

TRANSLATION

## Proposal of the Nomination Committee of Swedbank AB in accordance with items 2 and 12 - 16 of the proposed Agenda for the AGM 2021

### The nomination committee for the 2021 Annual General Meeting

Swedbank's 2020 Annual General Meeting adopted a Nomination Committee selection process for the 2021 Annual General Meeting. The Nomination Committee shall, in accordance with the decision, consist of six members, namely the five largest shareholders or owner-groups who wish to appoint a member and who have the largest shareholding in the bank, based on shareholdings known on the last banking day in August 2020, and the Chair of the Board of Directors.

The Nomination Committee has consisted of the following members:

- Lennart Haglund, appointed by Sparbankernas Ägareförening, Chair of the Nomination Committee
- Ylva Wessén, appointed by Folksam
- Hans Sterte, appointed by Alecta
- Anders Oscarsson, appointed by AMF and AMF Investment Funds
- Peter Karlström, appointed by Sparbanksstiftelserna
- Göran Persson, Chair of the Board of Directors of Swedbank AB (publ)

The Nomination Committee has, to the Annual General Meeting, submitted proposals for:

- the election of the Chair of the Annual General Meeting
- the number of Board members
- fees for the Board members elected by the Annual General Meeting, including fees for Board committee work
- fees for the external auditor
- the election of the members of the Board of Directors and Chair
- principles on how the Nomination Committee shall be appointed
- instruction for the Nomination Committee

### Work of the Nomination Committee before the Annual General Meeting

The present Nomination Committee held its statutory meeting on 5 October 2020, in accordance with principles adopted by the 2020 Annual General Meeting, with Lennart Haglund as Chair. The composition of the Nomination Committee was made public via a press release on 5 October 2020.

The Nomination Committee has taken part of the internal, written board evaluation, conducted during the autumn 2020. The evaluation showed that the work of the Board of Directors is functioning well, and that the Chair of the Board of Directors is considered to lead the work very well and creates a good working climate in the board.

In addition, the Nomination Committee has (the Chair of the Board of Directors not present) interviewed each board member about their view on how the board work is functioning and their experience of last year's events and how the bank has handled these events.

Based on the board evaluation, oral reports and other information, the Nomination Committee has discussed the Board of Director's composition, the competence that should be represented in the Board of Directors as well as the size of the Board of Directors. The Nomination Committee has in its work considered Swedish legislation regarding the maximum number of board assignments that a board member in a bank of Swedbank's size is allowed to have. In addition, the Nomination Committee has assessed the candidates' ability to devote enough time to the assignment as well as the overall collective knowledge and expertise in the Board of Directors.

Finally, the Nomination Committee has, in accordance with requirements set out by the European Banking Authority (EBA), assessed the suitability of the proposed candidates. The Nomination Committee has in these assessments evaluated and documented the experience and competence, reputation, potential conflicts of interest and the suitability in general of the candidates.

The Nomination Committee has, in accordance with the guidelines set for the nomination proceedings, worked unconditionally with the intention to provide Swedbank with the best and most suitable Board of Directors. In particular, the Nomination Committee has emphasized the importance of strengthening the new Board with specialist expertise within agriculture and forestry, a savings profile for households and sustainability expertise. The strive for equality between genders as well as the diversity perspective have been considered.

The Nomination Committee has decided to nominate Göran Persson to be re-elected as Chair of the Board of Directors. Göran Persson has, since he took on the role as Chairman in June 2019 taken the bank through challenges in a trustworthy and competent way. Göran Persson has not been present when the Nomination Committee has discussed the proposal for Chair of the Board of Directors.

The Nomination Committee assesses that nominated board members have the collective experience and expertise required and that they together form a Board of Directors, well equipped to lead Swedbank.

In addition, the Nomination Committee has discussed and proposed the number of the Board members, remuneration to the Board of Directors and the external auditor, principles on how the Nomination Committee shall be appointed, and instruction for the Nomination Committee. Finally, the Nomination Committee has discussed the election of the Chair of the 2021 Annual General Meeting.

Before the Annual General Meeting on 26 March 2020, the Nomination Committee had proposed increased remuneration for the Board of Directors in Swedbank, which at the time was considered a market adjustment. In light of the prevailing uncertainty in the market due to the spread of the new corona virus, the Annual General Meeting was moved to 28 May 2020, and in connection herewith, the Nomination Committee adjusted previous proposal for increased board remuneration, to propose that the remuneration should remain unchanged in 2020. Before the 2021 Annual General Meeting, the Nomination Committee proposes increased board remuneration with an average of 8 per cent, which is at the same level as originally proposed to the 2020 Annual General Meeting.

