

## **Amendment to Program Information**

**Swedbank AB (publ)**

## AMENDMENT TO PROGRAM INFORMATION

Type of Information:	Amendment to Program Information
Date of Announcement:	8 February 2023
Issuer Name:	Swedbank AB (publ) (the “ <b>Issuer</b> ”)
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Type of Securities:	Notes (the “ <b>Notes</b> ”)
Address of Website for Announcement:	<a href="https://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html">https://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html</a>
Name of the Main Dealer that is Expected to Subscribe for the Notes to be Drawn-Down from this Program	UBS AG
Status of Submission of Annual Securities Reports or Issuer Filing Information:	No
Information on Original Program Information:	
Date of Announcement	27 May 2022
Scheduled Issuance Period:	30 May 2022 to 29 May 2023
Maximum Outstanding Issuance Amount:	U.S.\$40,000,000,000

This amendment, consisting of this cover page and the Supplement dated 31 January 2023, is filed to update the information included in the Program Information dated 27 May 2022 (as amended by the Amendment to Program Information dated 27 July 2022 and 31 October 2022). This constitutes an integral part of the Program Information dated 27 May 2022, and shall be read together with it.

**Supplement dated 31 January 2023**

## **Swedbank AB (publ)**

**U.S.\$ 40,000,000,000**

### **GLOBAL MEDIUM TERM NOTE PROGRAMME**

This base prospectus supplement dated 31 January 2023 (the "**Supplement**") to the Base Prospectus dated 12 May 2022 and the base prospectus supplement dated 19 July 2022 and 27 October 2022 (together, the "**Base Prospectus**") constitutes a supplement for the purposes of Article 23 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), and is prepared in connection with the Global Medium Term Note Programme (the "**Programme**") established by Swedbank AB (publ) (the "**Issuer**"). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement has been approved by the Central Bank of Ireland as competent authority under the Prospectus Regulation. The Central Bank of Ireland only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of the Notes that are the subject of this Supplement. Investors should make their own assessment as to the suitability of investing in the Notes.

The purpose of this Supplement is to:

- incorporate by reference into the Base Prospectus the reviewed, unaudited year-end report of the Issuer for the twelve month period ended 31 December 2022 (the "**Year-End**"); and
- update the significant change/material adverse change statements in the Base Prospectus.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### **1. Publication of Year-End Report for Swedbank AB (publ)**

On 31 January 2023 the Issuer published the Year-End Report. A copy of the Year-End Report has been filed with the Central Bank of Ireland and, by virtue of this Supplement, the

Year-End Report is incorporated in, and forms part of, the Base Prospectus.

The Year-End Report is available for viewing at: <https://www.swedbank.com/investor-relations/reports-and-presentations.html>.

## **2. Significant change/material adverse change statements**

There has been no significant change in the financial performance of the Group or the financial position of the Group since 31 December 2022 and there has been no material adverse change in the prospects of the Issuer since 31 December 2021.

## **3. General**

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, including the base prospectus supplement dated 19 July 2022 and 27 October 2022, the statements in (a) above will prevail.

If documents which are incorporated by reference into this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Regulation except where such information or other documents are specifically incorporated by reference to the Supplement.

Copies of the Base Prospectus, this Supplement and all documents which are incorporated by reference in the Base Prospectus are available for viewing at <https://swedbank.com/investor-relations/debt-investors.html> and on the website of Euronext Dublin at <https://live.euronext.com/>.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus, including the base prospectus supplement dated 19 July 2022 and 27 October 2022, since the publication of the Base Prospectus.

# Year-end report 2022

Fourth quarter, October – December

31 January 2023

Swedbank 

- Strong result with growing net interest income during the year
- Good credit quality
- Business priorities and financial plan for sustainable profitability announced
- Adjusted risk exposure amount – capital buffer decreases to 3.4 per cent
- Proposed dividend of SEK 9.75 per share

”Swedbank will have a sustainable return on equity of 15 per cent”

Jens Henriksson,  
President and CEO

Financial information SEKm	Q4	Q3	%	Full-year	Full-year <sup>1</sup>	%
	2022	2022		2022	2021	
<b>Total income</b>	<b>16 124</b>	<b>14 030</b>	<b>15</b>	<b>53 221</b>	<b>47 681</b>	<b>12</b>
Net interest income	10 921	8 360	31	33 157	27 048	23
Net commission income	3 448	3 643	-5	14 223	14 853	-4
Net gains and losses on financial items	763	945	-19	1 887	2 048	-8
Other income <sup>2</sup>	992	1 082	-8	3 954	3 732	6
<b>Total expenses</b>	<b>5 750</b>	<b>5 329</b>	<b>8</b>	<b>21 415</b>	<b>20 847</b>	<b>3</b>
<b>Profit before impairments, Swedish bank tax and resolution fees</b>	<b>10 373</b>	<b>8 701</b>	<b>19</b>	<b>31 806</b>	<b>26 834</b>	<b>19</b>
Impairment of intangible and tangible assets	684	453	51	1 137	56	
Credit impairment	679	602	13	1 479	170	
Swedish bank tax and resolution fees <sup>3</sup>	439	466	-6	1 831	791	
<b>Profit before tax</b>	<b>8 571</b>	<b>7 180</b>	<b>19</b>	<b>27 358</b>	<b>25 817</b>	<b>6</b>
Tax expense	1 759	1 439	22	5 478	4 945	11
<b>Profit for the period</b>	<b>6 812</b>	<b>5 741</b>	<b>19</b>	<b>21 880</b>	<b>20 872</b>	<b>5</b>
<b>Profit for the period attributable to: Shareholders of Swedbank AB</b>	<b>6 813</b>	<b>5 737</b>	<b>19</b>	<b>21 877</b>	<b>20 871</b>	<b>5</b>
Earnings per share, SEK, after dilution	6.05	5.10		19.43	18.56	
Return on equity, %	15.8	13.9		13.3	13.2	
C/I ratio	0.36	0.38		0.40	0.44	
Common Equity Tier 1 capital ratio, %	17.8	18.5		17.8	18.3	
Credit impairment ratio, %	0.14	0.13		0.08	0.01	

1) Presentation of the Income statement has been changed, see note 28.

2) Other income includes the items Net insurance, Share of profit or loss of associates and joint ventures, and Other income from the Group income statement.

3) The Swedish Bank tax (Risk tax on credit institutions) was introduced from 1 January 2022.

## CEO Comment

2022 was defined by the war in Ukraine, rising inflation, falling share prices, energy shortages and climate change. In our four home markets of Estonia, Latvia, Lithuania and Sweden, growth rates fell and real wage growth was negative.

In these turbulent times, Swedbank stands strong. We have been there for our customers by providing advice and financing. We have been and will continue to be a partner to always rely on.

Swedbank is a profitable bank. Profit for 2022 increased to SEK 21.9bn, corresponding to a return on equity of 13.3 per cent. During the quarter, Swedbank's profit increased to SEK 6.8bn, mainly due to strong net interest income. The return on equity was 15.8 per cent. A strong result.

Expenses for the full year amounted to SEK 21.4bn. Excluding foreign exchange effects, the extra winter allowance for Baltic employees and the closure of banking operations in Denmark, we stayed below the nominal cost cap we set two years ago.

Credit impairments increased slightly due to the weaker macroeconomic outlook, but credit quality is good and our liquidity position is strong. To account for upcoming capital requirements, we have decided on an add-on to the risk exposure amount, which reduces the capital management buffer to 3.4 per cent. The bank is aiming for a buffer of 2 per cent in 2025.

In accordance with the bank's policy to distribute half of its profit to shareholders, the Board of Directors proposes to the Annual General Meeting to decide on a dividend of SEK 9.75 per share.

Activity in the corporate business varied between countries and sectors. In the Baltic markets, investment needs remain high and large price increases are driving demand for short-term financing. We are there for our customers while remaining steadfastly committed to a thorough, conservative lending process. All four home markets continue to stand on a stable foundation with strong public finances, successful companies and well-anchored inflation expectations.

Residential property transactions in Sweden fell significantly in the quarter. Competition is tough in all four home markets, but we maintain our leading positions and our pricing strategy.

We are proud of our broad savings offering where deposits in our savings accounts are secure in uncertain times. Our offering is competitive. A savings culture is steadily building in Estonia, Latvia and Lithuania, where we see higher fund investments and stable savings deposits.

The bank's digital availability is good and stable. We maintain a high level of preparedness with regard to cyber threats, which have become an important societal issue. Swedbank has now joined a new collaborative forum where the National Cyber Security Centre (NCSC) is leading the effort to strengthen cybersecurity in Sweden's financial sector.

At an Investor Day in December, we presented the plan for Swedbank 15/25. Swedbank's path to sustainable

profitability will be achieved through four business priorities. We will build from our strong position and leverage our business model and proven pricing strategy, grow the share of wallet for existing customers, grow business in prioritised segments, and improve availability and operational excellence. We have complemented our ROE target with supporting KPIs for costs and capitalisation.

We want to help our small and mid-sized corporate customers to grow sustainably. In the same way as we have done previously in Norway with SR Bank, we entered into a strategic partnership with Sydbank in Denmark during the quarter to better support our corporate customers there.

In Estonia, we introduced, with the tech company eAgronom, a certification for sustainable farming that is in accordance with the EU Taxonomy. The certification can give customers access to lower-cost financing. In all three Baltic markets, we saw strong demand for our sustainability loans in light of the high electricity prices.

Swedbank has a clear position on climate change and has set targets on the road to a net zero world by 2050. These targets are science-based and cover five sectors: mortgages, commercial real estate, power generation, oil & gas, and steel production.

Swedbank stands at the centre of society's digital transformation, and we keep our customers in focus when we develop the bank. In Sweden, we have made it easier for them to contact their local branch by phone. In Latvia, we have launched a cloud-based communication platform that significantly improves customer meetings. The new technology now integrates personal service at branches, by phone, and through the internet bank and app. This is gradually being rolled out in our other home markets.

Our award-winning virtual assistant is another function that enables customers to easily and quickly find help for most of their banking needs. If they need a bank ID, we have launched facial recognition or biometrics for identification by mobile phone. We are a digital bank with a physical presence that together with our customers make their financial lives easier.

Swedbank will be one of the world's best-managed banks with a sustainable return on equity of 15 per cent. This will enable us to support customers, pay dividends to our shareholders, develop the bank, and contribute to financial stability and society as a whole.

Our purpose is to empower the many people and businesses to create a better future. A society that is financially sound and sustainable.

Because a sustainable bank is a profitable bank.



Jens Henriksson  
President and CEO

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## Financial overview

Income statement SEKm	Q4	Q3		Q4 <sup>1</sup>		Full-year	Full-year <sup>1</sup>	
	2022	2022	%	2021	%	2022	2021	%
Net interest income	10 921	8 360	31	6 746	62	33 157	27 048	23
Net commission income	3 448	3 643	-5	4 020	-14	14 223	14 853	-4
Net gains and losses on financial items	763	945	-19	265		1 887	2 048	-8
Other income <sup>2</sup>	992	1 082	-8	910	9	3 954	3 732	6
<b>Total income</b>	<b>16 124</b>	<b>14 030</b>	<b>15</b>	<b>11 941</b>	<b>35</b>	<b>53 221</b>	<b>47 681</b>	<b>12</b>
Staff costs	3 475	3 290	6	3 361	3	13 246	12 739	4
Other expenses	2 275	2 039	12	2 481	-8	8 169	8 108	1
<b>Total expenses</b>	<b>5 750</b>	<b>5 329</b>	<b>8</b>	<b>5 842</b>	<b>-2</b>	<b>21 415</b>	<b>20 847</b>	<b>3</b>
<b>Profit before impairments, Swedish bank tax and resolution fees</b>	<b>10 373</b>	<b>8 701</b>	<b>19</b>	<b>6 099</b>	<b>70</b>	<b>31 806</b>	<b>26 834</b>	<b>19</b>
Impairment of intangible assets	681	443	54			1 125	56	
Impairment of tangible assets	3	10	-75			13		
Credit impairment	679	602	13	-67		1 479	170	
Swedish bank tax and resolution fees <sup>3</sup>	439	466	-6	192		1 831	791	
<b>Profit before tax</b>	<b>8 571</b>	<b>7 180</b>	<b>19</b>	<b>5 974</b>	<b>43</b>	<b>27 358</b>	<b>25 817</b>	<b>6</b>
Tax expense	1 759	1 439	22	1 139	54	5 478	4 945	11
<b>Profit for the period</b>	<b>6 812</b>	<b>5 741</b>	<b>19</b>	<b>4 835</b>	<b>41</b>	<b>21 880</b>	<b>20 872</b>	<b>5</b>
<b>Profit for the period attributable to: Shareholders of Swedbank AB</b>	<b>6 813</b>	<b>5 737</b>	<b>19</b>	<b>4 835</b>	<b>41</b>	<b>21 877</b>	<b>20 871</b>	<b>5</b>

1) Presentation of the Income statement has been changed, see note 28.

2) Other income includes the items Net insurance, Share of profit or loss of associates and joint ventures, and Other income from the Group income statement.

3) The Swedish Bank tax (Risk tax on credit institutions) was introduced from 1 January 2022.

Key ratios and data per share	Q4	Q3	Q4	Full-year	Full-year
	2022	2022	2021	2022	2021
Return on equity, %	15.8	13.9	12.0	13.3	13.2
Earnings per share before dilution, SEK <sup>1</sup>	6.07	5.11	4.31	19.48	18.62
Earnings per share after dilution, SEK <sup>1</sup>	6.05	5.10	4.30	19.43	18.56
C/I ratio <sup>2</sup>	0.36	0.38	0.49	0.40	0.44
Equity per share, SEK <sup>1</sup>	156.8	150.7	144.2	156.8	144.2
Loans to customers/deposit from customers ratio, %	139	140	133	139	133
Common Equity Tier 1 capital ratio, %	17.8	18.5	18.3	17.8	18.3
Tier 1 capital ratio, %	18.9	19.8	20.2	18.9	20.2
Total capital ratio, %	21.8	23.1	22.4	21.8	22.4
Credit impairment ratio, %	0.14	0.13	-0.02	0.08	0.01
Share of Stage 3 loans, gross, %	0.31	0.34	0.37	0.31	0.37
Total credit impairment provision ratio, %	0.32	0.30	0.29	0.32	0.29
Liquidity coverage ratio (LCR), %	160	154	163	160	163
Net stable funding ratio (NSFR), %	118	117	123	118	123

1) The number of shares and calculation of earnings per share are specified in note 27.

2) Presentation of the Income statement has been changed, see note 28.

Balance sheet data SEKbn	31 Dec	31 Dec	
	2022	2021	%
Loans to customers	1 799	1 677	7
Deposits from customers	1 298	1 259	3
Equity attributable to shareholders of the parent company	176	162	9
Total assets	2 855	2 751	4
Risk exposure amount	809	708	14

Definitions of all key ratios can be found in Swedbank's Fact book on page 74.



## Economy and market

During the quarter, the global economic outlook deteriorated. The purchasing managers' index for both manufacturing and the service sector pointed to weaker growth, and in the U.S. inflation pressure fell from high levels. Monetary policy in the U.S. and Europe is rapidly being tightened with both the Federal Reserve and the ECB raising their policy rates by 1.25 percentage points during the quarter. The protracted war in Ukraine contributed to the negative sentiment. Covid-19 spread dramatically in China once it began easing its previously tight restrictions. Several equity markets recovered during the quarter, while the U.S. dollar weakened against both the euro and the Swedish krona.

The Swedish economy is characterised by stable public finances with low government debt, albeit with high levels of indebtedness among companies and households. Economic activity has held up fairly well in the quarter although business output slowed and new manufacturing orders declined. Sentiment in the economy continued to weaken and Swedbank's purchasing managers' index for Swedish manufacturing industry and services points to a slowdown. The improvement in the labour market weakened and the number of bankruptcies rose. Retail sales volume decreased in the quarter, as did household consumption, according to card data from Swedbank Pay.

Swedish inflation continued to rise. Together with rising interest rates, this eroded consumer purchasing power, while many companies are being squeezed by substantially higher costs. In November, the Riksbank raised its policy rate by 0.75 percentage points to 2.5 per cent, the highest level since 2008. Swedish government bond yields rose during the quarter, while Nasdaq Stockholm moved higher.

House prices in Sweden have fallen by approximately 13 per cent since peaking in February 2022 and more in major metropolitan areas. Uncertainty about mortgage rates and energy prices have made homebuyers cautious. The number of property transactions continued to fall and homes are staying on the market for longer than normal. These factors suggest that price pressure will continue despite the housing shortages and stalling new home construction. Consumer credit growth has slowed as well due to the cautious housing market.

The Baltic economies are strong with sound public finances and very low indebtedness in society as a whole. Dependence on the Russian economy and energy has decreased significantly in recent years. In the third quarter, GDP in Estonia and Latvia fell on an annual basis, while it rose in Lithuania due to continued strong exports (latest available data). Despite rapid wage increases, consumer purchasing power fell during the year due to very high inflation, and household consumption is therefore expected to remain weak in the coming quarters. Inflation has begun to fall, however. Corporate profits are under pressure from high energy prices, but there are signs that profit margins have been stable as companies have been able to raise their prices in line with the rising cost of input goods. Retail sales volume and manufacturing activity held up fairly well at the start of the fourth quarter and consumer confidence also improved somewhat. Domestic and foreign demand is expected to decline in the coming quarters, however.

## Important to note

In accordance with the bank's dividend policy to distribute 50 per cent of profit for the year, the Board of Directors is proposing a dividend of SEK 9.75 per share for the financial year 2022. The proposed record day for the dividend is 3 April 2023. The last day for trading in Swedbank's shares with the right to the dividend will be 30 March 2023. If the Annual General Meeting approves the Board's proposal, the dividend is expected to be disbursed by Euroclear on 6 April 2023. Swedbank's Annual General Meeting will be held on 30 March 2023. More information regarding Swedbank's Annual General Meeting will be available on the bank's website at [www.swedbank.com/arsstamma](http://www.swedbank.com/arsstamma).

This interim report contains alternative performance measures that Swedbank considers valuable information for the reader, since they are used by the executive management for internal governance and performance measurement as well as for comparisons between reporting periods. Further information on the alternative performance measures used in the interim report can be found on page 58.

## Group development

### Result fourth quarter 2022 compared with third quarter 2022

Swedbank's profit increased to SEK 6 812m (5 741) due to higher income. Expenses, impairments of intangible assets and credit impairments increased. Foreign exchange effects positively impacted profit before impairment, the Swedish bank tax and resolution fund fees by approximately SEK 100m.

The return on equity was 15.8 per cent (13.9) and the cost/income ratio was 0.36 (0.38).

Income increased to SEK 16 124m (14 030) due to higher net interest income. Net commission income, net gains and losses on financial items and other income decreased. Foreign exchange effects positively impacted income by approximately SEK 144m.

Net interest income increased by 31 per cent to SEK 10 921m (8 360). Underlying net interest income was positively affected primarily by higher deposit margins due to rising market interest rates. Average lending volumes were slightly higher and also had a positive impact on net interest income. The Swedish National Debt Office's deposit guarantee fee was finalised during the quarter and was lower than previously estimated. The expense decreased by SEK 126m, which together with foreign exchange changes positively impacted net interest income.

Net commission income decreased by 5 per cent to SEK 3 448m (3 643). Income from card operations and payments was seasonally lower. In addition, adjustments related to MasterCard contributed negatively by SEK 80m. Income from asset management decreased slightly due to a lower share of AUM in equity funds. Income from corporate finance and securities increased due to performance-based fees related to Swedbank's role as a market maker for covered bonds.

Net gains and losses on financial items decreased to SEK 763m (945). Group Treasury's net gains and losses on financial items decreased mainly due to negative valuation changes in derivatives. Large Corporates and Institutions' net gains and losses on financial items decreased due to low earnings in fixed income trading and derivative valuation adjustments (CVA/DVA). Changes in the market valuation of the trading portfolio of bonds as well as high customer activity in FX trading had a positive effect.

Other income decreased by 8 per cent to SEK 992m (1 082), mainly due to a lower profit from Entercard. The result from the insurance business decreased due to higher claims.

Expenses were seasonally higher and increased by 8 per cent to SEK 5 750m (5 329). Staff costs as well as IT and consulting expenses were the main reasons for the increase. Staff costs increased due to extra compensation paid to employees in the Baltic countries following the rapid increase in the cost of living during the quarter, and also due to lower expenses in the third quarter in connection with the holiday period. One-off expenses related to the closure of Swedbank's Danish banking operations amounted to SEK 81m. AML-related investigation expenses amounted to SEK 144m (152). Foreign exchange changes impacted expenses by approximately SEK 44m.

Impairments of intangible assets amounted to SEK 681m (443) and were primarily related to impairment of goodwill associated with PayEx of SEK 425m, impairment of internally generated software in PayEx of SEK 238m and impairment of the PayEx brand name of SEK 18m. In connection with the annual impairment testing of goodwill, it was found that the profitability outlook for PayEx in the Nordic countries, where it operates in a market with rapid technological development and growing competition, has worsened. This resulted in impairments for goodwill, proprietary software and the brand name.

Credit impairments amounted to SEK 679m (602), where a weaker macroeconomic outlook led to increased credit impairment provisions of SEK 207m, while rating and stage migrations made a contribution of SEK 343m. For individually assessed loans, credit impairments amounted to SEK 32m.

Credit impairment provisions in the form of post-model expert credit adjustments amounted to SEK 1 738m (1 700) as of 31 December. A reassessment of the need in various sectors led to increases mainly in property management and retail/wholesale, and decreases mainly in shipping and offshore.

The Swedish bank tax and resolution fees amounted to SEK 439m (466). The decrease was due to a slightly lower bank tax for the full-year 2022 than previously estimated.

The tax expense amounted to SEK 1 759m (1 439), corresponding to an effective tax rate of 20.5 per cent (20.0). The higher effective tax rate in the quarter was largely due to the non-deductible impairment of goodwill related to PayEx.

## Result full-year 2022 compared with full-year 2021

Swedbank's result increased to SEK 21 880m (20 872) due to higher income. Higher credit impairments, impairments of intangible assets and higher expenses affected profit negatively together with the introduction of the Swedish bank tax. Foreign exchange effects positively impacted profit before impairments, the Swedish bank tax and resolution fees by approximately SEK 417m.

The return on equity was 13.3 per cent (13.2) and the cost/income ratio was 0.40 (0.44).

Income increased to SEK 53 221m (47 681) and was positively affected primarily by net interest income. Net commission income and net gains and losses on financial items decreased. Foreign exchange effects increased income by approximately SEK 738m.

Net interest income increased by 23 per cent to SEK 33 157m (27 048). Underlying net interest income improved mainly on account of higher deposit margins and a better return on central bank investments. Higher lending volumes also contributed. Lower lending margins during the year and an adjustment to the deposit guarantee in 2021 offset the increase.

Net commission income decreased by 4 per cent to SEK 14 223m (14 853). Income from asset management decreased due to the downturn in the capital markets, while income from card operations increased as pandemic restrictions were lifted during the year.

Net gains and losses on financial items decreased to SEK 1 887m (2 048). A positive valuation effect in 2021 in connection with Hemnet's IPO and a negative result this year due to the sale of the Danish mortgage portfolio had a negative effect. Revaluations of the trading portfolio of corporate bonds had a negative effect, while repurchases of own bonds positively impacted the comparison.

Other income increased by 6 per cent to SEK 3 954m (3 732) due to higher income from savings banks and reversals of insurance provisions in the first quarter. Entercard's profit decreased.

Expenses increased by 3 per cent to SEK 21 415m (20 847) primarily due to higher staff costs and also as a result of higher IT expenses to some extent. AML-related investigation expenses increased and amounted to SEK 443m (355). Foreign exchange effects raised expenses by approximately SEK 320m.

Impairments of intangible assets amounted to SEK 1 125m (56). The increase was primarily related to impairment of goodwill associated with PayEx and Swedbank's Norwegian operations as well as impairment of proprietary software.

Credit impairments amounted to SEK 1 479m (170) and were mainly explained by weaker macroeconomic scenarios as well as negative rating and stage migration.

The Swedish bank tax, which was introduced on 1 January 2022, amounted to SEK 927m (0).

The tax expense amounted to SEK 5 478m (4 945), corresponding to an effective tax rate of 20.0 per cent (19.2). The higher effective tax rate this year is largely due to the non-deductible impairment of goodwill related to PayEx and Swedbank's Norwegian operations and a lower share of income from associated companies and joint ventures. The Group's effective tax rate is still estimated at 19-21 per cent in the medium term.

## Volume trend by product area

Swedbank mainly conducts business in the product areas lending, deposits, fund savings and life insurance, and payments.

### Lending

Loans to customers increased by SEK 1bn to SEK 1 799bn (1 798) in the quarter. Compared with the fourth quarter of 2021 lending increased by SEK 122bn or 7 per cent. Foreign exchange effects positively impacted lending volumes by approximately SEK 6bn compared with the third quarter of 2022 and by SEK 26bn compared with the fourth quarter of 2021.

