SEB’S strategy focuses on providing a leading customer experience, investing in digital interfaces and automated processes and on being the most attractive employer — in order to create value for all stakeholders.

The number of initial public offerings was unusually high, while M&A activity was down and major debt transactions were fewer in number. Corporate demand for risk management services was high.

The institutional customers are working, like SEB, to implement the new regulatory framework. SEB dedicated great focus on advising the customers on these matters and providing suitable services.

The small and medium-sized companies were hesitant in the beginning of the year but their demand for financing increased during the second half. Convenient and user-friendly services were in high demand.

Private individuals were less inclined to take risk and reallocated their savings from equity funds to balanced funds and savings accounts. Their need of comprehensive and accessible services and advice were met by digital solutions.

Operating profit decreased by 11 per cent compared to 2014. Excluding one-off items, operating profit increased by 7 per cent and the Board of Directors proposes a dividend of SEK 5.25 per share.

High volatility in asset prices and FX rates increased customer demand for hedging and risk management services substantially throughout the year.

The number of initial public offerings in the Nordic region was record-high, but demand for other corporate transactions and large corporate credits was low.

Several European countries experienced negative interest rates and the Swedish central bank lowered the repo rate during the year from zero to minus 0.35 per cent.

The total fee amount contributed by SEB for financial stability purposes was SEK 1 201m, consisting of SEK 590m to stability funds, SEK 429m to deposit guarantee schemes and SEK 182m in resolution fees.

SEB’s German operations were streamlined and SEB Asset Management AG was divested.

SEB launched additional funds with positive sustainability impact, e.g. the SEB Global Sustainability and Green Bond Funds, and signed Montréal Carbon Pledge.

SEB delivered on and closed the business plan for 2013–2015.

SEB revised its long-term vision and established a three-year plan for 2016–2018.
WHO WE ARE

We are strongly committed to deliver customer value. We build on our heritage of entrepreneurship, international outlook and long-term perspective.

Our purpose
We believe that entrepreneurial minds and innovative companies are key to creating a better world. We are here to enable them to achieve their aspirations and succeed through good times and bad.

Our vision
To deliver world-class service to our customers.

Our strategic ambition
True customer centricity in a digitised world.

Our strategic priorities
- Leading customer experience
- Maintaining resilience and flexibility
- Growing in areas of strength

SEB’s financial targets

<table>
<thead>
<tr>
<th></th>
<th>OUTCOME 2015</th>
<th>OUTCOME 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividend payout ratio of &gt;40 per cent of earnings per share</td>
<td>66%&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>63%</td>
</tr>
<tr>
<td>Common Equity Tier 1 capital ratio of 150 bps &gt; requirement</td>
<td>18.8%&lt;sup&gt;2)&lt;/sup&gt;</td>
<td>16.3%</td>
</tr>
<tr>
<td>Return on equity competitive with peers</td>
<td>12.9%&lt;sup&gt;3)&lt;/sup&gt;</td>
<td>13.1%</td>
</tr>
</tbody>
</table>

≈160 years in the service of enterprise

1) SEK 5.25 per share (4.75). Outcome excludes one-off item(s). Outcome incl. one-off item(s) is 69 % (54).
2) Regulatory requirement as of the fourth quarter of 2015: 16 %.
3) Outcome excludes one-off item(s). Outcome incl. one-off item(s) is 12.2 % (15.3).
WHAT WE DO

SEB plays an active part in the development of the societies in which it is operating. In Sweden and the Baltic countries we offer financial advice and a wide range of financial services. In Denmark, Finland, Norway and Germany, our operations have a strong focus on a full-service offering to corporate and institutional clients.

SEB meets stakeholders needs...

...generating value...

DISTRIBUTED VALUE
SEK 59bn
- Interest paid to customers
- Dividends paid to 270,000 shareholders
- Salaries, pensions and benefits to 15,500 employees
- Payments to 13,000 business partners and suppliers
- Taxes and fees

...via our services...

...and different channels

IN AREAS LIKE:
- Commercial banking
- Investment banking
- Advisory services
- Long-term savings
- Life insurance
- Payments
- Financing

252 branch offices in Sweden and the Baltic countries
158 million visits online
20 international sites
165 million mobile bank interactions
24/7 telephone bank services
200 client executives for large corporates and institutions
Customers always come first. Our deeply committed 15,500 employees work together as a team to serve our customers.

**LARGE CORPORATIONS**
SEB’s corporate customers in the Nordic region are among the largest in their respective industries. In Germany they range from large mid-corporates to large multinationals.

**FINANCIAL INSTITUTIONS**
The institutional clients operate both in the Nordic countries and internationally.

**CORPORATE CUSTOMERS**
In all, SEB serves approximately 400,000 small and medium-sized companies in Sweden and the Baltic countries. Of these, some 257,000 are home bank customers.

**PRIVATE CUSTOMERS**
SEB has approximately 4 million private individuals among its customers in Sweden and the Baltic countries. Of these some 1.3 million are home bank customers. In addition, SEB serves around 27,000 private banking customers.
It is sometimes said that the speed of change has never been as rapid as we are now experiencing it. However, perhaps some day we will be looking back, saying that change was never as slow as today. Over the past years the banking industry has undergone a period of unparalleled changes. Indisputably, some of these changes originated from the global financial crisis. Real economic growth has been subdued despite unprecedented central bank liquidity measures. Banks are adapting to a continuously changing regulatory framework. However, an important driver behind the new landscape for banks has also been changing customer behaviours, demand for transparency and rapid technological development.

Times are all but normal. Just looking back on the past year when global growth reached close to 3 per cent, we still experienced that customer sentiment was cautious. In Sweden, the central bank lowered its repo rate to -0.35 per cent. Stock markets were volatile and credit spreads widened. Commodity prices dropped sharply and global tension rose on the back of war and terror attacks.

The shifting market environment impacted customer behaviours. Large corporate and institutional customers’ demand for risk management services was high, while low corporate investments led to a continued low demand for credit. The activity in the Nordic IPO market was record-high and SEB was the leading advisor. Small and medium-sized companies (SMEs) in Sweden were somewhat more optimistic and increased their demand for credit, especially towards the second half of the year. The shifting demographic trends increase the need for long-term savings.

The end of 2015 also marks the end of SEB’s three-year business plan. We delivered on what we set out to do. We invested in a growing and active customer base. We continued to grow in core segments in the Nordic countries and Germany, among SMEs in Sweden and in the long-term savings area. We increased capital and cost efficiency, while investing in enhanced customer solutions at the range of SEK 1.5–2bn per year.

Three years ago we communicated that our ambition was to reach a return on equity of 15 per cent on a Common Equity Tier 1 (CET1) of 13 per cent. Since then, capital requirements have increased, and as we closed our business plan we achieved a return on equity of 12.9 per cent, excluding one-off effects, with a CET1 of 18.8 per cent.

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»We have delivered on what we set out to do three years ago.«

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During 2015 we have in dialogue with all employees outlined our view of what banking will look like in a ten-year perspective. Our vision to deliver world-class service reflects our view that customer orientation and digitisation increase in importance. Customer experience will be key and we see a shift towards a mix of products, tailored services and proactive advice based on customer needs. This calls for new ways of working.

To clearly signal a new paradigm, we have reorganised into customer segments, revamped our corporate values and taken steps to automating end-to-end processes based on customer journeys. To us in SEB this means that whatever we do, we are always guided by first asking if this will lead to an even better customer experience. I would like to take the opportunity to thank all employees for their hard work. The whole team is deeply committed to take on this new journey in the rapidly changing environment.

Stockholm, February 2016

Annika Falkengren
President and Chief Executive Officer
OUR VISION IS TO DELIVER WORLD-CLASS SERVICE TO OUR CUSTOMERS
CUSTOMERS’ HIGH EXPECTATIONS FOR ACCESSIBILITY as well as insightful and user-friendly services lead to changed demands on the bank. The rapid digital transformation and regulatory requirements present both opportunities and threats. World economic growth remains fragile despite massive central bank support and falling commodity prices.
UNCERTAINTY REMAINS
The world economy remains frail and the economic development is generally weak and uncertain with deflationary fears. Central banks continue to provide liquidity and some operate with negative interest rates. Low energy prices provide support for the world economy, but it is challenging for some countries and companies. Economic fragility is accompanied by geopolitical tensions. Russia and Ukraine are in military conflict. The Middle East is torn apart by sectarian violence, resulting in a dramatic inflow of refugees to Europe. While immigrants are a welcome addition to aging populations, many countries have difficulties integrating them into the labour force. Social tensions are rising, aggravated by the risk of new terror attacks.

»The economic development is generally weak and uncertain.«

The Paris climate conference reached a non-binding accord to reduce carbon dioxide emissions. This will over time have a significant impact on business models, technology and energy consumption.

The global banking industry faces challenging market conditions with a high degree of dependence on the macroeconomic development. In the banking sector – already affected by regulations and new competition – the drawn-out period of low interest rates adds to the challenge.

EVOLVING CUSTOMER BEHAVIOUR
Both private and corporate customers are increasingly affected by globalisation and the rapid pace of technological change.

Corporate customers need pro-active support, efficient processes and customised advice at each development stage, from start-up to global operations. Their needs are to a large degree related to the macroeconomic development.

Many private individual customers today prefer to do their banking on their mobile phones rather than via the internet bank or at a branch office. This means that better interfaces, greater availability and more sophisticated digital services are demanded. With the current demographic outlook, private individuals have to take greater responsibility for their long-term financial security and welfare. With this comes a need for qualified financial advice and relevant savings offerings.

DIGITISATION CHANGING THE PLAYING FIELD
The technological development leads to more digital processes and services, changing customers’ behaviours and the overall customer experience. Also, the intermediary role of banks is impacted by for instance peer-to-peer lending and crowdfunding platforms.

At the same time, new technologies are enabling new market participants, often start-up companies, for instance within payment facilitation – so called FinTechs. With their focus on the front-end of banking they are showing strong capabilities in customer interaction and have an ability to deliver solutions swiftly and efficiently. On the other hand, they seldom deliver full universal banking services.

Banks can capitalise on their main advantages – trust, access to the customers and data. They can also partner up with FinTechs and other banks to invest in common infrastructures and enhanced customer services.

Going forward, automated collection of information, analysis and proactive actions will increasingly be used for more tailored services to improve the customer’s experience.

REGULATORY REQUIREMENTS STILL DEVELOPING
In the wake of the financial crisis, regulation and supervision of the financial system globally has been a clear trend. This has among other things led to increased capital requirements with higher capital quality as well as higher requirements on liquidity within the banking sector.

Regulatory development is likely to continue. Rules that focus on investor protection and harmonised trading (MIFID and MiFIR) may impact banking business models regarding advisory services and fee transparency, as well as trade reporting.

