

Address
Swedbank's Annual General Meeting
March 20 2013
President and CEO
Michael Wolf

My Fellow Shareholders,

2013: You could say that we have made it. That it could hardly get better than this. This is where we wanted to be when the crisis was at its worst point in 2009.

2012 was a good year for the bank. Thanks to strong efforts that reduced costs by 8% and produced better risk-adjusted compensation for loans, we neared the goal of a 15% return on equity. In its latest stability report, the Riksbank showed that Swedbank is Sweden's best capitalised bank, even in a stressed economic scenario. We were also praised for our openness. It took outstanding efforts around the bank to achieve this. We are strong today, and I would like to thank you, our shareholders, who believe in us. And believed in us when times were tough.

We are where we wanted to be. High profitability and low risk give us freedom. Now we can invest. Now we can develop a bank for the future. We will create the banking services modern customers want. We will be the kind of workplace employees recommend.

Our customers now have access to their balances in their pocket. No less than 55 million times last year they shook their mobile phones to check a balance in our Mobile Bank. Common payments by mobile phone are increasing as well. It's as if the old days of check books were back, but in modern form. Now customers can pay their rent, electricity and phone bill with a few simple clicks on their smart phone. In January of this year alone, over 2 million transactions were executed by mobile phone.

Our large customer base gives us a competitive advantage as banking shifts online and to mobile devices. The development costs are spread across many people. While every bank is competing for the higher segments, we alone are addressing the needs of the broader market. Good digital services are appreciated by all customers, from teenagers to high wage earners and pensioners. Our mobile banking products for students and businesses are now available. In the years ahead we will add more functions. A great deal can be standardised. The more banking that is done digitally, the more time our employees can spend creating personal solutions to more unique challenges.

Customer service representatives at our branches and the Telephone Bank have more qualified duties and more independent responsibility. Which gives them greater opportunities to create customer-specific solutions. More time is available to understand our customers' challenges. Less time is spent traversing through the product jungle. That's why we are reducing the number of products to those that are really needed, and refining them.

We are now creating an organisation where it will be easier for employees to succeed with the true purpose of working in our bank - namely, to guide customers in improving their finances.

When it comes down to it, most technology used by banks can be copied. But relationships are unique. How a customer is treated – by phone, on Facebook or at a branch – determines whether he or she will want to build or end their relationship with us.

To have customers who say, "I am very pleased with Swedbank," we need employees who do so as well.

This places a major responsibility on leadership and managers:

- we will build teams that make it exciting to go to work
- we will coach more and show off less

We face significant challenges. The bank is dependent on the world around it. Low credit demand and interest rates are a challenge to profitability. The real economy is expected to remain sluggish and interest rates low. Unemployment in Europe is expensive and dangerous. Housing in large cities is insufficient to meet the needs of a growing population. The bank remains prepared for various scenarios. We remain committed and continue to talk to decision-makers and opinion leaders. A bank like ours, open to the many households and businesses, with a commitment to society, is needed more than ever.

Thank you for your time.

