

TRANSLATION

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 17 of the proposed Agenda for the AGM 2016

Purpose, etc.

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

Chapter 7 Sections 6 and 14 of the Swedish 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 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 for the acquisition of own shares, also for acquisitions within the scope of the Securities Market Act.

Conditions for the acquisition, 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 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 2015 decided to permit the bank, for the period up until the AGM in 2016, 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 one (1) percent of the total number of shares in the bank during the time up until the AGM in 2017 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 2016

Swedbank AB (publ)
The Board of Directors