

TRANSLATION

Proposal of the Board of Directors of Swedbank AB for a resolution on guidelines for remuneration to top executives in accordance with item 16 of the proposed Agenda for the AGM 2014

This proposal has been prepared by the Board of Directors of Swedbank AB after preparation by the Board's Remuneration Committee in accordance with Chapter 8 Sections 51-54 of the Swedish Companies Act (2005:551). The Board of Directors proposes that the AGM resolves on the following guidelines for remuneration for top executives.

Purpose and basic principles

These guidelines constitute a frame for which remuneration to top executives may be decided by the Board of Directors during the period of time for which the guidelines are in force.

The purpose of the guidelines is to increase the transparency in remuneration matters, to support the business objectives of the bank by effective remuneration structures and to establish basic values and guidelines for remuneration to the top executives of the bank.

Remuneration to and other terms of employment for the top executives of the bank shall be designed so that they are consistent with and promote effective risk management and counteract excessive risk-taking. Further, they shall be designed with the purpose of ensuring the bank's access to executives with the competence that the bank needs at costs adapted to the bank and so that they have the intended effects on the business. Such remuneration and terms shall also:

- support the bank's vision, objectives, values and business strategy,
- encourage executives to achieve set individual goals,
- be competitive and in line with market conditions and
- be decided regardless of gender, ethnicity, religion or other faith, functional impairment, sexual orientation or age.

Decision procedures

The Remuneration Committee of the Board ("Remco") shall review and evaluate the implementation of the guidelines, programs for variable remuneration for top executives that are in progress or have been completed during the year and applicable remuneration structures and remuneration levels in the bank. The Board of Directors shall not later than two weeks before the AGM submit a report of the outcome of the evaluation at the bank's web page, in its special section for corporate governance matters.

Remco shall each year prepare the Board of Director's proposal on guidelines. Based upon Remco's recommendation the Board of Directors shall each year make a proposal on guidelines to be resolved by the AGM.

The guidelines shall be applied in relation to every commitment on remuneration to top executives, and every change of such commitment, which is resolved after the AGM at which the guidelines were adopted. Thus, they have no impact on already pre-existing contractually binding commitments. The guidelines shall apply until the next AGM. Guidelines resolved upon may also be amended by way of a resolution by any other General Meeting.

Within the scope and on the basis of the guidelines, the Board of Directors shall, starting from Remco's preparation and recommendations, annually decide on the specific revised remuneration terms for each top executive and make such other decisions on remuneration for top executives that may be required.

Even without support in the guidelines the Board of Directors may decide on items that are immaterial in this context and of a conventional type as well as on such benefits as are offered to a larger group of employees, inter alia lunch benefits.

Fixed remuneration is paid out by the bank in accordance with agreements entered into. Payment of variable remuneration to top executives under any incentive program shall be decided upon by the Board of Directors with respect to each specific program.

The Board of Directors may deviate from these guidelines, if there in a specific case exists special reasons for it. Any such deviation shall be reported and motivated by the Board of Directors in connection with the proposal for guidelines to the next AGM.

Top executives

In this context top executives are defined as the CEO of Swedbank and the executives who at each time report to the CEO and who also are members of the Group Executive Committee.

Principles for decisions on remuneration levels

The levels of the remuneration to top executives shall be decided, taking into consideration the following factors:

- Degree of difficulty and complexity of the position
- Income and cost responsibility
- Performance
- Competence and experience
- Market conditions

Principles for decisions on fixed remuneration and variable remuneration

The remuneration to the top executives can consist of the following components: *fixed remuneration* in the form of base salary, benefits and pension and *variable remuneration* in the form of cash or shares under incentive programs. When determining the various components, the following principles shall be applied.

Fixed remuneration

Base salary. Each top executive shall receive a base salary, i.e. a fixed salary.

Benefits. Each top executive may be entitled to both general benefits that are offered to all staff and special extra benefits.

Pension. Pension benefits shall generally be granted in accordance with rules, collective agreements and practice in the country where each respective executive is permanently resident. Pension benefits for top executives may be defined benefit according to collective agreements or defined contribution and are vested once they have accrued. For top executives the pensionable income shall have a cap decided by the Board of Directors.

Severance pay etc. Generally, salary during notice period and severance pay shall correspond with rules, collective agreements and practice in the country where each respective executive is permanently resident. Further, the following shall apply: If the bank terminates the employment, salary may be paid during a notice period of 6–12 months. In addition, severance pay based on fixed monthly salaries can be paid during 6–12 months. Total remuneration during notice period and the period when severance pay is due shall not exceed a sum corresponding to the agreed fixed salary at the time of notice and benefits in accordance with the employment agreement during 12 months and the agreed fixed salary for 12 months.

Further details on fixed remuneration are set out in note G 13 to the bank's annual report for the most recent financial year.

Variable remuneration

The General Meeting shall decide on material terms and conditions on any incentive program for top executives. Variable remuneration shall be relevant and reasonable in relation to total remuneration. Variable remuneration shall be linked to relevant, predetermined and measurable criteria and may be paid in the form of shares in Swedbank. For variable remuneration limits for the maximum outcome shall be set for each individual top executive. Variable pay shall be deferred and be conditional on the criteria fulfilment on which the remuneration is based being proved long-term sustainable and on the group's position not having materially deteriorated.

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 actual outcome of Eken 2013 to said top executives corresponded to between 0.5 and 1.5 month's salary, which amount, under certain conditions, will be converted to ordinary shares in Swedbank during 2017 with further restrictions on disposal for part of such shares.

The Board of Directors has, subject to the approval of the AGM 2014, resolved to establish a corresponding performance and share based remuneration program for 2014, Eken 2014, resting mainly on the same principles as Eken 2013.

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.

Further details on variable remuneration, are set out in note G 13 in the bank's annual report for the most recent financial year and the board's proposal according to item 21 in the proposed agenda for the AGM 2014.

Total remuneration cost

The total remuneration cost is comprised of the bank's annual cost for base salary, incentive programs, benefits and pension for each respective top executive, including social security contributions and special employer's contribution on pension costs.

Remuneration previously resolved but not due

Information of the pension undertakings of the bank are set out in note G 13 to the bank's annual report for the most recent financial year.

Stockholm in February 2014
Swedbank AB (publ)
The Board of Directors

The Board of Directors' of Swedbank AB proposal for a resolution on amendments to the Articles of Association in accordance with item 17 of the proposed Agenda for the AGM 2014

Background

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.") and § 14 ("Right to dividends, etc.") as set out below.

Proposal

The Board of Directors proposes that § 3 ("Share capital etc.") is revised 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. The Board of Directors further proposes that § 14 ("Right to dividends, etc.") is removed in its entirety.

The Articles of Association with the proposed new wording is attached in [Annex 1](#).

Proposed wording for § 3:

§ 3

Share capital, etc.

The share capital of the bank shall be not less than ten billion five hundred million Swedish kronor (SEK 10,500,000,000) and not more than forty-two billion Swedish kronor (SEK 42,000,000,000). The number of shares shall be not less than five hundred million (500,000,000) and not more than two billion (2,000,000,000).

The shares each entitles to one vote.

Majority requirement

For a decision in accordance with the Board's proposal, it is required that the resolution of the Annual General Meeting is supported by shareholders representing at least two-thirds both of the votes cast and of the shares represented at the Meeting.

Stockholm in February 2014

Swedbank AB (publ)
The Board of Directors

ARTICLES OF ASSOCIATION

for

SWEDBANK AB (publ)

§ 1

Name and object

The name of the Bank is Swedbank AB. The company is a public company.

