



Skandinaviska Enskilda Banken

*(Incorporated in the Kingdom of Sweden with limited liability)*

## **Global Programme for the Continuous Issuance of Medium Term Notes and Covered Bonds**

This Supplement (the **Supplement**) to the Information Memorandum dated 26th June, 2020, as supplemented on 16th July, 2020, in relation to the Global Programme for the Continuous Issuance of Medium Term Notes and Covered Bonds (as so supplemented, the **Information Memorandum**), which comprises a Base Prospectus for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) constitutes a supplement to the prospectus for the purposes of Article 23 of the Prospectus Regulation and is prepared in connection with the Global Programme for the Continuous Issuance of Medium Term Notes and Covered Bonds (the **Programme**) which was established by Skandinaviska Enskilda Banken AB (publ) (**SEB**).

Terms defined in the Information Memorandum have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Information Memorandum and any other supplements to the Information Memorandum issued by SEB.

SEB accepts responsibility for the information contained in this Supplement. To the best of the knowledge of SEB the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been approved by the Central Bank of Ireland (the **Central Bank**) as competent authority under the Prospectus Regulation. The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank should not be considered as an endorsement of SEB or the quality of the Notes. Investors should make their own assessment as to the suitability of the Notes.

On 22nd October, 2020, SEB published its interim report entitled "Interim Report January – September 2020" (the **Interim Report**) containing its unaudited consolidated and non-consolidated interim financial statements (including the auditor's limited review report thereon) in respect of the nine month period ended 30th September, 2020 (the **Q3 Financial Statements**), together with the publication entitled "Fact Book January – September 2020" relating thereto (the **Q3 Fact Book**).

The purpose of this Supplement is to (i) incorporate by reference certain sections of the Interim Report and the Q3 Fact Book as specified below; (ii) confirm there has been no significant change in the financial performance or position of the Bank or the SEB Group since 30th September, 2020; (iii) update the paragraph entitled "Key Figures" contained in the Information Memorandum, together with the immediately following paragraph; and (iv) update the Information Memorandum with certain updates to the Issuer Maturity Call provisions.

By virtue of this Supplement, the following documents shall be incorporated by reference in, and form part of, the Information Memorandum:

1. the Q3 Financial Statements set out on pages 13 – 16 (inclusive), on pages 18 – 45 (inclusive) and on pages 47 – 48 (inclusive) and the section entitled “*Auditor’s review report*” on page 45 of the Interim Report; and
2. the section entitled “Market Risk” set out on page 29 of the Q3 Fact Book.

Since 30th September, 2020, the last day of the financial period in respect of which the most recent unaudited interim financial statements of the Bank have been published, there has been no significant change in the financial performance or position of the Bank or the SEB Group.

If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Regulation except where such information or other documents are specifically incorporated by reference.

The non-incorporated parts of the Interim Report and the Q3 Fact Book are either not relevant for the investor or covered elsewhere in the Information Memorandum.

A copy of the Interim Report can be viewed on the website of SEB and is available at [https://sebgroup.com/siteassets/investor\\_relations1/interim\\_reports/2020\\_q3\\_interim.pdf](https://sebgroup.com/siteassets/investor_relations1/interim_reports/2020_q3_interim.pdf). A copy of the Q3 Fact Book can be viewed on the website of SEB and is available at [https://sebgroup.com/siteassets/investor\\_relations1/factbook/2020\\_q3\\_factbook.pdf](https://sebgroup.com/siteassets/investor_relations1/factbook/2020_q3_factbook.pdf).

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Information Memorandum by this Supplement and (b) any other statement in or incorporated by reference into the Information Memorandum, the statements in (a) above will prevail.

Save as disclosed in this Supplement and any supplement to the Information Memorandum previously issued, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Information Memorandum since the publication of the Information Memorandum.

### **Amendments or Additions to the Information Memorandum**

#### 1. *Key Figures*

Further to the incorporation by reference of the above sections of the Interim Report and the Q3 Fact Book into the Information Memorandum, the paragraph entitled “*Key Figures*” on starting page 119 of the Information Memorandum, together with the immediately following paragraph, shall be updated and replaced with the following paragraphs:

#### **“KEY FIGURES**

The table below shows certain key figures for SEB on a consolidated basis.

