

Interim report 2022

First quarter January – March

28 April 2022

Swedbank 

First quarter 2022 compared with fourth quarter 2021

- Higher corporate lending and slight increase in net interest income
- Market turbulence negatively affected net commission income and net gains and losses on financial items
- Low exposure to Russia, Belarus and Ukraine
- Continued good credit quality and low credit impairments
- Dividend of SEK 11.25 per share including special dividend approved by the Annual General Meeting – continued strong capitalisation

“In these turbulent times, Swedbank stands strong”

Jens Henriksson,
President and CEO

Financial information	Q1	Q4 ¹		Q1 ¹	
SEKm	2022	2021	%	2021	%
Total income	11 455	11 941	-4	11 631	-2
Net interest income	6 762	6 746	0	6 770	0
Net commission income	3 581	4 020	-11	3 360	7
Net gains and losses on financial items	122	265	-54	585	-79
Other income ²	990	910	9	916	8
Total expenses	5 087	5 842	-13	4 974	2
Profit before impairments, Swedish bank tax and resolution fees	6 368	6 099	4	6 657	-4
Credit impairments	158	-67		246	-36
Swedish bank tax and resolution fees ³	456	192		229	99
Profit before tax	5 754	5 974	-4	6 182	-7
Tax expense	1 137	1 139	0	1 208	-6
Profit for the period	4 617	4 835	-5	4 974	-7
Profit for the period attributable to: Shareholders of Swedbank AB	4 617	4 835	-5	4 975	-7
Earnings per share, SEK, after dilution	4.10	4.30		4.43	
Return on equity, %	11.4	12.0		12.8	
C/I ratio	0.44	0.49		0.43	
Common Equity Tier 1 capital ratio, %	18.3	18.3		18.0	
Credit impairment ratio, %	0.04	-0.02		0.06	

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) came into force on 1 January 2022.

CEO Comment

A horrific war is being fought in Europe, causing tremendous human suffering. The war, boycotts and sanctions are affecting the global economy and leading to slower growth and higher inflation. At the same time, the shift away from fossil fuels is accelerating. The pandemic will continue to impact our markets.

In these turbulent times, Swedbank stands strong.

The hard work we have done to strengthen internal governance and control benefit the bank. As has the AML work. Our capital and liquidity position is good, enabling us to help existing and new customers meet challenges and capture opportunities.

Swedbank is a systemically important bank and contributes to a strong society in our four home markets: Estonia, Latvia, Lithuania and Sweden. Four issues will affect people and markets for a long time to come: geopolitics, the pandemic, climate change and inflation.

Estonia, Latvia and Lithuania have been working for years to move their trade away from Russia towards the EU and West. Nevertheless, their economic development will be affected by the war and by sanctions. We remain the market leader for households in all three countries. We are now focusing even more on developing strong corporate business.

As war and sanctions redraw the map of oil and gas markets, it has become obvious that our dependence on fossil fuels must be quickly reduced. Investments in sustainable energy are sure to increase and Swedbank is here to support customers in this transition.

Swedbank delivered a stable profit of SEK 4.6bn in the quarter. Net interest income rose slightly, driven by higher mortgage volumes of SEK 11bn and corporate lending of SEK 34bn. Commission income decreased due to seasonally lower card income, slower activity in the capital markets and lower equity prices. Net gains and losses on financial items fell due to increased credit spreads and negative valuation changes on derivatives related to our funding. Expenses were according to plan, and the cost cap of SEK 20.5bn and additional SEK 500m for investigations remain unchanged.

The return on equity was weighed down as usual by capital held for the shareholder dividend and amounted to 11.4 per cent, which is strong from a European perspective. Our target is still 15 per cent and we will present a plan before the end of the year on how we can reach it.

The mortgage market in Sweden was distinguished in the quarter by continued growth and tough competition. We are the market leader together with the savings

banks in terms of new lending. We remain proactive with customers and provide fast service.

When inflation rises and interest rates follow suit, Swedbank is there for customers and helps them plan their finances. We have launched new digital tools for our advisors to customise financial advice. And when a personal interaction is part of that advice, we see customer satisfaction and sales both go up.

In Estonia, Latvia and Lithuania, Swedbank is the most loved brand. We rank lower in Sweden but are climbing the fastest and were appointed star brand of the year. This is positive. But we still face challenges. Customer satisfaction in Sweden is below target for both private and corporate customers. Work is underway to deliver on our customer promise – together we make your financial life easier.

On the corporate side, we advise clients on their funding mix and are seeing increased demand for loans. We closely dialogue with agricultural customers and discuss solutions with those affected by higher costs. For its institutional clients, Swedbank Robur added more staff to meet demand from among others the managers of future pensions.

Digitisation and automation are happening everywhere in the bank to benefit customers and make us more efficient. For customers, this means a simpler financial life. The majority of our mortgage customers who apply for a bigger loan now receive updates digitally. With a new retail concept we can guide and educate customers on choosing the most convenient channel for daily banking. In Estonia, we launched digital onboarding for minors, and during the year the service will come to Latvia and Lithuania.

Teaching young people to manage money is vital to a financially sound society. Swedbank's campaign called "Talk to Your Kids About Money" has been a big hit and reflects our values and focus and the strategic direction we are taking.

Swedbank stands strong. In these turbulent times, we are there for our customers. With advice and guidance. With capital and financing. For change and for security.

Our customers' future is our focus.



Jens Henriksson
President and CEO

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More detailed information can be found in Swedbank's Fact book, www.swedbank.com/ir, under Financial information and publications.

Financial overview

Income statement SEKm	Q1	Q4 ¹	%	Q1 ¹	%
	2022	2021		2021	
Net interest income	6 762	6 746	0	6 770	0
Net commission income	3 581	4 020	-11	3 360	7
Net gains and losses on financial items	122	265	-54	585	-79
Other income ²	990	910	9	916	8
Total income	11 455	11 941	-4	11 631	-2
Staff costs	3 218	3 361	-4	3 115	3
Other expenses	1 869	2 481	-25	1 859	1
Total expenses	5 087	5 842	-13	4 974	2
Profit before impairments, Swedish bank tax and resolution fees	6 368	6 099	4	6 657	-4
Credit impairments	158	-67		246	-36
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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.

Key ratios and data per share	Q1	Q4	Q1
	2022	2021	2021
Return on equity, %	11.4	12.0	12.8
Earnings per share before dilution, SEK ¹	4.11	4.31	4.44
Earnings per share after dilution, SEK ¹	4.10	4.30	4.43
C/I ratio ²	0.44	0.49	0.43
Equity per share, SEK ¹	137.7	144.2	137.1
Loan/deposit ratio, %	134	133	133
Common Equity Tier 1 capital ratio, %	18.3	18.3	18.0
Tier 1 capital ratio, %	19.5	20.2	19.2
Total capital ratio, %	21.7	22.4	21.6
Credit impairment ratio, %	0.04	-0.02	0.06
Share of Stage 3 loans, gross, %	0.34	0.37	0.47
Total credit impairment provision ratio, %	0.27	0.29	0.36
Liquidity coverage ratio (LCR), %	166	163	154
Net stable funding ratio (NSFR), %	122	123	123

1) The number of shares and calculation of earnings per share are specified on page 50.

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

Balance sheet data SEKbn	31 Mar	31 Dec	%	31 Mar	%
	2022	2021		2021	
Loans to the public, excl. the Swedish National Debt Office and repurchase agreements	1 725	1 679	3	1 621	6
Deposits from the public, excl. the Swedish National Debt Office and repurchase agreements	1 284	1 261	2	1 216	6
Equity attributable to shareholders of the parent company	155	162	-4	154	1
Total assets	2 885	2 751	5	2 830	2
Risk exposure amount	724	708	2	695	4

Definitions of all key ratios can be found in Swedbank's Fact book on page 78.

Market

President Putin's war in Ukraine and sanctions have created widespread concern in the financial markets, and the robust economic recovery expected after the pandemic has failed to fully materialise. The long-term economic impact is currently difficult to predict but could be extensive at a global level. In the short term, it is leading to slower growth, higher inflation and rising interest rates. Some areas of international trade have already been impacted and global supply chain problems have worsened. Prices of energy and commodities, where Russia and Ukraine are major exporters, have soared, which has consequences for both companies and households. In the Baltic countries, and also in Sweden, inflation was already high before the war and has now accelerated. In addition, we have seen new lockdowns in China due to Covid outbreaks at the end of the quarter, and there is a risk that global growth will continue to slow.

Risk appetite in the financial markets has been low due to the growing uncertainty about the war. Equity markets have fallen and interest rates have risen. In the FX market, investors initially sought out stable currencies such as the U.S. dollar, Japanese yen and Swiss franc, while smaller currencies such as the Swedish krona lost value. The krona recovered at the end of the quarter, however.

House prices in Sweden continued to rise in the quarter despite global concerns. In March, prices were 4.4 per cent higher than at the start of the year. Prices slowed at the end of the quarter, however, and in March were unchanged. Housing activity remained strong in the quarter.

In Sweden, inflation was 6.0 per cent on an annualised basis in March. Although the government announced a support package in mid-March, most households can expect their purchasing power to decline this year. In the Baltic countries, inflation was 8–15 per cent in February on an annualised basis. When the Baltic countries replace their energy imports from Russia with more expensive alternatives, inflation will move higher.

Uncertainty relating to how central banks will act has increased. The European Central Bank (ECB) surprised the market in March by signalling a tighter monetary policy. In the U.S., the Federal Reserve raised its benchmark interest rate as expected and signalled further hikes this year.

While the Swedish and Baltic economies have recouped the growth lost during the pandemic, the war is again testing their strength. Sweden has limited trade with Russia, Ukraine and Belarus, and the Baltic countries have reduced their trade with Russia over time. As a result, the direct effect of the war is likely to be limited, though the indirect effect through major trade partners could have a bigger impact. The bank's economists estimate Swedish growth at 2.8 per cent this year, while growth in the Baltic countries is estimated at 1.5 per cent. Worsening supply chain problems and high inflation are clearly risks that could dampen growth. Sentiment among both households and companies, along with actual cost increases, could affect consumption and the willingness to invest. Supply chain bottlenecks, which have slowed production in Europe, could also further increase.

Important to note

The 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 first quarter 2022 compared with fourth quarter 2021

Swedbank's profit decreased to SEK 4 617m (4 835) mainly due to lower income, the introduction of the bank tax and higher credit impairments, which were partly offset by lower expenses. Foreign exchange effects positively affected profit before impairment, the Swedish bank tax and resolution fund fees by approximately SEK 46m.

The return on equity was 11.4 per cent (12.0) and the cost/income ratio was 0.44 (0.49).

Income decreased to SEK 11 455m (11 941). While net commission income and net gains and losses on financial items were lower, net interest income and other income increased slightly. Foreign exchange effects positively affected income by approximately SEK 96m.

Net interest income increased slightly in the quarter to SEK 6 762m (6 746). Underlying net interest income was positively affected by higher lending volumes, which was partly offset by slightly lower margins. The aggregate effect of Swedish mortgage volumes and margins on net interest income was unchanged. The previous quarter included compensation from the European Central Bank's liquidity loans for the third and fourth quarters, which in addition to fewer days in the quarter contributed negatively. Foreign exchange effects and a negative one-time effect within the leasing operations in the previous quarter contributed positively.

Net commission income decreased by 11 per cent to SEK 3 581m (4 020). Income from corporate finance, which was very strong in the previous quarter, fell. Due to the drop in equity prices, income from asset management fell as well. The fourth quarter also contained an annual performance-based income from asset management. Seasonal effects negatively affected income from card operations. The fourth quarter included discounts from Mastercard for both the third and fourth quarters.

Net gains and losses on financial items decreased to SEK 122m (265). The result decreased within Group Treasury mainly due to negative valuation changes on derivatives. The liquidity portfolio was also negatively affected by increased credit spreads in the quarter. Net gains and losses on financial items increased for Large Corporates & Institutions due to higher customer activity and turnover within fixed income. Negative revaluations of corporate bond holdings due to increased credit spreads contributed negatively.

Other income increased by 9 per cent to SEK 990m (910). During the quarter, the reversal of insurance

provisions had a positive impact on income. This was offset by the fact that the fourth quarter was affected by one-time income from the reversal of tax provisions attributable to Visa. Entercard's profit increased by SEK 27m compared with the previous quarter.

Expenses were seasonally lower and fell by 13 per cent to SEK 5 087m (5 842). Staff costs decreased due to staff departures in the fourth quarter. IT and marketing expenses were also lower. AML-related investigation expenses decreased to SEK 55m (92). Foreign exchange effects raised expenses by approximately SEK 50m.

Credit impairments amounted in the quarter to SEK 158m (-67). Updated macroeconomic scenarios caused an increase in credit impairments of SEK 250m. This was partly offset by reversals of expert credit adjustments related to the remaining pandemic-related effect, which exceeded new expert credit adjustments related to the geopolitical crisis.

Credit impairments by business area SEKm	Q1 2022	Q4 2021	Q1 2021
Swedish Banking	85	68	7
Baltic Banking	-11	-17	220
Estonia	-13	20	105
Latvia	0	-29	81
Lithuania	2	-8	34
Large Corporates & Institutions	77	-119	19
Group Functions & Other	7	1	0
Total	158	-67	246

The tax expense amounted to SEK 1 137m (1 139), corresponding to an effective tax rate of 19.8 per cent (19.1). The higher effective tax rate in the quarter is largely due to a lower share of taxable income in Swedbank Försäkring in the fourth quarter.

Result January – March 2022 compared with January – March 2021

Swedbank's profit decreased to SEK 4 617m (4 974) due to lower income and higher expenses. At the same time, credit impairments fell while the bank tax and resolution fund fees rose. Foreign exchange effects positively affected profit before impairment, the Swedish bank tax and resolution fees by approximately SEK 41m.

The return on equity was 11.4 per cent (12.8) and the cost/income ratio was 0.44 (0.43).

Income decreased to SEK 11 455m (11 631) and was negatively affected primarily by net gains and losses on financial items. Net interest income was stable, while net commission income and other income increased. Foreign exchange changes increased income by approximately SEK 98m.

Net interest income was largely unchanged at SEK 6 762m (6 770), where the underlying result was strengthened by volume growth and margins in total were relatively unchanged. This was offset by a positive retroactive change in the deposit guarantee in the first quarter 2021.

Net commission income increased by 7 per cent to SEK 3 581m (3 360). Income increased primarily from

cards, as well as from asset management due to an upswing in equity prices in the previous year.

Net gains and losses on financial items decreased to SEK 122m (585), mainly as a result of interest rate volatility.

Other income increased by 8 per cent to SEK 990m (916), mainly as a result of reversals of insurance provisions.

Expenses increased to SEK 5 087m (4 974) mainly as a result of higher staff costs and IT expenses. AML-related investigation expenses were lower than in the same quarter in 2021. Foreign exchange effects in the same period raised expenses by approximately SEK 58m.

Credit impairments amounted to SEK 158m (246) and are mainly explained by updated macroeconomic scenarios. Credit impairments in the first quarter 2021 were mainly due to pandemic-related expert credit adjustments within Baltic Banking.

The bank tax came into force on 1 January 2022 and is estimated at SEK 1bn for the full year.

The tax expense amounted to SEK 1 137m (1 208), corresponding to an effective tax rate of 19.8 per cent (19.5). The Group's effective tax rate remains estimated at 19-21 per cent in the medium term.

Volume trend by product area

Swedbank's main business is organised in three product areas: lending, payments and savings.

Lending

Total lending to the public, excluding repos and lending to the Swedish National Debt Office, increased by SEK 46bn to SEK 1 725bn (1 679) compared with the end of the fourth quarter 2021. Compared with the first quarter 2021 lending increased by SEK 104bn, or by 6 per cent. Foreign exchange effects positively affected lending volumes by approximately SEK 4bn compared with the end of the fourth quarter 2021 and by SEK 5bn compared with the first quarter 2021.

Loans to the public excl. the Swedish National Debt Office and repurchase agreements, SEKbn	31 Mar 2022	31 Dec 2021	31 Mar 2021
Loans, private mortgage	1 002	991	947
of which Swedish Banking	901	893	854
of which Baltic Banking	101	98	93
Loans, private other incl tenant-owner associations	144	143	139
of which Swedish Banking	124	124	122
of which Baltic Banking	18	17	16
of which Large Corporates & Inst.	2	2	1
Loans, corporate	579	545	535
of which Swedish Banking	237	235	239
of which Baltic Banking	84	84	79
of which Large Corporates & Inst.	258	226	217
Total	1 725	1 679	1 621

Lending to mortgage customers within Swedish Banking increased by SEK 8bn to SEK 901bn (893) compared with the end of the fourth quarter 2021. The market share in mortgages was 23 per cent (23). Other private lending, including lending to tenant-owner associations, was unchanged in the quarter.

Baltic Banking's mortgage volume increased by 2 per cent in local currency to the equivalent of SEK 100bn at the end of the quarter.

Corporate lending in all three business areas increased by SEK 34bn in the quarter to SEK 579bn (545). In Sweden, the market share was 16 per cent (16).