	31 Dec 2022	30 Sep 2022	31 Dec 2021
<b>Loans to customers, SEKbn</b>			
Loans, private mortgage	1 031	1 028	991
of which Swedish Banking	916	917	893
of which Baltic Banking	115	111	98
Loans, private other incl tenant-owner associations	146	147	143
of which Swedish Banking	123	124	124
of which Baltic Banking	21	20	17
of which Large Corporates & Inst.	2	2	2
Loans, corporate	621	623	543
of which Swedish Banking	236	239	235
of which Baltic Banking	100	96	84
of which Large Corporates and Inst.	284	286	224
of which Group Functions and Other	1	2	
<b>Total</b>	<b>1 799</b>	<b>1 798</b>	<b>1 677</b>

Lending to mortgage customers within Swedish Banking decreased by SEK 1bn to SEK 916bn (917) during the quarter. The market share in mortgages in Sweden was 22 per cent as of 31 December. Other private lending, including lending to tenant-owner associations, fell by SEK 1bn to SEK 146bn (147) in the quarter.

Baltic Banking's mortgage volumes increased by 2 per cent in local currency and amounted to the equivalent of SEK 115bn (111) at the end of the quarter.

Corporate lending decreased by SEK 2bn during the quarter to SEK 621bn (623). In Sweden, the market share was 15 per cent as of 31 December.

The sustainable asset registry increased by SEK 11bn to SEK 59bn (48) in the quarter and also included social assets for the first time. The increase occurred primarily through identification of existing assets based on the new framework criteria introduced during the previous quarter, but also through new green and social loans. At the end of the quarter, the registry contained SEK 53bn in green assets and SEK 6bn in social assets.

For more information on lending and the sustainable asset registry, see pages 34 and 67 of the Fact book.

### Deposits

Total deposits in the business areas increased by SEK 24bn to SEK 1 296bn (1 272) compared with the

previous quarter. Compared with the fourth quarter 2021 deposits in the business areas increased by SEK 38bn or 3 per cent. During the quarter, deposits from the public increased within Baltic Banking, while they decreased within Swedish Banking. Corporate deposits decreased within Large Corporates and Institutions and Swedish Banking but increased within Baltic Banking.

Total deposits from the customers amounted to SEK 1 298bn (1 277). Foreign exchange effects positively impacted deposit volumes by approximately SEK 7bn compared with the previous quarter and positively by approximately SEK 35bn compared with the fourth quarter 2021.

	31 Dec 2022	30 Sep 2022	31 Dec 2021
<b>Deposits from customers, SEKbn</b>			
Deposits, private	704	699	656
of which Swedish Banking	483	490	460
of which Baltic Banking	221	209	196
Deposits, corporate	594	578	603
of which Swedish Banking	242	244	252
of which Baltic Banking	154	133	138
of which Large Corporates and Inst.	195	197	212
of which Group Functions and Other	3	4	1
<b>Total</b>	<b>1 298</b>	<b>1 277</b>	<b>1 259</b>

Swedbank's deposits from private customers increased by SEK 6bn in the quarter to SEK 704bn (699).

Corporate deposits in the business areas increased by SEK 17bn during the quarter to SEK 591bn (574).

As of 31 December, Swedbank's market share for deposits from private customers in Sweden was 18 per cent. The market share for corporate deposits was 15 per cent. For more information on deposits, see page 35 of the Fact book.

### Fund savings and life insurance

Assets under management by Swedbank Robur rose by 7 per cent in the quarter to SEK 1 352bn (1 264) as of 31 December, of which SEK 1 276bn (1 192) related to Sweden, SEK 74bn (70) to the Baltic countries and SEK 2bn (2) to other markets. The increase was largely due to market gains, but net inflows also contributed.

<b>Asset management SEKbn</b>	31 Dec 2022	30 Sep 2022	31 Dec 2021
Sweden	1 276	1 192	1 443
Estonia	20	18	21
Latvia	29	28	29
Lithuania	25	24	23
Other countries	2	2	3
<b>Mutual funds under Management, Swedbank Robur</b>	<b>1 352</b>	<b>1 264</b>	<b>1 519</b>
Funds under Management, Baltic	8	8	2
<b>Total Mutual funds under Management</b>	<b>1 360</b>	<b>1 272</b>	<b>1 521</b>
Closed End Funds	0	0	
Discretionary asset management <sup>1</sup>	378	375	446
<b>Total Assets under Management</b>	<b>1 738</b>	<b>1 646</b>	<b>1 967</b>

<sup>1</sup>) During the first quarter of 2022, the definition of Discretionary asset management was adjusted. Comparative figures have been restated.

The net inflow in the Swedish fund market amounted to SEK 54bn (-4) during the quarter, of which SEK 44bn refers to the annual deposit through the Swedish Pensions Agency. The largest inflows were to actively managed equity funds and index funds, of SEK 20bn and SEK 23bn respectively. Fixed income funds, hedge

funds and other funds all had net inflows, while there were outflows from mixed funds.

The net inflow to Swedbank Robur's funds in Sweden amounted to SEK 28bn (22) during the quarter, including the annual deposit of SEK 5bn (5) from the Swedish Pensions Agency. Institutional clients within Large Corporates and Institutions contributed to the net inflow, while clients within Swedish Banking and third-party distributors had outflows. The net inflow in the Baltic countries amounted to SEK 2bn (1).

In the quarter, Swedbank Robur published a methodology to calculate the carbon footprint of covered bonds, which represent a large share of the investment assets held by fixed income funds. The calculations in this methodology are based on industry standards developed by Partnership for Carbon Accounting Financials (PCAF). Swedbank Robur plans to further develop this methodology as the underlying data improves.

By assets under management, Swedbank Robur is the leader in the Swedish and Baltic fund markets. As of 31 December, the market share in Sweden was 21 per cent and in Estonia, Latvia and Lithuania it was 37, 41 and 38 per cent respectively.

Life insurance assets under management in the Swedish operations increased by 5 per cent in the quarter to SEK 284bn (271). Premium income, consisting of premium payments and capital transfers, amounted to SEK 5bn (5).

Assets under management, life insurance SEKbn	31 Dec 2022	30 Sep 2022	31 Dec 2021
Sweden	284	271	321
of which collective occupational pensions	154	146	168
of which endowment insurance	84	81	102
of which occupational pensions	36	34	39
of which other	10	10	12
Baltic countries	8	8	8

For premium income excluding capital transfers, Swedbank's market share in Sweden was 6 per cent (6) during the third quarter (latest available data). In the transfer market, the market share was 9 per cent (9) in the third quarter.

In Estonia, Latvia and Lithuania, Swedbank is the largest life insurance company. The market shares for premium payments in the first eleven months of 2022 were 49 per cent in Estonia, 22 per cent in Latvia and 24 per cent in Lithuania.

### Payments

The total number of Swedbank cards in issue at the end of the quarter was 8.3 million, in line with the end of the previous quarter. In Sweden 4.5 million cards were in issue and 3.8 million cards were in issue in the Baltic countries. Compared with the same quarter in 2021, corporate card issuance in Sweden grew by 4 per cent and private card issuance by 1 per cent. Compared with the same quarter in 2021, corporate card issuance in the Baltic countries grew by 3 per cent and private card issuance by 2 per cent.

Number of cards	31 Dec 2022	30 Sep 2022	31 Dec 2021
Issued cards, million	8.3	8.3	8.2
of which Sweden	4.5	4.5	4.4
of which Baltic countries	3.8	3.8	3.8

The number of purchases in Sweden with Swedbank cards increased by 3 per cent compared with the same quarter in 2021. A total of 355 million card purchases were made, positively affected by the lifting of pandemic-related restrictions. In the Baltic countries, the number of card purchases in the same period grew by 18 per cent to 220 million in the quarter, also due to the easing of restrictions.

The total number of card transactions acquired by Swedbank during the quarter amounted to 879 million, in line with the same quarter in 2021. The number of transactions acquired in Sweden, Norway, Finland and Denmark decreased by 4 per cent, while the number of transactions in the Baltic countries increased by 20 per cent.

Acquired transaction volumes in Sweden, Norway, Finland and Denmark increased by 1 per cent to SEK 216bn and the corresponding volume in the Baltic countries increased by 33 per cent to SEK 32bn compared with the same quarter in 2021.

The number of customers with large volumes of card transactions acquired decreased slightly during the year, which contributed to the decrease in card transactions acquired in the Nordic region compared with the same quarter in 2021. The high inflation rate partly explains why acquired transaction volumes increased more than the number of card transactions acquired. Higher prices of non-durable goods and petrol raised transaction volumes in these sectors by 8 per cent and 13 per cent respectively. Other sectors that also contributed to higher transaction volumes mainly included restaurants, hotels, travel and transport.

In Sweden, there were 220 million domestic payments in the quarter, a decrease of 3 per cent compared with the same period in 2021. In the Baltic countries, 117 million domestic payments were processed, up 12 per cent compared with the same period in 2021. Swedbank's market share of payments through the Bankgiro system was 34 per cent. The number of international payments in Sweden increased by 5 per cent compared with the same quarter in 2021 to 1.8 million. In the Baltic countries, international payments increased by 24 per cent to 7 million.

### Credit and asset quality

Swedbank's credit quality is good despite less favourable macroeconomic conditions with largely unchanged credit quality indicators such as late payments. High inflation, rising interest rates and a weaker economy are creating challenges for both consumers and companies, however, and could impact credit quality going forward, which is reflected in increased credit impairment provisions.

The quality of Swedbank's mortgage portfolio, which accounts for just over half of total lending, is high and historical credit impairments have been very low. Development during the quarter was stable and there are still not many customers with late payments. Customers' long-term repayment capacity is a critical lending factor, leading to low risks for both the customer

and the bank. The average loan-to-value ratios in the mortgage portfolio were 55 per cent in Sweden, 41 per cent in Estonia, 68 per cent in Latvia and 47 per cent in Lithuania.

Swedbank's lending to the property management sector amounted to SEK 293bn and accounts for 16 per cent of the total loan portfolio. Of this, 45 per cent relates mainly to offices, 29 per cent to residential properties and the rest to manufacturing facilities, warehouses and other property management. Swedbank attaches great importance to stable cash flows and long-term repayment capacity in its lending process. The average loan-to-value ratio for lending to the property management sector was 53 per cent, 55 per cent for residential properties and 52 per cent for other properties.

The total share of loans in stage 2, gross, increased to 7.4 per cent (6.7), of which 5.8 per cent (5.1) was for personal loans and 11.2 per cent (10.2) for corporate loans. The increase in loans in stage 2 was due to the weaker macroeconomic outlook and ratings changes. As of 31 December 2021, the total share of loans in stage 2, gross, was 5.7 per cent.

The share of loans in stage 3, gross, decreased to 0.31 per cent (0.34). The provision ratio for loans in stage 3 was 37 per cent (33). As of 31 December 2021, the share of loans in stage 3, gross, was 0.37 per cent and the decrease in 2022 was due to lower exposures in shipping and offshore.

For more information on credit exposures, provisions and credit quality, see notes 9 and 11-13 as well as pages 37-49 of the Fact book.

## Funding and liquidity

Funding activity in 2022 was in line with 2021 but lower than previous years because a larger share of the need was met through deposits. Covered bond issuance in particular was lower. The focus has instead been on issuing unsecured and non-preferred liabilities to meet regulatory requirements. In 2022, Swedbank issued SEK 127bn in long-term debt instruments, including capital instruments in the form of Tier 2 capital of SEK 13bn.

The funding market was characterised in the quarter by continued geopolitical concerns and major rate hikes by central banks. Yields on bonds with longer maturities fell as the funding market began to see the end of the central banks' rate hike cycle.

The bond market has continued to be affected by market volatility. However, Swedbank's strong liquidity position provides considerable freedom of action to issue bonds when the market is favourable. During the quarter, Swedbank issued SEK 24bn in long-term debt instruments, of which SEK 5bn in Tier 2 capital.

The short-term funding market has functioned well with good liquidity for Swedbank in the quarter. As of 31 December, Swedbank's short-term funding (commercial paper) in issue amounted to SEK 316bn (353). Available cash and balances with central banks and reserves with the Swedish National Debt Office amounted to SEK 370bn (449) and the liquidity reserve amounted to SEK 561bn (631).

The Group's Liquidity Coverage Ratio (LCR) was 160 per cent (154) and for USD, EUR and SEK it was 168, 285 and 115 per cent respectively. The net stable funding ratio (NSFR) was 118 per cent (117).

The total issuance need for the full-year 2023 is expected to be in line with issuance volumes in 2022, with a continued focus on senior unsecured and senior non-preferred bonds. The need for financing is impacted by the current liquidity situation, future maturities, and changes in deposit and lending volumes, and is therefore adjusted over the course of the year. Maturities in 2023 amount to SEK 127bn, of which SEK 52bn matures in the first quarter.

For more information on funding and liquidity, see notes 15-17 and pages 54-65 of the Fact book.

## Ratings

There were no changes in Swedbank's ratings during the quarter. For more information on Swedbank's ratings, see page 66 of the Fact book.

## Operational risks

The bank has continued to prioritise IT and information security as the threat against the financial sector remains elevated. Swedbank closely monitors developments and the bank's ability to manage these risks is good. As organised crime has become more widespread, the risk of fraud has increased. Swedbank works continuously to prevent financial crime and protect customers.

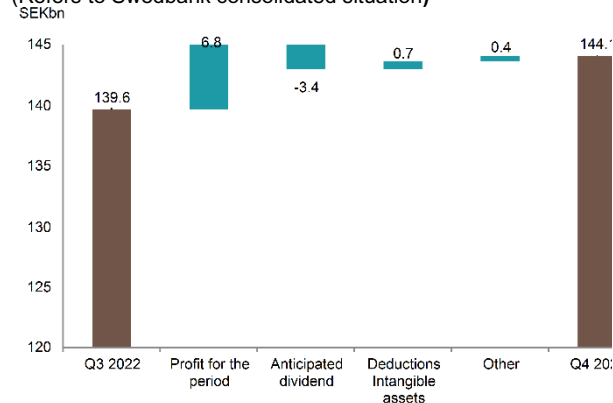
## Capital and capital adequacy

### Capital ratio and capital requirement

The Common Equity Tier 1 capital ratio was 17.8 (18.5) at the end of the quarter. The total Common Equity Tier 1 capital requirement, including Pillar 2 guidance, was 14.4 per cent (14.3) of the Risk Exposure Amount (REA), which resulted in a Common Equity Tier 1 capital buffer of 3.4 per cent (4.2). Common Equity Tier 1 capital increased to SEK 144.1bn (139.6) and was mainly affected by the quarterly profit and anticipated dividend.

### Change in Common Equity Tier 1 capital

(Refers to Swedbank consolidated situation)



### Risk Exposure Amount (REA)

Total REA increased to SEK 809.4bn (753.1) in the quarter.

REA for credit risk increased primarily due to calibration of the Baltic models according to the new default definition, which contributed SEK 10.9bn. REA for credit

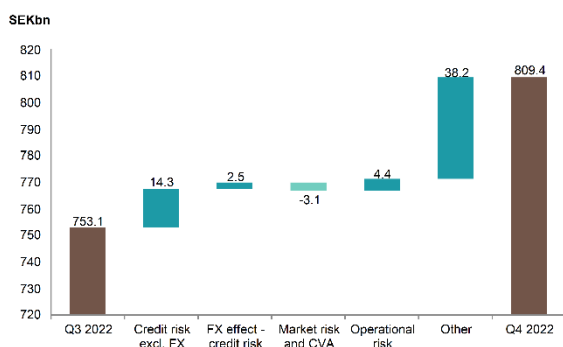
risk also increased due to higher lending and foreign exchange changes.

REA for market risk decreased by SEK 3.5bn, primarily because REA for internal models decreased. REA for CVA increased by SEK 0.5bn due to increased exposures.

The annual update of REA for operational risk increased by SEK 4.4bn compared with 2021 due to an increase in the moving three-year average of total income.

Other REA changes were largely attributable to an Article 3 add-on of SEK 35.8bn (see Capital and resolution regulations below).

### Change in REA (Refers to Swedbank consolidated position)



The leverage ratio was 5.6 per cent (5.3) and exceeded the leverage ratio requirement including Pillar 2 guidance of 3.45 per cent, which is due to lower total assets and higher Tier 1 capital.

### Capital and resolution regulations

The countercyclical buffer, which is currently 1 per cent, will be raised as of the second quarter 2023 to 2 per cent, according to an earlier decision by the Swedish FSA. The impact on Swedbank's capital requirement is slightly lower since the countercyclical buffer only relates to the Swedish operations. The Swedish FSA's assessment of the buffer rate's neutral level continues to be 2 per cent.

Due to new guidelines from the European Banking Authority (EBA), Swedbank has applied to have new internal models for risk classification approved. The application process is expected to continue until 2024. The assessment process for the models is underway and implementation began in the third quarter with the introduction of a new default definition. Due to the new definition, the average default level in the Baltics has been adjusted upward, leading to higher and more stable capital requirements.

In the quarter, Swedbank decided on an Article 3 add-on of SEK 35.8bn, which corresponds to the bank's estimate of the remaining effect of the introduction of the EBA's REA guidelines.

The new Resolution Act, which entered into force in 2021, gradually phases in the minimum requirement for own funds and eligible liabilities (MREL) by 1 January 2024. The new law is based on the EU's Bank Recovery and Resolution Directive (BRRD II). For Swedbank, this means an increased need for unsecured and non-preferred liabilities.

As planned, the EU Commission's proposal to finalise Basel III, also called Basel IV, would be introduced in stages during the period 2025–2030. The actions include revisions of the standardised approaches and internal models used to calculate the capital requirements for credit and market risk as well as operational risk. For the internal models, an output floor has been proposed where risk-weighted assets are prevented from falling below 72.5 per cent of the standardised approach. The requirements would be phased in gradually by 2032. The European Council reached an agreement on the proposal in November 2022, and the next step is to bring it before the EU Parliament. The law is expected to result in a minor increase in risk-weighted assets for Swedbank.

### Investigations

U.S. authorities continue to investigate Swedbank's historical anti-money laundering and counter-terrorism financing work and historical information disclosures. The investigations, which are being conducted by the Department of Justice (DoJ), Securities and Exchange Commission (SEC), Office of Foreign Assets Control (OFAC) and Department of Financial Services in New York (DFS), are continuing and the bank is holding individual discussions with the authorities through its U.S. legal advisors. The investigations are at different stages and the bank cannot at this time determine any financial consequences or when the investigations will be completed.

In the first quarter 2022, Swedbank AS was informed by the Estonian Prosecutor's Office of suspected offences relating to money laundering in 2014–2016. The criminal investigation originates from the Estonian FSA's previous investigation of Swedbank AS in 2019. The maximum fine for the suspected crime is EUR 16m.

### Other events

The Swedish FSA informed Swedbank in October that it is progressing with its investigation of Swedbank's IT incident on 28 April 2022 and is assessing a possible sanction.

At an Investor Day on 6 December, Swedbank presented the business priorities and the financial plan to reach a sustainable return on equity of 15 per cent in 2025. The business priorities are to leverage the bank's proven business model and pricing strategy, grow our share of wallet for existing customers, grow business in prioritised segments such as midsized corporates, and improve availability and operational excellence.

Swedbank has also carried out a strategic review. The banking operations in Denmark will be closed and replaced by a collaboration with Sydbank to support our corporate customers. The strategic review of the merchant payment business has been concluded and the bank will continue to develop the business.

The financial plan with the target of a sustainable return on equity of 15 per cent is supported by two KPIs: a cost/income ratio of 0.40 where the inflationary headwinds will be mitigated by efficiency gains from automating internal processes and structural cost reductions, and a CET1 capital management buffer of 1–3 per cent in relation to the Swedish FSA's requirement. The bank is aiming for a buffer of 2 per cent in 2025.

The plan is also based on the ambition that the average annual income growth between 2021 and 2025 will be 3 percentage points higher than the corresponding cost growth, and the assumption that the credit impairment ratio will be 0.07 per cent in 2025. The credit impairment assumption is based on the ten-year historical average for the bank and should not be seen as guidance regarding future credit impairment levels. The policy of a 50 per cent pay-out ratio remains in effect until further notice. In addition to ordinary dividends, the bank is expected to generate around 3 per cent of capital in excess of our targeted management buffer of 2 per cent through 2025. Any excess capital will be returned to the bank's shareholders through distributions, repurchases or a combination thereof.

On 9 December, Sustainalytics improved Swedbank's ESG risk rating to 21.7 (24.9).

On 19 December, Pål Bergström, Head of the business area Large Corporates and Institutions, announced that he will move on to a new assignment and will become CEO of the Seventh AP Fund (AP7). Pål Bergström is leaving his position on 28 February 2023.

#### Events after the end of the period

On 18 January, it was announced that Bo Bengtsson has been appointed Head of Large Corporates and Institutions and will become a member of the Group Executive Committee. Bo Bengtsson left Swedbank's Board of Directors on 18 January and takes up his new position on 1 March 2023.

On 25 January, the Swedish Social Insurance Agency (Försäkringskassan) announced that payments of the Swedish electricity price subsidy will be managed by Swedbank.

## Swedish Banking

- Higher net interest income margin strengthened profit significantly
- Stable lending volumes and good credit quality
- Joint effort focused on midsized companies launched together with Large Corporates and Institutions and the savings banks

### Income statement

SEKm	Q4 2022	Q3 2022	%	Q4 <sup>1</sup> 2021	%	Full-year 2022	Full-year <sup>1</sup> 2021	%
Net interest income	7 142	5 525	29	3 686	94	20 814	15 472	35
Net commission income	2 105	2 213	-5	2 419	-13	8 727	9 205	-5
Net gains and losses on financial items	130	109	19	144	-10	372	586	-36
Other income <sup>2</sup>	444	546	-19	361	23	1 828	1 855	-1
<b>Total income</b>	<b>9 820</b>	<b>8 393</b>	<b>17</b>	<b>6 610</b>	<b>49</b>	<b>31 741</b>	<b>27 118</b>	<b>17</b>
Staff costs	814	806	1	831	-2	3 277	3 229	1
Variable staff costs	18	12	47	13	34	42	61	-31
Other expenses	1 995	1 869	7	2 049	-3	7 545	7 451	1
Depreciation/amortisation	6	6	-6	8	-28	27	38	-29
<b>Total expenses</b>	<b>2 832</b>	<b>2 694</b>	<b>5</b>	<b>2 901</b>	<b>-2</b>	<b>10 892</b>	<b>10 779</b>	<b>1</b>
<b>Profit before impairments, Swedish bank tax and resolution fees</b>	<b>6 988</b>	<b>5 699</b>	<b>23</b>	<b>3 709</b>	<b>88</b>	<b>20 850</b>	<b>16 339</b>	<b>28</b>
Credit impairment	477	328	46	68		1 037	-42	
Swedish bank tax and resolution fees	296	318	-7	124		1 247	499	
<b>Profit before tax</b>	<b>6 215</b>	<b>5 054</b>	<b>23</b>	<b>3 517</b>	<b>77</b>	<b>18 566</b>	<b>15 882</b>	<b>17</b>
Tax expense	1 184	945	25	591		3 514	2 890	22
<b>Profit for the period</b>	<b>5 030</b>	<b>4 109</b>	<b>22</b>	<b>2 926</b>	<b>72</b>	<b>15 052</b>	<b>12 992</b>	<b>16</b>
<b>Profit for the period attributable to: Shareholders of Swedbank AB</b>	<b>5 032</b>	<b>4 105</b>	<b>23</b>	<b>2 926</b>	<b>72</b>	<b>15 050</b>	<b>12 991</b>	<b>16</b>
Non-controlling interests	-1	4				3	1	77
Return on allocated equity, %	28.2	23.3		18.1		21.5	20.0	
Loan/deposit ratio, %	176	174		176		176	176	
Credit impairment ratio, %	0.15	0.10		0.02		0.08	0.00	
Cost/income ratio <sup>1</sup>	0.29	0.32		0.44		0.34	0.40	
Loans to customers, SEKbn	1 275	1 280	0	1 252	2	1 275	1 252	2
Deposits from customers, SEKbn	725	734	-1	712	2	725	712	2
Full-time employees	3 996	4 053	-1	4 046	-1	3 996	4 046	-1

1) Presentation of the Income statement has been changed, see note 28.

2) Other income includes the items Net insurance, Share of profit or loss of associates and joint ventures and Other income from the Group income statement.

### Result

#### Fourth quarter 2022 compared with third quarter 2022

Profit increased by 23 per cent to SEK 5 030m (4 109). Higher income was partly offset by higher expenses and credit impairments.

Net interest income increased by 29 per cent to SEK 7 142m (5 525). Deposit margins increased due to higher market interest rates. Higher average volumes also contributed somewhat. Lending margins decreased, but not to the same extent.