The object of the Bank, which was originally formed by Swedish savings banks, is to conduct banking business and financing operations, and operations naturally connected therewith.

§ 2

Operations

The Bank will conduct such banking operations as are intended in the Banking and Financing Business Act (2004:297). This Act states that by banking operations is meant operations including

1. payment services via the general clearing systems, and
2. receipt of funds which, following notice of termination, are available to the creditor within not more than 30 days.

General clearing systems means systems for the forwarding of payments from a large number of payers, who are not associated with each other, which are otherwise intended to reach a large number of ultimate payees who are not associated with each other.

The Bank may also – in its operations – conduct financing operations naturally connected therewith, in accordance with the Banking and Financing Business Act, among other things

1. borrow funds, for example by accepting deposits from the general public, or by issuing bonds or other comparable debt instruments,
2. grant and broker loans, for example in the form of consumer credit and loans secured by charges over real property or claims,
3. participate in financing, for example by acquiring claims and leasing property,
4. negotiate payments,
5. provide means of payment,
6. issue guarantees and assume similar obligations,
7. participate in the issue of securities,
8. provide financial advice,
9. hold securities in safekeeping,
10. conduct letters of credit operations,
11. provide safety deposit services,
12. engage in currency trading,
13. engage in securities operations, and
14. provide credit information.

§ 3

Share capital, etc.

The share capital of the bank shall be not less than ten billion five hundred million Swedish kronor (SEK10,500,000,000) and not more than forty-two billion Swedish kronor (SEK42,000,000,000). The number of shares shall be not less than five hundred million (500,000,000) and not more than two billion (2,000,000,000).

The shares each entitles to one vote.

§ 4**Record day provision**

The Bank's shares shall be registered in a register in accordance with the Financial Instruments Accounts Act (1998:1479).

§ 5**Registered office**

The registered office of the Bank shall be in Stockholm.

§ 6**The Board of Directors**

In addition to those Directors who, by law, are appointed other than by the General Meeting, the Bank's Board of Directors shall consist of no less than seven and no more than eleven members.

§ 7**Quorum, etc**

With regard to the Board forming a quorum and the majority requirements for Board decisions, the relevant provisions of the Companies Act (2005:551) shall apply.

The Board of Directors shall, as a rule, meet once a month.

The Board is entitled to authorise a member of the Board or another person to represent the Bank and sign for the Bank in accordance with the relevant provisions of the Companies Act (2005:551) and the relevant provisions of the Banking and Financing Business Act (2004:297).

§ 8**Financial year**

The Bank's financial year shall be the calendar year.

§ 9

Auditors

The Bank shall have at least one and no more than two auditors and with no more than an equal number of alternates. Auditors, and alternates if appointed, shall be authorised public accountants.

Registered firms of auditors may also be appointed.

An auditor is elected at the Annual General Meeting for the period of time until the end of the Annual General Meeting which is held during the fourth financial year after the auditor was appointed.

§ 10

Timing of Annual General Meeting

The Annual General Meeting shall be held before the end of April unless special circumstances dictate otherwise. In no event however, shall the Annual General Meeting be held after the end of June.

§ 11

Business of the Annual General Meeting

The following business shall be considered at the Annual General Meeting:

1. election of Chairman of the Meeting,
2. drawing up and approval of voting register,
3. approval of the Agenda,
4. election of two members to scrutinise the Minutes,
5. question whether the Meeting has been properly called,
6. submission of the Board of Directors' Annual Report and Audit Report, and Consolidated Report and Consolidated Audit Report for the past financial year,
7. matter of adopting the Profit and Loss Account and Balance Sheet, and the Consolidated Profit and Loss Account and Consolidated Balance Sheet,

8. appropriations regarding the profits or losses of the Bank in accordance with the adopted Balance Sheet,
9. matter of discharging Board members and President from liability for the period covered by the report,
10. deciding the number of Board members to be appointed by the Meeting,
11. where appropriate, deciding the number of auditors and their alternates to be appointed by the Meeting,
12. deciding the remuneration for Board members, auditors and their alternates,
13. election of Board members,
14. if applicable, election of auditors and their alternates,
15. any other business required by law or the Articles of Association to be considered by the Meeting,
16. matters which are properly to be referred to the Meeting for decision.

§ 12

Right to vote at General Meetings, etc

General Meetings are to be held in Stockholm, Gothenburg, Malmö or Umeå.

General Meetings shall be opened by the Chairman of the Board or the person appointed by the Board for this purpose.

Voting at a General Meeting shall take place in accordance with voting procedures prescribed in the relevant provisions of the Companies Act (2005:551).

§ 13

Notice convening General Meetings, etc

Notices convening General Meetings shall be made by public notice in Post – och Inrikes Tidningar (the Swedish Official Gazette) and by way of the notice being made available at the bank's web site. Information that the

notice has been made shall be made public in Dagens Nyheter at the time of the notice.

Notices convening the Annual General Meeting and notice of Extraordinary General Meetings where the question of amendments to the Articles of Association will be considered, shall be issued no earlier than six weeks and no later than four weeks prior to the General Meeting. Notices convening other Extraordinary General Meetings shall be issued no earlier than six weeks and no later than three weeks prior to the General Meeting.

Shareholders wishing to participate in a General Meeting shall be entered as shareholders in a print-out or other listing of the entire share register updated five business days prior to the Meeting, and notify the Bank's Head Office no later than on the day indicated in the notice convening the General Meeting. This day shall not fall on a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve, or New Year's Eve and may not fall earlier than five business days prior to the General Meeting.

At General Meetings, shareholders are permitted to be accompanied by one or two assistants, provided that the shareholder has notified the Bank of the number of assistants in accordance with the preceding paragraph concerning notification of shareholders' attendance at General Meetings.

Proposal of the Board of Directors of Swedbank AB for a resolution to acquire the bank's own shares pursuant to the Securities Market Act in accordance with item 18 of the proposed Agenda for the AGM 2014

Purpose, etc.

As a securities institution, Swedbank AB is authorised by the Swedish Financial Supervisory Authority to conduct securities activities, including trading in financial instruments on its own account.

Chapter 7 Sections 6 and 14 of the Securities Market Act (2007:528) govern trading by securities institutions in financial instruments in the form of their own shares to facilitate their securities operations. The holding of such shares may not exceed 5 per cent of the total number of shares in the institution.

According to Chapter 19 Section 17 of the Swedish Companies Act (2005:551), a financial institution's acquisition of its own shares through its securities operations requires the approval of the institution's General Meeting or, with the authorisation of the General Meeting, the Board of Directors.

According to Regulation (EU) No 575/2013 of the European Parliament and of the Council ("CRR") on prudential requirements for credit institutions and investment firms, article 77, it is further necessary to receive approval from competent authorities, in the Swedbank case the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*) for the acquisition of the bank's own shares, also for acquisitions within the scope of the Securities Market Act.

Conditions for acquisition of the bank's own shares, etc.

As has previously been the case, Swedbank has a need to acquire its own shares within the framework of its securities operations in order to facilitate such operations. Such acquisitions are required to enable the bank to, among other things,

- fulfil its market-maker commitment in respect of warrants in the bank, according to agreements with certain market places, inter alia, NASDAQ OMX Stockholm;
- quote prices of the bank's shares to customers, as with shares of other listed companies; and

- manage risk coverage of indexed bonds issued by the bank as well as index baskets and warrants where the bank itself has assumed responsibility for part of the risk coverage.

