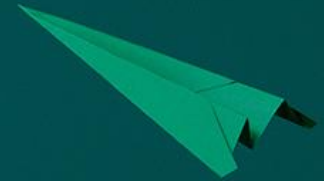


Skandiabanken

Investor presentation – Q4 2020



skandia :

Agenda

1. Introducing Skandiabanken

2. Financial information

3. Credit portfolio

4. Funding

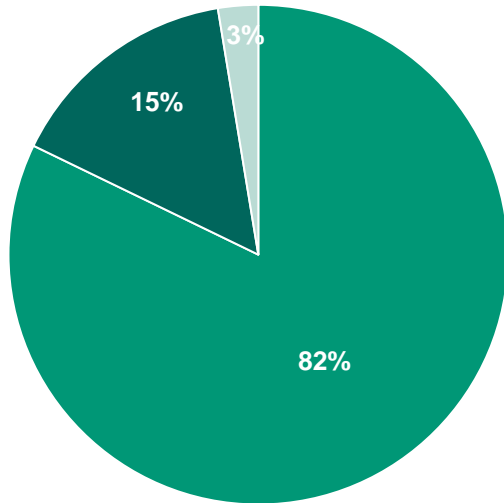
Skandiabanken

- Swedish retail bank established in 1994
- Three core business lines: Loans - Savings - Payments
- Strong and committed owner with ESG focus
- High customer satisfaction and strong brand
- Healthy funding structure with a base in retail deposits
- High quality of assets
- Strong capital and liquidity position
- Ambitious plans for growth

- *Wholly owned subsidiary of the Skandia Group*
- *Approximately 360 000 customers*
- *A2 (Stable) rating by Moody's (covered bond rating AAA)*
- *Total assets of SEK 90 bn*
- *Approximately 2 percent share of the Swedish mortgage and retail savings markets*
- *CEO Johanna Cerwall*

Business model focused on Swedish mortgages

Distribution of income YTD 2020 Q4



■ Net interest income ■ Net commission income ■ Other

A Swedish bank for Swedish customers

- No business outside of Sweden
- Lending only in Swedish krona

Product offering

- Loans (>99 percent mortgages)
- Savings
- Payments

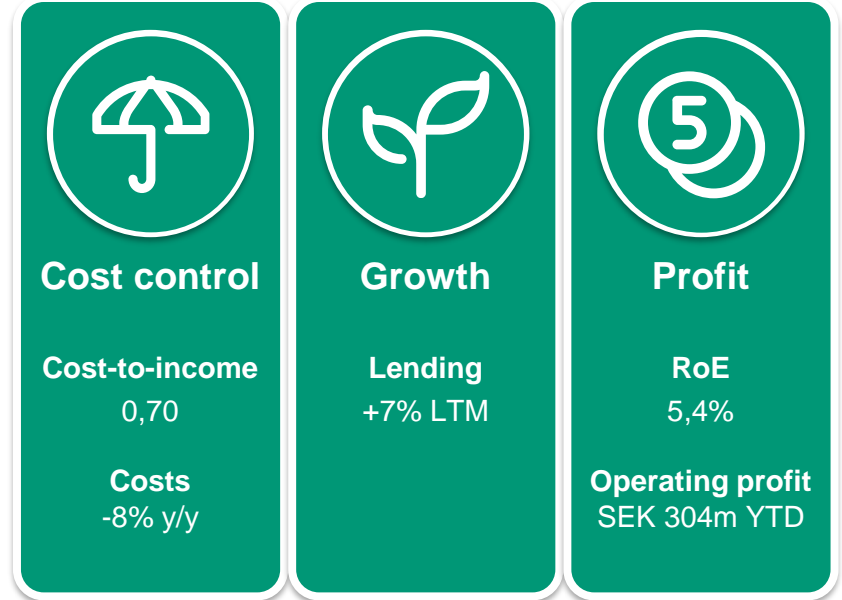
Low risk business

- Digital business
- No private banking
- No handling of cash

Strategy to grow

Overall goal is to contribute with *return on equity*, *cost sharing* and *strategic value* to the Skandia Group

- Scalable digital infrastructure
- Attractive pricing model
- Access to Skandia Group customers
- Supportive products within savings and payments
- Long-term commitment



Sustainable banking

Skandia Group's owner's instruction stipulates a transparent business focused on long-term customer relations and sustainability



Long-term commitment

- High business ethics
- Responsible credit granting

Sustainable

- Social & environmental responsibility
- Responsible investments
- Skandia supports international frameworks
- Skandia fully compensates its direct footprint since 2012*