Household mortgage volumes decreased by SEK 1bn to SEK 916bn (917). Lending to tenant-owner associations was unchanged at SEK 93bn (93). Corporate lending decreased by SEK 3bn to SEK 236bn (239).

Deposit volumes decreased by SEK 8bn to SEK 725bn (734). Household deposits decreased by SEK 7bn and corporate deposits decreased by SEK 1bn.

Net commission income decreased by 5 per cent to SEK 2 105m (2 213) largely due to lower card and asset management income.

Other income decreased to SEK 444m (546) due to decreased net insurance and lower income from Entercard.

Expenses increased to SEK 2 832m (2 694) mainly due to the closure of the Danish banking operations as well as seasonally higher marketing expenses.

Credit impairments amounted to SEK 477m (328), mainly due to rating and stage migration and a weaker macroeconomic outlook.

#### Full-year 2022 compared with full-year 2021

Profit increased to SEK 15 052m (12 992). Increased income was partly offset by higher expenses, higher credit impairments and the introduction of the bank tax.



Net interest income increased by 35 per cent to SEK 20 814m (15 472) mainly due to higher deposit margins resulting from higher market interest rates. Higher average volumes also contributed somewhat. Lending margins were lower.

Net commission income decreased to SEK 8 727m (9 205) due to lower asset management income as a result of the market downturn. Card income was higher.

Net gains and losses on financial items decreased to SEK 372m (586) due to a positive valuation effect in 2021 in connection with Hemnet's IPO and a negative result this year due to the sale of the Danish mortgage portfolio.

Other income decreased to SEK 1 828m (1 855) mainly driven by lower income from Entercard, which was offset by higher net insurance.

Expenses increased by 1 per cent to SEK 10 892m (10 779) mainly due to increased payroll costs, the closure of the Danish banking operations as well as increased compliance-related expenses.

Credit impairments amounted to SEK 1 037m (-42) and were mainly explained by weaker macroeconomic scenarios and negative rating and stage migrations.

## Business development

Activity in the Swedish housing market remained low with fewer property transactions than the previous quarter against a backdrop of rising interest rates, high energy expenses and falling house prices. Swedbank's new mortgage and mortgage more volumes decreased and extra amortisations increased. We actively contacted customers during the quarter, including through a continued focus on mortgage meetings. During the quarter, we raised mortgage rates due to higher market interest rates, but not to the same extent. As rates on longer interest fixing periods have risen, customers have chosen rates within 3 month fixings to a slightly higher extent.

Within asset management, we see that many private customers are maintaining their long-term monthly saving. Due to market conditions, however, some customers are being more cautious about investing in equity-related funds. Deposits decreased during the quarter. Against the backdrop of a competitive offering, savings in fixed-rate accounts increased among private customers.

Activity in the SME market continued to slow due to the economic uncertainty. Many corporate customers are being more cautious about investing, and in some sectors such as new home construction the slowdown was particularly evident. Swedish Banking continued to

focus on its prioritised segments in the quarter, and among other things arranged and took part in local business gatherings around the country.

Demand for support and advice in all customer segments has remained high and we have helped customers based on their situation and specific needs. Efforts to improve availability have continued and the internet bank and the mobile app have both been updated; for example, advisory functionality for private customers has been improved and now includes pension savings. Mobile Bank ID can now be obtained or renewed through facial recognition. Availability by phone has also been improved by making it easier for customers to reach their local branch directly, simplifying the process for them while lightening the load for the customer centre.

During the quarter, collaboration was initiated with the sustainability advisor PURE ACT to further strengthen the offering for our corporate customers.

Societal engagement through Junior Achievement (JA), Young Economy and Digital Economy is continuing. During the year, we welcomed more than 2 400 JA companies and met over 82 000 young people. To generate further interest in Young Economy, we released digital educational videos to young adults during the quarter and collaborated with social media star Mustiga Mauri. During the year, we also educated 3 900 customers as part of the Digital Economy initiative.

Following a strategic review of its international presence, Swedbank is closing its Danish banking operations, which will be replaced by a collaboration with Sydbank to support our corporate customers.

In connection with Swedbank's Investor Day, Swedish Banking together with Large Corporates and Institutions announced a goal to grow the market share for midsized companies by 3 percentage points to approximately 16 per cent by 2025. Swedbank is also expanding its cooperation with the savings banks to improve its offering for midsized companies. The ambition to provide more advisory services has also been clarified. Swedish Banking has as an ambition to carry out more than 1 million advisory meetings a year through all channels in 2025.



Mikael Björknert  
Head of Swedish Banking

**Sweden is Swedbank's largest market**, with around 4 million private customers and over 300 000 corporate customers. This makes Swedbank the largest Swedish bank by number of customers. Swedish Banking offers private customers and small to medium-sized companies financial services and advice adapted to their specific situation and needs. The bank is there for them throughout their journey – from small to big. Swedbank is a digital bank with physical meeting points and satisfies customers' needs with the help of partners. We are available through digital devices, by telephone or in person, depending on what customers need help with. The bank is strongly committed to the community and invests in an inclusive future where we promote economically sustainable thinking.

## Baltic Banking

- Strong net interest income due to higher deposit margins and volume growth
- Good credit quality
- Ambition to double the number of customers with long-term savings from today's level by 2030

### Income statement

SEKm	Q4 2022	Q3 2022	%	Q4 <sup>1</sup> 2021	%	Full-year 2022	Full-year <sup>1</sup> 2021	%
Net interest income	3 243	2 223	46	1 397		8 348	5 369	55
Net commission income	840	774	9	735	14	3 073	2 779	11
Net gains and losses on financial items	139	103	35	129	7	405	437	-7
Other income <sup>2</sup>	230	203	14	200	15	857	767	12
<b>Total income</b>	<b>4 453</b>	<b>3 302</b>	<b>35</b>	<b>2 461</b>	<b>81</b>	<b>12 683</b>	<b>9 352</b>	<b>36</b>
Staff costs	532	465	14	419	27	1 846	1 585	16
Variable staff costs	22	12	78	15	45	62	63	-1
Other expenses	775	620	25	685	13	2 548	2 279	12
Depreciation/amortisation	45	45	-1	43	5	179	171	5
<b>Total expenses</b>	<b>1 374</b>	<b>1 142</b>	<b>20</b>	<b>1 162</b>	<b>18</b>	<b>4 635</b>	<b>4 098</b>	<b>13</b>
<b>Profit before impairments, Swedish bank tax and resolution fees</b>	<b>3 079</b>	<b>2 161</b>	<b>43</b>	<b>1 299</b>		<b>8 048</b>	<b>5 254</b>	<b>53</b>
Impairment of tangible assets	3	10	-70			13		
Credit impairment	283	132		-17		402	160	
Swedish bank tax and resolution fees	26	25		19	36	100	76	31
<b>Profit before tax</b>	<b>2 767</b>	<b>1 994</b>	<b>39</b>	<b>1 297</b>		<b>7 534</b>	<b>5 018</b>	<b>50</b>
Tax expense	489	345	42	215		1 305	840	55
<b>Profit for the period</b>	<b>2 278</b>	<b>1 649</b>	<b>38</b>	<b>1 082</b>		<b>6 229</b>	<b>4 178</b>	<b>49</b>
<b>Profit for the period attributable to: Shareholders of Swedbank AB</b>	<b>2 278</b>	<b>1 649</b>	<b>38</b>	<b>1 082</b>		<b>6 229</b>	<b>4 178</b>	<b>49</b>
Return on allocated equity, %	32.3	24.5		17.4		22.6	16.9	
Loan/deposit ratio, %	63	66		60		63	60	
Credit impairment ratio, %	0.49	0.25		-0.03		0.19	0.09	
Cost/income ratio <sup>1</sup>	0.31	0.35		0.47		0.37	0.44	
Loans to customers, SEKbn	236	227	4	199	19	236	199	19
Deposits from customers, SEKbn	375	342	10	334	12	375	334	12
Full-time employees	4 701	4 702	0	4 624	2	4 701	4 624	2

1) Presentation of the Income statement has been changed, see note 28.

2) Other income includes the items Net insurance, Share of profit or loss of associates and joint ventures and Other income from the Group income statement.

### Result

#### Fourth quarter 2022 compared with third quarter 2022

Profit increased to SEK 2 278m (1 649). Profit in local currency increased due to higher income, partly offset by higher expenses and credit impairments. Foreign exchange effects increased profit by SEK 69m.

Net interest income increased by 42 per cent in local currency mainly due to higher deposit margins resulting from rising interest rates. Higher lending volumes also contributed. Foreign exchange effects positively impacted net interest income by SEK 96m.

Lending increased by 2 per cent in local currency during the quarter. Lending to households increased by 1 per cent and to corporates by 2 per cent. Foreign exchange effects contributed positively by SEK 5bn.

Deposit volumes increased by 7 per cent in local currency during the quarter. Household deposits

increased by 4 per cent while corporate deposits increased by 13 per cent. Foreign exchange effects contributed positively by SEK 8bn.

Net commission income increased by 5 per cent in local currency, impacted by card and payment income as well as other commission income.

Net gains and losses on financial items increased by 31 per cent in local currency mainly due to negative revaluation effects from investments in Swedbank's own funds and insurance investments in previous quarters.

Other income increased by 10 per cent in local currency due to a stronger insurance result, driven by higher premium income despite higher claims during the quarter.

Expenses increased by 17 per cent in local currency. Staff costs increased by SEK 60m due to the extra allowance paid to employees because of the rapid increase in the cost of living. Moreover, expenses were

seasonally higher than in the previous quarter. Foreign exchange effects increased expenses by SEK 40m.

Credit impairments amounted to SEK 283m (132) and were explained by rating and stage migration, a weaker macroeconomic outlook, expert credit adjustments and increased provisions for a few individually assessed loans.

#### **Full-year 2022 compared with full-year 2021**

Profit increased to SEK 6 229m (4 178). Profit in local currency increased mainly due to higher income, partly offset by higher expenses and credit impairments. Foreign exchange effects impacted profit positively by SEK 305m.

Net interest income increased by 48 per cent in local currency mainly due to rising deposit margins and higher lending volumes. Foreign exchange effects impacted profit by SEK 421m.

Lending increased by 9 per cent in local currency. Household lending increased by 9 per cent while corporate lending increased by 10 per cent. Foreign exchange effects increased lending by SEK 18bn.

Deposits increased by 4 per cent in local currency. Household deposits increased by 4 per cent while corporate deposits increased by 3 per cent. Foreign exchange effects increased deposits by SEK 29bn.

Net commission income increased by 6 per cent in local currency largely due to higher card income.

Net gains and losses on financial items decreased by 12 per cent in local currency due to negative revaluation effects from investments in Swedbank's own funds and insurance investments.

Other income increased by 7 per cent in local currency thanks to a better insurance result.

Expenses increased by 8 per cent in local currency mainly due to higher staff costs and energy expenses. Expenses for risk management and compliance also increased, partly offset by a reduction in the number of branches. Expenses for and investments in digital solutions continued to rise. Foreign exchange effects increased expenses by SEK 216m.

Credit impairments amounted to SEK 402m (160) and were mainly explained by weaker macroeconomic scenarios as well as negative rating and stage migration.

### **Business development**

Rising interest rates and higher inflation during the quarter raised living costs and eroded household purchasing power, although consumer confidence rose somewhat from low levels. Housing market activity slowed and the number of property transactions fell, although prices were stable. Swedbank supported

customers in the quarter with advice and liquidity when needed. Local authorities provided support to businesses and low-income households to mitigate the effect of the energy crisis.

Swedbank's mortgage portfolio grew during the quarter. Investment in the business sector was stable, particularly in the energy sector. Corporate lending expanded with continued demand for working capital in the agricultural and utility sectors. Long-term lending, especially in the retail and energy sectors, increased.

The efforts to improve customer service continued during the quarter. A new cloud-based communication platform was launched in Latvia that offers easier self-identification for customers and more effectively channels customers to the right advisor. As announced on Investor Day, similar solutions will be rolled out in Estonia and Lithuania during the first half of 2023.

A login tool that the bank developed for mobile app users was also launched during the quarter. This gives Swedbank's customers more identification options, which improves their user experience as well as security.

A partnership was established during the quarter with the Estonian tech company eAgronom, which advises agriculture customers on compliance on the EU Taxonomy for sustainable farming. The advice also includes information on certification for sustainable agriculture, which offers the possibility of receiving better loan terms from Swedbank.

The annual customer satisfaction survey in the Baltic countries shows that Swedbank retained its strong position with both private and corporate customers in all three countries.

At Swedbank's Investor Day, Baltic Banking presented its priorities and goals for the coming years. Swedbank intends to leverage its strong position to grow its market share for corporate lending in Latvia and Lithuania to 25–30 per cent by 2030, develop the e-commerce and insurance business, and support the green energy transition. Other business targets include increasing the time Swedbank spends on customer contacts from around 25 per cent to around 40 per cent by 2025 and doubling the number of customers with long-term savings by 2030.



Jon Lidfelt  
Head of Baltic Banking

*Swedbank is the largest bank by number of customers in Estonia, Latvia and Lithuania, with around 3.4 million private customers and nearly 300 000 corporate customers. According to surveys, Swedbank is also the most loved brand in the Baltic countries. Through digital channels, customer centres and branches, the bank is always available. Swedbank is part of the local community. Local engagement is expressed in many ways, with initiatives to promote education, entrepreneurship and social welfare. Swedbank has 13 branches in Estonia, 18 in Latvia and 40 in Lithuania.*

## Large Corporates and Institutions

- Stronger underlying net interest income with improved deposit margins
- Further decreased exposure to shipping and offshore in line with the bank's strategy
- Joint effort focused on mid-sized companies with Swedish Banking and the savings banks

### Income statement

SEKm	Q4 2022	Q3 2022	%	Q4' 2021	%	Full-year 2022	Full-year' 2021	%
Net interest income	1 488	1 240	20	1 050	42	4 877	3 947	24
Net commission income	558	679	-18	862	-35	2 621	2 955	-11
Net gains and losses on financial items	187	256	-27	73		822	981	-16
Other income <sup>2</sup>	142	50		126	13	310	315	-1
<b>Total income</b>	<b>2 375</b>	<b>2 226</b>	<b>7</b>	<b>2 111</b>	<b>12</b>	<b>8 630</b>	<b>8 198</b>	<b>5</b>
Staff costs	388	377	3	402	-4	1 546	1 536	1
Variable staff costs	25	32	-24	29	-15	107	138	-22
Other expenses	673	593	13	693	-3	2 446	2 324	5
Depreciation/amortisation	30	30	0	29	3	119	132	-9
<b>Total expenses</b>	<b>1 115</b>	<b>1 033</b>	<b>8</b>	<b>1 153</b>	<b>-3</b>	<b>4 219</b>	<b>4 130</b>	<b>2</b>
<b>Profit before impairments, Swedish bank tax and resolution fees</b>	<b>1 259</b>	<b>1 193</b>	<b>6</b>	<b>958</b>	<b>31</b>	<b>4 411</b>	<b>4 068</b>	<b>8</b>
Impairment of intangible assets		181				181		
Credit impairment	-81	141		-119	-32	23	57	-61
Swedish bank tax and resolution fees	109	118	-8	50		464	201	
<b>Profit before tax</b>	<b>1 231</b>	<b>753</b>	<b>64</b>	<b>1 027</b>	<b>20</b>	<b>3 745</b>	<b>3 810</b>	<b>-2</b>
Tax expense	261	188	39	138	89	855	708	21
<b>Profit for the period</b>	<b>970</b>	<b>565</b>	<b>72</b>	<b>889</b>	<b>9</b>	<b>2 890</b>	<b>3 102</b>	<b>-7</b>
<b>Profit for the period attributable to: Shareholders of Swedbank AB</b>	<b>970</b>	<b>565</b>	<b>72</b>	<b>889</b>	<b>9</b>	<b>2 890</b>	<b>3 102</b>	<b>-7</b>
Return on allocated equity, %	10.7	6.3		11.7		8.4	9.7	
Loan/deposit ratio, %	147	147		107		147	107	
Credit impairment ratio, %	-0.09	0.16		-0.16		0.01	0.02	
Cost/income ratio <sup>1</sup>	0.47	0.46		0.55		0.49	0.50	
Loans to customers, SEKbn	287	289	-1	226	27	287	226	27
Deposits from customers, SEKbn	195	196	0	212	-8	195	212	-8
Full-time employees	1 179	1 201	-2	1 221	-3	1 179	1 221	-3

1) Presentation of the Income statement has been changed, see note 28.

2) Other income includes the items Net insurance, Share of profit or loss of associates and joint ventures and Other income from the Group income statement.

### Result

#### Fourth quarter 2022 compared with third quarter 2022

Profit increased to SEK 970m (565) driven by higher income, lower credit impairments and a one-time effect from impairment of goodwill in the previous quarter.

Net interest income increased by 20 per cent to SEK 1 488m (1 240). The result from lending improved due to increased average volumes and stable margins. Deposit margins improved as a result of changes in market conditions. An adjustment vis-à-vis Group Treasury also added SEK 142m.

Net commission income decreased to SEK 558m (679). Lower lending commissions were offset by a positive effect from fees related to Swedbank's role as a market maker for covered bonds. Income from asset management and custodial services was stable during the quarter. An adjustment related to MasterCard contributed negatively.

Net gains and losses on financial items decreased to SEK 187m (256) due to low earnings in fixed income trading and derivative valuation adjustments (CVA/DVA). Further recoveries in the trading portfolio of bonds, where Swedbank is a market maker, and stable earnings from FX trading contributed positively.

Total expenses increased to SEK 1 115m (1 033) partly due to seasonally higher IT expenses and staff costs.

Credit impairments amounted to SEK -81m (141) and were mainly explained by reversals of previous expert credit adjustments in the shipping and offshore sector due to lower exposures. Credit impairment provisions were reversed for individually assessed counterparties, which together with write-offs resulted in a slight net recovery.

#### Full-year 2022 compared with full-year 2021

Despite increased income, profit decreased to SEK 2 890m (3 102) due to goodwill impairments and the introduction of the bank tax.

Net interest income increased by 24 per cent to SEK 4 877m (3 947) mainly due to higher average lending volumes and higher deposit margins.

Net commission income decreased to SEK 2 621m (2 955) partly due to lower advisory commissions related to equity issues and lower income from asset management. An adjustment related to MasterCard contributed negatively.

Net gains and losses on financial items decreased to SEK 822m (981). Effects from revaluations of the trading portfolio of corporate bonds contributed negatively but were partly offset by high customer activity in fixed income and FX trading.

Expenses increased to SEK 4 219m (4 130). Staff costs rose due to salary increases. Expenses for travel and customer activities also increased during the year.

Credit impairments amounted to SEK 23m (57). A weaker macroeconomic outlook was offset by lower credit impairment provisions for individually assessed counterparties in the oil and offshore sector as well as lower expert credit adjustments.

## Business development

Total lending volume during the quarter was stable. Swedbank has prioritised its core customers and participated in a major structural transaction in the manufacturing industry during the quarter, among other things. In the real estate sector, demand for bank financing remained high due to the bond market's development. Swedbank's lending in the sector increased marginally in the quarter, mainly through customers' use of existing credit facilities.

After a turbulent start to the quarter, there was a greater willingness to invest in the capital market, mainly due to lower inflation and interest rate expectations in the U.S. economy. FX trading performed well thanks to a high level of activity in a volatile market.

Corporate bond demand increased during the quarter and Swedbank acted as an advisor to companies including France-based Compagnie de Financement Foncier and Islandsbankki in relation to their bond

issues. Swedbank also participated as an advisor in connection with a green bond issue by Norway-based Møre Boligkreditt.

In the equity market, Swedbank acted as an advisor in a number of deals during the quarter. The bank assisted Storytel and Exeger, among other companies, with their rights issues and also acted as an advisor to SBB in its distribution and subsequent listing of the subsidiary Neobo Fastigheter. Swedbank also served as an advisor to AJ Produkter in its acquisition of DPJ Workspace.

During the quarter, Swedbank strengthened its analysis capacity within sustainability by launching a sustainability tool for corporate advisors. The tool identifies and simplifies the evaluation of material sustainability risks in various sectors, which also improves the customer due diligence. The sustainability tool has initially been launched within Large Corporates and Institutions and is scheduled to be rolled out in other business areas during 2023.

Swedbank has completed a strategic review of its international presence and will close its rep office in South Africa, while the Finnish business has been deemed to have the right size.

In connection with Swedbank's Investor Day, Large Corporates and Institutions and Swedish Banking announced that they will jointly prioritise mid-sized companies. With improved service and advice, the goal is to grow the market share for lending within the segment by 3 percentage points to approximately 16 per cent by 2025. The partnership with the savings banks is also being expanded to focus on mid-sized customers. Within the large corporates segment, the portfolio will be optimised for increased profitability. Further capacity for qualified advice will be created through reduced administration and by routing simpler tasks to the bank's digital channels.



Pål Bergström  
Head of Large Corporates and Institutions

*Large Corporates and Institutions is responsible for Swedbank's offering to customers with revenues above SEK 2 billion and those with complex needs due to multinational operations or a need for advanced financing solutions. The business area is also responsible for corporate and capital market products in other parts of the bank and for the Swedish savings banks. Large Corporates and Institutions works closely with customers, who receive advice to create long-term profitability and sustainable growth. The business area is represented in Sweden, Estonia, Latvia, Lithuania, Norway, Finland, China and the U.S.*

## Group Functions and Other

### Income statement

SEKm	Q4 2022	Q3 2022	%	Q4' 2021	%	Full-year 2022	Full-year' 2021	%
Net interest income	-963	-634	52	616		-899	2 271	
Net commission income	-51	-32	61	6		-213	-89	
Net gains and losses on financial items	307	478	-36	-81		288	44	
Other income <sup>2</sup>	628	607	3	455	38	2 371	1 654	43
<b>Total income</b>	<b>-79</b>	<b>419</b>		<b>996</b>		<b>1 547</b>	<b>3 880</b>	<b>-60</b>
Staff costs	1 629	1 556	5	1 608	1	6 244	5 981	4
Variable staff costs	52	34	56	48	10	136	160	-15
Other expenses	-1 167	-1 155	1	-1 124	4	-4 699	-4 724	-1
Depreciation/amortisation	360	337	7	331	9	1 370	1 290	6
<b>Total expenses</b>	<b>874</b>	<b>771</b>	<b>13</b>	<b>863</b>	<b>1</b>	<b>3 051</b>	<b>2 707</b>	<b>13</b>
<b>Profit before impairments, Swedish bank tax and resolution fees</b>	<b>-953</b>	<b>-351</b>		<b>133</b>		<b>-1 503</b>	<b>1 173</b>	
Impairment of intangible assets	681	263				944	56	
Credit impairment	0	1		1		18	-5	
Swedish bank tax and resolution fees	8	5		-1		21	15	41
<b>Profit before tax</b>	<b>-1 642</b>	<b>-620</b>		<b>133</b>		<b>-2 487</b>	<b>1 107</b>	
Tax expense	-175	-39		195		-196	507	
<b>Profit for the period</b>	<b>-1 467</b>	<b>-582</b>		<b>-62</b>		<b>-2 291</b>	<b>600</b>	
<b>Profit for the period attributable to: Shareholders of Swedbank AB</b>	<b>-1 467</b>	<b>-582</b>		<b>-62</b>		<b>-2 291</b>	<b>600</b>	
Full-time employees	6 927	6 855	1	6 674	4	6 927	6 674	4

1) Presentation of the Income statement has been changed, see note 28.

2) Other income includes the items Net insurance, Share of profit or loss of associates and joint ventures and Other income from the Group income statement.

Net interest income and net gains and losses on financial items mainly stem from Group Treasury. Other income mainly refers to income from the savings banks. Expenses mainly relate to Group Products & Advice and Group Staffs and are allocated to a large extent.

### Result

#### Fourth quarter 2022 compared with third quarter 2022

Profit decreased to SEK -1 467m (-582) and was mainly affected by lower income and impairment of intangible assets.

Net interest income decreased to SEK -963m (-634). Net interest income within Group Treasury decreased to SEK -862m (-571) due to effects of the bank's internal pricing model related to higher market interest rates. An adjustment vis-à-vis Large Corporates and Institutions also contributed negatively by SEK 142m.

Net gains and losses on financial items decreased to SEK 307m (478). Net gains and losses on financial items within Group Treasury decreased to SEK 312m (478) mainly related to derivative valuation adjustments.

Expenses increased to SEK 874m (771) mainly due to the closure of the Danish banking operations and higher staff costs resulting from an extra allowance to employees in the Baltic countries.

Impairments of intangible assets amounted to SEK 681m (263) and primarily related to impairment of

goodwill associated with PayEx of SEK 425m, impairment of proprietary software of SEK 238m and impairment of the PayEx trademark of SEK 18m.

#### Full-year 2022 compared with full-year 2021

Profit decreased to SEK -2 291m (600) mainly due to lower income but also as a result of higher expenses and impairment of intangible assets.

