 Dec 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – Other (F-IRB)	0.00 to < 0.15	1,836	0.04	48	45.0	2.5	340	18.5
	0.15 to < 0.25	608	0.19	66	45.0	2.5	273	44.8
	0.25 to < 0.50	91	0.37	20	45.0	2.5	55	60.1
	0.50 to < 0.75	79	0.59	12	41.9	2.5	47	60.3
	0.75 to < 2.50	69	1.55	36	45.0	2.5	76	111.2
	2.50 to < 10.00	0	3.90	5	45.0	2.5	0	145.6
	10.00 to < 100.00	1	15.44	2	45.0	2.5	2	227.6
	100.00 (Default)							
	Sub-total (Corporates)	**2,684**	**0.15**	**189**	**44.9**	**2.5**	**793**	**29.5**

SEK m		a	b	c	d	e	f	g
30 Jun 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – Other (F-IRB)	0.00 to <0.15	2,556	0.05	52	45.0	2.5	490	19.2
	0.15 to <0.25	702	0.18	56	45.0	2.5	329	46.8
	0.25 to <0.50	65	0.36	31	45.0	2.5	44	68.7
	0.50 to <0.75	68	0.59	13	40.9	2.5	43	63.6
	0.75 to <2.50	90	1.42	35	45.0	2.5	98	108.9
	2.50 to <10.00	6	7.88	7	45.0	2.5	11	186.9
	10.00 to <100.00	4	11.00	1	45.0	2.5	9	211.9
	100.00 (Default)							
	Sub-total (Corporates)	**3,491**	**0.15**	**195**	**44.9**	**2.5**	**1,025**	**29.4**

SEK m		a	b	c	d	e	f	g
31 Dec 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – Specialised Lending (F-IRB)	0.00 to < 0.15							
	0.15 to < 0.25	4	0.15	2	45.0	2.5	2	39.7
	0.25 to < 0.50	18	0.31	1	45.0	2.5	11	58.6
	0.50 to < 0.75							
	0.75 to < 2.50	6	1.30	1	45.0	2.5	7	107.0
	2.50 to < 10.00							
	10.00 to < 100.00							
	100.00 (Default)							
	Sub-total (Retail)	**29**	**0.50**	**4**	**45.0**	**2.5**	**19**	**66.5**

SEK m		a	b	c	d	e	f	g
30 Jun 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – Specialised Lending (F-IRB)	0.00 to <0.15							
	0.15 to <0.25	1	0.15	1	45.0	2.5	1	39.7
	0.25 to <0.50							
	0.50 to <0.75							
	0.75 to <2.50							
	2.50 to <10.00							
	10.00 to <100.00							
	100.00 (Default)	1	100.00	1	45.0	2.5		
	Sub-total (Retail)	**2**	**43.03**	**2**	**45.0**	**2.5**	**1**	**22.6**

SEK m		a	b	c	d	e	f	g
31 Dec 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Institutions (A-IRB)								
	0.00 to < 0.15	73,045	0.04	1,100	40.1	2.5	8,055	11.0
	0.15 to < 0.25	2,721	0.20	114	39.3	2.5	713	26.2
	0.25 to < 0.50	5,290	0.36	200	41.0	2.4	1,837	34.7
	0.50 to < 0.75							
	0.75 to < 2.50	160	1.05	33	40.5	2.5	128	80.1
	2.50 to < 10.00	121	3.70	2	41.0		125	103.2
	10.00 to < 100.00							
	100.00 (Default)							
	Sub-total (Institutions)	**81,337**	**0.08**	**1,449**	**40.1**	**2.5**	**10,858**	**13.4**

SEK m		a	b	c	d	e	f	g
30 Jun 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Institutions (A-IRB)								
	0.00 to <0.15	79,622	0.04	1,130	39.6	1.1	8,617	10.8
	0.15 to <0.25	3,192	0.20	116	38.8	0.7	841	26.3
	0.25 to <0.50	4,843	0.36	192	40.8	0.3	1,736	35.9
	0.50 to <0.75	15	0.65	1	41.0	0.2	10	62.1
	0.75 to <2.50	163	1.04	31	43.5	1.7	143	88.2
	2.50 to <10.00	121	3.70	1	41.0	0.1	126	103.6
	10.00 to <100.00							
	100.00 (Default)							
	Sub-total (Institutions)	**87,956**	**0.07**	**1,471**	**39.7**	**1.0**	**11,472**	**13.0**

» Table 23. EU CCR4 – IRB approach: *CCR exposures by exposure class and PD scale*

SEK m		a	b	c	d	e	f	g
31 Dec 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – SME (A-IRB)	0.00 to < 0.15	1,375	0.07	52	39.4	0.3	99	7.2
	0.15 to < 0.25	98	0.19	62	33.9	0.9	14	14.5
	0.25 to < 0.50	132	0.36	83	35.5	0.9	28	21.4
	0.50 to < 0.75	568	0.55	81	20.8	1.8	123	21.7
	0.75 to < 2.50	189	1.46	78	26.7	2.6	85	45.0
	2.50 to < 10.00	13	4.18	106	35.2	1.1	8	63.6
	10.00 to < 100.00	4	20.77	3	26.0	1.0	4	98.6
	100.00 (Default)							
Sub-total (Corporates)		**2,378**	**0.37**	**465**	**33.5**	**0.9**	**361**	**15.2**

SEK m		a	b	c	d	e	f	g
30 Jun 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – SME (A-IRB)	0.00 to <0.15	2,871	0.04	58	39.8	0.7	199	6.9
	0.15 to <0.25	213	0.18	79	33.2	0.8	30	13.9
	0.25 to <0.50	175	0.38	90	37.0	0.9	42	24.0
	0.50 to <0.75	524	0.55	74	20.9	1.8	113	21.6
	0.75 to <2.50	50	1.47	64	25.6	2.8	24	48.8
	2.50 to <10.00	28	3.74	81	38.0	1.0	21	74.5
	10.00 to <100.00	1	21.00	1	26.0	1.0	1	99.4
	100.00 (Default)							
Sub-total (Corporates)		**3,863**	**0.18**	**447**	**36.5**	**0.9**	**430**	**11.1**

SEK m		a	b	c	d	e	f	g
31 Dec 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – Other (A-IRB)	0.00 to < 0.15	46,090	0.06	484	29.8	1.4	4,813	10.4
	0.15 to < 0.25	7,742	0.19	228	32.0	1.5	1,898	24.5
	0.25 to < 0.50	2,941	0.39	164	32.3	1.4	1,116	38.0
	0.50 to < 0.75	858	0.56	128	28.5	2.0	391	45.6
	0.75 to < 2.50	1,476	1.19	110	33.1	1.3	900	60.9
	2.50 to < 10.00	261	3.69	36	41.4	1.3	316	121.3
	10.00 to < 100.00							
	100.00 (Default)	187	100.00	3	18.2	0.8	424	227.1
Sub-total (Corporates)		**59,554**	**0.45**	**1,153**	**30.3**	**1.4**	**9,858**	**16.6**

SEK m		a	b	c	d	e	f	g
30 Jun 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – Other (A-IRB)	0.00 to <0.15	53,722	0.05	482	30.3	1.5	5,839	10.9
	0.15 to <0.25	7,689	0.19	201	33.1	1.3	1,902	24.7
	0.25 to <0.50	3,802	0.40	149	34.4	1.7	1,658	43.6
	0.50 to <0.75	828	0.55	82	19.7	2.0	223	26.9
	0.75 to <2.50	1,399	1.23	95	33.8	1.2	889	63.5
	2.50 to <10.00	507	4.23	31	18.1	1.1	260	51.3
	10.00 to <100.00							
	100.00 (Default)	50	100.00	2	17.9	0.0	113	223.7
Sub-total (Corporates)		**67,998**	**0.22**	**1,042**	**30.7**	**1.5**	**10,883**	**16.0**

SEK m		a	b	c	d	e	f	g
31 Dec 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – Specialised Lending (A-IRB)	0.00 to < 0.15	206	0.05	6	22.5	3.7	25	11.9
	0.15 to < 0.25	0	0.18	2	20.0	5.0	0	30.3
	0.25 to < 0.50	188	0.32	13	20.0	4.9	72	38.3
	0.50 to < 0.75	59	0.54	15	26.0	4.8	28	48.2
	0.75 to < 2.50	188	1.57	5	20.3	2.1	91	48.5
	2.50 to < 10.00							
	10.00 to < 100.00							
	100.00 (Default)							
Sub-total (Retail)		**641**	**0.62**	**41**	**21.4**	**3.7**	**216**	**33.7**
TOTAL (all CCR relevant exposure classes)		**181,424**	**0.19**	**3,506**	**37.7**	**1.3**	**23,219**	**12.8**

SEK m		a	b	c	d	e	f	g
30 Jun 2023	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates – Specialised Lending (A-IRB)	0.00 to <0.15	185	0.05	6	26.4	2.7	21	11.1
	0.15 to <0.25	20	0.24	3	20.0	1.0	3	16.1
	0.25 to <0.50	36	0.32	13	20.0	5.0	14	38.8
	0.50 to <0.75	26	0.54	14	26.1	4.9	13	49.3
	0.75 to <2.50	164	1.46	6	21.3	2.4	81	49.3
	2.50 to <10.00							
	10.00 to <100.00							
	100.00 (Default)							
Sub-total (Retail)		**431**	**0.65**	**42**	**23.7**	**2.8**	**131**	**30.5**
TOTAL (all CCR relevant exposure classes)		**208,638**	**0.00**	**3,451**	**37.2**	**1.4**	**25,518**	**12.2**

COMMENT

- *The IRB approach is applied for the majority of SEB's counterparty credit risk exposures.*

Netting and collateral management

Counterparty credit risk in derivatives, repo and securities lending transactions is reduced through the use of close-out netting agreements, where all positive and negative market values under an agreement can be netted at the counterparty level. The netting agreement is often supplemented with a collateral agreement where the net market value exposure is reduced further by collateralisation.

Netting and collateral agreements can contain rating triggers. SEB has a restrictive policy in respect of rating-based levels for thresholds and minimum transfer amounts. In addition, asymmetrical rating trigger levels require specific approval from a deviation committee. Rating-based thresholds are only accepted for a restricted number of counterparties, hence if SEB was to be downgraded, the impact would be limited. In the event of a downgrade, SEB would need to post additional collateral of approximately SEK 42m in case of a one-notch downgrade and approximately SEK 722m in case of a two-notch downgrade.

Furthermore, as a general rule, rating triggered termination events are not accepted.

Counterparty credit risk can also be mitigated by steering exposure and risks to clearing houses, which is common for a range of products to reduce bilateral counterparty credit risk. Risk can also be closed out through various portfolio compression activities. A small part of the counterparty credit risk exposure is reduced by credit derivatives. SEB conducts credit derivative transactions primarily in connection with counterparty credit risk and mainly trades with counterparties where an ISDA CSA agreement has been established. Rather than using credit derivatives to mitigate counterparty credit risk in its trading operations, SEB prefers to make use of collateral arrangements.

SEB mitigates settlement risk through Delivery-vs-Payment (DVP) or Payment-vs-Payment (PVP) arrangements when possible. One such settlement vehicle is the global FX clearing that is conducted through CLS Group (originally Continuous Linked Settlement), where SEB is a member. They eliminate settlement risk in FX transactions with counterparties that are eligible for CLS clearing.

Table 24. **EU CCR5 – Composition of collateral for CCR exposures**

SEK m		a	b	c	d	e	f	g	h
31 Dec 2023		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	Collateral type	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	8	13,972		20,621	211	304		783
2	Cash – other currencies	695	61,296		40,599	2	31,769		48,799
3	Domestic sovereign debt		6,670	2,901			44,757		18,884
4	Other sovereign debt	9,723	17,445	8,618	2,762		60,100		24,646
5	Government agency debt								
6	Corporate bonds						8,396		1,763
7	Equity securities	15,881	49	4,541		7,547	142,205		105,845
8	Other collateral	1,802	15,752	4,000	667		181,102		64,279
9	**TOTAL**	**28,109**	**115,183**	**20,060**	**64,649**	**7,760**	**468,633**		**265,000**

SEK m		a	b	c	d	e	f	g	h
30 Jun 2023		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	Collateral type	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	10	14,598		16,811	215	1,902		415
2	Cash – other currencies	1,248	50,003		36,498	5	25,998		61,233
3	Domestic sovereign debt	11	9,745	1,778	56	5	43,331		16,947
4	Other sovereign debt	6,212	21,579	8,862	2,409		61,627		21,260
5	Government agency debt								
6	Corporate bonds	2	196				6,186		794
7	Equity securities	16,091	158	152		7,260	147,663		102,896
8	Other collateral	1,225	19,223	5,075	1,673		157,939		68,159
9	**TOTAL**	**24,799**	**115,503**	**15,868**	**57,448**	**7,486**	**444,647**		**271,705**

COMMENT

- *Overall, compared to June 2023, there is an SEK 31.9bn increase in value of collateral used in CCR exposures related to derivative transactions and SFTs.*

Table 25. EU CCR6 – Credit derivatives exposures

SEK m		a	b	a	b
		31 Dec 2023		30 Jun 2023	
	Collateral type	Protection bought	Protection sold	Protection bought	Protection sold
	Notionals				
1	Single–name credit default swaps	211	839	306	1,000
2	Index credit default swaps	274	3,341	667	5,271
3	Total return swaps				
4	Credit options				
5	Other credit derivatives				
6	**Total notionals**	**485**	**4,180**	**973**	**6,272**
	Fair values				
7	Positive fair value (asset)	1	490	2	684
8	Negative fair value (liability)	–76	–16	–136	–84

COMMENT

• *Comparing with June 2023, the notional amount of sold credit derivatives has decreased by SEK 2.1bn. The fair value of all credit derivatives has decreased by SEK 68m.*

Table 26. EU CCR8 – Exposures to CCPs

SEK m		a	b	a	b
		31 Dec 2023		30 Jun 2023	
		Exposure value	RWEA	Exposure value	RWEA
1	**Exposures to QCCPs (total)**		**399**		**371**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	3,552	71	4,291	86
3	*(i) OTC derivatives*	*2,755*	*55*	*3,361*	*67*
4	*(ii) Exchange-traded derivatives*	*797*	*16*	*929*	*19*
5	*(iii) SFTs*	*0*	*0*	*0*	*0*
6	*(iv) Netting sets where cross-product netting has been approved*				
7	Segregated initial margin	9,066		9,836	
8	Non-segregated initial margin	2,166	43	2,414	48
9	Prefunded default fund contributions	3,288	284	3,411	237
10	Unfunded default fund contributions				
11	**Exposures to non-QCCPs (total)**				
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which				
13	*(i) OTC derivatives*				
14	*(ii) Exchange-traded derivatives*				
15	*(iii) SFTs*				
16	*(iv) Netting sets where cross-product netting has been approved*				
17	Segregated initial margin				
18	Non-segregated initial margin				
19	Prefunded default fund contributions				
20	Unfunded default fund contributions				

COMMENT

• *Since June 2023, exposure towards QCCPs decreased slightly by SEK 739m and RWEA increased by SEK 28m.*

Securitisations

SEB does not regularly securitise its assets and has no outstanding own issues. In addition, the group does not operate any *Asset Backed Commercial Paper* (ABCP) conduit or similar structure. SEB provides financing to certain clients through a small number of asset-backed transactions, backed by consumer loans and auto lease- and loan receivables. The transactions are funded on balance by SEB with commitments between one and three years.

The securitisation positions are accounted for as loans and receivables and reported according to the external ratings-based approach for capital adequacy purposes. In some transactions, SEB acts as hedge counterparty with back-to-back transactions to the originators. The transactions are backed by granular pools of receivables to private individuals and/or corporates. There are no credit default swap hedges. All holdings are performing and amortise according to schedule. Stress tests are performed on a monthly basis, taking underlying levels of the positions into consideration.

Table 27. EU SEC1 – Securitisation exposures in the non-trading book

SEK m	31 Dec 2023			30 Jun 2023		
Traditional securitisation	STS	Non-STS	Sub-total	STS	Non-STS	Sub-total
Total exposures	**11,431**	**4,108**	**15,539**	**10,377**	**4,126**	**14,503**
Retail (total)		3,341	3,341		3,577	3,577
of which other retail exposures		*3,341*	*3,341*		*3,577*	*3,577*
Wholesale (total)	11,431	767	12,198	10,377	549	10,927
of which lease and receivables	*11,431*	*767*	*12,198*	*10,377*	*549*	*10,927*

COMMENT
- *SEB's securitisation exposure increased by SEK 1bn compared to 30 June 2023, and amounted to SEK 15.5bn as of 31 December 2023, of which the majority was AAA-rated exposures. SEB only acts as investor.*

Table 28. EU SEC4 – Securitisation exposures in the non-trading book and associated regulatory capital requirements

SEK m				Exposure values (by RW bands/deductions)			Exposure values (by regulatory approach)	RWEA (by regulatory approach)	Capital charge after cap
31 Dec 2023				<20	20–50	50–100	Securitisation – SEC ERBA	Securitisation – SEC ERBA	Securitisation – SEC ERBA
Total exposures				**12,885**	**1,939**	**715**	**15,539**	**2,597**	**208**
Traditional securitisations	Securitisation	Retail (total)	Non-STS	2,882		459	3,341	838	67
		Wholesale (total)	Non-STS	511		256	767	219	18
			STS	9,492	1,939		11,431	1,539	123

SEK m				Exposure values (by RW bands/deductions)			Exposure values (by regulatory approach)	RWEA (by regulatory approach)	Capital charge after cap
30 Jun 2023				<20	20–50	50–100	Securitisation – SEC ERBA	Securitisation – SEC ERBA	Securitisation – SEC ERBA
Total exposures				**12,193**	**1,817**	**492**	**14,503**	**2,380**	**190**
Traditional securitisations	Securitisation	Retail (total)	Non-STS	3,085		491	3,577	893	71
		Wholesale (total)	Non-STS	548		1	549	83	7
			STS	8,560	1,817		10,377	1,405	112

COMMENT
- *SEB's securitisation exposure increased by SEK 1bn compared to 30 June 2023, and amounted to SEK 15.5bn as of 31 December 2023, of which the majority was AAA-rated exposures.*

Market risk

Market risk is the risk of losses in on- and off-balance sheet positions arising from adverse movements in market prices. Market risk can arise from changes in interest rates, foreign exchange rates, credit spreads, CVA, commodity and equity prices, implied volatilities, inflation and market liquidity.

Risk management

A clear distinction is made between market risks related to trading activity, i.e., trading book risks, and structural market and net interest income risks, i.e., banking book risks. Whereas positions in the trading book are held with a trading intent and held under a daily mark-to-market regime, positions in the banking book do not have a trading intent and are typically held at amortised cost.

Market risk in the trading book arises from SEB's customer driven trading activities. The trading activities are performed by the *Large Corporate & Financial Institutions* (LC&FI) division in its capacity as market maker for trading in foreign exchange, equity and capital markets. In addition to the customer driven flows, market risk also arises from funding and liquidity management activities within the treasury function. While not included in the regulatory trading book, for internal risk management purposes and measurements, SEB monitors and controls the market risk resulting from funding and liquidity purposes as if it were in the trading book.

Market risk in the banking book arises in the form of interest rate risk as a result of interest rate repricing mismatches between assets and liabilities. The treasury function has the overall responsibility for managing these risks, which are consolidated centrally through the internal funds transfer pricing system. The interest rate risk in the banking book is managed using fixed income securities and interest rate derivatives as hedge products.

Small market risk mandates are granted to subsidiaries where cost-efficient, in which case the treasury function is represented on the local *Asset and Liability Committee* (ALCO) for co-ordination and information-sharing. The centralised treasury operations create a cost-efficient matching of liquidity and interest rate risk in all non-trading related business. The treasury function also manages the liquidity portfolio, which is part of SEB's liquid assets. From a capital adequacy perspective, this portfolio is categorised as assets in the banking book while from a risk management perspective, it is monitored as a trading related market risk.

Finally, market risk also arises in the bank's traditional life insurance activities and in the defined benefit plans as a result of mismatches between the market value of assets and liabilities. Market risks in the life insurance business and pension obligations are considered insurance risk and pension risk, respectively, and are not included in the market risk figures presented further below.

Market risk limits and control

A market risk framework is in place to ensure proper oversight of all types of market risks, including both the trading-related risks, the market risk in the banking book and the market risk related to

Market risk types

Interest rate risk: Interest rate risk is the risk of loss or reduction of future net income following changes in interest rates, including price risk in connection with the sale of assets or closing of positions. SEB uses VaR, Delta 1% and Pillar 2 stress test scenarios defined by the EBA (also used by the Swedish FSA).

Net interest income (NII) risk: The NII risk depends on the overall business profile, particularly mismatches between interest-bearing assets and liabilities in terms of volumes and repricing periods. The NII risk is also exposed to a so-called "floor" risk. Asymmetries in product pricing create a margin squeeze in times of low interest rates, making it relevant to analyse both upward and downward changes. SEB uses stress test scenarios defined by the EBA to limit NII risk in addition to internally defined stress test scenarios reflecting stressed market conditions.

Credit spread risk: Credit spread risk is the risk of loss or reduction of future net income following changes in credit spreads, including price risk in connection with the sale of assets or closing of positions. As opposed to credit risk, which applies to all credit exposures, only assets that are marked to market are exposed to credit spread risk. Credit spread risk is measured by Value-at-Risk (VaR).

Foreign exchange (FX) or currency risk: FX risk arises both through SEB's FX trading and through its operations in various currencies. While FX trading positions are measured and managed within the overall VaR framework, the group measures and manages the structural FX risk inherent in the structure of the balance sheet and earnings separately. FX risk is monitored and limited using single and aggregated FX measures and VaR.

Equity price risk: Equity price risk arises in connection with market making and trading in equities and related instruments. VaR is the main risk measure for equity price risk, complemented with sensitivities for derivative positions.

Commodity price risk: Commodity price risk is the risk associated to the movements of commodity prices including cost of closing out the positions, and arises in customer-driven trading in commodities. Commodity price risk is measured by VaR, and other sensitivity and exposure measures.

Volatility risk: Volatility risk is defined as the risk of a negative financial outcome due to changes in the implied volatility. The price of an option contract is dependent on the estimate of future volatility of the underlying asset as quoted in the market, i.e., implied volatility. Volatility risk is measured by VaR.

Inflation risk: Inflation risk is the risk of losses in inflation-linked products due to changes in inflation.

Market liquidity risk: Market liquidity risk is the risk of loss in connection with the sale of assets or closing of positions due to bid-ask spread widening.

Credit value adjustment (CVA) risk: CVA arises from variations in the counterparty credit risk based on the expected future exposure. CVA is fundamentally credit risk, but the exposure is calculated using market risk drivers. Main risk drivers include credit spreads, interest rates and currency.

fair value adjustments. The Board of Directors defines the level of acceptable market risk by setting overall market risk limits and general instructions. The limits are based on recommendations from the *Board's Risk and Capital Committee* (RCC), upon proposals made by the CRO. The *Group Risk Committee* (GRC) delegates the market risk mandate set by the Board of Directors to the divisions and treasury function which, in turn, further delegate the limits internally. The Board of Directors has decided on a number of key risk measures to limit the total market risk exposure: *Value-at-Risk* (VaR), Delta 1%, Aggregated FX and stop-loss limits, maximum losses in stress tests of economic value of equity and net interest income and valuation uncertainty in fair value positions for capital. Limits are reviewed as part of a sweeping annual process, as well as on an ad-hoc basis throughout the year, if deemed necessary.

Within the divisions and the treasury function, limits are also imposed on different positions and sensitivity measures and stress tests are conducted as appropriate.

The risk organisation measures, follows up and reports on the market risk taken by the various units within the group on a daily basis, using reports generated by departments within risk management as well as more direct access to front-office trading systems. The risk control function is present in the trading room and monitors limit compliance and market prices at closing, as well as valuation standards. Risk control also participates in the introduction of new products through the bank's internal ***New Product Approval Process*** (NPAP), ensuring that new products can be properly risk managed before trading.

Market risks are reported on a monthly basis to the GRC and the RCC. If deemed necessary, based on for example extreme market risk developments, ad-hoc reporting on a more frequent basis can occur. The risk organisation independently verifies prices and the valuation of positions held at fair value and calculates the prudent valuation capital buffers. Prudent valuation capital adjustments are taken across all fair value balances.

Measurement of market risk

When assessing the market risk exposure, SEB uses measures that capture losses under normal and stressed market conditions. Market risks under normal market circumstances are measured using Value-at-Risk (VaR) and ***Expected Shortfall*** (ES), as well as specific measures that are relevant for the various risk types. These measures are complemented by stress tests and scenario analyses, in which potential losses under extreme market conditions are estimated. Since no method can cover all risks at all times, several approaches are used, and the results are assessed based on judgment and experience. Adaptation of the market risk models with regards to the ongoing Interest Rate Benchmark reform and the fallback to the alternative risk-free reference rates is ongoing and will continue during the forthcoming years.

The market risk measurement framework uses a mix of validated and widely used third-party provided specialised risk management software, and in-house developed tools for reporting and data aggregation. A Risk Data Delivery platform ensures proper delivery of position data from front office systems to the independent risk management systems.