The Nomination Committee has met on seven occasions, and also interviewed the new board candidates and the current Board members. The Nomination Committee members have not received any fees or other remuneration from Swedbank for their work. The work in the Nomination Committee has been characterized by an open and constructive dialogue and a good atmosphere.

## The Nomination Committee's proposal for the Annual General Meeting

### Proposal regarding Chair of the Annual General Meeting

#### Proposal

The Nomination Committee proposes that Lawyer Wilhelm Lüning should be elected as Chair of the Annual General Meeting 2021.

#### Reason:

Wilhelm Lüning is suitable to chair the Annual General Meeting due to, among other things, his competence in company law and experience from chairing general meetings for listed companies. Further, Wilhelm Lüning has previously chaired Swedbank's General Meetings in a competent and successful way.

### Proposal regarding the number of Board members to be elected at the Annual General Meeting

#### Proposal

The Nomination Committee proposes that, for the period until the end of the next Annual General Meeting, the Board of Directors shall consist of twelve members elected by the Annual General Meeting. The proposal entails, compared to the number of members elected on the Extraordinary General meeting on 28 May 2020, an increase of the number of Board members elected by the Annual General Meeting with two persons.

As a consequence, it is proposed that the upper limit for number of Board members in the Articles of Association is changed to twelve (see separate proposal).

#### Reason:

At the Annual General Meeting 2020, it was decided that the Board of Directors will consist of ten members. In its work, the Nomination Committee has found that the Board of Directors should be supplemented with competencies regarding forestry and agriculture as well as personal finances and that all the Board members elected at the 2020 Annual General Meeting should be proposed for re-election. Due to this, the Nomination Committee proposes that the number of Board members be increased from ten to twelve.

### Proposal regarding the remuneration of the Board of Directors and auditor

#### Proposal

The Nomination Committee proposes to raise the remuneration to the Board of Directors calculated on an annual basis as follows, corresponding to an average raise of 8 per cent:

SEK 2 840 000 (presently 2 630 000) to the Chair of the Board of Directors; SEK 995 800 (885 000) to the Deputy Chair of the Board of Directors; SEK 653 400 (605 000) to each of the ordinary members of the Board of Directors; SEK 464 400 (430 000) to the Chair of the Board's Risk and Capital Committee; SEK 270 000 (250 000) to each of the other members of the Board's Risk and Capital Committee; SEK 426 600 (395 000) to the Chair of the Board's Audit Committee; SEK 259 200 (240 000) to each of the other members of the Board's Audit Committee; SEK 113 400 (105 000) to the Chair of the Board's Remuneration Committee; SEK 113 400 (105 000) to each of the other members of the Board's Remuneration Committee; SEK 426 600 (395 000) to the Chair of the Board's Governance Committee; SEK 259 200 (240 000) to each of the other members of the Board's Governance Committee.

It is noted that Göran Persson, current Chair of the Board of Directors, has not participated in the discussions in the Nomination Committee regarding proposal on remuneration to the Chair of the Board of Directors.

Only Board members elected by the Annual General Meeting are eligible for remuneration.

Reason:

The Nomination Committee notes that the board work in Swedbank is becoming more and more extensive, complex, time-consuming and regulated. This sets high demands on the Board members commitment, accessibility and competence. The board work also entails significant personal responsibility compared with board work in companies outside the banking sector. The proposed increase of board remuneration is considered to be well motivated. In order for Swedbank to be able to recruit adequate competences, it is important to be able to offer remuneration on market levels, however, not market leading.

Proposal regarding the audit fee

The Nomination Committee proposes that the external auditor's fee, shall be payable by approved account.

**Proposal for election of board members and Chair of the board**

During the nomination work before the Annual General Meeting 2021, the Nomination Committee has applied the Nomination Committee instruction adopted by the Annual General Meeting in 2020.

Proposal

The Nomination Committee proposes re-election of all ten current Board members, and election of two new board members, for the period until the end of the next Annual General Meeting.

Re-election of

Bo Bengtsson  
 Göran Bengtsson  
 Hans Eckerström  
 Kerstin Hermansson  
 Bengt Erik Lindgren  
 Josefin Lindstrand  
 Bo Magnusson  
 Anna Mossberg  
 Biljana Pehrsson  
 Göran Persson

Election of

Annika Creutzer  
 Per Olof Nyman

The Nomination Committee proposes that the Annual General Meeting appoints Göran Persson as Chair of the Board of Directors. The Nomination Committee proposes that the Board of Directors appoints Bo Magnusson as deputy Chair of the Board of Directors.

