

Translation

## Welcome to Swedbank's annual general meeting on 19 March 2014

The shareholders in Swedbank AB are hereby given notice to the Annual General Meeting at Dansens Hus, Barnhusgatan 14, 111 24 Stockholm, on Wednesday 19 March, 2014 at 10:00 am (CET).

Shareholders are welcome from 08:30 am (CET). Before the Meeting it will be possible for shareholders to ask questions to the management of Swedbank. Light refreshments will also be served before the Meeting.

As a service to non-Swedish speaking shareholders, the Meeting will be simultaneously interpreted into English.

### Notification etc

Shareholders who wish to attend the Meeting must be recorded in the share register maintained by Euroclear Sweden AB ("Euroclear", the Swedish Central Securities Depository) on 13 March, 2014 (the "Record Date"), and must give notice of their attendance to Swedbank's head office no later than 13 March, 2014 preferably before 3 pm (CET).

### Notification may be submitted

- by letter to Swedbank, Box 7839, SE-103 98 Stockholm, Sweden, or
- by telephone +46 8 402 90 60, or
- at [www.swedbank.se/ir](http://www.swedbank.se/ir) under the heading "Årsstämma" (AGM).

The notification shall state the name and should in addition thereto state the personal/company registration number (for Swedish permanent residents or companies), address, telephone number and the number of any advisors (not more than two).

Entrance cards, which shall be presented at the entrance to the meeting venue, will be sent from 14 March, 2014.

### Nominee-registered shares

Shareholders whose shares are nominee-registered must – in addition to giving notice of their attendance – request that the shares be temporarily re-registered in their own name at Euroclear. Such registration should be requested at the nominee well before the Record Date (i.e. 13 March 2014).

### Proxies etc

Shareholders represented by proxy or a representative should submit a power of attorney, registration certificate or other documents of authority to Swedbank at the address above well before the Meeting, preferably no later than 13 March, 2014. Power of attorney forms are available on the bank's web site at [www.swedbank.se/ir](http://www.swedbank.se/ir) under the heading "Årsstämma" (AGM).

### Personal data

Personal data obtained from the share register, notices of attendance at the Meeting and information on proxies and advisors will be used for registration, preparation of the voting list for the Meeting and, where applicable, the minutes of the Meeting.

### Proposed agenda

1. Opening of the Meeting and address by the Chair of the Board of Directors
2. Election of the Meeting Chair
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of two persons to verify the minutes
6. Decision whether the Meeting has been duly convened
7.
  - a) Presentation of the annual report and the consolidated accounts for the financial year 2013
  - b) Presentation of the auditor's reports for the bank and the group for the financial year 2013
  - c) Address by the CEO
8. Adoption of the profit and loss account and balance sheet of the bank and the consolidated profit and loss account and consolidated balance sheet for the financial year 2013
9. Approval of the allocation of the bank's profit in accordance with the adopted balance sheet as well as decision on the record date for dividends
10. Decision whether to discharge the members of the Board of Directors and the CEO from liability
11. Determination of the number of Board members
12. Determination of the remuneration to the Board members and the Auditor
13. Election of the Board members and the Chair
14. Election of Auditor
15. Decision on the Nomination Committee
16. Decision on the guidelines for remuneration to top executives
17. Decision on amendments to the Articles of Association
18. Decision to acquire own shares in accordance with the Securities Market Act
19. Decision on authorization for the Board of Directors to decide on acquisitions of own shares in addition to what is stated in item 18
20. Decision on authorization for the Board of Directors to decide on issuance of convertibles
21. Performance and share based remuneration programs for 2014
  - a) Approval of the resolution of the Board of Directors on a common program (Eken 2014)
  - b) Approval of the resolution of the Board of Directors of Swedbank regarding deferred variable remuneration in the form of shares (or another financial instrument in the bank) under IP 2014
  - c) Decision regarding transfer of own ordinary shares (or another financial instrument in the bank)
22. Matter submitted by the shareholder Thorwald Arvidsson regarding suggested proposal on an examination through a special examiner in accordance with Chapter 10, Section 21 of the Companies Act
23. Matter submitted by the shareholder Tommy Jonasson on the shareholder's suggested proposal regarding an initiative for an integration institute
24. Closing of the meeting

The addresses by the Chair of the Board of Directors and the CEO will be available, following the closing of the Meeting, at [www.swedbank.se/ir](http://www.swedbank.se/ir).