Swedbank's green asset portfolio continued to grow in the quarter. Mortgages on energy class A and B properties and other certified buildings were the main contributors to the increase. Lending volume in Swedbank's green asset portfolio increased by 5 per cent to approximately SEK 47bn (45) in the quarter.

For more information on the green asset portfolio, see page 70 of the Fact book and Note S3 Sustainable finance in the annual and sustainability report. For more information on lending, see page 36 of the Fact book.

Payments

The total number of Swedbank cards in issue at the end of the quarter was 8.2 million, in line with the end of the previous quarter. In Sweden, 4.4 million cards were in issue and in the Baltic countries 3.8 million. Compared with the same quarter in 2021 corporate card issuance in Sweden grew by 3 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 2 per cent and private card issuance by 1 per cent.

	31 Mar 2022	31 Dec 2021	31 Mar 2021
Number of cards			
Issued cards, million	8.2	8.2	8.1
of which Sweden	4.4	4.4	4.3
of which Baltic countries	3.8	3.8	3.8

The number of purchases with Swedbank cards increased in Sweden by 13 per cent compared with the same quarter in 2021. A total of 318 million card purchases were made and were positively affected by the lifting of restrictions. In the Baltic countries, the number of card purchases increased by 24 per cent in the same period to 17 million, also due to the easing of restrictions.

The number of card transactions acquired by Swedbank increased by 14 per cent compared with the same quarter in 2021. In Sweden, Norway, Finland and Denmark, 796 million card transactions were acquired, up 13 per cent from the equivalent period in 2021. In the Baltic countries, the corresponding figure was 122 million, up 19 per cent.

Card transactions acquired in Sweden, Norway, Finland and Denmark amounted to SEK 188bn, an increase of 16 per cent compared with the equivalent period in 2021. Transaction volumes in the Baltic countries amounted to SEK 23.5bn, an increase of 32 per cent.

The lifting of restrictions in the Nordic and Baltic countries contributed to a strong recovery compared with the equivalent period in 2021. Higher prices of consumer staples and petrol raised transaction volumes in these sectors by 35 per cent and 5 per cent respectively. Other sectors that contributed to the recovery are restaurants, hotels and transport.

In Sweden, there were 221 million domestic payments in the first quarter, an increase of 0.9 per cent compared with the equivalent period in 2021. In the Baltic countries, 93 million domestic payments were processed, up 10 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 8 per cent compared with the same quarter in 2021 to 1.6 million. In the Baltic countries, international payments increased by 27 per cent to 5 million.

Savings

Total deposits within the business areas increased by SEK 20bn to SEK 1 281bn (1 261) compared with the fourth quarter 2021. Compared with the first quarter 2021 deposits in the business areas increased by SEK 107bn, corresponding to growth of 9 per cent. All business areas contributed to the increase compared with the previous year.

Exchange rates positively affected deposit volumes by approximately SEK 5bn compared with the fourth quarter 2021 and positively by approximately SEK 5bn compared with the first quarter 2021. Total deposits from the public, including volumes attributable to Group Treasury, amounted to SEK 1 284bn (1 261).

Deposits from the public excl. the Swedish National Debt Office and repurchase agreements, SEKbn	31 Mar 2022	31 Dec 2021	31 Mar 2021
Deposits, private	666	656	604
of which Swedish Banking	472	460	430
of which Baltic Banking	194	196	174
Deposits, corporate	618	605	612
of which Swedish Banking	244	252	220
of which Baltic Banking ¹	131	138	131
of which Large Corporates & Inst. ¹	240	215	219
of which Group Functions & Other	3	0	42
Total	1 284	1 261	1 216

¹) Some corporate deposits were moved from Large Corporates & Institutions to Baltic Banking in the first quarter 2022 reorganisation. Restatements of comparative figures.

Swedbank's deposits from private customers increased by SEK 10bn in the quarter to SEK 666bn (656).

Corporate deposits in the business areas increased in total by SEK 13bn in the quarter to SEK 618bn (605).

Swedbank's market share for household deposits in Sweden was unchanged at 19 per cent (19). The market share for corporate deposits was also unchanged at 16 per cent (16). For more information on deposits, see page 37 of the Fact book.

Asset management, SEKbn	31 Mar 2022	31 Dec 2021	31 Mar 2021
Sweden	1 324	1 443	1 246
Estonia	20	21	25
Latvia	28	29	25
Lithuania	23	23	19
Other countries	3	3	9
Funds under Management, Swedbank Robur	1 398	1 519	1 324
Funds under Management, Lithuania	2	2	2
Total Funds under Management	1 400	1 521	1 326
Discretionary asset management ¹	418	446	420
Total Assets under Management	1 818	1 967	1 746

¹) During the first quarter of 2022, a reclassification of Discretionary asset management was made in accordance with a renewed agreement from 1 January 2022. Comparative figures have been recalculated.

Assets under management in Swedbank Robur fell by 8 per cent in the quarter to SEK 1 398bn (1 519), of which SEK 1 324bn (1 443) related to Sweden, SEK 72bn (73) to the Baltic countries and SEK 3bn (3) to other markets. The decrease is mainly due to a market downturn. During the quarter, Swedbank Robur also closed its Russia fund when a correct valuation of the fund's holdings was no longer feasible.

The net outflow in the Swedish fund market amounted to SEK -35bn (82). The largest outflow was from active

equity funds at SEK -39bn, while mixed funds accounted for SEK -7bn. Other fund categories had net inflows: SEK 5bn to index funds, SEK 4bn to fixed income funds and SEK 2bn to hedge funds and other funds. In the previous quarter, the net flow was positively affected by the annual deposit from the Swedish Pensions Agency of SEK 40bn.

During the quarter, Swedbank Robur had net outflows of SEK -7bn (7) in Sweden. Swedish Banking and the savings banks had net outflows, while institutional clients contributed with a net inflow. In the previous quarter, the net flow was positively affected by the annual deposit from the Swedish Pensions Agency of SEK 5bn.

As of 1 January, Swedbank Robur further tightened its Policy for Responsible Investments. Among other things, investments in the gambling sector were excluded and the monitoring and review of ongoing sustainability work was clarified. During the quarter, the exclusion strategy was updated and now has an expanded category for certain funds where alcohol, weapons and military equipment are also excluded. In connection with this year's policy revision, Swedbank Robur has also supplemented its guidelines on the expectations it places on companies on critical issues such as children's and animal rights.

During the quarter, Swedbank Humanfond was revised and adopted a new approach. Going forward, the fund will focus entirely on investing in companies that, in Swedbank Robur's view, contribute to achieving the 17 UN Sustainable Development Goals. The fund remains free and 2 per cent of unit holders' assets are distributed annually to non-profit organisations of their choice. The fund has also shifted from investing strictly in Sweden to including various geographic regions. After the change, the fund is classified as dark green according to the EU's SFDR regulation. The Swedbank Robur Climate Impact and Global Impact funds were also classified as dark green earlier.

Net inflows in the Baltic countries amounted to SEK 1bn (2) in the quarter. Inflows were lower in all three countries. The lower inflows are an effect of the greater uncertainty surrounding the savings markets.

By assets under management, Swedbank Robur is the leader in the Swedish and Baltic fund markets. As of 31 March, the market share in Sweden was 20 per cent. The market shares in Estonia and Lithuania were 38 per cent and in Latvia 41 per cent.

Assets under management, life insurance SEKbn	31 Mar 2022	31 Dec 2021	31 Mar 2021
Sweden	302	321	274
of which collective occupational pensions	160	168	140
of which endowment insurance	94	102	88
of which occupational pensions	37	39	35
of which other	11	12	11
Baltic countries	8	8	8

Life insurance assets under management in the Swedish operations decreased by 6 per cent in the first quarter to SEK 302bn on 31 March. Premium income, consisting of premium payments and capital transfers, amounted to SEK 10bn (7) in the quarter.

For premium income excluding capital transfers, Swedbank's market share in the fourth quarter was 7 per cent (7). In the transfer market, Swedbank's market share in the fourth quarter was 9 per cent (9).

In Estonia, Latvia and Lithuania, Swedbank is the largest life insurance company. The market shares for premium payments in the first two months of the year were 48 per cent in Estonia, 21 per cent in Latvia and 25 per cent in Lithuania.

Credit and asset quality

Swedbank's credit quality remains good and despite the increased uncertainty, development in the quarter was stable. The war in Ukraine and its economic impact have not had a noticeable effect on credit quality. Swedbank's direct exposure to Russia, Ukraine and Belarus is insignificant. Indirect exposure in the form of customers with business relationships in these countries is limited and mainly consists of corporate customers in the Baltic countries and a few Finnish corporate customers that trade with or have production in Russia.

As a result of the war and sanctions, the macroeconomic outlook has deteriorated. The sectors considered most vulnerable to cost increases and lower demand are transport, manufacturing, construction, retail, and hotels and restaurants. These sectors were also affected by the pandemic and certain companies that have not yet recovered could be especially hard hit. Swedbank's lending to the most vulnerable sectors comprises approximately 7 per cent of the total loan portfolio. The agricultural sector is affected by increased costs for inputs and fuel as well. While certain customers could face liquidity problems in the near term, this sector is better able to compensate over time for the higher costs.

Provisions for potential future declines in credit quality in the form of expert credit adjustments amounted to SEK 1 715m as of 31 March 2022 (1 796 as of 31 December 2021). Redistributions were made during the quarter with increased provisions in the sectors that are expected to be hurt by the war in Ukraine, combined with reversals of certain previous expert credit adjustments related to Covid-19.

The total share of loans in stage 2, gross, amounted to 5.5 per cent (5.7), of which 3.7 per cent (3.7) was for private loans and 9.4 per cent (10.3) for corporate loans.

The share of loans in stage 3, gross, decreased to 0.34 per cent (0.37) mainly due to sold exposures in oil and offshore. The provision ratio for loans in stage 3 was 36 per cent (38).

The quality of Swedbank's mortgage portfolio, which accounts for just over half of total lending, is high and historical credit impairments are very low. Customers' long-term repayment capacity is a critical factor in lending, which leads to low risks for both the customer and the bank. The average loan-to-value ratios for the mortgage portfolio were 52 per cent in Sweden, 43 per cent in Estonia, 69 per cent in Latvia and 52 per cent in Lithuania.

Swedbank's lending to the property management sector accounts for approximately 15 per cent of the total loan portfolio. Stable cash flows and the customer's long-term ability to repay interest and amortisation are the key lending factors. Higher interest rates, coupled with

weaker economic development and the risk of lower rental income, could eventually put pressure on highly indebted real estate companies. Swedbank's portfolio is well positioned however with financially strong customers and collateral with sound loan-to-value ratios. The average loan-to-value ratio in Sweden was 53 per cent (54).

Swedbank's oil and offshore lending is limited and continued to decrease during the quarter as a result of the ongoing restructuring of the portfolio. High oil and gas prices, as well as the need to reduce dependency on Russian energy, could result in an improved investment climate in the oil and offshore industry. On the other hand, the global energy transition entails risks and long-term uncertainty. Swedbank does not directly finance the prospecting of new oil or gas fields, new refineries, new oil tankers or new customers that generate more than five per cent of their turnover from the production of coal, oil or gas. The lending restrictions on businesses that are not considered sustainable are stipulated in Swedbank's position statement on climate change.

For more information on credit exposures and credit quality, see notes 9 and 11-13 and pages 39-51 of the fact book.

Operational risks

The bank continuously monitors operational risks and is focused on those areas where the risks are viewed as highest. IT and information security risks have been a priority for some time, but work was further intensified in the first quarter due to the war in Ukraine. Continuity plans were also tested in the first quarter and additional measures were taken to strengthen resilience.

A limited number of IT incidents occurred in the quarter, which caused disruptions and affected the availability of the bank's payment services. Several measures were taken to increase IT stability, including improvements related to external suppliers. Swedbank has several ongoing initiatives to further improve operational stability and availability for customers.

Pandemic-related risks for the bank, its employees and customers have continued to decrease. After initially rising during the quarter, the number of employees who reported ill then fell. The number who work remotely has remained stable. The bank is again operating more normally in accordance with the recommendations issued by the Public Health Agency of Sweden, but is aware that the pandemic is not over and merely entering a new phase.

Funding and liquidity

The funding markets were marred in the latter part of the quarter by the war in Ukraine. Bond yields rose and credit spreads and volatility were higher. The short-term USD funding market was affected by interest rate uncertainty in the U.S. As a result, investors increasingly chose to retain liquidity or invest in shorter maturities than normal. The actions of U.S. investors also affected other currencies, leading to more expensive short-term funding in general.

Swedbank's very good liquidity position is beneficial in situations with higher uncertainty and volatility, allowing the bank to delay planned bond issues until conditions

have stabilised. In the first quarter, long-term debt issuance amounted to SEK 49bn.

As of 31 March, Swedbank's short-term funding and commercial paper in issue amounted to SEK 231bn (165). Available cash and balances with central banks and reserves with the Swedish National Debt Office amounted to SEK 424bn (355) and the liquidity reserve amounted to SEK 605bn (546). The Group's liquidity coverage ratio (LCR) was 166 per cent (163) and for USD, EUR and SEK was 159, 283 and 108 per cent respectively. The net stable funding ratio (NSFR) was 122 per cent (123).

The total issuance need for the full-year 2022 is expected to be in line with issuance volume in 2021, with a continued focus on senior unsecured bonds and senior non-preferred liabilities to meet updated MREL requirements. The rate of green bond issuance depends on the volume of green assets. Demand for the bank's financing is affected 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 2022 amount to SEK 173bn calculated from the beginning of the year.

For more information on funding and liquidity, see notes 14-16 and pages 55-66 of the fact book.

Ratings

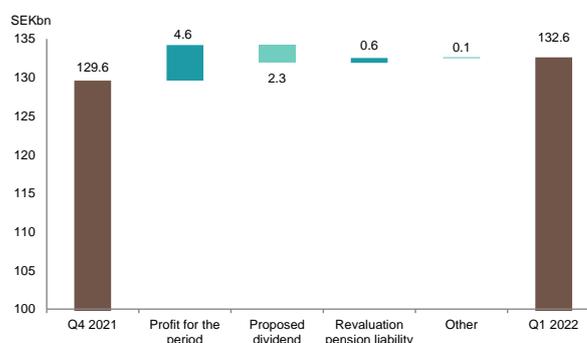
On 1 March, Moody's concluded its review for downgrade on Swedbank's deposit and senior unsecured debt ratings. Moody's confirmed Swedbank's Aa3 rating but placed the ratings on negative outlook. There were no other changes in Swedbank's ratings in the quarter. For more information on the ratings, see page 67 of the fact book.

Capital and capital adequacy

Capital ratio and capital requirement

The Common Equity Tier 1 capital ratio was 18.3 per cent (18.3) at the end of the quarter. The total Common Equity Tier 1 capital requirement, including Pillar 2 guidance, was 13.7 per cent (13.7) and the Common Equity Tier 1 capital buffer was 4.6 per cent (4.6). Common Equity Tier 1 capital increased to SEK 132.6bn (129.6) and was mainly affected by the quarterly profit and estimated dividend.

Change in Common Equity Tier 1 capital¹



¹ Refers to Swedbank consolidated situation

Risk Exposure Amount (REA)

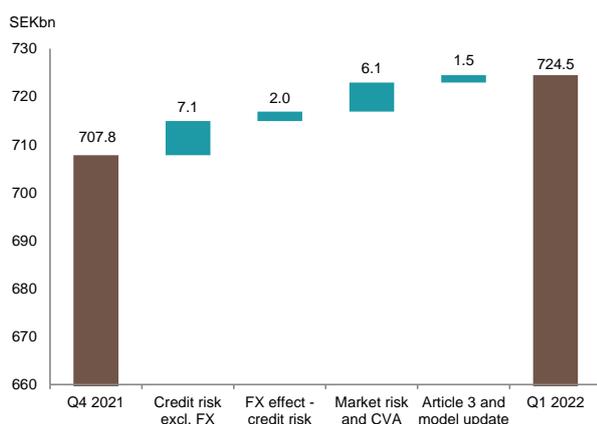
Total REA increased to SEK 724.5bn (707.8) in the first quarter.

REA for credit risk increased due to higher lending but was partly offset by improved collateral, improved ratings and shorter maturities on corporate exposures.

REA for market risk increased due to higher market volatility. REA for CVA increased due to higher exposures.

Additional REA for article 3 of the EU's Capital Requirements Regulation (CRR) resulted in an increase of SEK 1.5bn largely due to higher probabilities of default in the model for large corporates.

Change in REA¹



¹ Refers to Swedbank consolidated situation

The leverage ratio was 5.1 per cent (5.4) and exceeded the leverage ratio requirement including Pillar 2 guidance of 3.45 per cent. The decrease is largely due to higher total assets and lower Tier 1 capital. Tier 1 capital decreased due to a lower volume of outstanding capital instruments.