Acting responsibly

- Transparent and fair pricing
- Actively working against financial crime

*Gold standard carbon offsetting scheme. Prony Windfarm on the New Caledonia

Agenda

1. Introducing Skandiabanken

2. **Financial information**

3. Credit portfolio

4. Funding

Implications of Covid-19

Well prepared

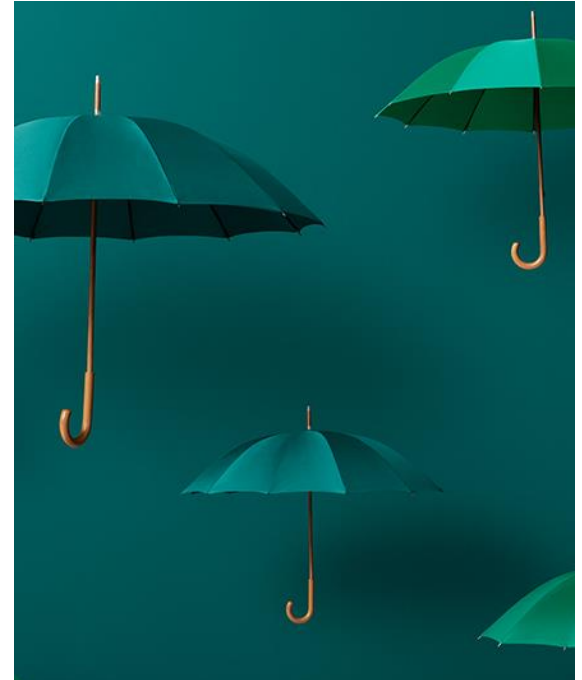
- High degree of digitalisation with the ability to run large parts of the business remotely
- Preventive measures initiated early on, e.g. incident management team activated, and critical functions evaluated to ensure business continuity
- Strong capital and liquidity position and high quality of assets

Business impact

- About 6 000 loans (~14%) granted for amortisation easing YTD
- Increased credit impairment provisions (in accordance with IFRS9)
- Delayed growth in 2020

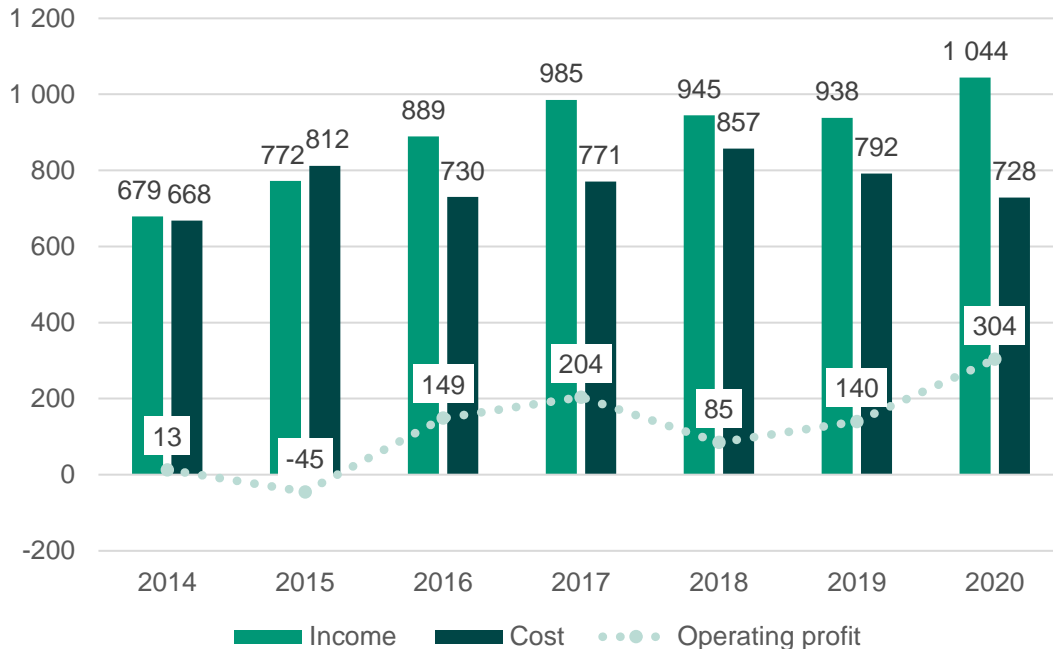
Going forward

- Focus on adapting to current state
- Business as usual with precautions taken



Increased profit in 2020

Income, Cost & Operating profit



Investments in 2018

- IT infrastructure and regulatory implementations

Turnaround in 2019

- Increased volumes and reduced costs

Profit generation in 2020

- Continuous growth
- Cost control proven effective
- Improved C/I and ROE

Balance sheet overview

Balance sheet (SEK bn) as of Q4 2020



Transparent balance sheet

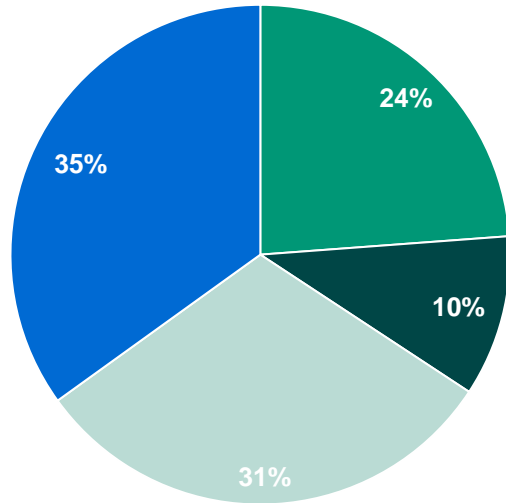
- Approx. 98% mortgages and liquidity reserve
- No corporate lending
- Negligible consumer lending (<1%)

Sound funding structure

- Loan to deposit ratio 174% (significantly below peers)
- More than 87% deposits and covered bonds