### **Nomination Committee**

The Nomination Committee consists of Lennart Anderberg, Chair, appointed by the owner group Föreningen Sparbanksintressenter, Ramsay Brufer, appointed by Alecta Pensionsförsäkring, Jens Henriksson, appointed by the owner-group Folksam, Tommy Hjalmarsson appointed the owner group Sparbankstiftelserna and Anders Sundström, Chair of the Board of Directors of Swedbank AB.

### **Proposals of the Board of Directors and the Nomination Committee etc**

#### **Item 2; Election of the Meeting Chair**

The Nomination Committee proposes that *advokat* Claes Zettermarck is elected Chair of the Meeting.

#### **Item 9; Resolution on the allocation of the bank's profit in accordance with the adopted balance sheet as well as decision on record date for dividends**

The Board of Directors proposes that of the amount approximately SEK 33 511m at the disposal of the Meeting, approximately SEK 11 100m is distributed as dividends to holders of ordinary shares and the balance, approximately SEK 22 411m, is carried forward. The proposal is based on all ordinary shares outstanding as of 31 December 2013. The proposal could be changed in the event of additional share repurchases or if treasury shares are disposed of before the record day. A dividend of SEK 10.10 for each ordinary share is proposed. The proposed record date is 24 March, 2014. With this record date, the dividend is expected to be paid through Euroclear on 27 March, 2014.

#### **Item 10; Decision whether to discharge the members of the Board of Directors and the CEO from liability**

The Auditor recommends discharge from liability.

#### **Item 11; Determination of the number of Board members**

The Nomination Committee proposes that the number of Board members, which shall be appointed by the Meeting, shall be nine.

#### **Item 12; Determination of the fees to the Board members and the Auditor**

The Nomination Committee proposes, for the period until the close of the next AGM, in order to attain market levels and taking into consideration the increased demands made on board members, to raise the remuneration for the Board of Directors calculated on an annual basis as follows:

- SEK 2 350 000 to the Chair (SEK 1 350 000),
- SEK 800 000 to the Deputy Chair (SEK 675 000),
- SEK 500 000 to each of the other Board members (SEK 400 000),
- SEK 250 000 to the Chair of the Audit Committee (SEK 175 000), and
- SEK 200 000 to each of the other Audit Committee members (SEK 125 000).

Unchanged remuneration is proposed for each member of the Board's remuneration committee i.e. SEK 100 000, as well as for the Chair of the Board's risk and capital committee i.e. SEK 250 000.

Furthermore, the Nomination Committee proposes to lower the remuneration for other members of the Board's risk and capital committee to SEK 200 000 (SEK 250 000).

The Nomination Committee proposes that the remuneration for the Board of Directors may, after agreements between the board member and Swedbank and if it could be done without increase of cost for Swedbank and the board member fulfills the formal requirements for such invoicing, be invoiced by entity fully owned by the board member. If such invoicing is done the remuneration might be raised with an amount equal to Swedbank's savings.

The current remuneration for the Board of Directors was adopted by the 2008 AGM and has not been increased since, due to the agreement between Swedbank and the Swedish National Debt Office under the government guarantee program. However, in 2014 the agreement between Swedbank and the Swedish National Debt Office will expire. Swedbank AB's nomination committee thus proposes unchanged remuneration during the Board's next term for the duration of the agreement between Swedbank and the Swedish National Debt Office, and thereafter the above changes.

The Nomination Committee proposes that the auditor's fee, as previously and as customary, shall be payable by approved account.

#### **Item 13; Election of the Board members and the Chair**

The Nomination Committee proposes, for the period until the close of the next AGM, that the following Board members are re-elected: Ulrika Francke, Göran Hedman, Lars Idermark, Anders Igel, Pia Rudengren, Anders Sundström, Karl-Henrik Sundström and Siv Svensson. The Nomination Committee proposes Maj-Charlotte Wallin as new member of the Board of Directors for the period until the close of the next AGM.