In 2015, SEB spent around SEK 400m on the implementation of the regulatory requirements.
SEB’s long-term vision reflects a future in which customer orientation and digitisation increase in importance. In this environment, the bank’s ambition is to be the undisputed leading Nordic corporate and institutional bank and the top universal bank in Sweden and the Baltic countries. SEB will focus on providing a leading customer experience, investing in digital interfaces and automated processes and on being the most attractive employer.
STRATEGY, VISION AND PURPOSE

During the year, SEB focused on a long-term road map for the bank, Vision 2025. This was used as a starting point for the future strategy as well as the bank’s vision and purpose – what sets SEB apart.

The three strategic priorities reflect the bank’s view of its direction in a longer perspective and the three focus areas are key to realising the business plan for 2016–2018. The strategic ambition is to achieve true customer centricity in a digitised world aiming to be the undisputed leading Nordic bank for corporations and institutions and the top universal bank in Sweden and the Baltic countries. The targeted result from a successful pursuit of the strategy and business plan is reflected in the Board of Directors’ financial targets – Common Equity Tier 1 capital ratio, return on equity and dividend.

Vision
To deliver world-class service to our customers.

Purpose
We believe that entrepreneurial minds and innovative companies are key to creating a better world. We are here to enable them to achieve their aspirations and succeed through good times and bad.

STRATEGIC PRIORITIES

1. LEADING CUSTOMER EXPERIENCE
Develop long-term relations based on trust so that customers feel that the services and advice offered are insightful about their needs, are convenient and accessible on their terms and that SEB shares knowledge and acts proactively in their best interest.

2. RESILIENCE AND FLEXIBILITY
Maintain resilience and flexibility in order to adapt operations to the prevailing market conditions. Resilience is based upon capital strength. Cost efficiency provides room for new investments.

3. GROWTH IN AREAS OF STRENGTH
Large corporations and financial institutions
Continue to grow and enhance customer relations in the Nordic countries and Germany with a full-service offering and digital client portals and to selectively attract targeted UK corporate customers.

Small and medium-sized enterprises in Sweden
Develop and broaden the offering to small and medium-sized enterprises with a proactive advisory-driven approach also attracting new customers.

Savings offering to private individuals and corporate customers
Create growth by offering customers convenient and advisory based digital solutions including bancassurance to cater for customers’ need for long-term savings.
3 FOCUS AREAS – BUSINESS PLAN 2016–2018

SERVICE LEADERSHIP
SEB’s focus will be on customer journeys using digital solutions and support in order to create a leading customer experience in all segments. This includes offering personalised advice and transforming the first line of service to digital solutions and portals so that customers can choose where and in what manner they want to be served.

Goal: To achieve the leading position regarding customer experience in all targeted customer segments.

DIGITISATION
SEB aims to provide omni-channel connectivity by developing customised advisory tools and interfaces based on digital customer intelligence. SEB will also digitise and automate internal processes in order to improve efficiency.

Goal: To provide a complete remote offering and that a majority of transactions are digital.

NEXT GENERATION COMPETENCES
SEB’s vision will lead to a gradual competence shift broadening the role for client executives and also develop capabilities in service design, data analytics and IT developments. SEB will continue to ensure that the right talents are attracted and provide the right training to existing employees in line with SEB’s people strategy.

Goal: To be the most attractive employer.

THE 2013–2015 BUSINESS PLAN CLOSED

The business plan 2013-2015 targeted competitive profitability, high customer satisfaction and employee engagement, while complying with the new regulatory framework. Based on growth in core segments in the Nordic countries and Germany, among SMEs in Sweden and in the long-term savings area, the target was to achieve an income growth of 15 per cent, a return on equity of 15 per cent on a Common Equity Tier 1 capital ratio of 13 per cent.

The bank delivered on the business plan.

Around 200 large Nordic and German corporate and institutional customers, 28,000 smaller Swedish business customers and 90,000 private customers were added.

In terms of customer satisfaction, all segments ranked SEB highly. The trend for large customers and institutions was slightly negative, for corporates positive while for private customers the trend varied depending on the type of measurement.

Net inflow of assets under management was SEK 173bn.

Operating income grew by 15 per cent.

Operating expenses were kept below the SEK 22.5bn cap.

Employee engagement as measured by the survey Insight increased by 9 percentage points and was above industry average.

Capital adequacy, as measured by the Common Equity Tier 1 ratio, improved to 18.8 per cent.

Return on equity improved from 11.1 to 12.2 per cent1).

1) Capital requirements increased from 13 to 15.6 per cent. Had it remained unchanged, return on equity would have been 13 per cent.
A STRATEGY AND BUSINESS PLAN FOR ALL STAKEHOLDERS

SEB has raised its ambition and is aiming to be a role model in sustainability – contributing to better governance, protecting the environment and enhancing SEB’s contribution to society at large. The bank is offering sustainable products and advice and is including sustainability aspects in the credit analysis process as well as in the investment management process.

In discussions with stakeholder representatives – complemented by an analysis of emerging societal, economic, environmental and business trends – SEB has identified the issues most material for its business. The bank and the stakeholders have a similar opinion on materiality and the issues are either directly linked to SEB’s strategic priorities, or are prerequisites for a successful pursuit of them. Refer to the Corporate Sustainability Report on www.sebgroup.com

THE MOST MATERIAL ISSUES

- Customer experience and service
- Capacity for innovation
- Digitisation and automation
- Responsible and proactive advice
- Talent management and competence development
- Employee engagement
- Business ethics and culture
- Data protection
- Financial strength and resilience
- Sustainability in financing and investments
- Risk management

ALIGNING THE ORGANISATION

As of 2016, SEB’s organisation is aligned with the customer segments in order to better support the vision. The former Wealth Management division has been split between the divisions Large Corporates & Financial Institutions, Corporate & Private Customers and the new Life & Investment Management division, which will support the customer-oriented divisions with life insurance and fund management activities. See page 38.

PRESIDENT & CEO

Large Corporates & Financial Institutions
Corporate & Private Customers
Baltic
Life & Investment Management
Business Support and Group Staff
SEB monitors the results of the TNS Reputation Index, which measures the bank’s reputation among consumers and business owners in Sweden and the Baltic countries.

Various internal and external metrics are used to measure customer satisfaction. Customers’ willingness to recommend SEB is one of the key measures of the bank’s progress.

**CUSTOMERS – customer experience and satisfaction**

**NORDIC LARGE CORPORATES**

Customers’ willingness to recommend ¹)

<table>
<thead>
<tr>
<th>Year</th>
<th>SEB</th>
<th>Industry average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>4.1</td>
<td>3.6</td>
</tr>
<tr>
<td>2015</td>
<td>4.1</td>
<td>3.7</td>
</tr>
</tbody>
</table>

¹) According to Prospera

**NORDIC INSTITUTIONS**

Customers’ willingness to recommend ¹)

<table>
<thead>
<tr>
<th>Year</th>
<th>SEB</th>
<th>Industry average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>3.7</td>
<td>3.5</td>
</tr>
<tr>
<td>2015</td>
<td>3.6</td>
<td>3.5</td>
</tr>
</tbody>
</table>

¹) According to Prospera

**SHAREHOLDERS – financial targets**

Through the resilience and flexibility that come from a strong capital base, good access to funding, high credit ratings and cost efficiency, SEB can create shareholder value in varying market conditions. The Board of Directors sets three targets which together contribute to financial strength.

**COMMON EQUITY TIER 1 CAPITAL RATIO**

<table>
<thead>
<tr>
<th>Year</th>
<th>SEB</th>
<th>Industry average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>2014</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>2015</td>
<td>18%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Target: 17.5 per cent

SEB shall maintain a Common Equity Tier 1 capital ratio according to Basel III that is around 1.5 percentage points higher than the Financial Supervisory Authority’s requirement. SEB’s estimate of the 2016 requirement is 16 per cent. The bank’s Common Equity Tier 1 capital ratio was 18.8 per cent at year-end.

**EMPLOYEES – motivation and engagement**

SEB’s annual employee survey, Insight, measures employee engagement, efficiency and trust. It also measures employees’ willingness to recommend SEB as a place to work.

**Willingness to recommend SEB as a place to work**

<table>
<thead>
<tr>
<th>Year</th>
<th>SEB</th>
<th>Financial sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>30%</td>
<td>71%</td>
</tr>
<tr>
<td>2014</td>
<td>60%</td>
<td>71%</td>
</tr>
<tr>
<td>2015</td>
<td>60%</td>
<td>71%</td>
</tr>
</tbody>
</table>

Target: Most attractive employer.

**SOCIETY – reputation and sustainability**

SEB monitors the results of the TNS Reputation Index, which measures the bank’s reputation among consumers and business owners in Sweden and the Baltic countries.

**REPUTATION**

<table>
<thead>
<tr>
<th>Year</th>
<th>SEB</th>
<th>Index</th>
<th>Baltic</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>0%</td>
<td>20%</td>
<td>0%</td>
<td>20%</td>
</tr>
<tr>
<td>2014</td>
<td>40%</td>
<td>40%</td>
<td>42%</td>
<td>42%</td>
</tr>
<tr>
<td>2015</td>
<td>42%</td>
<td>42%</td>
<td>42%</td>
<td>42%</td>
</tr>
</tbody>
</table>

— Financial sector average (SHB, SEB, Swedbank, Nordea, Danske Bank)

1) According to TNS Reputation Index (weighted in the Baltic countries).

In 2015 SEB’s reputation among the general public in Sweden was unchanged from 2014, and the bank retained its no.2 spot among its peers. SEB ranks as no.3 in Estonia and as no.2 in both Latvia and Lithuania.

**Target:** The strongest reputation among industry peers.
SEB wants to be a role model in sustainability within the financial industry. One measure of how far the sustainability work has evolved is whether the bank meets the criteria for inclusion in sustainability indexes.

SEB is working to reduce its direct CO₂ impact.

The CO₂ emission target of 23,200 tonnes was exceeded – the emissions were reduced by 54 per cent.

SME and private customer satisfaction improved according to this measure. Nordic large corporations ranked SEB as no.2 in 2014 and no.3 in 2015. In 2014 SEB shared the no.2 spot in the ranking by Nordic financial institutions, while in 2015, SEB was ranked as no.5.

SEB will work to improve overall customer satisfaction through proactive advice and convenient customer interfaces.
SEB creates value

Customer centricity, long-term perspectives and financial strength form the foundation for meeting the expectations of customers, employees and society at large. Ultimately, this creates value for the shareholders.

Stakeholders

1.6 million corporate and private customers
The customers’ needs form the foundation for the bank’s business. Customers’ high expectations on sustainable solutions and quality advice and service drive the bank’s business development and offerings.