Liquidity position

Liquidity portfolio as of Q4 2020



■ Cash ■ Sovereign ■ Sub-sovereign ■ Covered bonds

Low appetite for liquidity risk

- High and stable LCR and NSFR
- Survival horizon >240 days
- LCR 300 percent

High quality liquidity reserve

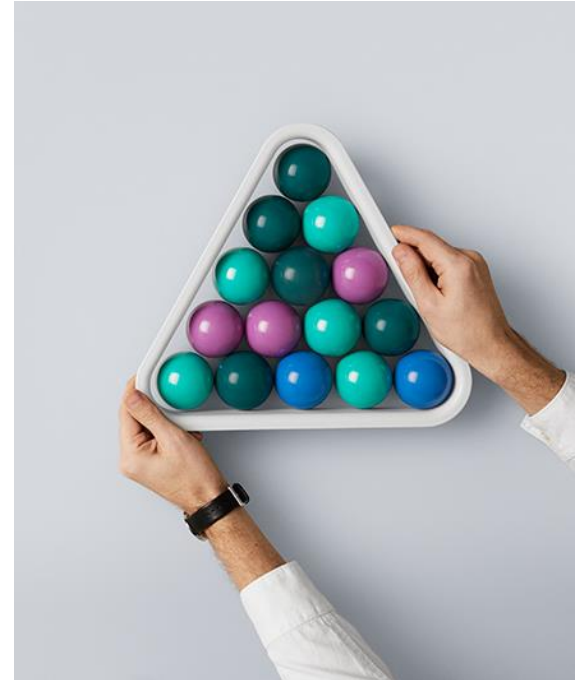
- Riksbank certificates
- Municipal bonds & commercial papers
- Covered bonds
- Focus on assets that are accepted by the Riksbank as collateral

Agenda

1. Introducing Skandiabanken
2. Financial information
3. **Credit portfolio**
4. Funding

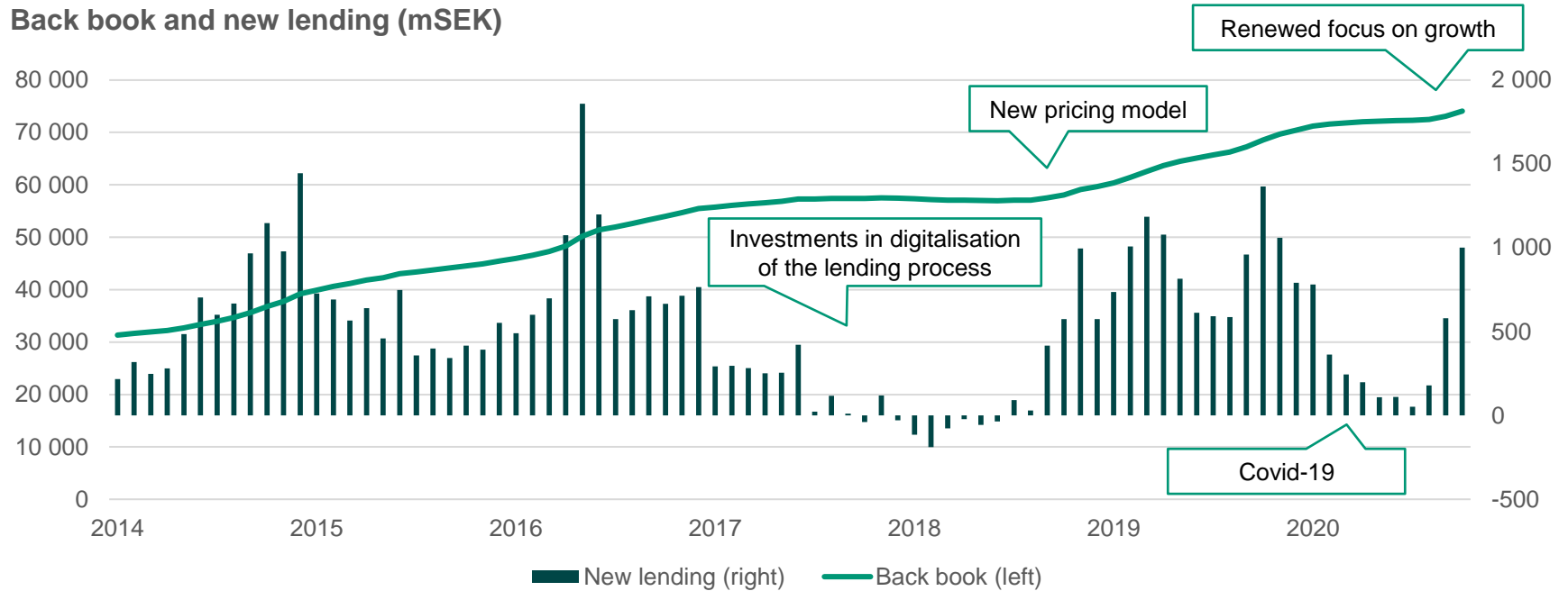
Swedish mortgages

- Strong legislative foundation - Konsumentkreditlag (2010:1846)
- Regulations require lenders to ensure that borrowers can afford to pay the interest also in stressed conditions
- Skandiabanken has a digital process for lending
- Standardised and prudent criteria for lending
- Well defined target group



