

AS SEB Pank



# Capital Adequacy and Risk Management Report (Pillar 3)

2022

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## Basis for the report

This report is prepared in accordance with the requirements of the Capital Requirements Directive (CRD IV) and the Capital Requirements Regulation No 575/2013 (CRR) Part 8 as well as the European Banking Authority's (EBA) implementing technical standards (ITS) with regard to public disclosures by institutions (EU Regulation No 2021/637 of 15 March 2021). In addition to this, disclosures according to the EBA Guidelines on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis are included in this report.

AS SEB Pank (the Bank), LEI code 549300ND1MQ8SNNYMJ22, is a subsidiary of the consolidated group of Skandinaviska Enskilda Banken AB (publ) (SEB Group) that is registered in Sweden. SEB Pank Group (the Group) consists of AS SEB Pank and fully owned subsidiary, AS SEB Liising with its subsidiary AS Rentacar and the associated company SK ID Solutions AS, which is owned to 25 per cent.

On 1 November 2022 the Bank sold 100 per cent of its subsidiary AS SEB Varahaldus shares to SEB Life and Pension Baltic SE.

The Bank is categorized as large institution other than Global Systemically Important Institution (G-SII), that is non-listed, and a large subsidiary of EU parent institution. According to Article 13 of CRR, information specified in articles 437, 438, 440, 442, 450, 451, 451a and 453 of CRR shall be disclosed for the large subsidiaries of EU parent institutions as well as the key metrics referred to in Article 447 (as required according to Article 433a of CRR).

Together with the Annual Report, this report provides information on the Group's material risks as part of the Pillar 3 framework, including details on the Group's risk profile and business volumes by customer categories and risk classes, which form the basis for the calculation of the capital requirement. The Pillar 3 report complements the Annual Report with additional information and is intended to be read in conjunction with the Annual Report, in particular the Notes to the Consolidated Financial Statements, including Risk Policy and Management section within it, where the Group's risk and capital management policies and practices are described. Reference is also made to SEB Group's Annual Report and Capital Adequacy and Risk Management Report (Pillar 3), which describes SEB Group's risk and capital management, including internal ratings systems, internal measurement approaches and principles for calculating own funds and capital adequacy. SEB Group's Pillar 3 report is available in English and is published on SEB Group's webpage [www.sebgroup.com](http://www.sebgroup.com).

Disclosures in relation to remuneration are included in the Annual Report sections "Management Report", pages 9-12. Significant accounting policies for the Bank are presented in the Annual Report, Note 1. Significant accounting policies, pages 23-34.

The report is based on the Group's consolidated situation as at 31 December 2022. The Financial Group forms the basis for consolidation for prudential purposes, which requires the Group to prepare consolidated accounts for the group entities engaged in financial service activities without consolidation of the entities involved in other activities. To comply with this requirement, the Bank has fully consolidated its subsidiary AS SEB Liising. Associated company SK ID Solutions AS is consolidated using equity method. The Consolidated Group in the Pillar 3 Report is same as in the Annual Report.

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

The information in this report is not required to be, and has not been, subject to external audit. The report has been approved by the Bank's Management Board.

The report has been attested by

Eve Kümnik

Member of the Management Board, Head of Finance and Operation Area, Chief Financial Officer of AS SEB Pank

//signed digitally//

Alto Aljas

Member of the Management Board, Head of Credits and Risk Area, Chief Risk Officer of AS SEB Pank

//signed digitally//

Tallinn,

27 March 2023

**Table 1.** EU KM1 – Key metrics (at consolidated group level)

EUR m	31 Dec 2022	30 Jun 2022	31 Dec 2021	30 Jun 2021
<b>Available own funds (amounts)</b>				
1 Common Equity Tier 1 (CET1) capital	946	964	925	963
2 Tier 1 capital	946	964	925	963
3 Total capital	948	965	928	967
<b>Risk-weighted exposure amounts</b>				
4 Total risk exposure amount	3,479	3,398	3,364	3,261
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>				
5 Common Equity Tier 1 ratio (%)	27.20	28.37	27.50	29.53
6 Tier 1 ratio (%)	27.20	28.37	27.50	29.53
7 Total capital ratio (%)	27.25	28.40	27.59	29.65
<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)</b>				
EU 7a Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.05	2.00	2.00	2.25
EU 7b of which: to be made up of CET1 capital (percentage points)	1.15	1.13	1.13	1.27
EU 7c of which: to be made up of Tier 1 capital (percentage points)	1.54	1.50	1.50	1.69
EU 7d Total SREP own funds requirements (%)	10.05	10.00	10.00	10.25
<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>				
8 Capital conservation buffer (%)	2.50	2.50	2.50	2.50
EU 8a Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)				
9 Institution specific countercyclical capital buffer (%)	1.00	0.00	0.00	0.00
EU 9a Systemic risk buffer (%)				
10 Global Systemically Important Institution buffer (%)				
EU 10a Other Systemically Important Institution buffer (%)	2.00	2.00	2.00	2.00
11 Combined buffer requirement (%)	4.50	4.50	4.50	4.50
EU 11a Overall capital requirements (%)	15.55	14.50	14.75	14.75
12 CET1 available after meeting the total SREP own funds requirements (%)	17.15	18.37	17.50	19.28
<b>Leverage ratio</b>				
13 Total exposure measure	9,008	8,413	8,524	7,877
14 Leverage ratio (%)	10.50	11.45	10.85	12.22
<b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>				
EU 14a Additional own funds requirements to address the risk of excessive leverage (%)				
EU 14b of which: to be made up of CET1 capital (percentage points)				
EU 14c Total SREP leverage ratio requirements (%)	3.00	3.00	3.00	3.00
<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>				
EU 14d Leverage ratio buffer requirement (%)				
EU 14e Overall leverage ratio requirement (%)	3.00	3.00	3.00	3.00
<b>Liquidity Coverage Ratio</b>				
15 Total high-quality liquid assets (HQLA) (Weighted value -average)	1,048	993	789	680
EU 16a Cash outflows - Total weighted value	1,196	1,176	1,086	971
EU 16b Cash inflows - Total weighted value	645	647	754	773
16 Total net cash outflows (adjusted value)	555	550	402	260
17 Liquidity coverage ratio (%)	196.90	188.52	222.43	265.55
<b>Net Stable Funding Ratio</b>				
18 Total available stable funding	5,943	5,763	5,539	5,558
19 Total required stable funding	4,613	4,407	4,247	4,267
20 NSFR ratio (%)	128.82	130.78	130.42	130.26

## Credit risk

Impairment process in the Bank is described in the Annual Report Note 1.8. Expected credit loss.

The definitions of past due: if an obligor has not paid an amount of principal, interest or fee at the date it was due, this shall be recognised as a payment obligation past due. An overdraft exposure shall be considered as past due if the counterparty has breached an advised limit or been advised of a limit smaller than the amount outstanding.

The Bank applies a definition of default for accounting purposes that is consistent with how it is defined in the capital requirements regulation (Article 178 of Regulation (EU) No 575/2013), which includes financial assets past due more than 90 days. All financial assets in Stage 3 are considered credit-impaired.

Following supervisory approval, a revised definition of default has been in use since November 2021 to meet the latest regulatory expectations.

Past-due exposures (more than 90 days) that are not considered to be impaired do not meet the materiality criteria for transferring to Stage 3.

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

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposure		Non-performing exposure				Performing exposures – accumulated impairment and provisions		Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					On performing exposures	On non-performing exposures
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3				
31 Dec 2022, EUR m																
005	Cash balances at central banks and other demand deposits	1,304	1,304													
010	Loans and advances	6,553	6,246	307	24	3	21	-17	-11	-6	-7		-7	0	5,283	13
020	Central banks															
030	Central governments	318	318												28	
040	Credit institutions	3	3													
050	Other financial corporations	75	50	25											20	
060	Non-financial corporations	2,812	2,674	138	11		11	-9	-6	-3	-4		-4	0	2,023	5
070	Of which SMEs	1,418	1,332	86	9		9	-4	-2	-2	-3		-3	0	1,193	4
080	Households	3,345	3,201	144	13	3	10	-8	-5	-3	-3		-3		3,212	8
090	Debt securities	287														
100	Central bank															
110	Central governments	287														
120	Credit institutions															
130	Other financial corporations															
140	Non-financial corporations															
150	Off-balance-sheet exposures	1,493	1,402	91				2	2						413	
160	Central banks															
170	Central governments	83	83												5	
180	Credit institutions	12	12													
190	Other financial corporations	21	21												2	
200	Non-financial corporations	1,232	1,175	57				2	2						388	
210	Households	145	111	34											18	
220	Total	9,637	8,952	398	24	3	21	-15	-9	-6	-7		-7	0	5,696	13

>> Table 2. EU CR1– Performing and non-performing exposures and related provisions (continued)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					Accumulated partial write-off	Collateral and financial guarantees received			
		Performing exposure		Non-performing exposure			Performing exposures – accumulated impairment and provisions		Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures		
		Of which stage 1	Of which stage 2		which stage 2	Of which stage 3	Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3					
31 Dec 2021, EUR m																
005	Cash balances at central banks and other demand deposits	1,526	1,526													
010	Loans and advances	6,077	5,787	290	33	3	30	-15	-8	-7	-11		-11	0	4,887	19
020	Central banks															
030	Central governments	300	300												29	
040	Credit institutions	8	8													
050	Other financial corporations	96	71	25											27	
060	Non-financial corporations	2,570	2,475	95	14	1	13	-8	-4	-4	-5		-5	0	1,858	6
070	Of which SMEs	1,330	1,252	78	9		9	-5	-2	-3	-3		-3	0	1,083	4
080	Households	3,103	2,933	170	19	2	17	-7	-4	-3	-6		-6		2,973	13
090	Debt securities	227														
100	Central bank															
110	Central governments	227														
120	Credit institutions															
130	Other financial corporations															
140	Non-financial corporations															
150	Off-balance-sheet exposures	1,146	1,085	61				1	1						1	
160	Central banks															
170	Central governments	40	40													
180	Credit institutions	33	33													
190	Other financial corporations	6	6													
200	Non-financial corporations	870	847	23				1	1						1	
210	Households	197	159	38												
220	Total	8,976	8,398	351	33	3	30	-14	-7	-7	-11		-11	0	4,888	19