Maj-Charlotte Wallin has a degree in Economics from Handelshögskolan in Stockholm recently working for AFA Försäkring where she has been CEO during 2008-2013. Ongoing assignments are Akademiska Hus AB (board member), Försäkringskassans insynsråd (board member), Hjärt-Lungfonden (board member) and Kammarkollegiets fonddelegation (board member).

The Nomination Committee proposes that Anders Sundström be elected as Chair of the Board of Directors.

All proposed members, except Göran Hedman, are, in the opinion of the Nomination Committee, considered as independent in relation to the bank, the management of the bank and the major shareholders of the bank. However, Göran Hedman is considered independent in relation to the management of the bank and the major shareholders of the bank.

#### **Item 14; Decision on election of Auditor**

The Nomination Committee proposes that the registered public accounting firm Deloitte AB be elected as auditor for the period until the end of the 2018 Annual General Meeting.

#### **Item 15; Decision on the Nomination Committee**

The Nomination Committee proposes a nomination process in accordance with the Swedish Corporate Governance Code and the following principles:

- The Nomination Committee shall consist of five members. The members shall consist of the Chair of the Board of Directors as well as the four 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 2014.
- When applying these principles a group of shareholders shall be considered to be one owner if they have been organised 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 an additional member appointed by a shareholder who has become one of the four 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.
- The Nomination Committee makes an annual assessment, according to its own decided criteria for the proposed Board members – in addition to the assessment and valuation that is done by the supervisory authority – based on the European Banking Authority guidelines.
- 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.
- The Nomination Committee has the right, at the expense of the bank, to engage a headhunter or other external consultants which the Nomination Committee deems necessary to fulfill its assignment.
- The duties of the Nomination Committee shall be, where applicable, before a coming General Meeting submit proposals for decisions regarding:
  - the election of a Chair of the General Meeting
  - number of board members
  - fees for the Board members elected by the General Meeting, including fees for committee work
  - fees 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 for appointing the Nomination Committee

#### **Item 16; Decision on the guidelines for remuneration to top executives**

The Board of Directors proposes mainly the following guidelines for remuneration to top executives: Top executives refer to the CEO of the bank and the executives who at each time reports to the CEO and who also are members of the Group Executive Committee.

Remuneration and other terms of employment for top executives shall be designed so that they (i) are consistent with and promote effective risk management and counteract excessive risk-taking and (ii) ensures access to executives with the competence that the bank needs. The guidelines, which apply until the next AGM, shall be applied in relation to every commitment on and every change in remuneration. The Board of Directors shall decide on the remuneration terms and may deviate from the guidelines, if there exist special reasons in a specific case.

Remuneration may consist of the components: fixed compensation in the form of base salary, benefits and pension and variable compensation. There should be an appropriate balance between fixed and variable components. Each top executive shall receive a base salary and may be entitled to both general benefits that are offered to all staff and special extra benefits. Pension benefits shall generally be granted in accordance with rules, collective agreements and practice in the country where the executive is permanently resident. Pension benefits may be defined benefit according to collective agreements or defined contribution and are vested once they have accrued. The Board of Directors shall decide on a cap on the pensionable income. If the bank terminates the employment, salary may be paid during a notice period of 6–12 months. In addition, severance pay can be paid during 6–12 months. Variable compensation may be paid in the form of shares and limits for the maximum outcome shall be determined. Payment of variable remuneration shall be deferred and be conditional upon the criteria fulfilment on which the remuneration is based being proved long-term sustainable and on the group's position not having materially deteriorated. If the conditions for payment are not satisfied, the remuneration shall be reduced in whole or in part. The material terms of incentive programs shall be resolved by a General Meeting of Shareholders.

The Board of Directors has, subject to approval of the 2014 AGM, decided to implement a performance and share based remuneration program for 2014, the common part of which shall comprise the top executives, according to what is set out in item 21 a). Thirteen top executives, but none of the five highest paid top executives due to the outstanding governmental guarantee program not permitting this, participated during 2013 in the common performance and share based remuneration program ("Eken 2013") adopted by the AGM 2013. When these limitations expire, the five highest paid top executives may also participate in the performance and share based remuneration programs for 2014.

