

# Sustainable Banking

## Anders Larsson



A photograph of a brick wall densely populated with security cameras. The cameras are arranged in a grid-like pattern, with some black and some silver. Two women are standing at the bottom of the frame, looking up at the wall. A thought bubble above the woman on the left contains the word "Threat?", and a thought bubble above the woman on the right contains the word "Opportunity?". A dark door is visible at the bottom center, and a vertical window is above it.

Threat?

Opportunity?







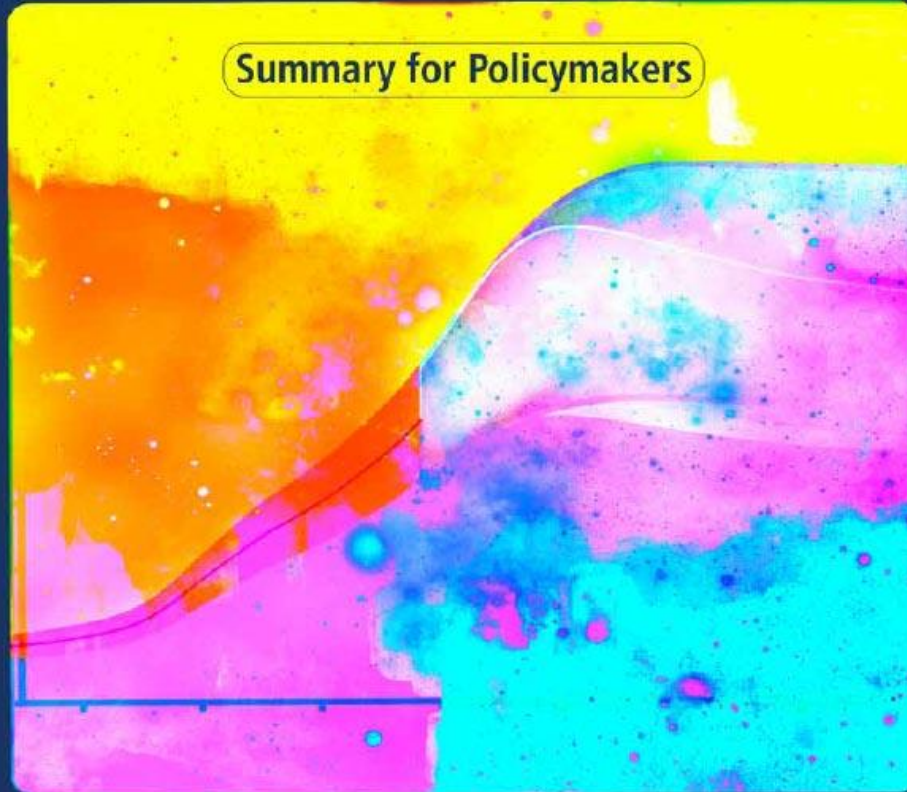


S|E|B

# Global Warming of 1.5°C

An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty

## Summary for Policymakers







S|E|B









S|E|B



SEB









# Climate change is for real

Thus regulators accelerating the speed of transformation



**A call for action –  
Climate change as a  
source of financial  
risk – April 2019**



**“An orderly transition  
decreases the risks...”**  
*Erik Thedéen –  
General Director  
- September 2019*



**IMF Policy paper**

*warming of 4 C would permanently lower  
global GDP by around 3.5 % below GDP  
levels with no climate change.”*

