Table 3. EU CR1-A – Maturity of exposures

	a	b	c	d	e	f
	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
<b>31 Dec 2022, EUR m</b>						
1 Loans and advances	674	2,407	2,740	3,523		9,344
2 Debt securities		115	110	58		283
<b>3 Total</b>	<b>674</b>	<b>2,521</b>	<b>2,851</b>	<b>3,581</b>		<b>9,627</b>

  

	a	b	c	d	e	f
	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
<b>31 Dec 2021, EUR m</b>						
1 Loans and advances	1,982	854	2,722	3,172		8,730
2 Debt securities		62	142	25		229
<b>3 Total</b>	<b>1,982</b>	<b>916</b>	<b>2,863</b>	<b>3,198</b>		<b>8,959</b>

Table 4. EU CQ1 – Credit quality of forbore exposures

	a	b	c	d	e	f	g	h
	Gross carrying amount/nominal amount of exposures with forbearance measure				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forbore exposures	
	Performing forbore	Non-performing forbore		Of which impaired	On performing forbore exposures	On non-performing forbore exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measure	
		Of which defaulted						
<b>31 Dec 2022, EUR m</b>								
005 Cash balances at central banks and other demand deposits								
010 Loans and advances	29	15	14		13	0	-5	36
020 Central banks								
030 General governments								
040 Credit institutions								
050 Other financial corporations								
060 Non-financial corporations	8	9	9		8	-0	-3	12
070 Households	21	6	5		5	-0	-2	24
080 Debt securities								
090 Loan commitments given	2	0	0		0	0	0	1
<b>100 Total</b>	<b>31</b>	<b>15</b>	<b>14</b>		<b>13</b>	<b>0</b>	<b>-5</b>	<b>36</b>



>> Table 4. EU CQ1– Credit quality of forbore exposures (continued)

	a	b	c	d	e	f	g	h
	Gross carrying amount/nominal amount of exposures with forbearance measure				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and fianacial guarantees received on forbore exposures	
	Performing forbore	Non-performing forbore		On performing forbore exposures	On non-performing forbore exposures	Of which collateral and fianacial guarantees received on non-performing exposures with forbearance measure		
		Of which defaulted	Of which impaired					
31 Dec 2021, EUR m								
005 Cash balances at central banks and other demand deposits								
010 Loans and advances	32	17	15	15	-1	-6	48	13
020 Central banks								
030 General governments								
040 Credit institutions								
050 Other financial corporations								
060 Non-financial corporations	15	10	9	9	-1	-4	22	7
070 Households	17	7	6	6	-0	-2	26	6
080 Debt securities								
090 Loan commitments given	1				0	0	1	
100 Total	33	17	15	15	-1	-6	49	13

## COMMENT

Forborne credit exposures are exposures where the contractual terms have been amended in favour of the customer due to financial difficulties. Forbearance measures range from amortisation holidays (the most common measure) to refinancing with new terms and debt forgiveness.

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

	a	b	c	d	e	f	g	h	i	j	k	l
	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
	Not past due or past due ≤ 30 day	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted	
<b>31 Dec 2022, EUR m</b>												
005 Cash balances at central banks and other demand deposits	1,304	1,304										
010 Loans and advances	6,553	6,549	5	24	18	1	1		1	2		20
020 Central banks	318	318										
030 Central governments	3	3										
040 Credit institutions	75	75										
050 Other financial corporations	2,812	2,809	3	11	9				1	1		11
060 Non-financial corporations	1,418	1,418		9	8				1			9
070 Of which SMEs	3,345	3,344	2	13	9	1	1			1		9
080 Households	287	287										
090 Debt securities												
100 Central bank												
110 Central governments	287	287										
120 Credit institutions												
130 Other financial corporations												
140 Non-financial corporations												
150 Off-balance-sheet exposures	1,493											
160 Central banks												
170 Central governments	83											
180 Credit institutions	12											
190 Other financial corporations	21											
200 Non-financial corporations	1,232											
210 Households	145											
<b>220 Total</b>	<b>9,637</b>	<b>8,140</b>	<b>5</b>	<b>24</b>	<b>18</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>20</b>

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

	a	b	c	d	e	f	g	h	i	j	k	l
	Gross carrying amount/nominal amount											
	Performing exposures				Non-performing exposures							
	Not past due or past due ≤ 30 day	Past due > 30 days ≤ 90 days			Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
<b>31 Dec 2021, EUR m</b>												
005 Cash balances at central banks and other demand deposits	1,526	1,526										
010 Loans and advances	6,077	6,074	2	33	24	1	1	1	1	3		27
020 Central banks												
030 Central governments	300	300										
040 Credit institutions	8	8										
050 Other financial corporations	96	96										
060 Non-financial corporations	2,570	2,568	1	14	9			1	1	2		13
070 Of which SMEs	1,330	1,329		9	8							9
080 Households	3,103	3,102	1	19	15	1	1	1	1	1		14
090 Debt securities	227	227										
100 Central bank												
110 Central governments	227	227										
120 Credit institutions												
130 Other financial corporations												
140 Non-financial corporations												
150 Off-balance-sheet exposures	1,146											
160 Central banks												
170 Central governments	40											
180 Credit institutions	33											
190 Other financial corporations	6											
200 Non-financial corporations	870											
210 Households	197											
<b>220 Total</b>	<b>8,976</b>	<b>7,827</b>	<b>2</b>	<b>33</b>	<b>24</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>3</b>		<b>27</b>

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

	a	b	c	d	e	f	g
	Gross carrying/nominal amount						
	Of which non-performing		Of which subject to impairment				
		Of which defaulted					
<b>31 Dec 2022, EUR m</b>							
<b>010 On-balance-sheet exposures</b>							
020 Estonia	6,408		20		-24		
070 Other countries	456		0		-0		
<b>080 Off-balance-sheet exposures</b>							
090 Estonia	1,222		0			2	
140 Other countries	271					0	
<b>150 Total</b>	<b>8,357</b>		<b>20</b>		<b>-24</b>	<b>2</b>	

	a	b	c	d	e	f	g
	Gross carrying/nominal amount						
	Of which non-performing		Of which subject to impairment				
		Of which defaulted					
<b>31 Dec 2021, EUR m</b>							
<b>010 On-balance-sheet exposures</b>							
020 Estonia	5,965		27		-25		
070 Other countries	372		1		-1		
<b>080 Off-balance-sheet exposures</b>							
090 Estonia	1,051		0			1	
140 Other countries	94					0	
<b>150 Total</b>	<b>7,482</b>		<b>27</b>		<b>-26</b>	<b>1</b>	

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

	a	b	c	d	e	f
	Gross carrying amount					
		Of which non-performing	Of which loans and advances subject to impairment		Accumulated impairment	Accumulated impairment
		Of which defaulted				
<b>31 Dec 2022, EUR m</b>						
010 Agriculture, forestry and fishing	286		6		-3	
020 Mining and quarrying	11				-0	
030 Manufacturing	367		2		-3	
040 Electricity, gas, steam and air conditioning supply	281				-0	
050 Water supply	26				-0	
060 Construction	71		0		-0	
070 Wholesale and retail trade	474		1		-2	
080 Transport and storage	142		0		-2	
090 Accommodation and food service activities	41		0		-0	
100 Information and communication	31		0		-0	
110 Financial and insurance activities						
120 Real estate activities	937		2		-1	
130 Professional, scientific and technical activities	62				-0	
140 Administrative and support service activities	64		0		-0	
150 Public administration and defense, compulsory social security						
160 Education	1				-0	
170 Human health services and social work activities	20				-0	
180 Arts, entertainment and recreation	2		0		-0	
190 Other services	7				-0	
<b>200 Total</b>	<b>2,823</b>		<b>11</b>		<b>-11</b>	

	a	b	c	d	e	f
	Gross carrying amount					
		Of which non-performing	Of which loans and advances subject to impairment		Accumulated impairment	Accumulated impairment
		Of which defaulted				
<b>31 Dec 2021, EUR m</b>						
010 Agriculture, forestry and fishing	245		6		-3	
020 Mining and quarrying	12				-0	
030 Manufacturing	349		3		-3	
040 Electricity, gas, steam and air conditioning supply	226				-0	
050 Water supply	30				-0	
060 Construction	49		0		-0	
070 Wholesale and retail trade	462		1		-1	
080 Transport and storage	198		0		-3	
090 Accommodation and food service activities	45		0		-0	
100 Information and communication	29				-0	
110 Financial and insurance activities						
120 Real estate activities	796		3		-2	
130 Professional, scientific and technical activities	67		0		-0	
140 Administrative and support service activities	47		0		-0	
150 Public administration and defense, compulsory social security						
160 Education	2				-0	
170 Human health services and social work activities	19		0		-0	
180 Arts, entertainment and recreation	2		0		-0	
190 Other services	7		0		-0	
<b>200 Total</b>	<b>2,584</b>		<b>14</b>		<b>-13</b>	

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

		a	b	a	b
		31 Dec 2022, EUR m		31 Dec 2021, EUR m	
		Collateral obtained by taking possession		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)				
020	Other than PP&E			2	0
030	Residential immovable property				
040	Commercial Immovable property			2	0
050	Movable property (auto, shipping, etc.)				
060	Equity and debt instruments				
070	Other collateral				
080	Total			2	0

Table 9. Information on loans and advances subject to legislative and non-legislative moratoria

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Gross carrying amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount
	Performing				Non performing			Performing				Non performing			Inflows to non-performing exposures
	Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)			Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days	Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days				
31 Dec 2022, EUR m															
1 Loans and advances subject to moratorium															
2 of which: Households															
3 of which: Collateralised by residential immovable															
4 of which: Non-financial corporations															
5 of which: Small and Medium-sized Enterprises															
6 of which: Collateralised by commercial immovable property															

