



Tax Policy for the SEB Group

adopted by the Board of Directors of
Skandinaviska Enskilda Banken AB (publ)
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Group Tax

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1. Introduction

Banks play an important role in society, by providing credit and managing financial assets in ways that promote economic growth and prosperity. Thus, Skandinaviska Enskilda Banken AB's (publ) ("SEB") business has a direct and indirect impact in the markets and communities where it operates.

Customer knowledge is fundamental for SEB. Operating in more than 20 countries, SEB supports many customers in international trade and global cross-border businesses. Recognising that tax rules and regulations are changing and not fully harmonised across these many different jurisdictions, SEB aims to show good corporate practice in the area of tax.

SEB wants to take an active part in the development of society. SEB sees tax and tax management as an important part of its contribution. By monitoring the development within the tax area thoroughly, SEB continuously works to adapt to changing expectations.

SEB is a significant payer of corporate income tax, social security contributions and bank levies in several countries. SEB is also a net payer of VAT, since a major part of the VAT paid is not recoverable.

Similarly, SEB has an important role in the collection and payment of taxes on behalf of employees and customers as well as in the reporting of information related to customer taxation.

SEB recognises the role banks play in the sustainable development of society in all markets where it operates. Banks must strive to provide competitive products to their clients and value to their shareholders, without compromising the ability of governments to lawfully and fairly collect tax revenue in support of the sustainable development of the communities of which the banks are a part.

2. Purpose

The purpose of this Policy is to define the framework and principles regarding tax matters within the SEB Group.

3. Scope

This Policy applies to the SEB Group, *i.e.* SEB and its controlled holdings, and covers SEB's business activities and operations globally.

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4. Tax Compliance and Governance

SEB pays taxes in accordance with all applicable laws and regulations in all countries where SEB operates.

SEB strives to have high standards for tax governance. In order to monitor risks and ensure tax compliance SEB has implemented several controls within SEB's ICFR (Internal Control over Financial Reporting) framework, which is overseen by the Audit and Compliance Committee of the SEB Board.

SEB also has a New Product Approval Process (NPAP) where the tax department is represented in order to ensure that the products are tax compliant.

5. Tax evasion and tax avoidance

SEB acknowledges the changing landscape around tax from both regulators and society and put strong efforts in securing compliance with applicable tax laws and regulations. Products and services offered by SEB impact the tax situation for SEB and its customers and must always have business rationale. SEB bases its business rationale assessment on good customer knowledge and information provided by them.

SEB operates in accordance with applicable tax laws and regulations. SEB must not use, encourage or facilitate products or services in conflict with tax legislation and anti-tax avoidance law. SEB must not co-operate with external parties to facilitate products or services in conflict with tax legislation and anti-tax avoidance law. SEB works actively with risk assessments, frameworks and controls in order to ensure compliance by SEB.

6. Relationship with tax authorities

Wherever SEB operates, SEB seeks to establish and maintain good relationships with local tax authorities and other governmental bodies. SEB undertakes all dealings with them in a professional, transparent and timely manner, both when it comes to SEB's own tax matters and in reporting obligations regarding customers.

If tax regulations differ between countries/localities, SEB transparently seeks a globally acceptable solution in dialogue with the governments and tax authorities of each country. SEB also encourages the development of an international framework for taxation in order to avoid double taxation.

7. Transfer Pricing

SEB has adopted a Transfer Pricing policy at group level, which is in line with current best practice guidance issued by the OECD. The policy is based on the arm's length principle in order to ensure that profits are allocated and taxed

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where the value is created. SEB has implemented Transfer Pricing documentation in order to support the methods applied and to be transparent in relation to tax authorities.

In addition to compliance with applicable laws and regulations, SEB encourages adherence to the principles espoused in the OECD Transfer Pricing Guidelines by customers that are multinational enterprises in order to ensure a fair and sustainable tax base and tax footprint in the countries in which such enterprises operate.

8. Transparency and reporting compliance

SEB is committed to meet the heightened expectations on transparency in respect of its tax management. SEB continuously works to improve the scope of its communication around tax, where guidance from national tax authorities and international organizations like the OECD is important. One such area is country by country reporting.

SEB is also committed to fulfil its reporting obligations to tax authorities relating to customer information. This covers local reporting and adherence to third party requests as well as international exchange of information according to the multilateral Convention on Mutual Administrative Assistance in Tax Matters, CRS (Common Reporting Standard) and FATCA (Foreign Accounts Tax Compliance Act).