SEB







TOMRA

Kunne ikke lese  
strekkoden



# BLAST FURNACE

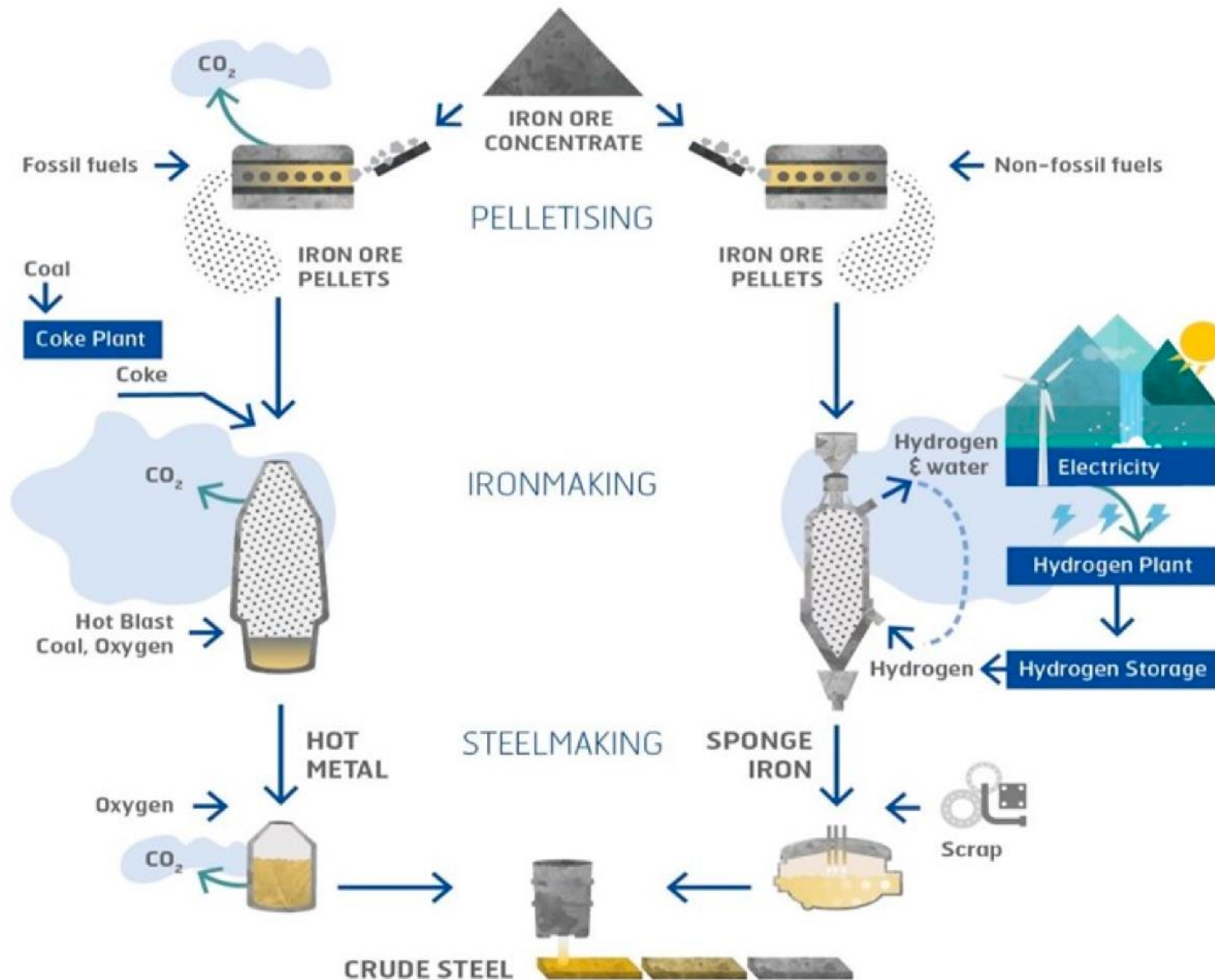
# HYBRIT

1,600  
kg CO<sub>2</sub>

292  
MJ Oil

19,836  
MJ Coal

235  
kWh  
Electricity



25  
kg CO<sub>2</sub>

151  
MJ Carbon

2016  
MJ Bio

3,488  
kWh  
Electricity





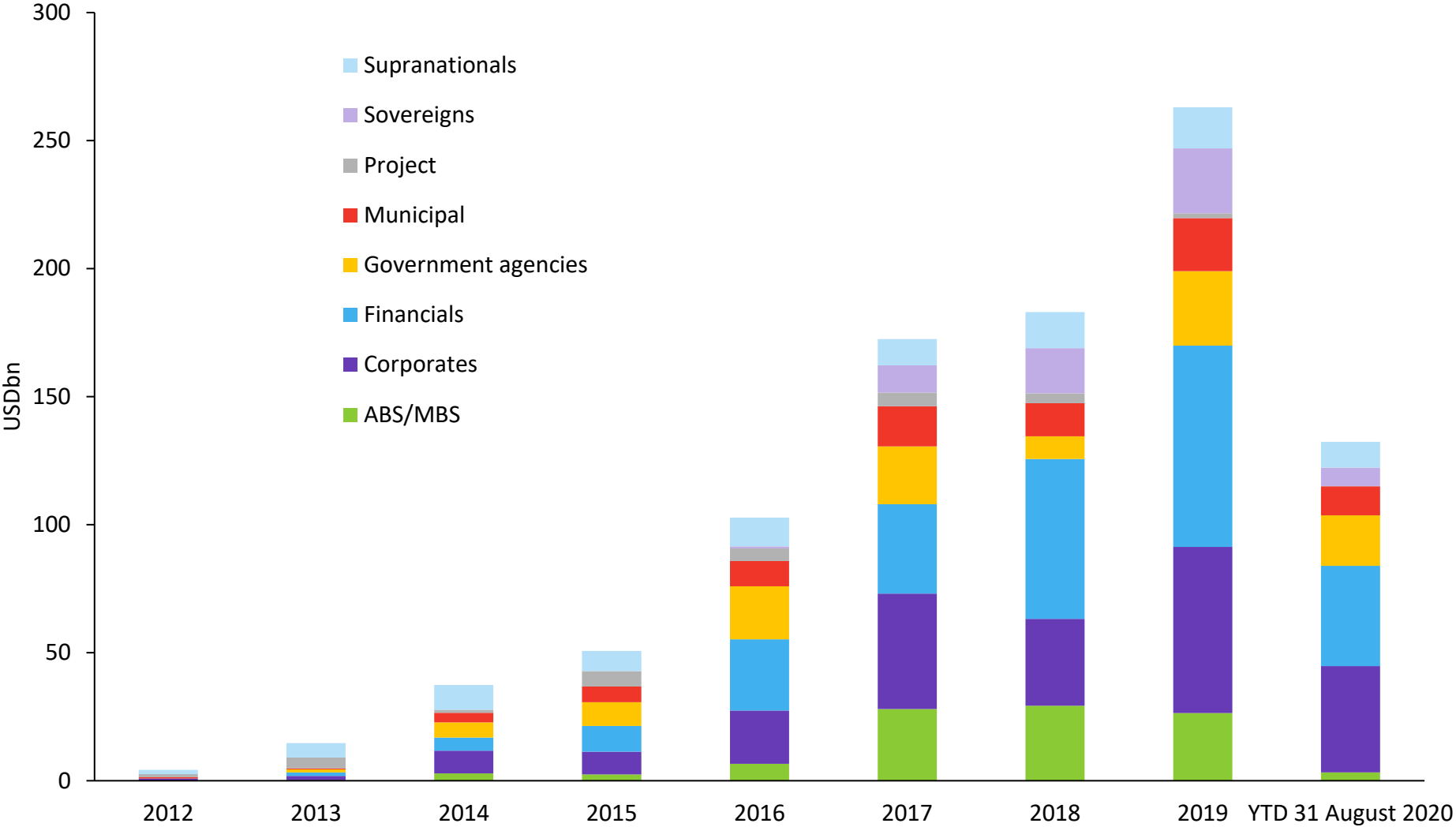
SEB





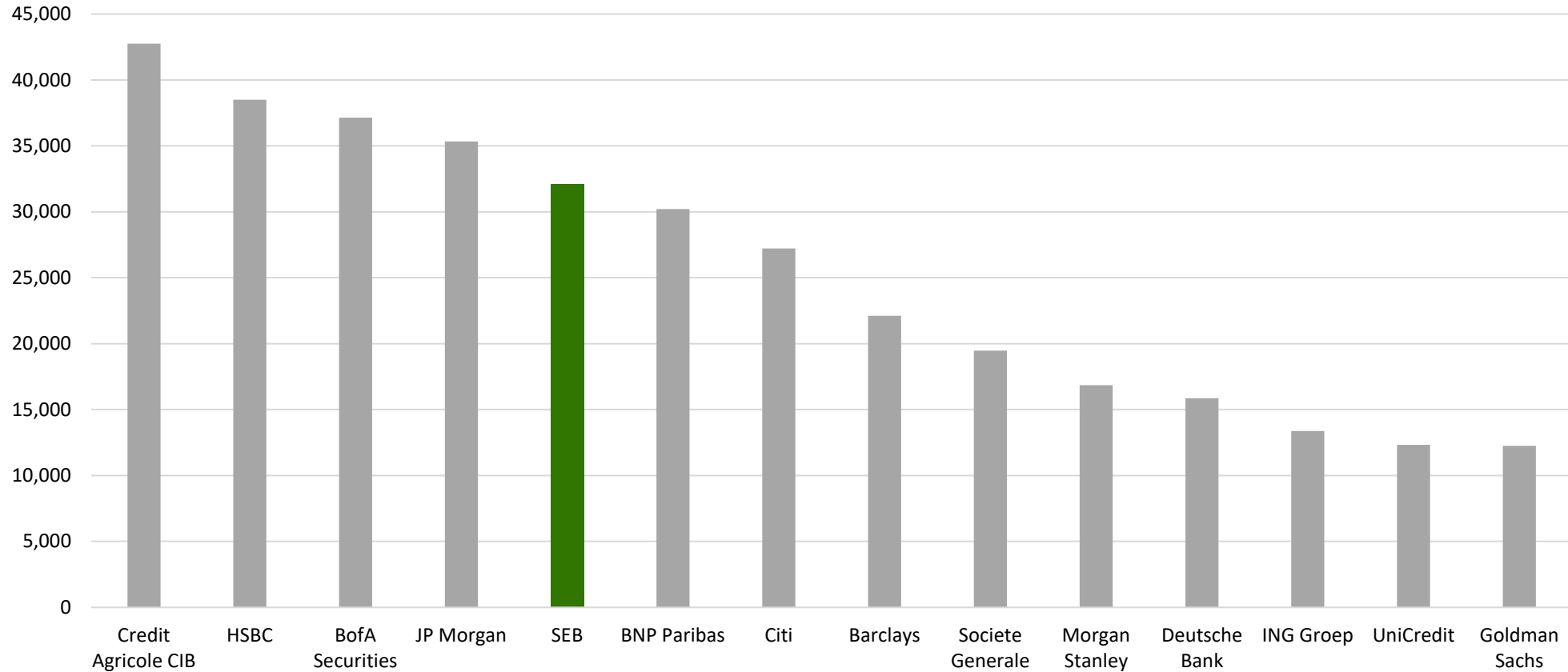