	<b>As at/nine months ended 30th September 2020</b>	<b>As at/year ended 31st December</b>	
	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>(Unaudited)</b>			
Return on equity <sup>1)</sup> % .....	8.8	13.7	16.3
Return on equity, excluding items affecting	9.7	13.8	13.4

	As at/nine months ended		As at/year ended 31st	
	30th September		December	
	2020	2019	2018	
comparability <sup>2)</sup> %				
Return on tangible equity %	9.4	14.5	-	
Return on tangible equity, excluding items affecting comparability <sup>2)</sup> %	10.2	14.6	-	
Return on risk exposure amounts <sup>3)</sup>	1.9	2.7	3.7	
Basic earnings per share <sup>4)</sup> (SEK)	4.91	9.33	10.69	
Cost/income ratio <sup>5)</sup>	0.46	0.46	0.48	
Net ECL level <sup>6)</sup> %	0.30	0.10	0.06	
Stage 3 (credit-impaired) loans/total loans, gross %	0.96	0.67	0.50	
Total capital ratio <sup>7), 8)</sup> % (at period end)	23.7	23.3	22.2	
CET1 capital ratio <sup>9)</sup> % (at period end)	19.4	17.6	17.6	
Tier 1 capital ratio <sup>10)</sup> % (at period end)	21.2	20.8	19.7	
Weighted average number of shares outstanding (millions) <sup>11)</sup>	2,164	2,162	2,164	
Liquidity Coverage Ratio <sup>12)</sup> % (at period end)	139	218	147	
Leverage ratio <sup>13)</sup> % (at period end)	4.6	5.1	5.1	

- 1) Net profit attributable to shareholders in relation to average shareholders' equity (calculated using month-end data).
- 2) Net profit attributable to shareholders, excluding items affecting comparability and their related tax effect, in relation to average shareholders' equity (calculated using month-end data). Items affecting comparability include (i) an administrative fine of SEK 1,000 million issued by the SFSA to SEB on the SFSA finalising its review of SEB's governance and control of measures against money laundering in SEB's Baltic banks, (ii) the completion of the sale of SEB Pension on 30th May 2018, which resulted in a capital gain that was to a large extent tax exempt of SEK 3,565 million, (iii) finalisation of the acquisition by Asiakastieto Group Plc (**Asiakastieto**) of UC AB on 29th June, 2018, which resulted in SEB receiving shares in Asiakastieto and SEK 300 million cash, as well as a tax-exempt capital gain of SEK 941 million and (iv) in relation to the core business in Germany being transferred from SEB AG to the German branch of SEB on 2nd January, 2018, a recognition of provisions related to redundancy and excess premises amounting to a total of SEK 521 million.
- 3) Net profit attributable to shareholders in relation to average risk exposure amounts (**REA**) (calculated using month-end data).
- 4) Net profit attributable to shareholders in relation to the weighted average number of shares outstanding (calculated on a daily basis) before dilution.
- 5) Total operating expenses in relation to total operating income.
- 6) Net credit impairments as a percentage of the opening balance of debt securities and loans to the public and credit institutions measured at amortised cost, financial guarantees and loan commitments, less the expected credit loss (**ECL**) allowances (the allowance for expected credit losses on financial assets, contract assets, loan commitments and financial guarantee contracts). The net ECL level is based on the IFRS 9 expected loss model.
- 7) The total capital of the financial group of undertakings, which includes both Group companies (other than insurance companies within the Group) and non-consolidated associated companies, adjusted according to the Basel III capital adequacy rules as a percentage of REA.
- 8) According to SEB's interpretation of the CRD IV/CRR regulatory requirements and as reported to the SFSA.
- 9) The common equity Tier 1 capital as a percentage of REA.
- 10) The Tier 1 capital as a percentage of REA.
- 11) The number of issued shares, less shares owned by the Group, weighted on a daily basis.
- 12) High-quality liquid assets in relation to the estimated net cash outflows over the next 30 days. Calculated according to SFSA regulations for the respective period. This is according to the definition under the relevant EU regulations.
- 13) Tier 1 capital as a percentage of total assets including off balance sheet items with conversion factors according to the standardised approach.