VaR and Stressed VaR

VaR expresses the maximum potential loss that could arise during a certain time period with a given degree of probability. SEB uses a historical simulation VaR model with a ten-day time horizon and 99 per cent confidence interval. To arrive at the ten-day horizon, SEB uses scaled 1-day VaR, based on a 1-year lookback of unweighted historical observations, with daily updates to data. Observations constitute a mix of relative and absolute price returns, depending on what is appropriate for the specific risk factor. The VaR calculations are run daily and used to measure, limit and report VaR. The model aggregates market risk exposures for all risk types and covers a wide range of risk factors in all asset classes, after carrying out the VaR calculations with full revaluation.

SEB also uses a stressed VaR measure (SVaR), where VaR calculations for the current portfolio are with the same parameters as for regular VaR, but performed using market data from a historic, turbulent time period covering the Lehman Brothers default (April 2008–April 2009). The chosen period is evaluated annually, based on severity and applicability, to ensure that it continues to represent the most suitable stressed period, evaluated based on severity and applicability.

In the day-to-day risk management of trading positions, limits and exposures are also followed up with a one-day time horizon.

A limitation of the VaR model is that it uses historical data to estimate potential market changes. As such, it may not predict all outcomes, especially in a rapidly changing market. Also, VaR does not take into account any risk mitigating actions as the model assumes that the portfolio is unchanged, over the VaR-horizon.

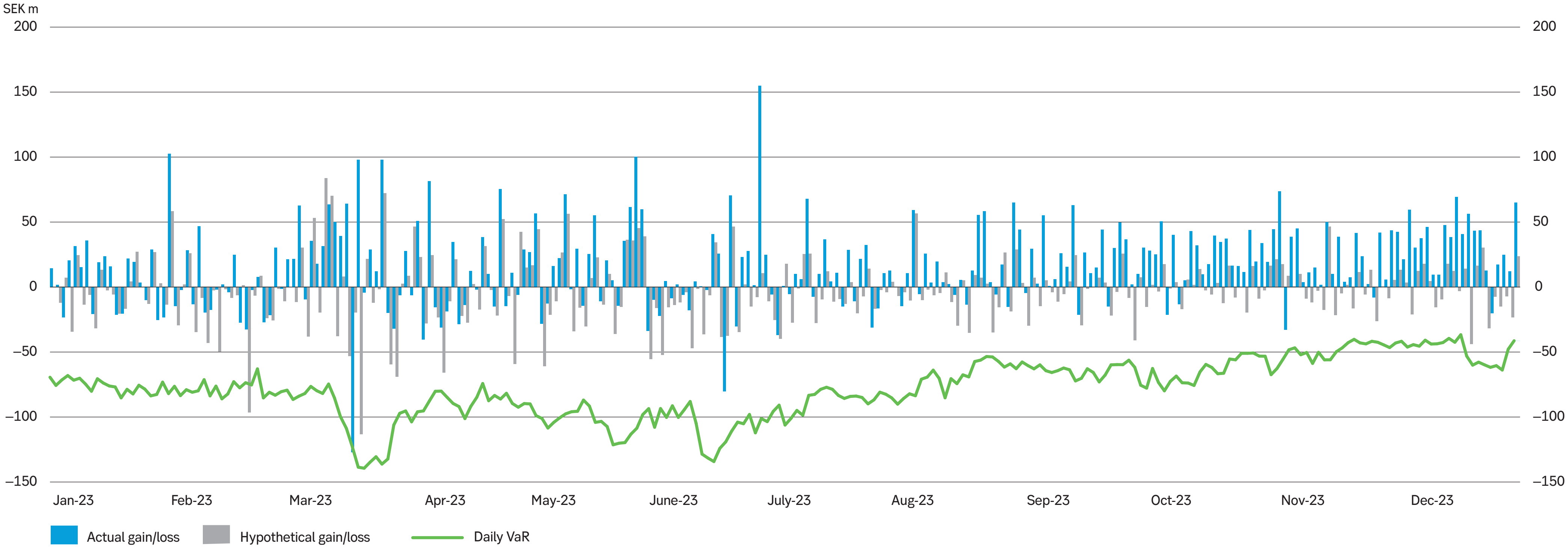
SEB does not currently have approval for handling of specific risk within the VaR framework. The capital charge for that risk is therefore calculated separately according to the standardised method.

Back-testing of the regulatory VaR model

To verify and assure the model's accuracy, the VaR model is back-tested on a daily basis by comparing the last 250 daily VaR estimates with the profit or loss for the corresponding days, using the actual profit and loss figures for one test set, and the theoretical profit and loss figures for another test set.

Back-testing is used to verify that actual and hypothetical losses do not exceed the VaR level in more than one per cent of the trading days in line with the model confidence level. The daily theoretical result is calculated from end-of-day positions using full revaluation and updated market data. The daily actual result is calculated from end-of-day trading profit and loss figures, excluding sales, fees and commissions. Back-testing is performed on desk level as well as on aggregated level, for both the theoretical and the actual result. Daily monitoring and evaluations on both the total aggregated level and the desk levels provide insight into the performance of the VaR model.

Table 29. EU MR4 – Comparison of VaR estimates with gains/losses



COMMENT

• *During 2023 there were significantly fewer breaches than 2022, with one hypothetical and one actual back testing breach. The capital multiplier is now at the minimum level.*

Table 30. Trading book VaR and Stressed VaR

SEK m	Value at Risk (99 per cent, ten days)				
	Min	Max	31 Dec 2023	Average 2023	Average 2022
Commodities risk	19	73	21	38	67
Credit spread risk	48	109	59	78	72
Equity risk	5	150	11	21	20
Foreign exchange risk	42	617	174	204	290
Interest rate risk	97	425	123	217	199
Volatilities risk	11	46	19	22	37
Inflation risk	2	13	13	11	
Diversification	–32	–821	–219	–274	–292
TOTAL	**192**	**613**	**203**	**318**	**392**

SEK m	Stressed Value at Risk (99 per cent, ten days)				
	Min	Max	31 Dec 2023	Average 2023	Average 2022
Commodities risk	33	205	46	100	70
Credit spread risk	115	247	168	163	183
Equity risk	13	363	43	60	58
Foreign exchange risk	96	528	332	353	321
Interest rate risk	235	575	335	350	432
Volatilities risk	16	66	52	39	75
Inflation risk	2	14	14	12	
Diversification	–129	–1,276	–513	–584	–551
TOTAL	**381**	**721**	**479**	**493**	**588**

COMMENT

• *In 2023, the 10-day VaR in SEB's trading-related activities averaged SEK 318m, compared to SEK 392m in 2022. The decreased VaR is driven by a combination of lower market volatility throughout the year, but also reduced exposure. Note that this table contains the approved IMA calculations and additional IMA components that are pending regulatory approval.*

Table 31. Banking book VaR

SEK m	Value at Risk, (99 per cent, ten days)				
	Min	Max	31 Dec 2023	Average 2023	Average 2022
Credit spread risk	89	173	89	138	121
Equity price risk	18	49	18	35	35
Foreign exchange rate risk	0	25	6	3	1
Interest rate risk	380	996	559	677	547
Diversification	–58	–337	–30	–160	–153
TOTAL	**428**	**905**	**642**	**693**	**551**

COMMENT
- *The average banking book VaR increased from SEK 551m in 2022 to SEK 693m in 2023. The increase is mainly explained by the developments in the interest rate markets, following central bank actions to bring down inflation.*

Table 32. EU IRRBB1 – Interest rate risks of non-trading book activities (banking book)

SEK m		a	b	c	d
		Changes of the economic value of equity		Changes of the net interest income	
	Supervisory shock scenarios	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Juni 2023
1	Parallel up	–882	–3,885	5,320	12,250
2	Parallel down	–2,850	–1,894	–5,719	–5,315
3	Steepener	–2,029	–1,201		
4	Flattener	–296	–2,883		
5	Short rates up	–789	–4,197		
6	Short rates down	–3,882	2,779		

COMMENT
- *This template provides information on the risks arising from potential changes in interest rates that affect both the economic value of equity and the net interest income of the non-trading book activities referred to in Article 84 and Article 98(5) CRD. Positive changes in each currency is weighted by a factor of 50 per cent. Negative (positive) NII outcome in the parallel up (down) scenario is explained by assuming a conservative three month interest rate duration of core non-maturing non-financial deposits.*

Expected Shortfall
Expected Shortfall (ES) is the expected loss given a pre-defined time horizon, conditional that the loss is greater than the VaR for a specific confidence level. Thus, while VaR only shows the loss at a specific confidence level, ES will take the whole loss distribution into account and calculate the expected loss of all of the worst outcomes. ES is currently used within SEB to calculate the economic capital for market risk of trading and liquidity management purpose positions.

Stress tests and scenario analysis
Scenario analysis and stress tests are a key part of the risk management framework, complementing the VaR measure. In particular, they test the portfolios using scenarios other than those available in the VaR simulation window and cover longer time horizons and more diverse scenarios. The 99 per cent confidence level used in the VaR model implies that a loss exceeding the VaR figure is expected once every 100 days. By using a more extensive set of market data scenarios than available in the simulation window of the VaR model, stress testing makes it possible to estimate losses in scenarios that are more severe than the VaR 99 per cent scenario.

SEB stresses its portfolios by applying extreme movements in market factors which have been observed in the past (historical scenarios) as well as extreme movements that could potentially happen in the future. The movements could either be forwardlooking and hypothetical or be based on observed historical movements. To further incorporate all possible events, the group complements the historical and hypothetical scenarios with reverse stress tests, which start from an outcome where, for example, a stop-loss limit would be breached and then identifies circumstances where this might occur. This type of analysis provides management with a view on the potential impact that large market moves in individual risk factors, as well as broader market scenarios, could have on a portfolio. The risk appetite framework includes limits on maximum losses in various stress test scenarios and some max loss in stress scenarios are included in daily monitoring.

Interest Rate Risk in the Banking Book
Interest rate risk stress testing of non-trading activities is assessed with both economic value of equity (EVE) measures based on scenarios defined by EBA and additional scenarios which quantify the changes in net present value of interest sensitive instruments, and with net interest income (NII) measures based on scenarios defined by EBA which measure changes in future earnings within a specific time horizon. A run-off balance sheet is applied for EVE risk calculations and commercial margins are excluded, while a static balance sheet is applied for NII risk calculations.

SEB considers behavioral assumptions on non-maturity deposits (NMDs) for both EVE and NII perspective. NMDs are defined as deposits in which the customer is free to withdraw its money at any time. At the same time, SEB can change the customer rate on a daily basis. Despite NMDs being treated as overnight liabilities, a portion of the NMDs is likely to stay on SEB's balance sheet while also being rate-insensitive to large interest rate shocks. Non-maturity deposits drive behavioral interest rate risk, as the customer rates do not follow official market rates, and are set at the discretion of the business, often taking customer behavior, customer rights regulation, competition etc. into account.

SEB has set up a committee with members from the business, treasury and risk organisation, which assist in assessing the validity of the prevailing assumptions. A validation of the non-maturity deposit model is performed yearly by a unit within the risk organisation, which is independent of those responsible for developing the model.

In the disclosed table EU IRRBB1 the longest repricing maturity of non-maturity deposits is set to one year based on expert judgment assumption.

Risk type-specific measures
As complementary analytical tools, SEB uses sensitivity and position measures as appropriate to the various instruments and risk types:

Delta 1%
SEB uses both gross and Net Delta 1% to measure interest rate risk sensitivity in the trading and banking books. Both measures are calculated for interest rate-based products and measure the change in market value following a simultaneous one percentage point parallel shift in interest rates for all currencies.

Aggregated FX positions
While foreign exchange (FX) trading positions are measured using VaR, the structural FX risk inherent in the structure of the balance sheet and earnings are measured separately through an aggregate FX limit. The aggregated FX is obtained by calculating the sum of all short non-SEK positions and the sum of all long non-SEK positions. The aggregated FX is the larger of these two sums, in absolute value.

Stop-loss limits

Stop-loss limits are used throughout the group's trading activities. A stop-loss limit is a specified loss amount at which loss limiting measures must be executed in order to restrict potential losses of a position, portfolio or entity. Since it focuses on actual losses, the stop-loss framework covers all risk events and risk drivers and helps limit losses under stressed market conditions.

Other sensitivity measures

SEB also uses other greeks as risk measures, such as vega and gamma, both for internal reporting and internal risk limiting on the desk level, for certain products (notably, equity derivatives).

Valuation control and model validation

The group has an established control environment for the determination of fair values of financial instruments that includes a review, independently from the business, of valuation models and prices, implemented by the model validation and independent price verification (IPV) processes. If the validation principles are not adhered to, escalation procedures are in place and the Heads of Group Finance and Group Risk are informed. Exceptions with material and principal importance require approval from the Valuation Committee and the SEB ARC (Accounting Policy and Financial Reporting Committee).

For some of the group's financial assets and liabilities, especially for certain derivatives, quoted prices are not available, and valuation models are used to estimate fair value. As part of the fair value measurement, valuation adjustments are made when valuing derivative financial instruments, to incorporate such as counterparty and own credit risk. The group applies capital reserves for valuation uncertainty based on its prudent valuation framework. The methodologies for estimating valuation adjustments are continuously revised as a result of changing market practices in response to regulatory and accounting policy changes, as well as general market developments.

Capital requirement for market risk in the trading book

SEB's internal VaR and SVaR models have been approved by the Swedish FSA for calculation of regulatory capital requirements for all the general market risks in SEB's trading book for SEB AB and the consolidated group. An immaterial set of positions belonging to the equity risk classification are calculated using the standardised approach.

The capital requirement for remaining market risks in the trading book is calculated using the standardised approach, notably for example the specific market risk. The capital requirements for specific risk and general market risk are then aggregated. The break-down of risk exposure amount and the corresponding capital requirements are shown in table 33.

Table 33. EU MR1 – Market risk under the standardised approach

SEK m		a	a
		31 Dec 2023	30 Jun 2023
		RWEAs	RWEAs
	Outright products		
1	Interest rate risk (general and specific)	5,271	8,442
2	Equity risk (general and specific)	342	389
3	Foreign exchange risk		
4	Commodity risk		
	Options		
5	Simplified approach		
6	Delta-plus method	0	0
7	Scenario approach		
8	Securitisation (specific risk)		
9	**TOTAL**	**5,614**	**8,830**

COMMENT
- *Reduced positioning resulting in lower RWEAs in December 2023 compared to June 2023.*

Table 34. EU MR2-A – Market risk under the Internal Model Approach (IMA)

SEK m		a	b	a	b
		31 Dec 2023		30 Jun 2023	
		RWEAs	Own funds requirements	RWEAs	Own funds requirements
1	VaR (higher of values a and b)	**6,657**	**533**	**12,592**	**1,007**
(a)	*Previous day's VaR (VaRt-1)*		*131*		*320*
(b)	*Multiplication factor (mc) x average of previous 60 working days (VaRavg)*		*533*		*1,007*
2	SVaR (higher of values a and b)	**12,718**	**1,017**	**15,971**	**1,278**
(a)	*Latest available SVaR (SVaRt-1))*		*421*		*431*
(b)	*Multiplication factor (ms) x average of previous 60 working days (sVaRavg)*		*1,017*		*1,278*
3	IRC (higher of values a and b)				
(a)	*Most recent IRC measure*				
(b)	*12 weeks average IRC measure*				
4	**Comprehensive risk measure** (higher of values a, b and c)				
(a)	*Most recent risk measure of comprehensive risk measure*				
(b)	*12 weeks average of comprehensive risk measure*				
(c)	*Comprehensive risk measure Floor*				
5	Other				
6	**TOTAL**	**19,375**	**1,550**	**28,562**	**2,285**

COMMENT
- *The RWEA from the Internal Model Approach decreased during 2023, primarily driven by lower volatility and a significant reduction of backtesting breaches in the VaR lookback horizon.*

Table 35. EU MR3 – IMA values for trading portfolios

SEK m		a	a
VaR (10 day 99%)		**31 Dec 2023**	30 Jun 2023
1	Maximum value	441	441
2	Average value	247	293
3	Minimum value	116	199
4	Period end	131	320
SVaR (10 day 99%)			
5	Maximum value	620	620
6	Average value	393	440
7	Minimum value	251	306
8	Period end	421	431
IRC (99.9%)			
9	Maximum value		
10	Average value		
11	Minimum value		
12	Period end		
Comprehensive risk measure (99.9%)			
13	Maximum value		
14	Average value		
15	Minimum value		
16	Period end		

COMMENT
- *Due to lower volatility and reduced positioning, the average and minimum VaR and SVaR values have decreased during the latter half of the year.*

Table 36. EU PV1 – Prudent valuation adjustments (PVA)

SEK m		a	b	c	d	e	f	g	h
31 Dec 2023		Risk category					Total category level post-diversification		
	Category level AVA	Equity	Interest Rates	Foreign exchange	Credit	Commodities		*of which: Total core approach in the trading book*	*of which: Total core approach in the banking book*
1	Market price uncertainty	981	383		1		683	*104*	*579*
3	Close-out cost	43	380	26	58	84	592	*527*	*65*
4	Concentrated positions	1	11				12	*5*	*6*
6	Model risk	1	17		50		34	*34*	*0*
10	Future administrative costs		61				61	*61*	
12	**TOTAL Additional Valuation Adjustments (AVAs)**						**1,381**	***731***	***650***

SEK m		a	b	c	d	e	f	g	h
31 Dec 2022		Risk category					Total category level post-diversification		
	Category level AVA	Equity	Interest Rates	Foreign exchange	Credit	Commodities		*of which: Total core approach in the trading book*	*of which: Total core approach in the banking book*
1	Market price uncertainty	808	241		6		527	*110*	*417*
3	Close-out cost	34	398	42	76	79	629	*576*	*53*
4	Concentrated positions	5	8				13	*7*	*6*
6	Model risk	1	6		219		113	*112*	*1*
10	Future administrative costs		49				49	*49*	
12	**TOTAL Additional Valuation Adjustments (AVAs)**						**1,331**	***854***	***477***

COMMENT

- *The total prudent valuation capital reserve of SEB Group increased from SEK 1,331m to SEK 1,381m during 2023, with an upturn in AVA at the end of the first quarter to reserve for increased valuation uncertainty in local Baltic government bond holdings. The capital reserve reduced in the second quarter as the liquidity improved and the bond AVA methodology was further refined. Over the last two quarters the capital reserve remained relatively stable, decreasing somewhat as general market liquidity conditions improved and positioning in most cases reduced. Year-on-year increases were observed on bonds and alternative investments while decreases were noted on XVA and derivatives related AVA.*

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

Risk management

SEB has a regulatory approval to use the Advanced Measurement Approach (AMA) to calculate the capital requirement for operational risk.

Operational risk, in SEB referred to as non-financial risk, is inherent in all of SEB's operations. While the day-to-day management of operational risk is the responsibility of SEB's business divisions and support functions, where these risks are generated, the Non-Financial Risk (NFR) unit oversees the group-wide management of operational risks, identifies and reports risk concentrations, and promotes a consistent way of working across the bank. The NFR unit is a part of the CRO Function headed by the CRO.

SEB aims to maintain a sound risk culture to limit operational risks, by ensuring a structured and consistent usage of risk mitigating tools and processes. In the Group Risk Policy and the Non-financial Risk Instruction, SEB's Board of Directors has defined the overall aim and principles for identification, management, monitoring and reporting of operational risk. These documents are supplemented by additional instructions and guidelines.

As the first line of defence, the divisions and staff functions own the risks arising in their operations, including third party/outsourcing arrangements.

All managers in SEB are responsible for identifying, managing, monitoring and reporting operational risks in their operations. Furthermore, the risk managers in the business are explicitly assigned to address operational risks. Within the framework of their responsibilities, the first line risk managers not only assist the business in their day-to-day management of operational risk, but also ensure implementation of an effective risk management and that internal controls are carried out in accordance with the group's policies and instructions.

The risk organisation is responsible for ensuring that SEB's operational risks are identified, managed, monitored, and reported and for making sure that these risks are addressed in accordance with external and internal regulations. The risk organisation reports to SEB's senior management, the *Group Risk Committee* (GRC) and the *Board's Risk and Capital Committee* (RCC) on a regular basis. The objective is to inform on the group's exposure to operational risk, mitigating actions and recommendations to further reduce the operational risks.

These reports also include the degree of compliance with the operational risk tolerance set by the Board, status on key risk indicators, information on significant incidents, and in-depth analyses of operational risks.

Cyber security, data management and model risk

SEB continuously strives to improve its framework and risk practices to mitigate existing and emerging risks. Global connectivity, increased usage of cloud services, third party vendors and outsourcing are megatrends in the banking industry that at the same time increase the risk of cybercrime. SEB proactively works with threat scenarios, threat intelligence and risk management to minimise this risk.

To protect SEB's intellectual property, customer data and other sensitive information from unauthorised access by cyber criminals, activities to identify, protect against, detect, respond to, and recover from cybercrime are continuously developed. Security updates, system upgrades and security tests are performed on a regular basis. Using "always verify" and "least privilege access" principles along with technical safeguards provide additional protection and the visibility needed to manage and monitor every device, user, application, and network.

One of the most fundamental parts of successfully protecting SEB's intellectual property, customer data and other sensitive information is to foster a sound risk culture throughout the bank

Examples of tools and processes used in SEB to continuously identify and manage operational risk:

Incident management

All employees are required to register incidents so that risks can be properly identified, managed, monitored and reported. The information is analysed by both the first and second lines of defence analysing risk events, key metrics, and other relevant operational risk data in order to evaluate operational risk exposures.

Risk and control self-assessments

All business units with significant risk embedded in their operations shall regularly complete *Risk and Control Self-Assessments* (RCSA) according to a group-wide methodology. Assessments are based on their consolidated operations and are designed to identify, and mitigate operational risks embedded in the process end-to-end.

Business continuity management

Business continuity management (BCM) is the process of ensuring that the organisation is prepared to respond to and operate through a period of major disruption. SEB's BCM framework provides methods and processes to ensure readiness to recover, resume and maintain business critical functions and processes.

Crisis management

Crisis Management Teams (CMTs) are established on group, country, and divisional level to ensure quick response and management of serious disruption in order to protect lives, health and assets of employees, customers, and other stakeholders.

New product approval process

All new or changed products, processes and/or systems as well as re-organisations are evaluated in a group-common *New Product Approval Process* (NPAP). The aim is to identify potential operational risks and ensure that pro-active measures are taken to protect SEB from entering into unintended risk-taking.

Model risk management

The use of models always gives rise to model risk, which is the potential for adverse consequences from decisions based on incorrect or misused model outputs and reports. The aim of SEB's *Model Risk Management* (MRM) framework is to provide guidance on effective model risk management to ensure sufficient controls are in place to manage the model risk arising from the use of models.

and to raise security awareness, not only among the employees, but also among SEB's customers. This is done through e.g. trainings and regular communication. In addition, SEB has adopted a group-wide cyber risk and cybersecurity instruction.

Data management and data ethics continue to grow in importance as the financial industry becomes increasingly data centric. In addition, correct and timely data is part of growing regulatory requirements. SEB's efforts to counteract the risk of money laundering and the use of third-party arrangements increase the need for adequate data management and data processing. SEB's well defined processes for managing such risks are continuously adapted. In recent years, SEB has established a group-wide information governance framework, including data management tools and processes.

Model risk is another area affected by evolving regulatory requirements. SEB has implemented a model risk policy framework, and significant improvements have been made to the independent validation of models used for financial crime prevention, pricing of lending products and algorithmic trading.

Fraud prevention

As a bank, SEB is exposed to the risk of being used for corruption, money laundering and financing of terrorism. Work to strengthen SEB's defence against money laundering continues to be of high priority. This includes regular risk assessments, risk-based customer due diligence processes and efficient transaction monitoring.

» *For further information on operational risks, please see the Risk, liquidity and capital management chapter of the Annual and Sustainability Report.*

Measurement of operational risk

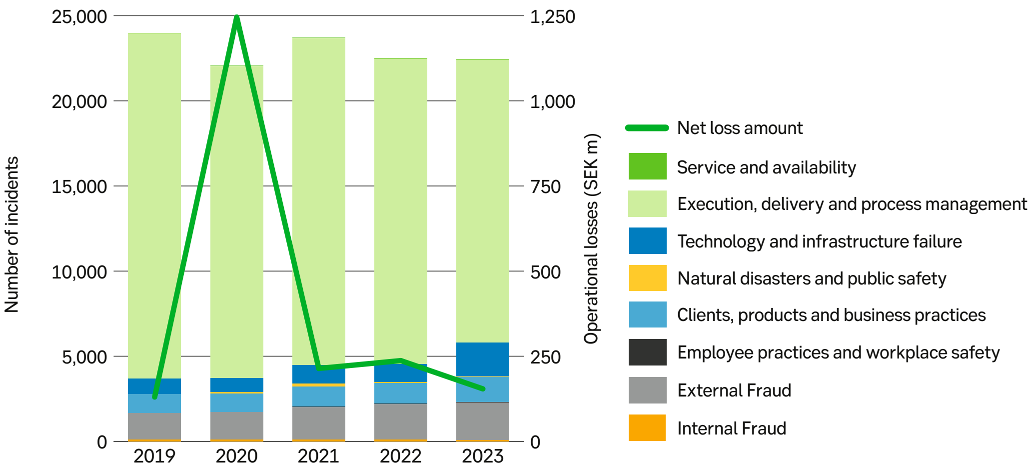
SEB's regulatory approval to use the AMA model to calculate the capital requirement for operational risk is a confirmation of SEB's experience and expertise in operational risk management, including incident reporting, operational loss reporting, capital modelling and quality assessment of processes.