Against this background, the AGM in 2013 decided to permit the bank, for the period up until the AGM in 2014, to purchase its own shares on a current basis within the securities operations in accordance with Chapter 7 Section 6 of the Securities Markets Act, at a price equivalent to the current market price at any given time, to the extent that the total holding of such shares at any given time did not exceed one (1) per cent of the total number of shares in the bank.

The Board of Directors proposes that the AGM resolves to permit, on the terms as set out in the previous paragraph, the bank to acquire its own shares to its so called trading book to the extent that the total holding of such shares at any given time does not exceed 1 percent of the total number of shares in the bank during the time up until the AGM in 2015 in order to facilitate the bank's securities operations, subject to approval by the Swedish Financial Supervisory Authority of such acquisitions.

The Board of Directors' statement according to Chapter 19 Section 22 of the Swedish Companies Act is issued separately and is attached to this proposal.

Majority requirement

For a decision in accordance with the Board's proposal, it is required that the resolution of the AGM is supported by shareholders representing at least two-thirds both of the votes cast and of the shares represented at the Meeting.

Stockholm in February 2014

Swedbank AB (publ)
The Board of Directors

Proposal of the Board of Directors of Swedbank AB for a resolution regarding authorisation for the Board of Directors to decide on acquisition of the bank's own shares, in accordance with item 19 of the proposed Agenda for the AGM 2014

Background and purpose

The bank's capitalisation is strong. Swedbank financial companies group's Common Equity Tier 1 ratio according to Basel 2 was 18.7 percent and the capital adequacy ratio was 20.1 percent as per 31 December 2013.

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.

The final design of the new capital adequacy rules is not yet ready. In addition there is work ongoing within the EU to finalize the directive on "Bank Recovery and Resolution Directive"

which shall give authorities the tools to handle banks in crises. Also this regulation might affect the Board of Directors' opinion on the capital requirements.

Further, the conditions for the bank's business as well as the external conditions are constantly changing. Hence, it may become desirable to increase or decrease the capital base or change the composition between Common Equity Tier 1 capital and other capital, for example by repurchase of the bank's own shares, issue of loans eligible for inclusion in the capital base or a combination of different measures.

An authorization by the AGM to the Board of Directors to decide on acquisition of the bank's own shares is therefore 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.

In accordance with item 20 of the proposed agenda, the Board of Directors proposes that the AGM, in addition to the authorization as set out below, authorize the Board of Directors to decide on the issuance of convertibles to be included in the capital base.

According to item 21 c) in the proposed agenda the Board of Directors proposes that, with deviation from the shareholders' preferential rights, repurchased own ordinary shares, or such other financial instruments in the bank, held by Swedbank may be transferred at no cost to entitled participants in common and individual performance and share based remuneration programs resolved by or adopted by a General Meeting of shareholders'.

According to Chapter 19 Section 17 of the Swedish Companies Act (2005:551), a public limited liability company, with shares traded on a regulated market, acquisition of its own shares through its securities operations requires the approval of the institution's General Meeting or, with the authorisation of the General Meeting, the Board of Directors. According to CRR article 77, it is further necessary to receive approval from competent authorities, in the Swedbank case the SFSA for the acquisition of the bank's own shares.

Conditions for acquisition of the bank's own shares

Based on the foregoing the Board of Directors proposes that the AGM authorises the Board of Directors to, during the period until the AGM in 2015, resolve on acquisitions of the bank's own shares in Swedbank AB as set out below:

1. Acquisitions shall only be made through purchases on NASDAQ OMX Stockholm
2. The authorisation may be utilised on one or several occasions prior to the AGM 2015
3. The bank's total holding of its own shares (including shares acquired under item 18 in the proposed agenda) may not exceed ten per cent of the total number of shares in Swedbank
4. Acquisitions may only be made at a price within the prevailing spread between the highest bid price and the lowest ask price at the time of acquisition
5. Acquisition may only be done if the SFSA has granted its approval

The Board of Directors' statement according to Chapter 19 Section 22 of the Swedish Companies Act is issued separately and is attached to this proposal.

Majority requirement

For a decision in accordance with the Board's proposal, it is required that the resolution of the AGM is supported by shareholders representing at least two-thirds both of the votes cast and of the shares represented at the Meeting.

Stockholm in February 2014

Swedbank AB (publ)
The Board of Directors

Proposal of the Board of Directors of Swedbank AB for a resolution regarding authorisation for the Board of Directors to decide on the issuance of convertibles, in accordance with item 20 of the proposed Agenda for the AGM 2014

Background and purpose

The bank's capitalisation is strong. Swedbank financial companies group's Common Equity Tier 1 ratio according to Basel 2 was 18.7 percent and the capital adequacy ratio was 20.1 percent as per 31 December 2013.

The regulations on capitalization of banks are 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 count as Swedish law, and CRD IV will be implemented by amendments of the 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 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") also decided to implement a risk weight floor for Swedish 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 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.

The final design of the new capital adequacy rules is not yet ready. In addition there is work ongoing within the EU to finalize the directive on "Bank Recovery and Resolution Directive" which shall give authorities the tools to handle banks in crises. Also this regulation might affect the Board of Directors' opinion on the capital requirements.

Further, the conditions for the bank's business as well as the external conditions are constantly changing. Hence, it may become desirable to increase or decrease the capital base or change the composition between Common Equity Tier 1 capital and other capital, for example by repurchase of the bank's own shares, issue of loans eligible for inclusion in the capital base or a combination of different measures.

An authorization by the AGM to the Board of Directors to decide on issuance of convertibles is therefore 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. In accordance with item 19 of the proposed agenda, the Board of Directors propose that the AGM, in addition to the authorization proposed below, authorize the Board of Directors to decide on acquisition of the bank's own shares.

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.

Conditions for issuance

Based on the foregoing the Board of Directors proposes that the AGM authorises the Board of Directors, during the period until the AGM in 2015, to resolve on the issuance of convertibles as set out below:

1. The authorisation may be utilised on one or several occasions prior to the AGM in 2015
2. The issuance may be made with or without deviation from shareholders' preferential rights
3. The convertibles shall mandatorily convert into ordinary shares under the conditions stated in the terms and conditions of the convertibles but not be convertible at the option of the holders
4. Loan amounts and conditions for conversion shall be set so that the total number of ordinary shares which may be issued upon conversion of convertibles, by virtue of this authorisation, may not exceed 100 000 000 (or the

corresponding number due to any bonus issue, share issue, conversion of convertibles, share split or reversed share split or similar corporate events)

5. The Board of Directors resolves on all other terms and conditions for issuance according to this authorisation

Majority requirement

For a decision in accordance with the Board's proposal, it is required that the resolution of the AGM is supported by shareholders representing at least two-thirds both of the votes cast and of the shares represented at the Meeting.

Stockholm in February 2014

Swedbank AB (publ)
The Board of Directors

TRANSLATION

Proposal of the Board of Directors of Swedbank AB on approval of the resolution of the Board of Directors of Swedbank AB regarding the common performance and share based remuneration program 2014 in accordance with item 21 a) in the proposed agenda at the AGM 2014

The Board of Directors of Swedbank has resolved on a common performance and share based remuneration program for 2014 ("Eken 2014"), subject to the AGM's subsequent approval, according to what is set out in the following.