>> Table 9. Information on loans and advances subject to legislative and non-legislative moratoria (continued)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Gross carrying amount							Accumulated impairment, accumulated negative changes in fair value due to credit risk							Gross carrying amount
	Performing				Non performing			Performing				Non performing			Inflows to non-performing exposures
	Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)			Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days		Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days			
30 Jun 2022, EUR m															
1 Loans and advances subject to moratorium															
2 of which: Households															
3 of which: Collateralised by residential immovable															
4 of which: Non-financial corporations															
5 of which: Small and Medium-sized Enterprises															
6 of which: Collateralised by commercial immovable property															

Table 10. Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

	a	b	c	d	e	f	g	h	i
	Number of obligors	Gross carrying amount							
		Residual maturity of moratoria							
		Of which: legislative moratoria	Of which: expired	<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year	
31 Dec 2022, EUR m									
1 Loans and advances for which moratorium was offered	1,659	78		78					
2 Loans and advances subject to moratorium (granted)	1,659	78		78					
3 of which: Households		62		62					
4 of which: Collateralised by residential immovable property		60		60					
5 of which: Non-financial corporations		16		16					
6 of which: Small and Medium-sized Enterprises		16		16					
7 of which: Collateralised by commercial immovable property		10		10					

>> Table 10. Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria (continued)

	a	b	c	d	e	f	g	h	i
	Number of obligors	Gross carrying amount							
			Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
					<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
<b>30 Jun 2022, EUR m</b>									
<b>1 Loans and advances for which moratorium was offered</b>	1,660	87		87					
2 Loans and advances subject to moratorium (granted)	1,660	87		87					
3 of which: Households		67		67					
4 of which: Collateralised by residential immovable property		65		65					
5 of which: Non-financial corporations		20		20					
6 of which: Small and Medium-sized Enterprises		20		20					
7 of which: Collateralised by commercial immovable property		13		13					

**Table 11.** Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced

		a	b	c	d
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
			of which: forborne	Public guarantees received	Inflows to non-performing exposures
<b>31 Dec 2022, EUR m</b>					
1	<b>Newly originated loans and advances subject to public guarantee schemes</b>	1			
2	<i>of which: Households</i>				
3	<i>of which: Collateralised by residential immovable property</i>				
4	<i>of which: Non-financial corporations</i>	1			
5	<i>of which: Small and Medium-sized Enterprises</i>	1			
6	<i>of which: Collateralised by commercial immovable property</i>				
		a	b	c	d
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
			of which: forborne	Public guarantees received	Inflows to non-performing exposures
<b>30 Jun 2022, EUR m</b>					
1	<b>Newly originated loans and advances subject to public guarantee schemes</b>	2			
2	<i>of which: Households</i>				
3	<i>of which: Collateralised by residential immovable property</i>				
4	<i>of which: Non-financial corporations</i>	2			
5	<i>of which: Small and Medium-sized Enterprises</i>	2			
6	<i>of which: Collateralised by commercial immovable property</i>				

## Credit risk mitigation

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

For non-retail customers, credit risk is commonly mitigated through the use of restrictive covenants in the credit agreements, including negative pledges. Independent and professional credit analysis is particularly important for this customer segment. A credit analysis function provides independent analysis and credit opinions to business units throughout the bank where relevant as well as to the credit committees. Financial and non-financial covenants are set and monitored on regular basis and reported to the credit committee within 30 days in case of material breach.

Collateral values are reviewed on a regular basis, e.g. through manual monitoring by internal evaluators, annual in-house indexation, or full revaluation by internal/external evaluators. The general rule is that the value of the collateral shall be calculated on the basis of the estimated market value of the asset. The market value shall be documented by an independent external valuation or, when applicable, by a well justified internal estimate.

The main guarantors are state, municipalities and credit institutions whose creditworthiness is assessed by the same methods and the frequency as the same customer group borrower's creditworthiness.

The general control process for various credit risk mitigation techniques includes credit review and approval requirements, specific credit product policies and credit risk monitoring and control. The value of both the exposure and the mitigating collateral are monitored on a regular basis. The frequency depends on the type of counterparty, the structure of the transaction and the type of collateral.

The most common collateral is the real estate and from exposures secured by collateral, the residential real estate made 65 per cent, commercial real estate 29 per cent and other collateral types (floating charges, financial collaterals, etc.) 6 per cent.

The Group does not use on- and off-balance sheet netting and do not use balance sheet netting as credit risk mitigation technique to net mutual claims between the Group and its counterparty.

**Table 12.** EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

	a	b	c	d	e
	Exposures unsecured - Carrying amount	Exposures secured - Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
<b>31 Dec 2022, EUR m</b>					
1 Loans and advances	2,585	5,296	5,289	7	
2 Debt securities	287				
<b>3 Total</b>	<b>2,872</b>	<b>5,296</b>	<b>5,289</b>	<b>7</b>	
4 Of which non-performing	11	13	13		
EU-5 Of which defaulted	10	2	2	0	



>> **Table 12.** EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques  
(continued)

	a	b	c	d	e
	Exposures unsecured - Carrying amount	Exposures secured - Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
<b>31 Dec 2021, EUR m</b>					
1 Loans and advances	2,730	4,905	4,903	2	
2 Debt securities	227				
<b>3 Total</b>	<b>2,957</b>	<b>4,905</b>	<b>4,903</b>	<b>2</b>	
4 Of which non-performing exposures	15	19	19		
EU-5 Of which defaulted	11	6	6		

**Table 13.** EU CR4 – standardised approach – Credit risk exposure and CRM effects

	a	b	c	d	e	f
	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
<b>31 Dec 2022, EUR m</b>						
1 Central governments or central banks	1,573	26	1,585	9	0	0.00
2 Regional government or local authorities	241	6	245	3	50	20.00
3 Public sector entities	59	52	60	48	54	50.00
4 Multilateral development banks						
5 International organisations						
6 Institutions	0		0		0	20.01
7 Corporates	0		0		0	91.09
8 Retail	421	13	411	5	286	68.67
9 Secured by mortgages on immovable property		1		1	0	26.67
10 Exposures in default	0		0		1	124.43
11 Exposures associated with particularly high risk						
12 Covered bonds						
13 Institutions and corporates with a short-term credit assessment						
14 Collective investment undertakings						
15 Equity	2		2		2	100.00
16 Other items	78		78		40	50.81
<b>17 TOTAL</b>	<b>2,374</b>	<b>98</b>	<b>2,381</b>	<b>66</b>	<b>433</b>	<b>17.65</b>

	a	b	c	d	e	f
	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
<b>31 Dec 2021, EUR m</b>						
1 Central governments or central banks	1,545	6	1,560	3	0	0.00
2 Regional government or local authorities	212	20	216	10	45	0.20
3 Public sector entities	69	14	72	6	39	0.50
4 Multilateral development banks						
5 International organisations						
6 Institutions	2		2		0	0.20
7 Corporates	7		7		7	1.00
8 Retail	402	12	389	5	271	0.69
9 Secured by mortgages on immovable property		1		1	0	0.27
10 Exposures in default	0		0		0	1.40
11 Exposures associated with particularly high risk						
12 Covered bonds						
13 Institutions and corporates with a short-term credit assessment						
14 Collective investment undertakings						
15 Equity	33		33		33	1.00
16 Other items	85		85		44	0.52
<b>17 TOTAL</b>	<b>2,355</b>	<b>53</b>	<b>2,365</b>	<b>25</b>	<b>440</b>	<b>18.41</b>

**Table 14.** EU CR7 - IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

	a		b	
	31 Dec 2022, EUR m		31 Dec 2021, EUR m	
	Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount	Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount
1 <b>Exposures under F-IRB</b>	2,341	2,341	2,215	2,215
2 Central governments and central banks				
3 Institutions	11	11	54	54
4 Corporates	2,330	2,330	2,161	2,161
4.1 of which Corporates - SMEs	617	617	624	624
4.2 of which Corporates - Specialised lending			14	14
5 <b>Exposures under A-IRB</b>	347	347	388	388
6 Central governments and central banks				
7 Institutions				
8 Corporates				
8.1 of which Corporates - SMEs				
8.2 of which Corporates - Specialised lending				
9 Retail	347	347	388	388
9.1 of which Retail – SMEs - Secured by immovable property collateral	8	8	9	9
9.2 of which Retail – non-SMEs - Secured by immovable property	251	251	293	293
9.3 of which Retail – Qualifying revolving				
9.4 of which Retail – SMEs - Other	24	24	23	23
9.5 of which Retail – Non-SMEs - Other	64	64	63	63
10 <b>TOTAL (including F-IRB exposures and A-IRB exposures)</b>	<b>2,688</b>	<b>2,688</b>	<b>2,603</b>	<b>2,603</b>

Table 15. EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	
31 Dec 2022, EUR m		Total exposures	Credit risk Mitigation techniques										Credit risk Mitigation methods in the calculation of RWEAs			
			Funded credit Protection (FCP)										Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)			
A-IRB																
1	Central governments and central banks															
2	Institutions															
3	Corporates															
3.1	Of which Corporates – SMEs															
3.2	Of which Corporates – Specialised lending															
3.3	Of which Corporates – Other															
4	Retail	3,235	0.04	92.80	90.72	1.96	0.12				0.29	1.00		347	347	
4.1	Of which Retail – Immovable property SMEs	55	0.39	95.16	91.33	0.01	3.83					2.31		8	8	
4.2	Of which Retail – Immovable property non-SMEs	2,983	0.01	96.38	96.38							0.73		251	251	
4.3	Of which Retail – Qualifying revolving															
4.4	Of which Retail – Other SMEs	90	0.74	72.77		70.82	1.94					10.59		24	24	
4.5	Of which Retail – Other non-SMEs	108	0.11	9.02	9.02		0.00					0.05		64	64	
5	Total	3,235	0.04	92.80	90.72	1.96	0.12				0.29	1.00		347	347	
F-IRB																
1	Central governments and central banks															
2	Institutions	41		0.13			0.13							10	11	
3	Corporates	3,540	0.27	46.84	40.91		5.93					0.40		2,333	2,330	
3.1	Of which Corporates – SMEs	948	0.11	60.53	47.82		12.71					1.18		620	617	
3.2	Of which Corporates – Specialised lending	1	2.87													
3.3	Of which Corporates – Other	2,592	0.33	41.86	38.41		3.46					0.11		1,713	1,713	
4	Total	3,582	0.27	46.98	40.91		6.06					0.40		2,343	2,341	