Growth in mortgages

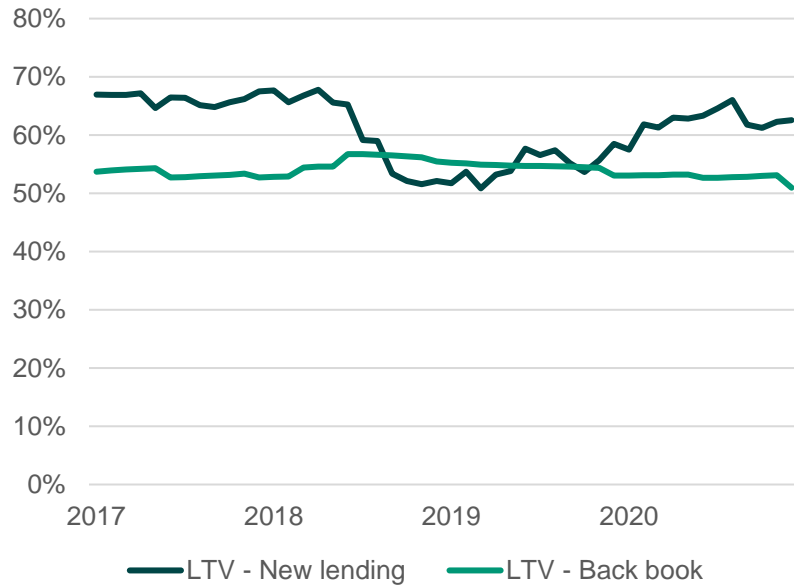
Back book and new lending (mSEK)



Source: SCB

High quality mortgages

LTV

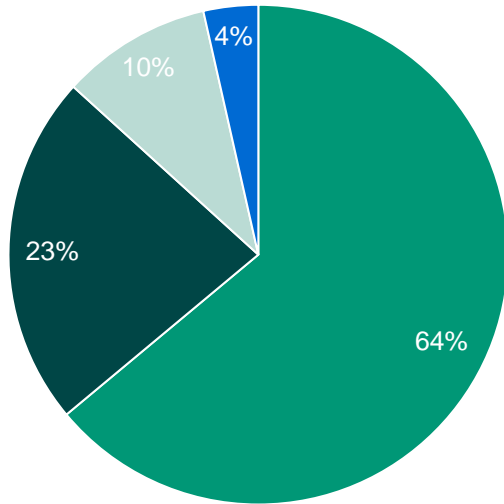


Gross income-to-loan ratio - New lending



Distribution of mortgages

Geographical distribution Q4 2020



■ Stockholm area ■ Other ■ Göteborg area ■ Malmö area

- Urban focus
 - Approx. 80 percent of lending to urban areas
 - Higher liquidity and transparency in pricing
 - Long-term demand for housing
- Majority of lending to single-family houses
 - 53% Single-family houses
 - 43% Tenant owner rights
 - 4% Second homes
- Continued bias towards variable rates
 - 78% Variable rate loans (3 month)
 - 22% Fixed rate loans (1-5 years)

Cover pool details

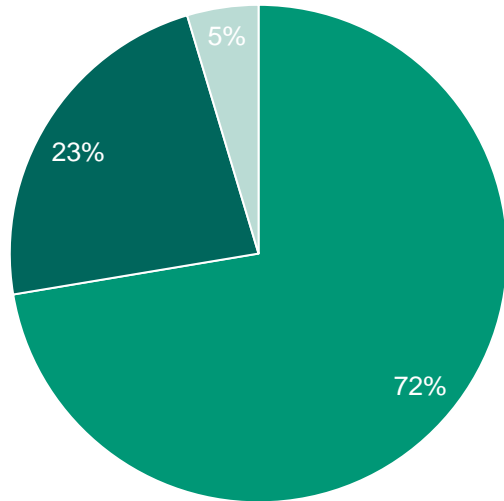
Cover pool data*

Cover pool size	SEK 44 901 M
Outstanding covered bonds	SEK 34 400 M
Collateral	100 percent Swedish residential mortgages
Over collateralisation	30% (approx. 120% all assets included)
Weighted average LTV	50%
Average loan size	SEK 1 601 159
Interest rate type	100% Floating
Weighted average seasoning	64 months
Pool type	Dynamic
Originator	Skandiabanken AB

*Figures as of Q4 2020

Senior bond holders exposure

Senior bond holders as of Q4 2020



■ Unpledged mortgages ■ Liquidity reserve ■ Other

- Senior preferred bond holders are exposed to the same quality of mortgages as the holders of covered bonds
- The liquidity reserve is invested in sovereigns, sub-sovereigns and covered bonds (AAA)
- “Other” refers to e.g. collateral and unsecured lending

Agenda

1. Introducing Skandiabanken

2. Financial information

3. Credit portfolio

4. **Funding**

Funding overview

Strategy

- Foundation in retail deposits
- Covered bonds the second most important source of funding
- Floating rate notes in Swedish krona

Ambition

- Transparent approach
- Equal quality of assets inside and outside cover pool
- Long-term commitment

Plan for 2021

- SEK ~14 bn gross funding
- Primarily covered bonds
- Roll senior preferred redemptions
- Seek to maintain presence in the commercial paper market

Funding plan 2021	Redemptions*	Funding	Net supply	
Covered bonds	2 150	~10 000	~8 000	+/- 3 000
Senior preferred	1 804	~3 000	~1 200	+/- 500
Senior non-preferred**	-	~1 000	~1 000	
Total***	3 954	~14 000	~10 000	+/- 3 500