Net interest income decreased to SEK -899m (2 271). Group Treasury's net interest income decreased to SEK -639m (2 441) due to effects of the bank's internal pricing model related to higher market interest rates.

Net gains and losses on financial items increased to SEK 288m (44). Net gains and losses on financial items within Group Treasury increased to SEK 300m (59) mainly as a result of positive effects from repurchases of the bank's own bonds.

Expenses increased to SEK 3 051m (2 707) mainly due to higher IT expenses and staff costs.

Impairments of intangible assets amounted to SEK 944m (56). The increase primarily related to impairment of goodwill associated with PayEx and impairment of proprietary.

*Group Functions & Other consists of central business support units and the customer advisory unit Group Products & Advice. The central units serve as strategic and administrative support and comprise Accounting & Finance, Branding, Communication and Sustainability, Risk, Group Channels & Technologies, Compliance, HR & Infrastructure, and Legal. Group Treasury is responsible for the bank's funding, liquidity and capital planning. Group Treasury also sets the prices for all internal deposit and loan flows in the Group through internal interest rates, where the most important parameters are maturity, interest fixing period, currency, and need for liquidity reserves.*

## Eliminations

### Income statement

SEKm	Q4 2022	Q3 2022	%	Q4 <sup>1</sup> 2021	%	Full-year 2022	Full-year <sup>1</sup> 2021	%
Net interest income	13	6		-3		17	-11	
Net commission income	-4	8		-2		13	3	
Net gains and losses on financial items	0	0		0	-88	0	0	
Other income <sup>2</sup>	-453	-324	40	-232	95	-1 412	-859	64
<b>Total income</b>	<b>-445</b>	<b>-310</b>	<b>44</b>	<b>-237</b>	<b>87</b>	<b>-1 381</b>	<b>-867</b>	<b>59</b>
Staff costs	-3	-3	-9	-4	-23	-14	-14	-3
Variable staff costs	0	0	64	0		0	0	
Other expenses	-442	-306	44	-233	89	-1 367	-853	60
<b>Total expenses</b>	<b>-445</b>	<b>-310</b>	<b>44</b>	<b>-237</b>	<b>87</b>	<b>-1 381</b>	<b>-867</b>	<b>59</b>

1) Presentation of the Income statement has been changed, see note 28.

2) Other income includes the items Net insurance, Share of profit or loss of associates and joint ventures and Other income from the Group income statement.

Group eliminations mainly consist of eliminations of internal transactions between Group Functions and the other business areas.

## Income statement, condensed

Group SEKm	Q4 2022	Q3 2022	Q4' 2021	Full-year 2022	Full-year' 2021
Interest income on financial assets at amortised cost	17 327	11 753	7 593	45 003	29 912
Other interest income	113	0	235	295	452
<b>Interest income</b>	<b>17 440</b>	<b>11 753</b>	<b>7 828</b>	<b>45 298</b>	<b>30 364</b>
Interest expense	-6 519	-3 392	-1 082	-12 141	-3 316
<b>Net interest income (note 5)</b>	<b>10 921</b>	<b>8 360</b>	<b>6 746</b>	<b>33 157</b>	<b>27 048</b>
Commission income	5 593	5 693	6 021	22 383	22 407
Commission expense	-2 146	-2 050	-2 001	-8 160	-7 554
<b>Net commission income (note 6)</b>	<b>3 448</b>	<b>3 643</b>	<b>4 020</b>	<b>14 223</b>	<b>14 853</b>
Net gains and losses on financial items (note 7)	763	945	265	1 887	2 048
Net insurance	382	423	326	1 655	1 457
Share of profit or loss of associates and joint ventures	194	261	253	738	976
Other income	415	398	331	1 561	1 299
<b>Total income</b>	<b>16 124</b>	<b>14 030</b>	<b>11 941</b>	<b>53 221</b>	<b>47 681</b>
Staff costs	3 475	3 290	3 361	13 246	12 739
Other general administrative expenses (note 8)	1 834	1 621	2 070	6 474	6 477
Depreciation/amortisation of tangible and intangible assets	441	418	411	1 695	1 631
<b>Total expenses</b>	<b>5 750</b>	<b>5 329</b>	<b>5 842</b>	<b>21 415</b>	<b>20 847</b>
<b>Profit before impairments, Swedish bank tax and resolution fees</b>	<b>10 373</b>	<b>8 701</b>	<b>6 099</b>	<b>31 806</b>	<b>26 834</b>
Impairment of intangible assets (note 14)	681	443		1 125	56
Impairment of tangible assets	3	10		13	
Credit impairment (note 9)	679	602	-67	1 479	170
Swedish bank tax and resolution fees (note 10)	439	466	192	1 831	791
<b>Profit before tax</b>	<b>8 571</b>	<b>7 180</b>	<b>5 974</b>	<b>27 358</b>	<b>25 817</b>
Tax expense	1 759	1 439	1 139	5 478	4 945
<b>Profit for the period</b>	<b>6 812</b>	<b>5 741</b>	<b>4 835</b>	<b>21 880</b>	<b>20 872</b>
<b>Profit for the period attributable to: Shareholders of Swedbank AB</b>	<b>6 813</b>	<b>5 737</b>	<b>4 835</b>	<b>21 877</b>	<b>20 871</b>
Non-controlling interests	-1	4	0	3	1
Earnings per share, SEK	6.07	5.11	4.31	19.48	18.62
Earnings per share after dilution, SEK	6.05	5.10	4.30	19.43	18.56

1) Presentation of the Income statement has been changed, see note 28.



## Statement of comprehensive income, condensed

Group SEKm	Q4 2022	Q3 2022	Q4 2021	Full-year 2022	Full-year 2021
<b>Profit for the period reported via income statement</b>	<b>6 812</b>	<b>5 741</b>	<b>4 836</b>	<b>21 880</b>	<b>20 872</b>
<b>Items that will not be reclassified to the income statement</b>					
Remeasurements of defined benefit pension plans	-609	1 956	273	3 938	1 686
Share related to associates and joint ventures:					
Remeasurements of defined benefit pension plans	-14	51	14	152	21
Income tax	125	-403	-56	-811	-347
<b>Total</b>	<b>-497</b>	<b>1 604</b>	<b>231</b>	<b>3 279</b>	<b>1 360</b>
<b>Items that may be reclassified to the income statement</b>					
Exchange rate differences, foreign operations:					
Gains/losses arising during the period	1 285	718	334	4 319	848
Hedging of net investments in foreign operations:					
Gains/losses arising during the period	-1 019	-567	-286	-3 421	-729
Cash flow hedges:					
Gains/losses arising during the period	188	98	55	626	145
Reclassification adjustments to the income statement, Net gains and losses on financial items	-180	-104	-55	-615	-143
Foreign currency basis risk:					
Gains/losses arising during the period	-49	44	-1	63	5
Share of other comprehensive income of associates and joint ventures	21	-6	9	31	91
Income tax	219	109	59	690	148
<b>Total</b>	<b>464</b>	<b>292</b>	<b>115</b>	<b>1 693</b>	<b>365</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>-33</b>	<b>1 896</b>	<b>346</b>	<b>4 972</b>	<b>1 725</b>
<b>Total comprehensive income for the period</b>	<b>6 779</b>	<b>7 637</b>	<b>5 181</b>	<b>26 852</b>	<b>22 597</b>
<b>Total comprehensive income attributable to:</b>					
<b>Shareholders of Swedbank AB</b>	<b>6 780</b>	<b>7 633</b>	<b>5 181</b>	<b>26 849</b>	<b>22 596</b>
Non-controlling interests	-1	4	0	3	1

For January – December 2022 a gain of SEK 3 938m (1 686) was recognised in other comprehensive income, relating to remeasurements of defined benefit pension plans. As per 31 December 2022 the discount rate used to calculate the closing pension obligation was 4.25 per cent, compared with 2.10 per cent per 31 December 2021. The inflation assumption was 2.11 per cent compared with 2.30 per cent per 31 December 2021. The changed assumptions together with gains and losses based on experience represented SEK 7 830m of the positive result in other comprehensive income. The fair value of plan assets decreased during January – December 2022 by SEK 3 892m. In total, at 31 December 2022 the fair value of plan assets exceeded the obligation for funded defined benefit pension plans by SEK 2 431m, therefore the funded plans are presented as asset. At the previous year end, the

obligation for all defined benefit plans exceeded the fair value of plan assets by SEK 1 801m.

For January – December 2022 an exchange rate difference of SEK 4 319m (848) was recognised for the Group's foreign net investments in subsidiaries. The gain related to subsidiaries mainly arose because the Swedish krona weakened against the euro during the period. In addition, an exchange rate difference of SEK 31m (91) for the Group's foreign net investments in associates and joint ventures is included in Share of other comprehensive income of associates and joint ventures. The total gain of SEK 4 350m are not taxable. Most of the Group's foreign net investments is hedged against currency risk resulting in a loss of SEK -3 421m (729) for the hedging instruments.

## Balance sheet, condensed

<b>Group</b>	<b>31 Dec</b>	<b>31 Dec</b>
<b>SEKm</b>	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Cash and balances with central banks	365 992	360 153
Treasury bills and other bills eligible for refinancing with central banks, etc.	151 483	163 590
Loans to credit institutions (note 11)	56 589	39 504
Loans to the public (note 11)	1 842 811	1 703 206
Value change of interest hedged items in portfolio hedges of interest rate	-20 369	-1 753
Bonds and other interest-bearing securities	61 298	58 093
Financial assets for which customers bear the investment risk	290 678	328 512
Shares and participating interests	8 184	13 416
Investments in associates and joint ventures	7 830	7 705
Derivatives (note 18)	50 504	40 531
Intangible assets (note 14)	19 886	19 488
Tangible assets	5 449	5 523
Current tax assets	1 449	1 372
Deferred tax assets	159	113
Pension assets	2 431	
Other assets	8 474	9 194
Prepaid expenses and accrued income	2 028	1 970
<b>Total assets</b>	<b>2 854 876</b>	<b>2 750 617</b>
<b>Liabilities and equity</b>		
Amounts owed to credit institutions (note 15)	72 826	92 812
Deposits and borrowings from the public (note 16)	1 305 948	1 265 783
Financial liabilities for which customers bear the investment risk	291 993	329 667
Debt securities in issue (note 17)	784 206	735 917
Short positions, securities	27 134	28 613
Derivatives (note 18)	68 679	28 106
Current tax liabilities	1 811	672
Deferred tax liabilities	3 599	3 398
Pension provisions	168	1 801
Insurance provisions	2 041	1 970
Other liabilities and provisions	26 944	28 933
Accrued expenses and prepaid income	4 664	4 813
Senior non-preferred liabilities (note 17)	57 439	37 832
Subordinated liabilities (note 17)	31 331	28 604
<b>Total liabilities</b>	<b>2 678 784</b>	<b>2 588 921</b>
<b>Equity</b>		
Non-controlling interests	29	26
Equity attributable to shareholders of the parent company	176 064	161 670
<b>Total equity</b>	<b>176 092</b>	<b>161 696</b>
<b>Total liabilities and equity</b>	<b>2 854 876</b>	<b>2 750 617</b>

## Statement of changes in equity, condensed

Group SEKm	Equity attributable to shareholders of Swedbank AB									
January-December 2022	Share capital	Other contri- buted equity <sup>1)</sup>	Exchange differences, subsidiaries and associates	Hedging of net investments in foreign operations	Cash flow hedge reserves	Foreign currency basis reserves	Retained earnings	Total	Non- controlling interests	Total equity
<b>Opening balance 1 January 2022</b>	24 904	17 275	5 294	-3 248	2	-58	117 501	161 670	26	161 696
Dividends							-12 632	-12 632		-12 632
Share based payments to employees							174	174		174
Deferred tax related to share based payments to employees							4	4		4
Current tax related to share based payments to employees							-1	-1		-1
Total comprehensive income for the period			4 350	-2 716	9	50	25 156	26 849	3	26 852
of which reported through profit or loss							21 877	21 877	3	21 880
of which reported through other comprehensive income			4 350	-2 716	9	50	3 279	4 972		4 972
<b>Closing balance 31 December 2022</b>	24 904	17 275	9 644	-5 964	11	-8	130 202	176 064	29	176 092
<b>January-December 2021</b>										
<b>Opening balance 1 January 2021</b>	24 904	17 275	4 355	-2 669	1	-62	111 364	155 168	25	155 193
Dividends							-16 310	-16 310		-16 310
Share based payments to employees							195	195		195
Deferred tax related to share based payments to employees							20	20		20
Current tax related to share based payments to employees							1	1		1
Total comprehensive income for the period			939	-579	1	4	22 231	22 596	1	22 597
of which reported through profit or loss							20 871	20 871	1	20 872
of which reported through other comprehensive income			939	-579	1	4	1 360	1 725		1 725
<b>Closing balance 31 December 2021</b>	24 904	17 275	5 294	-3 248	2	-58	117 501	161 670	26	161 696

1) Other contributed equity consists mainly of share premiums.

## Cash flow statement, condensed

Group SEKm	Full-year 2022	Full year 2021
<b>Operating activities</b>		
Profit before tax	27 358	25 817
Adjustments for non-cash items in operating activities	2 800	-2 863
Income taxes paid	-4 537	-4 478
Increase (-) / decrease (+) in loans to credit institution	-16 637	8 733
Increase (-) / decrease (+) in loans to the public	-123 486	-18 746
Increase (-) / decrease (+) in holdings of securities for trading	16 856	-20 742
Increase (-) / decrease (+) in other assets	-6 593	19 618
Increase (+) / decrease (-) in amounts owed to credit institutions	-25 043	-58 471
Increase (+) / decrease (-) in deposits and borrowings from the public	11 707	112 568
Increase (+) / decrease (-) in debt securities in issue	22 722	-6 447
Increase (+) / decrease (-) in other liabilities	76 233	-5 580
<b>Cash flow from operating activities</b>	<b>-18 620</b>	<b>49 409</b>
<b>Investing activities</b>		
Acquisitions of and contributions to associates and joint ventures	-135	-51
Dividend from associates and joint ventures	1 020	587
Acquisitions of other fixed assets and strategic financial assets	-363	-253
Disposals of/maturity of other fixed assets and strategic financial assets	169	345
<b>Cash flow from investing activities</b>	<b>691</b>	<b>628</b>
<b>Financing activities</b>		
Amortisation of lease liabilities	-802	-751
Issuance of senior non-preferred liabilities	22 993	27 501
Redemption of senior non-preferred liabilities	-257	0
Issuance of subordinated liabilities	13 374	4 328
Redemption of subordinated liabilities	-12 661	-617
Dividends paid	-12 632	-16 310
<b>Cash flow from financing activities</b>	<b>10 015</b>	<b>14 151</b>
<b>Cash flow for the period</b>	<b>-7 914</b>	<b>64 188</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>360 153</b>	<b>293 811</b>
Cash flow for the period	-7 914	64 188
Exchange rate differences on cash and cash equivalents	13 753	2 154
<b>Cash and cash equivalents at end of the period</b>	<b>365 992</b>	<b>360 153</b>

### 2022

During the year contributions were provided to the joint ventures P27 Nordic Payments Platform AB, Invidem AB and Tibern AB of SEK 72m, 49m and 3m. During the second quarter shares were acquired in the associate Thylling Insight AB of SEK 11m.

### 2021

During the year contributions were provided to the joint ventures P27 Nordic Payments Platform AB of SEK 25m and Invidem AB of SEK 25m. During the third quarter, additional shares were acquired in the associate BGC Holding AB of SEK 1m.

During third and fourth quarter, shares in Hemnet Group AB were sold and Swedbank received a cash payment of SEK 110m which are reported in Disposals of/maturity of other fixed assets and strategic financial assets in the cash flow statement.

## Note 1 Accounting policies

The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The condensed consolidated financial statements have also been prepared in accordance with the recommendations and statements of the Swedish Financial Reporting Board, the Annual Accounts Act for Credit Institutions and Securities Companies and the directives of the Swedish Financial Supervisory Authority (SFSA).

The Parent Company report has been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies, the directives of the SFSA and recommendation RFR 2 of the Swedish Financial Reporting Board.

The accounting policies applied in the interim report conform to those applied in the Annual and Sustainability Report for 2021, which was prepared in accordance with International Financial Reporting Standards as adopted by the European Union and interpretations thereof. Other than as described below, there have been no significant changes to the Group's accounting policies.

The financial statements are presented in Swedish kronor and all figures are rounded to millions of kronor (SEKm) unless otherwise indicated. From Q3 2022 no adjustments for rounding are made, therefore summation differences may occur.

### Definition of default and credit-impaired assets

The Group's IFRS 9 definitions of default and credit-impaired assets are aligned to the Group's regulatory definition of default, as this is what is used for risk management purposes. During Q3 2022, the Group implemented the new regulatory definition of default according to the EBA Guideline on the application of the definition of default under Article 178 of Regulation (EU) No 575/2013.

According to the new definition, default for sovereigns and financial institutions is no longer solely triggered based on manual decisions. Consequently, Swedbank now applies the 90 days past due criterion for these borrowers. This consequential amendment is implemented prospectively and had no impact on the Stage allocation of these borrowers.

### New Swedish bank tax and changed presentation of resolution fees

A new Swedish bank tax (Risk tax on credit institutions) was introduced from 1 January 2022 and is presented on a new row in the income statement. From 2022 the Group also presents resolution fees on this row, which is named Swedish bank tax and resolution fees. Previously the resolution fees have been included in Interest expense within Net interest income. Comparative figures have been restated, see note 28.

### Other changes in accounting regulations

Other amended regulations that have been adopted from 1 January 2022 did not have a significant impact on the Group's financial position, results, cash flows or disclosures.

### Future regulatory changes; Insurance contracts (IFRS 17)

IFRS 17 replaces IFRS 4 Insurance contracts and sets out the principles for recognition, presentation, measurement, and disclosure of insurance contracts issued and reinsurance contracts. The standard was approved by the EU in November 2021 for application to the financial year beginning on 1 January 2023, with transition date 1 January 2022. The impacted areas and the estimated impacts from the adoption of IFRS 17 are summarised below, including election of transition approach.

The key differences between IFRS 17 and IFRS 4 relate to revenue recognition and liability valuation. Under IFRS 4, entities were free to derive their own interpretations of revenue recognition and calculation of reserves, while IFRS 17 introduces a measurement model with consistent definitions for cash flows within contract boundaries, discount rates, risk adjustment for non-financial risks and contractual service margin. Contractual service margin represents the unearned profit that the entity will recognise when the services relating to an insurance contract are provided in the future. Three measurement approaches exist: the general model without or with direct participation features and the premium allocation approach. Direct participation features refer to insurance contracts in which the policyholder has a participation feature in a clearly identified pool of underlying items and where the amount to be paid out to the policyholders is a substantial portion of the underlying items' changes in fair value. The premium allocation approach is a simplified measurement approach that can be applied to insurance contracts where the insurance coverage period is less than one year.

The Group will apply all three methods based on the type of insurance contracts. The Group's risk insurance will be reported according to the premium allocation approach, while traditional life insurance will be reported according to the general model, both with and without direct participation features.

IFRS 17 does not allow the unbundling of traditional life insurance that is made in accordance with IFRS 4 between investment contract, reported according to IFRS 9 Financial instruments, and insurance contracts. Instead, traditional life insurance in its entirety will be reported as an insurance provision. Consequently, as of 31 December 2022, SEK 23bn will be reclassified in the balance sheet from Liabilities for which the customers bear the investment risk to Insurance provisions. Related assets to traditional life insurance, amounting to SEK 22bn as of 31 December 2022, will be reclassified in the balance sheet from Financial assets for which the customers bear the investment risk to Shares and participating interests.

The removal of the unbundling option in IFRS 4 means that the accounting judgment of whether an insurance contract transfers significant insurance risk or not will become more important. As of 31 December 2022, after the introduction of IFRS 17, the recognised amount for investment contracts amounted to SEK 269bn, which mainly consists of unit-linked contracts. Even if part of the carrying amount were to be reclassified and presented as insurance provisions, it is the Group's

judgement that there would not be a significant effect on the Group's financial position or results because of short contract boundaries. The contracts refer to long-term savings, but according to the accounting judgment these contracts have short contract boundaries as they in principle can be continuously price adjusted.

The profit or loss for insurance contracts will be reported in the income statement as Insurance result. In the notes the Insurance result will be divided to insurance revenue and insurance service expenses (insurance service result), insurance finance income or expenses and result of reinsurance contracts held. The income statement lines Insurance result and Return from financial assets backing insurance contracts with participating features are aggregated to Net insurance.

The definition in IFRS 17 of cash flows within contract boundaries includes not only premiums, claims, claim- and policy administration costs but also other overhead costs, both fixed and variable, which relate to the fulfilment of the insurance contract. This new definition means that for 2022, administrative expenses in the income statement of SEK 0.6bn will be reclassified to Net insurance. Net insurance, restated for 2022 and including remeasurement impact, is expected to be SEK 1.1bn lower than previously reported.

## Note 2 Critical accounting estimates

Presentation of consolidated financial statements in conformity with IFRS requires the executive management to make judgments and estimates that affect the recognised amounts for assets, liabilities and disclosures of contingent assets and liabilities as of the reporting date as well as the recognised income and expenses during the reporting period. The executive management continuously evaluates these judgments and estimates, including assessing control over investment funds, the fair value of financial instruments, provisions for credit impairment, impairment testing of

Due to the fact that IFRS 17 does not allow the unbundling made between investment contract and insurance contract according to IFRS 4, further minor reclassifications will be made between the income statement lines Net commission income, Net gains and losses on financial items and Net insurance.

The transition to IFRS 17 can be performed according to three different approaches: the full retrospective approach, the modified retrospective approach and the fair value approach. The Group will apply all approaches. In general, the full retrospective approach will be applied for risk insurance and reinsurance contracts. The fair value approach will mainly be applied to insurance contracts with direct participating features.

As of the transition date 1 January 2022, the Group's equity is expected to increase by SEK 0.5bn. As of 31 December 2022, the Group's equity is not expected to be affected, because the expected restated profit for 2022 is lower than previously reported. The Tier one capital ratio is not affected.

goodwill, deferred taxes and defined benefit pension provisions.

Post-model expert credit adjustments to the credit impairment provisions continue to be necessary, given the geopolitical and economic uncertainties. Details of these are found in Note 9. Beyond that, there have been no significant changes to the basis upon which the critical accounting judgments and estimates have been determined compared with 31 December 2021.

## Note 3 Changes in the Group structure

No significant changes to the Group structure occurred during 2022.