270,000 shareholders
The capital provided by SEB’s shareholders is a prerequisite for conducting the bank’s business. The shareholders expect a competitive and sustainable return on their capital. Many of the major owners have a long-term perspective on their engagement in the bank.

15,500 employees
SEB’s employees build and deepen customer relationships. Their commitment, skills and experience are key success factors for the bank’s business and future development.

Society at large
Banks play an integral role in society and are vital for creating economic growth and social value. With this comes expectations that the bank takes great responsibility in how it pursues its business and thus acts to enable society to continue to develop in a long-term sustainable way.

Services

Long-term strategy
SEB’s strategy is built on developing deep customer relationships with a long-term perspective.

Customer-oriented offer
SEB provides proactive quality advice and a holistic offering at the customers’ convenience, based on customer insights.

Secure and functional IT
SEB’s IT structure ensures stability in the daily operation and agile development of digital products and services.
FOR CUSTOMERS
Customers benefit from proactive advice and a wide range of financial services. SEB supports its customers over the long term as a business partner based on insight and trust.

FOR SHAREHOLDERS
SEB strives for increased dividends and market value over time. Since 2011 the value of SEB’s Class A shares more than doubled. The dividend per share increased from SEK 1.75 in 2011 to the proposed SEK 5.25 for the year 2015.

FOR EMPLOYEES
The employees are highly motivated by SEB as a place to work and show a strong commitment. They take part in and value the opportunities for learning and further development that are integrated in SEB’s business.

FOR SOCIETY AT LARGE
The bank intermediates financial solutions, provides payment services and manages risks. SEB pays taxes and fees according to local requirements where it operates. SEB takes responsibility in its roles as a provider of financing and as an asset manager and works proactively with environmental, social and governance issues.

SEB’S VALUE DISTRIBUTION
SEK 59bn
- Interest paid to customers
- Dividends paid to shareholders
- Salaries, pensions and benefits to employees
- Payments to business partners and suppliers
- Taxes and fees
SEB’s ambition is to keep its position as the leading Nordic bank for large corporations.

The number of Initial Public Offerings was unusually high during 2015, while M&A activity was down and major debt transactions were fewer in number. SEB participated in many IPOs and had the largest market share in the Nordic markets in terms of volume. Higher volatility in the fixed income and currency markets led to higher demand for risk management products in pace with customers’ focus on balancing their holdings and risks. However, growth in lending volume was low, as companies took a wait-and-see approach in the uncertain market climate.

Apart from the core markets in the Nordic countries and Germany, the bank’s international network plays a key role in SEB’s comprehensive offering to corporate cli-

ASSA ABLOY

ASSA ABLOY is the global leader in door opening solutions. The corporation’s long-standing relation with SEB has been broadened and developed in pace with its fast international expansion. The bank assists with everything from cash management and financing solutions to service regarding bond issuing and advice in connection with acquisitions.

«SEB is a reliable financing partner, not only in good times. The close and personal approach is vital. The bank attends to our needs and acts swiftly and flexibly when necessary.«
Carolina Dybeck Happe, CFO, ASSA ABLOY

LARGE CORPORATIONS

SEB is the leading corporate bank in the Nordic countries and has over the course of nearly 160 years developed a business model based on long-term relationships, proximity to customers and deep insight into customers’ needs. SEB offers a comprehensive range of financial services and advice for all aspects of a company’s operations. The bank’s broad expertise and depth of industry knowledge make SEB the preferred partner for large corporations.

SEB’s strategy is – through digital client portals, personal relations, process efficiency and optimised cost and capital – focused on expanding business with the existing customer base in the Nordic countries and Germany and toward growing the number of corporate customers in the UK.
ents. During the year the international sites were brought together under joint management.

SEB is raising its ambition for operations in the UK where the target market is being broadened to also include selected British companies.

SEB continued to develop its digital client interfaces in collaboration with customers. Ahead of 2015 an updated version of C&I Online, SEB’s internet bank for large corporations, was launched. It features simplified navigation, improved functions for payment registration and information access.

SUSTAINABILITY IN CUSTOMER DIALOGUE
Sustainability is an integral part of SEB’s business activities. Toward this end the bank has drawn up specific sector policies and position statements on important issues such as climate change, child labour and access to fresh water. These guidelines are now a natural part of the current customer dialogue. In certain cases, SEB turned down financing deals or refrained from entering into new customer relationships.

SEB has clarified its position with respect to climate change. This entails, among other things, that the bank will not enter into new business relationships with corporates engaged in substantial coal mining activities nor finance new coal power plants. Read more in the Sustainability Report at www.sebgroup.com

QUESTIONS FOR…
ISABELLE CASSEL
Head of Corporate Coverage

How would you summarise 2015?
The year was characterised by low activity, with only a few major structural deals and weak demand for working capital loans. In an environment with falling prices, corporations have put investments on hold. We did however see a record year when it comes to the number of initial public offerings.

How is business?
Focus has been on broadening and deepening relationships with the many new corporate customers who joined us between 2010 and 2014 and who have become an important part of our business.

In 2015, business volumes developed positively in Norway and Denmark, while it was virtually flat in Finland and Germany. In Sweden, volume grew slightly in pace with customers’ growth.

How does SEB’s advice differ from others’?
Our advice is customer-centred, meaning that it is based on a comprehensive view of the customers’ needs. For example, we have a Financial Strategy unit that offers strategic advice based on the customer’s total financial position. This sets us apart from others and is appreciated by our customers.

SEB’S CUSTOMERS
SEB serves some 2,300 large corporations in a wide range of industries and in most cases with an international focus. In the Nordic countries these corporations are among the largest in their respective industries, while in Germany the customers range from the large mid-corp segment to multinational corporations.

THE LEADING NORDIC CORPORATE BANK
Share of total income 2015, per cent

<table>
<thead>
<tr>
<th>SEB</th>
<th>Nordic peers 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>41.5</td>
<td>11.1 11.4 16.0</td>
</tr>
<tr>
<td>22.6 6.7 3.7</td>
<td>4.7 2.9 3.7</td>
</tr>
</tbody>
</table>

1) Income breakdown for Swedbank, SHB, Nordea, Danske Bank and DNB. Business units only (indicative).
SEB serves some 700 customers in the financial institutions segment in the Nordic countries and across the globe. Financial institutions increasingly have industry-specific needs. To meet these needs SEB is further developing its specialised offering.

In 2015 the bank clarified the joint responsibility for the comprehensive offering to institutional customers. This offering is specialised to meet the needs of the various sub-segments, such as pension and insurance companies and also banks.

Both SEB and its institutional customers will be affected to a high degree by the new MiFID II regulations, which have significant bearing on market functions and put new demands on all actors in the capital markets. SEB has dedicated great focus on advising its customers on these matters to ensure their continued access to investments and risk management via the global markets.

AP4
The Fourth Swedish National Pension Fund (AP4) is a government agency, with a fund capital of more than SEK 300bn at year-end 2015. The fund has a broad and long-term relationship with SEB, encompassing everything from business intelligence to advice, research and transaction services for the investment portfolio.

»I appreciate your comprehensive offering and that you serve us through a variety of contacts in different parts of our organisation.«
Mats Andersson, President, AP4

FINANCIAL INSTITUTIONS

STRATEGY
To meet the financial institutions’ needs and gather the bank’s offerings throughout the value chain, SEB has a specialised customer key account organisation with a depth of expertise in the operations of its institutional clients. Focus is on digital client portals, process efficiency in addition to cost and capital efficiency.
SUSTAINABILITY INCREASINGLY IMPORTANT
Among institutional customers there is a strongly growing interest in integrating sustainability in the investment process.
To meet this interest, SEB advises institutions on sustainability issues and suitable products. SEB is a leading expert in green bonds and participated in the issuance of SEK 22bn in this type of funding in 2015.
Micro-finance funds provide financing for individuals and small businesses in developing countries, many of which would have remained outside of the financial system without this form of funding. SEB’s three micro-finance funds have SEK 2.2bn in invested capital for more than fifteen million borrowers in some 30 countries.
SEB is developing its sustainable product offering on a continuous basis. New initiatives include a structured product developed by the bank that follows a low CO2 index.

RAPID GROWTH IN DIGITAL CURRENCY TRADING
During the past two years SEB has invested in a new digital platform that will enable the bank’s continued participation in the rapidly growing electronic trade in the currency market. As a result of these investments, SEB is now at the forefront in this area and has been able to increase the number of trading partners in the market, where banks, large corporations and institutions today are increasingly trading directly with each other.
The investments have already generated tangible results and customer feedback has been positive. In 2015 electronic trading business volume and earnings doubled compared with 2014.

QUESTIONs FOR…
HANS BEYER
Head of Financial Institutions Coverage

How would you summarise 2015?
Institutional customers stood strong, despite struggling with weak growth in the economy. In addition, currently we are seeing a paradoxical situation where financial organisations are borrowing to meet regulatory requirements in spite of high liquidity in the markets.
In SEB the shift from a product to a customer perspective continued as well as our adaptation to the rapid digital development.

How is business developing?
We have been able to strengthen and broaden our relations with the customers, among other things through participation in a number of large structural capital market transactions. We have also seen an increased activity in the debt capital market area and in our fund operations.

Why is demand rising for alternative investments?
The central banks’ zero or negative interest policies and the large amount of liquidity that they are providing are driving a need to invest long-term in areas such as infrastructure and real estate in order to achieve necessary returns. This applies not least for pension companies, who also have to deal with demographic changes as more and more of their customers recognise the need to take greater responsibility for their retirement.

SEB’S CUSTOMERS
SEB serves some 700 financial institutions, consisting of pension and asset managers, hedge funds, insurance companies and other banks active in the Nordic countries and internationally. Many of them work in an environment in which new regulations are creating a need for financial restructuring and advisory-based services.

7,196 SEK bn
assets under custody

22 SEK bn
green bonds 2015
SEB serves some 400,000 small and medium-sized companies in Sweden and the Baltic countries. They continued to deepen their relationships with the bank, and the number of home bank customers continued to rise.

Customers’ willingness to invest and need of financing picked up during the second half of the year.

SEB continued to increase accessibility for customers. In Sweden, the business banking app was redesigned for easier navigation, the internet bank was improved with functionality for payment registration, and the Swish payment service was opened up for companies. In addition, an SEB function now allows businesses to manage their e-invoices via a web interface.

INNOVATING TOGETHER WITH BUSINESS CUSTOMERS
SEB supports innovation and entrepreneurship, both through own initiatives and in broad partnerships with organisations dedicated to promoting enterprise. In Sweden SEB has established collaborations with some 15 organisations that work along the entire chain from new business start-ups to mature companies. SEB has also started an innovation forum that gives newly started tech companies with ties to the research world an opportunity to meet potential investors among the bank’s customers – both private and corporate.