The Board of Directors has, subject to the approval of the AGM 2014, also resolved to establish a corresponding individual performance and share based remuneration program for 2014 ("IP 2014"), resting mainly on the same principles as IP 2013. Top executives are as a general rule not included in IP 2014. However, the Board of Directors, or the Board of Directors' Remuneration Committee ("Remco") after a resolution by the Board of Directors, may grant exemptions from this where material grounds exist.

#### **Item 17; Decision on amendments to the Articles of Association**

As a consequence of the mandatory conversion of preference shares to ordinary shares during the year, the Board of Directors now proposes to remove the sections regarding, and all references to, preference shares in the Articles of Association. The Board of Directors is also

proposing to the AGM 2014 to remove C-shares from the Articles of Association since no such shares have been issued. This results in changes in the Articles of Association § 3 ("Share capital etc") so that only the first paragraph is kept and that a new paragraph is included which states that the shares each entitles to one vote and also that § 14 ("Right to dividends, etc") is removed in its entirety.

**Item 18; Decision to acquire own shares in accordance with the Securities Market Act**

The Board of Directors proposes that the bank, to facilitate its securities operations, during the period until the AGM in 2015, in its securities operations shall be permitted to continuously acquire to its so called trading book its own shares in accordance with the Securities Market Act to the extent that the total holding of such shares at any given time does not exceed one (1) percent of the total number of shares in the bank. The price for such acquired shares shall at each time correspond to the prevailing market price.

**Item 19; Decision regarding authorization for the Board of Directors to decide on acquisitions of own shares in addition to what has been stated in item 18**

The Board of Directors proposes that the AGM authorizes the Board of Directors, for the period until the AGM in 2015, to resolve on acquisitions, in addition to what is stated in connection with item 18, of the bank's own shares on one or more occasions.

The total holding of own shares (including shares acquired under item 18) may not exceed one tenth of the total numbers of shares in the bank at each time. Acquisitions may only be made through purchases on NASDAQ OMX Stockholm. An acquisition may only be made at a price within the prevailing spread between the highest bid price and the lowest ask price.

The regulations on capitalization of banks have been, and are to some extent still, under revision. The Regulation (EU) No 575/2013 of the European Parliament and of the Council ("CRR") and the Directive (EU) No 36/2013 of the European Parliament and of the Council ("CRD IV"), which contain new rules on capital requirements, liquidity and corporate governance, entered into force on 1 January 2014. CRR is directly applicable as Swedish law, while CRD IV must be implemented by amendments to Swedish legislation and is expected to be implemented by 1 July 2014. The new EU framework is in line with the prior announced Basel 3 framework. The Common Equity Tier 1 ratio of Swedbank according to Basel 3 was 18.3 percent as per 31 December 2013 according to Swedbank's current calculation based on the new regulations.

The Swedish authorities have announced higher ambitions than CRR and CRD IV regarding capital requirements for the systemically important Swedish banks, according to which the bank's Common Equity Tier 1 ratio (as per 2015) must be at least 12 percent. The proposed implementation of CRD IV will most likely mean even higher capital requirements. The Swedish Financial Supervisory Authority ("SFSA") has also decided to implement a risk weight floor for Swedish banks' Swedish residential mortgage portfolios and has recently also announced an intention to raise this floor to 25 percent. Swedbank would, taking such raise of the risk weight floor into consideration, need to hold an additional Common Equity Tier 1 capital of a bit more than 19 bSEK for Swedish mortgages.

Given the current level of capitalization, earnings capacity and knowledge on the new regulatory regime, the Board of Directors is of the opinion that the bank already well exceeds the proposed new requirements on Common Equity Tier 1 capital.

Against that background, the proposal on a buyback-authorization is justified as one of several measures to give the Board of Directors the possibility to continuously adapt the bank's capital structure to existing capital needs.

