Shareholder resolution to SEB's AGM 2024

Stop financing fossil companies that expand extraction and lack robust fossil phase-out plans in line with 1.5 degrees

Resolved: the General Assembly asks SEB to revise its overall strategy before the end of 2024 so that it is fully aligned with the Paris Agreement and its goal of limiting global warming to 1.5°C. This strategy should include a policy that stops all new lending and all financing services to fossil fuel companies that lack robust phase-out plans in line with 1.5 degrees. The phase-out plans must be science-based and include an immediate halt to new fossil fuel extraction as well as both short- and long-term phase-out targets.

Supporting statement

The Paris Agreement states that all financial flows must be directed away from activities that exacerbate the climate crisis and instead be directed towards activities that offer solutions to it. It has never been clearer that climate action must be radically accelerated; the world is headed for a warming of more than 2.5 degrees with devastating consequences. The banks play an important role in breaking this trend and speeding up the transition.

A report from ActionAid Denmark, BankTrack, Fair Finance Guide, Greenpeace, the Swedish Society for Nature Conservation (Naturskyddsföreningen) and Friends of the Earth Finland (Hiilivapaa Suomi) shows that SEB has continued to support fossil fuel companies with new loans totalling USD 4.4 billion over the past two years (July 2020 – June 2022). The majority of the loans have gone to companies that are expanding their extraction, including in sensitive areas such as the Arctic. This despite the fact that the International Energy Agency (IEA) has concluded that the expansion of the extraction of fossil fuels must stop immediately, if we are to limit global warming in accordance with the Paris Agreement's 1.5-degree target.

A new report *The real carbon footprint of Swedish banks* (2024) from Fair Finance Guide and Swedish Society for Nature Conservation shows that the emissions from SEB's lending to the oil and gas sector accounts for 57 per cent of its total financed emissions, despite that the bank's lending to this sector accounts for only 2.3 per cent of the total lending. It clearly illustrates that acting to reduce the financed emissions from the oil and gas sector is both necessary and an effective way to reduce the bank's overall climate footprint, and thereby contributing to its overall commitment to align with the 1.5-degree target.

SEB's current fossil fuel sector policy does not live up to best practice. Two of its main competitors, Handelsbanken and Danske Bank, have in the last year imposed restrictions that to a large extent are in line with this shareholder resolution. Handelsbanken published its new climate policy in June last year and already see a positive impact on their business. The bank's new climate policy has been appreciated by many of its clients, and also attracted new clients. SEB needs to take the same steps to remain competitive in the Nordic market where sustainability issues is a growing business risk and opportunity.

SEB's continued support of expanding fossil fuel companies that lack robust transition plans violates the bank's own climate commitments to contribute to the fulfilment of the Paris Agreement. By strengthening its overall climate strategy and its financing requirements, SEB could become part of the solution to the climate crisis instead of being part of the problem.

Shareholders behind the resolution

- Swedish Society for Nature Conservation (Naturskyddsföreningen)

- Greenpeace Nordic

The resolution is also supported by Fair Finance Guide and Mellemfolkeligt Samvirke / Action Aid Denmark, which do not hold shares in SEB.