In the Baltic countries SEB is working in the same way to promote enterprise, among other things through joint innovation projects with business

»We feel confident working with the bank for the professional advice, honest communication and careful attention to the needs of our employees.«

Kęstutis Jasiūnas, General Manager, UAB EKSPLA

EKSPLA
EKSPLA is a Lithuanian manufacturer of lasers, laser systems and laser components for research and development as well as industrial applications. The company was established in 1992 and is now one of the market leaders in picosecond laser systems. The company is participating in ELI projects in Europe to build the most powerful laser system in the world and was announced as the winner of Prism Award (“Photonics Oscar”) in 2011.

Companies

The strategy is to develop SEB’s offerings based on the bank’s strong position among large corporations in the Nordic region. The key is to offer small and medium-sized companies convenient services and proactive advice in Sweden and the Baltic countries, based on a deep insight of their situation, including the needs of their employees and owners.

Smaller businesses are served with the help of packaged services and increased accessibility. Focus is on creating excellent customer experiences through increasingly digital interfaces.
SEB’s customers. In 2015, more than 750 companies participated in SEB’s Innovation Lab, a forum for knowledge-sharing and exchange of innovative ideas. The aim of these activities is to spread knowledge about how innovation can help companies grow.

Security and digital advice for small business owners
Many small business owners lack basic protection such as disability insurance. One reason is that the forms of insurance that have previously been available on the market have been complex and more adapted to larger companies. To meet this need SEB has complemented its small business package with two new insurance solutions that are specially designed to meet small business owners’ need for financial security.

To increase accessibility to these services, SEB has developed a screen-sharing function that allows customers – at their workplaces or at home – to obtain quality advice on financial security solutions and pensions. The bank’s advisers share the split-screen view with customers and guide them through their individual situations.

QUESTIONS FOR...
Veine Svensson
Regional Director, Retail Sweden

How would you summarise 2015?
2015 was a turbulent year with negative interest rates, continued rising housing prices and growing international tensions, which of course has affected our customers in varying ways. They have grown more cautious even though credit demand picked up towards the end of the year.

During the year we continued to strengthen our position and increase our market share in all segments, especially in the key segment represented by companies with annual sales of SEK 5-200 million.

How is SEB improving customer service?
Through digitisation and simplification of the lending process we are freeing up time that we can spend on our customers. We are striving to be a proactive partner who can create value for our customers by giving them access to the bank’s combined expertise in areas such as financing, currency transactions and cash management, and not least through our international network.

Which are the key trends?
A lot is happening in the payments area, and companies want fast, secure and simple solutions. We are also seeing growing interest in sustainability, where we as a bank can provide advice and support.
SEB provides advice, products and services to meet the financial needs of some four million private customers in Sweden and the Baltic countries.

In 2015, SEB became one of the few banks in Sweden with a comprehensive pensions offering – including traditional life insurance. During the year, the bank also further developed its mobile app for private customers.

The sharp growth in home prices and the growing level of debt among households were central issues of focus during the year. For several years SEB has worked for a strengthening of households' financial resilience by promoting a stronger amortisation culture.

DIGITAL CUSTOMER MEETINGS
SEB is developing digital solutions that make it easier for customers to maintain control over their personal finances. The mobile banking app has been upgraded so that customers can now gain a comprehensive overview of their pension savings, home mortgages, insurance and card transactions.

In Sweden SEB also developed a digital signature for pension contracts to facilitate the process in connection with the discontinued tax deduction right for pension savings. In the Baltic countries the bank has developed a digital advisory support function that helps customers gain a comprehensive picture of their personal finances.

SAVINGS OFFERING
The bank’s advisory model has been refined and focuses on the customer’s entire life situation. Accordingly, helping customers build up a savings buffer and financial security for retirement

STRATEGY
SEB's strategy in the private market is to meet customers’ needs for advice and financial services from a comprehensive perspective that covers all phases in life. SEB strives to make it easy for customers to manage their personal finances and plan for the future, with particular emphasis on savings.

Proactivity and accessibility are key in this endeavour. The ambition is to innovate convenient solutions that simplify daily life for customers and give them a financial overview and control. SEB provides advice and service 24 hours a day – digitally, by phone, or through the bank’s branch network in Sweden and the Baltic countries.
are natural topics in the customer dialogue. Household mortgage amortisation is a further component.

SEB has a comprehensive offering of savings solutions, including life insurance. Traditional life insurance, which was reintroduced during the year, is a popular form of pension savings for customers who want a guarantee and do not want to be actively involved in how their capital is invested.

**SUSTAINABLE SAVINGS**

Among SEB’s new products is the SEB Global Sustainability Fund, which relies more and more on positive screening. The fund actively searches for companies that serve as good examples with respect to carbon emissions, use of water and handling of toxic waste. The fund already excludes companies involved in weapons, pornography, gaming, tobacco and spirits as well as companies that violate international conventions. It does not invest in companies engaged in coal, gas or oil exploration.

**SEB ADVOCATES HOUSEHOLD MORTGAGE AMORTISATION**

Since 2009 housing prices in Sweden have risen by nearly 50 per cent while interest rates have fallen to historically low levels. The main reason for the higher housing prices is a lack of new home construction over many years.

SEB’s general recommendation is that customers should amortise on their household mortgages. For new mortgages with a loan-to-value (LTV) ratio higher than 50 per cent, binding guidelines exist. At year-end 2015, 98 per cent of all new household mortgages with LTVs higher than 70 per cent contained an amortisation plan.

SEB’s lending is based on the borrower’s repayment capacity, including the ability to manage an interest rate of 7 per cent and a mortgage that is no more than five times the household’s gross income.

**SEB’S CUSTOMERS**

In all SEB has approximately four million private customers in Sweden and the Baltic countries. Of these 482,000 are home bank customers in Sweden and 880,000 in the Baltic countries. Many private customers are also business customers.

For private customers with sizeable capital and a need for more qualified advice, SEB offers a comprehensive range of private banking services. SEB has approximately 27,000 private banking customers in and outside Sweden.

**QUESTIONS FOR...**

**How has the economic situation affected Estonian households?**

Increased income, improved social benefits and lower income taxes have led to a strengthened position for households. This was reflected in larger business volumes – both lending to and deposits from our private customers grew by 6 per cent.

**How are you working with advice?**

For the second year in a row we in the Baltic region have carried out a special advisory programme aimed at raising financial literacy both in society in general and among our customers. The demand for advisory meetings has been high.

**EERIKA VAIKMÄE-KOIT**

Head of Retail, Estonia

**How would you summarise 2015?**

It was a challenging year with high volatility in both the equity and commodities markets, at the same time that we find ourselves in a unique situation with zero or negative interest rates around the world. It has therefore been extra important to work closely with our customers and carry on a dialogue about which risk level is suitable for each and every customer.

**SEBASTIAN SIEGL**

Head of Private Banking, Sweden

**How is the customer offering developing?**

Digitisation is changing customers’ needs, and we are striving to develop our offering together with our customers in an effort to add value for them in all channels. For example, in 2015 we used so-called webinars to swiftly inform customers about market updates. The upgrades of our mobile apps have been well-received.
SEB’s Employees

Working at SEB entails both individual responsibility and being part of a team. Employeeship and leadership go hand-in-hand to create an effective organisation. SEB focuses on building and strengthening teams along with cross-collaboration within the group.

People Strategy
With SEB’s people strategy the bank aims to ensure that it has the capabilities to meet a changing environment. The strategy is built on four cornerstones: professional people, great leaders, high performing teams and an effective organisation.

Insight Survey
In SEB’s Insight employee survey for 2015, the scores increased for the third year in a row. The survey shows that SEB has committed employees who are satisfied in their jobs and readily recommend SEB as a good place to work. Among identified improvement areas were systems and processes for supporting customers, internal co-operation and career paths within the bank.

In recent years SEB has worked actively with the Insight survey results. In open meetings and with supporting tools for dialogue and collaboration, managers and employees in all divisions and countries have worked with the survey results to make conclusions for their respective teams.

Learning in SEB
For SEB’s future success it is critical that employees develop – both as individuals and as team members. Continuous learning in day-to-day activities is a key prerequisite to effectively and smoothly adapt to new circumstances, such as new customer expectations or changing demands from regulators. Modern methods and effective tools are used to facilitate
learning, such as short films, interactive presentations and web-based training. With the right support, learning is largely driven by the employees themselves. During 2015 SEB developed its own internal campus – a venue for all development and learning in the bank. In 2016, this will be launched on a digital platform that will be easily accessible for all employees.

**DIVERSITY**
SEB believes that different perspectives enhance creativity and problem-solving and contribute to good decisions. This benefits both the customers and society at large. The bank strives to improve its processes in order to promote diversity – from advertising and recruiting to developing and communicating with employees.

**HEALTH AND WORK ENVIRONMENT**
A safe and sound work environment combined with good health and work/life balance forms the base for the employees’ performance and engagement. SEB’s health strategy focuses on preventive measures. It aims to motivate employees and raise their knowledge about the importance of lifestyle and the work environment – for them as individuals, for the company and for society. The strategy is based on the latest research findings and incorporates recommendations from SEB’s health science council.

SEB trains and supports managers on health and work environment-related issues. In 2015, SEB offered a range of activities to inspire employees to exercise daily, such as a global step challenge. SEB has also strengthened its focus on stress-related absenteeism. Total sickness-related absenteeism at SEB in Sweden is 2.8 per cent, which is low compared with other industries as well as compared with peers.

**FORWARD LOOKING**
Technological development in society and customers’ growing expectations for simplicity and transparency are putting new demands on SEB as an employer. Competence-sharing and development are becoming key factors, in addition to engaged leadership that facilitates learning and innovation. The ability to manage change and work across borders will be critical for SEB’s continued long-term success. Therefore, SEB prioritises management training as well as employee involvement through tools for open and interactive dialogues.

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**WOMEN’S MENTOR PROGRAMME**
In 2015, SEB conducted a mentor programme for 17 female managers with particular development potential. Each participant was assigned a personal mentor from the Group Executive Committee. Ann Juviken (to the left), a manager at one of the bank’s IT units, and Elisabeth Sterner, a manager at Investment Management, both acknowledge the importance of having a mentor who supports and encourages women to take on greater challenges. “A team is more successful if it has diversity not only of gender but also of skill, cultural background and age”, they say.