#### **Item 20; Decision on authorization for the Board of Directors to decide on the issuance of convertibles**

The Board of Directors proposes that the AGM authorizes the Board of Directors, for the period until the AGM in 2015, to resolve on the issuance of convertibles on one or more occasions, with or without deviation from the shareholders' preferential rights. The convertibles shall only convert mandatorily into ordinary shares on certain conditions but not be convertible at the option of the holders. The number of ordinary shares as a result of conversion may not exceed 100 000 000 (or the corresponding number due to bonus issue, share issue, conversion of convertibles, split or reversed share split or similar corporate events). The Board of Directors resolves on all other terms and conditions for the issue.

According to regulations that came into force 1 January 2014, a loan must, in order for it to be eligible for inclusion as Additional Tier 1 capital in the capital base, contain conditions to the effect either that the loan may be converted into shares if a predetermined trigger event occur, for example that the bank's Common Equity Tier 1 ratio drops below a certain level, or that the loan will be written down under corresponding conditions. Debt instruments eligible for inclusion as Tier 2 capital in the capital base may also be issued with similar terms and conditions. An issue of debt instruments convertible into shares can only be made in accordance with the rules of the Swedish Companies Act on issuance of convertibles. Convertibles may be used to strengthen the bank's equity in the event of future actual or anticipated financial difficulties. This possibility should be advantageous also to current shareholders.

Since convertibles issued in accordance with the authorization would mainly be demanded by debt investors of the Swedish and international capital markets, it must be possible to offer them to the market with or without deviation from the shareholders' preferential rights. The purpose of this proposal is for the bank, without convening a General Meeting of Shareholders, through decision by the Board of Directors, to be able to issue convertibles if considered necessary in order to effectively handle the capital base.

#### **Item 21; Approval of performance and share based remuneration programs for 2014**

In conformity with previous years, the Board of Directors has decided on a performance and share based remuneration program for 2014 comprising a common program with deferred variable remuneration in the form of shares (Eken 2014) (see item 21 a)) and an individual program ("IP 2014") with variable remuneration in two parts, cash and deferred variable remuneration in the form of shares (see item 21 b)). Eken 2014 and IP 2014 are in all material respects designed in the same manner as the programs of previous years. The Board of Directors of Swedbank's decision on Eken 2014, and as far as it relates to deferred variable remuneration in the form of shares, IP 2014 has been made subject to the AGM's subsequent approval.

#### **Item 21 a); Approval of the resolution of the Board of Directors on a common program (Eken 2014)**

Eken 2014 includes approximately 14 100 employees within the Swedbank Group (Group). Also top executives are included, i.e. the executives of the Group Executive Committee (GEC)

who at each time report to the bank's CEO. Neither the CEO himself nor the additional four members of GEC who are subject to the bank's undertakings according to the guarantee agreement with the Swedish Government are included as long as so required pursuant to the governmental guarantee program. Units that are also excluded are amongst others Russia, the joint venture company Entercard and Ölands Sparbank. Staff working with any of these units may be included.

In essence, Eken 2014 means that to the extent certain performance targets are achieved during the financial year 2014 participants are awarded a variable remuneration in the beginning of 2015 (Share Amount) in the form of conditional, non-transferable performance rights. Each performance right carries a right to receive at no cost in year 2018 one ordinary share in the bank subject to certain conditions being fulfilled at the time of delivery. The allotment of performance rights and the outcome are dependent on the extent to which the performance targets are achieved. The performance targets are based on the profit, adjusted for capital costs and risks, of the Group and the individual performance under the bank's performance development process which comprises an assessment of a number of behaviors linked to the Group's values – open, simple and caring.

The maximum Share Amount is normally limited to 2.7 months' salary for an individual participant employed in Estonia, Latvia or Lithuania and 1.35 months' salary for an individual participant employed in another country. Depending on the assessment, re-allocation between participants may occur resulting in the maximum Share Amount being three times the above mentioned limitations. The base salary is defined as the agreed fixed salary for December 2014.

The total Share Amount for all participants is limited to approximately SEK 701m.

Conversion of the allotted Share Amount into performance rights is made by dividing such amount by the average daily volume weighted price paid per ordinary share in Swedbank at NASDAQ OMX Stockholm during the last ten trading days in January 2015 (the "Translation Rate"), however, not lower than SEK 80 per share (the "Floor Price").

