

Swedbank



Interim report

First quarter | January – March 2024

25 April 2024

First quarter 2024

- A strong result with stable business volumes.
- Low credit impairments in a weak economy.
- New organisation strengthens service and offering for customers.

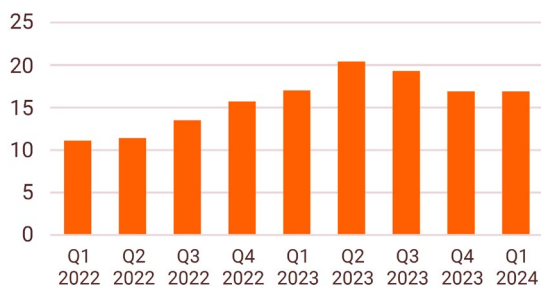
”Swedbank delivered a strong and sustainable result”

Jens Henriksson
President and CEO

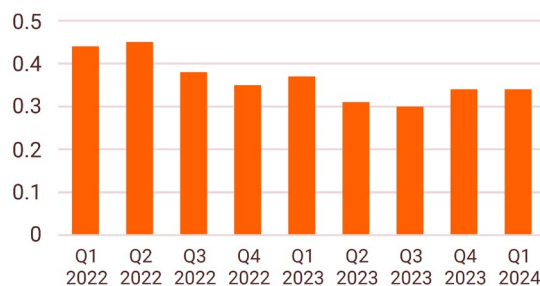
Financial information SEKm	Q1 2024	Q4 2023	%	Q1 2023	%
Total income	18 087	19 029	-5	17 387	4
Net interest income	12 599	13 329	-5	11 936	6
Net commission income	3 976	3 754	6	3 660	9
Net gains and losses on financial items	682	845	-19	916	-26
Other income ¹	831	1 101	-25	875	-5
Total expenses	6 185	6 411	-4	6 410	-4
of which administrative fines				890	
Profit before impairments, bank taxes and resolution fees	11 902	12 618	-6	10 977	8
Impairment of tangible and intangible assets		74	-100		
Credit impairment	144	363	-60	777	-81
Bank taxes and resolution fees	1 104	1 102	0	518	
Profit before tax	10 654	11 080	-4	9 681	10
Tax expense	2 226	2 758	-19	2 121	5
Profit for the period	8 428	8 321	1	7 560	11
Earnings per share, SEK, after dilution	7.47	7.38		6.71	
Return on equity, %	16.9	16.9		17.0	
C/I ratio	0.34	0.34		0.37	
Common Equity Tier 1 capital ratio, %	19.3	19.0		18.3	
Credit impairment ratio, %	0.03	0.08		0.16	

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.

Return on equity



Cost/Income ratio



CEO Comment

Swedbank delivered a strong and sustainable result. Despite global concerns such as the war in Europe, turbulence in the Middle East and climate change, I still feel optimistic about the economic outlook.

The global economy has been surprisingly resilient with stable growth while inflation is now approaching the target level. In the U.S. inflation remained high, while it continued to fall in the euro zone.

In Latvia and Lithuania, the recovery has been rapid, and inflation has come down to normal levels. Estonia is exiting the recession. In Sweden, the recovery is in sight and the Riksbank confirmed that inflation and interest rates are headed lower. Fiscal policy has been restrained and there is plenty of room for reforms in the longer term.

Swedbank's result for the quarter amounted to SEK 8 428m and the return on equity was 16.9 per cent. Net interest income decreased, while commission income increased.

Expenses decreased and the cost/income ratio was 0.34, unchanged from the previous quarter. The number of employees has increased more than forecast, however, due to lower staff turnover. A temporary hiring freeze has therefore been introduced with the exception of business-critical positions. The Anti Financial Crime unit is being integrated into Group Products & Advice with an increased focus on quality, efficiency and digital execution. Now we are taking the next step to be at the forefront in the fight against financial crime.

Our credit quality is solid and we maintain a thorough and conservative lending process for both private and corporate customers. The capital buffer increased to 4.2 percentage points and Swedbank has a strong liquidity position.

Swedbank is the leader in mortgage loans in all our home markets. Despite tough competition, our lending increased in the quarter. In Estonia, Latvia and Lithuania activity was high. In Sweden, the market was cautious. Despite this, Swedbank has increased through own channels mortgage volumes in Sweden for six consecutive months.

Deposits are following the development of the market. Deposits increased in Sweden, while they were stable in the Baltic markets.

Our promise is to make our customers' financial lives easier. During the quarter, we strengthened our organisation in Sweden to customise our services and adapt our offering to customer needs.

Swedish Banking plays a focused and important role for private customers and micro corporate customers. The

business area will increase availability and serve as an engine for the entire Swedish market. Customers with more complex needs will receive dedicated service throughout the country from our specialists and advisers in the new business area, Premium and Private Banking. Corporate customers who need specialised expertise have been brought together under the Corporates and Institutions business area and have access to our entire product offering.