# Sector issuance: Green bonds 2012-2020 (YTD 31 August 2020)





## Global League Table: 2008 - YTD 26 Aug 2020

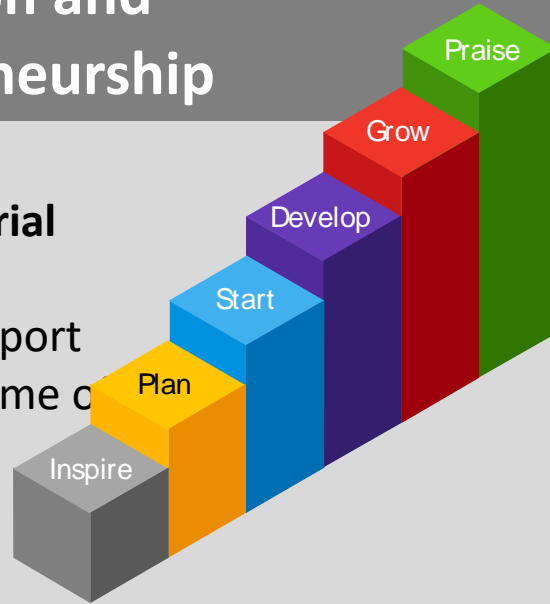




## Innovation and entrepreneurship

### The entrepreneurial staircase

The right support at the right time of building a business



## Sustainable investments

# 30 %

of capital under management in SEB funds<sup>1</sup>

# SEK 7bn

in micro financing funds



## Sustainable financing

# USD 23bn

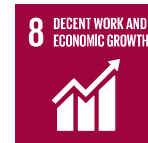
