

Statement of the Board of Directors of Swedbank AB according to Chapter 18, Section 4 of the Companies Act with reference to the proposal according to item 7 (Resolution on dividends) of the proposed agenda for the EGM 2021

With reference to the Board of Directors' proposals as per above, the Board of Directors hereby submit the following statement.

The Board of Directors of Swedbank AB (the "parent company") proposes that dividends be paid with SEK 4.35 per share. Based on the current number of outstanding shares, the dividend amounts to SEK 4 928mn in total, which is 27 per cent of the parent company's result and 25 per cent of the Group's result for the financial year 2019. Accordingly, the proposed dividend would reduce the parent company's equity/asset ratio from 6.6 per cent to 6.2 per cent and the Group's equity/asset ratio from 5.8 per cent to 5.6 per cent based on the Annual Report for the financial year 2019. The equity/asset ratio is satisfactory both in the short and long term.

As of 31 December 2019, the parent company's unrestricted equity amounted to SEK 93 418mn. At the AGM on 28 May 2020, it was decided that the amount should be carried forward. No decisions on value transfers have been made nor has any changes occurred in the parent company's restricted shareholders' equity after the AGM 2020. Accordingly, in accordance with Chapter 17, Section 3 Paragraph 1 of the Companies Act, the amount available for distribution is SEK 93 418mn. If assets and liabilities would not have been valued to the fair value in accordance with Chapter 4, Section 14a of the Annual Accounts Act, the equity according to the most recently adopted balance sheet would have been SEK 781mn higher.

The financial position of the parent company and the Group as of 30 September 2020 is presented in the Interim report for January – September 2020. The principles used for valuation of assets and liabilities are also found therein.

The capital requirement for the parent company's consolidated situation, calculated as of 30 September 2020 and based on current information, corresponds to a Common Equity Tier 1 capital ratio of 13.0 per cent and a total capital ratio of 16.9 per cent. The Common Equity Tier 1 capital ratio for the parent company's consolidated situation was 16.8 per cent and the total capital ratio was 20.6 per cent as of 30 September

2020. At the same time, the Common Equity Tier 1 capital ratio was 24.9 per cent and the total capital ratio was 32.1 per cent for the parent company.

The nature and scope of the business are set out in the Articles of Association and the submitted Annual Report for the financial year 2019 and the Boards of Directors' report of events of material significance that has been appended to the proposal. The business conducted in the parent company and the Group involves no risks beyond what occur and are assumed to occur in the industry or the risks which are associated with conducting business activities.

The Board of Directors has considered the parent company's and the Group's consolidation needs through a comprehensive assessment of the parent company's and the Group's financial position and the parent company's and the Group's ability to meet their long-term obligations. The assessment has also been done based on currently expected regulatory changes.

The parent company's and the Group's financial position does not give rise to any other assessment than that the parent company and the Group can continue their business and be expected to meet their liabilities both in the short and long term and have the ability to make necessary investments. It is the assessment of the Board of Directors that the size of the equity, even after the proposed dividend, stands in reasonable proportion to the scope of the parent company's and the Group's business and the risks associated with conducting the business.

With reference to the above, and what has otherwise come to the attention of the Board of Directors, it is the assessment of the Board of Directors that the proposed dividend is justified considering the demands with respect to the size of the parent company's and the Group's equity which are imposed by the nature, scope and risks associated with the parent company's and the Group's business, and the parent company's and the Group's need to strengthen their balance sheets, liquidity and financial positions in general.

Stockholm in January 2021

Swedbank AB (publ)
The Board of Directors