>> Table 15. EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques (continued)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n
31 Dec 2021, EUR m		Credit risk Mitigation techniques												Credit risk Mitigation methods in the calculation of RWEAs	
		Funded credit Protection (FCP)										Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)			
Total exposures															
A-IRB															
1	Central governments and central banks														
2	Institutions														
3	Corporates														
3.1	Of which Corporates – SMEs														
3.2	Of which Corporates – Specialised lending														
3.3	Of which Corporates – Other														
4	Retail	3,066	0.03	90.86	88.64	2.09	0.13				0.32	1.27		388	388
4.1	Of which Retail – Immovable property SMEs	62		96.44	92.62	0.01	3.81					2.50		9	9
4.2	Of which Retail – Immovable property non-SMEs	2,812	0.01	94.26	94.26							0.97		293	293
4.3	Of which Retail – Qualifying revolving														
4.4	Of which Retail – Other SMEs	89	0.63	73.26		71.53	1.73					11.05		23	23
4.5	Of which Retail – Other non-SMEs	103	0.19	9.98	9.98		0.00					0.08		63	63
5	Total	3,066	0.03	90.86	88.64	2.09	0.13				0.32	1.27	0.00	388	388
F-IRB															
1	Central governments and central banks														
2	Institutions	247		0.03%			0.03%							53	54
3	Corporates	3,047	0.17%	48.66%	42.34%		6.32%							2,165	2,161
3.1	Of which Corporates – SMEs	938	0.11%	56.61%	46.45%		10.16%							627	624
3.2	Of which Corporates – Specialised lending	20	0.17%	90.43%	90.43%		0.00%							14	14
3.3	Of which Corporates – Other	2,089	0.19%	44.69%	40.04%		4.65%							1,524	1,523
4	Total	3,294	0.16	45.01	39.17		5.84							2,218	2,215

## Liquidity risk

### Risk Management

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

A key objective of the Liquidity and Funding Strategy is that stable funding (typically equity, deposits from the public and wholesale funding with remaining maturity above one year) shall exceed more illiquid banking book assets (typically household lending and other lending to the public) as limited and targeted through internal and external structural liquidity risk metrics. Bonds in liquidity portfolio shall be funded via the surplus of stable funding over illiquid banking book assets. Other assets and derivatives are considered matched from a liquidity management point of view. The Group always have a sound structural liquidity position, a balanced wholesale funding dependence and sufficient liquid reserves to be able to meet potential net cash outflows in a stressed scenario.

The Supervisory Council has established a comprehensive framework for managing the Group's liquidity requirements and risks in the short- and long-term. The aim of the Group's liquidity risk management is to ensure that the Group has a controlled liquidity risk situation, with adequate volumes of liquid assets to meet its liquidity requirements in all foreseeable circumstances, without incurring substantial cost.

The liquidity risk is managed through the risk tolerances and management alert levels set by the Management Board. The Treasury function has the overall responsibility for liquidity management and funding. Risk department measures limit utilisation based on different market conditions and liquidity stress tests on a daily basis. The liquidity risk position is reported at least on a quarterly basis to the Risk Oversight Committee, ALCO (Assets and Liability Committee), Management Board and the Risk Committee of the Supervisory Board.

The Bank, as a party of SEB Group, acts in accordance with SEB Group mission and vision. The Bank follows SEB Group governance and decision-making principles, as far they are in line with laws of the Republic of Estonia, articles of association of the Bank and Bank's regulatory documents. A centralised approach to liquidity management is carried out throughout the SEB Group to ensure a cost and operationally efficient liquidity management on a day-to-day basis. The same principle applies to the short-term and long-term funding activities of the SEB Group. SEB Group Treasury has the overall responsibility for both the SEB's Group funding activities in the international capital markets as well as providing subsidiaries with funding. Intraday liquidity management for the Bank is performed by the Treasury.

SEB Group is monitoring and managing liquidity and funding risk from a number of perspectives. The main perspectives can be characterized as structural liquidity risk, wholesale funding dependence and stressed survival horizon or resilience to short-term severe stress. It should be noted that wholesale funding dependence can be considered a sub-component of structural liquidity risk or stressed survival horizon.

In the Group, the structural liquidity is covered by the Core Gap Ratio, which is an internally defined measurement (thus taking an economic perspective). From a normative perspective, the structural liquidity risk is measured by the Basel Committee's Net Stable Funding Ratio (NSFR), i.e., a ratio between stable funding and illiquid assets. The Core Gap Ratio and NSFR are conceptually equivalent. Ratios above 100 per cent indicates that the Bank is funded with a sufficient amount of stable liabilities relative to the amount of illiquid assets.

Short-term liquidity risk captures the sensitivity of the Bank's balance sheet structure to short-term funding disturbances, e.g., when wholesale funding is difficult to prolong due to a bank-specific or general market stress, or when deposits leave the Bank in an even more stressed scenario. In the normative perspective, it is measured by the liquidity coverage ratio (LCR), as the ratio between liquid assets and net cash outflows in a 30-days stressed scenario. In the economic perspective, it is measured by the stressed survival horizon (SSH), as the period of time during which the accumulated net cash flows stay positive in a stressed scenario.

The Group's wholesale funding dependence monitoring is primarily performed through the core loan to deposit ratio. The metric captures to what extent loans are funded with customer deposits, and conversely to what extent the Group is dependent on funding from the SEB Group to finance its loan book.

For the purpose of mitigation and hedging liquidity risk, policies, strategies and liquidity risk management processes determine high enough liquidity buffer (including, high quality ECB eligible government bonds) to ensure that the Bank is ready to withstand even stressed market situations.

Liquidity Contingency plan focus on the management of an emergency situation, "Red Alert", when the survival of the Bank or its operations is threatened and on management in situations of milder stress, "Yellow Alert" and "Orange Alert". The management of liquidity during normal circumstances, "Green zone", is covered in the Liquidity and Pledge Policy. Management in the "Green zone" includes monitoring of liquidity compared to the overall liquidity limits. An unwanted deterioration of liquidity towards these limits or a violation of the overall liquidity limits constitutes a warning signal to be considered for a possible decision to enter Yellow, Orange or Red Alert.

Plan describes decision mandates, trigger events and appropriate actions for Red Alert, Orange Alert and Yellow Alert. The plan covers both events that may cause disturbances to the economy or the financial markets as a whole, and those that are unique to the Bank.

The liquidity situation shall furthermore be analysed using different stress scenarios. Stress testing is a useful tool in identifying sources of potential liquidity strain and to ensure that the banks liquidity risk stays within SEB Group's liquidity risk tolerance. At a minimum, three different fundamental types of stress scenarios shall be performed; SEB Group idiosyncratic stress test, a systemic market wide stress test and a combination of the two. As a complement to those predefined stressed scenarios, ad-hoc scenarios shall be analysed and reported when appropriate.

To ensure that the liquidity risk management systems put in place are adequate with regard to the Banks profile and strategy, Management Board is responsible to approve Liquidity Risk Management Framework, Bylaws for Assets and Liabilities Committee, Internal liquidity adequacy assessment process instruction, Funding and limit setting instruction for SEB Group entities, Liquidity contingency plan and Internal funds transfer pricing policy. During liquidity adequacy assessment process, also Liquidity Adequacy Statement is approved, where the Management Board of the Bank provides its assessment of the Bank's liquidity adequacy. Its valuation is based on the Bank's business plan, its ILAAP results, and the continuous work related to financial planning.

Banks council has approved Risk tolerance statements, amongst which is also a concise statement for liquidity risk. Risk tolerance is defined as the level of risk that is acceptable to SEB Group. The Bank is expected to always have a sound structural liquidity position, a balanced wholesale funding dependence and sufficient liquid reserves to be able to meet potential net cash outflows in a stressed scenario.

The statements represent a long-term view of the boundaries within which the Council expects SEB Group to operate. In addition, there are implemented risk tolerance measures which translate the statements into measurable boundaries. There are specific tolerance measures set for both - short term stress metrics and structural liquidity risk metrics. In addition, there is also a specific metric for funding dependence on SEB Group funding.

**Table 16.** EU LIQ1 – Quantitative information of LCR

		a	b	c	d	e	f	g	h
EUR m		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31 Dec 2022	30 Sep 2022	30 Jun 2022	31 Mar 2022	31 Dec 2022	30 Sep 2022	30 Jun 2022	31 Mar 2022
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
<b>High-quality liquid assets</b>									
1	Total high-quality liquid assets (HQLA)					1,048	1,039	993	914
<b>Cash - Outflows</b>									
2	Retail deposits and deposits from small business customers, of which:	2,924	2,926	2,892	2,828	185	186	183	180
3	Stable deposits	2,375	2,374	2,345	2,294	119	119	117	115
4	Less stable deposits	549	552	547	534	66	67	66	65
5	Unsecured wholesale funding	3,210	3,159	3,052	2,945	870	880	866	838
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	2,399	2,339	2,252	2,171	501	487	466	447
7	Non-operational deposits (all counterparties)	811	820	800	774	369	393	400	391
8	Unsecured debt	0	0	0	0	0	0	0	0
9	Secured wholesale funding					24	14	7	2
10	Additional requirements	759	735	727	705	79	73	68	63
11	Outflows related to derivative exposures and other collateral requirements	16	13	9	5	16	13	9	5
12	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0
13	Credit and liquidity facilities	743	722	718	700	63	60	59	58
14	Other contractual funding obligations	13	9	30	34	12	9	30	33
15	Other contingent funding obligations	527	476	442	431	26	24	22	22
16	<b>Total cash outflows</b>					<b>1,196</b>	<b>1,186</b>	<b>1,176</b>	<b>1,138</b>
<b>Cash - Inflows</b>									
17	Secured lending (e.g. reverse repos)	0	0	0	1	0	0	0	1
18	Inflows from fully performing exposures	671	627	665	701	629	585	621	657
19	Other cash inflows	16	15	26	29	16	15	26	29
EU-19a	(Difference between total weighted inflows and total								
EU-19b	(Excess inflows from a related specialised credit institution)								
20	<b>Total cash inflows</b>	<b>687</b>	<b>642</b>	<b>691</b>	<b>731</b>	<b>645</b>	<b>600</b>	<b>647</b>	<b>687</b>
EU-20a	Fully exempt inflows								
EU-20b	Inflows subject to 90% cap								
EU-20c	Inflows subject to 75% cap	687	642	691	731	645	600	647	687
<b>Total adjusted value</b>									
EU-21	<b>Liquidity buffer</b>					<b>1,048</b>	<b>1,039</b>	<b>993</b>	<b>914</b>
22	<b>Total net cash outflow</b>					<b>555</b>	<b>585</b>	<b>550</b>	<b>474</b>
23	<b>Liquidity coverage ratio</b>					<b>196.90%</b>	<b>184.06%</b>	<b>188.52%</b>	<b>209.82%</b>

### Qualitative information on LCR

AS SEB Pank shall at all times have an adequate liquidity buffer to meet the Net Liquidity Outflows as defined in the Liquidity Coverage Ratio (LCR). The liquidity buffer consists of cash, balance with Central Bank deducted by reserve requirement and liquidity bond portfolio. All securities within the liquidity buffer should at all times be eligible as collateral in a central bank as defined in the CRR. The Bank reviews and potentially adjusts the liquidity buffer reflecting inter alia net outflows which may vary over time. Due to balance sheet structure, LCR is not calculated for different currencies. The LCR is monitored and managed daily by the Treasury unit of the Bank.