in issued green funds



## Pioneer within green mortgages



Decent work and economic growth



Industry, innovation and infrastructure

Climate action



Peace, justice and strong institutions











# Success factors for banks



**Regulatory requirements**

**Business opportunities**

**Risks in the credit portfolio**

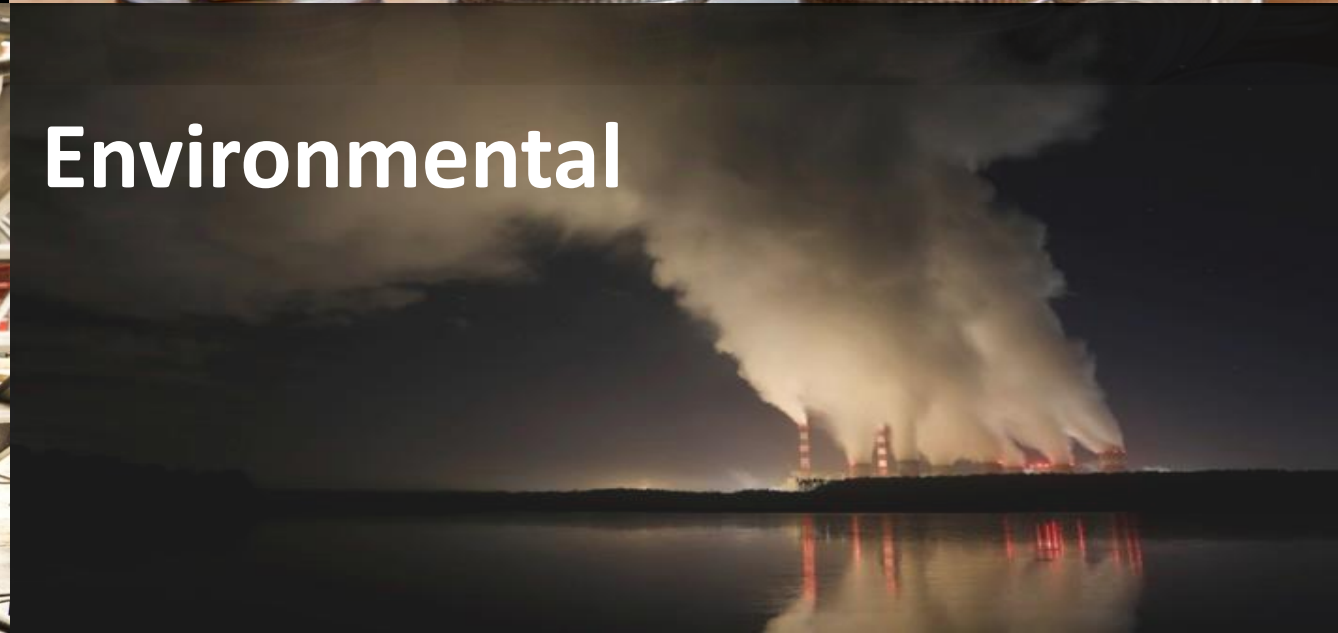