Purpose and main features

Eken 2014 aims to:

- create a group-wide program for variable remuneration to attract, keep and motivate the employees and to ensure that Swedbank's remuneration levels are competitive in every submarket,
- stimulate the employees to make efforts which strengthen the bank in a long-term perspective, and
- create a long-term engagement in the bank by the employees and to align their interests with the shareholders' interest through deferred variable remuneration in the form of shares.

Eken 2014 shall be aligned to the bank's business strategy, promote a sound and effective risk management and discourage excessive risk taking.

In essence, Eken 2014 means that to the extent certain performance targets ("Performance Targets") are achieved during the financial year 2014 ("Performance Year") the participants in Eken 2014 ("Participant or Participants") are awarded a variable remuneration in the beginning of 2015 ("Share Amount"), which is intended to be allotted in the form of conditional, non-transferable rights ("Performance Rights"). Each Performance Right carries a right to receive in 2018, after the publication of the year-end report for 2017, automatically and at no cost one ordinary share in Swedbank ("Performance Share"). For the executive management (i.e. the Group Executive Committee "GEC") the Performance Rights may be subject to further restrictions of disposal to comply with external regulatory or other requirements.

The duration is approximately four years, with accrual during the Performance Year. After the expiry of the Performance Year, allotment of the Share Amount may occur followed by a deferral period of just over three years before final transfer of Performance Shares which is expected to occur in 2018, after the publication of the year-end report for 2017 and before the end of June.

Deferred variable remuneration in the form of shares is not pensionable income.

When amounts in SEK are described in this proposal, they are expressed exclusive of social security costs, ancillary salary costs and corporate income tax, unless otherwise stated.

Participants

Approximately 14,100 employees of the Swedbank Group (the "Group") are included. Also the top executives of GEC who at each time report to the bank's CEO are included with the exception mentioned below.

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.

Participants that in the course of the duration give or receive notice to leave –however, not due to common re-deployment programs initiated by Swedbank – or due to any other reason is leaving the Group will not, as a general rule, have the right to continue to participate. Participants who enter leave of absence, parental leave, sick leave or similar during the Performance Year and remain employed have the right to continue to participate, subject to individual adjustments of the terms and conditions. Participants who have received allotment of a Share Amount and after the allotment enter leave of absence, parental leave, sick leave or similar and remain employed or retire have the right to continue to participate. The Board of Directors' Remuneration Committee ("Remco") or the CEO (normally via the Group Executive Committee's Remuneration Committee ("GEC Remco"), if Remco so decides) may deviate from the demarcations above both as general principles or in individual cases.

Any participation requires that such participation, in the bank's opinion, is permitted and appropriate with regard to applicable laws and regulations and that the bank deems it feasible at reasonable administrative and financial costs, where appropriate with local adjustments.

Performance Targets and Share Amount

The allotment of the Share Amount, i.e. the outcome for each Participant is dependent on the extent to which the Performance Targets are achieved. The Performance Targets are measured during the Performance Year and are, for the majority of the Participants, determined based on the following evaluation levels:

- The profit after tax, adjusted for capital costs and risks, for the Group¹,
- the fulfilment of individual Performance Targets set out in the bank's performance development process which also comprises assessing a number of behaviors linked to the Group's values – open, simple and caring,
- risk assessment which may be made at Group level and/or business area level and/or individual level.

After the Performance Year an individual Share Amount is determined for each Participant based on the assessment of the extent to which the Performance Targets have been achieved.

The final assessment of the extent to which the Performance Targets have been achieved is made on a discretionary basis by the Board of Directors, or by a person authorized by the Board of Directors. The result of the assessment may be (i) that the total allotment is limited, in whole or in part, at Group level or at business area level (so called haircut) and/or (ii) that re-allocation may occur to the detriment of individuals considered not to have performed sufficiently compared to individual Performance Targets to the benefit of individuals who are deemed to have overachieved compared to individual Performance Targets. Consequently, there is no automatic right to allotment of any Share Amount even if the Performance Targets, in whole or in part, could be considered to have been achieved.

The maximum Share Amount for an individual Participant (where appropriate after a recalculation from local currency to SEK at the exchange rate on 31 December 2014) 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, in both cases in relation to the agreed base salary for the Performance Year (as of December 2014), unless re-allocation occurs as described in the immediately preceding paragraph. If maximum re-allocation is made, the maximum Share Amount corresponds to three times the above mentioned limitations.

The total Share Amount for the Participants in Eken 2014 is limited to approximately SEK 701m.

Performance Rights

The Share Amount is converted into a number of Performance Rights, rounded off to the nearest whole number, by dividing the Share 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 the month of January 2015 (the "Translation Rate"), however, not lower than SEK 80 per share (the "Floor Price"). The Board of Directors has the right, in connection with certain corporate events, inter alia, in case of a share split or a reverse share split, to resolve on an adjustment of the Floor Price in accordance with general principles on the equity market for recalculation in such events.

The total number of Performance Rights that may be allotted to the Participants amounts to a maximum of approximately 8.8m², which equals the quotient of (a) the highest aggregate Share

¹ The profit, adjusted for capital costs and risks is measured as Economic Profit ("EP"). A prerequisite for allocation is a positive EP on Group level.

² Excluding anticipated dividend compensation and adjustment for forfeited Performance Rights.

Amount for all Participants divided by (b) the Floor Price. If the Translation Rate hypothetically is assumed to be SEK 150, the total number of Performance Rights which may be allotted to the Participants amounts to a maximum of approximately 4.7m³.

A Performance Right does not constitute a security or a financial instrument and will not be registered on any VP account with any central securities depository. Participants do not have the right to pledge, sell, transfer or in any other way dispose of the Performance Rights.

A Performance Right does not carry any right to dividends or other shareholders' rights during the duration of the Performance Right. However, dividend compensation is paid on the underlying Performance Shares during the deferral period according to the following. If and at each time the record day for receiving a cash dividend to an ordinary share as resolved by the bank occurs during the deferral period, the number of Performance Rights held by each Participant on such record day shall be adjusted by multiplying such number of Performance Rights by an adjustment factor, which shall be calculated according to the following. The adjustment factor shall be the sum of (1+K), where K is the quotient of the resolved cash dividend amount per ordinary share (expressed in SEK) divided by the average daily volume weighted price paid per ordinary share (expressed in SEK) at NASDAQ OMX Stockholm during the ten trading days occurring from and including the second trading day prior to the relevant record day until and including the seventh trading day after the record day.

The number of Performance Rights can be recalculated in case of a bonus issue, new issue of shares, conversion of convertibles, share split or reverse share split and in certain other cases.

Each Performance Right carries a conditional right to receive at no cost and automatically one Performance Share in 2018, in accordance with what is set out in the following.

Transfer of Performance Shares

Each Performance Right held by a Participant bestows a conditional right to receive in 2018, after the publication of the year-end report for 2017, automatically and at no cost one Performance Share. The conditions for receiving a Performance Share are firstly, as a general rule, that the Participant at the delivery of the Performance Share has not given or received notice to leave or left the Group for any other reason, and secondly, the conditions stated below.

In order for a Performance Right to entitle to receive a Performance Share at no cost, the following conditions must be fulfilled at the time of delivery of the Performance Share:

- (i) the Performance Targets shall still be deemed to have been achieved to the same extent as at the time of the allotment,
- (ii) the results and performances which formed the basis for the allotment of the Performance Rights shall be found sustainable in a long-term perspective with regard to the financial situation of the bank, the employer and/or the Group,
- (iii) the outcome shall still appear justified with regard to the financial situation of the bank, the employer and/or the Group.