The total number of performance rights that may be allotted to the participants amounts to a maximum of approximately 8.8m, excluding anticipated dividend compensation and adjustment for forfeited performance rights, which equals the quotient of (a) the highest aggregate Share Amount for all participants divided by (b) the Floor Price. If the Translation Rate is hypothetically assumed to be SEK 150, the total number of Performance Rights which may be allotted to the Participants amounts to a maximum of approximately 4.7m, excluding anticipated dividend compensation and adjustment for forfeited performance rights.

In the Group's financial accounting the total Share Amount will normally be recognized as staff costs in the income statement during the accrual period which in the accounts is considered to correspond to the duration.

The maximum cost for the Share Amount amounts to approximately SEK 701m, which corresponds to approximately 0.4 percent of the bank's market value as of 31 January 2014. The estimated cost for the Share Amount amounts to approximately SEK 467m, which corresponds to approximately 0.3 percent of the bank's market value as of 31 January 2014.

The maximum annual cost in the income statement is expected to be approximately SEK 168m. The estimated annual cost in the income statement amounts to approximately SEK 112m.

The estimates of costs are standardized and based upon an achievement of the performance targets corresponding to approximately 70 percent of the total Share Amount.

If the bank's estimated maximum commitment exclusive of anticipated dividend compensation and adjustments for forfeited performance rights is hedged by way of transfer of own ordinary shares acquired by virtue of authorization from the AGM, this would result in a total dilution of not more than approximately 0.8 percent in relation to the outstanding number of shares and votes as of 31 December 2013.

The dilution is expected to have a marginal impact on the Group's key ratios, also when taken together with the proposed IP 2014 (according to the proposal under Item 21 b)).

Article 94 of Directive (EU) No 2013/36 of the European Parliament and of the Council ("CRD IV") (variable elements of remuneration) has not yet been implemented in Swedish law. By reason hereof the Board of Directors shall also have the right to – if and to the extent necessary to comply with the requirements of CRD IV as implemented in Swedish law – resolve that Performance Rights (all or part of all Performance Rights) shall entitle to, without consideration, receive such financial instrument in the bank as set out in article 94 of CRD IV instead of ordinary shares.

**Item 21 b); Approval of the resolution of the Board of Directors of Swedbank regarding deferred variable remuneration in the form of shares (or another financial instrument in the bank) under IP 2014**

IP 2014 comprises approximately 700 employees in the Swedbank Group (Group) in positions where individual performance is deemed to be of direct importance for creating revenue and where variable compensation is deemed to encourage performance.

IP 2014 provides a possibility to receive variable remuneration partly in the form of cash remuneration, partly in the form of deferred remuneration consisting of shares. In essence, the program means that to the extent certain performance targets are achieved during the financial year 2014 the participants are allotted a variable remuneration in the beginning of 2015 of which a part (Share Amount) is allotted in the form of conditional, non-transferable performance rights. Each performance right carries a right to receive at no cost in year 2018 one ordinary share in the bank, subject to certain conditions being fulfilled at the time of delivery.

The allotment of performance rights and the outcome are dependent on the extent to which the performance targets are achieved. The performance targets are, for the majority of the participants, determined on the following three evaluation levels (1) the profit after tax, adjusted for capital costs and risks, for the Group (2) the profit after tax, adjusted for capital costs and risks, for the respective business area and whether this has been achieved in accordance with the business area's strategic plan and a sound risk attitude and (3) the risk adjusted results on an individual level and team level, which is assessed inter alia of individual performance under the bank's performance development process which comprises both financial and operational factors. Further, a number of behaviors linked to the Group's values –

open, simple and caring – are assessed and (4) risk evaluation, which is made on Group- and/or business area level and/or individual level.

The maximum Gross Performance Amount is individually predetermined for each Participant and is dependent on, inter alia, business area or function, the Participant's individual position and/or areas of responsibility. The maximum Gross Performance Amount, which should also include Eken 2014, if applicable, for an individual Participant is, however, limited to 12 months' salary with the exception as follows. The maximum Gross Performance Amount is calculated from the implementation date of article 94 (variable elements of remuneration) of Directive (EU) No 36/2013 of the European Parliament and of the Council ("CRD IV") in Swedish law. The Board of Directors shall have the right to, for a maximum of 40 Participants, mostly working in Norway, resolve that the maximum Gross Performance Amount, which should also include Eken 2014 if applicable, for an individual Participant should be limited to 24 months' salary.