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**SEB’S EMPLOYEES**

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**EMPLOYEE STATISTICS**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees, average</td>
<td>16,599</td>
<td>16,742</td>
<td>17,096</td>
</tr>
<tr>
<td>Sweden</td>
<td>8,320</td>
<td>8,352</td>
<td>8,553</td>
</tr>
<tr>
<td>Germany</td>
<td>789</td>
<td>894</td>
<td>1,013</td>
</tr>
<tr>
<td>Baltic countries</td>
<td>5,118</td>
<td>5,100</td>
<td>5,047</td>
</tr>
<tr>
<td>Employee turnover, %</td>
<td>9.0</td>
<td>8.9</td>
<td>11.1</td>
</tr>
<tr>
<td>Sick leave, % (in Sweden)</td>
<td>2.8</td>
<td>2.4</td>
<td>2.4</td>
</tr>
<tr>
<td>Female managers, %</td>
<td>44</td>
<td>43</td>
<td>42</td>
</tr>
</tbody>
</table>

1) Average number of full-time equivalents 15,605.

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**SEB’S CORE VALUES**

**CUSTOMERS FIRST**
We put our customers’ needs first, always seeking to understand how to deliver real value.

**COMMITMENT**
We are personally dedicated to the success of our customers and are accountable for our actions.

**COLLABORATION**
We achieve more working together.

**SIMPLICITY**
We strive to simplify what is complex.

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**UPDATE OF SEB’S CORE VALUES**
The core values are the foundation for everything SEB does. SEB’s core values were updated during the year. The values are described in the bank’s Code of Conduct which is a tool for guidance on ethical matters for all employees.
2015 was an important year for global climate and development issues. The climate agreement, adopted by 195 states at the COP 21 conference in Paris, was a milestone in keeping global warming well below 2°C. Although concrete emission targets are lacking, there is now a common view of the importance of reducing CO2 emissions. The world’s nations also committed to the UN’s 17 Sustainable Development Goals. For the first time, it was recognised that business has a driving role in contributing to a more sustainable world. SEB has analysed the 17 goals and will begin integrating them in the bank’s business during 2016.

During the year, SEB took a stronger position on climate change and will actively work toward the goal of keeping global warming below 2°C. This entails, among other things, reducing the climate impact of fund management activities and not entering into new business relationships with companies with substantial involvement in coal mining or financing new coal power plants.

During the year, SEB raised its ambition and set a target to become a leader in sustainability in the financial industry.

UPDATED CODE OF CONDUCT
In recent years, focus around the world has increased on corporate governance and ethics. SEB always aims to conduct business in a responsible manner. All employees are expected to work according to a strong ethical compass. Values in society evolve over time. In 2015, the bank therefore revised its Code of Conduct and further underscored the importance of maintaining SEB’s culture as well as every employee’s individual responsibility for their actions. The Code of Conduct is available at sebgroup.com.
SEB’S SUSTAINABILITY PERSPECTIVES

RESPONSIBLE BUSINESS

As a financial partner, investor and owner, SEB takes responsibility for how the business affects customers, employees, shareholders and society at large. Our ambition is to create long-term value from a financial, ethical, social and environmental perspective. During the year the bank participated in the issue of SEK 22bn in green bonds. In addition, to date a total of SEK 2.5bn has been invested in SEB’s microfinance funds, and the bank has SEK 517bn in assets managed in accordance with the PRI principles.

ENVIRONMENT

SEB monitors its own, direct environmental impact. The bank exceeded the goal of reducing its CO2 emissions by 45 per cent between 2008 and 2015, reaching 54 per cent in 2015. For 2020, the goal is to reduce its CO2 emissions by a further 20 per cent in selected categories. During the year, the bank revised its position statement on climate change which recognises the urgency of the global climate warming.

PEOPLE AND COMMUNITY

Banks help communities develop and prosper. Through numerous partnerships SEB works to ensure that future generations – children, youth and entrepreneurs – have the means to grow and, in turn, can contribute to sustainability in society over the long term. In 2015, SEB provided SEK 62m in support to such partnerships. As an employer SEB focuses on manager and employee development, diversity, and proactive health initiatives.

SUSTAINABILITY WITHIN THE BUSINESS

Throughout SEB, further steps were taken during the year to integrate sustainability in the business activities, such as by ensuring that sustainability aspects are discussed as a natural part of the product development process. SEB’s mutual fund operations are also strengthening the sustainability aspects of their work. During the year SEB became a signatory of the Montreal Carbon Pledge, an initiative in which investors commit to measure and publicly disclose the carbon footprint of their investment portfolios. By the end of the first quarter of 2016, a minimum of ten SEB funds – including the SEB Sustainability Fund Sweden – will regularly measure their CO2 impact.

COMBATING FINANCIAL CRIME

SEB believes that combating financial crime is an integral part of its work on safeguarding its core business and society at large. In 2015 employee training in this area was strengthened. A dramatised film, “The Banker, the Fraudster and the Property Developer”, based on actual events, made a great impact and was designed to increase awareness about fraud and money laundering. The film is available on the bank’s intranet. It has been viewed more than 5,500 times and has been well-received.

ACTIVE SOCIAL PARTNERSHIP

In 2015, the bank actively participated in initiatives for children and youths, among other things through the Mentor organisation, where more than 800 employees participated, and the El Sistema school orchestra concept. Clear proof of SEB’s employees’ willingness to engage themselves can be seen in the donation initiative for refugees in early September in collaboration with Save the Children Sweden. In the course of one week SEB employees in six countries donated a total of SEK 1.1m, which the bank then matched to SEK 2.2m.

SEB reports its sustainability work in accordance with GRI G4. For further information, see sebgroup.com
In 2015, the value of the SEB Class A shares decreased by 10 per cent, to SEK 89.40 while the FTSE European Banks Index dropped by 5 per cent. Earnings per share amounted to SEK 7.57 (8.79). The Board proposes a dividend of SEK 5.25 per share for 2015 (4.75).

**SHARE CAPITAL**

SEB's share capital amounts to SEK 21,942m, distributed on 2,194.2 million shares. Each Class A-share entitles to one vote and each Class C-share to 1/10 of a vote.

**STOCK EXCHANGE TRADING**

The SEB shares are listed on Nasdaq OMX Stockholm, but are also traded on other exchanges, such as BATS, CXE, Boat and Turquoise. In 2015, about 50 per cent of the trading took place on these alternative exchanges. The value of the SEB class A share was down by 10 per cent, while the Nasdaq OMX Stockholm General Index was up by 7 per cent and the FTSE European Banks Index dropped by 5 per cent. Total turnover in SEB shares amounted to SEK 312bn (233), of which 142bn on Nasdaq OMX Stockholm. Market capitalisation by year-end was SEK 196bn (218).

**DIVIDEND POLICY**

SEB strives to achieve long-term dividend growth without negatively impacting the Group's capital ratios. The annual dividend shall correspond to 40 per cent or above of earnings per share. Each year’s dividend is assessed in the light of prevailing economic conditions and the Group’s earnings, growth possibilities, regulatory requirements and capital position.

### DATA PER SHARE

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<tbody>
<tr>
<td>Basic earnings, SEK</td>
<td>7.57</td>
<td>8.79</td>
<td>6.74</td>
<td>5.31</td>
<td>4.93</td>
</tr>
<tr>
<td>Diluted earnings, SEK</td>
<td>7.53</td>
<td>8.73</td>
<td>6.69</td>
<td>5.29</td>
<td>4.91</td>
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<tr>
<td>Shareholders’ equity, SEK</td>
<td>65.11</td>
<td>61.47</td>
<td>56.33</td>
<td>49.92</td>
<td>46.75</td>
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<tr>
<td>Net worth, SEK</td>
<td>72.09</td>
<td>68.13</td>
<td>62.10</td>
<td>56.33</td>
<td>51.99</td>
</tr>
<tr>
<td>Dividend per A and C share, SEK</td>
<td>5.25</td>
<td>4.75</td>
<td>4.00</td>
<td>2.75</td>
<td>1.75</td>
</tr>
<tr>
<td>Year-end market price per Class A share, SEK</td>
<td>89.40</td>
<td>99.55</td>
<td>84.80</td>
<td>55.25</td>
<td>40.09</td>
</tr>
<tr>
<td>per Class C share, SEK</td>
<td>88.85</td>
<td>97.65</td>
<td>79.90</td>
<td>53.40</td>
<td>39.00</td>
</tr>
<tr>
<td>Highest price paid during the year per Class A share, SEK</td>
<td>111.50</td>
<td>100.60</td>
<td>85.10</td>
<td>57.95</td>
<td>62.00</td>
</tr>
<tr>
<td>per Class C share, SEK</td>
<td>112.50</td>
<td>99.10</td>
<td>80.30</td>
<td>54.30</td>
<td>61.25</td>
</tr>
<tr>
<td>Lowest price paid during the year per Class A share, SEK</td>
<td>83.45</td>
<td>82.25</td>
<td>55.70</td>
<td>38.87</td>
<td>30.72</td>
</tr>
<tr>
<td>per Class C share, SEK</td>
<td>83.75</td>
<td>77.45</td>
<td>53.20</td>
<td>38.74</td>
<td>33.00</td>
</tr>
<tr>
<td>Dividend as a percentage of result for the year, %</td>
<td>69.4</td>
<td>54.0</td>
<td>59.3</td>
<td>51.8</td>
<td>35.5</td>
</tr>
<tr>
<td>Yield, %</td>
<td>5.9</td>
<td>4.8</td>
<td>4.7</td>
<td>5.0</td>
<td>4.4</td>
</tr>
<tr>
<td>P/E, %</td>
<td>11.8</td>
<td>11.3</td>
<td>12.6</td>
<td>10.4</td>
<td>8.1</td>
</tr>
<tr>
<td>Number of outstanding shares, million average at year-end</td>
<td>2,191.2</td>
<td>2,186.8</td>
<td>2,190.8</td>
<td>2,191.5</td>
<td>2,193.9</td>
</tr>
<tr>
<td></td>
<td>2,193.3</td>
<td>2,188.7</td>
<td>2,179.8</td>
<td>2,192.0</td>
<td>2,191.8</td>
</tr>
</tbody>
</table>

Source: Euroclear/Modular Finance AB

**THE LARGEST SHAREHOLDERS**

<table>
<thead>
<tr>
<th>No. of shares</th>
<th>Of which Series C shares</th>
<th>Share of capital, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>Investor AB</td>
<td>456,198,927</td>
<td>4,000,372</td>
</tr>
<tr>
<td>Alecta</td>
<td>138,400,000</td>
<td>6.3</td>
</tr>
<tr>
<td>Trygg foundation</td>
<td>130,673,802</td>
<td>6.0</td>
</tr>
<tr>
<td>Swedbank Robur funds</td>
<td>78,652,435</td>
<td>3.6</td>
</tr>
<tr>
<td>AMF Insurance &amp; funds</td>
<td>69,468,707</td>
<td>3.2</td>
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<tr>
<td>SEB funds</td>
<td>34,707,779</td>
<td>1.6</td>
</tr>
<tr>
<td>Nordea funds</td>
<td>25,904,487</td>
<td>1.2</td>
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<tr>
<td>Third Swedish National Pension fund</td>
<td>24,730,533</td>
<td>1.1</td>
</tr>
<tr>
<td>Fourth Swedish National Pension fund</td>
<td>23,086,839</td>
<td>1.1</td>
</tr>
<tr>
<td>First Swedish National Pension fund</td>
<td>21,679,257</td>
<td>1.0</td>
</tr>
<tr>
<td>Handelsbanken funds</td>
<td>21,618,022</td>
<td>1.0</td>
</tr>
<tr>
<td>Danske Invest &amp; Danske Pension</td>
<td>18,578,497</td>
<td>0.8</td>
</tr>
<tr>
<td>AFA Insurance</td>
<td>18,083,754</td>
<td>0.8</td>
</tr>
<tr>
<td>Norges Bank</td>
<td>17,837,204</td>
<td>0.8</td>
</tr>
<tr>
<td>Didier &amp; Gerge funds</td>
<td>17,778,514</td>
<td>0.8</td>
</tr>
<tr>
<td>Foreign owners</td>
<td>583,656,031</td>
<td>26.5</td>
</tr>
</tbody>
</table>

Source: Euroclear/Modular Finance AB
TOTAL SHAREHOLDER RETURN IN 2015
Total shareholder return (TSR) – i.e. share price development and reinvested dividends per share – was -6 per cent (+23). The average TSR for the Nordic peer group was 3 per cent (17). In the last three years, TSR for the SEB share has been 23 per cent on average.