Capital and resolution regulations

In the fourth quarter 2018, the Swedish FSA published a memorandum explaining its view of the European Banking Authority's (EBA) updated guidelines on banks' internal risk rating based models. In the memorandum the Swedish FSA stated that Swedish banks must adjust their internal rating based models to ensure that they continue to live up to the new requirements. The bank submitted its updated internal risk classification models to the Swedish FSA for evaluation and is awaiting a response. The implementation is expected to increase Swedbank's risk-weighted assets.

In the third quarter 2021, a revised Resolution Act came into force. The amendments are based on the EU's Bank Recovery and Resolution Directive (BRRD II), which among other things contains provisions on the minimum requirement for own funds and eligible liabilities (MREL). Owing to the amended law, the Swedish National Debt Office decided how MREL would be applied as of 1 January 2022. The phase-in will be completed by 1 January 2024. For Swedbank, the application of MREL will increase the aggregate need for senior unsecured bonds and senior non-preferred liabilities in relation to current funding.

In the third quarter 2021, the Swedish FSA announced that it will raise the countercyclical buffer rate to 1 per cent of REA. The requirement enters into force in the third quarter 2022. As a result of the pandemic, the countercyclical buffer in Sweden was lowered from 2.5 per cent to 0 per cent.

In the fourth quarter 2021, the EU Commission published its finalised Basel III proposal, also called Basel IV. The proposal contains actions to strengthen the comparability of risk-weighted capital ratios between banks in different countries and thereby reduce unjustified differences. The actions include revisions to the standardised approaches and internal models used to calculate the capital requirements for credit risk. A capital requirement floor was introduced for internal models where the risk-weighted assets may not fall below 72.5 per cent of the amount calculated using the standardised approach. The proposal also contains temporary exemptions beyond those previously proposed by the Basel Committee. The EU Commission's proposed changes would be gradually introduced in 2025 – 2030. The temporary exemptions would apply until end 2032. In the next stage the proposal will be negotiated by the European Council and the EU Parliament. The impact of the proposal is currently hard to assess.

Investigations

Swedbank AS has been informed by the Estonian Prosecutor's Office of suspected 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.

The U.S. authorities are continuing to investigate Swedbank's historical anti-money laundering and counter-terrorist financing work and historical information disclosures. The investigations, which are being conducted by the Department of Justice (DoJ), Securities 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 relevant authorities through our 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.

Other events

On 21 January, Swedbank announced that it had recruited Britta Hjorth-Larsen as Chief Compliance Officer. She takes up her position on 1 August at the latest and will become a member of Swedbank's Group Executive Committee. Eva Wilhelmsson is Acting CCO from April until Britta Hjorth-Larsen takes over.

On 30 March, the Annual General Meeting elected Göran Persson, Bo Bengtsson, Göran Bengtsson, Annika Creutzer, Hans Eckerström, Kerstin Hermansson, Bengt Erik Lindgren, Anna Mossberg, Per Olof Nyman, Biljana Pehrsson, Biörn Riese and Helena Liljedahl to Swedbank's Board of Directors. The Annual General Meeting elected Göran Persson as Chairman of the Board of Directors.

The Annual General Meeting also resolved in accordance with the Board's proposal to pay a dividend

of SEK 11.25 per share. This includes an extraordinary dividend of SEK 2 per share in addition to the ordinary dividend of 50 per cent of the net profit for the financial year 2021.

Events after 31 March 2022

Swedbank signed a new framework agreement with the Swedish National Debt Office on the procurement of payment services and card acquiring. The agreement applies to state authorities and comprises around 175 million transactions and SEK 6 000bn in transaction volume. The agreement applies as of 1 August 2022 until 31 July 2026 with the right to extend it for one plus one year.

Swedish Banking

- Stronger net interest income
- Volume growth and several mortgage rate increases
- Lower asset management volumes affected net commission income

Income statement

SEKm	Q1	Q4 ¹	%	Q1 ¹	%
	2022	2021		2021	
Net interest income	3 924	3 686	6	4 065	-3
Net commission income	2 247	2 419	-7	2 103	7
Net gains and losses on financial items	88	144	-39	119	-26
Other income ²	491	361	36	484	1
Total income	6 750	6 610	2	6 771	0
Staff costs	834	831	0	813	3
Variable staff costs	6	13	-54	19	-68
Other expenses	1 818	2 049	-11	1 791	2
Depreciation/amortisation	8	8	0	10	-20
Total expenses	2 666	2 901	-8	2 633	1
Profit before impairments, Swedish bank tax and resolution fees	4 084	3 709	10	4 138	-1
Credit impairments	85	68	25	7	
Swedish bank tax and resolution fees	311	124		144	
Profit before tax	3 688	3 517	5	3 987	-7
Tax expense	697	591	18	749	-7
Profit for the period	2 991	2 926	2	3 238	-8
Profit for the period attributable to:					
Shareholders of Swedbank AB	2 991	2 926	2	3 239	-8
Non-controlling interests	0	0		-1	
Return on allocated equity, %	17.6	18.1		19.8	
Loan/deposit ratio, %	176	176		187	
Credit impairment ratio, %	0.03	0.02		0.00	
Cost/income ratio ¹	0.39	0.44		0.39	
Loans, SEKbn ³	1 262	1 252	1	1 215	4
Deposits, SEKbn ³	716	712	1	650	10
Full-time employees	4 041	4 046	0	3 952	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.

3) Excluding the Swedish National Debt Office and repurchase agreements.

Result

First quarter 2022 compared with fourth quarter 2021

Profit increased to SEK 2 991m (2 926) due to higher income and lower expenses. The introduction of the bank tax offset the profit improvement.

Net interest income increased by 6 per cent to SEK 3 924m (3 686). Higher deposit margins due to increased market interest rates had a positive effect but were partly offset by lower deposit margins. Higher deposit volumes and the fact that the previous quarter was negatively affected by customer transfers to the Large Corporates & Institutions business area contributed positively. Fewer days in the quarter negatively affected net interest income.

Household mortgage volume increased by SEK 8bn to SEK 901bn (893). Lending to tenant-owner associations increased to SEK 92bn (91) and corporate lending increased to SEK 237bn (235). Customer transfers to Large Corporates & Institutions negatively affected volumes by SEK 1bn mainly in property management and manufacturing.

Deposit volume increased to SEK 716bn (712), of which household deposits increased by SEK 12bn while corporate deposits decreased by SEK 8bn.

Net commission income decreased by 7 per cent to SEK 2 247m (2 419) mainly due to lower income from asset management. Card income also decreased due to discounts from Mastercard that positively affected the previous quarter.

Net gains and losses on financial items decreased to SEK 88m (144) mainly due to higher market interest rates on fixed income investments in Swedbank Försäkring and a positive profit effect from a CVA adjustment between Swedish Banking and Large Corporates & Institutions in the previous quarter.

Other income increased to SEK 491m (361) mainly due to higher income from Entercard and increased net insurance. Net insurance was partly affected by a revised calculation method for provisions.

Expenses decreased to SEK 2 666m (2 901) largely due to seasonally higher costs in the last quarter.

Credit impairments increased to SEK 85m (68) mainly due to higher provisions caused by a more negative macroeconomic scenario.

January – March 2022 compared with January – March 2021

Profit decreased to SEK 2 991m (3 238) mainly due to higher credit impairments and the introduction of the bank tax.

Net interest income decreased by 3 per cent to SEK 3 924bn (4 065) due to a higher deposit guarantee fee and lower lending margins caused by higher market interest rates.

Net commission income increased by 7 per cent to SEK 2 247bn (2 103) mainly due to higher card and asset management income.

Net gains and losses on financial items decreased to SEK 88bn (119) mainly due to higher market interest rates on fixed income investments in Swedbank Försäkring.

Other income was stable.

Expenses increased by 1 per cent to SEK 2 666m (2 633) mainly due to increased compliance-related expenses.

Credit impairments amounted to SEK 85m (7).

Business development

The Swedish mortgage market continued to grow in the quarter but at a somewhat lower rate than previously. The competition remains tough. Swedbank and several other lenders raised their mortgage rates in line with rising market interest rates. Work to increase availability and improve service for customers continued in the quarter.

The war in Ukraine and inflation expectations contributed to declines in the stock and bond markets. We continued to provide our customers with advice and support based on their situation and needs. We also

began helping refugees from Ukraine to become customers of the bank and part of society.

During the quarter, the “Talk to Your Kids About Money” campaign was implemented again. It was a big hit and was well received.

Parents who are private customers can now order the Mastercard Young debit card for their child through the Mobile bank or Internet bank. In addition, the majority of our customers who apply for a bigger mortgage now receive application updates digitally before the loan is paid out. For simpler banking transactions, we have also produced digital guides that can be accessed with a QR code.

The corporate business developed positively but with increased cautiousness shown by customers at the end of the quarter due to the growing economic and geopolitical uncertainty. We closely dialogue with our agricultural customers and discuss solutions with those affected by higher costs.

During the quarter, several corporate customers were able to access the new version of the Internet bank. Earlier our customers could calculate their financing needs and now new functionality enables them to submit loan applications directly through the Internet bank. We also launched a new version of the Swish corporate app.

As part of our work to slow climate change we have transitioned to debit cards made of approximately 85 per cent recycled material.



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

- Insignificant direct and limited indirect exposures to Russia, Ukraine and Belarus
- Stable underlying net interest income and stable lending volumes
- Remains the market leader for households in all three countries with focus on building strong corporate business

Income statement

SEKm	Q1		%	Q1 ¹	
	2022	2021		2021	%
Net interest income	1 385	1 397	-1	1 260	10
Net commission income	713	735	-3	633	13
Net gains and losses on financial items	92	129	-29	104	-12
Other income ²	202	200	1	206	-2
Total income	2 392	2 461	-3	2 203	9
Staff costs	403	419	-4	368	10
Variable staff costs	17	15	13	19	-11
Other expenses	587	685	-14	482	22
Depreciation/amortisation	44	43	2	43	2
Total expenses	1 051	1 162	-10	912	15
Profit before impairments, Swedish bank tax and resolution fees	1 341	1 299	3	1 291	4
Credit impairments	-11	-17	-35	220	
Swedish bank tax and resolution fees	24	19	26	22	9
Profit before tax	1 328	1 297	2	1 049	27
Tax expense	224	215	4	176	27
Profit for the period	1 104	1 082	2	873	26
Profit for the period attributable to:					
Shareholders of Swedbank AB	1 104	1 082	2	873	26
Return on allocated equity, %	17.5	17.4		14.3	
Loan/deposit ratio, %	62	60		62	
Credit impairment ratio, %	-0.02	-0.03		0.48	
Cost/income ratio ¹	0.44	0.47		0.41	
Loans, SEKbn ³	203	199	2	188	8
Deposits, SEKbn ³	325	334	-3	305	7
Full-time employees	4 629	4 624	0	4 649	0

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) Excluding the Swedish National Debt Office and repurchase agreements.

Result

First quarter 2022 compared with fourth quarter 2021

Profit in the first quarter increased to SEK 1 104m (1 082). Profit decreased in local currency as lower income was not fully offset by lower expenses. Foreign exchange effects increased profit by SEK 33m.

Net interest income decreased by 4 per cent in local currency mainly due to fewer days in the quarter and because the previous quarter included the result for the third and fourth quarters from the European Central Bank's liquidity loans. Foreign exchange effects increased net interest income by SEK 42m.

Lending increased by 1 per cent in local currency. Household lending increased by 2 per cent while corporate lending decreased by 1 per cent. Foreign exchange effects positively contributed SEK 2bn.

In local currency, deposit volume decreased by 4 per cent in the quarter. Private and corporate deposits decreased. Foreign exchange effects positively contributed SEK 4bn.

Net commission income decreased by 6 per cent in local currency due to seasonally lower card usage as well as lower advisory commissions related to IPOs after the strong fourth quarter 2021.

Net gains and losses on financial items decreased and were affected in large part by revaluations of Swedbank's insurance company assets and fund holdings.

Expenses decreased by 12 per cent in local currency largely due to seasonally higher expenses in the previous quarter.

Credit impairments amounted to SEK -11m (-17).

January – March 2022 compared with January – March 2021

Profit increased to SEK 1 104m (873) mainly due to higher income and lower credit impairments, which were partly offset by higher expenses. Foreign exchange effects positively affected profit by SEK 34m.

Net interest income increased by 7 per cent in local currency. Higher lending volumes, corporate deposit fees and the result from the European Central Bank's liquidity loans all contributed. Foreign exchange effects positively affected net interest income by SEK 42m.

Lending increased by 7 per cent in local currency. Household lending increased by 8 per cent while corporate lending increased by 6 per cent. Foreign exchange effects contributed SEK 2bn.

Deposits increased by 5 per cent in local currency. Deposits from private and corporate customers increased. Foreign exchange effects positively contributed SEK 3bn.

Net commission income increased by 9 per cent in local currency mainly due to higher income from cards. Income from asset management also increased.

Net gains and losses on financial items decreased and were affected in large part by revaluations of Swedbank's insurance company assets and fund holdings.

Other income decreased by 5 per cent in local currency due to a lower result within the insurance operations.

Expenses increased by 12 per cent in local currency mainly due to higher staff costs. Expenses for AML, risk management and compliance also increased, as did investments in digital solutions. This was partly offset by cost savings in the retail network.

Credit impairments amounted to SEK -11m (220).

Business development

Sentiment was initially lower among households and businesses against the backdrop of the escalating war in Ukraine. Demand for cash increased. By the end of the quarter, private and corporate customers were both more optimistic about the economic conditions.

Baltic Banking's direct exposure to Russia, Ukraine and Belarus is insignificant. Our customers' exposures are limited and only a small share of lending is to corporate customers that are highly reliant on the Russian market.

We remain the market leader in all three Baltic countries, and with a focus on building our corporate business we play an important role in their economies.

During the quarter, the work to further tighten sanction controls was intensified and we are closely dialoguing with supervisory authorities – not least due to the new and more extensive sanctions that have been introduced against Russia and Belarus. This is complex and Swedbank continues to strive for international best practices in AML/CTF and sanctions compliance.

Swedbank provides support to those impacted by the war. We are simplifying payments to Ukraine and do not charge fees on them. We have also eliminated fees for refugees who open an account with us. Debit card fees have been removed for them as well. Swedbank also supports local charities and initiatives that organise, coordinate and provide support to Ukrainian refugees.

A new card offering for private customers was launched in Latvia. The offering includes a debit card and 10 free payments per month. Similar packages are already available in Estonia and Lithuania.

Swedbank also introduced customised offerings in the corporate app. This function had previously been available only to private customers. The range of offerings and the information provided to customers will be strengthened over time to improve their personal experience with Swedbank.

Digital onboarding for minors was launched in Estonia. Those younger than 18 can now become customers without having to visit a branch. This function will also be launched in Latvia and Lithuania later in 2022.



Jon Lidfelt
Head of Baltic Banking

Swedbank is the largest bank by number of customers in Estonia, Latvia and Lithuania, with around 3.3 million private customers and nearly 300 000 corporate customers. According to surveys, Swedbank is also the most popular 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 social engagement is expressed in many ways, with initiatives to promote education, entrepreneurship and social welfare. Swedbank has 15 branches in Estonia, 18 in Latvia and 42 in Lithuania.

Large Corporates & Institutions

- Rapid growth in corporate lending and better underlying net interest income
- Good customer activity in fixed income trading
- Higher credit provisions due to a less optimistic macroeconomic outlook

Income statement

SEKm	Q1	Q4 ¹	%	Q1 ¹	%
	2022	2021		2021	
Net interest income	1 026	1 050	-2	965	6
Net commission income	659	862	-24	685	-4
Net gains and losses on financial items	245	73		336	-27
Other income ²	47	126	-63	68	-31
Total income	1 977	2 111	-6	2 054	-4
Staff costs	386	402	-4	389	-1
Variable staff costs	39	29	34	60	-35
Other expenses	568	693	-18	531	7
Depreciation/amortisation	30	29	3	34	-12
Total expenses	1 023	1 153	-11	1 014	1
Profit before impairments, Swedish bank tax and resolution fees	954	958	0	1 040	-8
Credit impairments	77	-119		19	
Swedish bank tax and resolution fees	117	50		58	
Profit before tax	760	1 027	-26	963	-21
Tax expense	177	138	28	198	-11
Profit for the period	583	889	-34	765	-24
Profit for the period attributable to:					
Shareholders of Swedbank AB	583	889	-34	765	-24
Return on allocated equity, %	7.3	11.7		9.4	
Loan/deposit ratio, %	108	106		100	
Credit impairment ratio, %	0.11	-0.16		0.03	
Cost/income ratio ¹	0.52	0.55		0.49	
Loans, SEKbn ³	260	228	14	218	19
Deposits, SEKbn ³	241	214	13	218	11
Full-time employees	1 196	1 221	-2	1 215	-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.

3) Excluding the Swedish National Debt Office and repurchase agreements.

Result

First quarter 2022 compared with fourth quarter 2021

Profit decreased to SEK 583m (889) mainly due to higher credit impairments and the introduction of the new bank tax.

