

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

The Board of Directors' report in accordance with Chapter 18, Section 6 of the Swedish Companies Act

Due to the fact that the Board of Directors of Swedbank AB (corporate identification no. 502017-7753) has proposed that an Extraordinary General Meeting decides on dividends, the Board of Directors hereby submits the following report in accordance with Chapter 18, Section 6 of the Swedish Companies Act regarding events of material significance for the company's position, which occurred subsequent to the presentation of the annual report. The annual report, with the accompanying auditor's report, for the financial year 2019 is attached.

Events of material significance for the company's position that have occurred subsequent to the presentation of the annual report for the financial year 2019, on 19 February 2020, can be found in the interim report for the period 1 January - 31 March 2020, the half-year report for the period 1 January - 30 June 2020 and the interim report for the period 1 January - 30 September 2020, as well as the company's press releases. All reports and press releases are available on the company's website www.swedbank.com.

Following the submission of the annual report for the financial year 2019, the Swedish Financial Supervisory Authority issued an administrative fine of SEK 4 billion to the company on 19 March 2020.

As of 31 December 2019, the 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 company's restricted shareholders' equity after the AGM 2020.

Stockholm on 18 January 2021

Swedbank AB (publ)

The Board of Directors

[SIGNATURES]



This is a literal translation of the Swedish original report

Auditor's statement under Chapter 18 § 6 of the Swedish Companies Act (2005:551) regarding the report on and proposal for an extra dividend

To the general meeting of Swedbank AB (publ), Corporate Identity Number 502017-7753

We have performed procedures whereby we have examined the report and the proposal dated 18 January 2021.

Responsibility of the Board of Directors for the report and the proposal

It is the responsibility of the Board of Directors to produce a report and proposal according to the Swedish Companies Act and to ensure that such internal control as the Board of Directors deem necessary to produce a report and proposal that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the set-off on the basis of the procedures performed. The procedures were performed in accordance with FARs recommendation RevR 9 *The Auditor's Other Statements Pursuant to the Swedish Companies Act and the Swedish Companies Ordinance*. This recommendation requires that we plan and perform the audit to obtain reasonable assurance that the content of the Board of Director's report is free from material misstatement. The auditing firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of the Swedbank AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The procedures have involved the execution of various activities to obtain evidence about the financial and other information in the accounting details. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In making those risk assessments, the auditor considers the parts of internal control which are relevant to the how the Board of Directors produced the report data in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of this internal control. The procedures also include an evaluation of the appropriateness and the reasonableness of the valuation method (methods) applied and of the reasonableness of the assumptions of the Board of Directors. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

We are of the opinion that the report provides a true and fair view and we recommend that the general meeting of shareholders appropriate the profits in accordance with the Board of Directors' proposal.



Other information

The sole purpose of this auditor's statement is to meet the requirements of Chapter 18, § 6 of the Swedish Companies Act and it may not be used for any other purpose.

Stockholm 18 January 2021

PricewaterhouseCoopers AB

Anneli Granqvist
Authorised Public Accountant
Auditor in charge

Martin By
Authorised Public Accountant