Applying the AMA model, SEB quantifies operational risk with a loss distribution approach, using internal data and external operational losses in the global financial sector. The AMA model is structured along the regulatory-defined business lines for operational risk where SEB's business volume serves as a risk estimate in the modelling. Once the capital requirement for the group has been calculated, it can be allocated between the divisions in a fashion that is similar to the methodology used in the standardised approach, using the AMA model's capital multipliers to assess each business line's risk level. The quality of the divisions' risk management, based on their self-assessments, is also considered.

The capital requirement for operational risk is not affected by any external insurance agreement to reduce or transfer the impact of operational risk losses.

In its review of capital and liquidity requirements after the financial crisis 2007–2009, the Basel Committee decided on a standardised approach to calculate the capital requirement for operational risk which will replace all existing methods, including the AMA models. The standardised approach uses multipliers to the banks' financial income statement. The standardised approach is expected to come into force in the EU on 1 January 2025.

Table 37. **Operational risk incidents registered and analysed**



COMMENT
- *2023 was characterised by low operational losses. Net losses from operational incidents amounted to SEK 154m (237).*

Table 38. **EU OR1 – Operational risk own funds requirements and risk-weighted exposure amounts**

SEK m	a	b	c	d	e
31 Dec 2023	Relevant indicator			Own funds requirements	Risk weighted exposure amount
Banking activities	Year-3	Year-2	Last year		
Banking activities subject to advanced measurement approaches AMA	50,695	61,260	76,570	4,271	53,381

SEK m	a	b	c	d	e
31 Dec 2022	Relevant indicator			Own funds requirements	Risk weighted exposure amount
Banking activities	Year-3	Year-2	Last year		
Banking activities subject to advanced measurement approaches AMA	46,629	50,695	61,260	4,036	50,452

COMMENT
- *The total capital requirement for operational risk increased SEK 0.3bn compared to previous year, and amounted to SEK 4.3bn at the end of 2023.*

Liquidity risk

Liquidity risk is the risk that the group is unable to refinance its existing assets or is unable to meet the demand for additional liquidity. Liquidity risk also entails the risk that the group is forced to borrow at unfavourable rates or is forced to sell assets at a substantial loss to meet its payment commitments.

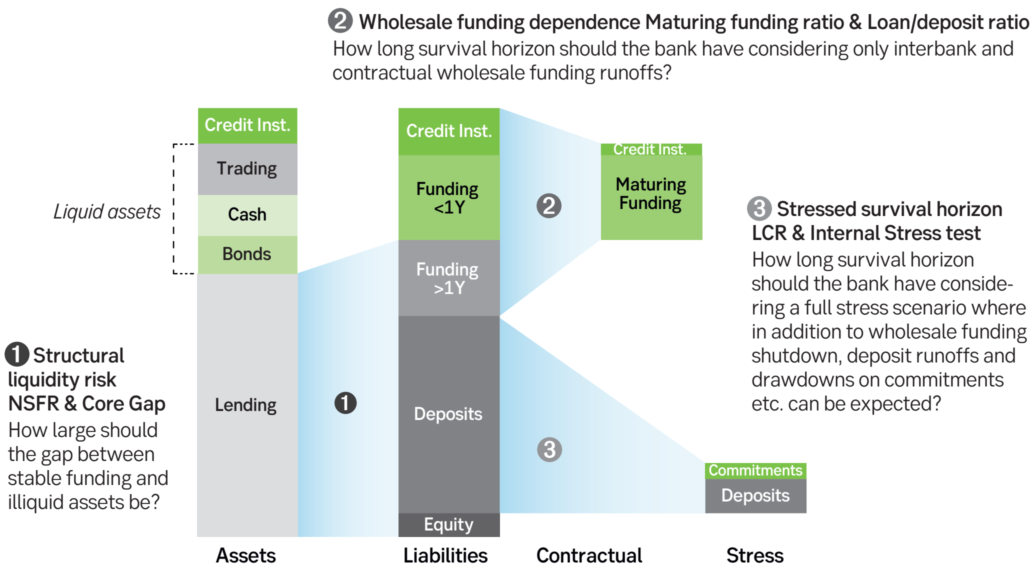
Risk management

The aim of SEB's liquidity management is to ensure that the group maintains a well-controlled liquidity risk profile, with sufficient volumes of liquid assets in all relevant currencies, enabling it to meet its liquidity needs in all foreseeable circumstances, without incurring significant cost increase. The treasury function has the overall responsibility for liquidity management and funding strategy and is supported by local treasury centres in the group's major markets.

The Board of Directors has established a comprehensive framework for managing the bank's liquidity requirements in the short- and long-term.

Liquidity management and the structuring of the balance sheet from a liquidity point of view are built on three fundamental perspectives: (i) the structural liquidity perspective, which assesses the relationship between stable funding and less liquid assets; (ii) the bank's tolerance for short-term stress such as disruptions in the wholesale and interbank funding markets (wholesale funding dependence); and, (iii) the bank's tolerance to a severe stress scenario wherein, in addition to a funding market shutdown, the bank experiences a substantial outflow of deposits. The three perspectives are summarised in the simplified balance sheet.

Balance sheet structure illustrative



In addition to the above approaches of looking at liquidity, there are several targets that SEB strives to meet, including a diversified funding base, wholesale funding maturities that are well distributed over time, sufficient over-collateralisation in the bank's cover pools and to make sure that the level of encumbered assets is acceptable to unsecured creditors.

The liquidity risk is managed through the limits set by the Board, which are further allocated by the *Group Risk Committee* (GRC). Liquidity limits are set for the group, branches and specific legal entities, as well as for exposures in different currencies.

The risk organisation measures and follows up the liquidity risk and limit utilisation daily, which is reported to management. Risk utilisation based on different market conditions and liquidity stress tests are analysed continuously and reported at least monthly to the GRC and the *Risk and Capital Committee* (RCC).

Liquid assets

To mitigate liquidity risk and to ensure that SEB can meet its payment obligations, SEB holds liquid assets that are managed by the treasury function. SEB's liquid assets, in accordance with the Liquidity Coverage Ratio (LCR) in the CRR amounted to SEK 754bn (695) at year-end 2023.

» *For details on the liquid assets, please see SEB's Annual and Sustainability Report, note 40.*

Internal liquidity adequacy assessment process

Liquidity risk is not primarily mitigated by capital. However, there are strong links between a bank's capital and liquidity position. Hence, an internal liquidity adequacy assessment process (ILAAP) complements the ICAAP. The assessment is governed by the treasury function with input from the risk and finance organisations. The process is designed to identify possible gaps against SEB's long-term desired level of liquidity adequacy, considering that effective liquidity management is an ongoing improvement process.

Measurement of liquidity risk

The risk organisation is responsible for the liquidity risk measurement methods and metrics applied within SEB. In order to quantify and manage short- and long-term liquidity risk, a range of customised methods and metrics are used to assess the structure of the balance sheet and cash flows under both normal and stressed market conditions. Liquidity gaps shall be identified through measurement of cumulative net cash flows arising from the assets, liabilities and off-balance sheet positions in various time buckets.

Structural liquidity risk

To maintain a sound structural liquidity position, the structure of the liability side should be based on the composition of assets. The more long-term lending and other illiquid assets, the more stable funding is required. This risk is measured by the regulatory defined Net Stable Funding Ratio (NSFR). In this ratio, the amount of available stable funding is put in relation to the amount of required stable funding. At year-end 2023, the NSFR ratio was 112 per cent (109).

Wholesale funding dependence

One way of measuring the resilience for deteriorating market conditions is to assess the time that SEB's liquid assets would last if the wholesale and interbank funding markets are unavailable. This measure, the maturing funding ratio, captures the bank's liquid assets in relation to wholesale funding and net interbank borrowings that come to maturity over the coming months, or as the number of months it would take to deplete the liquid assets in a scenario where all maturing funding must be repaid from liquid assets.

Wholesale funding dependence is also measured as the loan to deposit ratio, excluding repos and reclassified debt securities. At year-end 2023, SEB's loan to deposit ratio amounted to 121 per cent (116).

Stressed survival horizon

Severe stress can be modelled by combining assumptions of a wholesale funding market shutdown with assumptions of deposit outflows and drawdowns on commitments, etc. The outcome is captured by the regulatory defined Liquidity Coverage Ratio (LCR) where, in a stressed scenario, modelled net outflows during a 30-day period are related to the amount of total liquid assets. The LCR requirement for total currencies, EUR and USD is 100 per cent while for SEK and other significant currencies the requirement is 75 per cent.

SEB also measures the time it would take for the liquid assets to be depleted in an internally defined severely stressed scenario, expressed as the stressed survival horizon (SSH). The same scenario is also used for monitoring the outcome in the currency dimension. This to discover potential mismatches and dependencies towards the FX-swap market. In addition, SEB monitors various rating agencies' survival metrics.

Table 39. EU LIQ1 – Quantitative information of LCR

SEK bn		a	b	c	d	e	f	g	h
Scope of consolidation: consolidated		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	**31 12 2023**	30 09 2023	30 06 2023	31 03 2023	**31 12 2023**	30 09 2023	30 06 2023	31 03 2023
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
High-quality liquid assets									
1	Total high-quality liquid assets (HQLA), after application of haircuts in line with Article 9 of regulation (EU) 2015/61					1,083	1,103	1,090	1,087
Cash – Outflows									
2	Retail deposits and deposits from small business customers, of which:	554	555	555	553	42	42	42	42
3	*Stable deposits*	*359*	*359*	*358*	*356*	*18*	*18*	*18*	*18*
4	*Less stable deposits*	*195*	*196*	*197*	*198*	*24*	*24*	*24*	*24*
5	*Unsecured wholesale funding*	*1,401*	*1,441*	*1,472*	*1,493*	*785*	*801*	*804*	*808*
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*[1]	*664*	*698*	*732*	*750*	*161*	*170*	*178*	*183*
7	*Non-operational deposits (all counterparties)*[1]	*660*	*656*	*652*	*655*	*546*	*545*	*538*	*537*
8	*Unsecured debt*	*78*	*87*	*87*	*88*	*78*	*87*	*87*	*88*
9	*Secured wholesale funding*					*89*	*112*	*123*	*123*
10	*Additional requirements*	*793*	*779*	*752*	*727*	*157*	*155*	*151*	*143*
11	*Outflows related to derivative exposures and other collateral requirements*	*80*	*79*	*79*	*75*	*60*	*61*	*61*	*57*
12	*Outflows related to loss of funding on debt products*								
13	*Credit and liquidity facilities*	*712*	*700*	*673*	*652*	*97*	*95*	*90*	*86*
14	Other contractual funding obligations	79	76	75	67	37	36	38	38
15	Other contingent funding obligations	252	245	237	233	13	13	12	12
16	**Total cash outflows**					**1,123**	**1,159**	**1,169**	**1,166**
Cash – Inflows									
17	Secured lending (e.g. reverse repos)	448	453	455	443	127	142	141	129
18	Inflows from fully performing exposures	152	151	149	147	113	114	114	110
19	Other cash inflows	42	42	46	46	42	42	46	47
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
EU-19b	(Excess inflows from a related specialised credit institution)								
20	**Total cash inflows**	**642**	**646**	**650**	**636**	**282**	**298**	**307**	**301**
EU-20a	*Fully exempt inflows*								
EU-20b	*Inflows subject to 90% cap*								
EU-20c	*Inflows subject to 75% cap*	*456*	*463*	*465*	*449*	*282*	*298*	*307*	*301*
TOTAL ADJUSTED VALUE									
21	**Liquidity buffer**					**1,083**	**1,103**	**1,090**	**1,087**
22	**Total net cash outflows**					**841**	**861**	**862**	**865**
23	**Liquidity coverage ratio**					**129%**	**129%**	**128%**	**127%**

1) Remapping of deposits between reporting categories.

Table 40. EU LIQB on qualitative information on LCR, which complements template EU LIQ1 in accordance with Article 451a(2) CRR

31 Dec 2023

Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time

SEB shall at all times have an adequate liquidity buffer to meet the Net Liquidity Outflows. SEB holds HQLA that can be converted into cash to meet liquidity needs for a 30 calendar day liquidity stress scenario. SEB reviews and potentially adjusts the liquidity buffer reflecting inter alia net outflows which may vary over time.

Explanations on the changes in the LCR over time

The LCR was stable in the quarter. The primary factors influencing the LCR include the issuance and maturities of wholesale funding and the development of deposits. Liquid assets are managed, facilitated through both deposits and wholesale funding, to meet the development in these main drivers. SEB aims to maintain a balanced maturity profile, thereby contributing to a stable LCR over time.

Explanations on the actual concentration of funding sources

Group Treasury continuously manages the short- and long-term funding activities of SEB Group in order to secure sufficient funding diversification. The funding sources are diversified by e.g. product, currency, geography and type of market.

The distribution of funding sources has not changed significantly in the quarter.

High-level description of the composition of the institution`s liquidity buffer

The main part of SEB's liquidity buffer is composed of Level 1 assets. A large share is held as cash and central bank reserves, but the liquidity reserve also consists of highly rated sovereign bonds and extremely high quality covered bonds. A minor part of the liquidity buffer is held in Level 2 assets. All securities within the liquidity reserve should at all times be eligible as collateral at a central bank.

Derivative exposures and potential collateral calls

Derivative exposures and collateral calls is monitored at all times.

Currency mismatch in the LCR

SEB has LCR requirements in all main currencies (SEK, EUR and USD), hence the currency distribution of the LCR is closely monitored and no major mismatches exist.

Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile.

There are no such items identified.

Qualitative information on LCR

SEB shall always have an adequate liquidity buffer to meet the Net Liquidity Outflows as defined in the Liquidity Coverage Ratio (LCR). In addition to central bank reserves, SEB holds High Quality Liquid Assets (HQLA) that can be mobilised to meet liquidity needs during a 30-calendar day liquidity stress scenario.

SEB reviews and potentially adjusts the liquidity buffer reflecting inter alia net outflows which may vary over time.

The treasury function continuously manages the short- and long-term funding activities of the group to secure sufficient funding diversification. The funding sources are diversified by e.g. product, currency, geography and type of market.

The main part of SEB's liquidity buffer is composed of Level 1 assets. A large share is held as central bank reserves, but it also consists of highly rated sovereign bonds and extremely high-quality covered bonds. A minor part of the liquidity buffer is held in Level 2 assets. All securities within the liquidity buffer should always be eligible as collateral in a central bank as defined in the CRR.

SEB has LCR requirements in all main currencies (SEK, EUR and USD), hence the currency distribution of the LCR is closely monitored and no major mismatches exist. Additionally, derivative exposures and collateral calls is always monitored.

The LCR was stable during the year. Net outflows increased following an increase of customer deposits. The average duration on wholesale funding decreased which also contributed to an increase in Net outflows. HQLA increased, driven by an increase in withdrawable central bank reserves.

The LCR was stable during the year. Net outflows increased following an increase of customer deposits. The average duration on wholesale funding decreased which also contributed to an increase in Net outflows. HQLA increased, driven by an increase in withdrawable central bank reserves.

The distribution of funding sources has not changed significantly during the year.

Table 41. EU LIQ2 – Net Stable Funding Ratio

SEK m		a	b	c	d	e
		Unweighted value by residual maturity				
31 Dec 2023		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
Available stable funding (ASF) Items						
1	**Capital items and instruments**	**211,658**			**16,436**	**228,094**
2	*Own funds*	*211,658*			*16,436*	*228,094*
3	*Other capital instruments*					
4	**Retail deposits**		**544,410**			**507,611**
5	*Stable deposits*		*352,833*			*335,191*
6	*Less stable deposits*		*191,577*			*172,420*
7	**Wholesale funding:**		**1,428,750**	**175,236**	**446,988**	**943,781**
8	*Operational deposits*		*598,899*			*299,449*
9	*Other wholesale funding*		*829,851*	*175,236*	*446,988*	*644,331*
10	**Interdependent liabilities**		**18,608**			
11	**Other liabilities:**	**12,488**	**47,680**	**878**	**10,838**	**10,838**
12	*NSFR derivative liabilities*	*12,488*				
13	*All other liabilities and capital instruments not included in the above categories*		*47,680*	*878*	*10,838*	*10,838*
14	**Total available stable funding (ASF)**					**1,690,324**
Required stable funding (RSF) Items						
15	**Total high-quality liquid assets (HQLA)**					**7,311,258,829**
EU-15a	**Assets encumbered for more than 12m in cover pool**				**255,942**	**217,551**
16	**Deposits held at other financial institutions for operational purposes**					
17	**Performing loans and securities:**		**594,607**	**213,780**	**1,137,582**	**1,137,033**
18	*Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut*		*27,916*			
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		*251,120*	*22,342*	*44,260*	*71,820*
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		*229,185*	*170,839*	*631,280*	*718,551*
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*22,076*	*54,378*	*90,248*	*96,888*
22	*Performing residential mortgages, of which:*		*18,291*	*14,109*	*381,385*	*264,101*
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*18,291*	*14,109*	*381,385*	*264,101*
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		*68,096*	*6,489*	*80,656*	*82,562*
25	**Interdependent assets**		**38,609**			
26	**Other assets:**		**135,657**	**665**	**69,910**	**90,819**
27	*Physical traded commodities*				*2,034*	*1,729*
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		*12,053*		*2,178*	*12,096*
29	*NSFR derivative assets*					
30	*NSFR derivative liabilities before deduction of variation margin posted*		*96,468*			*4,823*
31	*All other assets not included in the above categories*		*27,136*	*665*	*65,698*	*72,170*
32	**Off-balance sheet items**		**246,498**	**96,340**	**605,352**	**55,688**
33	**Total required stable funding (RSF)**					**1,508,402**
34	**Net Stable Funding Ratio (%)**					**112%**

» Table 41. EU LIQ2 – Net Stable Funding Ratio

SEK m		a	b	c	d	e
		Unweighted value by residual maturity				
30 Jun 2023		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value
Available stable funding (ASF) Items						
1	**Capital items and instruments**	**214,222**	**9,970**		**6,694**	**220,917**
2	*Own funds*	*214,222*	*9,970*		*6,694*	*220,917*
3	*Other capital instruments*					
4	**Retail deposits**		**564,909**			**526,769**
5	*Stable deposits*		*367,010*			*348,660*
6	*Less stable deposits*		*197,899*			*178,109*
7	**Wholesale funding:**		**2,011,824**	**115,849**	**498,558**	**994,746**
8	*Operational deposits*		*630,019*			*315,009*
9	*Other wholesale funding*		*1,381,806*	*115,849*	*498,558*	*679,737*
10	**Interdependent liabilities**		**23,750**			
11	**Other liabilities:**		**87,563**	**1,227**	**11,646**	**11,741**
12	*NSFR derivative liabilities*					
13	*All other liabilities and capital instruments not included in the above categories*		*87,563*	*1,227*	*11,646*	*11,741*
14	**Total available stable funding (ASF)**					**1,754,173**
Required stable funding (RSF) Items						
15	**Total high-quality liquid assets (HQLA)**					**10,339**
EU-15a	**Assets encumbered for more than 12m in cover pool**				**287,449**	**244,331**
16	**Deposits held at other financial institutions for operational purposes**					
17	**Performing loans and securities:**		**692,556**	**237,784**	**1,121,962**	**1,154,601**
18	*Performing securities financing transactions with financial customerscollateralised by Level 1 HQLA subject to 0% haircut*		**35,075**			
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		*320,100*	*26,083*	*52,377*	*85,780*
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		*242,417*	*189,476*	*650,049*	*750,027*
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*16,596*	*56,496*	*92,304*	*96,544*
22	*Performing residential mortgages, of which:*		*17,190*	*15,956*	*353,051*	*246,056*
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*17,190*	*15,956*	*353,051*	*246,056*
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		*77,775*	*6,270*	*66,486*	*72,739*
25	**Interdependent assets**		**12,967**			
26	**Other assets:**		**141,129**	**476**	**80,846**	**97,322**
27	*Physical traded commodities*				**4,881**	**4,149**
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		*8,798*		*7,175*	*13,577*
29	*NSFR derivative assets*					
30	*NSFR derivative liabilities before deduction of variation margin posted*		*97,457*			*4,873*
31	*All other assets not included in the above categories*		*34,873*	*476*	*68,790*	*74,723*
32	**Off-balance sheet items**		**251,646**	**110,012**	**613,837**	**56,486**
33	**Total required stable funding (RSF)**					**1,563,080**
34	**Net Stable Funding Ratio (%)**					**112%**

COMMENT

- *NSFR has been stable during the last six months. Comparing 31 December 2023 with 30 June 2023, the ratio has remained at 112 per cent. During the period, there have been no significant changes in neither ASF nor RSF.*

Asset encumbrance

The primary source of asset encumbrance in SEB is the issuance of covered bonds, which is a funding source used to fund residential mortgages. The overcollateralisation for covered bonds in the tables below represents the 2 per cent regulatory required overcollateralisation. The bank also has voluntary overcollateralisation additional to the statutory requirement of 2 per cent to be able to withstand a significant property price fall caused by a disruption in the real estate market.

Furthermore, asset encumbrance is also driven by client facilitation within the Markets business, where secured financing transactions, such as repos and securities lending and borrowings, give rise to the need for collateral both on and off the balance sheet. Other sources of asset encumbrance include collateral management and derivatives. Unencumbered other assets include assets such as intangible assets and derivatives.

The majority of encumbered assets and collateral are derived from the parent company, and there is no significant intragroup encumbrance. The largest original currency of encumbered assets and collateral, as well as source of encumbrance, is SEK followed by EUR and USD.

In below tables, an asset is treated as encumbered if it has been pledged or if it is subject to any form of arrangement to secure, collateralise or credit enhance any transaction from which it can not be freely withdrawn. In the Annual and Sustainability Report on the other hand, only pledged and transferred assets are recognised as encumbered, except for covered bonds.

Amounts are median values based on end of period carrying amounts of asset encumbrance reporting for each of the latest four quarters and are determined by interpolation. The medians disclosed in 'Total rows' are medians of the sums.

Table 42. EU AE1 – Encumbered and unencumbered assets

SEK m	31 Dec 2023								31 Dec 2022							
	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
Encumbered and unencumbered assets		*of which notionally elligible EHQLA and HQLA*		*of which notionally elligible EHQLA and HQLA*		*of which EHQLA and HQLA*		*of which EHQLA and HQLA*		*of which notionally elligible EHQLA and HQLA*		*of which notionally elligible EHQLA and HQLA*		*of which EHQLA and HQLA*		*of which EHQLA and HQLA*
Assets of the reporting institution	**459,342**	***28,273***			**3,108,875**	***949,884***			**473,867**	***46,119***			**3,062,549**	***1,028,375***		
Equity instruments	21,634		21,634		38,006		37,866		19,947		19,947		42,665		42,391	
Debt securities	28,332	*27,729*	28,332	*27,729*	378,906	*349,711*	377,747	*349,711*	48,540	*45,990*	48,540	*45,990*	271,959	*244,231*	271,508	*244,231*
of which: covered bonds	*20,226*	*19,834*	*20,226*	*19,834*	*77,012*	*64,247*	*77,012*	*64,247*	*23,621*	*21,065*	*23,621*	*21,065*	*53,606*	*46,503*	*53,606*	*46,503*
of which: asset-backed securities					*9,567*	*7,431*	*9,535*	*7,431*					*8,558*	*6,463*	*8,558*	*6,463*
of which: issued by general governments	*8,633*	*8,633*	*8,633*	*8,633*	*66,435*	*65,201*	*67,795*	*65,201*	*13,937*	*13,937*	*13,937*	*13,937*	*42,982*	*31,990*	*43,076*	*31,990*
of which: issued by financial corporations	*22,306*	*21,914*	*22,306*	*21,914*	*139,425*	*119,452*	*138,922*	*119,452*	*30,038*	*27,488*	*30,038*	*27,488*	*115,888*	*106,601*	*115,913*	*106,601*
of which: issued by non-financial corporations	*0*	*0*	*0*	*0*	*6,841*	*389*	*6,841*	*389*					*9,768*	*475*	*9,768*	*475*
Other assets	409,376	*564*			2,648,774	*554,929*			392,330	*130*			2,736,546	*821,037*		
of which: mortgage loans	*344,389*				*752,541*				*320,849*				*754,062*			
of which: loans and advances other then loans on demand and mortgage loans	*564*				*1,132,732*				*1,261*				*1,057,935*	*623*		

Table 43. EU AE2 – Collateral received and own debt securities issued

SEK m	31 Dec 2023				31 Dec 2022			
			Unencumbered				Unencumbered	
	Fair value of encumbered collateral received or own debt securities issued		Fair value of collateral received or own debt securities issued available for encumbrance		Fair value of encumbered collateral received or own debt securities issued		Fair value of collateral received or own debt securities issued available for encumbrance	
Collateral received		*of which notionally elligible EHQLA and HQLA*		*of which EHQLA and HQLA*		*of which notionally elligible EHQLA and HQLA*		*of which EHQLA and HQLA*
Collateral received by the reporting institution	**246,442**	***117,658***	**154,062**	***113,794***	**231,870**	***119,015***	**111,948**	***84,266***
Loans on demand								
Equity instruments	118,121		26,041		107,693		14,273	
Debt securities	124,559	*117,658*	129,937	*113,794*	119,866	*119,015*	96,340	*84,266*
of which: covered bonds	*58,609*	*56,002*	*83,622*	*71,588*	*36,606*	*36,002*	*49,475*	*41,544*
of which: asset-backed securities								
of which: issued by general governments	*66,452*	*62,076*	*41,652*	*40,848*	*78,824*	*78,824*	*42,787*	*42,553*
of which: issued by financial corporations	*62,988*	*59,810*	*84,016*	*70,605*	*44,285*	*43,690*	*52,202*	*42,158*
of which: issued by non-financial corporations	*49*	*49*	*4,084*	*1,617*	*23*	*0*	*1,172*	*220*
Loans and advances other than loans on demand								
Other collateral received								
Own debt securities issued other than own covered bonds or asset-backed securities			**103**				**10**	
Own covered bonds and asset-backed securities issued and not yet pledged								
TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	**704,323**	***151,841***			**690,931**	***169,059***		

Table 44. EU AE3 – Sources of encumbrance

SEK m	31 Dec 2023		31 Dec 2022	
Sources of encumbrance	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered
Carrying amount of selected financial liabilities	**651,548**	**704,323**	**606,636**	**690,931**
of which: derivatives	*86,853*	*117,245*	*95,978*	*135,250*
of which: repos	*35,818*	*35,818*	*27,256*	*27,256*
of which: securites financing	*28,392*	*31,237*	*32,057*	*36,662*
of which: covered bonds	*337,637*	*344,389*	*314,385*	*320,683*
of which: collateral management	*136,204*	*145,831*	*123,714*	*138,141*
of which: collateralised deposits other than repurchase agreemnets	*31,824*	*32,050*	*31,439*	*35,917*
of which: other		*1,803*		*2,111*

Other risks

Insurance risk

Insurance risk in SEB consists of all risks related to the group's life insurance operations; unit-linked, traditional life and risk insurance. The main risks include market risk and underwriting risk.