Net interest income decreased by 2 per cent to SEK 1 026m (1 050) since the previous quarter had been positively affected by customer transfers from the Swedish Banking business area. Fewer days in the quarter also had a negative effect. Higher lending volumes positively affected net interest income.

Net commission income decreased by 24 per cent to SEK 659m (862). Advisory commissions related to IPOs and equity issues decreased after a strong fourth quarter 2021. Income from asset management and bond trading also decreased after the previous quarter had been positively affected by performance-based income.

Net gains and losses on financial items increased to SEK 245m (73) mainly due to high customer activity and turnover in fixed income trading. Negative revaluations of corporate bond holdings due to increased credit spreads contributed negatively.

Expenses decreased by 11 per cent to SEK 1 023m (1 153) mainly due to seasonally lower IT and consulting expenses.

Credit impairments amounted to SEK 77m (-119) mainly due to higher provisions caused by a more negative macroeconomic scenario.

January – March 2022 compared with January – March 2021

Profit decreased to SEK 583m (765) mainly due to higher credit impairments and the introduction of the new bank tax.

Net interest income increased by 6 per cent to SEK 1 026m (965) mainly due to higher lending volumes, which to some extent were offset by lower

margins. A higher deposit guarantee fee negatively affected net interest income.

Net commission income decreased by 4 per cent to SEK 659m (685), partly due to lower M&A advisory commissions. Income from asset management was stable while income from cards had a positive effect.

Net gains and losses on financial items decreased to SEK 245m (336). Negative effects from revaluations of corporate bond holdings were offset by high customer activity in fixed income trading.

Expenses increased by 1 per cent to SEK 1 023m (1 014) mainly due to higher compliance-related expenses.

Credit impairments amounted to SEK 77m (19).

Business development

Demand for financing and advice remained high in the quarter. Lending increased mainly in the real estate, information & communication and manufacturing sectors. Capital market development and activity has been greatly impacted by the war in Ukraine and inflation concerns, which led to higher credit spreads and rising volatility. Terms have worsened in the corporate bond market, mainly for high-yield bonds, because of which a number of planned issues have been delayed. Turnover in government and mortgage bonds has been high as customers turned to assets with lower risk against the backdrop of the market turbulence. Greater caution has also been evident in the stock market with falling prices and high volatility.

Despite this, our corporate and institutional clients finalised a number of bond issues in various currencies that we assisted them with. The majority were at the

beginning of the quarter. Our clients continued to show interest in investing in and issuing sustainable bonds. The bank has among other things served as an advisor to Nordic Investment Bank and real estate companies such as Corem Property Group, Willhem and Balder on their green bond issues.

Swedbank was also active as an advisor in the Nordic stock market in the quarter, including in Gram Carriers' IPO and new issues for SATS and Stillfront. Swedbank also advised SBB on its acquisition of Amasten.

During the quarter, new corporate clients were able to register KYC information themselves through the Nordic platform Invidem. Invidem provides information to all leading banks, and customers therefore have to register only once, even if they use several banks. The coordination of information is expected to lead to better data quality and lower costs. The service is being introduced to more customers during the year in all three business areas.

The bank closely dialogues with customers about alternative financing solutions for their refinancing needs and provides additional working capital when for example supply chains are disrupted. For its institutional clients, Swedbank Robur added more staff to better meet demand from the managers of future pensions.



Pål Bergström
Head of Large Corporates & Institutions

Large Corporates & Institutions is responsible for Swedbank's offering to customers with revenues above SEK 2 billion and those whose needs are considered complex 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 & 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, Denmark, China, the U.S. and South Africa.

Group Functions & Other

Income statement

SEKm	Q1 2022	Q4 ¹ 2021	%	Q1 ¹ 2021	%
Net interest income	429	616	-30	483	-11
Net commission income	-40	6		-72	-44
Net gains and losses on financial items	-303	-81		26	
Other income ²	523	455	15	199	
Total income	609	996	-39	636	-4
Staff costs	1 507	1 608	-6	1 432	5
Variable staff costs	29	48	-40	18	61
Other expenses	-1 246	-1 124	11	-1 317	-5
Depreciation/amortisation	330	331	0	315	5
Total expenses	620	863	-28	448	38
Profit before impairments, Swedish bank tax and resolution fees	-11	133		188	
Credit impairments	7	1			
Swedish bank tax and resolution fees	4	-1		5	-20
Profit before tax	-22	133		183	
Tax expense	39	195	-80	85	-54
Profit for the period	-61	-62	-2	98	
Profit for the period attributable to:					
Shareholders of Swedbank AB	-61	-62	-2	98	
Full-time employees	6 734	6 674	1	6 490	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

First quarter 2022 compared with fourth quarter 2021

Profit was largely unchanged at SEK -61m (-62).

Net interest income decreased to SEK 429m (616). Net interest income within Group Treasury decreased to SEK 479m (654) due to the effects of the bank's transfer pricing model in the wake of higher short-term market interest rates.

Net gains and losses on financial items decreased to SEK -303m (-81). Net gains and losses on financial items within Group Treasury decreased to SEK -296m (-73) mainly due to negative valuation changes on derivatives and the liquidity portfolio caused by higher interest rates and credit spreads.

Expenses decreased to SEK 620m (863) mainly due to lower staff costs and consulting and IT expenses.

January – March 2022 compared with January – March 2021

Profit decreased to SEK -61m (98) mainly due to higher expenses.

Net interest income decreased to SEK 429m (483). Group Treasury's net interest income decreased to SEK 479m (529) due to the effects of the bank's transfer pricing model in the wake of higher short-term market interest rates.

Net gains and losses on financial items decreased to SEK -303m (26). Net gains and losses on financial items within Group Treasury decreased to SEK -296m (43) mainly due to negative valuation changes on derivatives and the liquidity portfolio caused by higher interest rates and credit spreads.

Expenses increased to SEK 620m (448) mainly due to higher IT expenses and staff costs.

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, Communication and Sustainability, Risk, Digital banking & IT, Compliance, Public Affairs, HR and Legal. Group Treasury is responsible for the bank's funding, liquidity and capital planning. Group Treasury 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	Q1 2022	Q4 ¹ 2021	%	Q1 ¹ 2021	%
Net interest income	-2	-3	-33	-3	-33
Net commission income	2	-2		11	-82
Other income ²	-273	-232	18	-41	
Total income	-273	-237	15	-33	
Staff costs	-3	-4	-25	-3	0
Other expenses	-270	-233	16	-30	
Total expenses	-273	-237	15	-33	

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.

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More detailed information including definitions can be found in Swedbank's Fact book, www.swedbank.com/ir, under Financial information and publications.

Income statement, condensed

Group	Q1	Q4 ¹	Q1 ¹
SEKm	2022	2021	2021
Interest income on financial assets at amortised cost	7 500	7 593	7 463
Other interest income	116	235	165
Interest income	7 616	7 828	7 628
Interest expense	-854	-1 082	-858
Net interest income (note 5)	6 762	6 746	6 770
Commission income	5 494	6 021	5 108
Commission expense	-1 913	-2 001	-1 748
Net commission income (note 6)	3 581	4 020	3 360
Net gains and losses on financial items (note 7)	122	265	585
Net insurance	459	326	374
Share of profit or loss of associates and joint ventures	165	253	237
Other income	366	331	305
Total income	11 455	11 941	11 631
Staff costs	3 218	3 361	3 115
Other general administrative expenses (note 8)	1 457	2 070	1 457
Depreciation/amortisation of tangible and intangible assets	412	411	402
Total expenses	5 087	5 842	4 974
Profit before impairments, Swedish bank tax and resolution fees	6 368	6 099	6 657
Credit impairments (note 9)	158	-67	246
Swedish bank tax and resolution fees (note 10)	456	192	229
Profit before tax	5 754	5 974	6 182
Tax expense	1 137	1 139	1 208
Profit for the period	4 617	4 835	4 974
Profit for the period attributable to:			
Shareholders of Swedbank AB	4 617	4 835	4 975
Non-controlling interests	0	0	-1
Earnings per share, SEK	4.11	4.31	4.44
Earnings per share after dilution, SEK	4.10	4.30	4.43

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

Statement of comprehensive income, condensed

Group SEKm	Q1 2022	Q4 2021	Q1 2021
Profit for the period reported via income statement	4 617	4 835	4 974
Items that will not be reclassified to the income statement			
Remeasurements of defined benefit pension plans	702	273	1 584
Share related to associates and joint ventures:			
Remeasurements of defined benefit pension plans	59	14	26
Income tax	-145	-56	-326
Total	616	231	1 284
Items that may be reclassified to the income statement			
Exchange rate differences, foreign operations:			
Gains/losses arising during the period	556	334	846
Hedging of net investments in foreign operations:			
Gains/losses arising during the period	-469	-286	-729
Cash flow hedges:			
Gains/losses arising during the period	93	55	149
Reclassification adjustments to the income statement, Net gains and losses on financial items	-92	-55	-145
Foreign currency basis risk:			
Gains/losses arising during the period	53	-1	-3
Share of other comprehensive income of associates and joint ventures	26	9	103
Income tax	86	59	153
Total	253	115	374
Other comprehensive income for the period, net of tax	869	346	1 658
Total comprehensive income for the period	5 486	5 181	6 632
Total comprehensive income attributable to:			
Shareholders of Swedbank AB	5 486	5 181	6 633
Non-controlling interests	0	0	-1

For January – March 2022 a gain of SEK 702m (1 584) was recognised in other comprehensive income, relating to remeasurements of defined benefit pension plans. As per 31 March 2022 the discount rate used to calculate the closing pension obligation was 2.96 per cent, compared with 2.10 per cent per 31 December 2021. The inflation assumption was 2.58 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 2 657m of the positive result in other comprehensive income. The fair value of plan assets decreased during January – March 2022 by SEK 1 955m. In total, the obligation for defined benefit pension plans exceeded the fair value of plan assets by SEK 1 038m compared with SEK 1 801m per 31 December 2021.

For January – March 2022 an exchange rate difference of SEK 556m (846) 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 26m (103) 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 582m is not taxable. The large part of the Group's foreign net investments is hedged against currency risk resulting in a loss of SEK 469m (729) for the hedging instruments.

Balance sheet, condensed

Group SEKm	31 Mar 2022	31 Dec 2021	31 Mar 2021
Assets			
Cash and balances with central banks	429 475	360 153	499 858
Treasury bills and other bills eligible for refinancing with central banks, etc.	148 937	163 590	125 288
Loans to credit institutions (note 11)	53 281	39 504	46 472
Loans to the public (note 11)	1 761 481	1 703 206	1 667 069
Value change of interest hedged items in portfolio hedges of interest rate risk	-11 087	-1 753	879
Bonds and other interest-bearing securities	79 161	58 093	66 971
Financial assets for which customers bear the investment risk	306 855	328 512	278 442
Shares and participating interests	8 702	13 416	27 016
Investments in associates and joint ventures	7 889	7 705	7 571
Derivatives (note 18)	39 299	40 531	50 153
Intangible assets (note 14)	19 756	19 488	18 794
Tangible assets	5 358	5 523	5 398
Current tax assets	1 357	1 372	1 541
Deferred tax assets	129	113	176
Other assets	32 441	9 194	31 408
Prepaid expenses and accrued income	2 397	1 970	2 531
Total assets	2 885 431	2 750 617	2 829 567
Liabilities and equity			
Amounts owed to credit institutions (note 15)	133 325	92 812	163 281
Deposits and borrowings from the public (note 16)	1 300 334	1 265 783	1 238 655
Financial liabilities for which customers bear the investment risk	309 479	329 667	280 727
Debt securities in issue (note 16)	791 543	735 917	830 062
Short positions, securities	24 716	28 613	24 450
Derivatives (note 18)	40 109	28 106	35 024
Current tax liabilities	907	672	632
Deferred tax liabilities	3 696	3 398	3 127
Pension provisions	1 038	1 801	2 028
Insurance provisions	1 923	1 970	1 904
Other liabilities and provisions	47 184	28 933	46 516
Accrued expenses and prepaid income	5 607	4 813	5 176
Senior non-preferred liabilities (note 17)	47 179	37 832	20 214
Subordinated liabilities (note 17)	23 797	28 604	24 005
Total liabilities	2 730 837	2 588 921	2 675 801
Equity			
Non-controlling interests	26	26	24
Equity attributable to shareholders of the parent company	154 568	161 670	153 742
Total equity	154 594	161 696	153 766
Total liabilities and equity	2 885 431	2 750 617	2 829 567

Statement of changes in equity, condensed

Group SEKm	Equity attributable to shareholders of Swedbank AB										
	Share capital	Other contri- buted equity ¹	Exchange differences, subsidiaries and associates	Hedging of net investments in foreign operations	Cash flow hedge reserves	Foreign currency basis reserves	Own credit risk reserves	Retained earnings	Total	Non- controlling interests	Total equity
January-March 2022											
Opening balance 1 January 2022	24 904	17 275	5 294	-3 248	2	-58	0	117 501	161 670	26	161 696
Dividends								-12 632	-12 632		-12 632
Share based payments to employees								55	55		55
Deferred tax related to share based payments to employees								-10	-10		-10
Current tax related to share based payments to employees								-1	-1		-1
Total comprehensive income for the period			582	-372	1	42	0	5 233	5 486	0	5 486
of which reported through profit or loss								4 617	4 617	0	4 617
of which reported through other comprehensive income			582	-372	1	42	0	616	869		869
Closing balance 31 March 2022	24 904	17 275	5 876	-3 620	3	-16	0	110 146	154 568	26	154 594
January-December 2021											
Opening balance 1 January 2021	24 904	17 275	4 355	-2 669	1	-62	0	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	0	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	0	1 360	1 725		1 725
Closing balance 31 December 2021	24 904	17 275	5 294	-3 248	2	-58	0	117 501	161 670	26	161 696
January-March 2021											
Opening balance 1 January 2021	24 904	17 275	4 355	-2 669	1	-62	0	111 364	155 168	25	155 193
Dividends								-8 124	-8 124		-8 124
Share based payments to employees								62	62		62
Deferred tax related to share based payments to employees								3	3		3
Current tax related to share based payments to employees								0	0		0
Total comprehensive income for the period			949	-576	3	-2	0	6 259	6 633	-1	6 632
of which reported through profit or loss								4 975	4 975	-1	4 974
of which reported through other comprehensive income			949	-576	3	-2	0	1 284	1 658		1 658
Closing balance 31 March 2021	24 904	17 275	5 304	-3 245	4	-64	0	109 564	153 742	24	153 766

1) Other contributed equity consists mainly of share premiums.

Cash flow statement, condensed

Group SEKm	Jan-Mar 2022	Full-year 2021	Jan-Mar 2021
Operating activities			
Profit before tax	5 754	25 817	6 182
Adjustments for non-cash items in operating activities	547	-2 863	-1 707
Income taxes paid	-758	-4 478	-969
Increase (-) / decrease (+) in loans to credit institution	-13 826	8 733	1 696
Increase (-) / decrease (+) in loans to the public	-56 008	-18 746	16 964
Increase (-) / decrease (+) in holdings of securities for trading	-1 643	-20 742	-4 889
Increase (-) / decrease (+) in other assets	-17 142	19 618	-10 787
Increase (+) / decrease (-) in amounts owed to credit institutions	40 014	-58 471	11 867
Increase (+) / decrease (-) in deposits and borrowings from the public	30 614	112 568	85 143
Increase (+) / decrease (-) in debt securities in issue	54 510	-6 447	80 261
Increase (+) / decrease (-) in other liabilities	20 187	-5 580	15 205
Cash flow from operating activities	62 249	49 409	198 966
Investing activities			
Acquisitions of and contributions to associates and joint ventures	-22	-51	-25
Dividend from associates and joint ventures	88	587	82
Acquisitions of other fixed assets and strategic financial assets	-58	-253	-54
Disposals of/maturity of other fixed assets and strategic financial assets	17	345	31
Cash flow from investing activities	25	628	34
Financing activities			
Amortisation of lease liabilities	-192	-751	-193
Issuance of senior non-preferred liabilities	10 608	27 501	9 958
Redemption of senior non-preferred liabilities	-287		-2
Issuance of subordinated liabilities		4 328	
Redemption of subordinated liabilities	-5 156	-617	-243
Dividends paid		-16 310	-4 871
Cash flow from financing activities	4 973	14 151	4 649
Cash flow for the period	67 247	64 188	203 649
Cash and cash equivalents at the beginning of the period	360 153	293 811	293 811
Cash flow for the period	67 247	64 188	203 649
Exchange rate differences on cash and cash equivalents	2 075	2 154	2 398
Cash and cash equivalents at end of the period	429 475	360 153	499 858

2022

During the first quarter contributions were provided to joint venture Invidem AB of SEK 22m.

2021

During the year contributions were provided to 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 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 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. There have been no significant changes to the Group's accounting policies.

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.

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 report 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

goodwill, deferred taxes and defined benefit pension provisions.

Post-model expert credit adjustments to the credit impairment provisions continue to be necessary, given uncertainties surrounding the implications from both the war in Ukraine as well as the Covid-19 economic crisis. 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 the first quarter 2022.

