



U.S. Resolution Plan

Public Section

December, 2014

TABLE OF CONTENTS

Section 1: Public Section

Introduction

Summary of resolution plan

- A. Description of material entities
- B. Description of core business lines
- C. Summary financial information
- D. Description of derivative and hedging activities
- E. Memberships in material payment, clearing and settlement systems
- F. Description of foreign operations
- G. Material supervisory authorities
- H. Principal officers
- I. Corporate governance structure and processes related to resolution planning
- J. Description of material management information systems
- K. High-level description of resolution strategy

This document contains certain forward-looking statements that reflect SEB's current views with respect to future events. Forward-looking statements are all statements in this document that do not relate to historical facts and events. While these forward-looking statements represent SEB's judgments and future expectations concerning the development, actual developments could differ from SEB's expectations. SEB undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Introduction

Skandinaviska Enskilda Banken AB (publ) (herein the “Bank”, or “SEB AB”) is a foreign banking organization duly organized and existing under the laws of Sweden. In the United States, the Bank maintains a New York state-licensed branch (the “New York Branch”) and operates subsidiaries, as described below. This resolution plan (the “U.S. Resolution Plan”) is being filed by the Bank pursuant to Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) and 12 C.F.R. §243 (the “Regulation”).

Section 165(d) of the Dodd-Frank Act and the Regulation require a foreign bank or company that is, or is treated as, a bank holding company under section 8(a) of the International Banking Act of 1978 (the “IBA”) and that has \$50 billion or more in total consolidated assets to submit annually a plan for the rapid and orderly resolution of the foreign bank’s U.S. operations in the event of material financial distress or failure. The resolution plan must provide a strategic analysis of how the U.S. operations of the foreign-based bank (sometimes referred to as a “covered company”) can be resolved under the U.S. Bankruptcy Code or other applicable insolvency regime within a reasonable period of time and in a manner that would mitigate the risk of serious adverse effects to U.S. financial stability.

The Bank is treated as a bank holding company under the IBA by virtue of maintaining a U.S. branch, and also has Financial Holding Company (FHC) status. The Bank, together with its subsidiaries (“SEB”, or the “SEB Group”) has \$50 billion or more in total global consolidated assets, as determined based upon the average of the Bank’s four most recent quarterly Capital and Asset Reports for Foreign Banking Organizations as reported on FRB Form FR Y-7Q. Therefore, it is a foreign-based covered company subject to the resolution plan requirements of Section 165(d) and the Regulation.

This document constitutes the Public Section (“Section 1”) of the Bank’s U.S. Resolution Plan.

Tailored Plan

In lieu of a standard resolution plan, the Regulation permits the Bank to submit a “tailored” resolution plan which is available for foreign-based covered companies that have less than \$100 billion in total U.S. nonbank assets and the assets of their U.S. depository institution operations, branches, and agencies comprise 85% or more of the company’s total consolidated U.S. assets based on year-end 2013 financials. A “tailored” resolution plan includes all the elements required in a standard resolution plan, but may limit information provided for certain elements to the foreign-based covered company’s U.S. nonbanking material entities, critical operations and core business lines.

Overview of SEB

SEB is a leading Nordic financial services group. As a relationship bank strongly committed to delivering customer value, SEB offers financial advice and a wide range of financial services to corporate customers, financial institutions and private individuals in Sweden and the Baltic countries. In Denmark, Finland, Norway and Germany, SEB’s operations focus on delivering a full range of financial services to corporate and institutional clients and building long-term customer relationships. As of December 31, 2013, SEB had total assets of SEK 2,485 billion and total equity of SEK 123 billion.

The Group's business is organised into the following divisions:

- *Merchant Banking* – providing wholesale banking and investment banking services to large companies and institutional clients in SEB's core markets;
- *Retail Banking* – providing banking and advisory services to private individuals and SMEs in Sweden, and card services in the Nordic countries;
- *Wealth Management* – providing provides asset management, investment management, including mutual funds, and private banking services to institutional clients and high net worth individuals;
- *Life* – providing life insurance products for private individuals and corporate customers, mainly in Sweden, Denmark and the Baltic countries; and
- *Baltic* – providing retail, corporate and institutional banking services, such as trading and capital markets and transaction services, to Estonian, Latvian and Lithuanian clients.