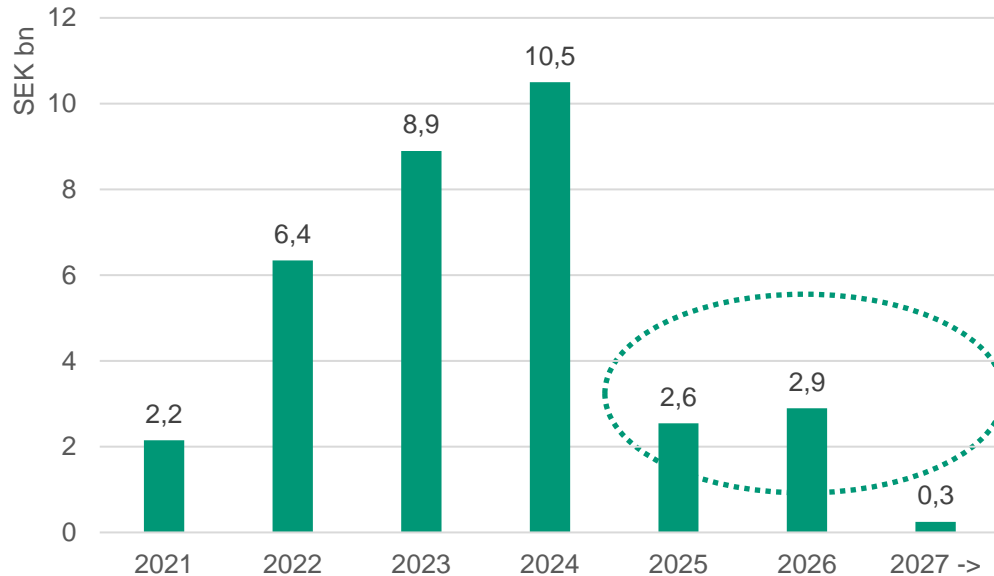
*Redemptions as of 2021-02-11

**All outstanding subordinated debt and MREL debt is currently owned by Skandia Liv

***Uncertainty of the estimation is driven by the amount of new lending and retail deposits

Secured funding

Maturity profile of covered bonds as of 2021-02-10



*Uncertainty of the estimation is driven by the amount of new lending and retail deposits

Plan for 2021

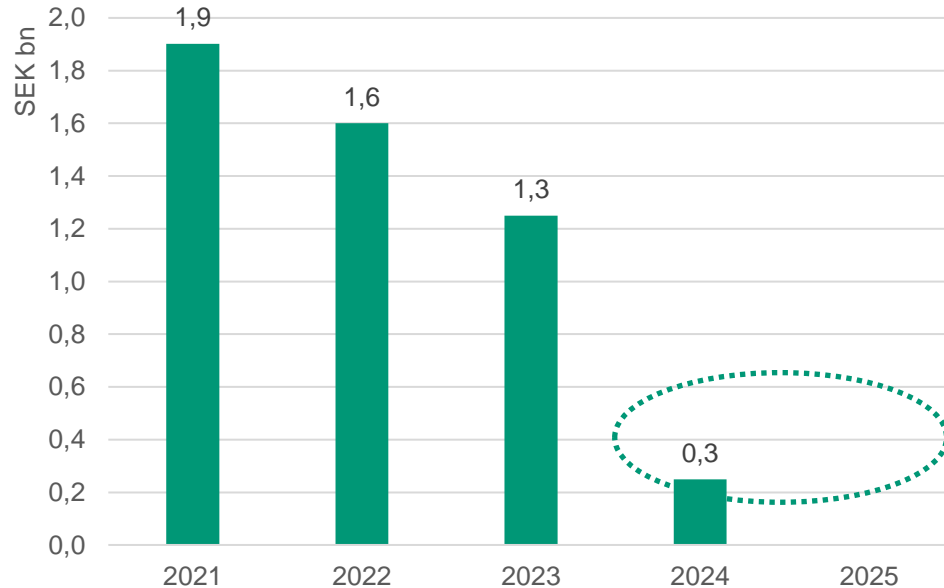
- Redemptions SEK 3,25 bn
- Gross issuance SEK ~10 bn
- FRNs in SEK
- Preferred tenors 4-7 years

Ambitions going forward

- Level 2 bonds available to tap
- 1-2 syndicated issues per year
- Buy-back policy (3-6 months to maturity)
- OC of approximately 30 percent
- Larger bond size and improved liquidity to be expected as we grow

Unsecured funding

Maturity profile of senior preferred as of 2021-02-10



Senior preferred

- Roll maturing bonds
- Private placements
- FRN or Fixed coupon
- Plan to issue SEK ~3 bn in 2021

