

SEB Investment Management
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ESG, Materiality & Reporting

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This is SEB

154 years of banking

Relationships



- ✓ Serving 1,800 large corporates, 400,000 SMEs and 4 million individuals
- ✓ Integrated business model

Corporates



- ✓ Unique corporate franchise
- ✓ Highly valued offerings
- ✓ Distinctive capabilities

Stability



- ✓ Structure, contingency and transparency
- ✓ Basel III compliance

Yesterday's Topic: 'ESG – Is It Material?'

The corporate perspective

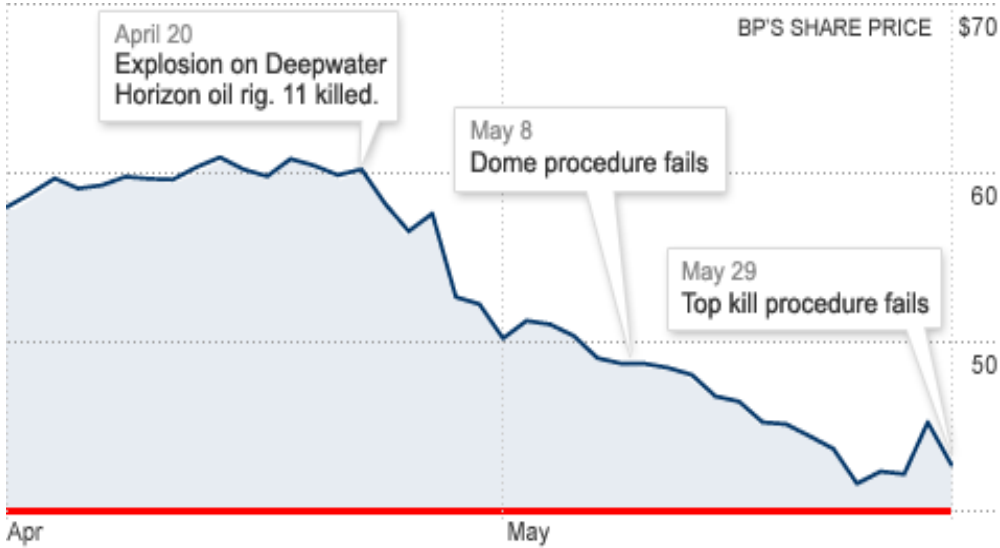
McKinsey survey February 2010:

“ More than 50 percent of executives consider sustainability—the management of environmental, social, and governance issues—“very” or “extremely” important in a wide range of areas, including new-product development, reputation building, and overall corporate strategy”

The investor perspective

- UN PRI backed by more than 730 investors globally, more than USD25 trillion of assets under management
 - ESG integration is key
- CDP backed by more than 550 investors, more than USD70 trillion of assets

And If They Are Still Not Convinced...




SOURCE: THOMSON FINANCIAL

Which ESG Aspects Are Material?

Depends on your line of business, examples:

- 1. Deep sea drilling and process safety**
 - Minimise spill fines
 - Secure and maintain licenses
 - 2. Heavy Machinery manufacturing and product energy efficiency**
 - Mitigation strategies mainly via supplied equipment
 - Crucial competition factor
 - 3. Retailers and supply chain management**
 - Brand aspects
 - 4. Manufacturing in general – Health & Safety and productivity**
 - The cost of a lost life...
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What To Report On – And How

- Rationalise why you do what you do
 - Keep it short, keep it relevant
 - Report short-comings & challenges – it adds to your credibility!
 - Standardise where it's possible
 - Process focus where it's not possible
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- Watch the regulators – it becomes material if they say it is!
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Thank you!

Viktor Andersson