At December 31, 2013, SEB's customer base consisted of approximately 2,900 large corporate and institutional customers, approximately 400,000 SMEs and approximately four million private individuals. At the same date, SEB had approximately 16,000 employees and 286 retail branch offices in Sweden and the Baltic countries. The international nature of SEB's business is reflected in its presence in approximately 20 countries, with offices to support and service mainly its large corporate and institutional customers. Outside Sweden, the Bank's presence includes subsidiaries or branches in the following countries:

Estonia	Latvia	Lithuania
Norway	Denmark	Finland
Germany	United Kingdom	Luxembourg
Switzerland	Ukraine	Russia
Poland	Ireland	Singapore
China ¹	United States	Cayman Islands

The Parent Bank has representative offices in Beijing (China), Moscow (Russia), New Delhi (India) and São Paulo (Brazil).

The Bank was incorporated under the laws of Sweden in 1972 through the amalgamation of Stockholms Enskilda Bank and Skandinaviska Banken as a limited liability company. Stockholms Enskilda Bank was founded in 1856 by André Oscar Wallenberg as Stockholm's first privately-held bank. Skandinaviska Kreditaktiebolaget (later Skandinaviska Banken) commenced operations in 1864 as Stockholm's second privately-held bank.

¹ The Bank has branches in Shanghai and Hong-Kong.

Summary of resolution plan

A. Description of material entities

The Regulation provides the following definitions for “material entity,” “critical operations” and “core business lines”:

- *“Material entity”* means a subsidiary or foreign office of the covered company that is significant to the activities of a critical operation or core business line.
- *“Critical operations”* are those operations, including associated services, functions and support, the failure or discontinuance of which, in the view of the covered company or as jointly directed by the FRB and the FDIC, would pose a threat to the financial stability of the U.S.
- *“Core business lines”* are those business lines, including associated operations, services, functions and support that, in the covered company’s view, upon failure would result in a material loss of revenue, profit, or franchise value.

In the United States, the Bank has one branch office, SEB AB, New York Branch, and a broker-dealer subsidiary, SEB Securities Inc. (herein, “SEB Securities” or the “Broker-Dealer”). In addition, the Bank owns SEB Asset Management America, which is a dormant entity with no activity conducted, and Suecia Insurance Company, which is a small re-insurance company in the process of run-off.

The Bank has determined that none of its U.S. entities is a “material entity” for the purposes of the U.S. Resolution Plan. A brief description of the SEB AB, New York branch and of SEB Securities Inc. is provided below. These two entities represent the only significant share of assets, liabilities and activities conducted in SEB’s U.S. operations.

SEB AB, New York Branch (the “New York Branch”)

The New York Branch is licensed by the New York State Department of Financial Services (“NYDFS”) and its office is located at 245 Park Avenue, New York, NY. The branch primarily engages in the following activities:

- Corporate Banking
- FX Sales and Trading
- Treasury operations

A brief summary of the New York Branch’s assets and liabilities is provided in part C.

The Broker-Dealer

The Broker-Dealer is a New York corporation that is registered as a broker-dealer with the U.S. Securities and Exchange Commission (“SEC”) and as a member firm of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). The company is located at 245 Park Avenue, New York, NY. The activities of the Broker-Dealer include:

- Equity Trading and Sales
- Securities Lending
- Capital Markets

A brief summary of the Broker-Dealer’s assets and liabilities is provided in part C.

B. Description of core business lines

Core business lines are those business lines that upon failure would result in a material loss of revenue, profit or franchise value for the Bank. After careful consideration, the Bank, the New York Branch and SEB Securities have concluded that none of the services and activities of the New York Branch or Broker-Dealer is material to a core business line of the Bank.