Fraud is a serious problem for society. In February, all the major banks in Sweden held a very constructive meeting with the government. Work is now underway throughout the banking sector. Swedbank is working continuously to develop our products, systems and services in order to minimise the risk that our customers will be defrauded. Among other things, we have further strengthened protections in connection with digital transfers. And more is being done.

Sustainability is at the core of our business strategy. To strengthen our green advice and support real estate customers, we have become a minority owner in the company Hemma and have initiated collaborations with Ramboll and Agronod. With our collective expertise, we can help customers implement a green and smart energy transition.

During the quarter, we signed the Poseidon Principles, a global framework that integrates climate considerations into lending decisions within ship finance. This improves our ability to help the shipping industry reduce its carbon emissions.

Our green zero-margin loan in Estonia and Latvia was a success in 2023, and with demand remaining robust, we launched a green offering in all three Baltic markets in March.

Swedbank cares deeply about people's financial health. To build on our financial literacy work, we established the Institute for Financial Health in Sweden on 1 February. In Latvia, we have established a foundation to support educational initiatives that contribute to society's growth and development.

Lastly, I am proud as usual of our customers' societal engagement. Together we are making a difference. During the quarter, our investors in Swedbank Humanfond donated SEK 55m to charity. The funds were distributed among 73 different charity organisations. In addition, Swedbank's dividend contributes, not least through our owner foundations.

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/factbook.

Financial overview

Income statement SEKm	Q1	Q4	%	Q1	%
	2024	2023		2023	
Net interest income	12 599	13 329	-5	11 936	6
Net commission income	3 976	3 754	6	3 660	9
Net gains and losses on financial items	682	845	-19	916	-26
Other income ¹	831	1 101	-25	875	-5
Total income	18 087	19 029	-5	17 387	4
Staff costs	3 700	3 632	2	3 466	7
Other expenses	2 485	2 778	-11	2 055	21
Administrative fines				890	
Total expenses	6 185	6 411	-4	6 410	-4
Profit before impairments, bank taxes and resolution fees	11 902	12 618	-6	10 977	8
Impairment of tangible and intangible assets		74	-100		
Credit impairment	144	363	-60	777	-81
Bank taxes and resolution fees	1 104	1 102	0	518	
Profit before tax	10 654	11 080	-4	9 681	10
Tax expense	2 226	2 758	-19	2 121	5
Profit for the period	8 428	8 321	1	7 560	11

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.

Key ratios and data per share	Q1	Q4	Q1
	2024	2023	2023
Return on equity, %	16.9	16.9	17.0
Earnings per share before dilution, SEK ²	7.49	7.40	6.73
Earnings per share after dilution, SEK ²	7.47	7.38	6.71
C/I ratio	0.34	0.34	0.37
Equity per share, SEK ¹	170.7	176.7	154.1
Loans to customers/deposit from customers ratio, %	141	145	137
Common Equity Tier 1 capital ratio, %	19.3	19.0	18.3
Tier 1 capital ratio, %	21.9	20.6	20.1
Total capital ratio, %	24.3	23.1	23.1
Credit impairment ratio, %	0.03	0.08	0.16
Share of Stage 3 loans, gross, %	0.52	0.43	0.32
Total credit impairment provision ratio, %	0.40	0.39	0.37
Liquidity coverage ratio (LCR), % ²	180	172	160
Net stable funding ratio (NSFR), %	126	124	120

1) The number of shares and calculation of earnings per share are specified in Note 28.

2) The liquidity coverage ratio has been re-calculated and figures prior to 2024 have been adjusted.

Balance sheet data SEKbn	31 Mar	31 Dec	%	31 Mar	%
	2024	2023		2023	
Loans to customers	1 791	1 782	0	1 791	0
Deposits from customers	1 266	1 230	3	1 303	-3
Equity attributable to shareholders of the parent	192	199	-3	173	11
Total assets	3 079	2 856	8	3 036	1
Risk exposure amount	859	847	1	806	7

Definitions of all key ratios can be found in Swedbank's Fact book on page 77.

Important to note

As of the first quarter of 2024, the operations in Premium and Private Banking are reported separately as a new business area. The unit was previously reported within Swedish Banking. Corporate customers managed by their own advisor have been transferred to Corporates and Institutions. Comparative figures have been restated. In addition, several smaller support functions have been transferred between the business areas and Group Functions and Other.

The liquidity coverage ratio (LCR) has been recalculated and figures prior to 2024 have been adjusted, and can be found on pages 5, 9 and 55 as well as in Note 24 of the interim report.