Reason:

The proposal by the Nomination Committee gives Swedbank a Board of Directors with both broad and deep banking experience as well as extensive knowledge of the challenges and opportunities the banking industry faces. Furthermore, the candidates proposed for election will add competence and insight from the forestry and agricultural sector as well as personal finances, which is considered to be of great value for Swedbank. The Nomination Committee's assessment is that the proposed new Board of Directors has the collective experience and competence required to lead Swedbank in a successful manner.

**Annika Creutzer** (born 1957) has a broad experience from board work within the finance and media industry. Today she runs her own company, Creutzer & Co AB, focusing on financial journalism and public education. She has been a member of the Swedish Pensions Agency's board of directors since 2016. Annika Creutzer has held various leading positions in the media industry, including editor-in-chief of Pengar24 (2009–2011), and editor-in-chief of Privata Affärer (2007–2009).

**Per Olof Nyman** (born 1956) has been President and CEO of Lantmännen Ek För since 2012, where he has also held other leading positions since 2008. Per Olof Nyman has deep knowledge within the agriculture and forestry sector, and is, today, among other things, board member of HKScan Oyj, one of the Nordic region's leading meat producers and board member of the grain and agricultural trading cooperation HaGe Kiel. Furthermore, Per Olof Nyman is member of the Board of Directors of Svensk Kooperation and Chairman of the Board of Intercoop Europe.

All new candidates nominated for election has informed the bank that they intend to, no later than in connection with the Annual General Meeting, resign from assignments incompatible with their assignment in Swedbank, and also to resign from other assignments necessary to be able to fulfil the assignment in Swedbank in the best possible way.

#### Proposed members' independence according to the Swedish Corporate Governance Code

The Nomination Committee considers all proposed Board members, except Bo Bengtsson and Göran Bengtsson, to be independent in relation to the bank and the bank's management. The Nomination Committee considers all proposed Board members to be independent in relation to the bank's major shareholders.

When assessing the independence, the Nomination Committee has considered the following aspects: Bo Bengtsson is the CEO of Sparbanken Skåne, which according to the Swedish Corporate Governance Code is to be considered a closely related company to Swedbank. Furthermore, Swedbank and Sparbanken Skåne have extensive business relations through a co-operation agreement entered by the parties. Göran Bengtsson is the CEO of Falkenbergs Sparbank, which have extensive business relations with Swedbank through a co-operation agreement entered by the parties.

Further information regarding the proposed Board members is available on [www.swedbank.com/AGM](http://www.swedbank.com/AGM).

#### Principles on how the Nomination Committee shall be appointed

##### Proposal

The Nomination Committee proposes the following principles on how the Nomination Committee shall be appointed.

- The Nomination Committee shall consist of six members. The members shall consist of the Chair of the Board of Directors and five members appointed by the five shareholders who wish to appoint a member and who have the largest holding in the bank based on shareholdings known on the last banking day in August 2021. If one of the five largest shareholders refrains from appointing a member, the right to appoint a member passes on to the next shareholder in terms of holdings, and who has not already appointed a member to the Nomination Committee. The right to appoint a member shall pass on until the Nomination Committee is complete.
- When applying these principles a group of shareholders shall be considered to be one owner if they have been organized as an owner group in the Euroclear system or have made public and simultaneously notified the bank via the Chair of the Board of Directors, that they have made an agreement to take – through coordinated exercise of their voting rights – a common long term view with respect to the management of the bank.
- When appointing the Nomination Committee, a shareholder who wishes to appoint a member shall confirm to the Chair of the Board of Directors that the above-mentioned conditions that give right to appoint a member still are correct.
- The Nomination Committee has a right to co-opt a member appointed by a shareholder who has become one of the five largest shareholders after the Nomination Committee has been constituted, provided that such shareholder has not already appointed a member to the

Nomination Committee. The co-opted member shall not participate in the Nomination Committee's decisions.

- When appointing the Nomination Committee, shareholders must take into account that the majority of the Nomination Committee's members must be independent in relation to the Bank and the Group Executive Management. The CEO, or other person from the Group Executive Management should not be a member of the Nomination Committee. At least one of the nomination committee's members must be independent in relation to the largest shareholder in the bank in terms of vote.
- The Nomination Committee's mandate shall be for the period until a new Nomination Committee has been constituted.
- The Nomination Committee shall appoint the Chair from amongst its members. The Chair of the Board of Directors shall not be Chair of the Nomination Committee.
- A member who leaves the Nomination Committee before its work is completed shall be replaced, if the Nomination Committee so decides, by another person representing the same shareholder or by a person representing the next shareholder in turn due to holdings, and who has not already appointed a member to the Nomination Committee.
- Members of the Nomination Committee shall not be remunerated for their work or costs incurred.