- There is no activity of the New York Branch that, upon failure and winding up of the Branch’s operations, would result in a material loss of revenue, profit or franchise value for the Bank. In the event of the failure of the Bank and the Branch or insolvency of the Branch, its customers could readily find replacement services through other banks and financial institutions. If all of the activities of the New York Branch were terminated suddenly and immediately (because of an idiosyncratic economic event affecting only the Bank and its U.S. operations), the effect of such a sudden loss of Branch revenues on the Bank would be *de minimis*. The Bank could readily replace the activities and services or activities now provided by or through the New York Branch through its other international branches and subsidiaries. For these reasons, a determination has been made that the New York Branch is not a “material entity.”
- The Broker-Dealer is very small and the services that it provides could quite easily be replaced by services provided by another U.S. broker-dealer.

In effect, because of the *de minimis* size of its non-banking operations and limited nature of its Branch operations, the Bank does not have any material entities located in the United States.

C. Summary financial information

Balance sheet information SEB Group

SEB Group's balance sheet as of December 31, 2013 and 2012 is summarised below.

SEK million	2013	2012
Cash and cash balances with central banks	173,950	191,445
Other loans to central banks.....	9,661	17,718
Loans to credit institutions	102,623	126,023
Loans to the public.....	1,302,568	1,236,088
Financial assets at fair value	776,624	725,938
Available-for-sale financial assets	48,903	50,599
Held-to-maturity investments	85	82
Assets held for sale	0	0
Investments in associates	1,274	1,252
Tangible and intangible assets	28,924	28,494
Other assets	40,221	75,817
Total assets	2,484,834	2,453,456
Deposits from credit institutions.....	176,191	170,656
Deposits and borrowing from the public	849,475	862,260
Liabilities to policyholders.....	315,512	285,973
Debt securities.....	713,990	661,851
Financial liabilities at fair value	213,945	237,001
Liabilities held for sale	0	0
Other liabilities.....	68,105	96,349
Provisions	1,992	5,572
Subordinated liabilities.....	22,809	24,281
Total equity	122,814	109,513
Total liabilities and equity.....	2,484,834	2,453,456

Funding and liquidity of SEB Group

The principal sources of funding for SEB Group consist of deposits from the public (including retail and wholesale deposits), deposits from Swedish, German and other financial institutions and issues of money market instruments, covered bonds, other types of bonds and subordinated debt. SEB believes these sources give it access to a well diversified funding base.

SEB continues to receive a large part of its funding from deposits and borrowing from the public (excluding deposits from credit institutions and repos) which amounted to 48% of its funding as of December 31, 2013.

The following table shows the breakdown of SEB's different funding sources as of December 31, 2013, and 2012.

SEK billion	2013	2012
Deposits and borrowing from the public ¹⁾	838	848
Deposits from credit institutions ²⁾	168	156
Debt securities	714	662
Subordinated liabilities	23	24
Funding	1,743	1,690

1) Excludes repurchase agreements valued at SEK 11 billion at December 31, 2013, SEK 14 billion at December 31, 2012.

2) Excludes repurchase agreements valued at SEK 9 billion at December 31, 2013, SEK 14 billion at December 31, 2012.

Funding of the New York Branch

The major funding sources of the New York Branch are certificates of deposits, deposits from other banks and institutions, and funding from Head Office. The New York Branch carefully monitors and manages liquidity risk to ensure that changes in funding requirements can be met without a material adverse impact on the financial condition and operation of the New York Branch, or the Bank. Liquidity risk management is a top priority of the Bank and the New York Branch. The Bank and the New York Branch regularly consider alternative sources for funding that could be used if normal sources are no longer available. The Bank and the New York Branch maintain business relationships with a diverse group of well-capitalized bank and financial institution funding sources and could seek additional financing from other banks and financial institutions if necessary. The Bank has also adopted a rigorous program of stress testing for the SEB Group as a whole. Such program seeks to preserve funding liquidity at all times and is more fully described in the Bank's annual report.

Capital adequacy of SEB Group

The following table shows the SEB Group's capital adequacy as of December 31, 2013 and 2012.