Senior non-preferred

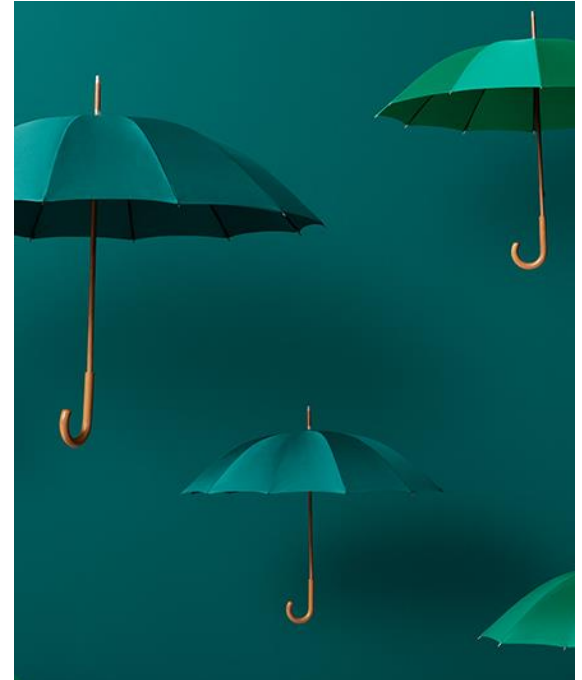
- Plan to issue SEK 1 bn in 2021

Commercial paper

- Source of short-term liquidity
- Seek to regain and maintain presence in the commercial paper market

Summary

- Half of the funding from Swedish retail deposits
- Most of long-term funding via covered bonds with high OC
- Senior bonds issued to diversify funding, support our rating and to comply with regulatory demands
- Senior bond holders get high quality exposure
- Renewed presence in the market for commercial papers



Appendix

Appendix - Rating

Rated by Moody's Investor Services

- Foreign LT Bank Deposits – Rating: A2 (Stable)
- Local LT Bank Deposits – Rating: A2 (Stable)
- Since 2015

- Covered bonds - Rating: AAA
- Since 2013

Rating policy

- All covered bonds are rated
- Senior bond will not be rated unless that is explicitly negotiated

”Credit strengths

- *Very strong asset quality*
- *Strong capitalisation*
- *A retail-based funding profile and adequate liquidity, given it's wholesale funding needs*
- *Very strong support from Skandia Group*

Credit challenges

- *Historical high lending growth*
- *Lower-than-peers efficiency and weak profitability”*

Source: Moody's credit opinion dated October 5, 2020

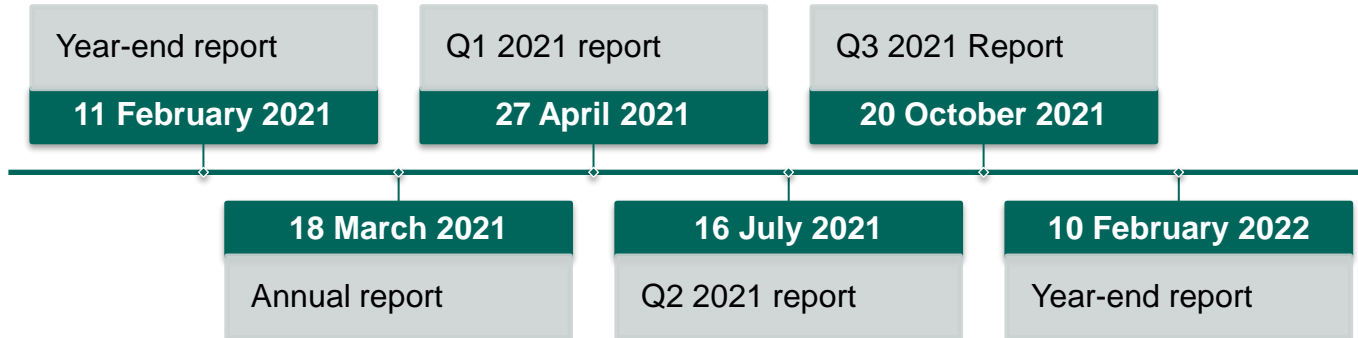
Appendix - Capital position

Figures as of Q4 2020

Own funds	20,7%
Tier 1	18,5%
CET 1	18,9%
Leverage ratio	4,5%
MREL	9%
MREL-eligible liabilities	3,4 bn