SEB's life insurance operations are conducted within the SEB Life Group. Unit-linked products represent the majority of the business. In 2016, SEB re-opened sales within traditional life insurance in Sweden, after having been closed since 2007. SEB also offers insurance policies in Ireland and the Baltic countries.

The SEB Life Group is exposed to market risks through the investments linked to traditional life insurance policies with guaranteed benefits and risk insurance operations at each subsidiary, as well as through investments of own equity. The traditional insurance business generates a majority of the market risk, driven by the risk of losses on traditional life insurance policies with guaranteed benefits due to changes in fair value of assets and liabilities. Such changes in fair value can be caused by changes in interest rates, credit spreads, equity prices, property prices, exchange rates and implied volatilities.

In the unit-linked insurance products, the market risk is borne by the policyholder. However, SEB has an indirect exposure to market risk through the policyholders' investments, since a part of the future income stream is based on the value of the assets under management.

Underwriting risk pertains to the risk of loss or of negative changes in the value of insurance liabilities (technical provisions) due to inadequate pricing and/or provisioning assumptions. It includes factors such as mortality, longevity, disability/morbidity (including risks that result from fluctuation in the timing and amount of claim settlements), catastrophe risk (e.g., extreme or irregular events), expense risk and lapse risk (i.e., policyholder behaviour risk).

Risk management and measurement

Market risk in the traditional life insurance products with guaranteed returns can be mitigated through standard market risk hedging schemes and monitored through asset/liability management (ALM) risk measures and stress tests. This is supplemented by market risk tools such as VaR and scenario analysis. In the traditional products, the difference between asset values and the guaranteed obligations constitutes a buffer against profit and loss volatility.

Underwriting risks are controlled through the use of actuarial analysis and stress tests of the existing insurance portfolio. Mortality and disability/morbidity risks are usually reinsured for large individual claims or for several claims attributable to the same event. Underwriting risk parameters are validated annually. Policyholders within certain traditional life insurance products are free to transfer/surrender their policies from SEB. The utilisation of this option has been very low historically. Nevertheless, to safeguard against unplanned cash outflows sufficient liquid investments are maintained. Regular cash flow analysis is conducted to mitigate this risk.

The profitability of existing and new business is closely monitored, and look-through of funds is implemented to the extent possible for better calculation of capital requirements under the Solvency II regime.

The risk organisation is responsible for measuring, monitoring and reporting the risks inherent in SEB's life insurance operations. Measurement and monitoring are performed on a regular basis for each insurance company. Solvency capitalisation calculations, in line with the Solvency II regulatory framework, are performed regularly and the required reporting is submitted to the financial supervisors on a quarterly basis. Solvency figures are closely monitored over time. Key risks are reported to the *Group Risk Committee* (GRC), the *Risk and Capital Committee* (RCC) and to the boards of each insurance company.

Solvency II

Solvency II, which became effective on 1 January 2016, is a regulatory framework for the governance, internal control and capital requirements for insurance companies across Europe. The regulation is intended to facilitate transparency and comparability, and to ensure companies' ability to meet their obligations and thus increase protection for policyholders. Under Solvency II, an insurance company's capital requirement is risk-based, rather than the previous application of a fixed percentage of the company's technical provisions. All risks are taken into account, including market risk, underwriting risk and operational risk. Stress testing is applied to assess the company's resilience to sudden changes in assets and liabilities.

In addition, the regulatory framework places increased demands on a company's directors to ensure good risk management and more extensive reporting to the regulatory authorities and the public.

Pension risk

Pension risk is the risk that allocated funds for defined benefit pension plans should prove insufficient to meet future payments. The risk related to the group's pension plan is in some ways comparable in nature to the risk of traditional life insurance products and is measured in a similar way. However, the pension obligations are defined and therefore not depending on the earnings of the pension foundation. This means that pension risk resides with the employer in the respect that if future payments are not fully covered by the allocated funds in the pension foundation, the payments would have to be made by the SEB Group. The risk organisation regularly monitors and reports on the risk development of the pension foundations to the GRC and the Board's RCC.

Business, strategic and reputational risks

Business risk is the risk of lower earnings than expected, due to reduced volumes or price pressure combined with inability to offset the revenue decline with a reduction in costs.

Strategic risk is the risk of loss due to adverse business decisions, improper implementation of decisions, or lack of responsiveness to changes in the business environment. The risk is related to business risk, but often arises through long-term structural factors.

Reputational risk is the risk arising from negative perception on the part of customers, counterparties, shareholders, investors, debt-holders, market analysts, other relevant parties or regulators that can adversely affect SEB's ability to maintain existing, or establish new, business relationships or funding.

SEB continuously works to mitigate business, strategic and reputational risks, for example through strategic business planning and business reviews, proactive cost management, an agile IT development approach, and an ambitious corporate sustainability agenda.

Capital management and own funds

The group's capital management seeks to balance shareholders' demand for return with the financial stability requirements of regulators, debt investors, business counterparties and other market participants, including rating agencies.

Capital management

Governance

The capital policy defines how SEB's capital management should support its business goals, the group's dividend policy and rating targets. The capital policy, which is reviewed yearly, is established by the Board of Directors based on recommendations from the *Risk and Capital Committee* (RCC).

The group's CFO is responsible for the process of assessing the capital requirements in relation to the group's risk profile and for proposing a strategy for maintaining the capital levels. This process, the internal capital adequacy assessment process (ICAAP), is integrated with the group's business planning and is part of the internal governance framework and internal control systems.

Capital management

In the capital plan, SEB considers internal views on material risks and their development as well as risk measurement models, risk governance and risk mitigants. It is linked to the overall business planning and establishes a strategy for maintaining appropriate capital levels. Together with continuous monitoring and reporting of the capital adequacy to the Board, this ensures that the relationship between shareholders' equity, economic capital, regulatory and rating-based requirements are managed so that the survival of the group is not jeopardised.

SEB's capital plan covers the strategic planning horizon and projects economic and legal capital requirements, as well as available capital resources and relevant ratios including risk-based and non-risk-based metrics such as the leverage ratio. It is forward-looking, taking into account current and planned business volumes. The capital plan is stress tested for potential down-turns in the macroeconomic environment, strategic risk factors identified in the business planning, and other relevant scenarios. The capital plan is established annually and updated if needed during the year. SEB's capital is managed centrally, pursuant to an internal framework in accordance with local requirements as regards statutory and internal capital.

The ICAAP is used as input to the regulatory supervisors to annually assess SEB in accordance with the parameters of the Supervisory Review and Evaluation Process (SREP), including the bank's capital adequacy, risk measurement models and risk governance, among other things. The Swedish FSA concluded in its latest SREP that SEB is sufficiently capitalised and adequately measures and manages its risks.

Regulatory capital requirements

On 29 December 2020 new capital requirements started to apply for Swedish banks, since the EU Banking package was transposed into Swedish law. CET 1 capital requirements consist of four main parts:

1. A Pillar 1 minimum requirement of 4.5 per cent
2. Pillar 2 requirements (P2R)
3. A combined buffer requirement and
4. A Pillar 2 guidance (P2G).

The Pillar 2 requirement (P2R) for SEB consists of credit related concentration risk, interest rate risk in the banking book and a temporary add-on for the ongoing review of IRB models. According to the 2023 SREP decision, the CET1 capital requirement for P2R risk was 1.6 per cent of REA for SEB.

The combined buffer requirement consists of a capital conservation buffer of 2.5 per cent, the buffer of 1 per cent for other systemically important institutions (O-SII buffer), the systemic risk buffer of 3.1 per cent and the countercyclical buffer. On 22 June 2023, the countercyclical buffer rate for Swedish exposures was raised to 2.0 per cent, which is the neutral level of the buffer.

Through the Pillar 2 Guidance (P2G), the Swedish FSA informs a bank which capital level it expects the bank to hold over and above the capital requirement while the P2R and the combined buffer requirement is applied to cover risks and manage future financial stresses. The Swedish FSA decided that the P2G, to be fully met with CET1 capital, should be 0.5 per cent of REA for SEB compared with 1.0 per cent in the corresponding decision in the previous year. SEB's applicable CET1 capital requirement and P2G as at year-end was approximately 14.7 per cent (14.2).

Furthermore, the leverage ratio P2G was decided to be 0.5 per cent (0.45) of the leverage exposure – on top of the minimum 3 per cent requirement for the leverage ratio. At the end of the year, SEB's leverage ratio was 5.4 per cent (5.0). The components of the risk-based capital requirements for SEB as at year-end 2023 are illustrated in the table below.

Table 45. Regulatory capital requirement

SEB Consolidated situation – Prudential requirements (explicit or implicit) Dec 2023[1)]

	CET1	AT1	Tier 2	Total
Pillar 1	**4.5%**	**1.5%**	**2.0%**	**8.0%**
Pillar 2 requirement				
Credit concentration risk	0.2%	0.1%	0.1%	0.4%
Interest rate risk in the banking book	0.3%	0.1%	0.2%	0.6%
IRB-models ongoing review	1.0%	0.0%	0.2%	1.2%
Total Pillar 2 requirement	**1.6%**	**0.2%**	**0.5%**	**2.3%**
Total SREP capital requirement (TSCR)	**6.1%**	**1.7%**	**2.5%**	**10.3%**
Institution specific buffer requirement				
Capital conservation buffer	2.5%			2.5%
Systemic risk buffer	3.1%			3.1%
Other Systemically Important Institution buffer (O-SII)	1.0%			1.0%
Countercyclical capital buffer	1.6%			1.6%
Combined buffer requirement (CBR)	**8.1%**			**8.1%**
Overall capital requirement (TSCR+CBR)	**14.2%**	**1.7%**	**2.5%**	**18.4%**
Pillar 2 Guidance (P2G)	**0.5%**			**0.5%**
Overall capital requirement and P2G	**14.7%**	**1.7%**	**2.5%**	**18.9%**

1) According to 2023 SREP decision.

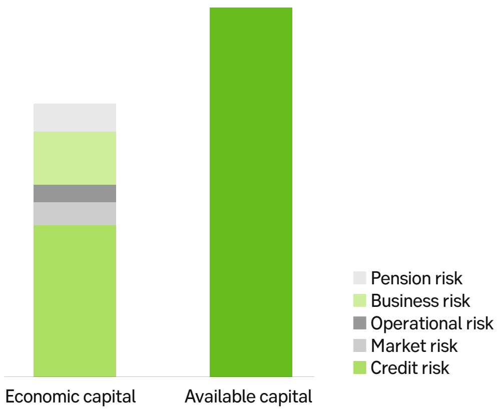
Capitalisation target

The Board of Directors sets SEB's capitalisation target to ensure that the group's capital is sufficient both to support its business strategy and risk tolerance and to safeguard that the group can maintain its capital ratios above regulatory requirements also in less favourable economic conditions. SEB aims to have a buffer of 100 to 300 basis points above the 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. With a CET1 capital ratio of 19.1 per cent as at year-end 2023, the buffer is 440 basis points above the regulatory requirements and P2G.

Economic capital

SEB uses an economic capital model to internally assess the capital requirement of the group. The model is similar to the Basel III rules for capital adequacy in that many of the underlying risk components are the same. However, it is not fully comparable with the estimated capital requirement published by the Swedish FSA due to differences in assumptions and methodologies. The economic capital is calculated with a one-year horizon and based on a confidence level of 99.97 per cent, which is equivalent to the capital requirement for a very high debt credit rating. Diversification effects between risk types reduce the total amount of economic capital, since unexpected losses requiring capital buffers are not likely to occur simultaneously for all risk types. The shareholders' equity and other financial resources which can absorb unexpected losses are referred to as available capital.

Table 46. **Economic capital for the consolidated situation**



COMMENT

- *The economic capital or internally assessed capital requirement for the consolidated situation amounted to SEK 126bn (87). In 2023, methodologies for aggregation and market risk were reviewed which led to significant impact on the development of the capital requirement.*
- *The available capital to cover for the economic capital amounted to SEK 172bn (170), which shows that SEB is well capitalised in relation to its risks.*

Capital allocation and business equity

In addition to ensuring that SEB has an adequate capital buffer, the capital management also ensures that the capital is used where it can generate the best risk-adjusted returns. The group's capital is managed centrally, meeting also local requirements as regards statutory and internal capital. A clear governance process is in place for capital injections from the parent bank to the subsidiaries. SEB employs an internal capital allocation framework for measuring risk and profitability. The basis for this framework, called business equity, is derived from regulatory capital requirements and is calibrated with SEB's capital targets. The business equity framework allocates the total level of equity needed to maintain a desired capital adequacy to the business units in proportion to risks undertaken. Thus, business equity is a risk measure, since individual transactions are allocated business equity in proportion to their risks.

Stress testing

SEB views the macroeconomic environment as the major driver of risk to the group's earnings and financial stability. To arrive at an appropriate and comprehensive assessment of the bank's financial strength, both the expected development of the economy as well as stressed scenarios representing more severe conditions are taken into consideration. Stress testing is used to assess an extra safety margin over and above the formal capital model requirements, covering, for example, the potential of a sharp decline in the macroeconomic environment.

Using recession scenarios and contrasting them to the base scenario of the financial plan, the stress testing framework projects the risk level in relation to the available capital resources. In the stressed scenarios, projected earnings for future years are lower, credit losses increase, and average risk weights in credit portfolios increase due to negative risk class migration. The stress testing framework uses historical experience (such as the Swedish banking crisis in the early 1990's and the financial crisis in 2008) and internal statistics to quantify the level of stress that the base scenario should be exposed to.

SEB typically works with different stress test scenarios designed to reflect both probable and hypothetical scenarios. The probable scenarios have a sufficient connection with historical observation to enable calculation of the likely effect, whereas the hypothetical scenarios represent tail events

SEB's stress testing framework covers all main risk types:

Credit risk Key economic criteria from recession scenarios are correlated with historical observed default data used in the average through-the-cycle credit models. In the stressed scenarios, credit losses increase and average risk weights are impacted by worsening risk classes due to assumed risk class migrations. Both internal and external default and loss data are used together with historical and scenario macroeconomic data to predict the effect on the bank's existing credit portfolio considering default rates and loss levels by country and by portfolio. In this way, the sensitivity of different parts of the portfolio can be identified, enabling the bank to manage risk more effectively. The concentration to large exposures is also stressed by simulating the effect of a default by one or more of these despite their investment grade rating.

Market risk SEB uses both historical and forward-looking scenarios to stress test its portfolios. The scenarios are reviewed regularly and are part of SEB's market risk tolerance framework. The stress tests cover the main risk factors relevant to SEB's portfolios.

Operational risk Key economic criteria from recession scenarios are correlated with historically observed operational losses both in SEB and externally to produce an expected loss for each adverse scenario. Idiosyncratic, highly unlikely scenarios, e.g., a rogue trader event, are also run as special cases to contrast their effect both during mild and severe recessions.

Funding and business risk Key economic criteria from recession scenarios are correlated with historically observed trading and fee income levels together with projections of likely costs. Net interest income levels are estimated using the scenario interest rate and credit spread data. Overall, the result in most scenarios is a reduction of operating profit before credit, market and operational risk losses.

where historical data is scarce or not available. Care is taken to ensure that the economic parameters fit with each other. A full stress test contains a number of scenarios where more probable outcomes for certain parameters are combined with hypothetical events for other parameters. Performing this kind of stress testing constitutes an important part of SEB's process for capital assessment over the long-term planning horizon. Available and required capital is computed, contingent on the stressed environment, for each year in the scenarios. This makes it possible to assess SEB's financial strength under even more adverse conditions than those assumed in financial plans.

Finalisation of the Basel III framework

In December 2017, the Basel Committee presented the framework for revisions to the Basel III framework (also referred to as Basel IV) with the objective of the framework is to reduce excessive variability of risk-weighted assets (RWA) among banks. For that purpose, the Committee proposed an output floor implying that RWA calculated by applying internal models cannot in aggregate fall below 72.5 per cent of RWA calculated by the standardised approaches. Compared to the original Basel standard the proposal includes some improvements in relation to the output floor, making the rules more suitable for the European banking sector.

In 2023, political agreement was reached for the implementation of Basel IV into EU legislation. The new rules are proposed to be implemented by 1 January 2025. The implementation will have a five-year gradual phase-in of the so-called output floor, which will then reach its steady state calibration of 72.5 per cent by 1 January 2030. The internal models for operational risk and market risk will be replaced by standardised methods on 1 January 2025.

Own funds and capital requirements

Table 47. EU OV1 – Overview of risk weighted exposure amounts

SEK m		a	b	c
		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		31 Dec 2023	30 Sep 2023	31 Dec 2023
1	Credit risk (excluding CCR)	776,444	797,310	62,116
2	*of which the standardised approach*	*70,389*	*72,199*	*5,631*
3	*of which the Foundation IRB (F-IRB) approach*	*199,641*	*209,061*	*15,971*
5	*of which the Advanced IRB (A-IRB) approach*	*352,182*	*357,892*	*28,175*
6	Counterparty credit risk – CCR	34,581	35,811	2,766
7	*of which the standardised approach*	*4,733*	*4,523*	*379*
8	*of which internal model method (IMM)*	*14,453*	*15,619*	*1,156*
EU 8a	*of which exposures to a CCP*	*399*	*300*	*32*
EU 8b	*of which credit valuation adjustment – CVA*	*10,407*	*10,857*	*833*
9	*of which other CCR*	*4,590*	*4,511*	*367*
15	Settlement risk	0	2	0
16	Securitisation exposures in the non-trading book (after the cap)	2,597	2,502	208
18	*of which SEC-ERBA (including IAA)*	*2,597*	*2,502*	*208*
20	Position, foreign exchange and commodities risks (Market risk)	24,989	31,210	1,999
21	*of which the standardised approach*	*5,614*	*7,241*	*449*
22	*of which IMA*	*19,375*	*23,968*	*1,550*
EU 22a	Large exposures			
23	Operational risk	53,381	52,464	4,271
EU 23c	*of which advanced measurement approach*	*53,381*	*52,464*	*4,271*
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)	26,295	25,413	2,104
	Additional risk exposure amount due to Article 458 CRR	154,233	158,158	12,339
29	**TOTAL**	**891,992**	**919,298**	**71,359**

Table 48. EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach

SEK m		a
		Risk weighted exposure amount
1	**Risk weighted exposure amount as at the end of the previous reporting period**	**566,953**
2	Asset size (+/–)	2,678
3	Asset quality (+/–)	–717
4	Model updates (+/–)	1,047
5	Methodology and policy (+/–)	
6	Acquisitions and disposals (+/–)	
7	Foreign exchange movements (+/–)	–18,139
8	Other (+/–)	
9	**Risk weighted exposure amount as at the end of the reporting period**	**551,822**

COMMENT

- *REA for credit risk under the IRB approach decreased by approximately SEK 15bn compared to 30 September 2023 primarily due to impact from foreign exchange movements. Model and methodology updates increased REA by SEK 1bn.*

Table 49. EU CCR7 – RWEA flow statements of CCR exposures under the IMM

SEK m		a
		RWEA
1	**Risk weighted exposure amount as at the end of the previous reporting period**	**15,634**
2	Asset size	–794
3	Credit quality of counterparties	321
4	Model updates (IMM only)	
5	Methodology and policy (IMM only)	
6	Acquisitions and disposals	
7	Foreign exchange movements	–695
8	Other	
9	**Risk weighted exposure amount as at the end of the reporting period**	**14,467**

COMMENT

- *REA for counterparty credit risk under the IMM decreased by approximately SEK 1.2bn compared to 30 September 2023, mainly due to decreased asset size and foreign exchange movements.*

Table 50. EU MR2-B – RWEA flow statements of market risk exposures under the IMA

SEK m		a	b	f	g
		VaR	SVaR	Total RWEAs	Total own funds requirements
1	**Risk weighted exposure amount as at the end of the previous quarter**	**9,080**	**14,888**	**23,968**	**1,917**
1a	*Regulatory adjustment*	*–6,006*	*–11,073*	*–17,079*	*–1,366*
1b	*RWAs at the previous quarter-end (end of the day)*	*3,074*	*3,815*	*6,890*	*551*
2	Movement in risk levels	–860	1,441	581	47
3	Model updates/changes	–651		–651	–52
4	Methodology and policy				
5	Acquisitions and disposals				
6	Foreign exchange movements				
7	Other	70	0	71	6
8a	*RWAs at the end of the reporting period (end of the day)*	*1,634*	*5,256*	*6,890*	*551*
8b	*Regulatory adjustment*	*5,023*	*7,462*	*12,485*	*999*
8	**Risk weighted exposure amount as at the end of the reporting period**	**6,657**	**12,718**	**19,375**	**1,550**

COMMENT

- *Market risk REA under IMA has continued to decrease compared to the last quarter, by SEK 4.6bn. The decrease is attributable to lower market volatility and changes in overall positioning.*

Table 51. EU CC1 – Composition of regulatory own funds

SEK m		a 31 Dec 2023	a 30 Jun 2023	b Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	21,942	21,942	26(1), 27, 28, 29, EBA list 26 (3)
	of which: Instrument type 1			EBA list 26(3)
	of which: Instrument type 2			EBA list 26(3)
	of which: Instrument type 3			EBA list 26(3)
2	Retained earnings	109,460	109,444	26 (1) (c)
3	Accumulated other comprehensive income (and other reserves)	57,618	58,803	26 (1)
EU-3a	Funds for general banking risk			26 (1) (f)
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1			486 (2)
5	Minority interests (amount allowed in consolidated CET1)			84
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	14,278	9,786	26 (2)
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**203,297**	**199,975**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	–1,381	–1,526	34, 105
8	Intangible assets (net of related tax liability) (negative amount)	–5,398	–5,222	36 (1) (b), 37
9	Not applicable			
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)		–18	36 (1) (c), 38
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	–14	–44	33 (1) (a)
12	Negative amounts resulting from the calculation of expected loss amounts			36 (1) (d), 40, 159
13	Any increase in equity that results from securitised assets (negative amount)			32 (1)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	4	2	33 (1) (b)
15	Defined-benefit pension fund assets (negative amount)	–16,468	–19,721	36 (1) (e) , 41
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	–8,992	–1,546	36 (1) (f), 42
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			36 (1) (g), 44
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			36 (1) (h), 43, 45, 46, 49 (2) (3), 79
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			36 (1) (i), 43, 45, 47, 48, (1) (b), 49 (1) to (3), 79
20	Not applicable			
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative			36 (1) (k)
EU-20b	*of which: qualifying holdings outside the financial sector (negative amount)*			36 (1) (k) (i), 89 to 91
EU-20c	*of which: securitisation positions (negative amount)*			36 (1) (k) (ii), 89 to 91, 243 (1) (b), 244 (1) (b), 258
EU-20d	*of which: free deliveries (negative amount)*			36 (1) (k) (ii), 379(3)
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)			36 (1) (c), 38, 48 (1) (a)
22	Amount exceeding the 17,65% threshold (negative amount)			48 (1)
23	*of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities*			36 (1) (i), 48 (1) (b)
24	Not applicable			
25	*of which: deferred tax assets arising from temporary differences*			36 (1) (c), 38, 48 (1) (a)
EU-25a	Losses for the current financial year (negative amount)			36 (1) (a)
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)			36 (1) (l)
26	Not applicable			