This interim report contains alternative performance measures that Swedbank considers valuable information for the reader, since they are used by the executive management for internal governance and performance measurement as well as for comparisons between reporting periods. Further information on the alternative performance measures used in the interim report can be found on page 57.

Group development

Result first quarter 2024 compared with fourth quarter 2023

Swedbank's profit was stable at SEK 8 428m (8 321). Income decreased, as did expenses, tax expenses and credit impairments. Foreign exchange effects negatively impacted profit by SEK -97m before impairment, bank taxes and resolution fees.

The return on equity was 16.9 per cent (16.9) and the cost/income ratio was 0.34 (0.34).

Income decreased to SEK 18 087m (19 029) due to lower net interest income, lower other income and lower net gains and losses on financial items. Net commission income increased. Foreign exchange effects negatively impacted income by SEK 145m.

Net interest income decreased by 5 per cent to SEK 12 599m (13 329). The decrease was mainly related to lower deposit margins as a result of a higher share of deposit volume at higher interest rates. Slightly lower average lending volumes and higher funding costs contributed as well. Net interest income was also lower due to positive adjustments of deposit guarantee and origination fees in the previous quarter as well as fewer days in the quarter and foreign exchange effects.

Net commission income increased by 6 per cent to SEK 3 976m (3 754). Income from asset management increased, mainly due to the market performance. Income from the card business was seasonally lower during the quarter.

Net gains and losses on financial items decreased to SEK 682m (845). The largest part of the change was

related to positive valuation effects in the previous quarter on derivatives within Group Treasury.

Other income decreased by 25 per cent to SEK 831m (1 101). The decrease was mainly related to valuation effects within the insurance business. Underlying income from the insurance business increased, while the result from partly owned companies increased slightly.

Expenses decreased by 4 per cent to SEK 6 185m (6 411) due to seasonally lower consulting expenses and marketing activities, among other things. AML-related investigation expenses amounted to SEK 63m (106). Foreign exchange effects reduced expenses by SEK 48m.

Credit impairments amounted to SEK 144m (363). Rating and stage migrations accounted for SEK 403m (584), while post model adjustments decreased by SEK 349m (-140). Updated macroeconomic scenarios increased credit impairments by SEK 25m (174). For individually assessed loans, credit impairments increased by SEK 302m (414).

Bank taxes and resolution fees amounted to SEK 1 104m (1 102). Latvia introduced a temporary bank tax in the first quarter of 2024, which to some extent was offset by the discontinuation of the resolution fee in the Baltic countries.

The tax expense amounted to SEK 2 226m (2 758), corresponding to an effective tax rate of 20.9 per cent (24.9). The lower effective tax rate in the first quarter was mainly because the fourth quarter of 2023 included additional deferred tax of SEK 556m related to an anticipated extra dividend from the Estonian subsidiary Swedbank AS.

Result January-Mars 2024 compared with January-Mars 2023

Swedbank's profit increased to SEK 8 428m (7 560) due to higher income, lower expenses and lower credit impairments. Bank taxes in the Baltic countries negatively impacted profit, which was partly offset by lower resolution fees. Expenses decreased due to both the Swedish FSA's administrative fine and the settlement with the Office of Foreign Assets Control (OFAC) in Q1 2023. Foreign exchange effects positively impacted profit by SEK 13m before impairments, bank taxes and resolution fees.

The return on equity was 16.9 per cent (17.0) and the cost income ratio was 0.34 (0.37).

Income statement, SEKm	Jan-Mar	Jan-Mar	Jan-Mar
	2024	2023 ¹	2023
Total income	18 087	17 387	17 387
Total expenses	6 185	5 520	6 410
of which administrative fines			890
Profit before tax	10 654	10 571	9 681
Profit for the period	8 428	8 450	7 560
Return on equity, %	16.9	19.0	17.0
C/I ratio	0.34	0.32	0.37

1) Income statement excluding expenses for the administrative fines.

Income increased to SEK 18 087m (17 387) mainly due to higher net interest income. Net commission income also increased, while net gains and losses on financial items and other income decreased. Foreign exchange effects positively impacted profit by SEK 14m.

Net interest income increased by 6 per cent to SEK 12 599m (11 936). Net interest income was positively impacted mainly by higher deposit margins as a result of higher market rates.

Net commission income increased by 9 per cent to SEK 3 976m (3 660). The increase was primarily related to asset management, which benefitted from the market upturn.

Net gains and losses on financial items decreased by 26 per cent to SEK 682m (916), driven by negative valuation effects from derivatives within Group Treasury. This was offset to a certain extent by valuation effects on derivatives within Corporates and Institutions.

Other income decreased by 5 per cent to SEK 831m (875). The decline mainly related to lower income from Bankgirocentralen and Entercard, as well as valuation effects within the insurance operations.