Note 4 Operating segments (business areas)

January-March 2022	Swedish	Baltic	Large	Group		
SEKm	Banking	Banking	Corporates & Institutions	Functions & Other	Eliminations	Group
Income statement						
Net interest income	3 924	1 385	1 026	429	-2	6 762
Net commission income	2 247	713	659	-40	2	3 581
Net gains and losses on financial items	88	92	245	-303		122
Other income ¹	491	202	47	523	-273	990
Total income	6 750	2 392	1 977	609	-273	11 455
Staff costs	834	403	386	1 507	-3	3 127
Variable staff costs	6	17	39	29		91
Other expenses	1 818	587	568	-1 246	-270	1 457
Depreciation/amortisation	8	44	30	330		412
Total expenses	2 666	1 051	1 023	620	-273	5 087
Profit before impairments, Swedish bank tax and resolution fees	4 084	1 341	954	-11		6 368
Credit impairments	85	-11	77	7		158
Swedish bank tax and resolution fees	311	24	117	4		456
Profit before tax	3 688	1 328	760	-22		5 754
Tax expense	697	224	177	39		1 137
Profit for the period	2 991	1 104	583	-61		4 617
Profit for the period attributable to:						
Shareholders of Swedbank AB	2 991	1 104	583	-61		4 617
Non-controlling interests	0					0
Net commission income						
Commission income						
Payment processing	189	167	121	66	-4	539
Cards	519	422	568	-107		1 402
Asset management and custody	1 824	137	428	-3	-77	2 309
Lending	51	44	216	3	-2	312
Other commission income ²	571	143	214	6	-2	932
Total Commission income	3 154	913	1 547	-35	-85	5 494
Commission expense	907	200	888	5	-87	1 913
Net commission income	2 247	713	659	-40	2	3 581
Balance sheet, SEKbn						
Cash and balances with central banks	2	4	1	424	-2	429
Loans to credit institutions	5		205	228	-385	53
Loans to the public	1 262	203	297		-1	1 761
Interest-bearing securities		2	71	155		228
Financial assets for which customers bear the investment risk	300	7				307
Investments in associates and joint ventures	6			2		8
Derivatives			100	83	-144	39
Tangible and intangible assets	2	12	1	10		25
Other assets	4	133	22	359	-483	35
Total assets	1 581	361	697	1 261	-1 015	2 885
Amounts owed to credit institutions	26	1	345	138	-377	133
Deposits and borrowings from the public	716	325	264	2	-7	1 300
Debt securities in issue		1	4	788	-1	792
Financial liabilities for which customers bear the investment risk	301	8				309
Derivatives			105	78	-143	40
Other liabilities	468		-54	158	-487	85
Senior non-preferred liabilities				47		47
Subordinated liabilities				24		24
Total liabilities	1 511	335	664	1 235	-1 015	2 730
Allocated equity	70	26	33	26		155
Total liabilities and equity	1 581	361	697	1 261	-1 015	2 885
Key figures						
Return on allocated equity, %	17.6	17.5	7.3	-0.7		11.4
Cost/income ratio	0.39	0.44	0.52	1.02		0.44
Credit impairment ratio, %	0.03	-0.02	0.11	0.15		0.04
Loan/deposit ratio, %	176	62	108	10		134
Loans to the public, stage 3, SEKbn ³ (gross)	2	1	3			6
Loans to the public, total, SEKbn ³	1 262	203	260			1 725
Provisions for loans to the public, total, SEKbn ³	1	1	3			5
Deposits from the public, SEKbn ³	716	325	241	2		1 284
Risk exposure amount, SEKbn	405	106	183	30		724
Full-time employees	4 041	4 629	1 196	6 734		16 600
Allocated equity, average, SEKbn	68	25	32	37		161

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.

3) Excluding the Swedish National Debt Office and repurchase agreements.

January-March 2021 SEKm	Swedish Banking	Baltic Banking	Large Corporates & Institutions	Group Functions & Other	Eliminations	Group
Income statement						
Net interest income	4 065	1 260	965	483	-3	6 770
Net commission income	2 103	633	685	-72	11	3 360
Net gains and losses on financial items	119	104	336	26		585
Other income ¹	484	206	68	199	-41	916
Total income	6 771	2 203	2 054	636	-33	11 631
Staff costs	813	368	389	1 432	-3	2 999
Variable staff costs	19	19	60	18		116
Other expenses	1 791	482	531	-1 317	-30	1 457
Depreciation/amortisation	10	43	34	315		402
Total expenses	2 633	912	1 014	448	-33	4 974
Profit before impairments, Swedish bank tax and resolution fees						
	4 138	1 291	1 040	188		6 657
Credit impairments	7	220	19			246
Swedish bank tax and resolution fees	144	22	58	5		229
Profit before tax	3 987	1 049	963	183		6 182
Tax expense	749	176	198	85		1 208
Profit for the period	3 238	873	765	98		4 974
Profit for the period attributable to:						
Shareholders of Swedbank AB	3 239	873	765	98		4 975
Non-controlling interests	-1					-1
Net commission income						
Commission income						
Payment processing	181	167	109	54	-7	504
Cards	429	345	496	-93		1 177
Asset management and custody	1 759	110	409	-5	-66	2 207
Lending	50	36	209	-1	-1	293
Other commission income ²	531	137	250	11	-2	927
Total Commission income	2 950	795	1 473	-34	-76	5 108
Commission expense	847	162	788	38	-87	1 748
Net commission income	2 103	633	685	-72	11	3 360
Balance sheet, SEKbn						
Cash and balances with central banks	1	3		496		500
Loans to credit institutions	7		180	267	-408	46
Loans to the public	1 215	188	266		-2	1 667
Interest-bearing securities		2	79	113	-2	192
Financial assets for which customers bear the investment risk	271	7				278
Investments in associates	5			3		8
Derivatives			55	39	-44	50
Tangible and intangible assets	5	12	1	6		24
Other assets	4	125	46	389	-499	65
Total assets	1 508	337	627	1 313	-955	2 830
Amounts owed to credit institutions	28		333	198	-396	163
Deposits and borrowings from the public	650	305	252	43	-11	1 239
Debt securities in issue		1	7	824	-2	830
Financial liabilities for which customers bear the investment risk	274	7				281
Derivatives			57	22	-44	35
Other liabilities	492		-55	149	-502	84
Senior non-preferred liabilities				20		20
Subordinated liabilities				24		24
Total liabilities	1 444	313	594	1 280	-955	2 676
Allocated equity	64	24	33	33		154
Total liabilities and equity	1 508	337	627	1 313	-955	2 830
Key figures						
Return on allocated equity, %	19.8	14.3	9.4	1.2		12.8
Cost/income ratio	0.39	0.41	0.49	0.70		0.43
Credit impairment ratio, %	0.00	0.48	0.03			0.06
Loan/deposit ratio, %	187	62	100	1		133
Loans to the public, stage 3, SEKbn ³ (gross)	2	2	4			8
Loans to the public, total, SEKbn ³	1 215	188	218			1 621
Provisions for loans to the public, total, SEKbn ³	2	1	3			6
Deposits, SEKbn ³	650	305	218	43		1 216
Risk exposure amount, SEKbn	400	98	170	27		695
Full-time employees	3 952	4 649	1 215	6 490		16 306
Allocated equity, average, SEKbn	65	24	33	32		155

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.

3) Excluding the Swedish National Debt Office and repurchase agreements.

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

Note 5 Net interest income

SEKm	Q1 2022	Q4 ¹ 2021	Q1 ¹ 2021
Interest income			
Cash and balances with central banks	-284	-295	-232
Treasury bills and other bills eligible for refinancing with central banks, etc.	34	37	14
Loans to credit institutions	41	61	37
Loans to the public	7 737	7 657	7 659
Bonds and other interest-bearing securities	77	41	47
Derivatives ²	134	280	44
Other assets	10	-62	42
Total	7 749	7 719	7 611
Deduction of trading-related interests reported in Net gains and losses on financial items (note 7)	133	-109	-17
Total interest income	7 616	7 828	7 628
Interest expense			
Amounts owed to credit institutions	27	83	5
Deposits and borrowings from the public	-115	-61	-37
of which deposit guarantee fees	-157	-148	-35
Debt securities in issue	-1 134	-1 115	-1 258
Senior non-preferred liabilities	-91	-70	-28
Subordinated liabilities	-227	-226	-170
Derivatives ²	742	469	703
Other liabilities	-14	-19	-18
Total	-812	-939	-803
Deduction of trading-related interests reported in Net gains and losses on financial items (note 7)	42	143	55
Total interest expense	-854	-1 082	-858
Net interest income	6 762	6 746	6 770
Net investment margin before trading-related interests are deducted	0.94	0.88	0.99
Average total assets	2 966 372	2 985 729	2 750 011
Interest expense on financial liabilities at amortised cost	1 574	1 396	1 502
Negative yield on financial assets	369	380	282
Negative yield on financial liabilities	290	384	147

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	Q1 2022	Q4 2021	Q1 2021
Commission income			
Payment processing	539	564	504
Cards	1 402	1 545	1 177
Service concepts	352	329	313
Asset management and custody	2 309	2 539	2 207
Insurance	176	167	171
Securities and corporate finance	169	337	193
Lending	312	301	293
Other	235	239	250
Total commission income	5 494	6 021	5 108
Commission expense			
Payment processing	-333	-343	-310
Cards	-706	-723	-609
Service concepts	-41	-34	-42
Asset management and custody	-558	-612	-518
Insurance	-93	-88	-79
Securities and corporate finance	-101	-93	-81
Lending	-38	-47	-32
Other	-43	-61	-77
Total commission expense	-1 913	-2 001	-1 748
Net commission income			
Payment processing	206	221	194
Cards	696	822	568
Service concepts	311	295	271
Asset management and custody	1 751	1 927	1 689
Insurance	83	79	92
Securities and corporate finance	68	244	112
Lending	274	254	261
Other	192	178	173
Total net commission income	3 581	4 020	3 360

Note 7 Net gains and losses on financial items

SEKm	Q1 2022	Q4 2021	Q1 2021
Fair value through profit or loss			
Shares and share related derivatives	342	46	42
of which dividend	61	53	58
Interest-bearing securities and interest related derivatives	-719	-240	177
Financial liabilities	9	2	6
Other financial instruments	-1	5	-2
Total fair value through profit or loss	-369	-187	223
Hedge accounting			
Ineffectiveness, one-to-one fair value hedges	-20	58	-16
of which hedging instruments	-13 172	-2 623	-3 026
of which hedged items	13 152	2 681	3 010
Ineffectiveness, portfolio fair value hedges	-6	-18	21
of which hedging instruments	9 328	1 506	916
of which hedged items	-9 334	-1 524	-895
Ineffectiveness, cash flow hedges	0	1	0
Total hedge accounting	-26	41	5
Amortised cost			
Derecognition gain or loss for financial assets	35	52	43
Derecognition gain or loss for financial liabilities	-22	-15	-11
Total amortised cost	13	37	32
Trading related interest			
Interest income (note 5)	133	-109	-17
Interest expense (note 5)	42	143	55
Total trading related interest	175	34	38
Change in exchange rates	329	340	287
Total	122	265	585

Note 8 Other general administrative expenses

SEKm	Q1 2022	Q4 2021	Q1 2021
Premises	112	146	105
IT expenses	611	803	568
Telecommunications and postage	30	39	31
Consultants	150	310	214
Compensation to savings banks	56	57	57
Other purchased services	264	272	213
Travel	6	11	1
Entertainment	4	9	4
Supplies	15	36	21
Advertising, PR and marketing	30	148	39
Security transport and alarm systems	19	19	18
Repair/maintenance of inventories	27	41	24
Other administrative expenses	117	151	114
Other operating expenses	16	28	48
Total	1 457	2 070	1 457

Note 9 Credit impairments

SEKm	Q1 2022	Q4 2021	Q1 2021
Loans at amortised cost			
Credit impairment provisions - stage 1	380	87	-133
Credit impairment provisions - stage 2	-325	-430	246
Credit impairment provisions - stage 3	-334	-660	-2 538
Credit impairment provisions - purchased or originated credit impaired	0	0	-2
Total	-279	-1 003	-2 427
Write-offs	442	992	2 860
Recoveries	-35	-41	-64
Total	407	951	2 796
Total - loans at amortised cost	128	-52	369
Other assets at amortised cost			-4
Loan commitments and guarantees			
Credit impairment provisions - stage 1	90	41	-54
Credit impairment provisions - stage 2	-55	28	-61
Credit impairment provisions - stage 3	-5	-84	-4
Total	30	-15	-119
Write-offs			
Total - loan commitments and guarantees	30	-15	-119
Total	158	-67	246
Credit impairment ratio, %	0.04	-0.02	0.06

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. There have been no significant changes during the year to the methodology.

Measurement of 12-month and lifetime expected credit losses

The onset of the Covid-19 pandemic in 2020 brought a deterioration of macroeconomic indicators – inter alia GDP growth, housing and property prices, unemployment, oil prices and interest rates – that would typically have contributed to increased credit risk. The increased credit losses or default rates that would be expected from historical experience of similar economic shocks did not materialise due to extraordinary support measures. Some uncertainties regarding lasting economic implications remain and continue to impact recoveries, particularly as the effects of support measures remain in the economy.

The war in Ukraine has exacerbated many of the weaknesses and imbalances in the economy that arose during the pandemic, particularly in relation to supply chain disruptions, shortages of input goods and significantly higher energy prices. Other implications include higher inflation, particularly in the Baltic countries, and earlier than anticipated interest rate hikes. As the credit ratings and quantitative risk models do not yet reflect all potential credit migrations, post-

model adjustments to increase the credit impairment provisions continue to be deemed necessary.

The post-model expert credit adjustments decreased to SEK 1 715m (SEK 1 796m as of 31 December 2021) and are allocated as SEK 1 079m in stage 1, SEK 635m in stage 2 and SEK 1m in stage 3. Customers and industries have been reviewed and analysed considering the current situation, particularly in more vulnerable sectors. The most significant post-model adjustments are in the Shipping and offshore, Manufacturing, Construction, Retail and wholesale, Transportation sectors and Hotel and restaurant.

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 to 2 grades from initial recognition is assessed as a significant change in credit risk. Alternatively, for exposures originated with a risk grade between 13 and 21, a downgrade by 3 to 8 grades from initial recognition is 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.

- 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 13 and 21, an increase of 100-300 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 ^{1,2,3}	Impairment provision impact of				Impairment provision impact of			
			Increase in threshold by 1 grade, %	Decrease in threshold by 1 grade, %	Recognised credit impairment provisions 31 Mar 2022	Share of total portfolio in terms of gross carrying amount, % 31 Mar 2022	Increase in threshold by 1 grade, %	Decrease in threshold by 1 grade, %	Recognised credit impairment provisions 31 Dec 2021	Share of total portfolio in terms of gross carrying amount, % 31 Dec 2021
18-21	<0.1	5 - 8 grades	-6.2	14.0	45	13	-6.4	14.9	43	15
13-17	0.1 - 0.5	3 - 7 grades	-4.9	8.2	207	13	-5.5	6.8	214	15
9-12	>0.5 - 2.0	1 - 5 grades	-13.4	18.3	153	5	-21.8	16.0	159	5
6-8	2.0 - 5.7	1 - 3 grades	-6.9	5.3	73	2	-7.9	4.9	60	2
0-5	>5.7 - 99.9	1 grade	-2.2	0.0	41	1	-2.2	0.0	38	1
			-7.8	10.6	519	34	-11.2	9.5	514	38
		Sovereigns and financial institutions with low credit risk			2	12			1	9
		Stage 3 financial instruments			696	0			961	0
		Post-model expert credit adjustment ⁴			441				595	
		Total⁵			1 658	46			2 071	47

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 analyses 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 232m (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 ¹ , %	Impairment provision impact of				Impairment provision impact of			
		Increase in threshold by 100%, %	Decrease in threshold by 50%, %	Recognised credit impairment provisions 31 Mar 2022	Share of total portfolio in terms of gross carrying amount, % 31 Mar 2022	Increase in threshold by 100%, %	Decrease in threshold by 50%, %	Recognised credit impairment provisions 31 Dec 2021	Share of total portfolio in terms of gross carrying amount, % 31 Dec 2021
18-21	200-300	-7.1	18.0	28	18	-15.7	22.8	24	18
13-17	100-250	-1.9	2.5	326	20	-1.1	5.8	287	20
9-12	100-200	-9.7	2.0	360	10	-5.8	1.0	293	9
6-8	50-150	-2.2	3.8	182	3	-0.6	2.4	140	3
0-5	50	-0.4	6.0	136	1	0.1	0.7	94	1
		-4.6	3.4	1 032	52	-3.0	3.5	838	51
				17	2			7	2
				1 539	0			1 551	0
				1 272				1 199	
		Total³		3 860	54			3 595	53

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 452m (360).

Incorporation of forward-looking macroeconomic scenarios

The Swedbank Economic Outlook was published on 19 January and would typically serve as the baseline scenario. Given the war in Ukraine, an updated baseline scenario was necessary and was updated to 28 March 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.