³ Excluding anticipated dividend compensation and adjustment for forfeited Performance Rights

- (iv) the outcome shall still appear justified with regard to the performance of (a) the bank, the employer and/or the Group, (b) the relevant business area or function, and (c) the Participant in question,
- (v) the outcome shall appear reasonable with regard to other relevant circumstances, including the situation on the equity market and possible changes in accounting principles or other external regulatory requirements, and
- (vi) the bank's, the employer's and/or the Group's position shall not have deteriorated materially, and no apparent risk of such material deterioration shall exist.

The Board of Directors, or Remco after authorization by the Board of Directors, shall prior to and in close proximity to each transfer of Performance Shares under Performance Rights evaluate whether and to which extent the stated conditions are fulfilled on Group level and business area level. If not all the conditions are considered to be fulfilled, the Board of Directors or, Remco, has the right, at its own discretion, within the frame of Eken 2014, to unilaterally change the terms and conditions as the Board of Directors or, Remco, deems appropriate and in this context for example in whole or in part declare outstanding Performance Rights forfeited, meaning that fewer or no Performance Shares at all will be transferred to the Participant. A decision of such change shall be publicly announced no later than in connection with the bank's first financial report following the decision.

Hedging

The bank is, subject to certain conditions, committed to ensure that ordinary shares are transferred at no cost to the Participants. The Board of Directors has considered different arrangements for hedging such commitments and observes that the bank holds repurchased own ordinary shares in a number assumed to be sufficient to hedge the commitments towards the Participants.

Thus, the Board of Directors is of the opinion that the most cost efficient and flexible method is to transfer repurchased ordinary shares at no cost with deviation from the shareholders' preferential rights to the Participants and where applicable also to participants in previous remuneration programs decided by a General Meeting of Shareholders' in Swedbank.

The Board of Directors thus proposes that the AGM shall resolve to transfer own ordinary shares at no cost to entitled Participants according to the immediately preceding paragraph, directly or where applicable through the bank's subsidiaries or to an external party engaged for this purpose and to transfer ordinary shares at NASDAQ OMX Stockholm, if the Board of Directors deems necessary, to cover certain costs, in particular social security costs. For further information please refer to the proposal in item 21 c).

If the AGM does not approve the mentioned proposal in accordance with the preceding paragraph, the Board of Directors intends to hedge the bank's commitment to deliver ordinary shares according to Eken 2014, in whole or in part, by way of an agreement (equity swap agreement, certificate or similar) with a financial institution, which according to such agreement will in its own name acquire and transfer to the Participants ordinary shares in Swedbank.

Estimated costs

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 total cost corresponds to the Share Amount with deductions for forfeited Performance Rights due to the fact that Participants during the duration give or receive notice to leave or by any other reason leave the Group. The cost is thus adjusted for forfeited Performance Rights, i.e. for accrual conditions that are not market conditions. The cost is not adjusted for market conditions, such as the fluctuation of the real value of the Performance Rights between the time of valuation and when the Participant receives Performance Rights 2015 or as a consequence of the Participant receiving additional Performance Rights as dividend compensation. In addition, social security costs and ancillary salary costs are also treated as staff costs. Furthermore, there are corporate tax effects mainly due to that the staff costs and the social security costs etc are deductible.

The maximum cost for the Share Amount amounts to approximately SEK 701m, which corresponds to approximately 0.4 percent of Swedbank'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 Swedbank'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.

The social security costs, which are deductible, are recognized in the income statement. The costs are depending on the market value of the Performance Shares at the time of delivery in 2018. The corporate tax is normally affected by the market value of the Performance Shares at said point in time, since the market value as a rule is deductible when calculating the corporate tax. The corporate tax effect which corresponds to each respective country's corporate tax rate – calculated on the recognized cost for the Performance Rights, social security costs and other ancillary salary costs – are recognized in the income statement. Additional corporate tax effects are recognized directly in equity. The calculations take into account differences in tax rules in various countries.

Dilution and effect on key ratios

The total number of Performance Rights which may be allotted to the Participants amounts to a maximum of approximately 8.8m⁴. If the Translation Rate hypothetically is 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.

⁴ Excluding anticipated dividend compensation and adjustment for forfeited Performance Rights

If the bank's estimated maximum commitment⁵ is hedged by way of a transfer of own ordinary shares acquired by virtue of authorization to acquire own shares 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 considering IP 2014 (according to the proposal under Item 21 b)).

If the bank's commitment is hedged by way of an agreement (equity swap agreement, certificate or similar) with a financial institution, which according to such agreement will in its own name acquire and transfer to the Participants ordinary shares in Swedbank, Eken 2014 will not have any dilutive effect, since no new outstanding shares will be added.

Taxation

Taxation of Participants

In Sweden the Participants will be taxed the income year when the Performance Shares are received (the Performance Right is for tax purposes classified as a so called employee stock option). The taxable value of the fringe benefit that arises when receiving the Performance Shares is calculated as the value of the Performance Shares upon delivery. The taxable value will be taxed for the Participants as income from employment.

For participants in other countries than Sweden the value of the fringe benefit will in some countries be taxed as income from employment and in some countries not taxed at all.

Taxation of the bank

In Sweden, the bank has full right to deduct the market value of the Performance Shares at the time of transfer to the Participants. The tax deduction follows the financial accounting, i.e., the tax deduction will be accrued over the duration. However, in connection with the transfer of the Performance Shares a final adjustment of the tax deduction (reversed deduction or additional deduction) is made by comparing the market value of the Performance Shares at the transfer with the previous tax deductions. The transfer does not result in any taxable income for the bank.

The bank is obliged to pay social security costs for the transfer of the Performance Shares based on the market value of the Performance Shares.

In countries outside Sweden the bank normally is entitled to fully deduct for the recognized cost and is obliged to pay social security costs for the transfer of the Performance Shares based on the market value hereof. In some of the countries outside Sweden the deduction of and payment of social security costs can be treated differently depending on the tax legislation in the country in question.

⁵ Excluding anticipated dividend compensation and adjustment for forfeited Performance Rights

Preparation of the program etc.

The proposal for Eken 2014 has been prepared by Remco. The Board of Directors' overall assessment is that Eken 2014 creates a uniform and sustainable system for variable remuneration within the Group and will motivate to long-term creation of value by aligning the interests of the employees with the shareholders' interests.

The proposal has also been discussed with the bank's major shareholders, who generally welcome a program which aligns the shareholders' and the employees' interests and which promotes a long-term perspective.

The Group has share-based programs for 2010, 2011, 2012 and 2013, all of them approved by the general meeting of shareholders of the bank.

The common program from last year has been evaluated. As a result of the evaluation, it is proposed that Eken 2014 remain unchanged in comparison to Eken 2013 so that, inter alia, the maximum allotment – prior to any re-allocation – is 2.7 months' salary for employees in the Baltic countries and 1.35 months' salary for employees in other countries. Thus the total Share Amount is limited to approximately SEK 701m for Eken 2014. Eken will also be assessed prior to next year's AGM and is intended to be followed by a corresponding performance and share based remuneration program, subject to possible amendments resulting from such evaluation.

The Swedish Financial Supervisory Authority (Sw. Finansinspektionen) issues rules and regulations regarding remuneration systems which comprise the bank. It may be necessary to adjust the design of Eken 2014 with regard to any amendments to such rules and regulations.