During 2022 LCR ranged between 150 and 350 per cent, but during most of the year was between 170 -270 per cent i.e. well above the limit set by regulator. The forecasted LCR in 2023 is expected to be in a range of 150 per cent to 200 per cent. Actual LCR will depend not only on loan to deposit development, but also on liquid assets split between Central Bank, liquidity portfolio and SEB Group.

**Table 17.** EU LIQ2 – Net Stable Funding Ratio

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>31 Dec 2022, EUR m</b>						
<b>Available stable funding (ASF) Items</b>						
1	<b>Capital items and instruments</b>	<b>954</b>			<b>2</b>	<b>956</b>
2	Own funds	954			2	956
3	Other capital instruments					
4	<b>Retail deposits</b>		<b>2,918</b>			<b>2,745</b>
5	Stable deposits		2,370			2,252
6	Less stable deposits		548			493
7	<b>Wholesale funding:</b>		<b>3,483</b>	<b>42</b>	<b>651</b>	<b>2,208</b>
8	Operational deposits		2,282			1,141
9	Other wholesale funding		1,201	42	651	1,067
10	Interdependent liabilities					
11	<b>Other liabilities:</b>	<b>34</b>	<b>18</b>	<b>14</b>	<b>27</b>	<b>34</b>
12	NSFR derivative liabilities	34				
13	All other liabilities and capital instruments not included in the above categories		18	14	27	34
14	<b>Total available stable funding (ASF)</b>					<b>5,943</b>
<b>Required stable funding (RSF) Items</b>						
15	<b>Total high-quality liquid assets (HQLA)</b>					<b>0</b>
EU-15a	<b>Assets encumbered for a residual maturity of one year or more in a cover pool</b>					
16	Deposits held at other financial institutions for operational purposes					
17	<b>Performing loans and securities:</b>		<b>942</b>	<b>511</b>	<b>5,121</b>	<b>4,415</b>
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut					
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		68	10	37	48
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		577	440	2,327	2,487
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk					
22	Performing residential mortgages, of which:		68	61	2,755	1,855
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		68	61	2,755	1,855
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		229	0	2	25
25	<b>Interdependent assets</b>					
26	<b>Other assets:</b>		<b>120</b>	<b>4</b>	<b>47</b>	<b>107</b>
27	Physical traded commodities					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
29	NSFR derivative assets		49			49
30	NSFR derivative liabilities before deduction of variation margin posted					
31	All other assets not included in the above categories		71	4	47	58
32	<b>Off-balance sheet items</b>		<b>418</b>	<b>457</b>	<b>619</b>	<b>91</b>
33	<b>Total RSF</b>					<b>4,613</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>128.82</b>



>> Table 17. EU LIQ2 – Net Stable Funding Ratio (continued)

						a	b	c	d	e	
						Unweighted value by residual maturity				Weighted value	
						No maturity	< 6 months	6 months to < 1yr	≥ 1yr		
30 Sep 2022, EUR m											
Available stable funding (ASF) Items											
1	Capital items and instruments				971				2	973	
2	Own funds				971				2	973	
3	Other capital instruments										
4	Retail deposits						2,925			2,751	
5	Stable deposits						2,372			2,253	
6	Less stable deposits						553			498	
7	Wholesale funding:						3,256		344	461	
8	Operational deposits						2,312			1,156	
9	Other wholesale funding						944		344	461	
10	Interdependent liabilities										
11	Other liabilities:				29	92		19	17	27	
12	NSFR derivative liabilities				29						
13	All other liabilities and capital instruments not included in the above categories						92		19	17	
14	Total available stable funding (ASF)									5,903	
Required stable funding (RSF) Items											
15	Total high-quality liquid assets (HQLA)									0	
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool										
16	Deposits held at other financial institutions for operational purposes										
17	Performing loans and securities:						1,335		526	5,139	
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut									4,464	
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions						524		8	64	
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:						502		452	2,364	
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk									2,487	
22	Performing residential mortgages, of which:						71		66	2,704	
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk						71		66	1,826	
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products						238		0	7	
25	Interdependent assets									31	
26	Other assets:						210		1	52	
27	Physical traded commodities									114	
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs										
29	NSFR derivative assets						43			43	
30	NSFR derivative liabilities before deduction of variation margin posted										
31	All other assets not included in the above categories						167		1	52	
32	Off-balance sheet items						371		406	452	
33	Total RSF									74	
34	Net Stable Funding Ratio (%)									4,652	
										126.88	

>> Table 17. EU LIQ2 – Net Stable Funding Ratio (continued)

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>30 Jun 2022, EUR m</b>						
<b>Available stable funding (ASF) Items</b>						
1	<b>Capital items and instruments</b>	<b>972</b>			<b>1</b>	<b>973</b>
2	Own funds	972			1	973
3	Other capital instruments					
4	<b>Retail deposits</b>		<b>2,935</b>			<b>2,761</b>
5	Stable deposits		2,389			2,270
6	Less stable deposits		546			491
7	<b>Wholesale funding:</b>		<b>3,194</b>	<b>136</b>	<b>396</b>	<b>2,000</b>
8	Operational deposits		2,429			1,214
9	Other wholesale funding		765	136	396	786
10	Interdependent liabilities					
11	<b>Other liabilities:</b>	<b>18</b>	<b>19</b>	<b>24</b>	<b>17</b>	<b>29</b>
12	NSFR derivative liabilities	18				
13	All other liabilities and capital instruments not included in the above categories		19	24	17	29
14	<b>Total available stable funding (ASF)</b>					<b>5,763</b>
<b>Required stable funding (RSF) Items</b>						
15	<b>Total high-quality liquid assets (HQLA)</b>					<b>0</b>
EU-15a	<b>Assets encumbered for a residual maturity of one year or more in a cover pool</b>					
16	Deposits held at other financial institutions for operational purposes					
17	<b>Performing loans and securities:</b>		<b>1,164</b>	<b>635</b>	<b>4,828</b>	<b>4,238</b>
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut					
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		408	9	23	68
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		487	557	2,162	2,360
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk					
22	Performing residential mortgages, of which:		70	68	2,636	1,783
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		70	68	2,636	1,783
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		199	1	7	27
25	<b>Interdependent assets</b>					
26	<b>Other assets:</b>		<b>99</b>	<b>2</b>	<b>57</b>	<b>94</b>
27	Physical traded commodities					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
29	NSFR derivative assets		27			27
30	NSFR derivative liabilities before deduction of variation margin posted					
31	All other assets not included in the above categories		72	2	57	67
32	<b>Off-balance sheet items</b>		<b>341</b>	<b>318</b>	<b>622</b>	<b>75</b>
33	<b>Total RSF</b>					<b>4,407</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>130.78</b>

>> Table 17. EU LIQ2 – Net Stable Funding Ratio (continued)

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>31 Mar 2022, EUR m</b>						
<b>Available stable funding (ASF) Items</b>						
1	<b>Capital items and instruments</b>	<b>972</b>			<b>1</b>	<b>973</b>
2	Own funds	972			1	973
3	Other capital instruments					
4	<b>Retail deposits</b>		<b>2,925</b>			<b>2,752</b>
5	Stable deposits		2,380			2,261
6	Less stable deposits		545			491
7	<b>Wholesale funding:</b>	<b>3,165</b>		<b>7</b>	<b>517</b>	<b>2,038</b>
8	Operational deposits		2,307			1,153
9	Other wholesale funding		858	7	517	885
10	Interdependent liabilities					
11	<b>Other liabilities:</b>	<b>11</b>	<b>37</b>	<b>18</b>	<b>12</b>	<b>21</b>
12	NSFR derivative liabilities	11				
13	All other liabilities and capital instruments not included in the above categories		37	18	12	21
14	<b>Total available stable funding (ASF)</b>					<b>5,784</b>
<b>Required stable funding (RSF) Items</b>						
15	<b>Total high-quality liquid assets (HQLA)</b>					<b>0</b>
EU-15a	<b>Assets encumbered for a residual maturity of one year or more in a cover pool</b>					
16	Deposits held at other financial institutions for operational purposes					
17	<b>Performing loans and securities:</b>		<b>1,136</b>	<b>654</b>	<b>4,777</b>	<b>4,185</b>
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut					
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		454	1	10	56
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		422	585	2,185	2,361
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk					
22	Performing residential mortgages, of which:		70	67	2,575	1,742
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		70	67	2,575	1,742
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		190	1	7	26
25	<b>Interdependent assets</b>					
26	<b>Other assets:</b>		<b>100</b>	<b>2</b>	<b>60</b>	<b>84</b>
27	Physical traded commodities					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
29	NSFR derivative assets		13			13
30	NSFR derivative liabilities before deduction of variation margin posted					
31	All other assets not included in the above categories		87	2	60	71
32	<b>Off-balance sheet items</b>		<b>320</b>	<b>307</b>	<b>525</b>	<b>68</b>
33	<b>Total RSF</b>					<b>4,337</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>133.37</b>

## Capital management and own funds

### Internal capital adequacy assessment process

The Group's capital management seeks to balance shareholder's demand for return with the financial stability requirements of regulators and with the equity to conduct the business of the Group. The Group's Capital Policy defines how capital management should support business goals.