SEK million	2013	2012
Capital resources		
Core Tier 1 capital	100,448	88,389
Tier 1 capital	108,159	102,393
Capital base	107,077	100,867
Without transitional floor (Basel II)		
Capital requirement	45,085	46,867
RWA	563,559	585,839
Core Tier 1 capital ratio	17.82%	15.10%
Tier 1 capital ratio	19.19%	17.50%
Total capital ratio	19.00%	17.20%
Capital adequacy quotient (capital base/capital requirement)	2.38	2.15

With transitional rules (Basel II) – as legally reported

Transitional floor applied	80%	80%
Capital requirement	73,363	70,339
RWA.....	917,040	879,237
Core Tier 1 capital ratio.....	10.95%	10.10%
Tier 1 capital ratio	11.79%	11.60%
Total capital ratio.....	11.68%	11.50%
Capital adequacy quotient (capital base/capital requirement).....	1.46	1.43

With risk weighting according to Basel I

Capital requirement	92,568	87,317
RWA.....	1,157,095	1,091,468
Core Tier 1 capital ratio.....	8.68%	8.10%
Tier 1 capital ratio	9.35%	9.40%
Total capital ratio.....	9.25%	9.20%
Capital adequacy quotient (capital base/capital requirement).....	1.16	1.16

As of December 31, 2013, the Group's Basel II RWA amounted to SEK 564 billion, leading to a Tier 1 capital ratio of 19.2% compared to 17.5% as of December 31, 2012. SEB's core Tier 1 capital ratio was 17.8% as of December 31, 2013 compared to 15.1% as of December 31, 2012. SEB's total capital ratio was 19.0% as of December 31, 2013 compared to 17.2% as of December 31, 2012.

The Group's Tier 1 capital amounted to SEK 108.2 billion at December 31, 2013 (compared to SEK 102.4 billion at December 31, 2012, with a reported Tier 1 capital ratio under Basel II applying transitional rules of 11.8% at December 31, 2013 (compared to 11.6% at December 31, 2012). The total capital base was SEK 107.1 billion at December 31, 2013 (compared to SEK 100.9 billion at December 31, 2012), with a reported total capital ratio under Basel II applying transitional rules of 11.7% at December 31, 2013 (compared to 11.5% at December 31, 2012).

The New York Branch's assets and liabilities

As set out in the New York Branch's Call Report (December 31, 2013) filed on form FFIEC 002 (Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks), the Branch's total assets as of December 31, 2013 were US\$ 20,139 million, the majority of which was comprised of cash and balances with the Federal Reserve. The Branch's total liabilities as of December 31, 2013, were US\$ 20,139 million, the majority of which was comprised of certificates of deposit issued to corporate and institutional customers.

The New York Branch does not hold standalone capital and is not subject to minimum regulatory capital requirements. However, in accordance with Section 202-b of the New York Banking Law ("NYBL"), the NYDFS requires the Bank to maintain an asset pledge deposit, typically equal to a percentage of the third party liabilities of the New York Branch (at present 2 percent of the average of the New York Branch's third party liabilities for the last 30 days of the most recent calendar quarter) with another depository institution in New York to ensure that the New York Branch maintains a minimum amount of unencumbered assets in the United States that is available in the event of liquidation.

The Broker-Dealer's assets and liabilities

The Broker-Dealer's balance sheet as of December 31, 2013 was comprised of US\$ 55 million in total assets. Total liabilities and equity in total amounted to US\$ 55 million.

D. Description of derivative and hedging activities

Derivative activities

SEB's derivative contract volumes are primarily driven by offering clients derivatives products for management of their financial exposures. The Group manages the resulting positions by entering into offsetting contracts in the market place. As a consequence, the mix of derivatives largely reflects the demand of SEB's customer base. Customer and market making transactions form part of SEB's trading book and are valued on a continuous basis based on market prices.

The Group also uses derivatives for the purpose of protecting the cash-flows and fair value of SEB's financial assets and liabilities from interest rate fluctuations. These contracts are also accounted for at market value.