SHAREHOLDER STRUCTURE
Percentage holdings of equity on 31 December 2015

- Swedish shareholders 73.5%
  - Institutions and foundations 45.8%
  - Private individuals 11.2%
  - Mutual funds 16.5%
  - Foreign shareholders 26.5%

The majority of the bank’s approximately 270,000 shareholders are private individuals with small holdings. The ten largest shareholders account for 46 per cent of capital and votes.

Source: Euroclear/Modular Finance AB

SEB’S ANNUAL GENERAL MEETING

SEB has approximately 270,000 shareholders. Some 170,000 of these own less than 500 shares, while 160 hold more than 1,000,000 shares, accounting for 80 per cent of capital and votes. The shareholders’ influence is exercised at General Meetings of Shareholders, the bank’s highest decision-making body.

Slightly more than 1,000 shareholders were in attendance at the AGM 2015.

The main resolutions at the AGM were:
- Dividend of SEK 4.75 per share
- Re-election of the eleven members of the Board
- Re-election of Marcus Wallenberg as Chairman of the Board
- Re-election of PricewaterhouseCoopers as auditors
- Adoption of guidelines for remuneration for the President and the other members of the GEC
- Approval of two long-term equity programmes
- Issuance of a mandate to the Board concerning the acquisition and sale of own shares for SEB’s securities business, for the long-term equity programmes and for capital management purposes.

ANALYSTS’ RECOMMENDATIONS 2015

Q1 2015
- Buy 6
- Hold 8
- Sell 2
- Total 16

Q2 2015
- Buy 6
- Hold 7
- Sell 1
- Total 14

Q3 2015
- Buy 8
- Hold 9
- Sell 0
- Total 17

Q4 2015
- Buy 10
- Hold 8
- Sell 1
- Total 19

More than 30 analysts are covering SEB’s financial development. Apart from the quarterly press conferences, SEB annually arranges a number of meetings with analysts and investors in order to clarify the bank’s development and answer questions. A summary of some of the analysts’ recommendations is published via news agencies every quarter.

1) The recommendation was given before the presentation of SEB’s annual accounts for 2015.
Source: SME Direkt
MANAGING RISK IN SEB

A BANK’S FUNDAMENTAL ROLE IS TO INTERMEDIATE TRANSFERS OF MONEY between companies or private individuals, who want to borrow, invest, save or make payments. SEB must manage the risks that arise in connection with those activities in the best possible way.

Based on the fundamental role as a bank SEB accepts risks to create value for customers and shareholders. Risk management is indispensable for the bank’s long-term profitability. SEB’s risk management is based on the Board’s view on risk tolerance.

Maintaining control over credit risk, the single largest risk in a bank, is fundamental. Long-term relations and a deep knowledge about the customers is at the core of SEB’s risk philosophy and the foundation for a stable and well-balanced credit portfolio.

Every credit decision is based on an analysis of the customer’s ability to repay. For smaller household loans this is done through a standardised process, while large loans to corporate and institutional customers require an individual analysis. The quality of SEB’s credit portfolio is high. The bank’s corporate portfolio is dominated by financially strong Nordic and German large corporations. The household lending consists mainly of household mortgages in Sweden, which historically have had a very low risk. The average credit loss level in Sweden during the last ten years (including the financial crisis) amounts to 0.19 per cent of total lending.

2015: The asset quality continued to be strong and the credit loss level was lower than 2014. In Sweden 98 per cent of all new loans with a loan to value above 70 per cent were amortising. The asset quality in the Baltic portfolios improved throughout the year.

SEB – SECOND STRONGEST BANK IN EUROPE

A strong financial position is vital for risk management. According to a compilation done by Bloomberg Markets magazine, SEB was the second strongest bank in Europe and number 12 globally. Hong Kong-based Hang Seng Bank was number one worldwide. SEB had the highest ranking among its Swedish peers.

The ranking is based on a review of all banks with total assets of USD 100bn or more. Financial strength was evaluated in five categories: the ratio of tier 1 capital to risk-weighted assets, the ratio of non-performing assets to total assets, reserves for loan losses to nonperforming assets, the ratio of deposits to funding and a cost efficiency ratio. All data were for the banks’ 2014 fiscal year.

The household lending consists mainly of household mortgages in Sweden, which historically have had a very low risk. The average credit loss level in Sweden during the last ten years (including the financial crisis) amounts to 0.19 per cent of total lending.

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LIQUIDITY RISK

Banks must ensure that funds are available on demand. Since depositors in a bank may want to withdraw savings at any time, regardless of when the bank receives loan payments, liquidity risks arise. This means that access to liquidity and funding is vital.

2015: SEB maintained large liquidity reserves and strengthened the balance sheet by issuing more long-term debt than what matured during the year. Funding costs were low in the low interest rate environment.

MARKET RISK

One of the bank’s important roles is to help customers buy and sell various types of securities. In order for this to work, the bank must have a trading portfolio of instruments, including equities, currencies and fixed-income instruments. SEB also maintains liquidity reserves invested in bonds with low risk. Market risk arises in the trading portfolio and the liquidity reserve since their value may decrease.

2015: Market risk in SEB’s trading book remained at a low level even though the markets during the year were characterised by relatively high activity and volatility.

OPERATIONAL RISK

SEB handles a large number of customer transactions every day. This requires the bank to have reliable systems, well-functioning processes and that the employees avoid mistakes. Operational risk involves all types of situations where the bank makes mistakes which can lead to additional costs. This risk also includes fraud or external events.

2015: SEB’s operational losses continued to be low. For several years, SEB’s operational losses have been lower than those of peers that are part of the database ORX. During the year the bank continued to improve processes and the controls surrounding cyber crime and various types of fraud.

INSURANCE RISK

SEB offers two forms of pension insurance:
- unit-linked insurance, where the customer decides the risk profile, how the savings are to be invested in various funds and where the risk is borne by the customer, and
- traditional life insurance, where SEB assumes responsibility for management of assets and risk, and guarantees a minimum return.

Banks’ risk in life insurance is that the premiums, which are based on assumptions about life expectancy and future claims, are inadequate. There is also a risk that the return on assets will be insufficient to meet the guaranteed minimum return over time. Since most of SEB’s life insurance business consists of unit-linked insurance without any guaranteed return this risk is limited in SEB.

2015: The buffers against insurance risk increased during the year as a result of the favourable development in the market value of the bank’s traditional life portfolios.

CREDIT PORTFOLIO DEVELOPMENT BY INDUSTRY

<table>
<thead>
<tr>
<th></th>
<th>Corporates</th>
<th>Households</th>
<th>Property management</th>
<th>Public administration</th>
<th>Banks</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>250</td>
<td>500</td>
<td>750</td>
<td>1000</td>
<td>1250</td>
</tr>
<tr>
<td>-11</td>
<td>-12</td>
<td>-13</td>
<td>-13</td>
<td>-13</td>
<td>-13</td>
</tr>
<tr>
<td>-12</td>
<td>-13</td>
<td>-14</td>
<td>-14</td>
<td>-14</td>
<td>-14</td>
</tr>
<tr>
<td>-13</td>
<td>-14</td>
<td>-14</td>
<td>-14</td>
<td>-14</td>
<td>-14</td>
</tr>
</tbody>
</table>

SEB ANNUAL REVIEW 2015
THE INCOME STATEMENT DESCRIBED

OPERATING INCOME

Net interest income consists mainly of the difference between income from lending and expenses associated with deposits and borrowings. Banks’ interest margins differ in various markets, mainly due to varying maturities and risks. Changes in the margins as well as in the volumes of deposits and lending have a major bearing on net interest income. In addition, net interest income is affected by the return on holdings of fixed-income securities and expenses associated with the bank's issuance of securities used to fund the operations. Financial stability fees to the authorities are also reported within net interest income.

Net fee and commission income, which includes commissions from various services such as equities trading, lending, advisory services, payments and cards, has long been a larger source of revenue for SEB than for other Swedish banks. This is because SEB works to a greater extent than other banks with corporate services and wealth management. This item also includes fees from assets under management and custody.

Net financial income includes both realised gains and losses associated with sales of equities, bonds and other financial instruments, and unrealised changes in the market value of securities. The trend in the financial markets plays a great role in this context. This item also includes earnings from foreign exchange trading.

Net life insurance income includes fees from sales of life insurance products, where unit-linked insurance accounts for a very large share.

Other income, net, includes certain capital gains, dividends, hedges and other items.

OPERATING EXPENSES

The largest operating expense consists of staff costs for the Bank’s some 15,500 employees. Other operating expenses consist primarily of IT costs, consulting costs and costs for premises. Depreciation and impairments of assets pertains to IT costs, for example, which are spread over several years. To ensure a competitive and efficient cost base the bank operates under a cost cap of SEK 22.5bn.