IFRS 9 scenarios

31 March 2022	Positive scenario			Baseline scenario			Negative scenario		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
Sweden									
GDP (annual % change)	3.1	2.6	1.8	2.6	2.2	2.0	-2.6	-3.5	3.4
Unemployment (annual %) ¹	7.6	6.9	6.2	7.7	7.2	6.4	8.9	10.9	10.2
House prices (annual % change)	5.0	1.5	0.5	4.8	0.8	0.5	-1.0	-9.6	-0.6
Stibor 3m (%)	0.37	1.64	2.05	0.35	1.55	1.94	0.19	0.22	0.21
Estonia									
GDP (annual % change)	2.3	2.9	3.3	1.5	2.0	3.5	-4.6	-7.2	4.1
Unemployment (annual %)	5.5	5.4	5.0	5.6	5.4	5.0	7.6	11.8	12.2
House prices (annual % change)	11.9	6.4	5.4	11.2	5.0	5.0	3.9	-7.7	6.7
Latvia									
GDP (annual % change)	1.8	3.1	2.9	1.3	2.5	3.0	-5.5	-5.9	3.9
Unemployment (annual %)	7.4	6.5	6.0	7.5	6.7	6.2	9.6	12.5	11.1
House prices (annual % change)	10.1	7.2	5.3	9.0	6.2	5.5	-3.5	-8.7	6.9
Lithuania									
GDP (annual % change)	2.2	3.1	2.8	1.7	2.5	3.0	-5.4	-6.2	3.5
Unemployment (annual %)	6.6	6.2	5.8	6.7	6.3	6.0	8.8	12.7	12.7
House prices (annual % change)	9.4	6.7	6.0	9.0	5.5	4.9	-6.5	-11.4	10.2
Global indicators									
US GDP (annual %)	3.7	2.6	1.2	3.0	1.8	1.8	-0.5	-3.9	0.4
EU GDP (annual %)	3.2	3.4	1.8	2.6	2.7	1.9	-0.5	-3.6	2.5
Brent Crude Oil (USD/Barrel)	104.0	96.3	88.4	106.5	101.0	93.0	136.3	136.7	116.2
Euribor 6m (%)	-0.22	0.54	0.98	-0.29	0.05	0.19	-0.11	-0.42	-0.44

1) Unemployment rate, 16-64 years.

Global GDP growth has been revised down substantially for 2022 and 2023 due to the economic consequences of the war in Ukraine. High and volatile energy and commodity prices are expected to dampen household consumption and firms' investments. Mitigating factors, such as expansionary fiscal policy and pent-up demand following the pandemic, will allow global economies to avoid stagnation. However, risks are tilted downwards. The world economy is expected to grow by 2.7 per cent in 2022 and 3.3 per cent in 2023.

No explicit assumptions on developments of the war in Ukraine are made. However, the forecast is based on the assumption that the Western sanctions and boycotts on Russia will remain in place throughout the forecast horizon, i.e., the addition of many more sanctions is not foreseen, nor are the ones in place expected to be lifted. This assumption implies that oil and gas prices are likely to remain high, but not increase further during the forecast horizon.

Although inflation is about to peak soon in many countries, consumer price inflation will be higher than normal for a while yet. The central bank forecasts are being revised and now expect the removal of stimulus to happen much faster than the forecast in November.

The negative effect on GDP growth will be less extensive in Sweden than in most of Europe. However, growth is slowing, and inflation is rising even higher. Monetary policy will tighten sharply in the near term while fiscal policy becomes more expansionary than the forecast in November.

Baltic trade exposure to Russia is not extensive; nevertheless, the economic effects will be noticeable. Even higher inflation, a deterioration in sentiment, a decline in investments and exports are likely to cause GDP growth to decline sharply. Governments are implementing sizeable measures to cushion negative economic consequences and help households deal with inflation.

Sensitivity

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

Operating segments	31 Mar 2022				31 Dec 2021			
	Credit impairment provisions (probability weighted)	Of which: post-model expert credit adjustment	Credit impairment provisions		Credit impairment provisions (probability weighted)	Of which: post-model expert credit adjustment	Credit impairment provisions	
			Negative scenario	Positive scenario			Negative scenario	Positive scenario
Swedish Banking	1 612	414	1 723	1 578	1 558	447	1 632	1 530
Baltic Banking	898	357	1 042	815	895	389	982	819
LC&I	2 995	944	3 408	2 658	3 206	960	3 615	2 858
Group ¹	5 518	1 715	6 186	5 063	5 666	1 796	6 235	5 212

1) Including operating segment Group Functions & Other.

Note 10 Swedish bank tax and resolution fees

SEKm	Q1 2022	Q4 2021	Q1 2021
Swedish bank tax	239		
Resolution fees	217	192	229
Total	456	192	229

Note 11 Loans

SEKm	Stage 1			Stage 2			Stage 3 ¹			Total
	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	
31 March 2022										
Loans to the public at amortised cost										
Private customers	1 101 646	113	1 101 533	42 888	283	42 605	1 957	498	1 459	1 145 597
Private mortgage	965 073	32	965 041	36 014	141	35 873	1 269	207	1 062	1 001 976
Tenant owner associations	90 921	5	90 916	1 248	4	1 244	28	1	27	92 187
Private other	45 652	76	45 576	5 626	138	5 488	660	290	370	51 434
Corporate customers	524 664	1 065	523 599	54 610	1 203	53 407	4 015	1 655	2 360	579 366
Agriculture, forestry, fishing	56 497	66	56 431	6 499	85	6 414	213	30	183	63 028
Manufacturing	36 978	208	36 770	4 220	157	4 063	172	84	88	40 921
Public sector and utilities	31 989	27	31 962	1 836	35	1 801	12	2	10	33 773
Construction	16 360	65	16 295	2 839	81	2 758	184	42	142	19 195
Retail and wholesale	29 612	143	29 469	3 137	96	3 041	100	45	55	32 565
Transportation	10 760	68	10 692	2 514	74	2 440	30	7	23	13 155
Shipping and offshore	8 201	272	7 929	2 280	257	2 023	2 382	1 214	1 168	11 120
Hotels and restaurants	3 428	25	3 403	3 774	122	3 652	399	54	345	7 400
Information and communication	22 788	27	22 761	866	12	854	3	1	2	23 617
Finance and insurance	22 946	11	22 935	599	8	591	16	3	13	23 539
Property management, including Residential properties	250 223	127	250 096	22 396	212	22 184	352	130	222	272 502
Commercial	75 712	28	75 684	6 681	72	6 609	174	20	154	82 447
Industrial and Warehouse	109 103	62	109 041	9 787	104	9 683	147	106	41	118 765
Other	39 900	18	39 882	2 990	9	2 981	17	1	16	42 879
Professional services	25 508	19	25 489	2 938	27	2 911	14	3	11	28 411
Other corporate lending	17 575	11	17 564	2 331	42	2 289	83	24	59	19 912
	17 307	15	17 292	1 319	22	1 297	69	19	50	18 639
Loans to the public at fair value through profit or loss										202
Loans to the public excluding the Swedish National Debt Office and repurchase agreements	1 626 310	1 178	1 625 132	97 498	1 486	96 012	5 972	2 153	3 819	1 725 165
of which cash collaterals posted	2 189		2 189							2 189
of which customer lending	1 624 121	1 178	1 622 943	97 498	1 486	96 012	5 972	2 153	3 819	1 722 976
Swedish National Debt Office Repurchase agreements ²	24		24							24
Loans to the public	1 626 334	1 178	1 625 156	97 498	1 486	96 012	5 972	2 153	3 819	1 761 481
Banks and other credit institutions	48 129	17	48 112	28		28				48 140
Repurchase agreements ²										5 141
Loans to credit institutions	48 129	17	48 112	28		28				53 281
Loans to the public and credit institutions	1 674 463	1 195	1 673 268	97 526	1 486	96 040	5 972	2 153	3 819	1 814 762
Share of loans, %	94.18			5.49			0.34			100
Credit impairment provision ratio, %	0.07			1.52			36.05			0.27

- 1) Including purchased or originated credit impaired.
2) At fair value through profit or loss.

SEKm	Stage 1			Stage 2			Stage 3 ¹			Total
	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	
31 December 2021										
Loans to the public at amortised cost										
Private customers	1 090 376	98	1 090 278	42 148	259	41 889	1 844	480	1 364	1 133 531
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	0	0	0	91 680
Private other	45 441	65	45 376	5 504	116	5 388	590	260	330	51 094
Corporate customers	488 113	700	487 413	56 458	1 530	54 928	4 518	1 947	2 571	544 912
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 Residential properties	239 228	105	239 123	21 827	213	21 614	267	125	142	260 879
Commercial	76 842	27	76 815	6 884	65	6 819	64	12	52	83 686
Industrial and Warehouse	98 300	49	98 251	9 355	80	9 275	166	108	58	107 584
Other	40 619	13	40 606	2 950	14	2 936	23	2	21	43 563
Professional services	23 467	16	23 451	2 638	54	2 584	14	3	11	26 046
Other corporate lending	17 053	8	17 045	2 514	42	2 472	86	25	61	19 578
	13 930	12	13 918	3 077	63	3 014	79	22	57	16 989
Loans to the public at fair value through profit or loss										199
Loans to the public excluding the Swedish National Debt Office and repurchase agreements	1 578 489	798	1 577 691	98 606	1 789	96 817	6 362	2 427	3 935	1 678 642
of which cash collaterals posted	1 832		1 832							1 832
of which customer lending	1 576 657	798	1 575 859	98 606	1 789	96 817	6 362	2 427	3 935	1 676 810
Swedish National Debt Office Repurchase agreements ²	3		3							3
Loans to the public	1 578 492	798	1 577 694	98 606	1 789	96 817	6 362	2 427	3 935	1 703 206
Banks and other credit institutions	38 102	8	38 094	27		27				38 121
Repurchase agreements ²										1 383
Loans to credit institutions	38 102	8	38 094	27		27				39 504
Loans to the public and credit institutions	1 616 594	806	1 615 788	98 633	1 789	96 844	6 362	2 427	3 935	1 742 710
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.

31 March 2021

Stage 1

Stage 2

Stage 3¹

SEKm	Stage 1			Stage 2			Stage 3 ¹			Total
	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	
Loans to the public at amortised cost										
Private customers	1 042 700	122	1 042 578	42 410	290	42 120	2 143	505	1 638	1 086 336
Private mortgage	909 935	50	909 885	35 738	164	35 574	1 513	279	1 234	946 693
Tenant owner associations	89 902	4	89 898	1 295	4	1 291	121	3	118	91 307
Private other	42 863	68	42 795	5 377	122	5 255	509	223	286	48 336
Corporate customers	467 149	602	466 547	66 744	2 325	64 419	5 626	2 151	3 475	534 441
Agriculture, forestry, fishing	56 962	10	56 952	7 391	58	7 333	169	27	142	64 427
Manufacturing	33 330	136	33 194	5 327	197	5 130	247	73	174	38 498
Public sector and utilities	25 171	16	25 155	2 890	18	2 872	52	11	41	28 068
Construction	17 431	29	17 402	4 392	114	4 278	139	31	108	21 788
Retail and wholesale	21 761	59	21 702	6 078	241	5 837	502	217	285	27 824
Transportation	11 158	21	11 137	2 510	74	2 436	17	3	14	13 587
Shipping and offshore	6 362	34	6 328	4 352	796	3 556	3 559	1 600	1 959	11 843
Hotels and restaurants	4 049	58	3 991	4 617	346	4 271	343	32	311	8 573
Information and communication	12 153	11	12 142	1 352	18	1 334	11	2	9	13 485
Finance and insurance	19 652	14	19 638	731	4	727	32	15	17	20 382
Property management, including	226 427	185	226 242	20 574	331	20 243	308	71	237	246 722
Residential properties	68 660	49	68 611	7 372	75	7 297	18	8	10	75 918
Commercial	98 945	96	98 849	7 433	159	7 274	171	41	130	106 253
Industrial and Warehouse	38 860	22	38 838	3 111	25	3 086	91	20	71	41 995
Other	19 962	18	19 944	2 658	72	2 586	28	2	26	22 556
Professional services	17 541	12	17 529	4 902	85	4 817	166	46	120	22 466
Other corporate lending	15 152	17	15 135	1 628	43	1 585	81	23	58	16 778
Loans to the public at fair value through profit or loss										132
Loans to the public excluding the Swedish National Debt Office and repurchase agreements	1 509 849	724	1 509 125	109 154	2 615	106 539	7 769	2 656	5 113	1 620 909
of which cash collaterals posted	2 622		2 622							2 622
of which customer lending	1 507 227	724	1 506 503	109 154	2 615	106 539	7 769	2 656	5 113	1 618 287
Swedish National Debt Office	3		3							3
Repurchase agreements ²										46 157
Loans to the public	1 509 852	724	1 509 128	109 154	2 615	106 539	7 769	2 656	5 113	1 667 069
Banks and other credit institutions	37 038	14	37 024	134		134				37 158
Repurchase agreements ²										9 314
Loans to credit institutions	37 038	14	37 024	134		134				46 472
Loans to the public and credit institutions	1 546 890	738	1 546 152	109 288	2 615	106 673	7 769	2 656	5 113	1 713 541
Share of loans, %	92.96			6.57			0.47			100
Credit impairment provision ratio, %	0.05			2.39			34.19			0.36

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. Stage transfers are reflected as taking place at the end of the reporting period.

Loans to the public and credit institutions SEKm	2022				2021			
	Stage 1	Stage 2	Stage 3 ¹	Total	Stage 1	Stage 2	Stage 3 ¹	Total
Carrying amount before provisions								
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 March	1 674 463	97 526	5 972	1 777 961	1 546 890	109 288	7 769	1 663 947
Credit impairment provisions								
Opening balance 1 January	806	1 789	2 427	5 022	855	2 316	4 998	8 169
Movements affecting credit impairments								
New and derecognised financial assets, net	124	-118	-319	-313	26	-20	-2 763	-2 757
Changes in risk factors (EAD, PD, LGD)	-17	-90	-20	-127	13	-108	-15	-110
Changes in macroeconomic scenarios	77	137	2	216	-65	-99	0	-164
Post-model expert credit adjustments	239	-282	-42	-85	-33	374	1	342
Individual assessments			-3	-3			157	157
Stage transfers	-43	28	64	49	-74	99	106	131
from 1 to 2	-63	135		72	-81	176		95
from 1 to 3	0		21	21	-1		14	13
from 2 to 1	21	-96		-75	8	-35		-27
from 2 to 3		-14	61	47		-45	108	63
from 3 to 2		3	-17	-14		3	-13	-10
from 3 to 1	-1		-1	-2	0		-3	-3
Other			-16	-16			-25	-25
Total movements affecting credit impairments	380	-325	-334	-279	-133	246	-2 539	-2 426
Movements recognised outside credit impairments								
Interest			16	16			25	25
Change in exchange rates	9	22	44	75	16	53	172	241
Closing balance 31 March	1 195	1 486	2 153	4 834	738	2 615	2 656	6 009
Carrying amount								
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 March	1 673 268	96 040	3 819	1 773 127	1 546 152	106 673	5 113	1 657 938

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. Stage transfers are reflected as taking place at the end of the reporting period.

SEKm	2022				2021			
	Stage 1	Stage 2	Stage 3 ¹	Total	Stage 1	Stage 2	Stage 3 ¹	Total
Nominal amount								
Opening balance 1 January	306 298	16 134	221	322 653	358 988	17 341	542	376 871
Closing balance 31 March	301 476	22 549	206	324 231	303 444	17 320	557	321 321
Credit impairment provisions								
Opening balance 1 January	286	273	85	644	249	396	161	806
Movements affecting credit impairments								
New and derecognised financial assets, net	26	37	-12	51	16	-10	-6	0
Changes in risk factors (EAD, PD, LGD)	-21	-23	8	-36	-11	-19	-3	-33
Changes in macroeconomic scenarios	21	13	0	34	-18	-18		-36
Post-model expert credit adjustments	66	-87	-1	-22	-39	-20		-59
Individual assessments								
Stage transfers	-2	5	0	3	-2	6	5	9
from 1 to 2	-4	12		8	-3	11		8
from 1 to 3	0		0	0				
from 2 to 1	2	-8		-6	1	-5		-4
from 2 to 3		0	2	2		0	6	6
from 3 to 2		1	-2	-1		0	-1	-1
from 3 to 1	0		0	0				
Other								
Total movements affecting credit impairments	90	-55	-5	30	-54	-61	-4	-119
Movements recognised outside credit impairments								
Change in exchange rates	5	3	2	10	7	14	8	29
Closing balance 31 March	381	221	82	684	202	349	165	716

1) Including purchased or originated credit impaired.