The Board of Directors, or Remco, if so decided by the Board of Directors, has the right to adjust Eken 2014 to any new or amended external regulatory requirements, or amended practice or interpretation hereof. Such adjustments may result in more stringent as well as more lenient conditions to the variable remuneration according to Eken 2014, such adjustments shall however be made in accordance with the principles for Eken 2014, as set out in this resolution. The Board of Directors, Remco, or the CEO normally via GEC Remco, if so decided by the Board of Directors, has the right to resolve on the detailed terms and conditions for Eken 2014, based on the principles for the program as they appear in this resolution.

Article 94 of Directive (EU) No 36/2013 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.

The Board of Directors' proposal to the AGM

The resolution by the Board of Directors to establish Eken 2014 is adopted subject to the AGM's subsequent approval.

Due to the above, the Board of Directors proposes that the AGM resolves to approve the resolution of the Board of Directors to establish Eken 2014.

The AGM's resolution is valid if supported by shareholders holding more than half of the votes cast.

If the AGM does not approve the Board of Directors' resolution, the Board of Directors may instead resolve on a common program for variable remuneration with cash remuneration only, from which, where appropriate and considering IP 2014 (see 21 b)), categories of Participants that according to regulatory requirements may not be comprised by a purely cash based remuneration program may be excluded. Such a decision could result in that Eken 2014 will become a purely cash based program with a certain part as deferred cash remuneration.

Stockholm in February 2014

Swedbank AB (publ)
The Board of Directors

TRANSLATION

Proposal of the Board of Directors of Swedbank AB on approval of the resolution of the Board of Directors of Swedbank regarding deferred variable remuneration in the form of shares under the individual program 2014 in accordance with item 21 b) in the proposed agenda at the AGM 2014

The Board of Directors of Swedbank has resolved on an individual performance and share based remuneration program for 2014, a part of which is intended to be allotted in the form of shares and the balance in cash ("IP 2014"). The part of the resolution regarding deferred variable remuneration in the form of shares has been adopted subject to the AGM's subsequent approval, according to the following.

Purpose and main features

IP 2014 aims to:

- stimulate the employees in positions of direct importance for creating long-term and sustainable shareholder value to make further efforts,
- attract, keep and motivate the employees and to ensure that the bank's remuneration levels are competitive in every submarket, and
- create a long-term engagement in the bank with the employees and align their interests with the shareholders' interest through deferred variable remuneration in the form of shares.

IP 2014 shall be aligned to the bank's business strategy, promote a sound and effective risk management and discourage excessive risk taking.

In essence, IP 2014 means that to the extent certain performance targets ("Performance Targets") are achieved during the financial year 2014 (the "Performance Year") the participants in IP 2014 (the "Participant" or the "Participants") are allotted a variable remuneration in the beginning of 2015 (the "Gross Performance Amount"), a part of which (the "Share Amount") is intended to be allotted in the form of conditional, non-transferable rights ("Performance Rights"). Each Performance Right carries a right to receive in 2018, after the publication of the year-end report for 2017, automatically and at no cost one ordinary share in Swedbank ("Performance Share").

The duration is approximately four years, with accrual during the Performance Year. After the expiry of the Performance Year, allotment of the Gross Performance Amount may occur followed by a Share Amount deferral period of just over three years before final transfer of the Performance Shares, which is expected to occur in 2018 after the publication of the year-end report for 2017 and before the end of June.

Deferred variable remuneration in the form of shares is not pensionable income however the cash component is.

When amounts in SEK are described in this proposal, they are expressed exclusive of social security costs, ancillary salary costs and corporate income tax, unless otherwise stated.

Participants

Approximately 700 employees in the Swedbank-Group (the "Group") are included in positions where the individual performance is deemed to be of direct importance for creating revenues and where variable remunerations are assumed to encourage the performance.

Top executives are as a general rule not included, i.e. the executives who at each time report to the bank's CEO and who are also members of the Group management (Group Executive Committee ("GEC")). 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. 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.

Participants that in the course of the duration give or receive notice to leave or leave the Group – however, not due to common re-deployment programs initiated by Swedbank – or is leaving the Group due to any other reason will not, as a general rule, have the right to continue to participate. Participants who enter leave of absence, parental leave, sick leave or similar during the Performance Year and remain employed have the right to continue to participate, subject to adjustments of the terms and conditions. Participants who have received allotment of the Gross Performance Amount and after the allotment enter leave of absence, parental leave, sick leave or similar and remain employed or retire have the right to continue to participate. Remco or the CEO (normally via the Group Executive Committee's Remuneration Committee ("GEC Remco"), if Remco so decides), may deviate from the distinctions above both as general principles or in individual cases.

Any participation requires that such participation, in the bank's opinion, is permitted and appropriate with regard to applicable laws and regulations and that the bank deems it feasible at reasonable administrative and financial costs, where appropriate with local adjustments.

Performance targets and Gross Performance Amount

The allotment of the Gross Performance Amount, i.e. the outcome for each Participant is dependent on the extent to which the Performance Targets have been achieved. The Performance Targets are measured during the Performance Year and are, for the majority of the Participants, adopted based on the following evaluation levels.

- The profit after tax, adjusted for capital costs and risks, for the Group⁶,
- 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,
- the risk adjusted results on an individual level and team level based on assessing, inter alia, the fulfilment of individual Performance Targets under the bank's performance development process comprising both financial as well as operational factors. The evaluation also comprises a number of behaviors linked to the Group's values – open, simple and caring,
- risk evaluation, which is made on Group- and/or business area level and/or individual level.

After the Performance Year an individual Gross Performance Amount is determined for each Participant based on an assessment of the extent to which the Performance Targets have been achieved.

The final assessment of the extent to which the Performance Targets have been achieved is made on a discretionary basis by the Board of Directors, or by a person authorized by the Board of Directors. The result of the assessment can be that the total allotment is limited, in whole or in part, at Group level, and/or business area level and/or individual level (so called haircut). Consequently, there is no automatic right to allotment of any Gross Performance Amount even if the Performance Targets, in whole or in part, could be considered to have been achieved.

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.

Share Amount etc.

For each Participant the Share Amount is, as main rule, 40 percent of such Participant's Gross Performance Amount.

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

The Share Amount is paid by allotment of Performance Rights. The allotment of Performance Rights is expected to occur during the spring 2015.

⁶ The profit, adjusted for capital costs and risks is measured as Economic Profit ("EP"). A prerequisite for allocation is positive EP on Group level as well as on business area level.

The difference between the Share Amount and the Gross Performance Amount, i.e. normally 60 percent of the Gross Performance Amount, is intended to be paid in cash to the respective Participants during the first half-year of 2015.

Performance Rights

The Share Amount is converted into a number of Performance Rights, rounded off to the nearest whole number, by dividing the Share 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 Board of Directors has the right, in connection with certain corporate events, inter alia, in case of a share split or a reverse share split, to resolve on an adjustment of the Floor Price in accordance with general principles on the equity market for recalculation in such events.

The total number of Performance Rights that may be allotted to the Participants amounts to a maximum of approximately 2.5m⁷, which equals the quotient of (a) the highest aggregate Share Amount for all Participants divided by (b) the Floor Price. If the Translation Rate hypothetically is assumed to be SEK 150, the total number of Performance Rights which may be allotted to the Participants amounts to a maximum of approximately 1.3m⁸.

A Performance Right does not constitute a security or a financial instrument and will not be registered on any VP account with any central securities depository. Participants do not have the right to pledge, sell, transfer or in any other way dispose of the Performance Rights.

