

Address
Swedbank's Annual General Meeting
March 19 2014
President and CEO
Michael Wolf

Dear shareholder

Let me start by noting that the bank is doing well.

Revenues are robust.
The capitalization is in the European top.
Our risk level is low.
Our funding costs are accordingly. The share price is back to pre-crisis levels.

Five years ago, we decided that the time of adventures would be over.
We said that all efforts should be put on our home markets; Sweden, Estonia, Latvia, and Lithuania.

We will now grow with our existing customers, rather than chasing new clients far away. That was what we said and that is what we have done.

In February, we made an exciting deal with Savings bank Öresund and strengthened the bank in one of Sweden's most exciting growth areas.

It is entirely in line with our strategy, to become better where we are already doing well and continue to dig where we stand.

All this is good, but we cannot rest on old victories.

We have a big challenge in our Swedish Banking.

Many customers are not sufficiently satisfied with us, and we have lost market positions in the private market.

Sure, it may then be tempting to find excuses. It's not just us!... All other banks have the same problem... It's the journalists' fault!

I think that is dangerous...

Since those who choose to ignore criticism learn nothing.

We are doing rather the opposite.

We listen even more. To better understand what we need to change during the year, we asked 40,000 customers how they perceive us.

What they think about our offer.
How they want to be treated.

It allows each branch office now to better understand what they have to work on in order to give their customers what they want.

We work every day with this issue and it is a lengthy process. We have the power and ability to do that because the bank is doing well.

Other parts of the bank have already shown what it takes to satisfy the customer. One example is our Baltic Banking, which has successfully made it easier for customers to manage their finances regardless of how they choose to interact with the bank.

The signal to our customers in the Baltic countries is clear: "We are here for you. When you want.

In the way you like."

It costs a little more to get manual service than if you do it yourself. But you choose. Whoever calls the Telephone bank in the morning to inquire about insurance for the apartment, has an offer on the Internet bank start page in the evening. The next day when the customer walks into the branch office, the file is prepared.

Also from our business area Large Corporates & Institutions, there is much for the whole bank to learn.

Large Corporates was traditionally not in our strong suit.

But the last 3-4 years, we have focused on clients where we can really be relevant.

I notice a new respect and interest for us when I meet large corporate clients.

This is confirmed in the latest Greenwich study from Sweden, where corporate companies are asked who they see as their relationship banks.

Swedbank makes the greatest movement of all banks.

It is very promising for the future.

Our customers demand more than they did before

Back then we could make our customers happy by being first offering checks, mutual funds, and credit cards.

We continue to launch smart banking solutions. It is not enough in the future to have the best products.

Or the best mobile apps.

It may sound odd coming from a bank manager, but I believe that empathy and increased understanding about behaviours will be some of our key competitive advantages.

We need to understand what it is like for people.
That when they come to us, we will help them make sound decisions that facilitate their daily finances.

It is equally important that we are there with our digital channels when the needs arise. We should adapt to people's behaviour, people should not have to adapt to the bank.

When a holiday worker with a cooler comes by to sell ice cream when you have out sunbathing, you should be able to buy a cone with your payment card although you are on the beach.

If you want to split a bill, you should be able to do it at the table without having to pick up cash.

If you want to use the time on the bus to pay the bills and review the funds, there is currently nothing that prevents this.

We track the Trojans and tell our clients what they should do to avoid the new type of crime.

They are not at the mercy of Googling themselves and hoping for the best.

We help them understand their risks and their possibilities.

This puts high demands on our employees and thus on our leaders.

To involve, but at the same time give a clear mandate, and learning from mistakes is essential if we are to develop our employees.

It is no longer so that every customer comes in with the same problem that is then to be solved with the same product according to a manual, the same for everyone. It is an individual who comes into the branch office, calls on the phone or asks a question on Facebook.

Who has his or her frustration, concerns, and wishes.

Who has his or her unique economic conditions.

Who deserves the same care and respect as if he or she were a friend or relative.

As an employee:
You have time and you think it's interesting to listen.
You represent the entire bank and have a large mandate.
You have access to the best possible toolkit.
You get the support of your colleagues in other parts of the bank.
You help the customer see the different options so that they then can take safer decisions.
You see the individual in the customer, not the customer in the person.

When we do that.
Then something happens.
Because that's when our customers come back and want to get more help from us.
That's when our customers want to keep a relationship with us for years to come.

In addition, we will continue to develop the best parts of being a listed company with a social commitment.

Our history and our values give us stability and direction.
The market demands efficiency and results.
Swedbank doesn't opt between ideals and revenues.
These are the two legs that are moving us forward.

When we complain about the lack of housing in big cities, we know what we are talking about. And we can help with financing when the construction starts.
When we offer internships, at the same time we find new employees.
When we support local growth projects, we get new business contacts.

Dear shareholders, I have seen how trends can be reversed.
I see how we can do more business and gain new customers.
And make existing customers more satisfied.
We all need a good banking partner, who really knows the job. Most people prefer one that also genuinely cares. That is why it is a good investment to remain being a shareholder of Swedbank.

We have plenty more to offer.

Thank you!