» Table 51. **EU CC1 – Composition of regulatory own funds**

SEK m		a	a	b
		31 Dec 2023	30 Jun 2023	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)			36 (1) (j)
27a	Other regulatory adjustments (including IFRS 9 transitional adjustments when relevant)	–683	–1,144	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**–32,933**	**–29,218**	
29	**Common Equity Tier 1 (CET1) capital**	**170,364**	**170,757**	
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	14,045	15,084	51, 52
31	*of which: classified as equity under applicable accounting standards*			
32	*of which: classified as liabilities under applicable accounting standards*	*14,045*	*15,084*	
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1			486 (3)
EU-33a	Amount of qualifying items referred to in Article 494a(1) subject to phase out from AT1			
EU-33b	Amount of qualifying items referred to in Article 494b(1) subject to phase out from AT1			
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties			85, 86
35	*of which: instruments issued by subsidiaries subject to phase out*			486 (3)
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**14,045**	**15,084**	
Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)			52 (1) (b), 56 (a), 57
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			56 (b), 58
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			56 (c), 59, 60, 79
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)			56 (d), 59, 79
41	Not applicable			
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)			56 (e)
42a	Other regulatory adjustments to AT1 capital			
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**			
44	**Additional Tier 1 (AT1) capital**	**14,045**	**15,084**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**184,409**	**185,840**	
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	15,109	15,890	62, 63
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2 as described in Article 486 (4) CRR			486 (4)
EU-47a	Amount of qualifying items referred to in Article 494a (2) subject to phase out from T2			
EU-47b	Amount of qualifying items referred to in Article 494b (2) subject to phase out from T2			
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties			87, 88
49	*of which: instruments issued by subsidiaries subject to phase out*			486 (4)
50	Credit risk adjustments	1,370	1,445	62 (c) (d)
51	**Tier 2 (T2) capital before regulatory adjustments**	**16,479**	**17,335**	
Tier 2 (T2) capital: regulatory adjustments				
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)			63 (b) (i), 66 (a), 67
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			66 (b), 68
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			66 (c), 69, 70, 79
54a	Empty set in the EU			

» Table 51. **EU CC1 – Composition of regulatory own funds**

SEK m		a	a	b
		31 Dec 2023	30 Jun 2023	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	–1,200	–1,200	66 (d), 69, 79, 477 (4)
56	Not applicable			
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)			
56b	Other regulatory adjusments to T2 capital			
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**–1,200**	**–1,200**	
58	**Tier 2 (T2) capital**	**15,279**	**16,135**	
59	**Total capital (TC = T1 + T2)**	**199,688**	**201,976**	
60	**Total risk exposure amount**	**891,992**	**884,934**	
Capital ratios and requirements including buffers				
61	Common Equity Tier 1	19.1%	19.3%	92 (2) (a)
62	Tier 1	20.7%	21.0%	92 (2) (b)
63	Total capital	22.4%	22.8%	92 (2) (c)
64	Institution CET1 overall capital requirements	14.2%	13.8%	CRD 128, 129, 130, 131, 133
65	*of which: capital conservation buffer requirement*	*2.5%*	*2.5%*	
66	*of which: countercyclical capital buffer requirement*	*1.6%*	*1.4%*	
67	*of which: systemic risk buffer requirement*	*3.1%*	*3.1%*	
EU-67a	*of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement*	*1.0%*	*1.0%*	
Eu-67b	*of which: additional own funds requirements to address the risks other than the risk of excessive leverage*	*1.6%*	*1.4%*	
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	**12.1%**	**12.8%**	CRD 128
69	Not applicable			
70	Not applicable			
71	Not applicable			
Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	3,720	3,787	36 (1) (h), 45, 46, 56 (c), 59, 60, 66 (c), 69, 70
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	10,135	9,858	36 (1) (i), 45, 48
74	Not applicable			
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	383	386	36 (1) (c), 38, 48
Applicable caps on the inclusion of provisions in Tier 2				
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)			62
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	885	907	62
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	1,370	1,445	62
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	3,450	3,584	62
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements			484 (3), 486 (2) & (5)
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)			484 (3), 486 (2) & (5)
82	Current cap on AT1 instruments subject to phase out arrangements			484 (4), 486 (3) & (5)
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)			484 (4), 486 (3) & (5)
84	Current cap on T2 instruments subject to phase out arrangements			484 (5), 486 (4) & (5)
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)			484 (5), 486 (4) & (5)

COMMENT
- *SEB's Common Equity Tier 1 capital ratio decreased to 19.1 per cent in December 2023 compared to 19.3 per cent in June 2023. The change was attributable to a lower CET1 capital and higher REA.*

Table 52. EU CC2 – Reconciliation of regulatory own funds to balance sheet in the audited financial statements

SEK m		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	
Dec 31 2023		As at period end	As at period end	Reference to table EU CC1
Assets – *Breakdown by asset clases according to the balance sheet in the published financial statements*				
1	Cash and cash balances at central banks	312,373	312,373	
2	Loans to central banks	97,691	97,691	
3	Loans to credit institutions	84,128	82,214	
4	Loans to the public	2,101,181	2,104,358	
5	Debt securities	266,252	252,650	
	of which holdings of Tier 2 instruments in financial entities		*1,200*	*55*
6	Equity instruments	92,707	69,882	
7	Financial assets for which the customers bear the investment risk	392,457		
8	Derivatives	183,080	180,387	
9	Other assets	78,349	88,216	
	of which intangible assets		*5,398,*	*8*
	of which defined benefit pension fund assets		*16,468*	*15*
10	**Total assets**	**3,608,218**	**3,187,771**	
Liabilities – *Breakdown by liability clases according to the balance sheet in the published financial statements*				
1	Deposits from central banks and credit institutions	147,323	146,110	
2	Deposits and borrowings from the public	1,611,651	1,625,644	
3	Financial liabilities for which the customers bear the investment risk	392,362		
4	Liabilities to policyholders	36,453		
5	Debt securities issued	867,838	867,838	
6	Short positions	33,700	33,700	
7	Derivatives	204,176	202,728	
8	Other financial liabilities	100	100	
9	Other liabilities	92,839	89,876	
	of which Additional Tier 1 instruments		*14,045*	*30*
	of which Tier 2 instruments		*15,109*	*46*
10	**Total liabilities**	**3,386,443**	**2,965,996**	
Shareholders' Equity				
1	**Total shareholders' equity**	221,775	221,775	
2	**Total liabilities and shareholders' equity**	**3,608,218**	**3,187,771**	

COMMENT

- *The difference between the balance sheet as in published financial statements and the balance sheet under regulatory scope of consolidation is that insurance operations are excluded in the latter.*

Table 53. **EU CCA – Main features of regulatory own funds instruments and eligible liabilities instruments.** *Disclosure according to Article 3 in EU Regulation No 1423/2013.*

31 Dec 2023

1	Issuer	Skandinaviska Enskilda Banken AB (publ)	Skandinaviska Enskilda Banken AB (publ)	Skandinaviska Enskilda Banken AB (publ)	Skandinaviska Enskilda Banken AB (publ)	Skandinaviska Enskilda Banken AB (publ)	Skandinaviska Enskilda Banken AB (publ)	Skandinaviska Enskilda Banken AB (publ)	Skandinaviska Enskilda Banken AB (publ)
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	SE0000148884	SE0000120784	XS2076169668	XS2479344561	XS2404247384	XS2668512515	XS2713309107	XS2713297419
2a	Public or private placement	Public	Public	Public	Public	Public	Public	Public	Public
3	Governing law(s) of the instrument	Swedish Law	Swedish Law	English and Swedish Law	English and Swedish Law	English and Swedish Law	English and Swedish Law	English and Swedish Law	English and Swedish Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes
Regulatory treatment									
4	Transitional CRR rules	Common Equity Tier 1	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Common Equity Tier 1	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2	Tier 2
6	Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Share capital, class A	Share capital, class C	Additional Tier 1 Notes	Additional Tier 1 Notes	Dated Subordinated Notes	Dated Subordinated Notes	Dated Subordinated Notes	Dated Subordinated Notes
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	SEK 21,700m	SEK 241m	SEK 9,029m	SEK 5,016m	SEK 5,555m	SEK 5,555m	SEK 2,750m	SEK 1,250m
9	Nominal amount of instrument	SEK 10	SEK 10	USD 900m	USD 500m	EUR 500m	EUR 500m	SEK 2,750m	SEK 1,250m
9a	Issue price	SEK 100	SEK 10	100%	100%	100%	100%	100%	100%
9b	Redemption price	N/A	N/A	N/A	N/A	100%	100%	100%	100%
10	Accounting classification	Equity	Equity	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
11	Original date of issuance	1972	1989	2019-11-05	2022-06-08	2021-11-03	2023-08-17	2023-11-03	2023-11-03
12	Perpeptual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Dated	Dated	Dated	Dated
13	Original maturity date	N/A	N/A	N/A	N/A	2031-11-03	2033-08-17	2033-11-03	2033-11-03
14	Issuer call subjet to prior supervisory approval	No	No	Yes	Yes	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates, and redemption amount	N/A	N/A	2025-05-13 or at any time thereafter. At Prevailing Principal Amount	2027-06-30 or at any time thereafter. At Prevailing Principal Amount	2026-11-03, 100%. In addition Tax/Regulatory call	2028-08-17, 100%. In addition Tax/Regulatory call	2028-11-03, 100%. In addition Tax/Regulatory call	2028-11-03, 100%. In addition Tax/Regulatory call
16	Subsequent call dates, if applicable	N/A	N/A	At any time thereafter. At Prevailing Principal Amount.	At any time thereafter. At Prevailing Principal Amount.	N/A	N/A	N/A	N/A

» Table 53. **EU CCA – Main features of regulatory own funds instruments and eligible liabilities instruments.** *Disclosure according to Article 3 in EU Regulation No 1423/2013.*

31 Dec 2023

Coupons / dividends									
17	Fixed or floating dividend/coupon	N/A	N/A	Fixed, Semi-annually Payments in arrear	Fixed, Semi-annually Payments in arrear	Fixed, Annually Payments in arrear	Fixed, Annually Payments in arrear	Floating, Quarterly Payments in arrear	Fixed, Annually Payments in arrear
18	Coupon rate and any related index	N/A	N/A	5.125% pa. If not called then new fixed rate set to USD Mid-Swap Rate for the relevant 5 Year period+Reset margin that is 3.463% pa.	6.875% pa. If not called then new fixed rate set to USD Mid-Swap Rate for the relevant 5 Year period+Reset margin that is 4.073% pa.	0.75% pa. If not called then new fixed rate set to 5-year EUR Mid-Swap Rate+Reset margin that is 0.88% pa.	5.00% pa. If not called then new fixed rate set to 5-year EUR Mid-Swap Rate+Reset margin that is 1.90% pa.	3-month STIBOR Rate+2.20% pa.	5.625% pa. If not called then new fixed rate set to 3-month STIBOR Rate+Reset margin that is 2.20% pa.
19	Existence of a dividend stopper	N/A	N/A	No	No	No	No	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Noncumulative	Noncumulative	N/A	N/A	N/A	N/A
23	Convertible or non-convertible	Non-convertible	Non-convertible	Convertible	Convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A	N/A	5.125% for the Bank and 8% for the Group	5.125% for the Bank and 8% for the Group	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	Fully	Fully	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	Higher of (i) the current market price, (ii) the floor price or (iii) the nominal value.	Higher of (i) the current market price, (ii) the floor price or (iii) the nominal value.	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	Mandatory	Mandatory	N/A	N/A	N/A	N/A
28	If convertible, specifiy instrument type convertible into	N/A	N/A	A shares	A shares	N/A	N/A	N/A	N/A
29	If convertible, specifiy issuer of instrument it converts into	N/A	N/A	Skandinaviska Enskilda Banken AB (publ)	Skandinaviska Enskilda Banken AB (publ)	N/A	N/A	N/A	N/A
30	Write-down features	No	No	No	No	No	No	No	No
31	If write-down, write-down trigger (s)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	1	1	2	2	3	3	3	3
35	Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Senior Debt	Senior Debt	Senior Debt	Senior Debt
36	Non-compliant transitioned features	No	No	No	No	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A						
37a	Link to the full term and conditions of the instrument (signposting)	The share | SEB (sebgroup.com)	The share | SEB (sebgroup.com)	Debt investors | SEB (sebgroup.com)	Debt investors | SEB (sebgroup.com)	Debt investors | SEB (sebgroup.com)	Debt investors | SEB (sebgroup.com)	Debt investors | SEB (sebgroup.com)	Debt investors | SEB (sebgroup.com)

N/A inserted if the question is not applicable.

Table 54. EU KM2 – Key metrics: *MREL and, where applicable, G-SII requirement for own funds and eligible liabilities*

SEK m		a 31 Dec 2023 Minimum requirement for own funds and eligible liabilities (MREL)	a 30 Jun 2023 Minimum requirement for own funds and eligible liabilities (MREL)
Own funds and eligible liabilities, ratios and components			
1	Own funds and eligible liabilities	379,151	406,003
EU-1a	*of which own funds and subordinated liabilities*	*276,348*	*277,049*
2	Total risk exposure amount of the resolution group (TREA)	891,992	884,934
3	Own funds and eligible liabilities as a percentage of TREA (row1/row2)	42.5%	45.9%
EU-3a	*of which own funds and subordinated liabilities*	*31.0%*	*31.3%*
4	Total exposure measure of the resolution group	3,401,754	4,097,935
5	Own funds and eligible liabilities as percentage of the total exposure measure	11.1%	9.9%
EU-5a	*of which own funds or subordinated liabilities*	*8.1%*	*6.8%*

COMMENT
- *The minimum requirement for own funds and eligible liabilities (MREL) is met with sufficient own funds (capital) and eligible liabilities in relation to the total capital requirement, meaning TREA and outstanding eligible liabilities are the typical drivers of the ratio.*

Table 55. EU TLAC3b – Creditor ranking: *resolution entity*

SEK m 31 Dec 2023		Insolvency ranking 1 (most junior)	3	4	6	7 (most senior)	Total
1	**Description of insolvency rank (free text)**	**Common equity (CET1)**	**Additional Tier 1 instruments**	**Tier 2 instruments**	**Senior non-preferred debt**	**Senior unsecured debt incl. wholesale depos**	
2	Empty set in the EU						
3	Empty set in the EU						
4	Empty set in the EU						
5	**Own funds and liabilities potentially eligible for meeting MREL**	**137,213**	**14,045**	**15,399**	**77,210**	**102,803**	**346,668**
6	*of which residual maturity ≥ 1 year < 2 years*					*49,574*	***49,574***
7	*of which residual maturity ≥ 2 year < 5 years*				*66,101*	*52,281*	***118,382***
8	*of which residual maturity ≥ 5 years < 10 years*			*15,399*	*11,109*	*948*	***27,456***
9	*of which residual maturity ≥ 10 years, but excluding perpetual securities*						
10	*of which perpetual securities*	*137,213*	*14,045*				***151,257***

SEK m 31 Dec 2022		Insolvency ranking 1 (most junior)	3	4	6	7 (most senior)	Total
1	**Description of insolvency rank (free text)**	**Common equity (CET1)**	**Additional Tier 1 instruments**	**Tier 2 instruments**	**Senior non-preferred debt**	**Senior unsecured debt incl. wholesale depos**	
2	Empty set in the EU						
3	Empty set in the EU						
4	Empty set in the EU						
5	**Own funds and liabilities potentially eligible for meeting MREL**	**136,851**	**14,561**	**15,295**	**60,562**	**75,315**	**302,585**
6	*of which residual maturity ≥ 1 year < 2 years*					*18,913*	***18,913***
7	*of which residual maturity ≥ 2 year < 5 years*				*38,337*	*55,508*	***93,845***
8	*of which residual maturity ≥ 5 years < 10 years*			*15,295*	*22,225*		***37,520***
9	*of which residual maturity ≥ 10 years, but excluding perpetual securities*					*894*	***894***
10	*of which perpetual securities*	*136,851*	*14,561*				***151,413***

COMMENT
- *Resolution entity is Skandinaviska Enskilda Banken AB.*

Table 56. EU TLAC1 – Composition: *MREL and, where applicable, G-SII requirement for own funds and eligible liabilities*

SEK m		a	a
		Minimum requirement for own funds and eligible liabilities (MREL)	Minimum requirement for own funds and eligible liabilities (MREL)
		31 Dec 2023	31 Dec 2022
Own funds and eligible liabilities and adjustments			
1	Common Equity Tier 1 capital (CET1)	170,364	162,956
2	Additional Tier 1 capital (AT1)	14,045	14,561
3	Empty set in the EU		
4	Empty set in the EU		
5	Empty set in the EU		
6	Tier 2 capital (T2)	15,279	15,508
7	Empty set in the EU		
8	Empty set in the EU		
11	Own funds for the purpose of Articles 92a CRR and 45 BRRD	199,688	193,025
Own funds and eligible liabilities: Non-regulatory capital elements			
12	Eligible liabilities instruments issued directly by the resolution entity that are subordinated to excluded liabilities (not grandfathered)	76,660	60,012
EU-12a	Eligible liabilities instruments issued by other entities within the resolution group that are subordinated to excluded liabilities (not grandfathered)		
EU-12b	Eligible liabilities instruments that are subordinated to excluded liabilities, issued prior to 27 June 2019 (subordinated grandfathered)		
EU-12c	Tier 2 instruments with a residual maturity of at least one year to the extent they do not qualify as Tier 2 items		
13	Eligible liabilities that are not subordinated to excluded liabilities (not grandfathered pre cap)	101,855	74,421
EU-13a	Eligible liabilities that are not subordinated to excluded liabilities issued prior to 27 June 2019 (pre-cap)	948	894
14	Amount of non subordinated instruments eligible, where applicable after application of Article 72b (3) CRR	102,803	75,315
15	Empty set in the EU		
16	Empty set in the EU		
17	Eligible liabilities items before adjustments	179,463	135,327
EU-17a	*of which subordinated*	*76,660*	*60,012*
Own funds and eligible liabilities: Adjustments to non-regulatory capital elements			
18	Own funds and eligible liabilities items before adjustments	379,151	328,353
19	(Deduction of exposures between MPE resolution groups)		
20	(Deduction of investments in other eligible liabilities instruments)		
21	Empty set in the EU		
22	Own funds and eligible liabilities after adjustments	379,151	328,353
EU-22a	*of which own funds and subordinated*	*276,348*	*253,037*
Risk-weighted exposure amount and leverage exposure measure of the resolution group			
23	Total risk exposure amount	891,992	859,320
24	Total exposure measure	3,401,754	3,539,598
Ratio of own funds and eligible liabilities			
25	Own funds and eligible liabilities (as a percentage of total risk exposure amount)	42.5%	38.2%
EU-25a	*of which own funds and subordinated*	*31.0%*	*29.4%*
26	Own funds and eligible liabilities (as a percentage of total exposure measure)	11.1%	9.3%
EU-26a	*of which own funds and subordinated*	*8.1%*	*7.1%*
27	CET1 (as a percentage of TREA) available after meeting the resolution group's requirements	12.1%	12.4%
28	Institution-specific combined buffer requirement		
29	*of which: capital conservation buffer requirement*		
30	*of which: countercyclical buffer requirement*		
31	*of which: systemic risk buffer requirement*		
EU-31a	*of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer*		
Memorandum items			
EU-32	Total amount of excluded liabilities referred to in Article 72a(2) CRR		

Table 57. EU CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

SEK m		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures		Own fund requirements						
31 Dec 2023		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Breakdown by country:													
1	Sweden	28,308	1,272,643	638		1,905	1,303,493	27,831	30	18	**27,880**	348,498	50.6	2.00
2	Denmark	1,799	100,757	11			102,568	2,543	1		**2,544**	31,797	4.6	2.50
3	Norway	3,184	130,893	580			134,657	3,095	12		**3,108**	38,844	5.6	2.50
4	Finland	2,305	130,774	172			133,251	2,423	7		**2,430**	30,371	4.4	
5	Estonia	3,393	79,534				82,927	2,421			**2,421**	30,267	4.4	1.50
6	Latvia	2,316	39,064				41,380	1,796			**1,796**	22,451	3.3	
7	Lithuania	3,531	89,999				93,530	3,301			**3,301**	41,268	6.0	1.00
8	Germany	336	125,788	0		9,526	135,650	4,043	0	105	**4,148**	51,852	7.5	0.75
9	United Kingdom	2,846	61,996	7		4,108	68,956	2,016	1	85	**2,101**	26,267	3.8	2.00
10	Other	9,510	213,765	49			223,324	5,335	4		**5,339**	66,739		
11	**TOTAL**	**57,528**	**2,245,212**	**1,457**		**15,539**	**2,319,736**	**54,806**	**54**	**208**	**55,068**	**688,355**		

COMMENT
- *The main country of residence affecting the buffer rate is Sweden where the buffer rate is 2 per cent, which is the neutral level of the buffer. Countries where the buffer rate have been raised during the second half of 2023 include UK, Estonia and Lithuania.*

Table 58. EU CCyB2 – Amount of institution-specific countercyclical capital buffer

SEK m		a	
		31 Dec 2023	30 Jun 2023
1	Total risk exposure amount	891,992	884,934
2	Institution specific countercyclical capital buffer rate	1.55%	1.39%
3	Institution specific countercyclical capital buffer requirement	13,868	12,283

COMMENT
- *Institution specific countercyclical buffer rate for SEB increased from 1.39 per cent in June to 1.55 per cent in December. The main driver behind this increase is that the countercyclical buffer rate for UK, Estonia and Lithuania was raised in the second half of 2023.*

Table 59. EU LR1 – LRSum: *Summary reconciliation of accounting assets and leverage ratio exposures*

SEK m		a	a
		31 Dec 2023	30 Jun 2023
		Applicable amount	Applicable amount
1	Total assets as per published financial statements	3,608,218	4,172,112
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	–420,447	–422,324
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)		
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))		
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with point (i) of Article 429a(1) CRR)		
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting		
7	Adjustment for eligible cash pooling transactions	–5,471	–9,002
8	Adjustments for derivative financial instruments	–51,689	–7,339
9	Adjustment for securities financing transactions (SFTs)	–17,924	–8,051
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	429,480	436,224
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)		
EU-11a	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)		
EU-11b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) CRR)		
12	Other adjustments	–140,413	–63,685
13	**TOTAL EXPOSURE MEASURE**	**3,401,754**	**4,097,935**

COMMENT
- *SEB's leverage exposure measure decreased to SEK 3,402bn in December, due to decreased assets in the balance sheet.*

Table 60. EU LR2 – LRCom: *Leverage ratio common disclosure*

SEK m		a	
		CRR leverage ratio exposures	
		31 Dec 2023	30 Jun 2023
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	2,747,274	3,385,048
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework		
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	–59,219	–50,730
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)		
5	(General credit risk adjustments to on-balance sheet items)		
6	(Asset amounts deducted in determining Tier 1 capital)	–32,933	–29,218
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**2,655,122**	**3,305,100**
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	55,199	85,484
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach		
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	85,503	89,467
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach		
EU-9b	Exposure determined under Original Exposure Method		
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)		
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)		
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)		
11	Adjusted effective notional amount of written credit derivatives	3,165	4,392
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	–55	–87
13	**Total derivatives exposures**	**143,812**	**179,257**
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	191,266	185,407
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	–26,486	–22,132
16	Counterparty credit risk exposure for SFT assets	8,562	14,081
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR		
17	Agent transaction exposures		
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)		
18	**Total securities financing transaction exposures**	**173,342**	**177,356**
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	935,744	963,228
20	(Adjustments for conversion to credit equivalent amounts)	–506,264	–527,004
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)		
22	**Off-balance sheet exposures**	**429,480**	**436,224**

» Table 60. EU LR2 – LRCom: *Leverage ratio common disclosure*

SEK m		a	
		CRR leverage ratio exposures	
		31 Dec 2023	30 Jun 2023
Excluded exposures			
EU-22a	(Exposures excluded from total exposure measure in accordance with point (c) of Article 429a(1) CRR)		
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))		
EU-22c	(Excluded exposures of public development banks (or units) – Public sector investments)		
EU-22d	(Excluded exposures of public development banks (or units) – Promotional loans): – Promotional loans granted by a public development credit institution – Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State – Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)		
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units)): – Promotional loans granted by a public development credit institution – Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State – Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)		
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	–1	–2
EU-22g	(Excluded excess collateral deposited at triparty agents)		
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)		
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)		
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)		
EU-22k	(Total exempted exposures)	–1	–2
Capital and total exposure measure			
23	**Tier 1 capital**	**184,409**	**185,840**
24	**Total exposure measure**	**3,401,754**	**4,097,935**
Leverage ratio			
25	Leverage ratio	5.4	4.5
EU-25	Leverage ratio excluding the impact of the exemption of public sector investments and promotional loans) (%)	5.4	4.5
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	5.4	4.5
26	Regulatory minimum leverage ratio requirement (%)	3.0	3.0
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)		
EU-26b	*of which: to be made up of CET1 capital (percentage points)*		
27	Leverage ratio buffer requirement (%)		
EU-27a	Overall leverage ratio requirement (%)	3.0	3.0
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure		
Disclosure of mean values			
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	180,144	214,314
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	164,780	195,075
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	3,417,119	3,558,838
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	3,417,119	3,558,838
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	5.4	4.5
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	5.4	4.5

COMMENT

- *SEB monitors and discloses its leverage ratio according to the requirements and SEB must meet a leverage ratio minimum requirement of 3 per cent and on top of that a P2G of 0.5 per cent of the leverage ratio exposure measure. The leverage ratio increased to 5.4 per cent as of 31 December 2023 compared to 4.5 per cent as of 30 June 2023, and the main driver is a decreased leverage ratio exposure measure stemming from decreased assets in the balance sheet. Comparison numbers for rows 28–31a is from year-end 2022.*

Table 61. EU LR3 – LRSpl: *Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)*

SEK m		a	
		CRR leverage ratio exposures	
		31 Dec 2023	30 Jun 2023
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**2,747,273**	**3,385,046**
EU-2	Trading book exposures	86,624	179,281
EU-3	Banking book exposures, of which:	2,660,649	3,205,765
EU-4	Covered bonds	23,967	22,673
EU-5	Exposures treated as sovereigns	583,664	1,000,946
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns		
EU-7	Institutions	127,185	148,783
EU-8	Secured by mortgages of immovable properties	1,062,832	1,071,863
EU-9	Retail exposures	76,871	77,700
EU-10	Corporates	601,824	648,472
EU-11	Exposures in default	3,323	2,588
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	180,983	232,740

COMMENT
- *Total on balance sheet exposures decreased to SEK 2,747bn in December 2023, mainly due to sovereign exposures which decreased by SEK 417bn.*

SEB's consolidated situation

Scope of application of the regulatory framework

The group is comprised by banking, finance, securities and insurance companies. The parent company of the group is Skandinaviska Enskilda Banken AB (publ), corporate registration number 502032-9081. The capital adequacy rules apply to each individual group company that has a license to carry out banking, finance or securities operations as well as to the consolidated group. Group companies that carry out insurance operations have to comply with solvency requirements but are excluded in the capital adequacy.