## Note 4 Operating segments (business areas)

Full-year 2022 SEKm	Swedish Banking	Baltic Banking	Large Corporates and Institutions	Group Functions and Other	Eliminations	Group
<b>Income statement</b>						
Net interest income	20 814	8 348	4 877	-899	17	33 157
Net commission income	8 727	3 073	2 621	-213	13	14 223
Net gains and losses on financial items	372	405	822	288	0	1 887
Other income <sup>1</sup>	1 828	857	310	2 371	-1 412	3 954
<b>Total income</b>	<b>31 741</b>	<b>12 683</b>	<b>8 630</b>	<b>1 547</b>	<b>-1 381</b>	<b>53 221</b>
Staff costs	3 277	1 846	1 546	6 244	-14	12 900
Variable staff costs	42	62	107	136	-0	347
Other expenses	7 545	2 548	2 446	-4 699	-1 367	6 474
Depreciation/amortisation	27	179	119	1 370		1 695
<b>Total expenses</b>	<b>10 892</b>	<b>4 635</b>	<b>4 219</b>	<b>3 051</b>	<b>-1 381</b>	<b>21 415</b>
<b>Profit before impairments, Swedish bank tax and resolution fees</b>	<b>20 850</b>	<b>8 048</b>	<b>4 411</b>	<b>-1 503</b>		<b>31 806</b>
Impairment of intangible assets			181	944		1 125
Impairment of tangible assets		13				13
Credit impairment	1 037	402	23	18		1 479
Swedish bank tax and resolution fees	1 247	100	464	21		1 831
<b>Profit before tax</b>	<b>18 566</b>	<b>7 534</b>	<b>3 745</b>	<b>-2 487</b>		<b>27 358</b>
Tax expense	3 514	1 305	855	-196		5 478
<b>Profit for the period</b>	<b>15 052</b>	<b>6 229</b>	<b>2 890</b>	<b>-2 291</b>		<b>21 880</b>
<b>Profit for the period attributable to:</b>						
<b>Shareholders of Swedbank AB</b>	<b>15 050</b>	<b>6 229</b>	<b>2 890</b>	<b>-2 291</b>		<b>21 877</b>
Non-controlling interests	3					3
<b>Net commission income</b>						
<b>Commission income</b>						
Payment processing	772	659	505	261	-18	2 179
Cards	2 523	2 003	2 559	-441	-0	6 644
Asset management and custody	6 863	534	1 606	-15	-291	8 698
Lending	185	206	875	4	-7	1 263
Other commission income <sup>2</sup>	2 070	592	933	11	-8	3 598
<b>Total Commission income</b>	<b>12 413</b>	<b>3 994</b>	<b>6 479</b>	<b>-180</b>	<b>-323</b>	<b>22 383</b>
<b>Commission expense</b>	<b>3 686</b>	<b>921</b>	<b>3 857</b>	<b>33</b>	<b>-337</b>	<b>8 160</b>
<b>Net commission income</b>	<b>8 727</b>	<b>3 073</b>	<b>2 621</b>	<b>-213</b>	<b>13</b>	<b>14 223</b>
<b>Balance sheet, SEKbn</b>						
Cash and balances with central banks	3	4	0	361	-1	366
Loans to credit institutions	5	0	113	313	-375	57
Loans to the public	1 275	236	321	11	-1	1 843
Interest-bearing securities	0	2	47	165	-1	213
Financial assets for which customers bear the investment risk	283	7				291
Investments in associates and joint ventures	6			2		8
Derivatives	0	1	180	138	-268	51
Tangible and intangible assets	2	13	1	10	0	25
Other assets	5	152	9	288	-452	2
<b>Total assets</b>	<b>1 579</b>	<b>415</b>	<b>671</b>	<b>1 288</b>	<b>-1 097</b>	<b>2 855</b>
Amounts owed to credit institutions	30	0	283	80	-320	73
Deposits and borrowings from the public	726	376	211	2	-9	1 306
Debt securities in issue	-0	2	3	781	-2	784
Financial liabilities for which customers bear the investment risk	284	8				292
Derivatives		1	191	145	-268	69
Other liabilities	467		-54	152	-499	66
Senior non-preferred liabilities				57		57
Subordinated liabilities			-0	31	-0	31
<b>Total liabilities</b>	<b>1 507</b>	<b>386</b>	<b>635</b>	<b>1 248</b>	<b>-1 097</b>	<b>2 679</b>
Allocated equity	72	28	36	40		176
<b>Total liabilities and equity</b>	<b>1 579</b>	<b>415</b>	<b>671</b>	<b>1 288</b>	<b>-1 097</b>	<b>2 855</b>
<b>Key figures</b>						
Return on allocated equity, %	21.5	22.6	8.4	-7.0		13.3
Cost/income ratio	0.34	0.37	0.49	1.97		0.40
Credit impairment ratio, %	0.08	0.19	0.01	0.10		0.08
Loan/deposit ratio, %	176	63	147	35		139
Lending to the public, stage 3, SEKbn (gross)	2	1	2			6
Loans to customers, total, SEKbn	1 275	236	287	1		1 799
Provisions for loans to customers, total, SEKbn	2	1	2			6
Deposits from customers, SEKbn	725	375	195	3		1 298
Risk exposure amount, SEKbn	414	155	213	27		809
Full-time employees	3 996	4 701	1 179	6 927		16 803
Allocated equity, average, SEKbn	70	28	34	33		165

1) Other income includes the items Net insurance, Share of profit or loss of associates and joint ventures and Other income from the Group income statement.

2) Other commission income includes Service concepts, Insurance, Securities and corporate finance and Other, see note 6.

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Full-year 2021 SEKm	Swedish Banking	Baltic Banking	Large Corporates and Institutions	Group Functions and Other	Eliminations	Group
<b>Income statement</b>						
Net interest income	15 472	5 369	3 947	2 271	-11	27 048
Net commission income	9 205	2 779	2 955	-89	3	14 853
Net gains and losses on financial items	586	437	981	44		2 048
Other income <sup>1</sup>	1 855	767	315	1 654	-859	3 732
<b>Total income</b>	<b>27 118</b>	<b>9 352</b>	<b>8 198</b>	<b>3 880</b>	<b>-867</b>	<b>47 681</b>
Staff costs	3 229	1 585	1 536	5 981	-14	12 317
Variable staff costs	61	63	138	160		422
Other expenses	7 451	2 279	2 324	-4 724	-853	6 477
Depreciation/amortisation	38	171	132	1 290		1 631
<b>Total expenses</b>	<b>10 779</b>	<b>4 098</b>	<b>4 130</b>	<b>2 707</b>	<b>-867</b>	<b>20 847</b>
<b>Profit before impairments, Swedish bank tax and resolution fees</b>						
	<b>16 339</b>	<b>5 254</b>	<b>4 068</b>	<b>1 173</b>		<b>26 834</b>
Impairment of intangible assets				56		56
Credit impairment	-42	160	57	-5		170
Swedish bank tax and resolution fees	499	76	201	15		791
<b>Profit before tax</b>	<b>15 882</b>	<b>5 018</b>	<b>3 810</b>	<b>1 107</b>		<b>25 817</b>
Tax expense	2 890	840	708	507		4 945
<b>Profit for the period</b>	<b>12 992</b>	<b>4 178</b>	<b>3 102</b>	<b>600</b>		<b>20 872</b>
<b>Profit for the period attributable to:</b>						
<b>Shareholders of Swedbank AB</b>	<b>12 991</b>	<b>4 178</b>	<b>3 102</b>	<b>600</b>		<b>20 871</b>
Non-controlling interests	1					1
<b>Net commission income</b>						
<b>Commission income</b>						
Payment processing	730	688	430	300	-30	2 118
Cards	2 096	1 618	2 410	-446		5 678
Asset management and custody	7 595	521	1 737	-18	-289	9 546
Lending	210	163	840	7	-7	1 213
Other commission income <sup>2</sup>	2 142	561	1 129	27	-7	3 852
<b>Total Commission income</b>	<b>12 773</b>	<b>3 551</b>	<b>6 546</b>	<b>-130</b>	<b>-333</b>	<b>22 407</b>
<b>Commission expense</b>	<b>3 568</b>	<b>772</b>	<b>3 591</b>	<b>-41</b>	<b>-336</b>	<b>7 554</b>
<b>Net commission income</b>	<b>9 205</b>	<b>2 779</b>	<b>2 955</b>	<b>-89</b>	<b>3</b>	<b>14 853</b>
<b>Balance sheet, SEKbn</b>						
Cash and balances with central banks	2	3		357	-2	360
Loans to credit institutions	6		129	189	-284	40
Loans to the public	1 252	199	253		-1	1 703
Interest-bearing securities		2	55	167	-2	222
Financial assets for which customers bear the investment risk	321	8				329
Investments in associates	5			2		7
Derivatives			60	38	-57	41
Tangible and intangible assets	2	12	1	9		24
Other assets	4	144	15	358	-496	25
<b>Total assets</b>	<b>1 592</b>	<b>368</b>	<b>513</b>	<b>1 120</b>	<b>-842</b>	<b>2 751</b>
Amounts owed to credit institutions	27		229	88	-251	93
Deposits and borrowings from the public	712	334	230		-10	1 266
Debt securities in issue		1	5	733	-3	736
Financial liabilities for which customers bear the investment risk	322	8				330
Derivatives			57	28	-57	28
Other liabilities	466		-38	162	-521	69
Senior non-preferred liabilities				38		38
Subordinated liabilities				29		29
<b>Total liabilities</b>	<b>1 527</b>	<b>343</b>	<b>483</b>	<b>1 078</b>	<b>-842</b>	<b>2 589</b>
Allocated equity	65	25	30	42		162
<b>Total liabilities and equity</b>	<b>1 592</b>	<b>368</b>	<b>513</b>	<b>1 120</b>	<b>-842</b>	<b>2 751</b>
<b>Key figures</b>						
Return on allocated equity, %	20.0	16.9	9.7	1.6		13.2
Cost/income ratio	0.40	0.44	0.50	0.70		0.44
Credit impairment ratio, %	0.00	0.09	0.02	-0.01		0.01
Loan/deposit ratio, %	176	60	107			133
Lending to the public, stage 3, SEKbn (gross)	2	1	3			6
Loans to customers, total, SEKbn	1 252	199	226			1 677
Provisions for loans to customers, total, SEKbn	1	1	3			5
Deposits from customers, SEKbn	712	334	212	1		1259
Risk exposure amount, SEKbn	405	107	168	28		708
Full-time employees	4 046	4 624	1 221	6 674		16 565
Allocated equity, average, SEKbn	65	25	32	37		159

1) Other income includes the items Net insurance, Share of profit or loss of associates and joint ventures and Other income from the Group income statement.

2) Other commission income includes Service concepts, Insurance, Securities and corporate finance and Other, see note 6.



## Operating segments accounting policies

The operating segment report is based on Swedbank's accounting policies, organisation and management accounts. Market-based transfer prices are applied between operating segments, while all expenses for Group functions and Group staffs are transfer priced at cost to the operating segments. Cross-border transfer pricing is applied according to OECD transfer pricing guidelines.

The Group's equity attributable to shareholders is allocated to each operating segment based on capital adequacy rules and estimated capital requirements based on the bank's Internal Capital Adequacy Assessment Process (ICAAP).

The return on allocated equity for the operating segments is calculated based on profit for the period attributable to the shareholders for the operating segment, in relation to average monthly allocated equity for the operating segment. For periods shorter than one year the key ratio is annualised.

During the first half of 2022, minor changes between Swedbank's operating segments were made to coincide with the organisational changes. Comparative figures have been restated.

## Note 5 Net interest income

SEKm	Q4 2022	Q3 2022	Q4 <sup>1</sup> 2021	Full-year 2022	Full-year <sup>1</sup> 2021
<b>Interest income</b>					
Cash and balances with central banks	2 618	1 020	-295	3 272	-1 129
Treasury bills and other bills eligible for refinancing with central banks, etc.	713	254	37	1 177	86
Loans to credit institutions	476	185	61	770	189
Loans to the public	14 175	10 532	7 657	40 886	30 624
Bonds and other interest-bearing securities	404	281	41	935	177
Derivatives <sup>2</sup>	14	139	280	463	292
Other assets	3	2	-62	6	63
<b>Total</b>	<b>18 402</b>	<b>12 414</b>	<b>7 719</b>	<b>47 509</b>	<b>30 302</b>
Deduction of trading-related interests reported in Net gains and losses on financial items	961	661	-109	2 211	-62
<b>Total interest income</b>	<b>17 440</b>	<b>11 753</b>	<b>7 828</b>	<b>45 298</b>	<b>30 364</b>
<b>Interest expense</b>					
Amounts owed to credit institutions	-895	-355	83	-1 248	208
Deposits and borrowings from the public	-3 153	-1 447	-61	-5 081	-354
of which deposit guarantee fees	-29	-155	-148	-496	-461
Debt securities in issue	-4 765	-3 035	-1 115	-10 602	-4 633
Senior non-preferred liabilities	-296	-148	-70	-659	-213
Subordinated liabilities	-300	-212	-226	-911	-764
Derivatives <sup>2</sup>	2 122	1 508	469	5 306	2 879
Other liabilities	-19	-12	-19	-58	-80
<b>Total</b>	<b>-7 306</b>	<b>-3 702</b>	<b>-939</b>	<b>-13 253</b>	<b>-2 957</b>
Deduction of trading-related interests reported in Net gains and losses on financial items	-788	-309	143	-1 112	359
<b>Total interest expense</b>	<b>-6 519</b>	<b>-3 392</b>	<b>-1 082</b>	<b>-12 141</b>	<b>-3 316</b>
<b>Net interest income</b>	<b>10 921</b>	<b>8 360</b>	<b>6 746</b>	<b>33 157</b>	<b>27 048</b>
Net investment margin before trading-related interests are deducted	1.47	1.16	0.91	1.13	0.95
Average total assets	3 027 060	3 012 562	2 985 729	3 020 628	2 888 870
Interest expense on financial liabilities at amortised cost	9 026	5 090	1 396	18 052	5 850
Negative yield on financial assets	47	40	380	830	1 405
Negative yield on financial liabilities	40	90	384	728	1 072

1) Presentation of the Income statement has been changed, see note 28.

2) Derivatives include net interest income related to hedged assets and liabilities. These may have both a positive and negative impact on interest income and interest expense.

## Note 6 Net commission income

SEKm	Q4 2022	Q3 2022	Q4 2021	Full-year 2022	Full-year 2021
<b>Commission income</b>					
Payment processing	555	548	564	2 179	2 118
Cards	1 734	1 807	1 545	6 644	5 678
Service concepts	376	362	329	1 450	1 280
Asset management and custody	2 122	2 137	2 539	8 698	9 546
Insurance	122	140	167	582	684
Securities and corporate finance	177	161	337	708	948
Lending	303	325	301	1 263	1 213
Other	204	212	239	858	940
<b>Total commission income</b>	<b>5 593</b>	<b>5 693</b>	<b>6 021</b>	<b>22 383</b>	<b>22 407</b>
<b>Commission expense</b>					
Payment processing	-328	-329	-343	-1 363	-1 309
Cards	-928	-873	-723	-3 332	-2 713
Service concepts	-48	-42	-34	-178	-157
Asset management and custody	-546	-532	-612	-2 168	-2 308
Insurance	-81	-81	-88	-340	-336
Securities and corporate finance	-83	-87	-93	-354	-344
Lending	-39	-41	-47	-159	-157
Other	-92	-65	-61	-266	-230
<b>Total commission expense</b>	<b>-2 146</b>	<b>-2 050</b>	<b>-2 001</b>	<b>-8 160</b>	<b>-7 554</b>
<b>Net commission income</b>					
Payment processing	227	219	221	816	809
Cards	805	934	822	3 312	2 965
Service concepts	328	320	295	1 272	1 123
Asset management and custody	1 576	1 605	1 927	6 530	7 238
Insurance	41	59	79	242	348
Securities and corporate finance	94	74	244	353	604
Lending	264	285	254	1 104	1 056
Other	112	147	178	592	710
<b>Total net commission income</b>	<b>3 448</b>	<b>3 643</b>	<b>4 020</b>	<b>14 223</b>	<b>14 853</b>

## Note 7 Net gains and losses on financial items

SEKm	Q4 2022	Q3 2022	Q4 2021	Full-year 2022	Full-year 2021
<b>Fair value through profit or loss</b>					
Shares and share related derivatives	84	88	46	711	419
of which dividend	7	4	53	125	267
Interest-bearing securities and interest related derivatives	-146	16	-240	-1 870	-69
Financial liabilities	-4	8	2	20	11
Other financial instruments	0	1	5	-1	3
<b>Total fair value through profit or loss</b>	<b>-67</b>	<b>113</b>	<b>-187</b>	<b>-1 139</b>	<b>364</b>
<b>Hedge accounting</b>					
Ineffectiveness, one-to-one fair value hedges	-3	119	58	24	54
of which hedging instruments	70	-10 134	-2 623	-33 836	-8 333
of which hedged items	-72	10 253	2 681	33 859	8 387
Ineffectiveness, portfolio fair value hedges	-61	79	-18	-54	1
of which hedging instruments	-1 384	3 160	1 506	18 561	3 527
of which hedged items	1 323	-3 081	-1 524	-18 615	-3 526
Ineffectiveness, cash flow hedges	-1	-1	1	-1	1
<b>Total hedge accounting</b>	<b>-65</b>	<b>197</b>	<b>41</b>	<b>-31</b>	<b>56</b>
<b>Amortised cost</b>					
Derecognition gain or loss for financial assets	13	7	52	18	208
Derecognition gain or loss for financial liabilities	214	143	-15	572	-32
<b>Total amortised cost</b>	<b>227</b>	<b>150</b>	<b>37</b>	<b>590</b>	<b>176</b>
<b>Trading related interest</b>					
Interest income	961	661	-109	2 211	-62
Interest expense	-788	-309	143	-1 112	359
<b>Total trading related interest</b>	<b>174</b>	<b>352</b>	<b>34</b>	<b>1 099</b>	<b>297</b>
<b>Change in exchange rates</b>	<b>494</b>	<b>134</b>	<b>340</b>	<b>1 368</b>	<b>1 155</b>
<b>Total</b>	<b>763</b>	<b>945</b>	<b>265</b>	<b>1 887</b>	<b>2 048</b>

## Note 8 Other general administrative expenses

SEKm	Q4 2022	Q3 2022	Q4 2021	Full-year 2022	Full-year 2021
Premises	131	124	146	469	454
IT expenses	778	664	803	2 665	2 550
Telecommunications and postage	27	28	39	108	126
Consultants	256	188	310	804	933
Compensation to savings banks	56	56	57	225	228
Other purchased services	275	280	272	1 081	939
Travel	34	21	11	86	18
Entertainment	10	8	9	28	22
Supplies	21	19	36	70	79
Advertising, PR and marketing	113	51	148	246	301
Security transport and alarm systems	18	16	19	71	71
Repair/maintenance of inventories	32	29	41	119	126
Other administrative expenses	73	129	151	441	498
Other operating expenses	12	8	28	62	132
<b>Total</b>	<b>1 834</b>	<b>1 621</b>	<b>2 070</b>	<b>6 474</b>	<b>6 477</b>

## Note 9 Credit impairment

SEKm	Q4 2022	Q3 2022	Q4 2021	Full-year 2022	Full-year 2021
<b>Loans at amortised cost</b>					
Credit impairment provisions - stage 1	141	99	87	646	-71
Credit impairment provisions - stage 2	348	410	-430	523	-596
Credit impairment provisions - stage 3	17	-26	-660	-545	-2 884
Credit impairment provisions - purchased or originated credit impaired	1	0	0	1	-3
<b>Total</b>	<b>507</b>	<b>484</b>	<b>-1 003</b>	<b>626</b>	<b>-3 554</b>
Write-offs	224	144	992	982	4 157
Recoveries	-38	-37	-41	-157	-225
<b>Total</b>	<b>186</b>	<b>107</b>	<b>951</b>	<b>826</b>	<b>3 932</b>
<b>Total - loans at amortised cost</b>	<b>693</b>	<b>591</b>	<b>-52</b>	<b>1 451</b>	<b>378</b>
<b>Other assets at amortised cost</b>					<b>-7</b>
<b>Loan commitments and guarantees</b>					
Credit impairment provisions - stage 1	-31	5	41	77	26
Credit impairment provisions - stage 2	75	3	28	13	-139
Credit impairment provisions - stage 3	-56	4	-84	-63	-88
<b>Total - loan commitments and guarantees</b>	<b>-13</b>	<b>11</b>	<b>-15</b>	<b>28</b>	<b>-201</b>
<b>Total</b>	<b>679</b>	<b>602</b>	<b>-67</b>	<b>1 479</b>	<b>170</b>
Credit impairment ratio, %	0.14	0.13	-0.02	0.08	0.01

During 2021, the Group has reduced its gross exposure in the Shipping and offshore sector through sales and restructuring, resulting in write offs of the gross exposures. The majority of the Stage 3 exposures that were written off were previously provisioned.

### Calculation of credit impairment provisions

The measurement of expected credit losses is described in Note G3.1 Credit risks on pages 80-85 of the 2021 Annual and Sustainability Report.

### Measurement of 12-month and lifetime expected credit losses

High inflation, energy prices and rising interest rates combined with geopolitical instability continue to weigh on private persons and companies, resulting in a high level of uncertainty regarding economic growth going forward. As the quantitative risk models do not yet reflect all potential deteriorations in credit quality, post-model adjustments to increase the credit impairment provisions continue to be deemed necessary.

The post-model expert credit adjustments amounted to SEK 1 738m (SEK 1 700m at 30 September 2022, SEK 1 796m at 31 December 2021) and are allocated as SEK 935m in stage 1, SEK 802m in stage 2 and SEK 1m in stage 3. Customers and industries are reviewed and analysed considering the current situation, particularly in more vulnerable sectors. At 31 December 2022, the main changes were that Shipping and offshore was reduced whilst Property management and Retail and wholesale were increased. The most significant post-model adjustments were in the Property management, Manufacturing, Retail and wholesale, Shipping and offshore, Construction and Transportation sectors.

### Determination of a significant increase in credit risk

The tables below show the quantitative thresholds used by the Group for assessing a significant increase in credit risk, namely:

- Changes in the 12-month PD and internal risk rating grades, which have been applied for the portfolio of loans originated before 1 January 2018. For instance, for exposures originated with a risk grade between 0 and 5, a downgrade by 1 grade from initial recognition is assessed as a significant change in credit risk. Alternatively, for exposures originated with a risk grade between 18 and 21, a downgrade by 5 to 8 grades from initial recognition is
- Changes in the lifetime PD, which have been applied for the portfolio of loans originated on or after 1 January 2018. For instance, for exposures originated with a risk grade between 0 and 5, a 50 per cent increase in the lifetime PD from initial recognition is assessed as a significant change in credit risk. Alternatively, for exposures originated with a risk grade between 18 and 21, an increase of 200-300

considered significant. Internal risk ratings are assigned according to the risk management framework outlined in Note G3 Risks in the 2021 Annual and Sustainability Report.

per cent from initial recognition is considered significant.

These limits reflect a lower sensitivity to change in the low-risk end of the risk scale and a higher sensitivity to change in the high-risk end of the scale. The Group has performed a sensitivity analysis on how credit impairment provisions would change if thresholds applied were increased or decreased. A lower threshold

would increase the number of loans that have migrated from Stage 1 to Stage 2 and also increase the estimated credit impairment provisions. A higher threshold would have the opposite effect.

The tables below disclose the impacts of this sensitivity analysis on the credit impairment provisions. Positive amounts represent higher credit impairment provisions that would be recognised.

### Significant increase in credit risk - financial instruments with initial recognition before 1 January 2018

Internal risk grade at initial recognition	12-month PD band at initial recognition, %	Threshold, rating downgrade <sup>1,2</sup>	Impairment provision impact of		Recognised credit impairment provisions 31 Dec 2022	Share of total portfolio in terms of gross carrying amount, % 31 Dec 2022	Impairment provision impact of		Recognised credit impairment provisions 31 Dec 2021	Share of total portfolio in terms of gross carrying amount, % 31 Dec 2021
			Increase in threshold by 1 grade, %	Decrease in threshold by 1 grade, %			Increase in threshold by 1 grade, %	Decrease in threshold by 1 grade, %		
18-21	<0.1	5 - 8 grades	-5.6	5.4	60	12	-6.4	14.9	43	15
13-17	0.1 - 0.5	3 - 7 grades	-5.7	7.4	277	12	-5.5	6.8	214	15
9-12	>0.5 - 2.0	1 - 5 grades	-12.9	13.4	216	5	-21.8	16.0	159	5
6-8	2.0 - 5.7	1 - 3 grades	-6.1	5.1	100	2	-7.9	4.9	60	2
0-5	>5.7 - 99.9	1 grade	-1.2	0.0	72	1	-2.2	0.0	38	1
			-7.6	8.1	726	31	-11.2	9.5	514	38
		Sovereigns and financial institutions with low credit risk			3	1			1	9
		Stage 3 financial instruments			653	0			961	0
		Post model expert credit adjustment <sup>4</sup>			401				595	
					<b>Total<sup>5</sup></b>	<b>1 783</b>			<b>2 071</b>	<b>47</b>

1) Downgrade by 2 grades corresponds to approximately 100 per cent increase in 12-month PD.

2) Thresholds vary within given ranges depending on the borrower's geography, segment and internal risk grade.

3) The threshold used in the sensitivity analysis is floored to 1 grade.

4) Represents post-model expert credit adjustments for stage 1 and stage 2.

5) Of which provisions for off-balance exposures are SEK 217m (284).

### Significant increase in credit risk - financial instruments with initial recognition on or after 1 January 2018

Internal risk grade at initial recognition	Threshold, increase in lifetime PD <sup>1</sup> , %	Impairment provision impact of		Recognised credit impairment provisions 31 Dec 2022	Share of total portfolio in terms of gross carrying amount, % 31 Dec 2022	Impairment provision impact of		Recognised credit impairment provisions 31 Dec 2021	Share of total portfolio in terms of gross carrying amount, % 31 Dec 2021
		Increase in threshold by 100%, %	Decrease in threshold by 50%, %			Increase in threshold by 100%, %	Decrease in threshold by 50%, %		
18-21	200-300	-14.3	24.1	86	20	-15.7	22.8	24	18
13-17	100-250	-2.3	10.0	706	22	-1.1	5.8	287	20
9-12	100-200	-1.5	8.0	873	11	-5.8	1.0	293	9
6-8	50-150	-2.0	6.8	285	3	-0.6	2.4	140	3
0-5	50	-1.2	1.3	166	1	0.1	0.7	94	1
		-2.3	8.6	2 116	58	-3.0	3.5	838	51
				26	9			7	2
				1 503	0			1 551	0
				1 335				1 199	
				<b>Total<sup>3</sup></b>	<b>4 981</b>			<b>3 595</b>	<b>53</b>

1) Thresholds vary within given ranges depending on the borrower's geography, segment and internal risk grade.

2) Represents post-model expert credit adjustments for stage 1 and stage 2.

3) Of which provisions for off-balance exposures are SEK 497m (360).