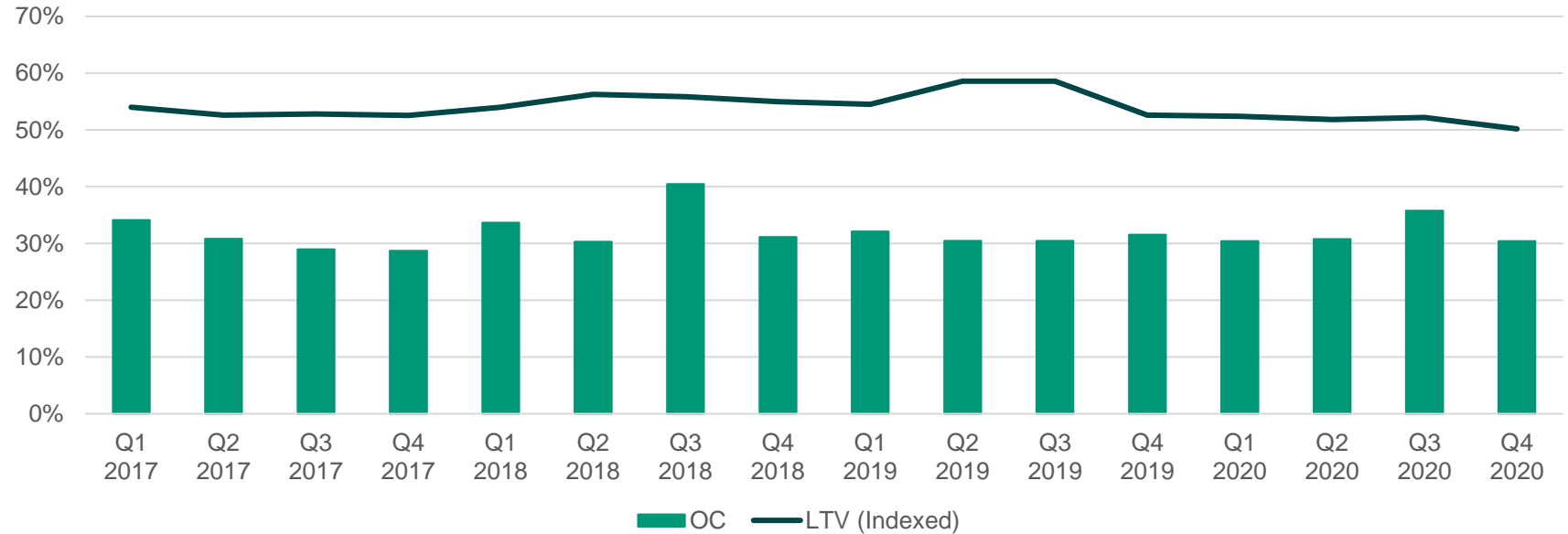
- Strong capital position allows for growth
- Uncertainty regarding future capital requirements and MREL due to regulatory changes

Appendix - Key Dates



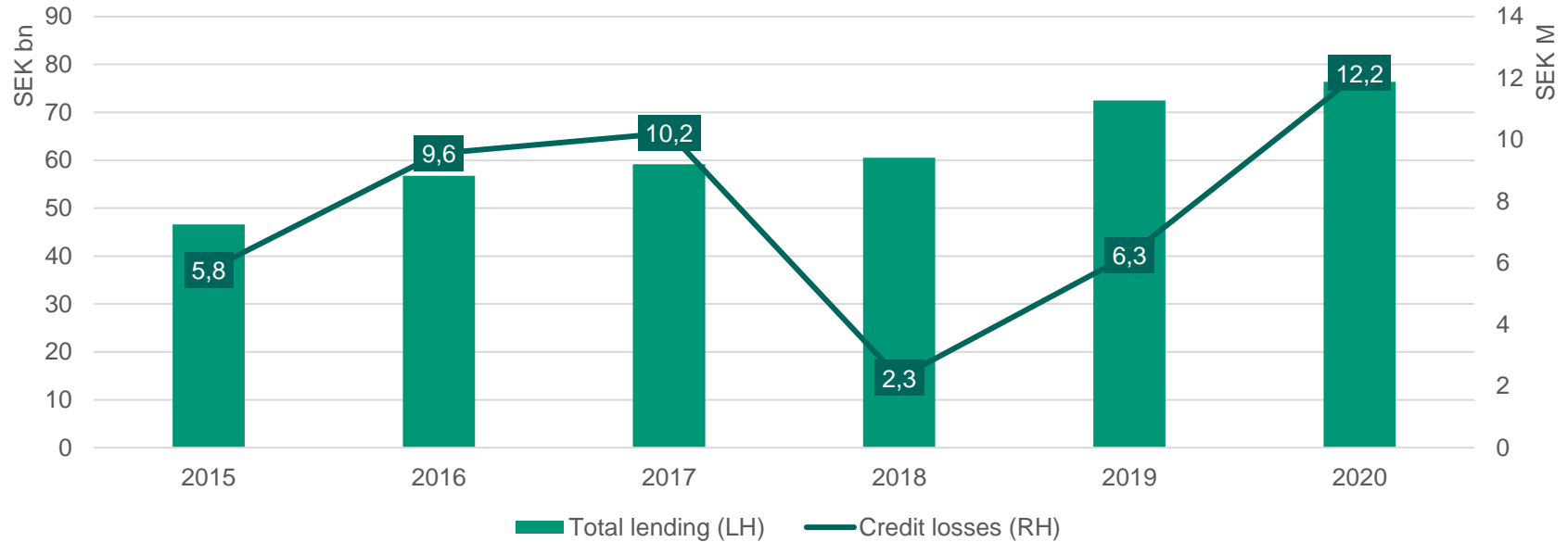
Appendix – Cover pool: Stable LTV ratio & OC

LTV & OC



Appendix - Low credit losses

Credit losses



Appendix - Outstanding covered bonds

Bond	Maturity	Coupon type	Amount issued	Min piece (MM)
SKANBK 0.43 09/13/21	2021-09-13	FIXED	300 000 000	1
SKANBK Float 09/15/21	2021-09-15	FLOATING	2 950 000 000	1
SKANBK Float 03/02/22	2022-03-02	FLOATING	2 750 000 000	1
SKANBK Float 08/24/22	2022-08-24	FLOATING	3 600 000 000	2
SKANBK Float 03/15/23	2023-03-15	FLOATING	3 500 000 000	2
SKANBK Float 09/20/23	2023-09-20	FLOATING	5 400 000 000	2
SKANBK Float 02/22/24	2024-02-22	FLOATING	700 000 000	2
SKANBK Float 04/24/24	2024-04-24	FLOATING	5 500 000 000	2
SKANBK Float 09/24/24	2024-09-24	FLOATING	4 300 000 000	2
SKANBK Float 04/24/25	2025-04-24	FLOATING	450 000 000	2
SKANBK Float 06/24/25	2025-06-24	FLOATING	800 000 000	2
SKANBK Float 09/24/25	2025-09-24	FLOATING	800 000 000	2
SKANBK Float 11/24/25	2025-11-24	FLOATING	500 000 000	2
SKANBK Float 04/23/26	2026-04-23	FLOATING	2 900 000 000	2
SKANBK 1.97 02/02/27	2027-02-02	FIXED	250 000 000	1