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

The ICAAP shall be annually approved by the Bank Management Board and the Supervisory Council of the Bank. The ICAAP is revised on a yearly basis, the framework shall be maintained by the Bank's Prudential Regulatory Office in coordination with Treasury, Risk Oversight and SEB Group Financial Management.

In case of material negative deviations from expected and actual capitalisation developments or foreseen significant adverse changes in capital projections, the Treasury may also update the Capital Plan between yearly ICAAP report submissions. Ad-hoc updates of the Capital Plan may also be requested by ALCO if needed.

In the Capital Plan, Group considers internal views on material risks and their development as well as risk measurement models, risk governance and risk mitigants. It is forward looking and is linked to the overall business planning and establishes a strategy for maintaining appropriate capital levels. Together with continuous monitoring and reporting of the capital adequacy, this ensures that the relationship between shareholders' equity, economic capital and regulatory requirements are managed so that the survival of the Group is not jeopardised. The Capital Plan is stress tested for potential down-turns in the macroeconomic environment, strategic risk factors identified in the business planning, and other relevant scenarios. The capital plan is established annually and updated if needed during the year. SEB Group's capital is managed centrally, pursuant to an internal framework in accordance with local requirements as regards statutory and internal capital.

The ICAAP is used as input to the regulatory supervisors to annually assess Group in accordance with the parameters of the Supervisory Review and Evaluation Process (SREP), including the bank's capital adequacy, risk measurement models and risk governance, among other things. The European Central Bank concluded in its latest SREP that the level and composition of own funds held by the Bank, with respect to its financial situation and risk profile, are assessed as being adequate.

Table 18. EU OV1 – Overview of total risk exposure amounts

EUR m		a	b	c
		Total risk exposure amounts (TREA)		Total own funds requirements
		31 Dec 2022	31 Dec 2021	31 Dec 2022
1	Credit risk (excluding CCR)	3,315	3,171	254
2	Of which the standardised approach	432	440	35
3	Of which the Foundation IRB (F-IRB) approach	2,341	2,215	177
4	Of which slotting approach			
EU 4a	Of which equities under the simple riskweighted approach			
5	Of which the Advanced IRB (A-IRB) approach	347	388	31
6	Counterparty credit risk - CCR	27	12	1
7	Of which the standardised approach	27	11	1
8	Of which internal model method (IMM)			
EU 8a	Of which exposures to a CCP			
EU 8b	Of which credit valuation adjustment - CVA	0	1	0
9	Of which other CCR			
15	Settlement risk			
16	Securitisation exposures in the non-trading book (after the cap)			
17	Of which SEC-IRBA approach			
18	Of which SEC-ERBA (including IAA)			
19	Of which SEC-SA approach			
EU 19a	Of which 1250% / deduction			
20	Position, foreign exchange and commodities risks (Market risk)	16	53	4
21	Of which the standardised approach	16	53	4
22	Of which IMA			
EU 22a	Large exposures			
23	Operational risk	120	128	10
EU	Of which basic indicator approach			
EU	Of which standardised approach			
EU	Of which advanced measurement approach			
24	Amounts below the thresholds for deduction (subject to 250% risk weight)			
<b>TOTAL</b>		<b>3,479</b>	<b>3,364</b>	<b>269</b>

Table 19. EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach

EUR m		a
		Risk weighted exposure amount
1	<b>Risk weighted exposure amount as at the end of the previous reporting period: 31 Dec 2021</b>	<b>2,603</b>
2	Asset size (+/-)	150
3	Asset quality (+/-)	-68
4	Model updates (+/-)	
5	Methodology and policy (+/-)	
6	Acquisitions and disposals (+/-)	
7	Foreign exchange movements (+/-)	2
8	Other (+/-)	
9	<b>Risk weighted exposure amount as at the end of the reporting period: 31 Dec 2022</b>	<b>2,687</b>

Table 20. EU CC1 – Composition of regulatory own funds

		a	a	b
		31 Dec 2022	31 Dec 2021	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
<b>EUR m</b>				
<b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b>				
1	Capital instruments and the related share premium accounts	129	129	
	of which: share capital	43	43	(c)
	of which: share premium	86	86	(d)
	of which: Instrument type 3			
2	Retained earnings	806	786	(f)
3	Accumulated other comprehensive income and other reserves	19	19	(e)
EU-3a Funds for general banking risk				
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1			
5	Minority interests (amount allowed in consolidated CET1)			
EU-5a Independently reviewed interim profits net of any foreseeable charge or dividend				
6	<b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	<b>954</b>	<b>934</b>	
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>				
7	Additional value adjustments (negative amount)	-2	0	
8	Intangible assets (net of related tax liability) (negative amount)	-3	-3	(a)
9	Not applicable			
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)			
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value			
12	Negative amounts resulting from the calculation of expected loss amounts	-3	-5	
13	Any increase in equity that results from securitised assets (negative amount)			
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing			
15	Defined-benefit pension fund assets (negative amount)			
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)			
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			
20	Not applicable			
EU-20a Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative				
EU-20b of which: qualifying holdings outside the financial sector (negative amount)				
EU-20c of which: securitisation positions (negative amount)				
EU-20d of which: free deliveries (negative amount)				
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)			
22	Amount exceeding the 17,65% threshold (negative amount)			
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities			
24	Not applicable			
25	of which: deferred tax assets arising from temporary differences			
EU-25a Losses for the current financial year (negative amount)				

>>Table 20. EU CC1— Composition of regulatory own funds (continued)

EUR m	a	a	b
Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)			
26 Not applicable			
27 Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)			
27a Other regulatory adjustments			
28 <b>Total regulatory adjustments to Common Equity Tier 1 (CET1)</b>	<b>-8</b>	<b>-9</b>	
29 <b>Common Equity Tier 1 (CET1) capital</b>	<b>946</b>	<b>925</b>	
<b>Additional Tier 1 (AT1) capital: instruments</b>			
30 Capital instruments and the related share premium accounts			
31 of which: classified as equity under applicable accounting standards			
32 of which: classified as liabilities under applicable accounting standards			
33 Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1			
EU-33a Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1			
EU-33b Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1			
34 Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties			
35 of which: instruments issued by subsidiaries subject to phase out			
36 <b>Additional Tier 1 (AT1) capital before regulatory adjustments</b>			
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>			
37 Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)			
38 Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			
39 Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			
40 Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)			
41 Not applicable			
42 Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)			
42a Other regulatory adjustments to AT1 capital			
43 <b>Total regulatory adjustments to Additional Tier 1 (AT1) capital</b>			
44 <b>Additional Tier 1 (AT1) capital</b>			
45 <b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>946</b>	<b>925</b>	
<b>Tier 2 (T2) capital: instruments</b>			
46 Capital instruments and the related share premium accounts			
47 Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR			
EU-47a Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2			
EU-47b Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2			
48 Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties			
49 of which: instruments issued by subsidiaries subject to phase out			
50 Credit risk adjustments	2	3	
51 <b>Tier 2 (T2) capital before regulatory adjustments</b>	<b>2</b>	<b>3</b>	
<b>Tier 2 (T2) capital: regulatory adjustments</b>			
52 Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)			
53 Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			

>>Table 20. EU CC1 – Composition of regulatory own funds (continued)

EUR m	a	a	b
54 Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			
54a Not applicable			
55 Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)			
56 Not applicable			
EU-56a Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)			
EU-56b Other regulatory adjustments to T2 capital			
57 <b>Total regulatory adjustments to Tier 2 (T2) capital</b>			
58 <b>Tier 2 (T2) capital</b>	<b>2</b>	<b>3</b>	
59 <b>Total capital (TC = T1 + T2)</b>	<b>948</b>	<b>928</b>	
60 <b>Total Risk exposure amount</b>	<b>3,479</b>	<b>3,364</b>	
<b>Capital ratios and requirements including buffers</b>			
61 Common Equity Tier 1 capital	27.20%	27.50%	
62 Tier 1 capital	27.20%	27.50%	
63 Total capital	27.25%	27.59%	
64 Institution CET1 overall capital requirements	0.10%	9.00%	
65 of which: capital conservation buffer requirement	2.50%	2.50%	
66 of which: countercyclical capital buffer requirement	1.00%	.	
67 of which: systemic risk buffer requirement			
EU-67a of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	2.00%	2.00%	
EU-67b of which: additional own funds requirements to address the risks other than the risk of excessive leverage			
68 <b>Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements</b>	<b>22.70%</b>	<b>23.00%</b>	
<b>National minima (if different from Basel III)</b>			
69 Not applicable			
70 Not applicable			
71 Not applicable			
<b>Amounts below the thresholds for deduction (before risk weighting)</b>			
72 Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)			
73 Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)			
74 Not applicable			
75 Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)			
<b>Applicable caps on the inclusion of provisions in Tier 2</b>			
76 Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)			
77 Cap on inclusion of credit risk adjustments in T2 under standardised approach	5	6	
78 Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)			
79 Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	16	16	
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)</b>			
80 Current cap on CET1 instruments subject to phase out arrangements			
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)			
82 Current cap on AT1 instruments subject to phase out arrangements			
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)			
84 Current cap on T2 instruments subject to phase out arrangements			
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)			