## Incorporation of forward-looking macroeconomic scenarios

The Swedbank Economic Outlook was published on 25 October and would typically serve as the baseline scenario. The baseline scenario was updated as of 8 December by Swedbank Macro Research, with an assigned probability weight of 66.6 per cent. Aligned with the updated baseline scenario, new alternative scenarios were developed, with assigned probability

weights of 16.7 per cent on both the upside and downside scenario. These new macroeconomic scenarios were included in the expected credit losses calculations according to the Group's monthly process. The table below sets out the key assumptions of the scenarios at 31 December 2022.

31 December 2022	Positive scenario				Baseline scenario				Negative scenario			
	2022 <sup>1</sup>	2023	2024	2025	2022 <sup>1</sup>	2023	2024	2025 <sup>2</sup>	2022 <sup>1</sup>	2023	2024	2025
<b>Sweden</b>												
GDP (annual % change)	3.0	0.1	0.8	2.1	2.9	-1.0	0.9	2.4	2.1	-8.0	-0.7	3.3
Unemployment (annual %) <sup>3</sup>	7.3	7.4	8.0	8.0	7.3	7.6	8.3	8.1	7.4	9.7	11.6	10.8
House prices (annual % change)	4.7	-10.8	-5.2	2.0	4.7	-11.5	-5.6	2.0	4.4	-18.4	-14.5	-0.5
Stibor 3m (%)	1.22	2.88	2.67	2.66	1.26	3.00	2.72	2.69	1.36	2.73	0.50	0.50
<b>Estonia</b>												
GDP (annual % change)	-0.2	0.5	2.5	2.6	-0.3	-0.9	2.5	2.8	-0.6	-9.8	-3.1	6.2
Unemployment (annual %)	6.0	7.2	5.9	5.3	6.0	7.3	6.0	5.4	5.8	9.5	13.6	13.0
House prices (annual % change)	20.6	-8.6	2.3	4.9	20.4	-9.6	2.1	4.9	20.3	-24.0	-6.4	4.1
<b>Latvia</b>												
GDP (annual % change)	1.8	0.8	3.0	2.3	1.7	-0.1	3.0	2.4	1.4	-8.6	-1.3	4.9
Unemployment (annual %)	7.0	6.8	6.0	5.8	7.0	7.1	6.3	6.0	6.9	10.5	13.5	12.7
House prices (annual % change)	14.2	-3.5	0.3	4.3	13.8	-5.4	0.5	5.2	13.1	-22.6	-7.7	4.9
<b>Lithuania</b>												
GDP (annual % change)	2.5	0.4	2.1	2.2	2.4	-0.4	2.1	2.3	2.0	-9.4	-2.1	4.7
Unemployment (annual %)	5.7	6.5	5.8	5.4	5.7	6.6	6.0	5.6	5.8	9.9	14.1	14.1
House prices (annual % change)	16.8	-8.6	-3.6	4.7	16.7	-9.3	-4.3	4.3	16.3	-26.2	-6.5	8.8
<b>Global indicators</b>												
US GDP (annual %)	2.1	2.0	1.5	1.5	1.9	0.3	1.5	1.9	1.7	-3.7	-0.6	2.3
EU GDP (annual %)	3.3	1.1	1.4	1.5	3.2	0.2	1.4	1.6	2.8	-6.4	-1.1	3.8
Brent Crude Oil (USD/Barrel)	98.4	77.9	76.3	74.0	98.6	79.2	76.5	74.0	109.0	113.4	63.2	65.7
Euribor 6m (%)	0.67	2.60	2.10	2.04	0.71	2.77	2.12	2.04	0.85	1.51	-0.33	-0.42

1) Forecasted 2022 values, as the actual official numbers were not published when the scenarios were set.

2) The baseline scenario variables for 2025 are model-based extrapolations.

3) Unemployment rate, 16-64 years

High interest rates and inflation weigh on real economic activities. The outlook for 2023 and 2024 have been revised down, not least for the European economies, where the energy crisis is hitting hard. Global GDP growth is expected to drop below 2 per cent next year. The forecasts are surrounded by uncertainty, not least related to monetary and fiscal policy. The overall assessment is that risks are tilted slightly downwards.

In both the US and the euro area, inflation is expected to fall back markedly in 2023. This is partly due to base effects, but also to lower demand. Lower commodity prices, lower freight prices, and large inventories within the retail sector also suggest reduced price pressures ahead. The Fed and the ECB are expected to raise their policy rates further over the next few months, but then start easing at the end of 2023.

The Swedish economy is slowing markedly. It is expected that consumption will decline as households' purchasing power falls. The housing market is put under pressure, and it is expected that housing prices will have fallen about 20 per cent from peak to bottom. The Riksbank continues to tighten monetary policy in the near term and then start cutting the policy rate in about a year.

In the Baltics, a few negative quarters of GDP growth and a mild technical recession are expected before growth recovers towards the middle of 2023. Inflation has accelerated in all three Baltic countries, but average annual inflation is expected to drop below 10 per cent in 2023, and then continue falling to healthier levels in 2024.

## Sensitivity

The table below shows the credit impairment provisions that would result from the negative and positive scenarios, which are considered reasonably possible, being assigned a probability weight of 100 per cent. Post-model expert credit adjustments are assumed to be constant in the results.

Operating segments	31 Dec 2022				31 Dec 2021			
	Credit impairment provisions (probability weighted)	Credit impairment provisions			Credit impairment provisions (probability weighted)	Credit impairment provisions		
		Of which: post-model expert credit adjustment	Negative scenario	Positive scenario		Of which: post-model expert credit adjustment	Negative scenario	Positive scenario
Swedish Banking	2 451	450	2 654	2 286	1 558	447	1 632	1 530
Baltic Banking	1 400	363	1 692	1 254	895	389	982	819
Large Corporates and Inst.	2 890	925	3 384	2 665	3 206	960	3 615	2 858
Group <sup>1</sup>	6 764	1 738	7 753	6 228	5 666	1 796	6 235	5 212

1) Including operating segment Group Functions & Other.

## Note 10 Swedish bank tax and resolution fees

SEKm	Q4 2022	Q3 2022	Q4 2021	Full-year 2022	Full-year 2021
Swedish bank tax	209	239		927	
Resolution fees	230	227	192	904	791
<b>Total</b>	<b>439</b>	<b>466</b>	<b>192</b>	<b>1 831</b>	<b>791</b>

## Note 11 Loans

31 December 2022	Stage 1			Stage 2			Stage 3 <sup>1</sup>			Total
	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	
<b>SEKm</b>										
<b>Loans to the public at amortised cost</b>										
<b>Private customers</b>	<b>1 107 994</b>	<b>168</b>	<b>1 107 827</b>	<b>68 617</b>	<b>546</b>	<b>68 071</b>	<b>2 043</b>	<b>676</b>	<b>1 367</b>	<b>1 177 266</b>
Private mortgage	973 876	68	973 809	56 758	243	56 514	1 219	229	990	1 031 313
Tenant owner associations	90 170	7	90 163	3 468	12	3 456	4	0	4	93 623
Private other	43 948	93	43 855	8 392	291	8 101	820	446	374	52 330
<b>Corporate customers</b>	<b>552 194</b>	<b>1 330</b>	<b>550 864</b>	<b>69 831</b>	<b>1 858</b>	<b>67 973</b>	<b>3 695</b>	<b>1 445</b>	<b>2 250</b>	<b>621 087</b>
Agriculture, forestry, fishing	55 387	88	55 299	7 609	130	7 479	241	39	203	62 981
Manufacturing	43 283	279	43 004	5 670	295	5 375	264	104	161	48 540
Public sector and utilities	35 435	58	35 378	2 048	38	2 011	17	2	15	37 403
Construction	15 502	64	15 438	4 318	91	4 228	107	54	52	19 718
Retail and wholesale	36 568	246	36 322	4 043	188	3 856	137	51	87	40 265
Transportation	12 747	78	12 669	1 936	120	1 816	48	10	38	14 522
Shipping and offshore	8 454	39	8 415	1 150	177	973	1 881	890	991	10 380
Hotels and restaurants	3 003	29	2 975	3 946	129	3 817	285	62	223	7 015
Information and communication	19 536	53	19 483	1 508	15	1 493	5	1	4	20 979
Finance and insurance	23 247	21	23 226	885	11	874	22	7	15	24 115
Property management, including	260 973	320	260 652	32 954	576	32 379	466	178	288	293 319
Residential properties	69 573	56	69 518	16 167	253	15 914	103	16	87	85 519
Commercial	123 507	170	123 337	7 925	207	7 717	208	127	81	131 134
Industrial and Warehouse	40 805	47	40 758	5 142	59	5 083	16	3	13	45 853
Other	27 087	47	27 040	3 722	56	3 665	140	33	107	30 813
Professional services	23 514	31	23 483	2 251	51	2 201	65	13	52	25 735
Other corporate lending	14 546	24	14 522	1 511	39	1 472	156	35	122	16 116
<b>Loans to the public at fair value through profit or loss</b>										264
<b>Loans to customers</b>	<b>1 660 189</b>	<b>1 498</b>	<b>1 658 691</b>	<b>138 449</b>	<b>2 404</b>	<b>136 044</b>	<b>5 738</b>	<b>2 121</b>	<b>3 617</b>	<b>1 798 616</b>
Cash collaterals posted	3 605		3 605							3 605
Loans to Swedish National Debt Office	10 004		10 004							10 004
Repurchase agreements <sup>2</sup>										30 586
<b>Loans to the public</b>	<b>1 673 798</b>	<b>1 498</b>	<b>1 672 300</b>	<b>138 449</b>	<b>2 404</b>	<b>136 044</b>	<b>5 738</b>	<b>2 121</b>	<b>3 617</b>	<b>1 842 812</b>
Banks and other credit institutions	56 453	26	56 427	147	0	146				56 574
Repurchase agreements <sup>2</sup>										15
<b>Loans to credit institutions</b>	<b>56 453</b>	<b>26</b>	<b>56 427</b>	<b>147</b>	<b>0</b>	<b>146</b>				<b>56 589</b>
<b>Loans to the public and credit institutions</b>	<b>1 730 251</b>	<b>1 524</b>	<b>1 728 727</b>	<b>138 596</b>	<b>2 404</b>	<b>136 191</b>	<b>5 738</b>	<b>2 121</b>	<b>3 617</b>	<b>1 899 401</b>
Share of loans, %	92.30			7.39			0.31			100
Credit impairment provision ratio, %	0.09			1.73			36.96			0.32

1) Including purchased or originated credit impaired

2) At fair value through profit or loss



31 December 2021

SEKm	Stage 1			Stage 2			Stage 3 <sup>1</sup>			Total
	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	
<b>Loans to the public at amortised cost</b>										
<b>Private customers</b>	<b>1 090 376</b>	<b>98</b>	<b>1 090 278</b>	<b>42 148</b>	<b>259</b>	<b>41 889</b>	<b>1 844</b>	<b>480</b>	<b>1 364</b>	<b>1 133 531</b>
Private mortgage	954 265	31	954 234	35 629	140	35 489	1 254	220	1 034	990 757
Tenant owner associations	90 670	2	90 668	1 015	3	1 012				91 680
Private other	45 441	65	45 376	5 504	116	5 388	590	260	330	51 094
<b>Corporate customers</b>	<b>486 281</b>	<b>700</b>	<b>485 581</b>	<b>56 458</b>	<b>1 530</b>	<b>54 928</b>	<b>4 518</b>	<b>1 947</b>	<b>2 571</b>	<b>543 080</b>
Agriculture, forestry, fishing	56 741	7	56 734	6 646	50	6 596	195	27	168	63 498
Manufacturing	33 379	108	33 271	3 715	181	3 534	161	82	79	36 884
Public sector and utilities	28 922	10	28 912	2 398	29	2 369	15	2	13	31 294
Construction	17 143	14	17 129	2 753	51	2 702	180	35	145	19 976
Retail and wholesale	26 470	76	26 394	3 527	178	3 349	134	40	94	29 837
Transportation	11 187	8	11 179	2 079	36	2 043	29	7	22	13 244
Shipping and offshore	7 983	264	7 719	2 353	364	1 989	2 966	1 526	1 440	11 148
Hotels and restaurants	3 480	66	3 414	3 801	309	3 492	390	53	337	7 243
Information and communication	14 576	14	14 562	1 199	11	1 188	2	0	2	15 752
Finance and insurance	18 021	8	18 013	569	3	566	14	3	11	18 590
Property management, including	239 228	105	239 123	21 827	213	21 614	267	125	142	260 879
Residential properties	76 842	27	76 815	6 884	65	6 819	64	12	52	83 686
Commercial	98 300	49	98 251	9 355	80	9 275	166	108	58	107 584
Industrial and Warehouse	40 619	13	40 606	2 950	14	2 936	23	2	21	43 563
Other	23 467	16	23 451	2 638	54	2 584	14	3	11	26 046
Professional services	17 053	8	17 045	2 514	42	2 472	86	25	61	19 578
Other corporate lending	12 098	12	12 086	3 077	63	3 014	79	22	57	15 157
<b>Loans to the public at fair value through profit or loss</b>										
										199
<b>Loans to customers</b>	<b>1 576 657</b>	<b>798</b>	<b>1 575 859</b>	<b>98 606</b>	<b>1 789</b>	<b>96 817</b>	<b>6 362</b>	<b>2 427</b>	<b>3 935</b>	<b>1 676 810</b>
Cash collaterals posted	1 832		1 832							1 832
Loans to Swedish National Debt Office	3		3							3
Repurchase agreements <sup>2</sup>										24 561
<b>Loans to the public</b>	<b>1 578 492</b>	<b>798</b>	<b>1 577 694</b>	<b>98 606</b>	<b>1 789</b>	<b>96 817</b>	<b>6 362</b>	<b>2 427</b>	<b>3 935</b>	<b>1 703 206</b>
Banks and other credit institutions	38 102	8	38 094	27		27				38 121
Repurchase agreements <sup>2</sup>										1 383
<b>Loans to credit institutions</b>	<b>38 102</b>	<b>8</b>	<b>38 094</b>	<b>27</b>		<b>27</b>				<b>39 504</b>
<b>Loans to the public and credit institutions</b>	<b>1 616 594</b>	<b>806</b>	<b>1 615 788</b>	<b>98 633</b>	<b>1 789</b>	<b>96 844</b>	<b>6 362</b>	<b>2 427</b>	<b>3 935</b>	<b>1 742 710</b>
Share of loans, %	93.90			5.73			0.37			100
Credit impairment provision ratio, %	0.05			1.81			38.15			0.29

1) Including purchased or originated credit impaired

2) At fair value through profit or loss

## Note 12 Credit impairment provisions

### Reconciliation of credit impairment provisions for loans

The tables below provide a reconciliation of credit impairment provisions for loans to the public and credit institutions at amortised cost.

Loans to the public and credit institutions	2022				2021			
	Stage 1	Stage 2	Stage 3 <sup>1</sup>	Total	Stage 1	Stage 2	Stage 3 <sup>1</sup>	Total
<b>SEKm</b>								
<b>Carrying amount before provisions</b>								
Opening balance 1 January	1 616 594	98 633	6 362	1 721 589	1 576 657	108 293	10 530	1 695 480
Closing balance 31 December	1 730 251	138 596	5 738	1 874 585	1 616 594	98 633	6 362	1 721 589
<b>Credit impairment provisions</b>								
Opening balance 1 January	806	1 789	2 427	5 022	855	2 316	4 998	8 169
<b>Movements affecting Credit impairments</b>								
New and derecognised financial assets, net	274	-128	-1 135	-989	61	-396	-3 854	-4 189
Changes in risk factors (EAD, PD, LGD)	4	-188	107	-77	18	-266	5	-243
Changes in macroeconomic scenarios	387	488	21	896	-110	-157	-1	-268
Changes to models	39	58	0	97				
Post-model expert credit adjustments	163	-269	3	-103	86	78	-12	152
Individual assessments			191	191			826	826
Stage transfers	-220	562	350	692	-127	145	232	250
from 1 to 2	-287	981		694	-138	316		178
from 1 to 3	-3		76	74	-1		62	61
from 2 to 1	68	-323		-254	12	-90		-78
from 2 to 3		-140	490	350		-89	228	139
from 3 to 2		43	-182	-139		8	-48	-40
from 3 to 1	2		-35	-33	0		-10	-10
Other	0	0	-82	-82	1	0	-82	-81
<b>Total movements affecting credit impairments</b>	<b>647</b>	<b>524</b>	<b>-544</b>	<b>626</b>	<b>-71</b>	<b>-596</b>	<b>-2 886</b>	<b>-3 553</b>
<b>Movements recognised outside credit impairments</b>								
Interest			82	82			82	82
Change in exchange rates	72	92	157	320	22	69	233	324
<b>Closing balance 31 December</b>	<b>1 524</b>	<b>2 404</b>	<b>2 121</b>	<b>6 049</b>	<b>806</b>	<b>1 789</b>	<b>2 427</b>	<b>5 022</b>
<b>Carrying amount</b>								
Opening balance 1 January	1 615 788	96 844	3 935	1 716 567	1 575 802	105 977	5 532	1 687 311
Closing balance 31 December	1 728 727	136 191	3 617	1 868 536	1 615 788	96 844	3 935	1 716 567

1) Including purchased or originated credit impaired

## Loan commitments and financial guarantees

The tables below provide a reconciliation of credit impairment provisions for loan commitments and financial guarantees.

SEKm	2022				2021			
	Stage 1	Stage 2	Stage 3 <sup>1</sup>	Total	Stage 1	Stage 2	Stage 3 <sup>1</sup>	Total
<b>Nominal amount</b>								
Opening balance 1 January	306 298	16 134	221	322 653	358 988	17 341	542	376 871
Closing balance 31 December	286 621	23 956	131	310 708	306 298	16 134	221	322 653
<b>Credit impairment provisions</b>								
Opening balance 1 January	286	273	85	644	249	396	161	806
<b>Movements affecting Credit impairments</b>								
New and derecognised financial assets, net	59	-8	-25	26	-1	-21	-91	-113
Changes in risk factors (EAD, PD, LGD)	-39	-54	14	-80	-20	-57	6	-71
Changes in macroeconomic scenarios	92	55	0	147	-36	-45	0	-81
Changes to models	12	7	-15	4				
Post-model expert credit adjustments	-19	-54	0	-73	86	-17	0	69
Individual assessments			0	0			-3	-3
Stage transfers	-27	66	-37	3	-3	1	0	-2
from 1 to 2	-49	140		91	-5	15		10
from 1 to 3	-1		10	9	0		1	1
from 2 to 1	23	-74		-51	3	-14		-11
from 2 to 3		-2	8	6		0	2	2
from 3 to 2		2	-54	-52		0	-3	-3
from 3 to 1	0		-1	-1	-1		0	-1
Other	0	0	0	0	0	0	0	0
<b>Total movements affecting credit impairments</b>	<b>78</b>	<b>13</b>	<b>-63</b>	<b>28</b>	<b>26</b>	<b>-139</b>	<b>-88</b>	<b>-201</b>
<b>Movements recognised outside credit impairments</b>								
Change in exchange rates	21	9	12	42	11	16	12	39
<b>Closing balance 31 December</b>	<b>384</b>	<b>295</b>	<b>34</b>	<b>714</b>	<b>286</b>	<b>273</b>	<b>85</b>	<b>644</b>

1) Including purchased or originated credit impaired

## Note 13 Credit risk exposures

SEKm	31 Dec 2022	31 Dec 2021
<b>Assets</b>		
Cash and balances with central banks	365 992	360 153
Interest-bearing securities	212 780	221 683
Loans to credit institutions	56 589	39 504
Loans to the public	1 842 811	1 703 206
Derivatives	50 504	40 531
Other financial assets	8 445	9 164
<b>Total assets</b>	<b>2 537 121</b>	<b>2 374 241</b>
<b>Contingent liabilities and commitments</b>		
Guarantees	45 632	53 669
Loan commitments	265 076	268 984
<b>Total contingent liabilities and commitments</b>	<b>310 708</b>	<b>322 653</b>
<b>Total</b>	<b>2 847 829</b>	<b>2 696 894</b>

## Note 14 Intangible assets

SEKm	31 Dec 2022	31 Dec 2021
<b>With indefinite useful life</b>		
Goodwill	13 774	13 501
Brand name	76	93
<b>Total with indefinite useful life</b>	<b>13 850</b>	<b>13 594</b>
<b>With finite useful life</b>		
Customer base	212	251
Internally developed software	5 540	5 320
Other	284	323
<b>Total with finite useful life</b>	<b>6 036</b>	<b>5 894</b>
<b>Total</b>	<b>19 886</b>	<b>19 488</b>

During the fourth quarter of 2022, impairments were made relating to internally developed software of SEK 238m, brand name of SEK 18m and goodwill of SEK 425m. All the impairments related to PayEx. During the third quarter of 2022, impairments were made relating to internally developed software of SEK 263m and goodwill of SEK 181m. The goodwill referred to the Norwegian operations which are transferred to Sparebank 1 Markets AS. Other changes to goodwill were related to exchange rate differences. There were no additional indications of impairment of intangible fixed assets.

## Note 15 Amounts owed to credit institutions

SEKm	31 Dec 2022	31 Dec 2021
<b>Amounts owed to credit institutions</b>		
Central banks	12 092	28 171
Banks	54 857	58 354
Other credit institutions	5 218	5 473
Repurchase agreements	659	814
<b>Total</b>	<b>72 826</b>	<b>92 812</b>

## Note 16 Deposits and borrowings from the public

SEKm	31 Dec 2022	31 Dec 2021
Private customers	703 935	655 636
Corporate customers	594 343	603 085
<b>Total deposits from customers</b>	<b>1 298 278</b>	<b>1 258 721</b>
Cash collaterals received	4 754	1 906
Swedish National Debt Office	101	68
Repurchase agreements - Swedish National Debt Office	1	0
Repurchase agreements	2 815	5 088
<b>Total borrowings</b>	<b>7 670</b>	<b>7 063</b>
<b>Deposits and borrowings from the public</b>	<b>1 305 948</b>	<b>1 265 783</b>

## Note 17 Debt securities in issue, senior non-preferred liabilities and subordinated liabilities

SEKm	31 Dec 2022	31 Dec 2021
Commercial papers	316 114	165 067
Covered bonds	343 284	436 989
Senior unsecured bonds	122 559	129 809
Structured retail bonds	2 249	4 052
<b>Total debt securities in issue</b>	<b>784 206</b>	<b>735 917</b>
Senior non-preferred liabilities	57 439	37 832
Subordinated liabilities	31 331	28 604
<b>Total</b>	<b>872 976</b>	<b>802 353</b>

Turnover	Full-year 2022	Full-year 2021
<b>Opening balance</b>	<b>802 353</b>	<b>766 607</b>
Issued	1 008 334	791 262
Repurchased	-35 067	-25 873
Repaid	-927 096	-740 624
Interest, change in fair values or hedged items in fair value hedges and changes in exchange rates	24 452	10 981
<b>Closing balance</b>	<b>872 976</b>	<b>802 353</b>

## Note 18 Derivatives

SEKm	Nominal amount		Positive fair value		Negative fair value	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
<b>Derivatives in hedge accounting</b>						
One-to-one fair value hedges, interest rate swaps	517 756	517 336	738	8 156	29 094	1 675
Portfolio fair value hedges, interest rate swaps	436 005	495 274	20 289	1 969	23	853
Cash flow hedges, cross currency basis swaps	8 179	8 127	603	41		130
<b>Total</b>	<b>961 940</b>	<b>1 020 737</b>	<b>21 630</b>	<b>10 166</b>	<b>29 117</b>	<b>2 658</b>
<b>Non-hedge accounting derivatives</b>	<b>29 580 068</b>	<b>24 945 752</b>	<b>1 223 832</b>	<b>174 838</b>	<b>1 236 903</b>	<b>170 723</b>
<b>Gross amount</b>	<b>30 542 008</b>	<b>25 966 489</b>	<b>1 245 462</b>	<b>185 004</b>	<b>1 266 021</b>	<b>173 381</b>
Offset amount			-1 194 958	-144 473	-1 197 341	-145 275
<b>Total</b>			<b>50 504</b>	<b>40 531</b>	<b>68 679</b>	<b>28 106</b>

The Group trades in derivatives in the normal course of business and for the purpose of hedging certain positions that are exposed to share price, interest rate, credit and currency risks. The carrying amounts of all derivatives refer to fair value including accrued interest.

## Note 19 Valuation categories for financial instruments

The tables below present the carrying amount and fair value of financial assets and financial liabilities, according to valuation categories. The methodologies to determine the fair value are described in the Annual and Sustainability Report 2021, note G46 Fair value of financial instruments.