The tables below show the scope of consolidation and the difference between the accounting and regulatory scopes of consolidation due to the insurance operations.

The consolidated SEB Group must also comply with capital requirements concerning combined banking and insurance groups, i.e. financial conglomerates. The combined capital requirement for the SEB financial conglomerate was SEK 237.2bn (222.9) while the own funds amounted to SEK 276.5bn (265.7). In these total figures, SEB Life and Pension Holding AB has contributed with Solvency II figures from 30 September 2023.

Table 62. EU INS1 – Insurance participations

SEK m	a	b	a	b
	31 Dec 2023		31 Dec 2022	
	Exposure value	Risk exposure amount	Exposure value	Risk exposure amount
Holdings of own funds instruments of a financial sector entity where the institution has a significant investment not deducted from own funds (before risk weighting)	10,062	25,155	9,540	23,851

Table 63. EU INS2 – Financial conglomerates information on own funds and capital adequacy ratio

SEK m		a	a
		31 Dec 2023	31 Dec 2022
1	Supplementary own fund requirements of the financial conglomerate (amount)	237,174	222,889
2	Capital adequacy ratio of the financial conglomerate (%)	117	119

COMMENT
- *In these figures, SEB Life and Pension Holding AB has contributed with Solvency II figures from September 30, 2023.*

Table 64. EU LI1 – Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

SEK m	a	b	c	d	e	f	g
			Carrying values of items:				
31 Dec 2023	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
ASSETS							
Cash and cash balances at central banks	312,373	312,373	312,373				
Loans to central banks	97,691	97,691	97,492	199		199	
Loans to credit institutions	84,128	82,214	81,151	1,063		1,063	
Loans to the public	2,101,181	2,104,358	1,924,909	164,064	15,385	164,064	
Debt securites	266,252	252,650	166,050			86,600	1,200
Equity instruments	92,707	69,882	5,587			64,295	
Financial assets for which the customers bear the investment risk	392,457						
Derivatives	183,080	180,387		180,387		180,387	
Other assets	78,349	88,216	61,480				26,736
TOTAL ASSETS	**3,608,218**	**3,187,771**	**2,649,042**	**345,713**	**15,385**	**496,608**	**27,936**
LIABILITIES							
Deposits from central banks and credit institutions	147,323	146,110					
Deposits and borrowing from the public	1,611,651	1,625,644					
Financial liabilities for which the customers bear the investment risk	392,362						
Liabilities to policyholders	36,453						
Debt securities issued	867,838	867,838					
Short positions	33,700	33,700					
Derivatives	204,176	202,728		202,728		202,728	
Other financial liabilities	100	100					
Other liabilities	92,839	89,875					
TOTAL LIABILITIES	**3,386,443**	**2,965,995**		**202,728**		**202,728**	
Total equity	**221,775**	**221,775**					
TOTAL LIABILITIES AND EQUITY	**3,608,218**	**3,187,771**					

Table 65. EU LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements

SEK m		a	b	c	d	e
			Items subject to:			
Dec 31 2023		Total	Credit risk framework	Counterparty credit risk framework	Securitisation framework	Market risk framework
1	**Asset carrying value amount under the scope of regulatory consolidation (as per template EU LI1)**	**3,506,748**	**2,649,042**	**345,713**	**15,385**	**496,608**
2	Liabilities carrying value amount under the regulatory scope of consolidation (as per template EU LI1)	405,456		202,728		202,728
3	Total net amount under regulatory scope of consolidation	3,506,748	2,649,042	345,713	15,385	496,608
4	Off-balance sheet amounts	935,744	372,817	56,508	155	
	Differences due to impact of collaterals	*–5,446*	*–5,446*			
	Differences due to different netting rules, other than those already included in row 2	*–605,932*		*–217,019*		*–388,913*
10	**Exposure amounts considered for regulatory purposes**	**3,831,114**	**3,016,413**	**185,202**	**15,540**	**107,695**

Table 66. EU LI3 – Outline of the differences in the scopes of consolidation (entity by entity)

a	b	c	c	e	f	g	h
		Method of prudential consolidation					
Name of the entity	Method of accounting consolidation	Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	Description of the entity
DSK Deutsch – Skandinavische Verwaltungs AG, Frankfurt am Main	Full consolidation	✔					Other type of entity
SEB Bank JSC, St Petersburg	Full consolidation	✔					Credit institution
SEB Banka, AS, Riga	Full consolidation	✔					Credit institution
SEB bankas, AB, Vilnius	Full consolidation	✔					Credit institution
SEB Corporate Bank, JSC, Kyiv	Full consolidation	✔					Credit institution
SEB Kort Bank AB, Stockholm	Full consolidation	✔					Credit institution
SEB Investment Management AB, Stockholm	Full consolidation	✔					Financial institution (other)
SEB Leasing Oy, Helsinki	Full consolidation	✔					Financial institution (other)
SEB Njord AS, Oslo	Full consolidation	✔					Financial institution (other)
SEB Pank, AS, Tallinn	Full consolidation	✔					Credit institution
Skandinaviska Enskilda Ltd, London	Full consolidation	✔					Financial institution (other)
Aktiv Placering AB, Stockholm	Full consolidation	✔					Other type of entity
SEB Förvaltnings AB, Stockholm	Full consolidation	✔					Other type of entity
SEB Securities Inc., New York	Full consolidation	✔					Financial institution (other)
SEB Asset Management Holding AB, Stockholm	Full consolidation	✔					Other type of entity
SEB Asset Management AB, Stockholm	Full consolidation	✔					Other type of entity
SEB Strategic Investments AB, Stockholm	Full consolidation	✔					Other type of entity
Repono Holding AB, Stockholm	Full consolidation			✔			Other type of entity
SEB Life and Pension Holding AB, Stockholm	Full consolidation			✔			Other type of entity
Bankomat AB, Stockholm	Equity method			✔			Ancillary services undertaking
BGC Holding AB, Stockholm	Equity method			✔			Ancillary services undertaking
Cinder Invest AB, Stockholm	Equity method			✔			Investment firm
Finansiell ID-Teknik BID AB, Stockholm	Equity method			✔			Ancillary services undertaking
Getswish AB, Stockholm	Equity method			✔			Ancillary services undertaking
Invidem AB, Stockholm	Equity method			✔			Ancillary services undertaking
P27 Nordic Payments AB, Stockholm	Equity method			✔			Ancillary services undertaking
Tibern AB, Stockholm	Equity method			✔			Ancillary services undertaking
USE Intressenter AB, Stockholm	Equity method			✔			Ancillary services undertaking
IFA DBB AB, Stockholm	Full consolidation	✔					Other type of entity
Parkeringshuset Lasarettet HGB KB, Stockholm	Full consolidation	✔					Other type of entity
SEB do Brasil Representacões LTDA, São Paulo	Full consolidation	✔					Other type of entity
SEB Internal Supplier AB, Stockholm	Full consolidation	✔					Other type of entity

Own funds of significant subsidiaries

The table below shows own funds, risk exposure amounts and key ratios for subsidiaries within the group that are considered significant and are of material significance in their local markets according to Article 13 of Regulation (EU) No 575/2013 (CRR). Information specified in articles 437, 438, 440, 442, 450, 451, 451a and 453 of the CRR can be found in the local reporting on the web site for respective subsidiary.

Table 67. EU KM1 – Capital position of significant subsidiaries

SEK m		SEB Pank AS Estonia www.seb.ee		SEB Banka AS Latvia www.seb.lv		SEB bankas AB Lithuania www.seb.lt	
		31 Dec 2023	31 Dec 2022	**31 Dec 2023**	31 Dec 2022	**31 Dec 2023**	31 Dec 2022
Available own funds (amounts)							
1	Common Equity Tier 1 (CET1) capital	10,335	10,512	5,026	4,534	9,981	9,143
2	Tier 1 capital	10,335	10,512	5,026	4,534	9,981	9,143
3	Total capital	10,335	10,535	5,026	4,588	9,983	9,202
Risk-weighted exposure amounts							
4	Total risk-weighted exposure amount	37,971	38,660	27,704	22,735	54,321	48,837
Capital ratios (as a percentage of risk-weighted exposure amount)							
5	Common Equity Tier 1 ratio (%)	27.2	27.2	18.1	19.9	18.4	18.7
6	Tier 1 ratio (%)	27.2	27.2	18.1	19.9	18.4	18.7
7	Total capital ratio (%)	27.2	27.2	18.1	20.2	18.4	18.8
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)							
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.0	2.1	2.0	2.1	2.0	2.1
EU 7b	*of which: to be made up of CET1 capital (percentage points)*	*1.1*	*1.2*	*1.1*	*1.2*	*1.1*	*1.2*
EU 7c	*of which: to be made up of Tier 1 capital (percentage points)*	*1.5*	*1.5*	*1.5*	*1.5*	*1.5*	*1.6*
EU 7d	Total SREP own funds requirements (%)	10.0	10.1	10.0	10.1	10.0	10.1
Additional CET1 buffer requirements as a percentage of RWA							
8	Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5	2.5
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)						
9	Institution specific countercyclical capital buffer (%)	1.5	1.0			1.1	
EU 9a	Systemic risk buffer (%)					0.3	0.2
10	Global Systemically Important Institution buffer (%)						
EU 10a	Other Systemically Important Institution buffer	2.0	2.0	1.8	1.5	2.0	2.0
11	Combined buffer requirement (%)	4.5	4.5	4.3	4.0	5.8	4.7
EU 11a	Overall capital requirements (%)	15.9	15.6	14.3	14.1	15.8	14.9
12	CET1 available after meeting the total SREP own funds requirements (%)	17.2	17.2	8.1	10.1	8.4	8.7
Leverage ratio							
13	Total exposure measure	105,049	100,101	66,798	63,815	164,765	157,233
14	Leverage ratio (%)	9.8	10.5	7.5	7.1	6.1	5.8
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)							
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)						
EU 14b	*of which: to be made up of CET1 capital (percentage points)*						
EU 14c	Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0	3.0
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)							
EU 14d	Leverage ratio buffer requirement (%)						
EU 14e	Overall leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0	3.0
Liquidity Coverage Ratio							
15	Total high-quality liquid assets (HQLA) (Weighted value)	16,930	11,646	13,699	9,447	31,561	26,272
EU 16a	Cash outflows – Total weighted value	13,076	13,290	8,736	7,401	21,608	20,048
EU 16b	Cash inflows – Total weighted value	2,988	7,168	837	4,986	2,784	7,155
16	Total net cash outflows (adjusted value)	10,098	6,167	7,900	3,906	18,823	12,992
17	Liquidity coverage ratio (%)	168	197	173	302	168	236
Net Stable Funding Ratio							
18	Total available stable funding	67,833	66,041	46,162	42,832	116,906	106,555
19	Total required stable funding	54,346	51,262	36,640	34,473	81,800	84,589
20	NSFR ratio (%)	125	129	126	124	143	126

Remuneration

SEB's remuneration principles, governance- and remuneration structures are laid out in the Remuneration Policy. The Remuneration Policy stipulates that remuneration shall be aligned with the bank's strategy, goals, values and long-term interests and ensure that conflicts of interest are avoided. This shall build value for both SEB and the shareholders while promoting the best interest of the customers, encourage high performance, and risk-taking that is aligned with the risk tolerance level set by the Board of Directors, and sound and responsible behaviour based on SEB's values. These objectives are applicable to all employees.

» *For further information about SEB's remuneration structure and systems, including description of the governance model relating to remuneration as well as the responsibility of RemCo, please refer to the Annual and Sustainability Report, Board Committees and Remuneration sections in the Report of Directors and note 8.*

Remuneration Policy

The Remuneration Policy is adopted each year by the Board, based on a proposal by the Remuneration and Human Resource Committee of the Board (RemCo). The proposal is preceded by a risk analysis involving relevant control functions. The risk analysis is also reviewed and approved by the ***Risk and Capital Committee*** (RCC). The RemCo is also responsible for following up and evaluating the adopted remuneration and incentive programmes as well as to yearly receive a review of SEB's adherence to the Remuneration Policy, performed by Group Internal Audit.

The Remuneration Policy is applicable to all employees, in all geographies, within the group, including staff that has a material impact on the risk profile of the bank (Identified staff). Subsidiaries have specific remuneration policies that are aligned with the group's Remuneration Policy but, were relevant, take into account and are aligned with sector specific regulations.

Senior managers, other key employees and employees in certain business units where it is standard market practice, are offered individual variable remuneration. SEB utilises both deferred and non-deferred as well as collective- and individual variable remuneration models. Variable remuneration is a means to drive and reward performance and behaviours to create long-term shareholder value. Moreover, it is also an essential way of securing flexibility in the remuneration cost. Equity-based remuneration is a mean to attract and retain employees with key competence. It also provides an incentive for employees to be shareholders of SEB which promotes long-term commitment that is aligned with the shareholders' interests.

In 2023, the Remuneration Policy was updated to include reference to SEB's new purpose and behaviours, to further clarify the criteria for receiving variable remuneration and the categorisation of individual variable remuneration into position and performance based allocation of individual variable remuneration . The clarifications in the Policy will not lead to any changes on how SEB operates its remuneration models, levels or deferral structure.

For Identified staff, the Remuneration Policy stipulates a maximum level of variable remuneration that may not exceed 100 per cent of the fixed remuneration.

The Remuneration Policy sets out the different categories of Identified staff. The categorisation is based on the risk analysis of the remuneration structures prepared by the control functions.

The following categories are used to determine which positions are Identified staff:

1. Members of the Board and Group Executive Committee
2. Senior Management
3. Heads of Material Business Areas/Units
4. Responsible persons within Group Control Functions
5. Heads of Legal department and support functions
6. Employees with mandate to take decisions that materially affect the risk position of the bank
7. Members of New Product Approval Committees.

The Remuneration Policy furthermore stipulates that control functions should be remunerated independently of the business they oversee. This is achieved by ensuring that final determinations of remuneration for employees within control functions are not made in the business units they oversee. As a general rule, employees within the control functions may normally not participate in individual variable remuneration programmes.

For all staff, including Identified staff, guaranteed variable remuneration shall be awarded and paid in line with the remuneration structure and provisions of the applicable unit and position and is limited to the first performance year of employment.

Redundancy payments shall follow the requirements in local labour law and/or collective bargaining agreements, as applicable, and shall mirror the employee's performance, employment period and cannot reward failure or misconduct. Any variable remuneration paid in connection to the termination of employment shall reflect the employee's performance and shall not promote excessive risk-taking.

All variable remuneration is based on SEB's Risk Adjusted Performance Measurement (RAPM) model derived from SEB's business steering model, the Business Equity model, used to distribute equity to the divisions. The model takes into account the cost of liquidity and establishes the risk adjusted result, by deducting the cost of equity from the gross result, which sets the foundations for any variable remuneration.

Individual variable remuneration is determined based on SEB's, the relevant business area's/business unit's/team's and the individual's performance. SEB's and the relevant business area's/business unit's/team's performance is measured using specific targets and key indicators defined in the respective business plans. The specific targets vary between years and is a combination of financial and non-financial targets such as customer satisfaction or targets relating to sustainability. Individual performance is evaluated according to an appropriate balance between quantitative and qualitative, including financial and non-financial, measures within SEB's target areas derived from the applicable business. The criterias are evaluated in different ways. On group and divisional/unit level, the financial result in terms of Operating cost, Operating profit, Return on Equity (RoE), Return on Business Equity (RoBE) and the risk adjusted result are followed up. The non-financial targets include for example ESG targets and criteria relating to compliance with external and internal regulations and policies. Ultimately, the determination is based on an overall assessment with a balanced, non-formulaic but stringent and strongly governed approach to the final allocation.

SEB always apply deferrals on individual variable remuneration above certain thresholds for both Identified staff and non-identified staff. The deferral levels for Identified staff are aligned with the relevant regulations were at least 40 per cent of the total variable remuneration shall be deferred and subject to risk adjustment and malus conditions. For senior management and employees receiving high level of variable remuneration, the deferral level shall be at least 60 per cent.

In addition, at least 50 per cent of the total variable remuneration, i.e. both the deferred and non-deferred variable remuneration, shall be allocated in SEB shares or equivalent equity-based instruments or, were relevant, in fund units of the funds managed. All equity allotments, i.e. both the deferred and non-deferred part, shall have a one-year mandatory holding period. Equity deferrals will be allotted in form of LTI programmes and paid out according to its programme structure and terms and conditions. The length of Equity deferrals (may be paid pro-rata) subject to risk adjustment before pay-out, is at least four years for Identified staff and for senior management at least five years. A further requirement for vesting for members of the *Group Executive Committee* (GEC) is that they hold shares in SEB equivalent to one-year salary net of taxes, acquired no later than on a pro-rata basis during the initial three-year vesting period.

Deferred variable remuneration is subject to ex-post risk adjustment. SEB applies certain criteria for risk adjustments at group, division/business area/business unit and individual levels respectively, that includes restatement of SEB's financial statements, significant failure of risk management that negatively impacts the financial result or compliance breaches.

Table 68. EU REM1 – Remuneration awarded for the financial year

SEK			a	b	c	d
31 Dec 2023			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	13	7	171	808
2		Total fixed remuneration	19,440,335	40,938,500	553,295,652	1,493,728,927
3		*of which: cash-based*	*19,440,335*	*40,938,500*	*553,295,652*	*1,493,728,927*
4		*(Not applicable in the EU)*				
EU-4a		*of which: shares or equivalent ownership interests*				
5		*of which: share-linked instruments or equivalent non-cash instruments*				
EU-5x		*of which: other instruments*				
6		*(Not applicable in the EU)*				
7		*of which: other forms*				
8		*(Not applicable in the EU)*				
9	Variable remuneration	Number of identified staff		7	125	529
10		Total variable remuneration		12,936,388	118,118,104	335,930,282
11		*of which: cash-based*			*17,485,376*	*157,451,631*
12		*of which: deferred*			*10,491,225*	*64,432,049*
EU-13a		*of which: shares or equivalent ownership interests*		*12,936,388*	*100,632,728*	*178,478,651*
EU-14a		*of which: deferred*		*12,936,388*	*99,520,703*	*122,836,485*
EU-13b		*of which: share-linked instruments or equivalent non-cash instruments*				
EU-14b		*of which: deferred*				
EU-14x		*of which: other instruments*				
EU-14y		*of which: deferred*				
15		*of which: other forms*				
16		*of which: deferred*				
17	**Total remuneration (2 + 10)**		**19,440,335**	**53,874,888**	**671,413,756**	**1,829,659,209**

» Table 68. EU REM1 – Remuneration awarded for the financial year

SEK			a	b	c	d
31 Jun 2023			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	14	7	184	757
2		Total fixed remuneration	18,481,435	39,456,921	534,495,808	1,324,694,450
3		*of which: cash-based*	*18,481,435*	*39,456,921*	*534,495,808*	*1,324,694,450*
4		*(Not applicable in the EU)*				
EU-4a		*of which: shares or equivalent ownership interests*				
5		*of which: share-linked instruments or equivalent non-cash instruments*				
EU-5x		*of which: other instruments*				
6		*(Not applicable in the EU)*				
7		*of which: other forms*				
8		*(Not applicable in the EU)*				
9	Variable remuneration	Number of identified staff		6	139	384
10		Total variable remuneration		11,188,600	121,891,500	313,006,007
11		*of which: cash-based*			*24,246,265*	*145,092,046*
12		*of which: deferred*			*14,142,319*	*61,694,058*
EU-13a		*of which: shares or equivalent ownership interests*		*11,188,600*	*97,645,235*	*167,913,961*
EU-14a		*of which: deferred*		*11,188,600*	*96,159,295*	*117,142,013*
EU-13b		*of which: share-linked instruments or equivalent non-cash instruments*				
EU-14b		*of which: deferred*				
EU-14x		*of which: other instruments*				
EU-14y		*of which: deferred*				
15		*of which: other forms*				
16		*of which: deferred*				
17	**Total remuneration (2 + 10)**		**18,481,435**	**50,645,521**	**656,387,308**	**1,637,700,457**

Table 69. EU REM2 – Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

SEK		a	b	c	d
31 Dec 2023		MB Supervisory function	MB Management function	Other senior management	Other identified staff
Guaranteed variable remuneration awards					
1	Guaranteed variable remuneration awards – Number of identified staff				
2	Guaranteed variable remuneration awards – Total amount				
3	*of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap*				
Severance payments awarded in previous periods, that have been paid out during the financial year					
4	Severance payments awarded in previous periods, that have been paid out during the financial year – Number of identified staff				
5	Severance payments awarded in previous periods, that have been paid out during the financial year – Total amount				
Severance payments awarded during the financial year					
6	Severance payments awarded during the financial year – Number of identified staff			6	17
7	Severance payments awarded during the financial year – Total amount			11,597,700	22,197,061
8	*of which paid during the financial year*			*11,597,700*	*22,197,061*
9	*of which deferred*				
10	*of which severance payments paid during the financial year, that are not taken into account in the bonus cap*			*11,597,700*	*22,197,061*
11	*of which highest payment that has been awarded to a single person*			*3,791,650*	*4,411,343*

Table 69. **EU REM2 – Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)**

SEK		a	b	c	d
31 Dec 2022		MB Supervisory function	MB Management function	Other senior management	Other identified staff
Guaranteed variable remuneration awards					
1	Guaranteed variable remuneration awards – Number of identified staff				
2	Guaranteed variable remuneration awards – Total amount				
3	*of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap*				
Severance payments awarded in previous periods, that have been paid out during the financial year					
4	Severance payments awarded in previous periods, that have been paid out during the financial year – Number of identified staff				
5	Severance payments awarded in previous periods, that have been paid out during the financial year – Total amount				
Severance payments awarded during the financial year					
6	Severance payments awarded during the financial year – Number of identified staff			5	16
7	Severance payments awarded during the financial year – Total amount			8,162,865	17,946,320
8	*of which paid during the financial year*			*8,162,865*	*17,946,320*
9	*of which deferred*				
10	*of which severance payments paid during the financial year, that are not taken into account in the bonus cap*			*8,162,865*	*17,946,320*
11	*of which highest payment that has been awarded to a single person*			*2,677,500*	*4,074,150*

Table 70. EU REM3 – Deferred remuneration

SEK		a	b	c	d	e	f	EU – g	EU – h
31 Dec 2023 **Deferred and retained remuneration**		Total amount of deferred remuneration awarded for previous performance periods	*Of which due to vest in the financial year*	*Of which vesting in subsequent financial years*	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e.changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function								
2	*Cash-based*								
3	*Shares or equivalent ownership interests*								
4	*Share-linked instruments or equivalent non-cash instruments*								
5	*Other instruments*								
6	*Other forms*								
7	MB Management function								
8	*Cash-based*								
9	*Shares or equivalent ownership interests*	*43,487,169*	*5,836,996*	*37,650,173*				*5,836,996*	*5,836,996*
10	*Share-linked instruments or equivalent non-cash instruments*								
11	*Other instruments*								
12	*Other forms*								
13	Other senior management								
14	*Cash-based*	*25,959,661*	*11,974,588*	*13,985,073*				*11,142,332*	
15	*Shares or equivalent ownership interests*	*465,393,529*	*90,218,542*	*375,174,987*				*85,061,855*	*85,061,855*
16	*Share-linked instruments or equivalent non-cash instruments*								
17	*Other instruments*								
18	*Other forms*								
19	Other identified staff								
20	*Cash-based*	*122,632,570*	*55,207,276*	*67,425,294*				*51,246,246*	
21	*Shares or equivalent ownership interests*	*402,214,122*	*94,026,009*	*308,188,113*				*87,254,813*	*87,254,813*
22	*Share-linked instruments or equivalent non-cash instruments*								
23	*Other instruments*								
24	*Other forms*								
25	**Total amount**	**1,059,687,051**	***257,263,411***	***802,423,640***				**240,542,242**	**178,153,664**

» Table 70. EU REM3 – Deferred remuneration

SEK		a	b	c	d	e	f	EU – g	EU – h
31 Dec 2022 Deferred and retained remuneration		Total amount of deferred remuneration awarded for previous performance periods	*Of which due to vest in the financial year*	*Of which vesting in subsequent financial years*	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e.changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function								
2	*Cash-based*								
3	*Shares or equivalent ownership interests*								
4	*Share-linked instruments or equivalent non-cash instruments*								
5	*Other instruments*								
6	*Other forms*								
7	MB Management function								
8	*Cash-based*								
9	*Shares or equivalent ownership interests*	*35,811,437*	*4,362,868*	*31,448,569*				*4,362,868*	*4,362,868*
10	*Share-linked instruments or equivalent non-cash instruments*								
11	*Other instruments*								
12	*Other forms*								
13	Other senior management								
14	*Cash-based*	*40,575,981*	*14,021,793*	*26,554,187*				*13,743,983*	
15	*Shares or equivalent ownership interests*	*452,438,069*	*82,117,262*	*370,320,807*				*72,834,992*	*72,834,992*
16	*Share-linked instruments or equivalent non-cash instruments*								
17	*Other instruments*								
18	*Other forms*								
19	Other identified staff								
20	*Cash-based*	*184,516,311*	*61,075,611*	*123,440,700*				*59,834,612*	
21	*Shares or equivalent ownership interests*	*382,936,848*	*87,657,427*	*295,279,421*				*83,189,236*	*83,189,236*
22	*Share-linked instruments or equivalent non-cash instruments*								
23	*Other instruments*								
24	*Other forms*								
25	**Total amount**	**1,096,278,646**	***249,234,961***	***847,043,685***				**233,965,692**	**160,387,097**

Table 71. EU REM4 – Remuneration of 1 million EUR or more per year

		a	a
Identified staff that are high earners as set out in Article 450(i) CRR		**31 Dec 2023**	31 Dec 2022
1	1,000,000 to below 1,500,000	3	3
2	1,500,000 to below 2,000,000		
3	2,000,000 to below 2,500,000	1	1

Table 72. EU REM5 – Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

SEK		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			Business areas						
31 Dec 2023		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	**Total**
1	**Total number of identified staff**										**999**
2	*of which: members of the MB*	*13*	*7*	*20*							
3	*of which: other senior management*				*4*	*53*	*18*	*58*	*12*	*26*	
4	*of which: other identified staff*				*115*	*387*	*56*	*81*	*109*	*60*	
5	**Total remuneration of identified staff**	**19,440,335**	**53,874,888**	**73,315,223**	**410,829,522**	**1,032,954,713**	**233,664,143**	**331,811,290**	**231,078,598**	**260,734,699**	
6	*of which: variable remuneration*		*12,936,388*	*12,936,388*	*106,554,898*	*209,088,997*	*51,690,642*	*36,751,429*		*49,962,420*	
7	*of which: fixed remuneration*	*19,440,335*	*40,938,500*	*60,378,835*	*304,274,624*	*823,865,716*	*181,973,501*	*295,059,861*	*231,078,598*	*210,772,279*	

SEK		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			Business areas						
31 Dec 2022		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	**Total**
1	**Total number of identified staff**										**962**
2	*of which: members of the MB*	*14*	*7*	*21*							
3	*of which: other senior management*				*10*	*57*	*15*	*52*	*13*	*37*	
4	*of which: other identified staff*				*110*	*336*	*46*	*72*	*118*	*75*	
5	**Total remuneration of identified staff**	**18,481,435**	**50,645,521**	**69,126,956**	**410,734,382**	**878,415,199**	**187,930,215**	**265,719,307**	**228,282,544**	**323,006,116**	
6	*of which: variable remuneration*		*11,188,600*	*11,188,600*	*113,391,215*	*179,894,827*	*45,058,350*	*34,021,955*		*62,531,160*	
7	*of which: fixed remuneration*	*18,481,435*	*39,456,921*	*57,938,356*	*297,343,167*	*698,520,372*	*142,871,865*	*231,697,352*	*228,282,544*	*260,474,956*	

Sustainability

SEB has a strong ambition to accelerate the pace towards a sustainable future for people, business and society. We firmly believe that our most significant impact will be achieved by partnering with our customers and actively supporting them on their sustainability journey.