As of 2021-02-10

Bonds with min.piece 1 MM cannot be tapped

Appendix - Outstanding senior bonds

Bond	Maturity	Coupon type	Amount issued	Min piece (MM)
SKANBK Float 02/22/21	2021-02-22	FLOATING	100 000 000	1
SKANBK 0 3/8 03/22/21	2021-03-22	FIXED	500 000 000	2
SKANBK Float 09/20/21	2021-09-20	FLOATING	900 000 000	2
SKANBK Float 12/20/21	2021-12-20	FLOATING	500 000 000	2
SKANBK Float 03/18/22	2022-03-18	FLOATING	300 000 000	2
SKANBK 1.1 08/29/22	2022-08-29	FIXED	300 000 000	1
SKANBK Float 09/19/22	2022-09-19	FLOATING	500 000 000	2
SKANBK 0.535 11/04/22	2022-11-04	FIXED	500 000 000	2
SKANBK 0.56 05/10/23	2023-05-10	FIXED	500 000 000	2
SKANBK Float 10/13/23	2023-10-13	FLOATING	750 000 000	2
SKANBK Float 01/15/24	2024-01-15	FLOATING	250 000 000	2

As of 2021-02-10

Bonds with min.piece 1 MM cannot be tapped

Contacts

Christofer Zetterquist, CFO

christofer.zetterquist@skandia.se

+46 (0)8-788 20 15

Kristoffer Straume, Head of Treasury

kristoffer.straume@skandia.se

+46 (0)8-463 60 12

Karl Aigéus, Head of Funding

karl.aigeus@skandia.se

+46 (0)8-788 22 69

Johan Skoglund, Treasury Dealer

johan.skoglund@skandia.se

+46 (0)8-788 10 47

Disclaimer

IMPORTANT NOTICE

THE FOLLOWING APPLIES TO THIS PRESENTATION, ANY ORAL PRESENTATIONS OF THE INFORMATION IN THIS PRESENTATION BY SKANDIABANKEN AKTIEBOLAG (PUBL) (“SKANDIBANKEN”) OR ANY PERSON ON ITS BEHALF, AND ANY QUESTION AND ANSWER SESSION THAT FOLLOWS ANY SUCH ORAL PRESENTATIONS. THIS PRESENTATION IS NOT AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL SECURITIES. IT IS SOLELY FOR USE AT AN INVESTOR PRESENTATION AND IS PROVIDED AS INFORMATION ONLY. THIS PRESENTATION DOES NOT CONTAIN ALL OF THE INFORMATION THAT IS MATERIAL TO AN INVESTOR. THIS PRESENTATION IN AND OF ITSELF SHOULD NOT FORM THE BASIS OF ANY INVESTMENT DECISION. BY ATTENDING THE PRESENTATION OR BY READING THE PRESENTATION SLIDES YOU AGREE TO BE BOUND AS FOLLOWS:

This presentation does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of Skandiabanken in any jurisdiction, including the United States, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision as it is provided for information purposes only and does not contain all of the information material to an investor. By accessing this presentation the recipient will be deemed to represent that they possess, either individually or through their advisers, sufficient investment expertise to understand the information contained herein. The recipient of this presentation must make its own independent investigation and appraisal of the business and financial condition of Skandiabanken. Each recipient is strongly advised to seek its own independent financial, legal, tax, accounting and regulatory advice in relation to any investment.

No representation or warranty, express or implied, is made or given by or on behalf of Skandiabanken or its directors, officers or employees or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this presentation. Neither Skandiabanken or any of its directors, officers or employees nor any other person accepts any liability whatsoever for any loss arising from any use of this presentation or its contents or otherwise arising in connection therewith.

Certain data in this presentation was obtained from various external data sources and Skandiabanken has not verified such data with independent sources. Accordingly, Skandiabanken makes no representations as to the accuracy or completeness of that data.

Certain statements made in this presentation are forward looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual results and performance to differ materially from any expected future results or performance, express or implied, by the forward-looking statements. Factors that might cause forward looking statements to differ materially from actual results include, among other things, regulatory and economic factors. Skandiabanken assumes no responsibility to update or revise any of the forward-looking statements contained herein. In addition, forward-looking statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation.

The presentation may not be reproduced, copied, shared, disseminated or redistributed, in whole or in part, in any manner whatsoever to any other person. This presentation is not intended to and may not be distributed to individuals domiciled in the United States, Australia, Hong Kong, Japan, Canada, Switzerland, Singapore, South Africa or New Zealand or in any other jurisdiction where the distribution may be restricted by law. Persons into whose possession this presentation comes should inform themselves about, and observe, any such restrictions.