INCOME STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>Change, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest income</td>
<td>18,938</td>
<td>19,943</td>
<td>-5</td>
</tr>
<tr>
<td>Net fee and commission income</td>
<td>16,877</td>
<td>16,306</td>
<td>4</td>
</tr>
<tr>
<td>Net financial income</td>
<td>4,118</td>
<td>2,921</td>
<td>41</td>
</tr>
<tr>
<td>Net life insurance income</td>
<td>3,300</td>
<td>3,345</td>
<td>-1</td>
</tr>
<tr>
<td>Net other income</td>
<td>915</td>
<td>4,421</td>
<td>-79</td>
</tr>
<tr>
<td>Total operating income</td>
<td>44,148</td>
<td>46,936</td>
<td>-6</td>
</tr>
<tr>
<td>Staff costs</td>
<td>-14,436</td>
<td>-13,760</td>
<td>5</td>
</tr>
<tr>
<td>Other expenses</td>
<td>-5,759</td>
<td>-6,310</td>
<td>-9</td>
</tr>
<tr>
<td>Depreciation, amortisation and impairments of assets</td>
<td>-1,992</td>
<td>-2,073</td>
<td>-4</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>-22,187</td>
<td>-22,143</td>
<td>0</td>
</tr>
<tr>
<td>Gains less losses from tangible and intangible assets</td>
<td>-213</td>
<td>-121</td>
<td>76</td>
</tr>
<tr>
<td>Net credit losses</td>
<td>-883</td>
<td>-1,324</td>
<td>73</td>
</tr>
<tr>
<td>Operating profit</td>
<td>20,865</td>
<td>23,348</td>
<td>-11</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>-4,284</td>
<td>-4,129</td>
<td>4</td>
</tr>
<tr>
<td>Net profit</td>
<td>16,581</td>
<td>19,219</td>
<td>-14</td>
</tr>
</tbody>
</table>

Net credit losses

Credit losses consist of incurred losses as well as provisions for probable losses, where SEB has determined that the counterparty will likely be unable to fulfil its payment obligations. Any recoveries have a positive impact on net credit losses.

Net profit

Net profit for the year forms the basis for calculating earnings per share and the proposed dividend to the shareholders.
THE RESULT FOR 2015

OPERATING INCOME

Net interest income decreased by 5 per cent to SEK 18,938m. The unusually low interest rates affected net interest income negatively and a one-off interest expense was incurred. Interest expenses also included regulatory fees for financial stability purposes at an amount of SEK 1,201m.

Net fee and commission grew by 4 per cent to SEK 16,877m. A high level of initial public offerings contributed positively. The asset management business had a good year. Payment and card fees decreased.

Net financial income increased by 41 per cent to SEK 4,118m. The financial markets were very volatile and customers sought hedging and risk management services to a high degree. Last year, the situation was reversed and net financial income was unusually low. There was a one-off cost in 2015.

Net life insurance income was virtually unchanged and amounted to SEK 3,300m where income from unit-linked insurance increased and income from traditional and risk insurance decreased.

Net other income decreased by 79 per cent to SEK 915m. The result consisted mainly of capital gains, dividend income and hedge accounting effects. In 2014 two one-off gains were included.

OPERATING EXPENSES

Operating expenses were virtually unchanged from 2014 and amounted to SEK 22,187m. As part of the new business plan 2016-2018, management decided to keep the existing cost cap unchanged at SEK 22.5bn through 2017.

Net credit losses decreased by 33 per cent to SEK 883m. Asset quality remained generally robust.

Income tax expense rose by 4 per cent to SEK 4,284m, corresponding to an effective tax rate of 21 per cent. This was in line with the Swedish corporate tax rate of 22 per cent.

NET PROFIT AND DIVIDENDS

Operating profit for the year decreased by 11 per cent to SEK 20,865m. Net profit was down 14 per cent to SEK 16,581m. Excluding the one-off items, operating profit rose by 7 per cent and net profit by 6 per cent. The Board of Directors proposes a dividend of SEK 5.25 per share to be distributed to the shareholders.

1) In 2015, SEB’s withholding tax refund application dating back to 2006–2008 was denied by the Swiss Supreme Court. This one-off item affected net financial income by SEK 820m and net interest income by SEK 82m.
2) In 2014, SEB sold its shares in MasterCard Inc. at a gain of SEK 1,321m and divested Euroline AB at a gain of SEK 1,661m. Both one-off transactions were reflected in net other income.
BALANCE SHEET DESCRIBED

Simply put, traditional banking is a matter of intermediating capital between customers with a surplus of capital and customers in need of borrowing whose needs vary widely with respect to amount, maturity and other terms. In its role as an intermediary, SEB can use for instance household savings and short-term deposits for corporate and long-term mortgage lending. Due to the large number of accounts with varying maturities, savings and deposits serve as a stable source of funding.

ASSETS

Loans to the public (households, corporate, etc.) and to credit institutions together account for slightly more than half of total assets. Debt securities are another large item. Financial assets at fair value consist of the bank’s trading position in equities, debt and derivatives and is largely short-term in nature. Insurance assets are held to meet the future obligations to the policy holders.

LIABILITIES AND EQUITY

The largest items consist of liabilities to credit institutions, and deposits and borrowing from the public. In addition, debt securities are issued by SEB for funding purposes. Financial liabilities are part of the bank’s trading position. The liabilities to policyholders are largely met by insurance assets.

Shareholders’ equity consists of the share capital, capital contributions and retained earnings.

DEVELOPMENT DURING 2015

Total assets at the end of the period were SEK 2,496bn, a decrease by SEK 145bn. The balance sheet was adapted to a lower volume of trading activities which on the liabilities side led to lower issuance of commercial papers and certificates of deposits and less need for short-term deposits. The decrease of the balance sheet had a positive effect on the bank’s capital and liquidity position.

ASSETS

Loans to households and corporates increased by around SEK 30bn. The household loans increase consisted mainly of Swedish housing mortgages while corporate credits increased among small and medium-sized companies in Sweden. Loans to large corporations were more or less unchanged in the hesitant market environment. Short-term trading positions in debt and equities as well as derivatives and repos decreased significantly.

LIABILITIES

Deposits from private individuals increased by SEK 16bn. Customers became more risk-averse and reallocated from equity funds. The short-term portion of corporate deposits dropped significantly, as well as certificates and derivatives – all due to the lower asset volumes.

EQUITY

The net profit for 2015 increased equity by SEK 17bn. The dividend for 2014 that was paid in 2015 decreased equity by SEK 10.4bn. The net increase in equity contributed to the improved capital adequacy. See page 10.

BALANCE SHEET

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash balances with central banks</td>
<td>133,651</td>
<td>119,915</td>
</tr>
<tr>
<td>Lending</td>
<td>53,954</td>
<td>67,632</td>
</tr>
<tr>
<td>Repos</td>
<td>1,755</td>
<td>14,168</td>
</tr>
<tr>
<td>Debt instruments</td>
<td>2,833</td>
<td>9,145</td>
</tr>
<tr>
<td>Loans to other credit institutions</td>
<td>58,542</td>
<td>90,945</td>
</tr>
<tr>
<td>Public administration</td>
<td>38,447</td>
<td>50,096</td>
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<tr>
<td>Private individuals</td>
<td>530,337</td>
<td>518,556</td>
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<tr>
<td>Corporate</td>
<td>707,874</td>
<td>689,291</td>
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<tr>
<td>Repos</td>
<td>58,560</td>
<td>75,759</td>
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<tr>
<td>Debt instruments</td>
<td>18,168</td>
<td>21,978</td>
</tr>
<tr>
<td>Loans to the public</td>
<td>1,353,386</td>
<td>1,355,680</td>
</tr>
<tr>
<td>Debt instruments</td>
<td>172,368</td>
<td>197,248</td>
</tr>
<tr>
<td>Equity instruments</td>
<td>67,538</td>
<td>101,052</td>
</tr>
<tr>
<td>Derivatives</td>
<td>215,551</td>
<td>273,684</td>
</tr>
<tr>
<td>Insurance assets</td>
<td>371,488</td>
<td>364,860</td>
</tr>
<tr>
<td>Financial assets at fair value</td>
<td>826,945</td>
<td>936,844</td>
</tr>
<tr>
<td>Debt instruments</td>
<td>34,963</td>
<td>43,106</td>
</tr>
<tr>
<td>Other</td>
<td>2,405</td>
<td>2,907</td>
</tr>
<tr>
<td>Available-for-sale financial assets</td>
<td>37,368</td>
<td>46,013</td>
</tr>
<tr>
<td>Tangible and intangible assets</td>
<td>26,203</td>
<td>27,524</td>
</tr>
<tr>
<td>Other assets</td>
<td>59,869</td>
<td>64,325</td>
</tr>
<tr>
<td>Total assets</td>
<td>2,495,964</td>
<td>2,641,246</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND EQUITY</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits from central banks</td>
<td>58,272</td>
<td>42,401</td>
</tr>
<tr>
<td>Credit institutions</td>
<td>57,788</td>
<td>68,119</td>
</tr>
<tr>
<td>Repos</td>
<td>2,445</td>
<td>4,666</td>
</tr>
<tr>
<td>Deposits from credit institutions</td>
<td>60,233</td>
<td>72,785</td>
</tr>
<tr>
<td>Public administration</td>
<td>29,392</td>
<td>62,230</td>
</tr>
<tr>
<td>Private individuals</td>
<td>291,523</td>
<td>246,433</td>
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<tr>
<td>Corporate</td>
<td>585,706</td>
<td>628,566</td>
</tr>
<tr>
<td>Repos</td>
<td>7,164</td>
<td>5,885</td>
</tr>
<tr>
<td>Deposits and borrowings from the public</td>
<td>883,785</td>
<td>943,114</td>
</tr>
<tr>
<td>Liabilities to policyholders</td>
<td>370,709</td>
<td>364,354</td>
</tr>
<tr>
<td>Commercial paper and certificates</td>
<td>146,150</td>
<td>213,654</td>
</tr>
<tr>
<td>Long term debt</td>
<td>493,294</td>
<td>476,208</td>
</tr>
<tr>
<td>Debt securities issued</td>
<td>639,444</td>
<td>689,862</td>
</tr>
<tr>
<td>Debt instruments</td>
<td>10,442</td>
<td>25,815</td>
</tr>
<tr>
<td>Equity instruments</td>
<td>12,927</td>
<td>15,237</td>
</tr>
<tr>
<td>Derivatives</td>
<td>207,416</td>
<td>239,711</td>
</tr>
<tr>
<td>Financial liabilities at fair value</td>
<td>207,416</td>
<td>239,711</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>78,566</td>
<td>73,126</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>31,372</td>
<td>40,265</td>
</tr>
<tr>
<td>Total equity</td>
<td>142,798</td>
<td>134,576</td>
</tr>
<tr>
<td>Total liabilities and equity</td>
<td>2,495,964</td>
<td>2,641,246</td>
</tr>
</tbody>
</table>
The corporate governance structure is as follows:
- The General Meeting of Shareholders
- The Nomination Committee
- The Board of Directors
- The President and CEO
- Divisions and support functions
- Internal audit, compliance and risk control

The General Meeting of Shareholders
The General Meeting of Shareholders is the highest decision-making body, which among other things appoints the members of the Board and the bank’s auditors. All registered shareholders have the right to participate at the Annual General Meeting (AGM) and vote for their shares. Information on the shareholders is found on p. 26.