SEKm	31 Dec 2022						
	Fair value through profit and loss				Hedging instruments	Total carrying amount	Fair value
	Mandatorily						
	Amortised cost	Trading	Other	Total	Total carrying amount	Fair value	
<b>Financial assets</b>							
Cash and balances with central banks	365 992					365 992	365 992
Treasury bills and other bills eligible for refinancing with central banks, etc.	132 741	9 903	8 839	18 742		151 483	151 485
Loans to credit institutions	56 574	15		15		56 589	56 589
Loans to the public <sup>1</sup>	1 811 962	30 586	264	30 850		1 842 811	1 838 695
Value change of the hedged items in portfolio hedges of interest rate risk	-20 369					-20 369	-20 369
Bonds and other interest-bearing securities		37 678	23 620	61 298		61 298	61 298
Financial assets for which customers bear the investment risk			290 678	290 678		290 678	290 678
Shares and participating interests		6 738	1 446	8 184		8 184	8 184
Derivatives		48 980		48 980	1 524	50 504	50 504
Other financial assets	8 415					8 415	8 415
<b>Total</b>	<b>2 355 314</b>	<b>133 900</b>	<b>324 846</b>	<b>458 746</b>	<b>1 524</b>	<b>2 815 584</b>	<b>2 811 470</b>
<b>Financial liabilities</b>							
Amounts owed to credit institutions	72 167	659		659		72 826	72 826
Deposits and borrowings from the public	1 303 133	2 815		2 815		1 305 948	1 305 938
Financial liabilities for which customers bear the investment risk			291 993	291 993		291 993	291 993
Debt securities in issue <sup>2</sup>	781 834	2 249	122	2 371		784 206	785 171
Short position securities		27 134		27 134		27 134	27 134
Derivatives		67 400		67 400	1 280	68 679	68 679
Senior non-preferred liabilities	57 439					57 439	59 361
Subordinated liabilities	31 331					31 331	31 121
Other financial liabilities	26 877					26 877	26 877
<b>Total</b>	<b>2 272 782</b>	<b>100 257</b>	<b>292 115</b>	<b>392 372</b>	<b>1 280</b>	<b>2 666 433</b>	<b>2 669 100</b>

1) Financial leasing agreements, when the Group is acting as lessor, are included in the valuation category Amortised cost since they are covered by provisions for expected credit losses.  
2) Nominal amount of debts securities in issue designated at fair value through profit or loss was SEK 111m.

SEKm	31 Dec 2021						
	Fair value through profit and loss				Hedging instruments	Total carrying amount	Fair value
	Mandatorily						
	Amortised cost	Trading	Other	Total	Total carrying amount	Fair value	
<b>Financial assets</b>							
Cash and balances with central banks	360 153					360 153	360 153
Treasury bills and other bills eligible for refinancing with central banks, etc.	128 523	25 314	9 753	35 067		163 590	163 600
Loans to credit institutions	38 121	1 383		1 383		39 504	39 504
Loans to the public <sup>1</sup>	1 678 446	24 561	199	24 760		1 703 206	1 703 553
Value change of the hedged items in portfolio hedges of interest rate risk	-1 753					-1 753	-1 753
Bonds and other interest-bearing securities		29 584	28 509	58 093		58 093	58 093
Financial assets for which customers bear the investment risk			328 512	328 512		328 512	328 512
Shares and participating interests		12 067	1 349	13 416		13 416	13 416
Derivatives		30 970		30 970	9 561	40 531	40 531
Other financial assets	9 166					9 166	9 166
<b>Total</b>	<b>2 212 656</b>	<b>123 879</b>	<b>368 322</b>	<b>492 201</b>	<b>9 561</b>	<b>2 714 418</b>	<b>2 714 775</b>
<b>Financial liabilities</b>							
Amounts owed to credit institutions	91 998	814		814		92 812	92 812
Deposits and borrowings from the public	1 260 695	5 088		5 088		1 265 783	1 265 779
Financial liabilities for which customers bear the investment risk			329 667	329 667		329 667	329 667
Debt securities in issue <sup>2</sup>	731 727	4 053	137	4 190		735 917	740 327
Short position securities		28 613		28 613		28 613	28 613
Derivatives		26 401		26 401	1 705	28 106	28 106
Senior non-preferred liabilities	37 832					37 832	38 492
Subordinated liabilities	28 604					28 604	29 026
Other financial liabilities	28 860					28 860	28 860
<b>Total</b>	<b>2 179 716</b>	<b>64 969</b>	<b>329 804</b>	<b>394 773</b>	<b>1 705</b>	<b>2 576 194</b>	<b>2 581 682</b>

1) Financial leasing agreements, when the Group is acting as lessor, are included in the valuation category Amortised cost since they are covered by provisions for expected credit losses.  
2) Nominal amount of debts securities in issue designated at fair value through profit or loss was SEK 102m.

## Note 20 Financial instruments recognised at fair value

The determination of fair value, the valuation hierarchy and the valuation process for fair value measurements in Level 3 are described in the Annual and Sustainability Report 2021, note G46 Fair value of financial instruments.

The financial instruments are distributed in three levels depending on inputs to the measurement.

- Level 1: Unadjusted quoted price on an active market
- Level 2: Adjusted quoted price or valuation model with valuation parameters derived from an active market
- Level 3: Valuation model where significant valuation parameters are non-observable and based on internal assumptions

The following tables present fair values of financial instruments recognised at fair value split between the three valuation hierarchy levels.

SEKm	31 Dec 2022				31 Dec 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets</b>								
Treasury bills etc.	15 630	3 112		18 742	27 580	7 487		35 067
Loans to credit institutions		15		15		1 383		1 383
Loans to the public		30 817	33	30 850		24 746	14	24 760
Bonds and other interest-bearing securities	42 138	19 160		61 298	29 272	28 821		58 093
Financial assets for which the customers bear the investment risk	290 534		144	290 678	328 512			328 512
Shares and participating interests	7 099	4	1 081	8 184	12 139		1 277	13 416
Derivatives	179	50 325		50 504	162	40 369		40 531
<b>Total</b>	<b>355 580</b>	<b>103 433</b>	<b>1 258</b>	<b>460 271</b>	<b>397 665</b>	<b>102 806</b>	<b>1 291</b>	<b>501 762</b>
<b>Liabilities</b>								
Amounts owed to credit institutions		659		659		814		814
Deposits and borrowings from the public		2 815		2 815		5 088		5 088
Debt securities in issue		2 371		2 371		4 190		4 190
Financial liabilities for which the customers bear the investment risk		291 849	144	291 993		329 667		329 667
Derivatives	197	68 482		68 679	123	27 983		28 106
Short positions, securities	27 014	120		27 134	25 738	2 875		28 613
<b>Total</b>	<b>27 211</b>	<b>366 296</b>	<b>144</b>	<b>393 651</b>	<b>25 861</b>	<b>370 617</b>		<b>396 478</b>

Transfers between levels are reflected as per the fair value at closing day. There were no transfers of financial instruments between valuation levels 1 and 2 during the period.

### Changes in level 3

SEKm	2022				2021				
	Assets			Total	Liabilities for which the customers bear the investment risk		Assets		
	Equity instruments	Loans	Fund units of which customers bear the investment risk		Equity instruments	Loans	Equity instruments	Loans	Total
<b>Opening balance 1 January</b>	<b>1 277</b>	<b>14</b>		<b>1 291</b>			<b>1 127</b>	<b>1 127</b>	
Purchases	28	23		51			13	18	
Shares received							21	21	
Sale of assets/ dividends received	-52		-11	-63			-88	-88	
Conversion Visa Inc shares	-461			-461					
Issues									
Sale of liabilities						-11			
Transferred from Level 1 to Level 3			139	139					
Transferred from Level 2 to Level 3					139				
Gains or losses, Net gains and losses on financial items of which changes in unrealised gains or losses for items held at closing day	289	-4	16	301	16		204	1	205
	127	-4	15	138	15		135		135
<b>Closing balance 31 December</b>	<b>1 081</b>	<b>33</b>	<b>144</b>	<b>1 258</b>	<b>144</b>		<b>1 277</b>	<b>14</b>	<b>1 291</b>

Financial instruments are transferred to or from level 3 depending on whether the internal assumptions have changed in significance to the valuation.

Level 3 mainly comprises strategic unlisted shares. These include holdings in VISA Inc. C shares that are subject to selling restrictions until June 2028 and under

certain conditions may have to be returned. Liquid quotes are not available for these shares, therefore the fair value is established with significant elements of Swedbank's own internal assumptions. During the third quarter, there was a conversion of VISA Inc. C shares to VISA Inc. A. The carrying amount of the holdings in Visa Inc. C amounted to SEK 421m (675) as per 31 December 2022.

In the Group's insurance operations, fund units are held in which the customers have chosen to invest their insurance savings. The holdings are reported in the balance sheet as financial assets

where the customers bear the investment risk and are normally measured at fair value according to level 1, because the units are traded in an active market. The

Group's obligations to insurance savers are reported as financial liabilities where the customers bear the investment risk because it is the customers who bear the entire market value change of the assets. The liabilities are normally measured at fair value according to level 2.

During the first quarter 2022, trading was closed in whole or in part in Russia and Eastern Europe targeted funds. These unit holdings and liabilities to the insurance savers have therefore been transferred and measured at fair value according to level 3. Fully closed funds have been measured at an indicative value, alternatively SEK 0m, while funds that were open for sales have been measured at the sale value. The liabilities have been measured on the same basis.

## Note 21 Assets pledged, contingent liabilities and commitments

SEKm	31 Dec 2022	31 Dec 2021
Loans used as collateral for covered bonds <sup>1</sup>	382 095	473 539
Financial assets pledged for insurance policy holders	290 678	328 512
Other assets pledged for own liabilities	82 800	55 756
Other assets pledged	14 287	8 529
<b>Assets pledged</b>	<b>769 860</b>	<b>866 336</b>
<b>Nominal amounts</b>		
Guarantees	45 632	53 669
Other	75	156
<b>Contingent liabilities</b>	<b>45 708</b>	<b>53 825</b>
<b>Nominal amounts</b>		
Loans granted not paid	202 987	204 812
Overdraft facilities granted but not utilised	62 089	64 172
<b>Commitments</b>	<b>265 076</b>	<b>268 984</b>

1) The pledge is defined as the borrower's nominal debt including accrued interest and refers to the loans of the total available collateral that are used as the pledge at each point in time.

Swedbank is cooperating with authorities in the United States who are conducting investigations into Swedbank's historic AML compliance and the Group's response thereto, as well as related issues involving the Group's anti-money laundering controls and certain individuals and entities who may at some time have been customers of the Group.

In March 2022, Swedbank AS in Estonia was informed by the Estonian Prosecutor that Swedbank AS is suspected of money laundering during the period 2014-2016.

The timing of the completion of the investigations is still unknown and the outcomes are still uncertain. At present, it is not possible to reliably estimate the amount of any potential settlement or fines, which could be material



## Note 22 Offsetting financial assets and liabilities

The tables below present recognised financial instruments that have been offset in the balance sheet under IAS 32 and those that are subject to legally enforceable master netting or similar agreements but do not qualify for offset. Such financial instruments relate to derivatives, repurchase and reverse repurchase agreements, securities settlements, securities borrowing and lending transactions. Collateral amounts represent financial instruments or cash collateral received or pledged for transactions that are subject to a legally

enforceable master netting or similar agreements and which allow for the netting of obligations against the counterparty in the event of a default. Collateral amounts are limited to the amount of the related instruments presented in the balance sheet; therefore any over-collateralisation is not included. Amounts that are not offset in the balance sheet are presented as a reduction to the financial assets or liabilities in order to derive net asset and net liability exposure.

SEKm	Financial assets		Financial liabilities	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
<b>Financial assets and liabilities, which have been offset or are subject to netting</b>				
Gross amount	1 362 130	272 441	1 354 318	241 449
Offset amount	-1 281 853	-207 064	-1 284 235	-207 866
<b>Net amounts presented in the balance sheet</b>	<b>80 277</b>	<b>65 377</b>	<b>70 083</b>	<b>33 583</b>
<b>Related amounts not offset in the balance sheet</b>				
Financial instruments, netting arrangements	28 509	19 292	28 509	19 292
Financial Instruments, collateral	29 865	23 519	9 100	9 469
Cash collateral	8 579	13 850	21 497	4 801
<b>Total amount not offset in the balance sheet</b>	<b>66 953</b>	<b>56 661</b>	<b>59 106</b>	<b>33 561</b>
<b>Net amount</b>	<b>13 324</b>	<b>8 716</b>	<b>10 977</b>	<b>21</b>

The amount offset for derivative assets includes offset cash collateral of SEK 20 830m (1 447) derived from the balance sheet item Amounts owed to credit institutions. The amount offset for derivative liabilities includes offset cash collateral of SEK 23 213m (2 249), derived from the balance sheet item Loans to credit institutions.

As of 31 March 2022, offset amounts for security settlement claims and liabilities are included in the table above. The significant increase in gross amounts between 31 December 2021 and 31 December 2022 is mainly due to valuation changes on derivatives.

## Note 23 Capital adequacy, consolidated situation

This note contains the information made public according to the Swedish Financial Supervisory Authority Regulation FFFS 2014:12, chap. 8. Additional periodic information according to Regulation (EU) No 575/2013 of the European Parliament and of the Council on Supervisory Requirements for Credit Institutions and Implementing Regulation (EU) No 1423/2013 of the European Commission can be found on Swedbank's

website: <https://www.swedbank.com/investor-relations/reports-and-presentations/risk-reports>.

In the consolidated situation, the Group's insurance companies are consolidated according to the equity method instead of full consolidation. The EnterCard Group is consolidated by proportional method instead of the equity method. Otherwise, the same principles for consolidations are applied as for the Group.

	31 Dec 2022	30 Sep 2022	30 Jun 2022	31 Mar 2022	31 Dec 2021
<b>Consolidated situation, SEKm</b>					
<b>Available own funds</b>					
Common Equity Tier 1 (CET1) capital	144 107	139 624	135 943	132 601	129 644
Tier 1 capital	153 320	149 435	145 312	141 306	143 022
Total capital	176 331	174 137	161 879	156 954	158 552
<b>Risk-weighted exposure amounts</b>					
Total risk exposure amount	809 438	753 060	743 767	724 472	707 753
<b>Capital ratios as a percentage of risk-weighted exposure amount</b>					
Common Equity Tier 1 ratio	17.8	18.5	18.3	18.3	18.3
Tier 1 ratio	18.9	19.8	19.5	19.5	20.2
Total capital ratio	21.8	23.1	21.8	21.7	22.4
<b>Additional own funds requirements to address risks other than the risk of excessive leverage as a percentage of risk-weighted exposure amount</b>					
Additional own funds requirements to address risks other than the risk of excessive leverage	2.3	2.3	1.7	1.7	1.7
of which: to be made up of CET1 capital	1.5	1.5	1.2	1.2	1.2
of which: to be made up of Tier 1 capital	1.8	1.8	1.3	1.3	1.3
Total SREP own funds requirements	10.3	10.3	9.7	9.7	9.7
<b>Combined buffer and overall capital requirement as a percentage of risk-weighted exposure amount</b>					
Capital conservation buffer	2.5	2.5	2.5	2.5	2.5
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State					
Institution-specific countercyclical capital buffer	0.9	0.8	0.1	0.0	0.0
Systemic risk buffer	3.0	3.0	3.0	3.0	3.0
Other Systemically Important Institution buffer	1.0	1.0	1.0	1.0	1.0
Combined buffer requirement	7.4	7.3	6.6	6.5	6.5
Overall capital requirements	17.7	17.6	16.3	16.2	16.2
CET1 available after meeting the total SREP own funds requirements	11.2	12.1	12.0	11.9	12.6
<b>Leverage ratio</b>					
Total exposure measure	2 735 019	2 844 556	2 796 534	2 774 716	2 626 642
Leverage ratio, %	5.6	5.3	5.2	5.1	5.4
<b>Additional own funds requirements to address the risk of excessive leverage as a percentage of total exposure measure</b>					
Additional own funds requirements to address the risk of excessive leverage					
of which: to be made up of CET1 capital					
Total SREP leverage ratio requirements	3.0	3.0	3.0	3.0	3.0
<b>Leverage ratio buffer and overall leverage ratio requirement as a percentage of total exposure measure</b>					
Leverage ratio buffer requirement					
Overall leverage ratio requirement	3.0	3.0	3.0	3.0	3.0
<b>Liquidity Coverage Ratio</b>					
Total high-quality liquid assets, average weighted value	716 743	725 870	753 524	743 708	717 469
Cash outflows, total weighted value	578 133	570 543	572 353	553 356	528 742
Cash inflows, total weighted value	80 684	69 997	61 307	55 603	53 820
Total net cash outflows, adjusted value	497 449	500 545	511 046	497 752	474 922
Liquidity coverage ratio, %	145.4	146.4	148.7	151.0	151.8
<b>Net stable funding ratio</b>					
Total available stable funding	1 663 231	1 664 570	1 668 633	1 657 266	1 644 050
Total required stable funding	1 404 092	1 420 778	1 402 804	1 359 706	1 331 522
Net stable funding ratio, %	118.5	117.2	119.0	122.0	123.0

<b>Common Equity Tier 1 capital</b>	<b>31 Dec</b>	<b>31 Dec</b>
<b>Consolidated situation, SEKm</b>	<b>2022</b>	<b>2021</b>
Shareholders' equity according to the Group's balance sheet	176 064	161 670
Anticipated dividend	-10 967	-12 632
Value changes in own financial liabilities	-339	-91
Cash flow hedges	-13	-2
Additional value adjustments	-576	-1 037
Goodwill	-13 863	-13 590
Deferred tax assets	-106	-68
Intangible assets	-4 005	-4 427
Insufficient coverage for non-performing exposures	-11	-1
Deductions of CET1 capital due to Article 3 CRR	-106	-137
Shares deducted from CET1 capital	-40	-41
Pension fund assets	-1 930	0
<b>Total</b>	<b>144 107</b>	<b>129 644</b>

<b>Risk exposure amount</b>	<b>31 Dec</b>	<b>31 Dec</b>
<b>Consolidated situation, SEKm</b>	<b>2022</b>	<b>2021</b>
Risk exposure amount credit risks, standardised approach	54 992	51 273
Risk exposure amount credit risks, IRB	336 516	287 328
Risk exposure amount default fund contribution	149	281
Risk exposure amount settlement risks	0	2
Risk exposure amount market risks	21 461	20 306
Risk exposure amount credit value adjustment	3 809	2 338
Risk exposure amount operational risks	79 995	75 618
Additional risk exposure amount, Article 3 CRR	71 411	29 302
Additional risk exposure amount, Article 458 CRR	241 106	241 305
<b>Total</b>	<b>809 438</b>	<b>707 753</b>

	SEKm		%	
<b>Capital requirements<sup>1</sup></b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>
<b>Consolidated situation, SEKm / %</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Capital requirement Pillar 1	124 756	102 624	15.4	14.5
of which Buffer requirements <sup>2</sup>	60 001	46 004	7.4	6.5
Capital requirement Pillar 2 <sup>3</sup>	18 374	12 032	2.3	1.7
Pillar 2 guidance <sup>4</sup>	8 094	10 616	1.0	1.5
<b>Total capital requirement including Pillar 2 guidance</b>	<b>151 225</b>	<b>125 272</b>	<b>18.7</b>	<b>17.7</b>
<b>Own funds</b>	<b>176 331</b>	<b>158 552</b>		

1) Swedbank's calculation based on the SFSA's announced capital requirements, including Pillar 2 requirements and Pillar 2 guidance.

2) Buffer requirements includes systemic risk buffer, capital conservation buffer, countercyclical capital buffer and buffer for other systemically important institutions.

3) Individual Pillar 2 requirement according to decision from SFSA SREP 2022.

4) From Q3 2021 Swedbank consolidated situation is subject to Pillar 2 guidance.

	SEKm		%	
<b>Leverage ratio requirements<sup>1</sup></b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>
<b>Consolidated situation, SEKm / %</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Leverage ratio requirement Pillar 1	8 205 057	7 879 926	3.0	3.0
Leverage ratio Pillar 2 guidance	1 230 759	1 181 989	0.5	0.5
<b>Total capital requirement including Pillar 2 guidance</b>	<b>9 435 815</b>	<b>9 061 915</b>	<b>3.5</b>	<b>3.5</b>

1) Swedbank's calculation based on the SFSA's announced leverage ratio requirements, including Pillar 2 requirements and Pillar 2 guidance.

## Note 24 Internal capital requirement

This note provides information on the internal capital assessment according to chapter 8, section 5 of the SFSA's regulation on prudential requirements and capital buffers (2014:12). The internal capital assessment is published in the interim report according to chapter 8, section 4 of the SFSA's regulation and general advice on annual reports from credit institutions and investment firms (2008:25).

A bank must identify, measure and manage the risks with which its activities are associated and have sufficient capital to cover these risks. The purpose of the Internal Capital Adequacy Assessment Process (ICAAP) is to ensure that the bank is sufficiently capitalised to cover its risks and to conduct and develop its business activities. Swedbank applies its own models and processes to evaluate its capital need for all relevant risks. The models that serve as a basis for the internal capital assessment evaluate the need for economic capital over a one-year horizon at a 99.9 per cent confidence level for each type of risk. Diversification effects between various types of risks are not taken into account in the calculation of economic capital.

As a complement to the economic capital calculation, scenario-based simulations and stress tests are conducted at least once a year. The analyses provide an overview of the most important risks Swedbank is exposed to by quantifying their impact on the income statement and balance sheet

as well as the own funds and risk-weighted assets. The purpose is to ensure efficient use of capital. The methodology serves as a basis of proactive risk and capital management.

As of 31 December 2022, the internal capital assessment for Swedbank's consolidated situation amounted to SEK 41.5bn (SEK 36.6bn as of 31 December 2021). The capital to meet the internal capital assessment, i.e. the Total capital, amounted to SEK 176.3bn (SEK 158.6bn as of 31 December 2021) (see Note 23). Swedbank's internal capital assessment using its own models is not comparable with the estimated capital requirement that the SFSA releases quarterly and does not consider the SFSA risk-weight floor for Swedish mortgages.

The internally estimated capital requirement for the parent company amounted to SEK 28.8bn (SEK 25.3bn as of 31 December 2021) and the total capital amounted to SEK 134.6bn (SEK 126.1bn as of 31 December 2021) (see the parent company's note on capital adequacy).

In addition to what is stated in this interim report, risk management and capital adequacy according to the Basel 3 framework are described in more detail in Swedbank's Annual and Sustainability Report 2021 as well as in Swedbank's yearly Risk Management and Capital Adequacy Report, available on [www.swedbank.se](http://www.swedbank.se).

## Note 25 Risks and uncertainties

Swedbank's earnings are affected by changes in the global marketplace over which it has no control, including macroeconomic factors such as GDP, asset prices and unemployment as well as changes in interest rates, equity prices and exchange rates. The war in Ukraine and the changed macroeconomic conditions mean that previous economic forecasts have been revised down.

### Geopolitical situation

The geopolitical situation remains tense due to the Russian invasion of Ukraine and the EU continues to strive towards becoming independent of the Russian economy. By actively looking for new trade partners that can replace the Union's dependence on Russian raw materials and by launching extensive sanctions packages. During the past quarter, the EU agreed on introducing additional sanctions against Russia targeted towards the Russian defence industry, several Russian banks and the mining sector. The EU also plans for export controls on Russian products such as chemicals, electronics and IT components. Although Swedbank's direct as well as indirect exposures to Russia, Ukraine and Belarus are limited, there is an overall European dependence on Russian energy such that also Swedbank's home markets are affected by the sanction's implications. However, the war has exacerbated the existing supply chain problems from the pandemic, leading to shortages and drastic price increases for energy, food and a

number of raw materials. In addition, Europe may face a shortage of natural gas in the winter as Russia restricts supply in response to sanctions. Investments to ensure energy security have become a top priority for many countries, including the Bank's home markets. Still, considering the fact that the conflict countries are large producers of several food related groceries and input goods, in combination with rising energy prices and extended sanctions against Russia contributes to the risk of sustained high inflation. Swedbank closely monitors the geopolitical and macroeconomic developments.

IT and information security risk management continues to be a priority. The number of IT attacks against the financial industry has increased and the Bank's external threat level is assessed as elevated, but Swedbank's capacity to manage these risks is good.

### Anti-money laundering and Counter terrorist financing and other compliance risks

For risks related to the ongoing investigations of authorities in US and Estonia related to historic anti-money laundering compliance and response related to anti-money laundering controls, please refer to Note 21 Assets pledged, contingent liabilities and commitments.

Swedbank has identified elevated compliance risks in the market surveillance area. Work is ongoing within the bank to address the deficiencies identified.

## Tax

The tax area is complex and leaves room for judgement. Practices and interpretations of applicable laws can be changed, sometimes retroactively. In the event that the tax authorities and, where appropriate, the tax courts decide on a different interpretation than what Swedbank initially

made, it could impact the Group's operations, results and financial position.

In addition to what is stated in this interim report, detailed descriptions are provided in Swedbank's 2021 Annual and sustainability report and in the disclosure in the Risk Management and Capital Adequacy reports available at [www.swedbank.com](http://www.swedbank.com).

### Change in value if the market interest rate rises by one percentage point

Impact in SEKm on the net value of assets and liabilities, including derivatives, when market interest rates are increased by one percentage point.