A Performance Right does not carry any right to dividends or other shareholders' rights during the duration of the Performance Right. However, dividend compensation is paid on the underlying Performance Shares during the deferral period according to the following. If and at each time a record day for receiving a cash dividend to an ordinary share as resolved by the bank occurs during the deferral period, the number of Performance Rights held by each Participant on such record day shall be adjusted by multiplying such number of Performance Rights by an adjustment factor, which shall be calculated according to the following. The adjustment factor shall be the sum of (1+K), where K is the quotient of the resolved cash dividend amount per ordinary share (expressed in SEK) divided by the average daily volume weighted price paid per ordinary share (expressed in SEK) at NASDAQ OMX Stockholm during the ten trading days occurring from and including the second trading day prior to the relevant record day until and including the seventh trading day after the record day.

The number of Performance Rights can be recalculated in case of a bonus issue, new issue of shares, conversion of convertible instruments, share split or reverse share split and in certain other cases.

Each Performance Right carries a conditional right to receive at no cost and automatically one Performance Share in 2018, in accordance with what is set out in the following.

⁷ Excluding anticipated dividend compensation and adjustment for forfeited Performance Rights

⁸ Excluding anticipated dividend compensation and adjustment for forfeited Performance Rights

Transfer of Performance Shares

Each Performance Right held by a Participant bestows upon the Participant a conditional right to receive in 2018, after the publication of the year-end report for 2017, automatically and at no cost, one Performance Share. The conditions for receiving a Performance Share are firstly, as a general rule, that the Participant at the delivery of the Performance Share has not given or received notice to leave or left the Group for any other reason, and secondly, the following conditions.

In order for a Performance Right to entitle to receive a Performance Share at no cost, the following conditions must be fulfilled at the delivery of the Performance Share:

- (i) The Performance Targets shall still be deemed to have been achieved to the same extent as at the time of the allotment,
- (ii) the results and performances which formed the basis for the allotment of the Performance Rights shall be found sustainable in a long-term perspective with regard to the financial situation of the bank, the employer and/or the Group,
- (iii) the outcome shall still appear justified with regard to the financial situation of the bank, the employer and/or the Group,
- (iv) the outcome shall still appear justified with regard to the performance of (a) the bank, the employer and/or the Group, (b) the relevant business area or function, and (c) the Participant in question,
- (v) the outcome shall appear reasonable with regard to other relevant circumstances, including the situation on the equity market and possible changes in accounting principles and regulatory requirements, and
- (vi) the bank's, the employer's and the Group's position shall not have deteriorated materially, and no apparent risk of such material deterioration shall exist.

The Board of Directors, or Remco after authorization by the Board of Directors, shall prior to and in close proximity to each transfer of Performance Shares under Performance Rights evaluate whether and to which extent the foregoing conditions are fulfilled on Group level and business area level. If not all the conditions are considered to be fulfilled at such time, the Board of Directors or, Remco, has the right, at its own discretion, to unilaterally change the terms and conditions within the framework of IP 2014 as the Board of Directors or, Remco, deems appropriate and in this context for example in whole or in part declare outstanding Performance Rights forfeited, meaning that a fewer number or no Performance Shares at all will be transferred to the Participant. A decision of such change shall be publicly announced no later than in connection with the bank's first financial report following the decision.

Hedging

Swedbank is, subject to certain conditions, committed to ensure that ordinary shares are transferred at no cost to the Participants. The Board of Directors has considered different arrangements for hedging such commitments and observes that the bank holds repurchased own ordinary shares in a number assumed to be sufficient to hedge the commitments towards the Participants.

Thus, the Board of Directors is of the opinion that the most cost efficient and flexible method is to transfer own repurchased ordinary shares at no cost with deviation from the shareholders'

preferential rights to the Participants and where applicable also to participants in previous remuneration programs decided by a General Meeting of Shareholders' in Swedbank.

The Board of Directors thus proposes that the AGM shall resolve to transfer own ordinary shares at no cost to entitled Participants according to the immediately preceding paragraph, directly or where applicable through the bank's subsidiaries or to an external party engaged for this purpose as well as at NASDAQ OMX Stockholm, if the Board of Directors deems appropriate, to cover certain costs, in particular social security costs. For further information please refer to the proposal in item 21 c).

If the AGM does not approve of the mentioned proposal in accordance with the preceding paragraph, the Board of Directors intends to hedge the bank's commitment to deliver ordinary shares according to IP 2014, in whole or in part, 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.

Estimated costs for the share part

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 total cost corresponds to the Share Amount with deductions for forfeited Performance Rights due to the fact that Participants during the duration give or receive notice to leave or by any other reasons leave the employment. The cost is thus adjusted for forfeited Performance Rights, i.e. for accrual conditions that are not market conditions. The cost is not adjusted for market conditions, such as the fluctuation of the real value of the Performance Rights between the time of valuation and when the Participant receives Performance Rights 2015 or as a consequence of the Participant receiving additional Performance Rights as dividend compensation. In addition, social security costs and ancillary salary costs are also treated as staff costs. Furthermore, there are corporate tax effects mainly due to that the staff costs and the social security costs etc are deductible.

The maximum costs for the Share Amount amounts to approximately SEK 200m, which corresponds to approximately 0.1 percent of the bank's market value as of 31 January 2014. The estimated cost for the Share Amount amounts to approximately SEK 98m, which corresponds to approximately 0.1 percent of the market value as of 31 January 2014.

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.

The social security costs, which are deductible, are recognized in the income statement. The costs are depending on the market value of the Performance Shares at the time of delivery year 2018. The corporate tax is normally affected by the market value of the Performance Shares at said

point in time, since the market value as a rule is deductible when calculating the corporate tax. The corporate tax effect which corresponds to each respective country's corporate tax rate – calculated on the recognized cost for the Performance Rights, social security costs and other ancillary salary costs – are recognized in the income statement. Additional corporate tax effects are recognized directly in equity. The calculations take into account differences in tax rules in various countries.

Dilution and effect on key ratios

The total number of Performance Rights which may be allotted to the Participants amounts to a maximum of approximately 2.5m⁹. If the Translation Rate hypothetically is 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.

If the bank's estimated maximum commitment¹⁰ is hedged by way of a transfer of own ordinary shares acquired by virtue of authorization to acquire own shares 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 considering Eken 2014 (according to Item 21 a)).

If Swedbank's commitment is hedged by way of an agreement (equity swap agreement, certificate or similar) with a financial institution, which according to such agreement will in its own name acquire and transfer to the Participants ordinary shares in Swedbank, IP 2014 will not have any dilutive effect, since no new outstanding shares will be added.

Taxation

Taxation of Participants

In Sweden the Participants will be taxed the income year when the Performance Shares are received (the Performance Right is for tax purposes classified as a so called employee stock option). The taxable value of the fringe benefit that arises when receiving the Performance Shares is calculated as the value of the Performance Shares upon delivery. The taxable value will be taxed for the Participants as income from employment.

For participants in other countries than Sweden the value of the fringe benefit will in some countries be taxed as income from employment and in some countries not taxed at all.

Taxation of the bank

In Sweden, Swedbank has full right to deduct the market value of the Performance Shares at the time of transfer to the Participants. The tax deduction follows the financial accounting, i.e., the tax deduction will be accrued over the duration. However, in connection with the transfer of the Performance Shares a final adjustment of the tax deduction (reversed deduction or additional deduction) is made by comparing the market value of the Performance Shares at the transfer

⁹ Excluding anticipated dividend compensation and adjustment for forfeited Performance Rights

¹⁰ Excluding anticipated dividend compensation and adjustment for forfeited Performance Rights

with the previous tax deductions. The transfer does not result in any taxable income for Swedbank.