**Table 21.** EU CC2 – reconciliation of regulatory own funds to balance sheet in the audited financial statements

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		As at period end	As at period end	
<b>31 Dec 2022, EUR m</b>				
<b>Assets - Breakdown by asset classes according to the balance sheet in the published financial statements</b>				
1	Cash and balances with central bank	1,304	1,304	
2	Loans to credit institutions	36	36	
3	Loans to the public	6,543	6,543	
4	Debt securities	287	287	
5	Derivatives	49	49	
6	Equity instruments	0	0	
7	Investments in associates	2	2	
8	Intangible assets	4	4	
8.1	<i>of which the prudent value of software assets</i>		-1	(a)
9	Property, plant and equipment	10	10	
10	Right of use assets	15	15	
11	Investment property	0	0	
12	Deferred income tax assets	0	0	
13	Other assets	9	9	
14	Prepaid expenses and accrued income	15	15	
15	<b>Total assets</b>	<b>8,276</b>	<b>8,276</b>	
<b>Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements</b>				
1	Deposits from central banks and credit institutions	857	857	
2	Deposits and borrowings from the public	6,155	6,155	
3	Derivatives	34	34	
4	Current income tax liabilities	9	9	
5	Deferred income tax liabilities	2	2	
6	Provisions	6	6	
7	Other liabilities	113	113	
8	Accrued expenses and prepaid income	11	11	
9	<b>Total liabilities</b>	<b>7,188</b>	<b>7,188</b>	
<b>Shareholders' Equity</b>				
1	Share capital	43	43	c
2	Share premium	86	86	d
3	Other reserves	19	19	e
4	Retained earnings	940	940	f
4.1	<i>of which previous years retained earnings eligible</i>		806	
4.2	<i>of which profit for the year</i>	116	116	
4.2.1	<i>of which not-audited</i>		-116	
5	<b>Total shareholders' equity</b>	<b>1,088</b>	<b>1,088</b>	
6	<b>Total liabilities and shareholders' equity</b>	<b>8,276</b>	<b>8,276</b>	

Comment

The Group's scope of accounting consolidation and its scope of prudential consolidation are the same. There are no differences between the respective scopes and methods for consolidation.

**Table 22.** EU CCA – Main features of regulatory own funds instruments and eligible liabilities instruments

31 Dec 2022		a
		Qualitative or quantitative information
1	Issuer	AS SEB Pank
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	reg. No 10004252
2a	Public or private placement	Public
3	Governing law(s) of the instrument	Estonian Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A
<b>Regulatory treatment</b>		
4	Current treatment taking into account, where applicable, transitional CRR rules	Common equity Tier1 capital
5	Post-transitional CRR rules	Common equity Tier1 capital
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Shares
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	43 EUR m
9	Nominal amount of instrument	43 EUR m
EU-9a	Issue price	0.64 EUR
EU-9b	Redemption price	N/A
10	Accounting classification	Share capital
11	Original date of issuance	06/05/1994
12	Perpetual or dated	Perpetual
13	Original maturity date	Perpetual
14	Issuer call subject to prior supervisory approval	NO
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
<b>Coupons / dividends</b>		
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	NO
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
21	Existence of step up or other incentive to redeem	NO
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	NO
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination (only for eligible liabilities)	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	1
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A
36	Non-compliant transitioned features	NO
37	If yes, specify non-compliant features	N/A
37a	Link to the full term and conditions of the instrument (signposting)	SEB Group (sebgroupp.com)

N/A inserted if the question is not applicable

**Table 23.** EU CCyB1– Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures	Own fund requirements							
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
<b>31 Dec 2022, EUR m</b>													
<b>Breakdown by country:</b>													
EE	496	6,369	0			6,865	241	0		241	3,011	93.98	1.00
LT	0	217	0			217	7	0		7	90	2.82	
LV	0	120				121	4			4	48	1.49	
Other	3	72	0			74	4			4	55	1.71	
<b>Total</b>	<b>499</b>	<b>6,778</b>	<b>0</b>			<b>7,277</b>	<b>256</b>	<b>0</b>		<b>256</b>	<b>3,204</b>	<b>100.00</b>	

**Table 24.** EU CCyB2 – Amount of institution-specific countercyclical capital buffer

	a	b
<b>EUR, m</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
1 Total risk exposure amount	<b>3,479</b>	<b>3,364</b>
2 Institution-specific countercyclical buffer rate	1.00%	0.00%
3 Institution-specific countercyclical buffer requirement	35	0

## Leverage ratio

SEB's capital plan covers the strategic planning horizon and projects economic and legal capital requirements, as well as available capital resources and relevant ratios including risk-based and non-risk-based metrics such as the leverage ratio. It is forward-looking, taking into account current and planned business volumes.

Leverage ratio is considered in the capital and risk management and planning. The leverage ratio is calculated on a quarterly basis and is one of the Bank's recovery indicators

In 2022, there were no significant factors impacting the leverage ratio (in 2022 and 2021, the corresponding values were 10.50 per cent and 10.85 per cent, the slight decrease in 2022 was mainly due to the growth of the loan portfolio).

**Table 25.** EU LR1 – LR Sum: Summary reconciliation of accounting assets and leverage ratio exposures

EUR m		a	b
		Applicable amount	
		31 Dec 2022	31 Dec 2021
1	Total assets as per published financial statements	8,276	7,940
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation		
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)		
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))		
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)		
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	1	33
7	Adjustment for eligible cash pooling transactions		
8	Adjustment for derivative financial instruments	45	11
9	Adjustment for securities financing transactions (SFTs)		
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	694	549
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-8	-9
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)		
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)		
12	Other adjustments		
13	<b>Total exposure measure</b>	<b>9,008</b>	<b>8,524</b>

Table 26. EU LR2 – LR Com: Leverage ratio common disclosure

		a	a
		CRR leverage ratio exposures	
EUR m		31 Dec 2022	31 Dec 2021
<b>On-balance sheet exposures (excluding derivatives and SFTs)</b>			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	8,228	7,967
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework		
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)		
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)		
5	(General credit risk adjustments to on-balance sheet items)		
6	(Asset amounts deducted in determining Tier 1 capital)	-8	-9
7	<b>Total on-balance sheet exposures (excluding derivatives and SFTs)</b>	<b>8,220</b>	<b>7,958</b>
<b>Derivative exposures</b>			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	49	6
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach		
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	45	11
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach		
EU-9b	Exposure determined under Original Exposure Method		
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)		
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)		
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)		
11	Adjusted effective notional amount of written credit derivatives		
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
13	<b>Total derivatives exposures</b>	<b>94</b>	<b>17</b>
<b>Securities financing transaction (SFT) exposures</b>			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions		
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
16	Counterparty credit risk exposure for SFT assets		
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR		
17	Agent transaction exposures		
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)		
18	<b>Total securities financing transaction exposures</b>		
<b>Other off-balance sheet exposures</b>			
19	Off-balance sheet exposures at gross notional amount	1,494	1,145
20	(Adjustments for conversion to credit equivalent amounts)	-800	-596
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)		
22	<b>Off-balance sheet exposures</b>	<b>694</b>	<b>549</b>
<b>Excluded exposures</b>			
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)		
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))		
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)		
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)		
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))		
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)		
EU-22g	(Excluded excess collateral deposited at triparty agents)		
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)		
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)		
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)		
EU-22k	<b>(Total exempted exposures)</b>		
<b>Capital and total exposure measure</b>			
23	<b>Tier 1 capital</b>	<b>946</b>	<b>925</b>
24	<b>Total exposure measure</b>	<b>9,008</b>	<b>8,524</b>
<b>Leverage ratio</b>			
25	Leverage ratio (%)	10.50	10.85
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	10.50	10.85
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	10.50	10.85
26	Regulatory minimum leverage ratio requirement (%)	3.00	3.00
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)		
EU-26b	of which: to be made up of CET1 capital		
27	Leverage ratio buffer requirement (%)		
EU-27a	Overall leverage ratio requirement (%)	3.00	3.00
<b>Choice on transitional arrangements and relevant exposures</b>			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Fully phased in	Fully phased in
<b>Disclosure of mean values</b>			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable		
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables		
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating	9,008	8,524
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9,008	8,524
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	10.50	10.85
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	10.50	10.85

**Table 27.** EU LR3 – LR Spl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

		a	a
		CRR leverage ratio exposures	
EUR m		31 Dec 2022	31 Dec 2021
<b>EU-1</b>	<b>Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:</b>	8,228	7,967
EU-2	Trading book exposures		
EU-3	Banking book exposures, of which:	8,227	7,967
EU-4	Covered bonds		
EU-5	Exposures treated as sovereigns	1,891	1,848
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns		
EU-7	Institutions	35	220
EU-8	Secured by mortgages of immovable properties	4,457	4,033
EU-9	Retail exposures	565	535
EU-10	Corporates	1,182	1,160
EU-11	Exposures in default	12	17
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	85	154

## Remuneration

SEB Group's remuneration principles, governance- and remuneration structures are laid out in the Remuneration Policy. The Remuneration policy is adopted each year by the Supervisory Council, based on a proposal by the Remuneration and Human Resource committee (RemCo). The proposal is preceded by a risk analysis involving relevant control functions. The risk analysis is also reviewed and approved by the Risk Oversight Committee (ROC). RemCo is furthermore responsible for following up and evaluating the adopted remuneration and incentive programmes as well as to yearly receive a review of SEB Group's adherence to the Remuneration Policy, performed by an internal control function.

For further information about SEB Group's remuneration structure and systems, including description of the governance model relating to remuneration as well as the responsibility of RemCO, please refer to the Annual report.

### Remuneration Policy

The remuneration policy is applicable to all employees of the Group.

The Group's remuneration policy is based on and implements the Remuneration Policy of the SEB Group adopted by the SEB Group Board of Directors taking local legal requirements and the activities of the Group and all entities into account.

The Remuneration policy stipulates that remuneration shall be aligned with the Group's strategy, goals, values and long-term interests and ensure that conflicts of interest are avoided. This shall build value for both SEB Group and the shareholders while promoting the best interest of the customers, encourage high performance, and risk-taking that is aligned with the level of risk tolerance set by the Board of Directors, and sound and responsible behaviour based on SEB Group values. These objectives are applicable to all staff, including staff that has a material impact on the risk profile of the bank (Identified staff).

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

In 2022, the Group's Remuneration policy was updated to clarify the remuneration structure regarding gender pay gap, terms and conditions of All Employee Programme, scale of gratuity regarding gifts, variable remuneration maximum amount and deferral period for Identified Staff. Also, the list of Bank's Identified Staff positions was reviewed and updated.