<b>31 December 2022</b>	<b>&lt; 5 yrs</b>	<b>5-10 yrs</b>	<b>&gt; 10 yrs</b>	<b>Total</b>
SEK	-1 423	-251	-7	-1 681
Foreign currencies	747	-69	17	695
<b>Total</b>	<b>-676</b>	<b>-320</b>	<b>10</b>	<b>-986</b>
<b>31 December 2021</b>				
SEK	-491	-1 020	221	-1 290
Foreign currencies	757	191	85	1 033
<b>Total</b>	<b>266</b>	<b>-829</b>	<b>306</b>	<b>-257</b>

Impact in SEKm on the net value of assets and liabilities measured at fair value through profit or loss, when market interest rates are increased by one percentage point.

<b>31 December 2022</b>	<b>&lt; 5 yrs</b>	<b>5-10 yrs</b>	<b>&gt; 10 yrs</b>	<b>Total</b>
SEK	701	-249	-7	445
Foreign currencies	-554	-34	29	-559
<b>Total</b>	<b>147</b>	<b>-283</b>	<b>22</b>	<b>-114</b>
<b>31 December 2021</b>				
SEK	361	-220	84	225
Foreign currencies	-405	246	8	-151
<b>Total</b>	<b>-44</b>	<b>26</b>	<b>92</b>	<b>74</b>

## Note 26 Related-party transactions

During the period normal business transactions were executed between companies in the Group, including other related companies such as associates and joint ventures. The five partly owned savings banks are important associates.

## Note 27 Swedbank's share

	31 Dec 2022	31 Dec 2021
<b>Number of outstanding ordinary shares</b>		
<b>Issued shares</b>		
SWED A	1 132 005 722	1 132 005 722
<b>Repurchased shares</b>		
SWED A	-8 934 918	-10 570 929
<b>Number of outstanding ordinary shares on the closing day</b>	<b>1 123 070 804</b>	<b>1 121 434 793</b>
<b>SWED A</b>		
Last price, SEK	177.30	182.10
<b>Market capitalisation, SEKm</b>	<b>199 120</b>	<b>204 213</b>

During 2022, within Swedbank's share-based compensation programme, Swedbank AB transferred 1 636 011 shares at no cost to employees.

	Q4 2022	Q3 2022	Q4 2021	Full-year 2022	Full-year 2021
<b>Earnings per share</b>					
<b>Average number of shares</b>					
Average number of shares before dilution	1 123 070 804	1 123 070 804	1 121 434 587	1 122 834 030	1 121 117 329
Weighted average number of shares for potential ordinary shares that incur a dilutive effect due to share-based compensation programme	3 013 948	2 585 551	3 716 547	3 046 820	3 676 236
Average number of shares after dilution	1 126 084 752	1 125 656 355	1 125 151 134	1 125 880 850	1 124 793 565
<b>Profit, SEKm</b>					
Profit for the period attributable to shareholders of Swedbank	6 813	5 737	4 835	21 877	20 871
Earnings for the purpose of calculating earnings per share	6 813	5 737	4 835	21 877	20 871
<b>Earnings per share, SEK</b>					
Earnings per share before dilution	6.07	5.11	4.31	19.48	18.62
Earnings per share after dilution	6.05	5.10	4.30	19.43	18.56

## Note 28 Changed presentation regarding resolution fees

A new Swedish bank tax was introduced from 1 January 2022 and is presented on a new row in the income statement. From 2022 the Group also presents resolution fees on this row, which is named Swedish bank tax and resolution fees. Previously the resolution fees have been included in Interest expense within Net interest income.

Income statement	Q4 2021			Full-year 2021		
	Previous reporting	Change	New reporting	Previous reporting	Change	New reporting
<b>SEKm</b>						
Interest income on financial assets at amortised cost	7 593		7 593	29 912		29 912
Other interest income	235		235	452		452
<b>Interest income</b>	<b>7 828</b>		<b>7 828</b>	<b>30 364</b>		<b>30 364</b>
Interest expense	-1 274	192	-1 082	-4 107	791	-3 316
<b>Net interest income (note 5)</b>	<b>6 554</b>	<b>192</b>	<b>6 746</b>	<b>26 257</b>	<b>791</b>	<b>27 048</b>
Commission income	6 021		6 021	22 407		22 407
Commission expense	-2 001		-2 001	-7 554		-7 554
<b>Net commission income (note 6)</b>	<b>4 020</b>		<b>4 020</b>	<b>14 853</b>		<b>14 853</b>
Net gains and losses on financial items (note 7)	265		265	2 048		2 048
Net insurance	326		326	1 457		1 457
Share of profit or loss of associates and joint ventures	253		253	976		976
Other income	331		331	1 299		1 299
<b>Total income</b>	<b>11 749</b>	<b>192</b>	<b>11 941</b>	<b>46 890</b>	<b>791</b>	<b>47 681</b>
Staff costs	3 361		3 361	12 739		12 739
Other general administrative expenses (note 8)	2 070		2 070	6 477		6 477
Depreciation/amortisation of tangible and intangible assets	411		411	1 631		1 631
<b>Total expenses</b>	<b>5 842</b>		<b>5 842</b>	<b>20 847</b>		<b>20 847</b>
<b>Profit before impairments, Swedish bank tax and resolution fees</b>	<b>5 907</b>	<b>192</b>	<b>6 099</b>	<b>26 043</b>	<b>791</b>	<b>26 834</b>
Impairment of intangible assets				56		56
Credit impairment (note 9)	-67		-67	170		170
Swedish bank tax and resolution fees (note 10)		192	192		791	791
<b>Profit before tax</b>	<b>5 974</b>		<b>5 974</b>	<b>25 817</b>		<b>25 817</b>
Tax expense	1 139		1 139	4 945		4 945
<b>Profit for the period</b>	<b>4 835</b>		<b>4 835</b>	<b>20 872</b>		<b>20 872</b>
<b>Profit for the period attributable to: Shareholders of Swedbank AB</b>	<b>4 835</b>		<b>4 835</b>	<b>20 871</b>		<b>20 871</b>
Non-controlling interests	0		0	1		1
C/I ratio	0.50		0.49	0.44		0.44

Net interest income	Q4 2021			Full-year 2021		
	Previous reporting	Change	New reporting	Previous reporting	Change	New reporting
<b>SEKm</b>						
<b>Interest income</b>						
Cash and balances with central banks	-295		-295	-1 129		-1 129
Treasury bills and other bills eligible for refinancing with central banks, etc.	37		37	86		86
Loans to credit institutions	61		61	189		189
Loans to the public	7 657		7 657	30 624		30 624
Bonds and other interest-bearing securities	41		41	177		177
Derivatives <sup>1</sup>	280		280	292		292
Other assets	-62		-62	63		63
<b>Total</b>	<b>7 719</b>		<b>7 719</b>	<b>30 302</b>		<b>30 302</b>
Deduction of trading-related interests reported in Net gains and losses on financial items	-109		-109	-62		-62
<b>Total interest income</b>	<b>7 828</b>		<b>7 828</b>	<b>30 364</b>		<b>30 364</b>
<b>Interest expense</b>						
Amounts owed to credit institutions	83		83	208		208
Deposits and borrowings from the public	-61		-61	-354		-354
of which deposit guarantee fees	-148		-148	-461		-461
Debt securities in issue	-1 115		-1 115	-4 633		-4 633
Senior non-preferred liabilities	-70		-70	-213		-213
Subordinated liabilities	-226		-226	-764		-764
Derivatives <sup>1</sup>	469		469	2 879		2 879
Other liabilities	-211	192	-19	-871	791	-80
of which resolution fund fee	-192	192		-791	791	
<b>Total</b>	<b>-1 131</b>	<b>192</b>	<b>-939</b>	<b>-3 748</b>	<b>791</b>	<b>-2 957</b>
Deduction of trading-related interests reported in Net gains and losses on financial items	143		143	359		359
<b>Total interest expense</b>	<b>-1 274</b>	<b>192</b>	<b>-1 082</b>	<b>-4 107</b>	<b>791</b>	<b>-3 316</b>
<b>Net interest income</b>	<b>6 554</b>	<b>192</b>	<b>6 746</b>	<b>26 257</b>	<b>791</b>	<b>27 048</b>
Net investment margin before trading-related interests are deducted	0.88	0.03	0.91	0.92	0.03	0.95
Average total assets	2 985 729		2 985 729	2 888 870		2 888 870

1) Derivatives include net interest income related to hedged assets and liabilities. These may have both a positive and negative impact on interest income and interest expense.



## Income statement, condensed

Parent company SEKm	Q4 2022	Q3 2022	Q4' 2021	Full-year 2022	Full-year' 2021
Interest income on financial assets at amortised cost	11 885	6 961	2 407	25 176	9 872
Other interest income	2 390	1 917	1 530	7 504	5 363
<b>Interest income</b>	<b>14 275</b>	<b>8 878</b>	<b>3 937</b>	<b>32 679</b>	<b>15 235</b>
Interest expense	-7 534	-3 367	-402	-12 008	-657
<b>Net interest income</b>	<b>6 741</b>	<b>5 512</b>	<b>3 535</b>	<b>20 672</b>	<b>14 578</b>
Dividends received	4 854	2 300	6 158	16 811	17 065
Commission income	2 090	2 164	2 331	8 548	8 660
Commission expense	-496	-546	-500	-2 193	-2 119
<b>Net commission income</b>	<b>1 595</b>	<b>1 618</b>	<b>1 831</b>	<b>6 355</b>	<b>6 541</b>
Net gains and losses on financial items	587	-212	228	-1 186	920
Other income	905	750	712	3 106	2 249
<b>Total income</b>	<b>14 680</b>	<b>9 967</b>	<b>12 464</b>	<b>45 758</b>	<b>41 353</b>
Staff costs	2 744	2 629	2 651	10 504	9 862
Other expenses	1 717	1 478	1 966	5 977	6 087
Depreciation/amortisation and impairment of tangible and intangible fixed assets	1 253	1 289	1 238	5 047	4 957
<b>Total expenses</b>	<b>5 713</b>	<b>5 396</b>	<b>5 855</b>	<b>21 528</b>	<b>20 906</b>
<b>Profit before impairments, Swedish bank tax and resolution fees</b>	<b>8 967</b>	<b>4 572</b>	<b>6 609</b>	<b>24 230</b>	<b>20 447</b>
Credit impairments, net	279	337	-45	735	78
Impairment of financial assets <sup>2</sup>	1 946			1 946	
Swedish bank tax and resolution fees	251	279	76	1 089	304
<b>Operating profit</b>	<b>6 491</b>	<b>3 955</b>	<b>6 578</b>	<b>20 460</b>	<b>20 065</b>
Appropriations	-5 263		-53	-5 263	-53
Tax expense	2 947	867	1 418	5 187	4 031
<b>Profit for the period</b>	<b>8 807</b>	<b>3 088</b>	<b>5 213</b>	<b>20 536</b>	<b>16 087</b>

1) From 2022 a Swedish bank tax has been enacted. The new tax is presented on it's own row in the Income statement, before operating profit. At the same time the presentation of the parent company's resolution fee has been amended. The resolution fee has moved from Interest rate expense to the same row as the Swedish bank tax in the Income statement. The new row is named Swedish bank tax and resolution fees. Comparatives related to the resolution fee have been restated. The parent company's interest expense decreased by SEK 76m for the fourth quarter 2021 and by SEK 304m for the period January to December 2021.

2) Impairment of financial assets refers to impairments for Swedbank PayEx Holding AB of SEK 1 940m and FR & R Invest AB of SEK 6m.

## Statement of comprehensive income, condensed

Parent company SEKm	Q4 2022	Q3 2022	Q4 2021	Full-year 2022	Full-year 2021
<b>Profit for the period reported via income statement</b>	<b>8 807</b>	<b>3 088</b>	<b>5 213</b>	<b>20 536</b>	<b>16 087</b>
<b>Total comprehensive income for the period</b>	<b>8 807</b>	<b>3 088</b>	<b>5 213</b>	<b>20 536</b>	<b>16 087</b>

## Balance sheet, condensed

Parent company SEKm	31 Dec 2022	31 Dec 2021
<b>Assets</b>		
Cash and balance with central banks	215 314	194 353
Loans to credit institutions	830 322	650 948
Loans to the public	470 187	391 675
Interest-bearing securities	204 942	214 197
Shares and participating interests	70 434	78 924
Derivatives	67 764	44 323
Other assets	39 794	43 076
<b>Total assets</b>	<b>1 898 757</b>	<b>1 617 496</b>
<b>Liabilities and equity</b>		
Amounts owed to credit institutions	162 348	100 610
Deposits and borrowings from the public	943 777	942 932
Debt securities in issue	435 782	296 918
Derivatives	100 346	42 542
Other liabilities and provisions	50 865	54 007
Senior non-preferred liabilities	57 439	37 832
Subordinated liabilities	31 331	28 604
Untaxed reserves	5 367	10 630
Equity	111 502	103 421
<b>Total liabilities and equity</b>	<b>1 898 757</b>	<b>1 617 496</b>
Pledged collateral	82 473	55 407
Other assets pledged	14 287	8 529
Contingent liabilities	132 608	232 276
Commitments	253 613	263 331

## Statement of changes in equity, condensed

### Parent company SEKm

	Restricted equity		Non-restricted equity		Total
	Share capital	Statutory reserve	Share premium reserve	Retained earnings	
<b>January-December 2022</b>					
<b>Opening balance 1 January 2022</b>	<b>24 904</b>	<b>5 968</b>	<b>13 206</b>	<b>59 343</b>	<b>103 421</b>
Dividend				-12 632	-12 632
Share based payments to employees				174	174
Deferred tax related to share based payments to employees				4	4
Current tax related to share based payments to employees				-1	-1
Total comprehensive income for the period				20 536	20 536
<b>Closing balance 31 December 2022</b>	<b>24 904</b>	<b>5 968</b>	<b>13 206</b>	<b>67 424</b>	<b>111 502</b>
<b>January-December 2021</b>					
<b>Opening balance 1 January 2021</b>	<b>24 904</b>	<b>5 968</b>	<b>13 206</b>	<b>59 355</b>	<b>103 433</b>
Dividend				-16 310	-16 310
Share based payments to employees				195	195
Deferred tax related to share based payments to employees				18	18
Current tax related to share based payments to employees				-2	-2
Total comprehensive income for the period				16 087	16 087
<b>Closing balance 31 December 2021</b>	<b>24 904</b>	<b>5 968</b>	<b>13 206</b>	<b>59 343</b>	<b>103 421</b>

## Cash flow statement, condensed

Parent company SEKm	Full-year 2022	Full-year 2021
Cash flow from operating activities	-2 081	2 849
Cash flow from investing activities	12 223	9 480
Cash flow from financing activities	10 819	14 903
<b>Cash flow for the period</b>	<b>20 961</b>	<b>27 232</b>
Cash and cash equivalents at beginning of period	194 353	167 121
Cash flow for the period	20 961	27 232
<b>Cash and cash equivalents at end of period</b>	<b>215 314</b>	<b>194 353</b>

## Capital adequacy

	31 Dec 2022	30 Sep 2022	30 Jun 2022	31 Mar 2022	31 Dec 2021
<b>Parent company, SEKm</b>					
<b>Available own funds</b>					
Common equity tier 1 (CET1) capital	102 528	100 941	100 550	99 242	96 715
Tier 1 capital	111 742	110 753	109 919	107 947	110 093
Total capital	134 563	135 353	126 835	123 967	126 056
<b>Risk-weighted exposure amounts</b>					
Total risk exposure amount	394 817	395 783	397 501	372 112	353 415
<b>Capital ratios as a percentage of risk-weighted exposure amount</b>					
Common equity tier 1 ratio	26.0	25.5	25.3	26.7	27.4
Tier 1 ratio	28.3	28.0	27.7	29.0	31.2
Total capital ratio	34.1	34.2	31.9	33.3	35.7
<b>Additional own funds requirements to address risks other than the risk of excessive leverage as a percentage of risk-weighted exposure amount</b>					
Additional own funds requirements to address risks other than the risk of excessive leverage	2.1	2.1	1.5	1.5	1.5
of which: to be made up of CET1 capital	1.4	1.4	1.1	1.1	1.1
of which: to be made up of Tier 1 capital	1.6	1.6	1.2	1.2	1.2
Total SREP own funds requirements	10.1	10.1	9.5	9.5	9.5
<b>Combined buffer and overall capital requirement as a percentage of risk-weighted exposure amount</b>					
Capital conservation buffer	2.5	2.5	2.5	2.5	2.5
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State					
Institution-specific countercyclical capital buffer	0.9	0.8	0.1	0.1	0.1
Systemic risk buffer	0.0	0.0	0.0	0.0	0.0
Global Systemically Important Institution buffer					
Other Systemically Important Institution buffer					
Combined buffer requirement	3.4	3.3	2.6	2.6	2.6
Overall capital requirements	13.5	13.4	12.1	12.1	12.1
CET1 available after meeting the total SREP own funds requirements	20.0	19.6	19.7	21.1	21.8
<b>Leverage ratio</b>					
Total exposure measure	1 340 798	1 463 298	1 440 224	1 376 279	1 209 752
Leverage ratio, %	8.3	7.6	7.6	7.8	9.1
<b>Additional own funds requirements to address the risk of excessive leverage as a percentage of total exposure measure</b>					
Additional own funds requirements to address the risk of excessive leverage					
of which: to be made up of CET1 capital					
Total SREP leverage ratio requirements	3.0	3.0	3.0	3.0	3.0
<b>Leverage ratio buffer and overall leverage ratio requirement as a percentage of total exposure measure</b>					
Leverage ratio buffer requirement					
Overall leverage ratio requirement	3.0	3.0	3.0	3.0	3.0
<b>Liquidity coverage ratio</b>					
Total high-quality liquid assets, average weighted value	560 040	564 761	593 255	594 925	569 053
Cash outflows, total weighted value	607 726	596 307	607 638	585 494	555 326
Cash inflows, total weighted value	81 543	70 901	62 341	53 941	62 097
Total net cash outflows, adjusted value	526 182	525 406	545 298	531 552	493 228
Liquidity coverage ratio, %	106.7	107.8	108.8	112.1	115.7
<b>Net stable funding ratio</b>					
Total available stable funding	1 014 113	1 015 807	996 739	992 003	962 973
Total required stable funding	593 123	598 193	590 330	565 611	534 747
Net stable funding ratio, %	171.0	169.9	168.9	175.1	180

<b>Risk exposure amount</b>	<b>31 Dec</b>	<b>31 Dec</b>
<b>Parent company, SEKm</b>	<b>2022</b>	<b>2021</b>
Risk exposure amount credit risks, standardised approach	103 867	86 177
Risk exposure amount credit risks, IRB	180 802	167 375
Risk exposure amount default fund contribution	149	281
Risk exposure amount settlement risks	0	2
Risk exposure amount market risks	21 352	20 987
Risk exposure amount credit value adjustment	3 801	2 333
Risk exposure amount operational risks	42 408	40 218
Additional risk exposure amount, Article 3 CRR	33 658	26 458
Additional risk exposure amount, Article 458 CRR	8 782	9 584
<b>Total</b>	<b>394 817</b>	<b>353 415</b>

	<b>SEKm</b>		<b>%</b>	
<b>Capital requirements<sup>1</sup></b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>
<b>Parent company, SEKm / %</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Capital requirement Pillar 1	44 870	37 462	11.4	10.6
of which Buffer requirements <sup>2</sup>	13 285	9 189	3.4	2.6
Capital requirement Pillar 2 <sup>3</sup>	8 291	5 301	2.1	1.5
<b>Total capital requirement including Pillar 2 guidance</b>	<b>53 161</b>	<b>42 763</b>	<b>13.5</b>	<b>12.1</b>
<b>Own funds</b>	<b>134 563</b>	<b>126 056</b>		

1) Swedbank's calculation based on the SFSA's announced capital requirements, including Pillar 2 requirements and Pillar 2 guidance.

2) Buffer requirements includes capital conservation buffer and countercyclical capital buffer.

3) Individual Pillar 2 requirement according to decision from SFSA SREP 2022.

	<b>SEKm</b>		<b>%</b>	
<b>Leverage ratio requirements<sup>1</sup></b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>
<b>Parent company, SEKm / %</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Leverage ratio requirement Pillar 1	4 022 394	3 629 256	3.0	3.0
<b>Total leverage ratio requirement including Pillar 2 guidance</b>	<b>4 022 394</b>	<b>3 629 256</b>	<b>3.0</b>	<b>3.0</b>

1) Swedbank's calculation based on the SFSA's announced leverage ratio requirements, including Pillar 2 requirements and Pillar 2 guidance.

## Alternative performance measures

Swedbank prepares its financial statements in accordance with IFRS as adopted by the EU, as set out in Note 1. The interim report includes a number of alternative performance measures, which exclude certain items that management believes are not representative of the underlying/ongoing performance of the business. Therefore the alternative performance measures provide more comparative information between periods. Management believes that inclusion of these measures provides information to the readers that enable comparability between periods.

Measure and definition	Purpose
<b>Net investment margin before trading interest is deducted</b> Calculated as Net interest income before trading-related interest is deducted, in relation to average total assets. The average is calculated using month-end figures <sup>1</sup> including the prior year end. The nearest IFRS measure is Net interest income and can be reconciled in Note 5.	Considers all interest income and interest expense, independent of how it has been presented in the income statement.
<b>Allocated equity</b> Allocated equity is the operating segment's equity measure and is not directly required by IFRS. The Group's equity attributable to shareholders is allocated to each operating segment based on capital adequacy rules and estimated capital requirements based on the bank's internal Capital Adequacy Assessment Process (ICAAP). The allocated equity amounts per operating segment are reconciled to the Group Total equity, the nearest IFRS measure, in Note 4.	Used by Group management for internal governance and operating segment performance management purposes.
<b>Return on allocated equity</b> Calculated based on profit for the period (annualised) attributable to the shareholders for the operating segment, in relation to average allocated equity for the operating segment. The average is calculated using month-end figures <sup>1</sup> including the prior year end. The allocated equity amounts per operating segment are reconciled to the Group Total equity, the nearest IFRS measure, in Note 4.	Used by Group management for internal governance and operating segment performance management purposes.
<b>Other alternative performance measures</b> These measures are defined in Fact book on page 74 and are calculated from the financial statements without adjustment. <ul style="list-style-type: none"><li>• Share of Stage 1 loans, gross</li><li>• Share of Stage 2 loans, gross</li><li>• Share of Stage 3 loans, gross</li><li>• Equity per share</li><li>• Cost/Income ratio</li><li>• Credit Impairment ratio</li><li>• Loans to customers/Deposits from customers ratio</li><li>• Credit impairment provision ratio Stage 1 loans</li><li>• Credit impairment provision ratio Stage 2 loans</li><li>• Credit impairment provision ratio Stage 3 loans</li><li>• Return on equity<sup>1</sup></li><li>• Total credit impairment provision ratio</li></ul>	Used by Group management for internal governance and operating segment performance management purposes.

<sup>1</sup>) The month-end figures used in the calculation of the average can be found on page 68 of the Fact book.

## Signatures of the Board of Directors and the President

The Board of Directors and the President hereby certify that the Year-end report for 2022 provides a fair and accurate overview of the operations, position and results of the parent company and the Group and describes the significant risks and uncertainties faced by the parent company and the companies in the Group.

Stockholm, 30 January 2023

Göran Persson  
Chair

Göran Bengtsson  
Board Member

Annika Creutzer  
Board Member

Hans Eckerström  
Board Member

Kerstin Hermansson  
Board Member

Helena Liljedahl  
Board Member

Bengt Erik Lindgren  
Board Member

Anna Mossberg  
Board Member

Per Olof Nyman  
Board member

Biljana Pehrsson  
Board Member

Biörn Riese  
Board Member

Roger Ljung  
Board Member  
Employee Representative

Åke Skoglund  
Board Member  
Employee Representative

Jens Henriksson  
President and CEO

## Review report

### Introduction

We have reviewed the Year-end report of Swedbank AB (publ) for 2022. The Board of Directors and the CEO are responsible for the preparation and presentation of this Year-end report in accordance with IAS 34 and the Annual Accounts Act for credit institutions and securities companies. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act for credit institutions and securities companies, regarding the Group, and with the Annual Accounts Act for credit institutions and securities companies, regarding the Parent Company.

Stockholm, 31 January 2023

PricewaterhouseCoopers AB

Anneli Granqvist  
Authorised Public Accountant  
Auditor in charge

Martin By  
Authorised Public Accountant



## Publication of financial information

The Group's financial reports can be found on [www.swedbank.com/ir](http://www.swedbank.com/ir)

### Financial calendar 2023

Annual and sustainability report 2022	23 February 2023
Annual General Meeting	30 March 2023
Interim report for the first quarter 2023	27 April 2023
Interim report for the second quarter 2023	18 July 2023
Interim report for the third quarter 2023	26 October 2023

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Information on Swedbank's strategy, values and share is also available on [www.swedbank.com](http://www.swedbank.com).

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