The bank is obliged to pay social security costs for the transfer of the Performance Shares based on the market value of the Performance Shares.

In countries outside Sweden the bank normally is entitled to fully deduct for the recognized cost and is obliged to pay social security costs for the transfer of the Performance Shares based on the market value hereof. In some of the countries outside Sweden the deduction of and payment of social security costs can be treated differently depending on the tax legislation in the country in question.

Preparation of the program etc.

The proposal for IP 2014 has been prepared by Remco. The Board of Directors' overall assessment is that IP 2014 will motivate the employees eligible to further efforts which will result in long-term creation of value by aligning the interests of the employees with the shareholders' interests.

The proposal has also been discussed with the bank's major shareholders, who generally welcome a program which aligns the shareholders' and the employees' interests and which promotes a long-term perspective.

The Group has share-based programs for 2010, 2011, 2012 and 2013, all of them approved by the general meeting of shareholders of the bank.

The individual program from the previous year has been evaluated. As a result of the evaluation no major changes are proposed for IP 2014. IP will also be assessed prior to next year's AGM and the intention is that a corresponding performance and share based remuneration program, subject to possible amendments resulting from such evaluation, will be proposed for the following years.

The Swedish Financial Supervisory Authority (Sw. Finansinspektionen) issues rules and regulations regarding remuneration systems which comprise the bank. It may be necessary to adjust the design of IP 2014 with regard to any amendments to such rules and regulations.

The Board of Directors, or Remco, if so decided by the Board of Directors, has the right to, if necessary, adjust IP 2014 to any new or amended regulatory requirements, or amended practice or interpretation hereof. Such adjustments may result in more stringent as well as more lenient conditions to the variable remuneration according to IP 2014, such adjustments shall however be made in accordance with the principles for IP 2014, as set out in this resolution. The Board of Directors, Remco, or the CEO normally via GEC Remco, if so decided by the Board of Directors, has the right to resolve on the detailed terms and conditions for IP 2014, based on the principles for the program as they appear in this resolution.

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.

The Board of Directors' proposal to the AGM

The part of the resolution by the Board of Directors regarding IP 2014 that a part of the variable remuneration under the program shall be deferred and paid in the form of shares is adopted subject to the AGM's subsequent approval.

Due to the above, the Board of Directors proposes that the AGM resolves to approve the resolution of the Board of Directors regarding deferred variable remuneration in the form of shares under IP 2014.

The AGM's resolution is valid if supported by shareholders holding more than half of the votes cast. As regards the right for the Board of Directors to, for a maximum of 40 Participants, mostly working in Norway, resolve that the maximum Gross Performance Amount for an individual Participant should be limited to up to 24 months' salary, it is only valid if supported by shareholders holding not less than 66 percent of the shares and votes cast provided that at least 50 percent of the total number of shares and votes are represented at the general meeting, alternatively, 75 percent of the shares and votes cast if less than 50 percent of the total number of shares and votes are represented at the general meeting (which is the possible higher majority requirements under CRD IV) and that such resolution does not otherwise conflict with CRD IV, as implemented in Swedish law.

If the AGM does not approve the share part of the Board of Directors' resolution, the Board of Directors may instead resolve on an individual program for variable remuneration with cash remuneration only, from which, where appropriate and considering Eken 2014 (see 21 a) above), categories of Participants that according to external regulatory requirements may not be comprised by a purely cash based remuneration program may be excluded. Such a decision could result in an increased cash portion within the limits of the maximum Gross Performance Amount and that IP 2014 will become a purely cash based program with a certain part as deferred cash remuneration.

Stockholm in February 2014
Swedbank AB (publ)
The Board of Directors

TRANSLATION

Proposal of the Board of Directors of Swedbank AB for a resolution regarding transfer of own ordinary shares in accordance with item 21 c) in the proposed agenda at the AGM 2014

Background

As set out in the Board of Directors' resolutions regarding a common and an individual performance and share based remuneration program for 2014 ("Eken 2014" and "IP 2014", and together referred to as "Program 2014"), the Board of Directors is of the opinion that the most cost efficient and flexible method to secure Swedbank's commitment under

- a) Program 2014, and
- b) previous common and individual performance and share based remuneration programs within the Swedbank Group, 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 repurchased own ordinary shares held by Swedbank to entitled participants in Program 2014 and in Previous Programs.

The calculation of the number of ordinary shares that are allowed to be transferred in accordance with the proposal in d) below is based on maximum allocation of so called Performance Rights to entitled participants in Program 2014 and actual allocation of so called Performance Rights to entitled participants in Previous Programs. Further, said number of ordinary shares also comprises a buffer for the right to compensation for dividends during the deferral periods in accordance with Program 2014 and Previous Programs.

Transfer of own ordinary shares

The Board of Directors proposes that the AGM resolves that:

- a) Own ordinary shares, which by virtue of authorization of repurchase of own shares, have been acquired on NASDAQ OMX Stockholm, may, with deviation from the shareholders' preferential rights, at no cost be transferred to:
 - i. entitled participants in Program 2014 ("Participants"),
 - ii. entitled participants in Previous Programs, and
 - iii. subsidiaries within the Swedbank Group and, where applicable, an external party engaged by the Board of Directors for this purpose, where such subsidiaries and if applicable such external party shall be obliged to immediately and at no cost

transfer ordinary shares to the Participants and where appropriate also to entitled participants in Previous Programs;

- b) furthermore, own ordinary shares may be transferred at NASDAQ OMX Stockholm for the purpose of covering certain costs in connection with Program 2014 or Previous Programs, in particular social security costs and other ancillary salary costs. Such transfer shall be made at a price within the prevailing spread for the ordinary share at NASDAQ OMX Stockholm and be carried out prior to the Annual General Meeting 2015;
- c) transfer of shares according to a) above shall be made at no cost to Participants and entitled participants in Previous Programs and in accordance with the conditions on which Participants and entitled participants in Previous Programs are entitled to receive ordinary shares, after the publication of the year-end report for the financial year 2017 or the equivalent point in time regarding Previous Programs, however, not later than the end of June during the year in question when the delivery of the Performance Share shall occur;
- d) transfer of shares according to a) and b) above may not relate to more than 33 000 000 ordinary shares in aggregate (or such higher number of ordinary shares which may be a result of a bonus issue, share split or corresponding corporate events)

The reason for the deviation from the shareholders' preferential right is to ensure delivery of ordinary shares to the Participants and entitled participants in Previous Programs and to cover certain costs in connection with Program 2014 or Previous Programs, in particular social security costs and other ancillary salary costs.

Transfer of the maximum amount of ordinary shares (33 000 000) 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.

The resolution on transfer of ordinary shares as per above replaces previous General Meeting's resolutions on transfer at no cost of own repurchased shares to Participants, entitled participants in Previous Programs and entitled participants in any subsequent programs if and to the extent such resolutions have not already been executed.

Article 94 of Directive (EU) No 36/2013 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.

For the resolution as stated above to be valid it is required that the resolution is supported by shareholders holding not less than nine-tenths of both the votes cast and the shares represented at the AGM.

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, which according to such agreement will in its own name acquire and transfer to the Participants ordinary shares in Swedbank.

Stockholm in February 2014

Swedbank AB (publ)

The Board of Directors