Note 13 Credit risk exposures

SEKm	31 Mar 2022	31 Dec 2021	31 Mar 2021
Assets			
Cash and balances with central banks	429 475	360 153	499 858
Interest-bearing securities	228 098	221 683	192 259
Loans to credit institutions	53 281	39 504	46 472
Loans to the public	1 761 481	1 703 206	1 667 069
Derivatives	39 299	40 531	50 153
Other financial assets	32 413	9 164	31 377
Total assets	2 544 047	2 374 241	2 487 188
Contingent liabilities and commitments			
Guarantees	54 306	53 669	56 378
Loan commitments	269 925	268 984	264 943
Total contingent liabilities and commitments	324 231	322 653	321 321
Total	2 868 278	2 696 894	2 808 509

The 31 March 2021 amount for Loan commitments has been restated due to a change in the scope of agreements included.

Note 14 Intangible assets

SEKm	31 Mar 2022	31 Dec 2021	31 Mar 2021
With indefinite useful life			
Goodwill	13 621	13 501	13 508
Brand name	94	93	93
Total with indefinite useful life	13 715	13 594	13 601
With finite useful life			
Customer base	241	251	283
Internally developed software	5 485	5 320	4 552
Other	315	323	358
Total with finite useful life	6 041	5 894	5 193
Total	19 756	19 488	18 794

At 31 March 2022 there was no indication of an impairment of intangible assets.

Note 15 Amounts owed to credit institutions

SEKm	31 Mar 2022	31 Dec 2021	31 Mar 2021
Amounts owed to credit institutions			
Central banks	45 821	28 171	54 829
Banks	65 234	58 354	71 993
Other credit institutions	5 411	5 473	5 648
Repurchase agreements	16 859	814	30 811
Total	133 325	92 812	163 281

Note 16 Deposits and borrowings from the public

SEKm	31 Mar 2022	31 Dec 2021	31 Mar 2021
Deposits from the public			
Private customers	665 912	655 636	603 567
Corporate customers	618 158	604 991	612 053
Deposits from the public excluding the Swedish National Debt Office and repurchase agreements	1 284 070	1 260 627	1 215 620
Swedish National Debt Office	68	68	66
Repurchase agreements - Swedish National Debt Office	0	0	0
Repurchase agreements	16 196	5 088	22 969
Deposits and borrowings from the public	1 300 334	1 265 783	1 238 655

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

SEKm	31 Mar 2022	31 Dec 2021	31 Mar 2021
Commercial papers	231 275	165 067	244 709
Covered bonds	433 277	436 989	459 764
Senior unsecured bonds	123 744	129 809	120 161
Structured retail bonds	3 247	4 052	5 428
Total debt securities in issue	791 543	735 917	830 062
Senior non-preferred liabilities	47 179	37 832	20 214
Subordinated liabilities	23 797	28 604	24 005
Total	862 519	802 353	874 281

Turnover	Jan-Mar 2022	Full-year 2021	Jan-Mar 2021
Opening balance	802 353	766 607	766 607
Issued	282 927	791 262	197 144
Repurchased	-10 742	-25 873	-9 426
Repaid	-212 510	-740 624	-97 744
Interest and change in fair values or hedged items in fair value hedges	-3 715	-1 726	-1 016
Changes in exchange rates	4 206	12 707	18 716
Closing balance	862 519	802 353	874 281

Note 18 Derivatives

SEKm	Nominal amount			Positive fair value			Negative fair value		
	31 Mar 2022	31 Dec 2021	31 Mar 2021	31 Mar 2022	31 Dec 2021	31 Mar 2021	31 Mar 2022	31 Dec 2021	31 Mar 2021
Derivatives in hedge accounting									
One-to-one fair value hedges, interest rate swaps	532 173	517 336	507 544	3 605	8 156	12 243	10 295	1 675	336
Portfolio fair value hedges, interest rate swaps	508 779	495 274	468 264	10 605	1 969	510	191	853	1 806
Cash flow hedges, cross currency basis swaps	8 183	8 127	8 129	96	41	40	38	130	130
Total	1 049 135	1 020 737	983 937	14 306	10 166	12 793	10 524	2 658	2 272
Non-hedge accounting derivatives	27 358 660	24 945 752	21 526 824	534 544	174 838	142 459	536 898	170 723	138 650
Gross amount	28 407 795	25 966 489	22 510 761	548 850	185 004	155 252	547 422	173 381	140 922
Offset amount				-509 551	-144 473	-105 099	-507 313	-145 275	-105 898
Total				39 299	40 531	50 153	40 109	28 106	35 024

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.

SEKm	Fair value through profit or loss						Fair value
	Amortised cost	Mandatorily			Hedging Instruments	Total carrying amount	
		Trading	Other	Total			
Financial assets							
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 ¹	1 678 446	24 561	199	24 760		1 703 206	1 703 553
Value change of interest hedged items in portfolio hedges	-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
Total	2 212 656	123 879	368 322	492 201	9 561	2 714 418	2 714 775

SEKm	Fair value through profit or loss						Fair value
	Amortised cost	Trading	Designated	Total	Hedging instruments	Total carrying amount	
Financial liabilities							
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 ²	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
Total	2 179 716	64 969	329 804	394 773	1 705	2 576 194	2 581 682

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 debt 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 Mar 2022				31 Dec 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Treasury bills etc.	21 503	7 407		28 910	27 580	7 487		35 067
Loans to credit institutions		5 141		5 141		1 383		1 383
Loans to the public		36 473	21	36 494		24 746	14	24 760
Bonds and other interest-bearing securities	37 040	42 121		79 161	29 272	28 821		58 093
Financial assets for which the customers bear the investment risk	306 716		139	306 855	328 512			328 512
Shares and participating interests	7 358		1 344	8 702	12 139		1 277	13 416
Derivatives	436	38 863		39 299	162	40 369		40 531
Total	373 053	130 005	1 504	504 562	397 665	102 806	1 291	501 762
Liabilities								
Amounts owed to credit institutions		16 859		16 859		814		814
Deposits and borrowings from the public		16 196		16 196		5 088		5 088
Debt securities in issue		3 378		3 378		4 190		4 190
Financial liabilities for which the customers bear the investment risk		309 340	139	309 479		329 667		329 667
Derivatives	282	39 827		40 109	123	27 983		28 106
Short positions, securities	22 219	2 497		24 716	25 738	2 875		28 613
Total	22 501	388 097	139	410 737	25 861	370 617		396 478

Transfers between fair value hierarchy levels are reflected as taking place at the end of each quarter. During the period, there were no transfers of financial instruments between valuation levels 1 and 2.

Changes in level 3

SEKm	2022				2021		
	Assets		Liabilities		Assets		
	Equity instruments	Fund units of which customers bear the investment risk	Loans	Total	Equity instruments	Loans	Total
Opening balance 1 January	1 277	14		1 291	1 127		1 127
Purchases	7	7		14	1		1
Sale of assets/ dividends received	-51			-51	-1		-1
Issues						8	8
Transferred from Level 1 to Level 3				139			
Transferred from Level 2 to Level 3						139	
Gains or losses, Net gains and losses on financial items	111			111	21		21
of which changes in unrealised gains or losses for items held at closing day	87			87	21		21
Closing balance 31 March	1 344	21	139	1 504	1 148	8	1 156

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

The level 3 unlisted equity instruments include strategic investments. Swedbank's holdings in VISA Inc. C shares 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. As of 31 March 2022, the carrying amount for the holdings in Visa Inc. C amounts to SEK 753m (599).

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 to fair value according to level 3. Fully closed funds have been measured at a value of 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 Mar 2022	31 Dec 2021	31 Mar 2021
Loans secured for covered bonds ¹	493 091	473 539	521 947
Financial assets pledged for insurance policy holders	306 855	328 512	274 592
Other assets pledged for own liabilities	62 942	55 756	92 865
Other assets pledged	8 848	8 529	8 123
Assets pledged	871 736	866 336	897 527
Nominal amounts			
Guarantees	54 306	53 669	56 378
Other	162	156	175
Contingent liabilities	54 468	53 825	56 553
Nominal amounts			
Loans granted not paid	205 736	204 812	200 785
Overdraft facilities granted but not utilised	64 189	64 172	64 158
Commitments	269 925	268 984	264 943

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

The 31 March 2021 amount for Loans granted but not paid has been restated due to a change in the scope of agreements included.

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.

Swedbank AS in Estonia has been 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 outcome is 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 Mar 2022	31 Dec 2021	31 Mar 2021	31 Mar 2022	31 Dec 2021	31 Mar 2021
Financial assets and liabilities, which have been offset or are subject to netting						
Gross amount	675 026	272 413	255 101	663 704	238 400	241 517
Offset amount	-589 684	-207 036	-148 713	-587 446	-204 845	-153 595
Net amounts presented in the balance sheet	85 342	65 377	106 388	76 258	33 555	87 922
Related amounts not offset in the balance sheet						
Financial instruments, netting arrangements	34 932	19 292	37 760	34 932	19 264	37 760
Financial Instruments, collateral	30 477	23 519	38 528	24 688	9 469	41 037
Cash collateral	8 345	13 850	17 647	12 931	4 801	9 125
Total amount not offset in the balance sheet	73 754	56 661	93 935	72 551	33 534	87 922
Net amount	11 588	8 716	12 453	3 707	21	0

The amount offset for derivative assets includes offset cash collateral of SEK 9 848m (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 7 610m (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.

Note 23 Capital adequacy, consolidated situation

The 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: 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, same principles for consolidations are applied as for the Group.

	31 Mar 2022	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021
Consolidated situation, SEKm					
Available own funds					
Common Equity Tier 1 (CET1) capital	132 601	129 644	129 867	127 551	124 725
Tier 1 capital	141 306	143 022	142 960	136 146	133 548
Total capital	156 954	158 552	158 682	151 840	149 711
Risk-weighted exposure amounts					
Total risk exposure amount	724 472	707 753	703 220	688 517	694 625
Capital ratios as a percentage of risk-weighted exposure amount					
Common Equity Tier 1 ratio	18.3	18.3	18.5	18.5	18.0
Tier 1 ratio	19.5	20.2	20.3	19.8	19.2
Total capital ratio	21.7	22.4	22.6	22.1	21.6
Additional own funds requirements to address risks other than the risk of excessive leverage as a percentage of risk-weighted exposure amount					
Additional own funds requirements to address risks other than the risk of excessive leverage	1.7	1.7	1.7	2.0	2.0
of which: to be made up of CET1 capital	1.2	1.2	1.2	1.4	1.4
of which: to be made up of Tier 1 capital	1.3	1.3	1.3	1.7	1.7
Total SREP own funds requirements	9.7	9.7	9.7	10.0	10.0
Combined buffer and overall capital requirement as a percentage of risk-weighted exposure amount					
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	0.0	0.0	0.0	0.0	0.0
Systemic risk buffer	3.0	3.0	3.0	3.0	3.0
Global Systemically Important Institution buffer					
Other Systemically Important Institution buffer	1.0	1.0	1.0	1.0	1.0
Combined buffer requirement	6.5	6.5	6.5	6.5	6.5
Overall capital requirements	16.2	16.2	16.2	16.5	16.5
CET1 available after meeting the total SREP own funds requirements	8.6	8.6	8.8	8.5	8.0
Leverage ratio					
Total exposure measure	2 774 716	2 626 642	2 927 123	2 838 534	2 779 915
Leverage ratio, %	5.1	5.4	4.9	4.8	4.8
Additional own funds requirements to address the risk of excessive leverage as a percentage of total exposure measure					
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	
Leverage ratio buffer and overall leverage ratio requirement as a percentage of total exposure measure					
Leverage ratio buffer requirement					
Overall leverage ratio requirement	3.0	3.0	3.0	3.0	
Liquidity Coverage Ratio					
Total high-quality liquid assets, average weighted value	743 708	717 469	671 691	609 652	574 930
Cash outflows, total weighted value	553 356	528 742	489 426	453 480	433 130
Cash inflows, total weighted value	55 603	53 820	53 679	58 464	69 439
Total net cash outflows, adjusted value	497 752	474 922	435 747	395 016	363 691
Liquidity coverage ratio, %	151.0	151.8	155.2	155.3	158.5
Net stable funding ratio					
Total available stable funding	1 655 993	1 644 050	1 642 641	1 605 176	1 616 476
Total required stable funding	1 359 948	1 331 522	1 328 311	1 308 168	1 316 805
Net stable funding ratio, %	122.0	123.0	124.0	123.0	123.0

Common Equity Tier 1 capital	31 Mar	31 Dec	31 Mar
Consolidated situation, SEKm	2022	2021	2021
Shareholders' equity according to the Group's balance sheet	154 568	161 670	153 742
Anticipated dividend	-2 308	-12 632	-10 685
Value changes in own financial liabilities	-186	-91	-78
Cash flow hedges	-3	-2	-1
Additional value adjustments	-984	-1 037	-737
Goodwill	-13 711	-13 590	-13 597
Deferred tax assets	-80	-68	-113
Intangible assets	-4 540	-4 427	-3 627
Insufficient coverage for non-performing exposures	-1	-1	
Deductions of CET1 capital due to Article 3 CRR	-123	-137	-144
Shares deducted from CET1 capital	-32	-41	-35
Total	132 601	129 644	124 725

Risk exposure amount	31 Mar	31 Dec	31 Mar
Consolidated situation, SEKm	2022	2021	2021
Risk exposure amount credit risks, standardised approach	50 804	51 273	47 976
Risk exposure amount credit risks, IRB	295 199	287 328	299 434
Risk exposure amount default fund contribution	313	281	574
Risk exposure amount settlement risks	0	2	0
Risk exposure amount market risks	24 057	20 306	20 879
Risk exposure amount credit value adjustment	4 653	2 338	4 401
Risk exposure amount operational risks	75 618	75 618	73 521
Additional risk exposure amount, Article 3 CRR	30 848	29 302	19 556
Additional risk exposure amount, Article 458 CRR	242 981	241 305	228 284
Total	724 472	707 753	694 625

	SEKm			%		
Capital requirements¹	31 Mar	31 Dec	31 Mar	31 Mar	31 Dec	31 Mar
Consolidated situation, SEKm / %	2022	2021	2021	2022	2021	2021
Capital requirement Pillar 1	105 340	102 624	100 721	14.5	14.5	14.5
of which Buffer requirements ²	47 382	46 004	45 151	6.5	6.5	6.5
Capital requirement Pillar 2 ³	12 316	12 032	13 712	1.7	1.7	2.0
Pillar 2 guidance ⁴	10 867	10 616		1.5	1.5	
Total capital requirement including Pillar 2 guidance	128 523	125 272	114 433	17.7	17.7	16.5
Own funds	156 954	158 552	149 711			

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 2021.

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

	SEKm			%		
Leverage ratio requirements¹	31 Mar	31 Dec	31 Mar	31 Mar	31 Dec	31 Mar
Consolidated situation, SEKm / %	2022	2021	2021	2022	2021	2021
Leverage ratio requirement Pillar 1	8 324 149	7 879 926		3.0	3.0	
Leverage ratio Pillar 2 guidance	1 248 622	1 181 989		0.5	0.5	
Total leverage ratio requirement including Pillar 2 guidance	9 572 772	9 061 915		3.5	3.5	

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% 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

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. Covid-19 may continue to have consequences on Swedbank. The war in Ukraine has led to previous economic forecasts being revised downwards.

Geopolitical situation

The geopolitical tension built up during 2021 culminated in February in conjunction with the beginning of the war in Ukraine. The war has resulted in that e.g. the US and the EU have decided on far-reaching sanctions against sanction targets and exclusion of a number of Russian banks from the Swift Payment System. Assets have been frozen for many of these targets including Central Bank of Russia. Many foreign firms with business in Russia have communicated that they will exit their Russian investments. Although Swedbank's direct as well as indirect exposures to Russia, Ukraine and Belarus are limited, there is an overall dependence on Russian energy, in particular for the Baltic economies. So far, the war in Ukraine has led to an increase in inflation and a more unstable macroeconomic environment. The current high inflation with increased prices on goods and services could affect peoples' purchasing power and interest rates. The fact that the conflict

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 March 2022, the internal capital assessment for Swedbank's consolidated situation amounted to SEK 36.9bn (SEK 36.6bn as of 31 December 2021). The capital to meet the internal capital assessment, i.e. the Common Equity Tier 1, amounted to SEK 157bn (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 is SEK 29.4bn (SEK 25.3bn as of 31 December 2021) and the Common Equity Tier 1 capital amounted to SEK 124bn (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 report for 2020 as well as in Swedbank's yearly Risk and Capital Adequacy Report, available on www.swedbank.se.

countries are large producers of several food related groceries and input goods, in combination with rising energy prices and extended sanctions against Russia, adds to the risk of sustained high inflation. Swedbank closely monitors the geopolitical and macroeconomic developments.

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.

Due to the Geopolitical situation in Russia and Ukraine the sanction risk has been elevated. Many new sanctions regimes have entered or are to enter in to force in very close future, however these are managed by a specific sanctions task force and closely daily follow ups of the latest development. Sanctions regimes are continuously implemented in the Swedbank's screening systems and investigational resources have been allocated. Numbers of frozen assets and rejected transactions are rather limited so far. Risk of anti-money laundering and terrorist financing elevations is yet to be assessed.