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

The Group's remuneration policy sets out the different categories of Identified staff. The categorization is based on the risk analysis of the remuneration structures prepared by the control functions. The following categories are used to determine which positions are Identified staff:

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

The Group's remuneration policy furthermore stipulates that Control functions should be remunerated independently of the business they oversee. This is achieved by ensuring that final determinations of remuneration for employees within Control functions are not made in the business units they oversee. As a general rule, employees within the Control function may normally not participate in individual variable remuneration programs.

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

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

The variable remuneration models are adapted to applicable regulations in terms of maximum ratio in relation to fixed remuneration and with regards to deferral and malus provisions, i.e. reclaim of deferred not yet paid out variable remuneration. The Bank has decided not to use individual performance based short term variable remuneration models (STI).

The Bank continuously follows up and secures that the variable remuneration models do not put the employees in conflict of interest with its customers, promote appropriate code of conduct behavior and do not incentivise excessive risk taking. The Group's control functions shall support this follow up.

In order to support a performance culture and to attract, retain and reward key talents, SEB Group utilises individual position and performance based variable remuneration. The ambition is to mainly utilise equity based long-term variable remuneration (LTI) and that all substantial allotment of variable remuneration, shall, in the extent possible due to local market conditions, always be fully allotted in LTI equity.

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

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

In addition, at least 50 per cent of the total variable remuneration, i.e. both the deferred and non-deferred variable remuneration, shall be allocated in SEB Group shares or equivalent equity-based instruments or, were relevant, in fund units of the funds managed. All equity allotments, i.e. both the deferred and non-deferred part, shall have a one-year mandatory holding period. Equity deferrals will be allotted in form of long-term based (LTI) programmes and paid out according to its programme structure and terms and conditions. The length of



Equity deferrals (may be paid pro-rata). subject to risk adjustment before pay-out, is at least four years for Identified staff and for senior management at least five years.

Deferred variable remuneration is subject to ex post risk adjustment. SEB Group applies certain criteria for risk adjustments at Group, Division/Business Area/Business Unit and individual levels respectively, that includes restatement of SEB Group's financial statements, significant failure of risk management that negatively impacts the financial result or compliance breaches.

**Table 28.** EU REM1 – Remuneration awarded for the financial year

EUR m		a	b	c	d
31 Dec 2022		MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Number of identified staff	3	10	10	51
2	Total fixed remuneration	0	1	1	3
3	Of which: cash-based	0	1	1	3
4	(Not applicable in the EU)				
EU-4a	Of which: shares or equivalent ownership interests				
Fixed remuneration	Of which: share-linked instruments or equivalent non-cash instruments				
	Of which: other instruments				
	(Not applicable in the EU)				
	Of which: other forms				
	(Not applicable in the EU)				
9	Number of identified staff		6	10	13
10	Total variable remuneration		0	0	0
11	Of which: cash-based				
12	Of which: deferred				
EU-13a	Of which: shares or equivalent ownership interests		0	0	0
EU-14a	Of which: deferred		0	0	0
Variable remuneration	Of which: share-linked instruments or equivalent non-cash instruments				
	Of which: deferred				
	Of which: other instruments				
	Of which: deferred				
	Of which: other forms				
16	Of which: deferred				
17	Total remuneration (2 + 10)	0	1	1	3

EUR m		a	b	c	d
31 Dec 2021		MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Number of identified staff	3	10	11	46
2	Total fixed remuneration	0	1	1	3
3	Of which: cash-based	0	1	1	3
4	(Not applicable in the EU)				
EU-4a	Of which: shares or equivalent ownership interests				
Fixed remuneration	Of which: share-linked instruments or equivalent non-cash instruments				
	Of which: other instruments				
	(Not applicable in the EU)				
	Of which: other forms				
	(Not applicable in the EU)				
9	Number of identified staff		6	10	15
10	Total variable remuneration		0	0	0
11	Of which: cash-based				
12	Of which: deferred				
EU-13a	Of which: shares or equivalent ownership interests		0	0	0
EU-14a	Of which: deferred		0	0	0
Variable remuneration	Of which: share-linked instruments or equivalent non-cash instruments				
	Of which: deferred				
	Of which: other instruments				
	Of which: deferred				
	Of which: other forms				
16	Of which: deferred				
17	Total remuneration (2 + 10)	0	1	1	3

**Table 29.** EU REM2 – Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

EUR m		a	b	c	d
		MB Supervisory function	MB Management function	Other senior management	Other identified staff
<b>31 Dec 2022</b>					
<b>Guaranteed variable remuneration awards</b>					
1	Guaranteed variable remuneration awards - Number of identified staff				
2	Guaranteed variable remuneration awards -Total amount				
3	<i>Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap</i>				
<b>Severance payments awarded in previous periods, that have been paid out during the financial year</b>					
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff				
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount				
<b>Severance payments awarded during the financial year</b>					
6	Severance payments awarded during the financial year - Number of identified staff				2
7	Severance payments awarded during the financial year - Total amount				0
8	<i>Of which paid during the financial year</i>				0
9	<i>Of which deferred</i>				
10	<i>Of which severance payments paid during the financial year, that are not taken into account in the bonus cap</i>				
11	<i>Of which highest payment that has been awarded to a single person</i>				0

  

EUR m		a	b	c	d
		MB Supervisory function	MB Management function	Other senior management	Other identified staff
<b>31 Dec 2021</b>					
<b>Guaranteed variable remuneration awards</b>					
1	Guaranteed variable remuneration awards - Number of identified staff				
2	Guaranteed variable remuneration awards -Total amount				
3	<i>Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap</i>				
<b>Severance payments awarded in previous periods, that have been paid out during the financial year</b>					
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff				
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount				
<b>Severance payments awarded during the financial year</b>					
6	Severance payments awarded during the financial year - Number of identified staff			1	1
7	Severance payments awarded during the financial year - Total amount			0	0
8	<i>Of which paid during the financial year</i>			0	0
9	<i>Of which deferred</i>				
10	<i>Of which severance payments paid during the financial year, that are not taken into account in the bonus cap</i>				
11	<i>Of which highest payment that has been awarded to a single person</i>			0	0

Table 30. EU REM3 – Deferred remuneration

EUR m	a	b	c	d	e	f	EU - g	EU - h
Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
<b>31 Dec 2022</b>								
1 MB Supervisory function								
2 Cash-based								
3 Shares or equivalent ownership interests								
4 Share-linked instruments or equivalent non-cash instruments								
5 Other instruments								
6 Other forms								
7 MB Management function								
8 Cash-based								
9 Shares or equivalent ownership interests	0	0	0				0	0
10 Share-linked instruments or equivalent non-cash instruments								
11 Other instruments								
12 Other forms								
13 Other senior management								
14 Cash-based								
15 Shares or equivalent ownership interests	1	0	0				0	0
16 Share-linked instruments or equivalent non-cash instruments								
17 Other instruments								
18 Other forms								
19 Other identified staff								
20 Cash-based	0	0	0					
21 Shares or equivalent ownership interests	0	0	0				0	0
22 Share-linked instruments or equivalent non-cash instruments								
23 Other instruments								
24 Other forms								
<b>25 Total amount</b>	<b>1</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>

>> Table 30. EU REM3 – Deferred remuneration (continued)

EUR m	a	b	c	d	e	f	EU - g	EU - h
<b>Deferred and retained remuneration</b>								
	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
<b>31 Dec 2021</b>								
1 MB Supervisory function								
2 Cash-based								
3 Shares or equivalent ownership interests								
4 Share-linked instruments or equivalent non-cash instruments								
5 Other instruments								
6 Other forms								
7 MB Management function								
8 Cash-based								
9 Shares or equivalent ownership interests	4	0		4				
10 Share-linked instruments or equivalent non-cash instruments								
11 Other instruments								
12 Other forms								
13 Other senior management								
14 Cash-based								
15 Shares or equivalent ownership interests	2	0		2				
16 Share-linked instruments or equivalent non-cash instruments								
17 Other instruments								
18 Other forms								
19 Other identified staff								
20 Cash-based								
21 Shares or equivalent ownership interests	2	0		2				
22 Share-linked instruments or equivalent non-cash instruments								
23 Other instruments								
24 Other forms								
<b>25 Total amount</b>	<b>8</b>	<b>0</b>		<b>7</b>				

Table 31. EU REM4 – Remuneration of 1 million EUR or more per year

		a	a
		31 Dec 2022, EUR m	31 Dec 2021, EUR m
		Identified staff that are high earners as set out in Article 450(i) CRR	Identified staff that are high earners as set out in Article 450(i) CRR
1	1 000 000 to below 1 500 000		
2	1 500 000 to below 2 000 000		
3	2 000 000 to below 2 500 000		

Table 32. EU REM5 – Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			Business areas						
		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
<b>31 Dec 2022, EUR m</b>											
1	<b>Total number of identified staff</b>										<b>74</b>
2	<i>Of which: members of the MB</i>	3	10	13							
3	<i>Of which: other senior management</i>				1	8	-	-	-	1	
4	<i>Of which: other identified staff</i>				3	5	3	27	13	-	
5	<b>Total remuneration of identified staff</b>	0	1	2	0	1	0	2	1	0	
6	<i>Of which: variable remuneration</i>		0	0	0	0	0	0	0	0	
7	<i>Of which: fixed remuneration</i>	0	1	1	0	1	0	2	1	0	

>> Table 32. EU REM5 – Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (continued)

	a	b	c	d	e	f	g	h	i	j
	Management body remuneration			Business areas						
	MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
<b>31 Dec 2021, EUR m</b>										
<b>1 Total number of identified staff</b>										<b>70</b>
2 <i>Of which: members of the MB</i>	3	10	13	1	8	-	1	-	1	
3 <i>Of which: other senior management</i>				3	3	3	23	14	-	
4 <i>Of which: other identified staff</i>										
<b>5 Total remuneration of identified staff</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>0</b>	
6 <i>Of which: variable remuneration</i>		0	0	0	0		0	0	0	
7 <i>Of which: fixed remuneration</i>	0	1	1	0	1	0	2	1	0	