Reason:

The Nomination Committee notes that the Swedish Corporate Governance Code states that the Annual General Meeting shall appoint the Nomination Committee members or determine how the members are appointed; the Annual General Meeting's decision shall include a procedure for replacing members who leave the Nomination Committee before it's work is completed.

The bank has had the current model for appointing the Nomination Committee since 2005. The Nomination Committee deems that the current model, which means that the Annual General Meeting decides how members of the Nomination Committee are to be appointed, is the most suitable model for Swedbank.

**Proposed instruction for the Nomination Committee's work**

*Members of the Nomination Committee*

The members of the Nomination Committee are to promote the common interests of all shareholders. Committee members are not to reveal the content and details of nominations discussions unduly. Before accepting the assignment, each member of the nomination committee is to consider carefully whether there is any conflict of interest or other circumstance that makes membership of the nomination committee inappropriate.

*The duties of the Nomination Committee*

The duties of the Nomination Committee shall be to, where applicable, before an upcoming General Meeting submit proposals for decisions regarding:

- the election of a Chair of the General Meeting
- number of Board members
- remuneration for the Board members elected by the General Meeting, including remuneration for committee work
- fee for the auditor
- the election of the members of the Board of Directors and Chair of the Board of Directors
- the election of auditor
- principles on how the Nomination Committee shall be appointed
- instruction for the Nomination Committee

*Composition of the Board*

With regards to the bank's business, development phase and expected future direction, the Board of Directors shall have an appropriate composition, characterized by diversity and width regarding the

competence, experience and background of the members of the Board of Directors elected by the Annual General Meeting.

Furthermore, in accordance with current laws and regulations, the members of the Board of Directors must be responsible in financial matters and have relevant knowledge and practical experience in order to lead the Bank in a sound and responsible manner. The need for renewal and succession planning, as well as continuity shall be considered.

As part of the Nomination Committee's work to find suitable candidates, assessing the need for supplementary competences and to assess both the composition of the Board of Directors and the suitability of individual members, the Nomination Committee shall review the Chair of the Board of Director's internal Board evaluation and the Board members' own evaluations of the Board's overall competence and working climate, as well as the member's own competence. The Nomination Committee shall also carry out a suitability assessment of each member/candidate in accordance with the regulations in force at any given time and adopt instructions for suitability assessment.

The nominations to the Board of Directors shall be ownership based and, at the same time, the need for independence from the bank, the bank's management and the bank's major shareholders shall be taken into account regarding the Board of Directors as a whole.

Members of the Board of Directors shall not be appointed for a longer period than until the end of the next Annual General Meeting. Deputies to members of the Board of Directors elected by the Annual General Meeting shall not be appointed. Before nomination of a candidate to the Annual General Meeting, the Nomination Committee shall assess the suitability of the candidate, partly based on an overall assessment of the composition of the Board of Directors as a whole, and partly based on an evaluation of the candidate's reputation as well as theoretical and practical experience. In the assessment, potential conflicts of interest shall be considered. Furthermore, it shall be assessed whether the candidate can devote enough time to the board assignment.

#### *Diversity*

The composition of the Board of Directors should be characterized by diversity regarding age, geographical provenance and educational and professional background, in order to promote independent opinions, sound decision-making and critical questioning.

An even gender representation shall be attained over time, meaning that at least 40 percent of the members of the Board of Directors shall be of each gender.

#### *Election of auditor*

The Nomination Committee's proposal to the shareholders' meeting on the election of the auditor is to include the Audit Committee's recommendation. If the proposal differs from the alternative preferred by the Audit Committee, the reasons for not following the committee's recommendation are to be stated in the proposal. The auditor or auditors proposed by the nomination committee must have been included in the audit committee's selection process if the company is obliged to have such a procedure.

#### *The work of the Nomination Committee*

The Nomination Committee has the right, at Swedbank's expense, to engage a recruitment consultant or other external consultants whom the Nomination Committee considers necessary in order to fulfil its task.

The nomination committee is to issue a statement explaining its proposals regarding the Board of Directors with regard to the requirements concerning the composition of the board in this instruction. The committee is to provide specific explanation of its proposals with respect to the requirement to strive for gender balance. The statement is also to include a report of how the nomination committee has conducted its work and a description of the diversity policy applied by the nomination committee in its work.

The nomination committee's proposals and reasoned opinion shall be communicated to the Bank in such time that they can be presented in the notice of the shareholders' meeting where the elections of board members or auditors is to be held as well as be published on the company's website in connection with publishing of the notice.

At the shareholders' meeting where the election of board members or auditors is to be held, the Nomination Committee is to present and explain its proposals.

The Nomination Committee shall also otherwise consider the Swedish Code of Corporate Governance in the performance of its assignment.