The total Share Amount for all participants is limited to a maximum of approximately SEK 200m.

Conversion of the allotted Share Amount into performance rights is made on the basis of a translation rate (the Translation Rate) based on the average daily volume weighted price paid per ordinary share in Swedbank at NASDAQ OMX Stockholm during the last ten trading days in January 2015, however, not lower than SEK 80 per share (the Floor Price).

The total number of performance rights that may be allotted to the participants amounts to a maximum of approximately 2.5m, excluding anticipated dividend compensation and adjustments for forfeited performance rights, which equals the quotient of (a) the highest aggregate Share Amount for all participants divided by (b) the Floor Price. If the Translation Rate is hypothetically assumed to be SEK 150, the total number of performance rights which may be allotted to the Participants amounts to a maximum of approximately 1.3m, excluding anticipated dividend compensation and adjustments for forfeited performance rights.

In the Group's financial accounting the total Share Amount will be recognized as staff costs in the income statement during the accrual period which in the accounts is considered to correspond to the duration.

The maximum annual cost in the income statement is expected to be approximately SEK 48m. The estimated annual cost in the income statement amounts to approximately SEK 24m.

The cost estimates are standardized and based upon an achievement of the performance targets corresponding to approximately 50 percent of the total Share Amount.

If the bank's estimated maximum commitment exclusive of anticipated dividend compensation and adjustments for forfeited performance rights is hedged by way of transfer of own ordinary shares acquired by virtue of authorization from the AGM, this would result in a total dilution of not more than approximately 0.2 percent in relation to the outstanding number of shares and votes as of 31 December 2013. The dilution is expected to have a marginal impact on the Group's key ratios, also when taken together with the proposed Eken 2014 (according to item 21 a)).

Article 94 of CRD IV (variable elements of remuneration) has not yet been implemented in Swedish law. By reason hereof the Board of Directors shall also have the right to – if and to the extent necessary to comply with the requirements of CRD IV as implemented in Swedish law – resolve that Performance Rights (all or part of all Performance Rights) shall entitle to, without consideration, receive such financial instruments in the bank as set out in article 94 of CRD IV instead of ordinary shares.

The Board of Directors shall have the right to – if and to the extent necessary to comply with the requirements of CRD IV as implemented in Swedish law – resolve that the Share Amount shall form a higher proportion of the Gross Performance Amount than 40 percent, and in such case resolve on how large share of the Share Amount which shall be postponed in accordance with what is set out in CRD IV.

**Item 21 c); Decision regarding transfer of own ordinary shares (or another financial instrument in the bank)**

The Board of Directors is of the opinion that the most cost efficient and flexible method to secure Swedbank's commitment under Eken 2014 and IP 2014, (together referred to as "Program 2014"), and previous common and individual performance and share based remuneration programs within the Swedbank Group – that in whole or in part – have been resolved by or adopted subject to subsequent approval by a General Meeting of Shareholders' of Swedbank ("Previous Programs") – is to, with deviation from the shareholders' preferential rights, transfer at no cost own ordinary shares held by Swedbank and acquired by virtue of authorization by an AGM to eligible participants in Program 2014 and Previous Programs.

The Board of Directors' proposal consists of transfer of own ordinary shares partly, at no cost, to entitled participants under Program 2014 and Previous Programs, directly or where applicable through the bank's subsidiaries or an external party engaged for this purpose and partly at NASDAQ OMX Stockholm if the Board of Directors deems it appropriate, to cover certain costs, in particular social security costs and ancillary salary costs.

Not more than 33 000 000 ordinary shares in aggregate (or such adjusted higher number of ordinary shares which may be a result of a bonus issue, share split or corresponding corporate events) may be transferred in accordance with the above. If transfer of the maximum amount of ordinary shares (33 000 000) occurs, this would result in a total dilution of approximately 3.0 percent in relation to the outstanding number of shares and votes as of 31 December 2013.