In addition to the observations reported on money laundering and terrorist financing, Swedbank has

previously identified elevated compliance risks within the bank related to internal governance as noted by supervisory authorities in their investigations of money laundering. In this regard, Swedbank assesses that the deficiencies identified by the supervisory authorities have been addressed by the bank, and to a large extent remediated. Swedbank has previously identified elevated compliance risks in the customer protection area which have now been addressed. Swedbank has also identified elevated compliance risks in the market surveillance area. Work is ongoing within the bank to address the deficiencies identified. Swedbank's Compliance function monitors this work.

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.

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.

31 March 2022	< 5 yrs	5-10 yrs	> 10 yrs	Total
SEK	-310	-1 307	143	-1 474
Foreign currencies	31	674	-392	313
Total	-279	-633	-249	-1 161
31 December 2021				
SEK	-491	-1 020	221	-1 290
Foreign currencies	757	191	85	1 033
Total	266	-829	306	-257

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.

31 March 2022	< 5 yrs	5-10 yrs	> 10 yrs	Total
SEK	1 110	-1 038	117	189
Foreign currencies	-1 281	891	-211	-601
Total	-171	-147	-94	-412
31 December 2021				
SEK	361	-220	84	225
Foreign currencies	-405	246	8	-151
Total	-44	26	92	74

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 Mar 2022	31 Dec 2021	31 Mar 2021
Number of outstanding ordinary shares			
Issued shares			
SWED A	1 132 005 722	1 132 005 722	1 132 005 722
Repurchased shares			
SWED A	-9 141 757	-10 570 929	-10 733 523
Number of outstanding ordinary shares on the closing day	1 122 863 965	1 121 434 793	1 121 272 199
SWED A			
Last price, SEK	141.00	182.10	153.90
Market capitalisation, SEKm	158 324	204 213	172 564

Within Swedbank's share-based compensation programme, Swedbank AB has during 2022 transferred 1 429 172 shares at no cost to employees.

	Q1 2022	Q4 2021	Q1 2021
Earnings per share			
Average number of shares			
Average number of shares before dilution	1 122 181 797	1 121 434 587	1 120 203 756
Weighted average number of shares for potential ordinary shares that incur a dilutive effect due to share-based compensation programme	2 924 129	3 716 547	2 745 747
Average number of shares after dilution	1 125 105 926	1 125 151 134	1 122 949 503
Profit, SEKm			
Profit for the period attributable to shareholders of Swedbank	4 617	4 835	4 975
Earnings for the purpose of calculating earnings per share	4 617	4 835	4 975
Earnings per share, SEK			
Earnings per share before dilution	4.11	4.90	4.44
Earnings per share after dilution	4.10	4.89	4.43

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. During 2021, certain derivatives have also been transferred between interest income and interest expenses.

Income statement, condensed	Q4			Q1		
	2021			2021		
SEK m	Previous reporting	Change	New reporting	Previous reporting	Change	New reporting
Interest income on financial assets at amortised cost	7 593		7 593	7 463		7 463
Other interest income	235		235	365	-200	165
Interest income	7 828		7 828	7 828	-200	7 628
Interest expense	-1 274	192	-1 082	-1 287	429	-858
Net interest income (note 5)	6 554	192	6 746	6 541	229	6 770
Commission income	6 021		6 021	5 108		5 108
Commission expense	-2 001		-2 001	-1 748		-1 748
Net commission income (note 6)	4 020		4 020	3 360		3 360
Net gains and losses on financial items (note 7)	265		265	585		585
Net insurance	326		326	374		374
Share of profit or loss of associates and joint ventures	253		253	237		237
Other income	331		331	305		305
Total income	11 749	192	11 941	11 402	229	11 631
Staff costs	3 361		3 361	3 115		3 115
Other general administrative expenses (note 8)	2 070		2 070	1 457		1 457
Depreciation/amortisation of tangible and intangible assets	411		411	402		402
Total expenses	5 842		5 842	4 974		4 974
Profit before impairments, Swedish bank tax and resolution fees	5 907	192	6 099	6 428	229	6 657
Credit impairments (note 9)	-67		-67	246		246
Swedish bank tax and resolution fees (note 10)		192	192		229	229
Profit before tax	5 974		5 974	6 182		6 182
Tax expense	1 139		1 139	1 208		1 208
Profit for the period	4 835		4 835	4 974		4 974
Profit for the period attributable to:						
Shareholders of Swedbank AB	4 835		4 835	4 975		4 975
Non-controlling interests	0		0	-1		-1
C/I ratio	0.50		0.49	0.44		0.43

Net interest income

SEKm	Q4 2021			Q1 2021		
	Previous reporting	Change	New reporting	Previous reporting	Change	New reporting
Interest income						
Cash and balances with central banks	-295		-295	-232		-232
Treasury bills and other bills eligible for refinancing with central banks, etc.	37		37	14		14
Loans to credit institutions	61		61	37		37
Loans to the public	7 657		7 657	7 659		7 659
Bonds and other interest-bearing securities	41		41	47		47
Derivatives	280		280	244	-200	44
Other assets	-62		-62	42		42
Total	7 719		7 719	7 811	-200	7 611
Deduction of trading-related interests reported in Net gains and losses on financial items	-109		-109	-17		-17
Total interest income	7 828		7 828	7 828	-200	7 628
Interest expense						
Amounts owed to credit institutions	83		83	5		5
Deposits and borrowings from the public	-61		-61	-37		-37
of which deposit guarantee fees	-148		-148	-35		-35
Debt securities in issue	-1 115		-1 115	-1 258		-1 258
Senior non-preferred liabilities	-70		-70	-28		-28
Subordinated liabilities	-226		-226	-170		-170
Derivatives	469		469	503	200	703
Other liabilities	-211	192	-19	-247	229	-18
of which resolution fund fee	-192	192		-229	229	
Total	-1 131	192	-939	-1 232	429	-803
Deduction of trading-related interests reported in Net gains and losses on financial items	143		143	55		55
Total interest expense	-1 274	192	-1 082	-1 287	429	-858
Net interest income	6 554	192	6 746	6 541	229	6 770
Net investment margin before trading-related interests are deducted	0.88		0.88	0.96	0.03	0.99
Average total assets	2 985 729		2 985 729	2 750 011		2 750 011
Interest expense on financial liabilities at amortised cost	944	452	1 396	1 502		1 502
Negative yield on financial assets	380		380	282		282
Negative yield on financial liabilities	384		384	147		147

Income statement, condensed

Parent company SEKm	Q1 2022	Q4 ¹ 2021	Q1 ¹ 2021
Interest income on financial assets at amortised cost	2 649	2 407	2 541
Other interest income	1 459	1 530	1 333
Interest income	4 108	3 937	3 874
Interest expense	-251	-402	-205
Net interest income	3 857	3 535	3 669
Dividends received	5 769	6 158	3 996
Commission income	2 125	2 331	2 015
Commission expense	-555	-500	-566
Net commission income	1 570	1 831	1 449
Net gains and losses on financial items	-926	228	268
Other income	688	712	453
Total income	10 958	12 464	9 835
Staff costs	2 546	2 651	2 363
Other expenses	1 314	1 966	1 390
Depreciation/amortisation and impairment of tangible and intangible fixed assets	1 248	1 238	1 242
Total expenses	5 108	5 855	4 995
Profit before impairments, Swedish bank tax and resolution fees	5 850	6 609	4 840
Credit impairments, net	107	-45	48
Swedish bank tax and resolution fees	279	76	91
Operating profit	5 464	6 578	4 701
Appropriations		-53	
Tax expense	594	1 418	852
Profit for the period	4 870	5 213	3 849

1) From 2022 a Swedish bank tax has been enacted. The new tax is presented on an own row in the Income statement before operating profit. At the same time the presentation of the parent's resolution fee is amended. The resolution fee is moved from Interest rate expense to the same row as the Swedish bank tax in the Income statement. The row is named Swedish bank tax and resolution fees. Comparatives related to the resolution fee has been restated. The parent's interest expense has decreased with SEK 76m for the fourth quarter 2021 and with SEK 91m for the first quarter 2021. During 2021, certain derivative were also transferred between interest income and interest expenses.

Statement of comprehensive income, condensed

Parent company SEKm	Q1 2022	Q4 2021	Q1 2021
Profit for the period reported via income statement	4 870	5 213	3 849
Total comprehensive income for the period	4 870	5 213	3 849

Balance sheet, condensed

Parent company SEKm	31 Mar 2022	31 Dec 2021	31 Mar 2021
Assets			
Cash and balance with central banks	276 211	194 353	347 695
Loans to credit institutions	782 430	650 948	656 341
Loans to the public	438 271	391 675	405 798
Interest-bearing securities	219 918	214 197	184 395
Shares and participating interests	72 384	78 924	92 111
Derivatives	46 254	44 323	54 777
Other assets	53 283	43 076	51 644
Total assets	1 888 751	1 617 496	1 792 761
Liabilities and equity			
Amounts owed to credit institutions	248 844	100 610	211 618
Deposits and borrowings from the public	983 004	942 932	944 325
Debt securities in issue	356 067	296 918	368 237
Derivatives	59 236	42 542	53 363
Other liabilities and provisions	64 288	54 007	61 094
Senior non-preferred liabilities	47 179	37 832	20 214
Subordinated liabilities	23 797	28 604	24 005
Untaxed reserves	10 630	10 630	10 682
Equity	95 706	103 421	99 223
Total liabilities and equity	1 888 751	1 617 496	1 792 761
Pledged collateral	62 618	55 407	92 520
Other assets pledged	8 847	8 529	10 885
Contingent liabilities	214 086	232 276	295 077
Commitments	259 568	263 331	261 989

Statement of changes in equity, condensed

Parent company
SEKm

	Restricted equity		Non-restricted equity		Total
	Share capital	Statutory reserve	Share premium reserve	Retained earnings	
January-March 2022					
Opening balance 1 January 2022	24 904	5 968	13 206	59 343	103 421
Dividend				-12 632	-12 632
Share based payments to employees				55	55
Deferred tax related to share based payments to employees				-7	-7
Current tax related to share based payments to employees				-1	-1
Total comprehensive income for the period				4 870	4 870
Closing balance 31 March 2022	24 904	5 968	13 206	51 628	95 706
January-December 2021					
Opening balance 1 January 2021	24 904	5 968	13 206	59 355	103 433
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
Closing balance 31 December 2021	24 904	5 968	13 206	59 343	103 421
January-March 2021					
Opening balance 1 January 2021	24 904	5 968	13 206	59 355	103 433
Dividend				-8 124	-8 124
Share based payments to employees				62	62
Deferred tax related to share based payments to employees				3	3
Total comprehensive income for the period				3 849	3 849
Closing balance 31 March 2021	24 904	5 968	13 206	55 145	99 223

Cash flow statement, condensed

Parent company SEKm	Jan-Mar 2022	Full-year 2021	Jan-Mar 2021
Cash flow from operating activities	59 910	2 849	164 612
Cash flow from investing activities	16 784	9 480	11 121
Cash flow from financing activities	5 164	14 903	4 841
Cash flow for the period	81 858	27 232	180 574
Cash and cash equivalents at beginning of period	194 353	167 121	167 121
Cash flow for the period	81 858	27 232	180 574
Cash and cash equivalents at end of period	276 211	194 353	347 695

Capital adequacy

	31 Mar 2022	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021
Parent company, SEKm					
Available own funds					
Common equity tier 1 (CET1) capital	99 242	96 715	96 708	96 366	95 020
Tier 1 capital	107 947	110 093	109 802	104 962	103 843
Total capital	123 967	126 056	125 742	120 808	119 845
Risk-weighted exposure amounts					
Total risk exposure amount	372 112	353 415	355 318	349 604	360 259
Capital ratios as a percentage of risk-weighted exposure amount					
Common equity tier 1 ratio	26.7	27.4	27.2	27.6	26.4
Tier 1 ratio	29.0	31.2	30.9	30.0	28.8
Total capital ratio	33.3	35.7	35.4	34.6	33.3
Additional own funds requirements to address risks other than the risk of excessive leverage as a percentage of risk-weighted exposure amount					
Additional own funds requirements to address risks other than the risk of excessive leverage	1.5	1.5	1.5	2.2	2.2
of which: to be made up of CET1 capital	1.1	1.1	1.1	1.4	1.4
of which: to be made up of Tier 1 capital	1.2	1.2	1.2	1.8	1.8
Total SREP own funds requirements	9.5	9.5	9.5	10.2	10.2
Combined buffer and overall capital requirement as a percentage of risk-weighted exposure amount					
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	0.1	0.1	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	2.6	2.6	2.6	2.6	2.6
Overall capital requirements	12.1	12.1	12.1	12.8	12.8
CET1 available after meeting the total SREP own funds requirements	17.2	17.9	17.7	17.4	16.2
Leverage ratio					
Total exposure measure	1 376 279	1 209 752	1 555 142	1 486 600	1 454 485
Leverage ratio, %	7.8	9.1	7.1	7.1	7.1
Additional own funds requirements to address the risk of excessive leverage as a percentage of total exposure measure					
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	
Leverage ratio buffer and overall leverage ratio requirement as a percentage of total exposure measure					
Leverage ratio buffer requirement					
Overall leverage ratio requirement	3.0	3.0	3.0	3.0	
Liquidity coverage ratio					
Total high-quality liquid assets, average weighted value	594 925	569 030	528 923	474 877	445 488
Cash outflows, total weighted value	585 494	555 590	534 009	507 401	490 377
Cash inflows, total weighted value	53 941	62 120	75 333	93 156	111 442
Total net cash outflows, adjusted value	531 552	493 470	458 676	414 245	378 935
Liquidity coverage ratio, %	112.1	115.6	115.6	115.1	117.6
Net stable funding ratio					
Total available stable funding	994 980	965 167	960 113	935 457	
Total required stable funding	567 156	534 747	545 985	549 105	
Net stable funding ratio, %	175.4	180.5	175.5	170.4	

Risk exposure amount	31 Mar	31 Dec	31 Mar
Parent company, SEKm	2022	2021	2021
Risk exposure amount credit risks, standardised approach	86 587	86 177	88 157
Risk exposure amount credit risks, IRB	175 369	167 375	184 991
Risk exposure amount default fund contribution	313	281	574
Risk exposure amount settlement risks	0	2	0
Risk exposure amount market risks	25 066	20 987	19 916
Risk exposure amount credit value adjustment	4 646	2 333	4 371
Risk exposure amount operational risks	40 218	40 218	39 068
Additional risk exposure amount, Article 3 CRR	29 658	26 458	17 458
Additional risk exposure amount, Article 458 CRR	10 254	9 584	5 724
Total	372 112	353 415	360 259

	SEKm			%		
Capital requirements¹	31 Mar	31 Dec	31 Mar	31 Mar	31 Dec	31 Mar
Parent company, SEKm / %	2022	2021	2021	2022	2021	2021
Capital requirement Pillar 1	39 362	37 462	38 187	10.6	10.6	10.6
of which Buffer requirements ²	9 593	9 189	9 367	2.6	2.6	2.6
Capital requirement Pillar 2 ³	5 582	5 301	8 035	1.5	1.5	2.2
Total capital requirement including Pillar 2 guidance	44 943	42 763	46 222	12.1	12.1	12.8
Own funds	123 967	126 056	119 845			

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 2021.

	SEKm			%		
Leverage ratio requirements¹	31 Mar	31 Dec	31 Mar	31 Mar	31 Dec	31 Mar
Parent company, SEKm / %	2022	2021	2021	2022	2021	2021
Leverage ratio requirement Pillar 1	4 128 836	3 629 256		3.0	3.0	
Total leverage ratio requirement including Pillar 2 guidance	4 128 836	3 629 256		3.0	3.0	

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
Net investment margin before trading interest is deducted 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 ¹⁾ 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.
Allocated equity 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.
Return on allocated equity 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 ¹⁾ 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.
Other alternative performance measures These measures are defined in Fact book on page 78 and are calculated from the financial statements without adjustment. <ul style="list-style-type: none">• Share of Stage 1 loans, gross• Share of Stage 2 loans, gross• Share of Stage 3 loans, gross• Cost/Income ratio• Equity per share• Credit Impairment ratio• Credit impairment provision ratio Stage 1 loans• Credit impairment provision ratio Stage 2 loans• Credit impairment provision ratio Stage 3 loans• Return on equity¹⁾• Total credit impairment provision ratio• Loan/Deposit ratio	Used by Group management for internal governance and operating segment performance management purposes.

¹⁾ The month-end figures used in the calculation of the average can be found on page 71 of the Fact book.

Signatures of the Board of Directors and the President

The Board of Directors and the President hereby certify that the Interim report for January-March 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, 27 April 2022

Göran Persson
Chair

Bo Bengtsson
Board Member

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 condensed interim financial information (interim report) of Swedbank AB (publ) as of 31 March 2022 and the three-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of the interim financial information 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, 28 April 2022

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

Financial calendar 2022

Interim report for the second quarter 2022 19 July 2022

Interim report for the third quarter 2022 27 October 2022

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Information on Swedbank's strategy, values and share is also available on www.swedbank.com

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