SEB's net expected credit losses were SEK 5,282 million, with a net expected credit loss level (**net ECL level**) of 0.30 per cent., for the nine months ended 30th September, 2020 compared to SEK 1,297 million, with a net ECL level of 0.08 per cent., for the corresponding period in 2019. SEB's net expected credit losses were SEK 2,294, with a net ECL level of 0.10 per cent., for the year ended 31 December 2019, compared to SEK 1,166, with a net ECL level of 0.06 per cent. for the year ended 31 December 2018."

## 2. Updates to the Issuer Maturity Call provisions

### 2.1 Terms and Conditions of the Notes

On page 82 of the Information Memorandum, Condition 5.04 in section entitled the ‘*Terms and Conditions of the Notes*’ shall be deleted in its entirety and replaced with the following:

*“Redemption at the Option of the Issuer (Issuer Call Prior to Maturity/Optional Redemption Date)”*

**5.04** If Issuer Call Prior to Maturity/Optional Redemption Date is specified as applicable in the applicable Final Terms, then the Bank may, upon the expiry of the appropriate notice, redeem all (but not some only) of the Notes then outstanding at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date or any Optional Redemption Date (as the case may be) to (but excluding) the Maturity Date or such Optional Redemption Date, as applicable, at the Final Redemption Amount specified in the applicable Final Terms, together (if appropriate) with interest accrued but unpaid to (but excluding) the date of redemption.”

2.2 On page 82 of the Information Memorandum, Condition 5.05 in section entitled the ‘*Terms and Conditions of the Notes*’ shall be deleted in its entirety and replaced with the following:

*“Notice*

The appropriate notice referred to in Conditions 5.02, 5.03, 5.04 and 5.05 is a notice given by the Bank to the Fiscal Agent, the Registrar (in the case of Registered Notes) and the Holders of the Notes and the relative Coupons (if any) in accordance with Condition 13, which notice shall be signed by two duly authorised officers of the Bank and shall specify:

- (i) the Series of Notes subject to redemption;
- (ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate nominal amount of the Notes which are to be redeemed; and
- (iii) the date fixed for such redemption, which shall be a Business Day which is not more than 60 days and not less than 30 days (or such minimum or maximum periods of notice as may be specified in the applicable Final Terms) after the date on which such notice is validly given and which is (in the case of Floating Rate Notes, other than in respect of an Issuer Call Prior to Maturity/Optional Redemption Date) an Interest Payment Date.

Any such notice shall be irrevocable, and the delivery thereof shall oblige the Bank to make the redemption therein specified.”

2.3 *Pro Forma Final Terms*

(a) On page 102 of the Information Memorandum in the section entitled ‘*Pro Forma Final Terms*’, paragraph 13 shall be deleted in its entirety and replaced with the following:

**“13. Put/Call Options** [Investor Put]  
[Issuer Call]  
[Issuer Call Prior to Maturity/Optional Redemption Date]  
[Not Applicable]  
[see paragraph [20]/[21]/[22]/[23]/below]

*(NB: Investor Put only applicable to Senior*

*Preferred Notes, other than Senior Preferred MREL Eligible Notes)*".

- (b) On page 108 of the Information Memorandum in the section entitled '*Pro Forma Final Terms*', paragraph 22 shall be deleted in its entirety and replaced with the following:

"**22.** Issuer Call Prior to [Applicable/Not Applicable].  
Maturity/Optional Redemption  
Date:

- (c) On page 108 of the Information Memorandum in the section entitled '*Pro Forma Final Terms*', the following shall be added as sub-paragraph (i) under paragraph 22 on Issuer Maturity Call:

"(i) Optional Redemption Date(s): [[ ]/Not Applicable]".