The Nomination Committee
The Nomination Committee’s primary task is to make recommendations for the chairman and the directors of the Board. Pursuant to a decision by the AGM, the committee is to be composed of the Chairman of the Board along with representatives of the bank’s four largest shareholders.

The Board of Directors
The Board has overarching responsibility for SEB’s organisation, management and operations. Important issues during 2015 were e.g. the bank’s long-term development and the new customer-centric strategy and organisation. Like every other year, the Board also discussed the macroeconomic situation, the bank’s risk position, asset quality, credit portfolio and liquidity situation as well as interim and annual reports. Certain defined issues – e.g. credit and capital matters, audit, accounting and compliance issues and remuneration questions – are handled and prepared in three Board committees. The Board is presented on p. 34.

The president
The president and CEO is responsible for administrating the group’s business, including risk management, in accordance with the strategy and policies established by the Board. To safeguard the interests of the group as a whole, the President consults with the Group Executive Committee (GEC) on matters of major or principal importance. The GEC is presented on p. 35.

New organisation
SEB’s business is as from 1 January 2016 organised in four divisions following a decision by the Board in 2015.

SEB’S ORGANISATION (as of 1 January 2016)
BOARD OF DIRECTORS

MARCUS WALLENBERG
Other assignments: Chairman of Saab A/B and FAM AB.
Director of AstraZeneca PLC, Investor AB, Temasek Holdings Ltd and the Knut and Alice Wallenberg Foundation.
Shareholding: 7,535,584 Class A-shares and 720 Class C-shares.

URBAN JANSSON
Born 1945; Higher bank degree (SEB). Deputy Chairman since 2013. Elected in 1996.
Other assignments: Chairman of EAB and 365id AB. Director of Lindengruppen.
Shareholding: 56,840 Class A-shares.

ANNA RUTH ANDERSEN
Born 1959; B.Sc. (Business and Econ). Elected in 2013.
Other assignments: Director of the Foundation of University Graduates at SEB. Deputy Chairman of the Swedish American Chamber of Commerce (SACC), USA.
Shareholding: 100,000 Class A-shares.

SAMIR BRIKHO
Shareholding: 0.

JOHAN H. ANDRESEN
Other assignments: Director of Sunrise Communications Group AG, Switzerland, and Lundbeck A/S, Denmark.
Shareholding: 25,000 Class A-shares.

MARCUS WALLENBERG
Born 1956; B. Sc. (Econ) and Management. Elected in 2010.
Other assignments: Director of AstraZeneca PLC, Investor AB, Temasek Holdings Ltd. Senior Advisor to FAM AB.
Shareholding: 3,000 Class A-shares.

BIRGITTA KANTOLA
Born 1949; LLM and Econ. Dr. H.C. Elected in 2000.
Other assignments: Director of Nobina AB.
Shareholding: 30,000 Class A-shares.

TOMAS NICOLIN
Born 1954; B. Sc. (Econ) and M.Sc. (Management). Elected in 2009.
Other assignments: Chairman of Centre for Justice. Director of Nordstjernan AB, the Nobel Foundation, Axel and Margaret Johnsons Foundation and Research Institute of Industrial Economics.
Shareholding: 66,000 Class A-shares.

WINNIE FOK
Born 1956; Bachelor of Commerce. Elected in 2013.
Other assignments: Director of Volvo Car Corporation, G4S plc and Kemira Oyj. Member of the investment committee of HOPU Investments Co, Ltd. Senior Advisor to FAM AB.
Shareholding: 10,440 Class A-shares.

SAMIR BRIKHO
Shareholding: 0.

ANNA RUTH ANDERSEN
Born 1959; B.Sc. (Business and Econ). Elected in 2013.
Other assignments: Director of the Foundation of University Graduates at SEB. Deputy Chairman of the Swedish American Chamber of Commerce (SACC), USA.
Shareholding: 100,000 Class A-shares.

MAGDALENA OLOFSSON
Other assignments: Chairman of RAM Rational Asset Management AB, Director of RAM ONE AB, Consilio International AB, Nobel Foundation Investment Committee, Stockholm School of Economics and Stockholm School of Economics Association.
Shareholding: 10,440 Class A-shares and 10,200 Class C-shares.

HÅKAN WESTERBERG
Other assignments: Chairman of the Association of University Graduates at SEB.
Shareholding: 3,224 Class A-shares.

MARIA LINDBLAD
Born 1953; B.Sc. (Econ). Elected in 2012.
Shareholding: 0.

MAGDALENA OLOFSSON
Other assignments: Chairman of RAM Rational Asset Management AB, Director of RAM ONE AB, Consilio International AB, Nobel Foundation Investment Committee, Stockholm School of Economics and Stockholm School of Economics Association.
Shareholding: 10,440 Class A-shares and 10,200 Class C-shares.

HÅKAN WESTERBERG
Other assignments: Chairman of the Association of University Graduates at SEB.
Shareholding: 3,224 Class A-shares.

MARIA LINDBLAD
Born 1953; B.Sc. (Econ). Elected in 2012.
Shareholding: 0.

CHARLOTTE LINDBLAD
Other assignments: Deputy Chairman of the Association of University Graduates at SEB. Director of the Foundation of Alma Dethow.
Shareholding: 5,001 Class A-shares.

Directors appointed by the employees

From left to right: Marcus Wallenberg, Urban Jansson, Jesper Ovesen, Johan H. Andreessen, Signhild Arnegård Hansen, Samir Brikho, Annika Falkengren, Magdalena Olofsson, Håkan Westerberg, Maria Lindblad, Charlotta Lindholm, Winnie Fok, Birgitta Kantola, Tomas Nicolin and Sven Nyman.

CONTACT THE BOARD OF DIRECTORS: Skandinaviska Enskilda Banken AB • Board Secretariat • SE-106 40 Stockholm Sweden • sebboardssecretariat@seb.se
GROUP EXECUTIVE COMMITTEE

ANNIKA FALKENGREN
Born 1962; SEB employee since 1987; B. Sc. (Econ); President and CEO since 2005.
Shareholding*: 378,123 Class A-shares, 72,675 performance shares, 294,190 conditional share rights and 69,187 share rights.

MARTIN JOHANSSON
Born 1962; SEB employee since 2005; B. Sc. (Econ); Head of Business Support from 2011.
Shareholding*: 44,237 Class A-shares, 123,459 conditional share rights and 27,674 share rights.

CHRISTOFFER MALMER
Shareholding*: 59,142 Class A-shares and 11,306 deferral rights.

Ulf Peterson, David Teare, Peter Dahlgren, Marcus Nystén, Peter Høltermand, Rasmus Järborg and Johan Andersson.

From left to right: Anni Falkengren, Johan Torgeby, Martin Johansson, Viveka Hirdman-Ryberg, Jan Erik Back, William Paus, Mats Torstendahl, Magnus Carlsson, Joachim Alpen, Christoffer Malmer, Ulf Peterson, David Teare, Peter Dahlgren, Marcus Nystén, Peter Høltermand, Rasmus Järborg and Johan Andersson.

Additional members

JOHAN ANDERSSON
Born 1957; SEB employee since 1980; B. Sc. (Econ); Country Manager SEB Germany since 2016.
Shareholding*: 49,760 Class A-shares and 22 Class C-shares.

MARCUS NYSTÉN
Born 1960; SEB employee since 1998; M. Sc. (Econ); Country Manager SEB Finland since 2010.
Shareholding*: 102,354 Class A-shares, 15,425 deferral rights and 11,261 conditional phantom shares.

WILLIAM PAUS
Born 1967; SEB employee since 1992; M. Sc. (Econ); Country Manager SEB Norway since 2010.
Shareholding*: 34,312 Class A-shares, 5,419 conditional share rights and 20,903 phantom shares. FOR FURTHER INFORMATION, PLEASE REFER TO SEBGROUP.COM

PETER NYLLINGE
Born 1966; Auditor of SEB, Partner in charge as of 2012. Authorised Public Accountant.
FINANCIAL INFORMATION

SEB’s financial information is available on www.sebgroup.com

CALENDAR

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
<td>Annual Accounts for 2015</td>
<td>4 February 2016</td>
</tr>
<tr>
<td>Annual Report on the Internet</td>
<td>1 March 2016</td>
</tr>
<tr>
<td>Annual General Meeting</td>
<td>22 March 2016</td>
</tr>
<tr>
<td>Interim report January – March</td>
<td>27 April 2016</td>
</tr>
<tr>
<td>Interim report January – June</td>
<td>14 July 2016</td>
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<tr>
<td>Interim report January – September</td>
<td>20 October 2016</td>
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<td>Annual Account for 2016</td>
<td>1 February 2017</td>
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</tbody>
</table>

CONTACTS

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Telephone</th>
<th>E-mail</th>
</tr>
</thead>
<tbody>
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</tr>
</tbody>
</table>

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on Tuesday, 22 March 2016, at 1 p.m. (CET) at Stockholm Concert Hall, Hötorget. Notices convening the General Meeting including an agenda for the meeting are available on www.sebgroup.com

Shareholders who wish to attend the Annual General Meeting shall both
– be registered in the shareholders' register kept by Euroclear Sweden AB on Thursday, 16 March 2016, at the latest and
– notify the Bank by telephone 0771-23 18 18 (+46 771 23 18 18 from outside Sweden) between 9.00 a.m. and 4.30 p.m. (CET) or via Internet on www.sebgroup.com or in writing at the following address: Skandinaviska Enskilda Banken AB, AGM, Box 7832, SE-103 98 Stockholm, Sweden, on 16 March 2016, at the latest.

DIVIDEND

The Board proposes a dividend of SEK 5.25 per share for 2015.

The share is traded ex dividend on Wednesday, 23 March 2016. Thursday, 24 March 2016, is proposed as record date for the dividend payments. If the Annual General Meeting resolves in accordance with the proposals, dividend payments are expected to be distributed by Euroclear Sweden AB on Thursday 31 March 2016.
Welcome to SEB!

Our vision is to deliver world-class service to our customers. We assist 2,300 large corporations, 700 financial institutions, 257,000 small and medium-sized companies and 1.3 million private individuals with advice and financial solutions.

In Sweden and the Baltic countries, we offer comprehensive financial advice and a wide range of financial services. In Denmark, Finland, Norway and Germany, we have a strong focus on a full-service offering to large corporate and institutional customers.

The international scope of the operations is reflected in SEB’s presence in some 20 countries with 15,500 employees.

We have a long-term perspective in all of our operations and contribute to the development of markets and communities.