Business strategy and commitments

It is our conviction that sustainable finance is among the most important drivers in the transition towards a sustainable society and we acknowledge our vital role in facilitating the substantial investments that is required. Combatting climate change is core to SEB's strategy and we recognize that this endeavour presents both challenges and opportunities.

Our strategic vision is to become a leading catalyst of the transition towards a more sustainable society, aligned with the goals of the Paris Agreement to limit global warming.

As a signatory of the UN initiative Principles for Responsible Banking we have committed to continuously adapt our business strategy to align and contribute to the Paris Agreement and the UN Sustainable Development Goals. International initiatives such as the Net-Zero Banking Alliance (NZBA) the Net Zero Asset Managers initiative and the Poseidon Principles are important parts of how we steer our business. Our sustainability strategy is part of SEB's business plan for 2022–2024 and a cornerstone of SEB's 2030 Strategy.

Objectives, targets and limits

SEB strives to reach a net-zero credit portfolio by 2050 at the latest. In order to steer our business towards that goal and to measure our progress along the way, we have developed two proprietary metrics – the Carbon Exposure Index (The Brown) and the Sustainability Activity Index (The Green) – and set interim 2030 sector targets in line with our commitment to the Net-Zero Banking Alliance. These metrics are developed according to widely accepted science-based decarbonisation scenarios, aligned with the temperature goals of the Paris Agreement.

Alignment with the EU Taxonomy

In 2023 Credit institutions are mandated to report their Green Asset Ratio for the first time indicating the extent to which their exposures are aligned with the EU Taxonomy. SEB's Green Asset Ratio of 2.0 per cent is a first indicative outcome. During 2023 SEB continued the work with implementing the EU Taxonomy regulation and related European Commission guidance while at the same time establishing ESG data sourcing enabling classification of exposures and investment opportunities.

SEB was represented in the Technical Expert Group that contributed to the development of the EU taxonomy. The Taxonomy GAR is an additional measure to understand SEB's progress towards the targets defined in the strategy and business plan. Since the Taxonomy reporting is still at an early stage it does not have significant impact on the overall strategy of the bank. However, it provides relevant information and on a more granular level it is useful to analyse the performance of clients and sectors. Since SEB's Green Bond Framework draws heavily on the EU Taxonomy any new green product development is closely linked to the Taxonomy. As a result the SEB pool of green loans is closely aligned with the Taxonomy's substantial contribution criteria.

Area	Description	Outcome 2023*	Outcome 2022	Goal 2030
The Brown	Carbon Exposure Index – fossil fuel credit exposure in our energy portfolio (index = 100, 2019)	Index	Index 83	Reduce by 45–60%
The Green	Sustainability Activity Index – activities supporting the sustainable development (index = 100, 2021)	Index	Index 159	Increase 6–8 times
Financed emissions	*NZBA interim sector targets:*			
	Oil and gas (mt CO_2e)		–61%	–70%
	Power generation (g CO_2e / kWh)		–24%	–44%
	Steel (t CO_2e / t steel)		+6%	–29%
	Car manufacturing (g CO_2e / km)		–10%	–62%
	Household mortgages, Sweden (kg CO_2e / m^2)		–2%	–32%
	Heavy vehicle manufacturing (% of ZEV in new sales)		n/a	35%

* Figures for 2023 not available.

Policy framework for sustainability risks

Sustainability-related risks are covered both by our sustainability policy framework and by our risk policy framework.

The Corporate Sustainability Policy defines the framework for sustainability in SEB and provides a governing platform for the sustainability work for all business decisions including investments and credit decisions. The Corporate Sustainability Governance Instruction defines the framework and governance model for the corporate sustainability work in SEB.

The two thematic policies SEB's Environmental Policy and SEB's Social and Human Rights Policy provide the basis for our work to protect the environment and to respect human rights. They set the positions on specific themes, identify the negative impacts and state expectations and restrictions on certain corporate behaviour.

Sector policies define SEB's stance on sustainability topics within specific sectors and activities. These policies outline expectations for corporate behaviour, commitments to sector-based standards and restrictions on specific activities. In 2023 SEB had eleven sector policies in place with the Policy on Real Estate and Construction being the most recently added. All sector policies are reviewed annually by the ***Board's Risk and Capital Committee*** (RCC).

The Customer Acceptance Policy represents what SEB considers to be the critical requirements when accepting customers. They complement internal and external rules and aim to further institutionalise and reinforce SEB's sound risk culture in the area of customer acceptance. The policy includes principals on environmental social and governance issues including a reference to the sustainability policy framework. During 2023 we have worked to enhance the customer acceptance process which is expected to be implemented gradually in SEB during 2024.

SEB also has a policy for inclusion and diversity and we work in a structured way to actively appoint women to senior positions, promote equal pay, recruit, develop and promote people with an international background and increase diversity in teams and management groups.

Additionally the bank has updated its Code of Conduct for Suppliers emphasizing the protection of children and vulnerable groups. SEB strives to identify and mitigate risks related to child and forced labour aiming to avoid business relationships with negative human rights impacts. If such impacts are identified SEB engages with the counterparty to explore mitigating options.

Engagement with our customers, community and society

We are committed to long-term relationships with our key stakeholders – customers, investors, shareholders, employees and society-at-large. We interact with them on a regular basis to ensure we prioritise the most important issues and we aim to respond to their needs and expectations in a responsible manner.

Large companies appreciate personal contacts, that the bank has knowledge about their industry and strategic goals and an understanding of their needs. Similarly they highly value that the bank actively supports them with sustainability advice. In the annual Prospera survey 2023 SEB retained its position as the leading corporate bank in the Nordics on sustainability advice. Private customers were satisfied about the staff's competence and treatment of their concerns. Negative comments mostly concerned deposits, lending rates and difficulties connected to booking appointments in branch offices. However these comments have decreased over time since the customers are increasingly aware of the new pre-booking routines.

In 2023 supervisory authorities had a continued high focus in the areas of financial crime prevention such as anti-money laundering and combating financing of terrorism. Examples of other areas for dialogue were how SEB's business model and risk profile might get impacted by ESG aspects, oil & gas related exposures, net zero targets, greenwashing and geopolitical concerns.

We interact regularly with academia in Sweden and abroad with non-governmental organisations and consumer advocate groups within areas such as climate, biodiversity, water and human rights. They provide us with valuable input in the development of our products and policies.

In 2023 SEB started to conduct a double materiality assessment (DMA) according to the upcoming requirements in Corporate Sustainability Reporting Directive (CSRD) and the related European Sustainability Reporting Standards (ESRS).

The DMA aims to identify topics where SEB either has a material impact on people, society or the environment through its business or where these topics may have a material impact on SEB's financial risks and opportunities.

The process was developed during 2023. It involved large parts of the SEB Group covering among others; business, divisions, own operations and geographies. A governance structure was established and SEB's Board of Directors was informed about the process which will be recurring annually. The DMA process will be completed and reported for in 2024.

We have established procedures to evaluate and select suppliers and contractors based on financial, environmental, social and governance aspects. To identify sustainability risks among our suppliers SEB performs when applicable an initial assessment of suppliers using a risk model tool that takes country, industry sector and business criticality into account. Suppliers that are identified in the initial assessment as having a potential elevated risk level are subject to an enhanced screening. Risk factors include climate and environment labour practices and human rights fair business practices and sustainable procurement. These are to be considered in procurement decisions along with other risk factors and commercial aspects.

Own workforce

Our employees are at the core of our ability to create long-term value for our customers, shareholders and society-at-large and be a successful company. We work actively with the entire organisation leaders and teams in order to meet our stakeholders' expectations in a changing environment. Continuous learning, inclusion and diversity and a healthy work environment are among the areas we focus on.

Since 2021 SEB offers training against sexual harassment that is mandatory for everyone who works for SEB. The aim is to increase knowledge about what can be considered sexual harassment and to give employees tools to act if a colleague is exposed. By the end of 2023 98 per cent of all employees had completed the training.

SEB follows laws and regulations in the countries where we operate and where applicable has collective bargaining agreements. Cooperation with employee representatives such as trade unions and works councils is an integral part of day-to-day operations and something that is encouraged. We cooperate through the European Works Council (EWC) and with local employee representatives. In Sweden SEB cooperates with the trade unions at the workplace, departmental and group level.

Consumers and end-users

As a bank we impact the communities where we operate and people's daily lives can be affected by the services and products that we provide. We are continuously working to improve our products and services to make them more user-friendly and accessible also for customers with disabilities. We aim to ensure that we have good availability for our existing products and services while preparing for the EU directive on accessibility that will come into force in 2025. The requirements mean among others that disabled people must have access on equal terms to for example digital solutions.

We believe it is important that we take part of our customers' views on our services and to make it easy for customers to make a complaint in any manner they may choose. When we receive customer complaints we handle them promptly and professionally. We have processes in place for how customer complaints are handled, how our decisions are followed up and how the customer shall be informed. The customer has the right to have his case reviewed if he or she is not satisfied with the decision. SEB has an instruction in place to secure the correct handling of customer complaints.

Sustainability governance model

SEB's sustainability governance model includes clear roles and mandates that cover our impacts on the economy. environment, climate and people, including impacts on social well-being and human rights and other ethical considerations. This model determines how we set our strategy and work to implement it in practice.

- The Board of Directors is ultimately responsible for establishing a strategy for corporate sustainability and an organisation to execute on the strategy. SEB's sustainability strategy and activities is regularly included on the Board's agenda together with an annual review of policies and instructions.
- The President and Chief Executive Officer is responsible for execution of the sustainability strategy and implementation of the governance structure set by the Board.

- The Chief Risk Officer is responsible for making sure that the intent of the Board and the President is carried out as concerns policies for risk management and risk control.
- Sustainable Banking is the operational body that is responsible for coordinating and driving the overall corporate sustainability agenda.

The decision-making body *Group Executive Sustainability Committee* (GESC) is established and chaired by the President with the purpose to manage the execution of the corporate sustainability strategy. The GESC approves the Modern Slavery Act, Transparency Statement and other SEB Group instructions as well as matters that are not approved by the Board or the *Risk and Capital Committee* (RCC).

The *Group Risk Committee* (GRC) also chaired by the President is a group-wide decision-making body that addresses all types of risks at the group level including sustainability and reputational risks. Sustainable Banking is working in close collaboration with the divisions, group staff functions and group support functions. The *Chief Sustainability Officer* (CSO) heads Sustainable Banking and is also a member of the *Group Executive Committee* (GEC) GESC and GRC.

Each Head of Division, Head of Group Support function and Head of Group Staff function is responsible for ensuring that procedures and controls are in place to implement and adhere to the corporate sustainability objectives strategy and policies set by the Board, the President and the GESC. In each division there is a ***Sustainability Business Risk Committee*** (SBRC) that assesses and decides upon new customers or transactions from a material sustainability risk perspective and based on SEB's strategy and policies before bringing the on-boarding or transaction for decision by the relevant decision-making body. Escalation to a divisional SBRC is done by the client executive (or equal) when a proposed transaction or customer on-boarding deviates from SEB's Corporate Sustainability Policy or sustainability risk appetite.

Remuneration policy

SEB recognises the importance of aligning incentive structures with its sustainability ambitions. The bank has group-wide and specific goals for the various divisions and units targeting environmental social and governance areas, for example carbon emissions diversity and regulatory compliance. Sustainability KPIs are integrated in remuneration for members of SEB's ***Group Executive Committee*** (GEC) for managers who report to GEC as well as for other eligible positions. The models for individual variable remuneration are based on financial and non-financial key performance indicators. Non-financial goals take into account factors such as customer satisfaction, compliance and sustainability performance related to for example the bank's own environmental impact and integration of sustainability risks into the business model. SEB's established sustainability ambitions and goals are part of the criteria for potential allocation of the programmes as applicable. Also in the largest variable remuneration programme for all SEB employees sustainability is now considered.

Integration of sustainability risks in the risk framework

ESG-related risk is inherent across all risk types which include both financial and non-financial risks. Definitions of ESG-related risks are included in the SEB Group Risk Policy and the management of such risks is integrated into existing processes and governance structure for identifying, monitoring, measuring and reporting risks. Climate-related risks have been a particular focus area within the sustainability area. The table below provides examples of how climate-related risks could impact SEB across each risk type.

	Transition risk	Physical risk
Credit risk	Energy efficiency standards may trigger substantial adaptation costs and lower corporate profitability which may lead to a higher probability of default as well as lower collateral values.	Default risk and collateral values may be impacted within sectors or geographies vulnerable to physical risk for instance due to elevated flood risk.
Market risk	Transition risk drivers for instance a carbon tax may cause repricing of securities and derivatives for products associated with high carbon content.	Severe physical events may lead to sudden repricing and higher volatility in some markets.
Liquidity risk	An abrupt repricing of securities due to asset stranding may reduce the value of banks' high quality liquid assets thereby affecting liquidity buffers.	Liquidity risk may be affected if customers (for instance insurance companies and financial institutions) withdraw large amounts of money due to extreme weather- related events.
Non-financial risk	Changing consumer sentiment regarding climate issues may lead to reputational and liability risks for the bank. Reputational risk primarily relates to financing or investing in customers with a material climate impact.	The bank's operations may be disrupted due to physical damage to its property, branches and data centers as a result of extreme weather events.

An important part of understanding sustainability risk is done in the customer on-boarding and the annual review of credit customers through two processes that support the identification and assessment of such risks related to our customers:

- Sustainability risk assessment in the credit process
- Annual screening of sustainability policy compliance and customer sustainability classification (implementation ongoing).

Methodologies and international standards

SEB recognises the importance of participating in and supporting international commitments. The frameworks that SEB has committed to can be divided into international agreements, international frameworks that SEB supports and business-related commitments that SEB has signed up to.

The Paris Agreement and the Sustainable Development Goals are predominant guiding principles for SEB. In addition we support and have signed a broad range of international agreements and commitments that guide us in our work, for example Principles or Responsible Banking, Net-Zero Banking Alliance, the Task Force on Climate Related Financial Disclosure (TFCD), Poseidon Principles, the Universal Declaration of Human Rights, UN Global Compact and the Equator Principles.

SEB applies climate scenarios from The Network of Central Banks and Supervisors for Greening the Financial System (NGFS) in climate scenario analysis.

SEB assesses the risk for negative human rights impact in accordance with the group's Social and Human Rights Policy based on SEB's commitments to international agreements and principles such as the UN Guiding Principles on Business and Human Rights and the ILO Core Conventions.

SEB has identified high-risk countries by using compilations and rankings of social risks by external ESG providers. SEB is using both reputational risk and several ESG rating providers to get a better understanding of the sustainability risk exposure of clients. SEB is e.g. looking into how external ESG data can be further developed for Human Rights Due Diligence screening.

Risk management processes and tools

Understanding our customers transition plans and emission reduction ambitions is key for us to deliver on our 2030 interim targets and in our work to align our strategy to the objectives of the Paris agreement. We use our proprietary Customer Sustainability Classification tool (CSC tool) to illustrate our customers' transition plans and to compare them to the objectives of the Paris agreement.

Assessing the resilience of SEB's credit portfolio to the consequences of climate-related risks is a complex task due to in particular the wide variety of possible future developments and the long-term perspective required to carry out the analyses. To understand how climate-related risks could impact SEB and our clients we evaluate scenarios looking at both current exposures to climate-related risk and forward-looking assessments of potential impacts including those associated with a 1.5° or 2° Celsius rise in global temperatures. SEB's approach to climate scenario analysis is to prioritise the efforts on business activities deemed most impacted by climate change focusing on exposed sub-portfolios and assessing credit risks.

In addition to scenario analysis on portfolio level SEB integrates sustainability risk considerations in the credit analysis work and credit approval process. Specific climate transition risk analysis is performed for larger customers operating in sectors with a material carbon footprint for customers. At year-end 2023 SEB had completed transition risk analyses of around 130 customers (135) with a combined credit exposure of approximately SEK 110bn (189).

The process of labour and human rights due diligence includes identifying, assessing and addressing actual and potential adverse human rights impacts to avoid contributing to or being directly linked to adverse human rights impacts. One of SEB's measures to identify actual and potential adverse human rights impacts is screening for controversies. If controversies are found they are assessed against SEB's positions in relation to good business and human rights practices.

Estimated impact of sustainability risk

In recent years scenario analyses of the oil and gas portfolio, power generation portfolio, the Swedish residential mortgages and the Baltic real estate portfolios have been carried out. Based on the scenario analyses to date including a 1.5°C scenario the impact on the overall capital adequacy and liquidity risk profile of the bank is expected to be limited.

Limits and restrictions

SEB has defined sustainability-related restrictions on specific activities in its Sector policies. For example SEB aims to exit current customers with more than 5 per cent of revenues from thermal coal mining and coal fired power generation by 2025 and 2030 respectively. There is a time-limited exception for Germany where the phase-out will be completed by 2038 in line with the German Coal Phase out Act. Furthermore SEB has social and human rights restrictions on sectors including gambling, tobacco, arms and defence. The sector policies set expectations on several governance issues, for example sustainability reporting, anti-corruption policies and tax reporting according to country-by-country principle when relevant.

SEB has defined a risk appetite in absolute terms for credit exposure to the exploration and production of oil & gas and oilfield services segments. The risk appetite is revised downwards on an annual basis. The bank also implemented an exit strategy for the offshore segment in 2020. In addition several principles in SEB's Customer Acceptance Policy are related to governance performance e.g:

- Transparency is a requirement – openness and the ability to provide satisfactory information is a requirement to become and remain a customer of SEB. This is matched by SEB's strong commitment to banking secrecy. Complex ownership or group structures that SEB is unable to understand the purpose and effect of are warning signals.
- Respectful distance to grey zones – SEB expects customers to conduct their business not only in compliance with laws but with an appropriate distance of respect to the letter of the law. Customers that appear willing to operate in legal "grey zones" shall generally be avoided.
- High-risk countries shall generally be avoided – high-risk countries are countries where legal systems, infrastructure or financial disclosure are considered deficient and where the risk of corruption is high. These characteristics often lead to a reduced level of transparency. To a large extent this limits the possibility for SEB to assess and control risks when dealing with customers in these countries.

Efforts to improve data quality

During 2023 we have continued to develop our ESG data platform. The platform will serve as a central repository for internally and externally sourced ESG data and will interface with existing internal applications to enable efficient and consistent aggregation analysis, monitoring and reporting of ESG related risks and opportunities in accordance with reporting standards and KPIs. Our expectation is that the data quality will increase over the next coming years due to the financial sectors dependency on data from non-financial counterparties and collateral information.

Table 73. ESG 1 – Banking book – Climate Change transition risk: *Credit quality of exposures by sector emissions and residual maturity*

SEK m		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
31 Dec 2023		Gross carrying amount					Accumulated impairment accumulated negative changes in fair value due to credit risk and provisions			GHG financed emissions (scope 1 scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from compny-specific reporting					
	Sector/subsector		*of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation*	*of which environ-mentally sustainable (CCM)*	*of which stage 2 exposures*	*of which non-per-forming exposures*		*of which stage 2 exposures*	*of which non-per-forming exposures*		*of which scope 3 financed emissions*		<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average weighted maturity
1	**Exposures towards sectors that highly contribute to climate change***	**755,949**	***3,807***	***12,567***	***30,648***	***3,453***	**–3,438**	***–827***	***–1,748***				**700,011**	**33,946**	**20,106**	**1,885**	**2**
2	A – Agriculture forestry and fishing	20,240		30	288	91	–50	–7	–27				19,043	1,184	5	8	2
3	B – Mining and quarrying	5,196	3,309	4	867	445	–109	–102	–27				5,174	18	1	3	1
4	*B.05 – Mining of coal and lignite*	*0*					*–0*						*0*	–	–	–	*0*
5	*B.06 – Extraction of crude petroleum and natural gas*	*3,132*	*2,296*	*0*	*448*	*445*	*–28*	*–27*	*–27*				*3,130*	–	–	*1*	*0*
6	*B.07 – Mining of metal ores*	*34*			*1*	*0*	*–0*	*–0*	*–0*				*33*	–	–	*0*	*2*
7	*B.08 – Other mining and quarrying*	*362*			*18*		*–2*	*–0*					*342*	*18*	*1*	*1*	*3*
8	*B.09 – Mining support service activities*	*1,668*	*1,013*	*4*	*400*	*0*	*–79*	*–75*	*–0*				*1,667*	–	–	*1*	*2*
9	C – Manufacturing	106,960	288	6,401	5,186	1,334	–1,422	–126	–1,123				102,771	2,146	1,795	249	1
10	*C.10 – Manufacture of food products*	*12,259*			*397*	*157*	*–181*	*–6*	*–98*				*12,101*	*156*	–	*2*	*1*
11	*C.11 – Manufacture of beverages*	*3,601*			*30*	*0*	*–3*	*–1*	*–0*				*3,575*	*22*	–	*3*	*2*
12	*C.12 – Manufacture of tobacco products*	*82*			*1*		*–0*	*–0*					*82*	–	–	*0*	*3*
13	*C.13 – Manufacture of textiles*	*240*			*3*	*0*	*–1*	*–0*	*–0*				*233*	*4*	*1*	*2*	*1*
14	*C.14 – Manufacture of wearing apparel*	*147*			*7*	*1*	*–1*	*–0*	*–0*				*147*	–	–	*0*	*0*
15	*C.15 – Manufacture of leather and related products*	*349*			*2*		*–1*	*–0*					*348*	–	–	*0*	*0*
16	*C.16 – Manufacture of wood and of products of wood and cork except furniture; manufacture of articles of straw and plaiting materials*	*2,636*		*1*	*207*	*4*	*–21*	*–12*	*–1*				*2,571*	*65*	–	*0*	*2*
17	*C.17 – Manufacture of pulp paper and paperboard*	*8,424*		*177*	*15*	*0*	*–4*	*–0*	*–0*				*7,810*	*609*	–	*5*	*1*
18	*C.18 – Printing and service activities related to printing*	*254*			*14*	*0*	*–1*	*–0*	*–0*				*231*	*23*	–	*0*	*2*
19	*C.19 – Manufacture of coke oven products*	*716*	*1*		*7*	*648*	*–648*	*–0*	*–648*				*654*	–	–	*63*	*2*
20	*C.20 – Production of chemicals*	*10,576*		*404*	*1,405*	*0*	*–18*	*–10*	*–0*				*10,553*	*7*	–	*16*	*2*
21	*C.21 – Manufacture of pharmaceutical preparations*	*1,110*			*124*		*–4*	*–3*					*1,110*	–	–	*0*	*1*
22	*C.22 – Manufacture of rubber products*	*6,167*			*42*	*83*	*–91*	*–1*	*–83*				*5,874*	*290*	*1*	*2*	*2*
23	*C.23 – Manufacture of other non-metallic mineral products*	*3,146*		*134*	*638*	*1*	*–36*	*–33*	*–0*				*3,092*	*51*	–	*2*	*2*
24	*C.24 – Manufacture of basic metals*	*2,957*	*0*	*477*	*22*	*0*	*–2*	*–0*	*–0*				*2,954*	–	*1*	*2*	*0*