**Support transition in society**

**Products**





# CS Assessments



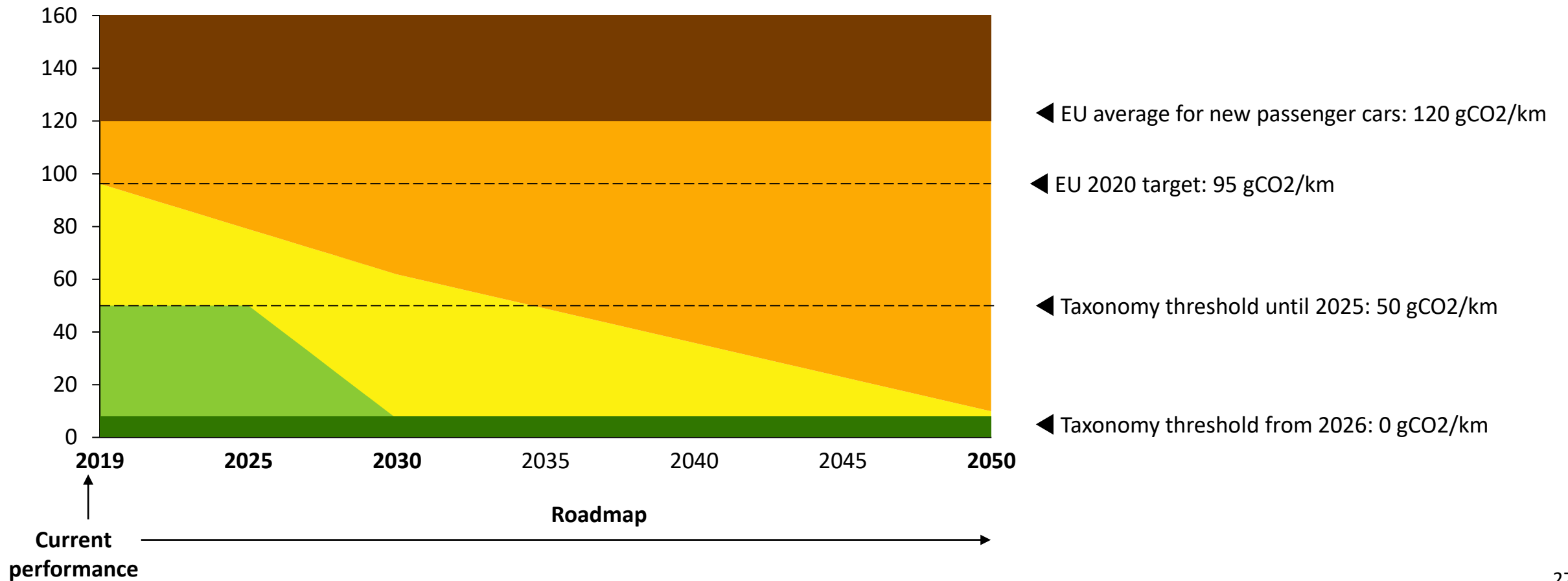


# Climate classification

## Automotive Sector

- Sustainable
- Paris aligned transition
- Transition
- Gradual change
- Status quo

Tailpipe emissions for new passenger cars / vans sales  
average gCO<sub>2</sub>/km





# Conclusions

Change will happen

View it as an opportunity

One of two big game changers for society and its banks





# Thank you!