The major portion of the Group's derivatives is related to contracts with short maturity, which are dominated by interest- and currency-related forwards. A minor portion consists of exchange-traded derivatives contracts, where profits and losses are continuously settled on a cash basis.

Hedging activities

The Group hedges the currency valuation risk of net investments in foreign operations through currency borrowings and currency forwards. When the Group hedges the fair value of interest rate exposure in a portfolio including financial assets or financial liabilities, the gains and losses attributable to the hedged item are reported as separate items under assets or liabilities, as appropriate, in the consolidated balance sheet. The Group applies the version of IAS 39 adopted by the European Union when determining the accounting treatment of these portfolio hedges of interest rate risk.

U.S. Hedging and Derivatives Activities

The New York Branch does not engage in hedging or derivatives activities for its own account. However, the New York Branch provides support and back office services for the Bank's trading platform.

E. Memberships in material payment, clearing, and settlement systems

SEB's U.S. entities are not direct members in any payment, clearing or settlement systems.

F. Description of foreign operations

The table below shows the geographical distribution of income and operating profit per country for the SEB Group for the year 2013. The total income of the SEB Group in 2013 was SEK 41,553 million, and the total operating profit of SEB Group was SEK 18,127 million.

% of total	Income	Operating profit
Sweden	59%	55%
Norway	8%	11%
Denmark	8%	10%
Finland	4%	6%
Germany	7%	6%
Estonia	3%	4%
Latvia	2%	1%
Lithuania	4%	3%
Other	6%	5%
Total	100%	100%

G. Material supervisory authorities

SEB

The Bank, including its subsidiaries and overseas offices, is subject to supervision and regulation under the various laws of the countries in which it operates.

In Sweden, the Finansinspektionen is the regulatory and supervisory authority for financial and insurance institutions, including the Bank and certain of its subsidiaries. The Bank and its subsidiaries have been identified as a financial conglomerate under the Financial Conglomerates Directive (2002/87/EC), and Finansinspektionen has been appointed as the coordinator responsible for the coordination and exercise of supplementary supervision in respect of the Bank and its subsidiaries. Finansinspektionen issues regulations and supervises the operations of financial companies with regard to, among other things, capital adequacy requirements, customer relationships, accounting, governance structures, risk control and procedures for the prevention of money laundering.

The New York Branch

The New York Branch is licensed by the New York State Department of Financial Services (“NYDFS”). As an uninsured branch of a foreign bank, the New York Branch is subject to ongoing supervision, examination and regulation by the NYDFS and the FRB.

The Broker-Dealer

The Broker-Dealer is a New York corporation that is registered as a broker-dealer with the U.S. Securities and Exchange Commission (“SEC”) and as a member firm of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). The Broker-Dealer is subject to regulation and examination by the SEC and FINRA for all aspects of its securities business.

H. Principal officers

The table below sets forth the name and position of members of the New York Branch’s Advisory Board.

Name	Position
Joachim Alpen (Chairman).....	Co-head of Merchant Banking Division
Johan Torgeby	Co-head of Merchant Banking Division
Per Bjernekuill	Country Manager, SEB US
Tony Racanelli (Secretary).....	Head of Business Support, SEB US

The table below sets forth the name and position of members of SEB’s Group Executive Committee.

Name	Position
Annika Falkengren	President and CEO
Magnus Carlsson	Deputy President & CEO
Johan Andersson	Head of Credits and Risk Control and Chief Risk Officer
Jan Erik Back.....	Chief Financial Officer and Executive Vice President
Viveka Hirdman-Ryrberg.....	Head of Communications
Martin Johansson	Head of Business Support
Ulf Peterson.....	Head of Human Resources
Mats Torstendahl	Head of Retail Banking and Executive Vice President

I. Corporate governance structure and processes related to resolution planning

SEB has adopted a governance structure for Recovery and Resolution Planning that builds on existing governance frameworks. The governance structure leverages existing roles and responsibilities of the Group’s main decision-making units, and also includes enhancements in order to address the specific requirements of Recovery and Resolution Planning, such as the establishment of a Steering Group and a working team for Recovery and Resolution Planning.