Table 73. **ESG 1 – Banking book – Climate Change transition risk:** ***Credit quality of exposures by sector emissions and residual maturity***

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
31 Dec 2023	Gross carrying amount					Accumulated impairment accumulated negative changes in fair value due to credit risk and provisions			GHG financed emissions (scope 1 scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from compny-specific reporting	<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average weighted maturity
Sector/subsector		*of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation*	*of which environ-mentally sustainable (CCM)*	*of which stage 2 exposures*	*of which non-per-forming exposures*		*of which stage 2 exposures*	*of which non-per-forming exposures*		*of which scope 3 financed emissions*						
25 *C.25 – Manufacture of fabricated metal products except machinery and equipment*	*6,657*		*14*	*261*	*9*	*–25*	*–11*	*–4*				*6,468*	*181*	*5*	*3*	*1*
26 *C.26 – Manufacture of computer electronic and optical products*	*4,484*		*0*	*610*	*47*	*–28*	*–12*	*–12*				*4,443*	*39*	*–*	*2*	*1*
27 *C.27 – Manufacture of electrical equipment*	*6,461*		*802*	*92*	*85*	*–94*	*–3*	*–84*				*6,181*	*277*	*–*	*3*	*1*
28 *C.28 – Manufacture of machinery and equipment n.e.c.*	*19,739*	*286*	*3,798*	*658*	*2*	*–26*	*–5*	*–0*				*17,524*	*409*	*1,784*	*22*	*2*
29 *C.29 – Manufacture of motor vehicles trailers and semi-trailers*	*5,429*		*39*	*208*	*0*	*–6*	*–1*	*–0*				*5,423*	*5*	*–*	*1*	*1*
30 *C.30 – Manufacture of other trans-port equipment*	*3,728*		*554*	*60*	*2*	*–2*	*–1*	*–1*				*3,714*	*2*	*2*	*9*	*2*
31 *C.31 – Manufacture of furniture*	*1,308*			*248*	*271*	*–209*	*–24*	*–183*				*1,307*	*1*	*–*	*–*	*2*
32 *C.32 – Other manufacturing*	*4,406*		*2*	*86*	*20*	*–12*	*–1*	*–5*				*4,299*	*–*	*–*	*108*	*1*
33 *C.33 – Repair and installation of machinery and equipment*	*2,084*	*1*	*0*	*50*	*3*	*–8*	*–1*	*–2*				*2,076*	*5*	*–*	*3*	*1*
34 D – Electricity gas steam and air conditioning supply	78,853	160	352	859	254	–187	–35	–122				49,275	12,811	15,474	1,294	5
35 *D35.1 – Electric power generation transmission and distribution*	*68,525*	*160*	*352*	*700*	*251*	*–177*	*–31*	*–122*				*40,414*	*11,898*	*14,920*	*1,293*	*6*
36 *D35.11 – Production of electricity*	*54,876*	*160*	*131*	*687*	*251*	*–174*	*–30*	*–122*				*33,753*	*6,760*	*13,138*	*1,224*	*6*
37 *D35.2 – Manufacture of gas; distribu-tion of gaseous fuels through mains*	*4,008*			*23*	*0*	*–3*	*–0*	*–0*				*4,008*	*–*	*–*	*0*	*2*
38 *D35.3 – Steam and air conditioning supply*	*6,320*			*136*	*2*	*–6*	*–4*	*–1*				*4,853*	*913*	*554*	*0*	*4*
39 E – Water supply; sewerage waste management and remediation activities	4,336			59	2	–10	–2	–1				3,518	703	114	1	3
40 F – Construction	16,808		308	945	89	–83	–32	–24				14,538	924	1279	66	3
41 *F.41 – Construction of buildings*	*8,656*		*252*	*383*	*18*	*–33*	*–11*	*–8*				*7,983*	*216*	*410*	*48*	*2*
42 *F.42 – Civil engineering*	*3,205*		*30*	*86*	*20*	*–6*	*–2*	*–1*				*1,917*	*419*	*865*	*5*	*7*
43 *F.43 – Specialised construction activities*	*4,946*		*25*	*477*	*51*	*–44*	*–19*	*–15*				*4,639*	*290*	*5*	*13*	*2*

Table 73. **ESG 1 – Banking book – Climate Change transition risk:** ***Credit quality of exposures by sector emissions and residual maturity***

SEK m		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
31 Dec 2023		Gross carrying amount					Accumulated impairment accumulated negative changes in fair value due to credit risk and provisions			GHG financed emissions (scope 1 scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from compny-specific reporting					
	Sector/subsector		*of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation*	*of which environ-mentally sustainable (CCM)*	*of which stage 2 exposures*	*of which non-per-forming exposures*		*of which stage 2 exposures*	*of which non-per-forming exposures*		*of which scope 3 financed emissions*		<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average weighted maturity
44	G – Wholesale and retail trade; repair of motor vehicles and motorcycles	82,591		3	3,678	588	–436	–124	–208				81,559	836	83	113	1
45	H – Transportation and storage	78,232	40	166	2,850	234	–204	–36	–122				63,478	13,579	1,077	98	3
46	*H.49 – Land transport and transport via pipelines*	13,496			309	110	–48	–11	–16				11,257	2,127	107	5	3
47	*H.50 – Water transport*	50,170		163	1,463	108	–121	–9	–100				39,816	10,027	277	49	3
48	*H.51 – Air transport*	1,530			18	10	–7	–0	–6				1,529	–	–	1	1
49	*H.52 – Warehousing and support activities for transportation*	11,826	40	1	1,057	6	–27	–15	–0				9,680	1,411	692	44	4
50	*H.53 – Postal and courier activities*	1,210		2	4	0	–1	–0	–0				1,195	15	–	0	2
51	I – Accommodation and food service activities	4,702			824	40	–24	–15	–4				4,459	67	173	3	2
52	L – Real estate activities	358,032	10	5,302	15,092	376	–913	–350	–90				356,198	1,678	106	50	1
53	**Exposures towards sectors other than those that highly contribute to climate change***	**279,894**	**477**	**975**	**10,125**	**2,732**	**–1,732**	**–497**	**–890**				**257,065**	**16,332**	**2,002**	**4,495**	**2**
54	K – Financial and insurance activities	125,776	249	331	3,113	940	–748	–70	–558				119,883	4,523	295	1,074	1
55	Exposures to other sectors (NACE codes J M – U)	154,118	228	644	7,013	1,791	–984	–427	–332				137,182	11,809	1,707	3,421	2
56	**TOTAL**	**1,035,843**	**4,284**	**13,542**	**40,773**	**6,184**	**–5,170**	**–1,324**	**–2,638**				**957,076**	**50,279**	**22,108**	**6,380**	**2**

* In accordance with the Commission delegated regulation EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks – Climate Benchmark Standards Regulation – Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006.

Table 74. ESG 2 – Banking book – Climate change transition risk: *Loans collateralised by immovable property – Energy efficiency of the collateral*

SEK m		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total gross carrying amount amount (in SEK m)															
31 Dec 2023		Level of energy efficiency (EP score in kWh/m² of collateral)							Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
	Counterparty sector		0 <= 100	> 100 <= 200	> 200 <= 300	> 300 <= 400	> 400 <= 500	> 500	A	B	C	D	E	F	G		*of which level of energy efficiency (EP score in kWh/m² of collateral) estimated*
1	**Total EU area**	**1,059,207**	**197,324**	**287,634**	**23,182**	**6,835**	**1,159**	**310**	**8,777**	**33,278**	**79,028**	**121,346**	**159,907**	**83,509**	**30,599**	**542,765**	
2	*of which Loans collateralised by commercial immovable property*	*216,542*	*21,235*	*36,456*	*4,621*	*4,867*	*621*	*124*	*4,308*	*3,414*	*11,190*	*18,470*	*17,163*	*6,766*	*6,613*	*148,618*	
3	*of which Loans collateralised by residential immovable property*	*842,666*	*176,088*	*251,178*	*18,561*	*1,968*	*538*	*186*	*4,469*	*29,864*	*67,837*	*102,875*	*142,744*	*76,743*	*23,986*	*394,147*	
4	*of which Collateral obtained by taking possession: residential and commercial immovable properties*																
5	*of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated*																
6	**Total non-EU area**																
7	*of which Loans collateralised by commercial immovable property*																
8	*of which Loans collateralised by residential immovable property*																
9	*of which Collateral obtained by taking possession: residential and commercial immovable properties*																
10	*of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated*																

Table 75. ESG 4 – Banking book – Climate change transition risk: *Exposures to top 20 carbon-intensive firms*

SEK m	a	b	c	d	e
31 Dec 2023	Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)*	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
Exposures to top 20 carbon-intensive firms	9			0	1

* For counterparties among the top 20 carbon emitting companies in the world.

Table 76. ESG 5 – Banking book: *Climate change physical risk: Exposures subject to physical risk*

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
31 Dec 2023		Gross carrying amount													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket										Accumulated impairment accumulated negative changes in fair value due to credit risk and provisions		
	Variable: Geographical area subject to climate change physical risk – acute and chronic events		<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average weighted maturity	*of which exposures sensitive to impact from chronic climate change events*	*of which exposures sensitive to impact from acute climate change events*	*of which exposures sensitive to impact both from chronic and acute climate change events*	*of which stage 2 exposures*	*of which non-performing exposures*		*of which stage 2 exposures*	*of which non-performing exposures*
1	A – Agriculture, forestry and fishing	20,240													
2	B – Mining and quarrying	5,196													
3	C – Manufacturing	106,960													
4	D – Electricity, gas, steam and air conditioning supply	78,853													
5	E – Water supply; sewerage, waste management and remediation activities	4,336													
6	F – Construction	16,808													
7	G – Wholesale and retail trade; repair of motor vehicles and motorcycles	82,591													
8	H – Transportation and storage	78,232													
9	L – Real estate activities	358,032													
10	Loans collateralised by residential immovable property	852,230	6,638	176	414	796	4	*4,868*	*2,447*	*708*	*392*	*21*	–12	*–6*	*–6*
11	Loans collateralised by commercial immovable property	232,046	963	19	3	1	3	*200*	*173*	*613*	*152*	*0*	–14	*–14*	*–0*
12	Repossessed collaterals														
13	I – Accommodation And Food Service Activities	4,702													
14	J – Information And Communication	46,736													
15	K – Financial And Insurance Activities	125,776													
16	M – Professional,Scientific And Technical Activities	70,380													
17	N – Administrative And Support Service Activities	18,617													
18	O – Public Administration And Defence; Compulsory Social Security	1,271													
19	P – Education	3,987													
20	Q – Human Health And Social Work Activities	6,468													
21	R – Arts, Entertainment And Recreation	2,450													
22	S – Other Service Activities	4,209													
23	T – Activities Of Households As Employers; Undifferentiated Goods– And Services–Producing Activities Of Households For Own Use	0													
24	U – Activities Of Extraterritorial Organisations And Bodies	1													

Table 77. ESG 6 – Summary of GAR KPIs

	a	b	c	d
	KPI			
31 Dec 2023	Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + Climate change adaptation)	% coverage (over total assets)*
GAR stock	2%	0%	2%	23%
GAR flow				

* % of assets covered by the KPI over banks´ total assets.

Table 78. ESG 7 – Mitigating actions: *Assets for the calculation of GAR*

SEK m		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			Disclosure reference date T														
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
			of which towards taxonomy relevant sectors (Taxonomy-eligible)					*of which towards taxonomy relevant sectors (Taxonomy-eligible)*					*of which towards taxonomy relevant sectors (Taxonomy-eligible)*				
				of which environmentally sustainable (Taxonomy-aligned)					*of which environmentally sustainable (Taxonomy-aligned)*					*of which environmentally sustainable (Taxonomy-aligned)*			
31 Dec 2023		Total gross carrying amount			*of which specialised lending*	*of which transitional*	*of which enabling*			*of which specialised lending*	*of which adaptation*	*of which enabling*			*of which specialised lending*	*of which transitional/ adaptation*	*of which enabling*
	GAR – Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	1241,483		*43,566*	*28,846*	*785*	*7,593*		*320*			*6*	*749,917*	*43,885*	*28,846*	*785*	*7,599*
2	**Financial corporations**	**331,549**		***1,178***		***0***	***1,176***						***13,324***	***1,178***		***0***	***1,176***
3	Credit institutions	137,704		*51*			*51*						*115*	*51*			*51*
4	Loans and advances	76,963		*51*			*51*						*115*	*51*			*51*
5	Debt securities, including UoP	53,567															
6	Equity instruments	7,174															
7	Other financial corporations	193,845		*1,127*		*0*	*1,125*						*13,208*	*1,127*		*0*	*1,125*
8	*of which investment firms*	*20,880*		*2*									*180*	*2*			
9	Loans and advances	20,880		*2*									*180*	*2*			
10	Debt securities, including UoP																
11	Equity instruments																
12	*of which management companies*	*16,677*											*0*				
13	Loans and advances	16,677											*0*				
14	Debt securities, including UoP																
15	Equity instruments																
16	*of which insurance undertakings*	*25,957*															
17	Loans and advances	16,250															
18	Debt securities, including UoP																
19	Equity instruments	9,706															
20	**Non-financial corporations (subject to NFRD disclosure obligations)**	**184,686**		***13,542***		***785***	***6,417***		***320***			***6***	***58,629***	***13,862***		***785***	***6,423***
21	Loans and advances	184,686		*13,542*		*785*	*6,417*		*320*			*6*	*58,629*	*13,862*		*785*	*6,423*
22	Debt securities, including UoP																
23	Equity instruments																
24	**Households**	**725,248**		***28,846***	***28,846***								***677,964***	***28,846***	***28,846***		
25	*of which loans collateralised by residential immovable property*	*651,313*		*28,846*	*28,846*								*651,313*	*28,846*	*28,846*		
26	*of which building renovation loans*																
27	*of which motor vehicle loans*																
28	**Local governments financing**																
29	Housing financing																
30	Other local governments financing																
31	Collateral obtained by taking possession: residential and commercial immovable properties																
32	**TOTAL GAR ASSETS**	**1,241,483**		***43,566***	***28,846***	***785***	***7,593***		***320***			***6***	***749,917***	***43,885***	***28,846***	***785***	***7,599***
	Assets excluded from the numerator for GAR calculation (covered in the denominator)																

Table 78. ESG 7 – Mitigating actions: *Assets for the calculation of GAR*

SEK m	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date T														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
		of which towards taxonomy relevant sectors (Taxonomy-eligible)					*of which towards taxonomy relevant sectors (Taxonomy-eligible)*					*of which towards taxonomy relevant sectors (Taxonomy-eligible)*				
			of which environmentally sustainable (Taxonomy-aligned)					*of which environmentally sustainable (Taxonomy-aligned)*					*of which environmentally sustainable (Taxonomy-aligned)*			
31 Dec 2023	Total gross carrying amount			*of which specialised lending*	*of which transitional*	*of which enabling*			*of which specialised lending*	*of which adaptation*	*of which enabling*			*of which specialised lending*	*of which transitional/ adaptation*	*of which enabling*
33 **EU Non-financial corporations (not subject to NFRD disclosure obligations)**	**689,142**															
34 Loans and advances	683,179															
35 Debt securities	2,986															
36 Equity instruments	2,976															
37 **Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)**	**162,015**															
38 Loans and advances	161,994															
39 Debt securities																
40 Equity instruments	21															
41 Derivatives	173															
42 On demand interbank loans	8,062															
43 Cash and cash-related assets	2,331															
44 Other assets (e.g. Goodwill, commodities etc.)	57,465															
45 **TOTAL ASSETS IN THE DENOMINATOR (GAR)**	**2,160,670**															
Other assets excluded from both the numerator and denominator for GAR calculation																
46 Sovereigns	47,762															
47 Central banks exposure	489,963															
48 Trading book	496,435															
49 TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR	**1,034,160**															
50 TOTAL ASSETS	**3,194,831**															

Table 79. ESG 8 – GAR (%)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date T: KPIs on stock															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
		Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					
			of which environmentally sustainable					*of which environmentally sustainable*					*of which environmentally sustainable*				
31 Dec 2023				*of which specialised lending*	*of which transitional*	*of which enabling*			*of which specialised lending*	*of which adaptation*	*of which enabling*			*of which specialised lending*	*of which transitional/ adaptation*	*of which enabling*	Proportion of total assets covered
1	**GAR**		***2%***	***1%***	***0%***	***0%***		***0%***			***0%***	**35%**	***2%***	***1%***	***0%***	***0%***	**23%**
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation		*2%*	*1%*	*0%*	*0%*		*0%*			*0%*	35%	*2%*	*1%*	*0%*	*0%*	23%
3	Financial corporations		*0%*			*0%*						1%	*0%*			*0%*	0%
4	Credit institutions		*0%*			*0%*						0%	*0%*			*0%*	0%
5	Other financial corporations		*0%*			*0%*						1%	*0%*			*0%*	0%
6	*of which investment firms*		*0%*									*0%*	*0%*				*0%*
7	*of which management companies*																
8	*of which insurance undertakings*																
9	Non-financial corporations subject to NFRD disclosure obligations		*1%*		*0%*	*0%*		*0%*			*0%*	3%	*1%*		*0%*	*0%*	2%
10	Households		*1%*	*1%*								31%	*1%*	*1%*			21%
11	*of which loans collateralised by residential immovable property*		*1%*	*1%*								*30%*	*1%*	*1%*			*20%*
12	*of which building renovation loans*																
13	*of which motor vehicle loans*																
14	Local government financing																
15	Housing financing																
16	Other local governments financing																
17	Collateral obtained by taking possession: residential and commercial immovable properties																

Table 80. ESG 10 – Other climate change mitigating actions that are not covered in the EU Taxonomy

SEK m	a	b	c	d	e	f
31 Dec 2023	**Type of financial instrument**	**Type of counterparty**	**Gross carrying amount**	**Type of risk mitigated (Climate change transition risk)**	**Type of risk mitigated (Climate change physical risk)**	**Qualitative information on the nature of the mitigating actions**
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	2 ,668	Yes	No	Green bonds and Sustainability-linked bonds that are linked to aspects on climate change
2		Non-financial corporations	44	Yes	No	
3		*of which Loans collateralised by commercial immovable property*				
4		Other counterparties	713	Yes	No	
5	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations				Sustainable loans for buildings with energy label A and B and/or environmental certificed buildings, electric vehicles, loans inline with SEB Green Bond Framwork and/or approved by SEB sustainable committees.
6		Non-financial corporations	130,642	Yes	No	
7		*of which Loans collateralised by commercial immovable property*	*34,692*	*Yes*	*No*	
8		Households				
9		*of which Loans collateralised by residential immovable property*				
10		*of which building renovation loans*				
11		Other counterparties				

SEK m	a	b	c	d	e	f
30 Jun 2023	**Type of financial instrument**	**Type of counterparty**	**Gross carrying amount**	**Type of risk mitigated (Climate change transition risk)**	**Type of risk mitigated (Climate change physical risk)**	**Qualitative information on the nature of the mitigating actions**
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	3,555	Yes	No	Green bonds and Sustainability-linked bonds that are linked to aspects on climate change
2		Non-financial corporations	273	Yes	No	
3		*of which Loans collateralised by commercial immovable property*				
4		Households				
5		*of which Loans collateralised by residential immovable property*				
6		*of which building renovation loans*				
7		Other counterparties	737	Yes	No	
8	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations				Sustainable loans for buildings with energy label A and B and/or environmental certificed buildings electric vehicles loans inline with SEB Green Bond Framwork and/or approved by SEB sustainable committees.
9		Non-financial corporations	110,088	Yes	No	
10		*of which Loans collateralised by commercial immovable property*	*24,100*	*Yes*	*No*	
11		Households	14,608	Yes	No	
12		*of which Loans collateralised by residential immovable property*	*14,608*	*Yes*	*No*	
13		*of which building renovation loans*				
14		Other counterparties				

Definitions

Asset encumbrance An asset is considered encumbered if it has been pledged or if it is subject to any form of arrangement to secure, collateralise or credit enhance any transaction from which it cannot be freely withdrawn.

Average risk weight Total risk-weighted exposures divided by credit exposures post-CCF and post-CRM. Also referred to REA density or RWA density.

Back-testing A statistical technique used to monitor and assess the accuracy of a model, and how that model would have performed had it been applied in the past.

Capital conservation buffer Buffer under Basel III designed to ensure banks build up capital buffers outside periods of stress which can be drawn down as losses are incurred. Should capital levels fall within the capital conservation buffer range capital distributions will be constrained by the regulators.

Common Equity Tier 1 capital (CET1) Shareholders' equity excluding proposed dividend, deferred tax assets, intangible assets and certain other regulatory adjustments defined in EU Regulation no 575/2013 (CRR).

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

Countercyclical capital buffer Capital buffer financial institutions are required to hold in addition to other minimum capital requirements. Aims to achieve the broader macroprudential goal of protecting the banking sector from periods of excess aggregate credit growth that have often been associated with the buildup of system-wide risk.

Credit conversion factor (CCF) Factor used when calculating EAD for off-balance sheet items. CCF is an estimate of the proportion of undrawn commitments expected to have been drawn down at the point of default.

Credit risk mitigation (CRM) A range of techniques and strategies to actively mitigate credit risks to which the bank is exposed, e.g. collateral, netting and risk transfer.

Credit value adjustment (CVA) Capital charge to cover the risk of mark-to-market losses on the expected counterparty risk to OTC derivatives. CVA is the difference between the value of a derivative assuming the counterparty is default-risk free and the value reflecting default risk of the counterparty.

Debit valuation adjustment (DVA) The difference between the value of the derivative assuming the bank is default-risk free and the value reflecting default risk of the bank. Changes in a bank's own credit risk therefore result in changes in the DVA component of the valuation of the bank's derivatives.

Expected loss (EL) Amount expected to be lost on an exposure using a one year horizon. Calculated by multiplying PD, EAD and LGD.

Exposure at Default (EAD) Amount expected to be outstanding after any credit risk mitigation if the counterparty defaults.

External Credit Assessment Institutions (ECAI) External credit rating agencies such as Fitch, Moody's, DBRS and Standard & Poor's.

Green Asset Ratio (GAR) Key performance indicator for financial institutions, measuring the proportion of taxonomy-aligned on balance-sheet exposure in relation to the total covered assets.

Internal ratings-based approach (IRB) Method for determining own funds requirement using the banks' own models to estimate the risk. There are two versions of the IRB approach; with and without own estimates of LGD and CCF referred to as Advanced and Foundation, respectively.

IRB-Advanced A version of the IRB approach with own estimates of LGD and CCF.

IRB-Foundation A version of the IRB approach without own estimates of LGD and CCF.

Leverage ratio Tier 1 capital as a percentage of total assets including off-balance sheet items with conversion factors according to the standardised approach.

Loss given Default (LGD) The proportion of an exposure that the bank loses on average in the event of default.

Liquidity Coverage Ratio (LCR) High-quality liquid assets as a percentage of the estimated net cash outflows over the next 30 calendar days.

Minimum capital requirement Minimum amount of regulatory capital that the bank must hold to meet the Pillar 1 requirements.

Net Stable Funding Ratio (NSFR) Defined as the amount of available stable funding relative to the amount of required stable funding.

Own funds Comprises the sum of Tier 1 and Tier 2 capital.

Own funds requirement Total own funds must exceed 8 per cent of total risk exposure amount. Own funds must also cover additional requirements due to institution-specific buffers.

Pillar 1 The Basel framework is based on three pillars. Pillar 1 aligns minimum capital requirements more closely with institutions' actual risks.

Pillar 2 Provides for the supervisory review of institutions' internal assessments of their overall risks and capital adequacy.

Pillar 3 Motivates prudent management by enhancing the degree of transparency in institutions' public reporting.

Potential future exposure (PFE) Potential future credit exposure on derivative contracts calculated according to the mark-to-market approach.

Probability of Default (PD) The probability of a borrower defaulting within one year.

Risk exposure amount (REA) 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 items deducted from own funds.

Standardised approach Method of calculating and reporting credit risks based on standardised risk weights on the basis of the external rating. The standardised approach can also be used for market risk and operational risk.

Stressed VaR Market risk measure based on potential market movements for a continuous one-year period of stress for a trading portfolio.

Systemic risk buffer Buffer requirement for systemically important banks.

Through-the-cycle (TTC) Methodology that seeks to take cyclical volatility out of the estimates of default risk by assessing the counterparty's performance over the business cycle.

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

Tier 1 capital ratio Tier 1 capital as a percentage of total risk exposure amount.

Tier 2 capital Mainly subordinated loans not qualifying as Tier 1 capital contribution.

Total capital ratio Total own funds as a percentage of total risk exposure amount.

Value at risk (VaR) A market risk measure of loss that could occur on positions as a result of adverse movements in market risk factors over a specified time period and to a given level of confidence.

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