Article 94 of Directive (EU) No 2013/36 of the European Parliament and of the Council ("CRD IV") (variable elements of remuneration) has not yet been implemented in Swedish law. By reason hereof –if and to the extent necessary to comply with the requirements of CRD IV as implemented in Swedish law – the transfer of ordinary shares, in accordance with the above, (for Program 2014 and Previous Programs) shall also be deemed to include such financial instruments in the bank as set out in article 94 of CRD IV.

The Board of Directors' proposal as per above is conditional upon the resolution of the Board of Directors regarding Eken 2014 and/or deferred variable remuneration in the form of shares under IP 2014 having been approved by the AGM.

If the AGM does not approve the proposal as per above, the Board of Directors intends to hedge the bank's commitment to deliver ordinary shares – in whole or in part – for Program 2014 by way of an agreement (equity swap agreement, certificate or similar) with a financial institution engaged for this particular purpose, which according to such agreement will in its own name acquire and transfer to the Participants ordinary shares in Swedbank.

**Item 22; Matter submitted by the shareholder Thorwald Arvidsson regarding suggested proposal on an examination through a special examiner in accordance with Chapter 10, Section 21 of the Companies Act**

The shareholder Thorwald Arvidsson proposes that the AGM resolves on a examination through a special examiner regarding the decisions strategic corporate importance which were taken during the period when Carl Erik Stålberg was Chair of the Board of Directors and the economic consequences of such decisions as well as the reasonableness of the pension agreement entered into between the bank and Carl Erik Stålberg.

**Item 23; Matter submitted by the shareholder Tommy Jonasson on the shareholder's suggested proposal regarding an initiative for an integration institute**

The shareholder Tommy Jonasson proposes that the AGM resolves to give the Board/CEO the task of taking the initiative to an integration institute Landskrona – Ven – Copenhagen, and to in a suitable manner participate with a first contribution.

**Total number of shares and votes in Swedbank**

At the time of issuance of this notice the total number of shares in Swedbank amounts to 1,132,005,722, all ordinary shares, and the number of voting rights in Swedbank amounts to 1,132,005,722.

31,630,650 ordinary shares are held by the bank itself at the time of issuance of this notice.

**Majority requirements**

Approval of the Board of Directors' proposal according to items 17-20 requires that the AGM's resolution is supported by shareholders representing at least two thirds of the votes cast and shares represented at the Meeting. Approval of the Board of Director's proposal according to item 21 c) requires that the AGM's resolution is supported by shareholders representing at least nine tenths of the votes cast and shares represented at the Meeting. Approval of Thorwald Arvidsson's proposal according to item 22 requires that the AGM's resolution is supported by shareholders representing either at least one tenth of all shares in the bank or at least one third of the shares represented at the Meeting.

**Complete proposals etc.**

The accounts and auditor's reports, the complete proposals of the Board of Directors in respect of items 9 and 16-21, the Board of Director's statements pursuant to items 9, 18 and 19, the statement from the bank's Auditor according to Chapter 8, Section 54 of the Swedish Companies Act, the complete proposals of the Nomination Committee and the matter submitted by the shareholder Thorwald Arvidsson in respect of item 22 and Tommy Jonasson in respect of item 23, will be made available at Swedbank, the Company Secretary, Brunkebergstorg 8, Stockholm, no later than from and including 26 February, 2014. The documents will be sent to shareholders who so request and provide their postal address. The documents, together with the annual report, will also be made available no later than from and including 26 February, 2014 at [www.swedbank.se/ir](http://www.swedbank.se/ir).

### Information at the Annual General Meeting

At the AGM, the Board of Directors and the CEO are under a duty to, upon request by any shareholder and where the Board of Directors believes that such may take place without material damage to the bank and without any appreciable inconvenience to any person, provide information, regarding any circumstances which may affect the assessment of a matter on the agenda or of the bank's financial situation. Such duty to provide information applies also to the bank's relation to other group companies, the consolidated accounts and such circumstances regarding subsidiaries as specified in the foregoing sentence.

The shareholders are warmly welcomed to the AGM.

Stockholm in February 2014

Swedbank AB (publ)

The Board of Directors