The Steering Group for Recovery and Resolution Planning is responsible for overall direction setting and control of the SEB Group’s Recovery and Resolution Planning. The Steering Group is chaired by the SEB Group’s CFO and consists of senior executives from areas impacted.

SEB’s Group Recovery and Resolution Planning working team has been in place and responsible for day-to-day coordination of Recovery & Resolution Planning issues since 2012. The working team is organisationally placed within the CFO area.

SEB Group's U.S. Resolution Plan was approved by the Bank's Board of Directors on December 16, 2014. Prior to this, the U.S. Resolution Plan was reviewed and supported by the Risk and Capital Committee (RCC) of the Board of Directors of the Bank, and by the President's Asset and Liability Committee (ALCO) of the Bank.

J. Description of material management information systems

SEB U.S operations utilize SEB Group's IT systems for all major aspects of the operations. In connection with the preparation of the SEB U.S. Resolution Plan, the Bank has identified the main management information systems and applications used in its U.S operations. As described more fully in the Confidential Section, the management information systems and applications have been mapped to legal entity, as well as grouped into the main areas of usage, such as Risk Management, Financial, Compliance, and product area specific systems and applications.

In addition, the Bank maintains a Business Continuity Plan for the New York Branch and the Broker-Dealer. The Business Continuity Plan includes, inter alia, an assessment of prioritized IT systems to be maintained throughout a crisis situation.

K. High level description of resolution strategy

As more fully described in the Confidential Section, the U.S. Resolution Plan takes into consideration possible strategies for the rapid and orderly resolution of the Bank's U.S. operations under applicable resolution regimes in the event of material financial distress or failure of the Bank and its U.S. entities. The strategies are designed to be executed within a reasonable period of time and in a manner that avoids or substantially mitigates systemic impact on U.S. financial stability.

Assumptions

The U.S. Resolution Plan makes the following assumptions:

- For purposes of its initial resolution plan filed in December 2013, as permitted by 12 C.F.R. §§ 243.4(a)(4)(i) and 381.4(a)(4)(i), the Bank assumed that the Bank and its U.S. legal entities are in material financial distress or failure as a result of an idiosyncratic event specific to the Bank that occurs under baseline conditions when U.S. and global financial markets are not experiencing financial distress. As required under the cited sections and as discussed in the Confidential section, the Bank's resolution plan for 2014 also takes into account certain adverse and severely adverse scenarios.²
- The Bank does not have access to unsecured funding.
- The Bank will not receive any extraordinary support from the United States government or any other government to prevent its failure.

² "Material financial distress" means that (1) the Bank has incurred, or is likely to incur, losses that will deplete all or substantially all of its capital, and there is no reasonable prospect for the Bank to avoid such depletion; (2) the assets of the Bank are, or are likely to be, less than its obligations to creditors and others; or (3) the Bank is, or is likely to be, unable to pay its obligations (other than those subject to a bona fide dispute) in the normal course of business.

SEB AB, New York Branch

Due to the relationship of the New York Branch to the Bank's head office, and branch's dependence on the head office for financial support, the insolvency of the Bank would result in the insolvency of the New York Branch. Generally, a foreign bank with a branch or agency in the United States would be excluded as a "debtor" under Chapter 7 and Chapter 11 of the U.S. Bankruptcy Code, and would instead be resolved under applicable federal or state bank insolvency regimes. As a state-licensed branch, the New York Branch of the Bank is subject to the requirements of the New York State bank insolvency law. Under the New York law, the Superintendent of the New York State Department of Financial Services may seize certain U.S. assets of the Bank if, among other things, the Bank is in liquidation either in the home country or elsewhere or there is reason to doubt that the Bank is able or willing to pay the claims of its New York Branch creditors.

Other U.S. entities

The non-branch assets of SEB U.S. operations would be resolved under the separate legal regimes applicable to each entity. The Broker-Dealer, SEB Securities Inc. would be resolved under the Securities Investor Protection Act or SIPA.