

## Sub-custodian of the Year: Nordics SEB



Ulf Noren, global head of sub-custody

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When awarding SEB with the *Custody Risk* European Awards 2012 Sub-custodian of the year: Nordics award, the judges noted SEB's improved efficiency and quality of service to clients. They also praised the sub-custodian's ability to increase its market share across the region.

While most European markets have been moribund, the Nordics – comprising Denmark, Finland, Norway and Sweden – have performed relatively well. It is surely no coincidence that each has its own currency, except euro-denominated Finland. Despite helpful market sentiment, SEB's win comes against the backdrop of a changing custody landscape as regulation, low growth and pressure on fees bite.

SEB managed an impressive renewal rate and some significant client wins. Total assets under custody for the year to the end of August grew 6% to €560 billion, with assets under custody in the Nordics rising 14% to €229 billion. SEB managed to extend one major custodian's business to two more countries in the region, and signed deals with other securities services firms that will SEB service their business across the Nordic markets.

One client highly valued SEB's client- and service-oriented approach and its ability. Another praised SEB's 'flawless' service, and another said “SEB is very much aware of the challenges coming up in terms of regulation and by the introduction of Target2-Securities in Europe. We see SEB as a benchmark in analysing and understanding the implications of these developments.”

SEB has been restructuring its operations by trying to make the custodian more efficient. It has moved some of its processes to a Centre of Operational Excellence in Riga, Latvia, which will help SEB gain scalability and become more cost efficient over the next few years. The custodian has already moved the settlement functions and mandatory actions, issuing and paying agent services and account administration to cover Finland and Sweden, and is currently working on Norway. Meanwhile, more complex and frequent processes will still be undertaken locally.

Ulf Noren, global head of sub-custody, at SEB says: “*Custody Risk* provides high-quality insight into the post-trade world and its awards process is one that we focus a lot on. We would like to give a special thank you to all clients that have contributed by way of testimonials. We are very proud of the confidence shown and to have been coming out as winners of the Sub-custodian of the Year: Nordics category for the fifth time in the last six years.”

**S|E|B**