Expenses decreased by 4 per cent to SEK 6 185m (6 410). Adjusted for the Swedish FSA's administrative fine and the settlement with OFAC in the first quarter of 2023, expenses increased. Staff costs increased primarily due to higher salaries and more employees. AML-related investigation expenses amounted to SEK 63m (106). High inflation contributed to increased expenses.

Credit impairments amounted to SEK 144m (777). Rating and stage migrations as well as increased provisions for individually assessed loans were offset by decreased post model adjustments.

Bank taxes and resolution fees amounted to SEK 1 104m (518). The increase was mainly due to the fact that Lithuania and Latvia introduced temporary bank taxes.

The tax expense amounted to SEK 2 226m (2 121), corresponding to an effective tax rate of 20.9 per cent (21.9). The lower effective tax rate in the first quarter of

2024 was mainly because the first quarter of 2023 included a non-deductible administrative fine from the Swedish FSA.

Volume trend by product area

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

Lending

Lending to customers increased by SEK 9bn to SEK 1 791bn (1 782) in the quarter. Compared to the first quarter of 2023 lending was unchanged. Foreign exchange effects positively impacted lending volumes by SEK 12bn compared to the fourth quarter of 2023 and positively by SEK 4bn compared to the first quarter of 2023.

Loans to customers, SEKbn	31 Mar	31 Dec	31 Mar
	2024	2023 ¹	2023 ¹
Loans, private mortgage	1 040	1 033	1 030
of which Sweden	914	913	912
of which Baltic countries	126	120	118
Loans, private other incl tenant-owner associations	143	142	145
of which Sweden	118	118	123
of which Baltic countries	25	24	22
Loans, corporate	607	606	617
of which Sweden	425	429	448
of which Baltic countries	115	110	102
of which other ²	67	67	67
Total	1 791	1 782	1 791

1) Comparative figures have been restated due to the reorganisation during the first quarter 2024. For more information see Note 4.

2) Other consist of loans in Norway, Finland, China, the USA and Denmark.

In Sweden, lending to customers decreased by SEK 2bn to SEK 1 457bn (1 460). Compared to the first quarter of 2023, lending decreased by SEK 26bn.

Lending to mortgage customers in Sweden was stable during the quarter at SEK 914bn (913). Compared to the first quarter of 2023, lending to mortgage customers increased slightly. The market share for mortgages in Sweden was 22 per cent as of 29 February.

Other private lending in Sweden, including to tenant-owner associations, was unchanged at SEK 118bn (118) during the quarter.

Corporate lending in Sweden decreased by SEK 4bn during the quarter and amounted to SEK 425bn (429). Compared to the first quarter of 2023, corporate lending decreased by SEK 23bn. In Sweden, the market share was 14 per cent as of 29 February. Other corporate lending was stable during the quarter.

In the Baltic countries lending volume increased by 1 per cent in local currency and amounted to the equivalent of SEK 266bn (254) at the end of the quarter. Lending to both mortgage customers and corporate customers increased by 1 per cent in local currency during the quarter.

Volumes in the sustainable asset registry increased by SEK 8bn to 83bn (75) during the quarter. The increase was primarily related to financing of green buildings. At the end of the quarter, the registry contained SEK 76bn in green assets and SEK 7bn in social assets. For more information on lending and the sustainable assets registry, see pages 37 and 70 of the Fact book.

Deposits

Total deposits increased by SEK 36bn to SEK 1 266bn (1 230) compared to the previous quarter. Foreign exchange effects positively impacted total deposit volume by SEK 16bn compared to the previous quarter and positively by SEK 10bn compared to the first quarter of 2023.

Deposits from customers,	31 Mar 2024	31 Dec 2023 ¹	31 Mar 2023 ¹
Deposits, private	712	703	700
of which Sweden	472	471	476
of which Baltic countries	240	231	223
Deposits, corporate	554	528	603
of which Sweden	394	374	446
of which Baltic countries	157	152	152
of which other ²	2	1	5
Total	1 266	1 230	1 303

1) Comparative figures have been restated due to the reorganisation during the first quarter 2024. For more information see Note 4.

2) Other consist of deposits in Norway, Finland, China, the USA and Denmark.

Deposits in Sweden increased by SEK 21bn to SEK 866bn (845). Deposits from private customers in Sweden increased by SEK 1bn to SEK 472bn (471), while corporate deposits increased by SEK 20bn to SEK 394bn (374). Compared to the same quarter in 2023, deposits in Sweden decreased by SEK 56bn.

In the Baltic countries, deposits from both private and corporate customers were stable in local currency during the quarter. Compared to the same quarter in 2023, deposits increased by 4 per cent in local currency.

As of 29 February, Swedbank's market share for deposits from private customers in Sweden was 18 per cent. The market share for corporate deposits as of 29 February was 15 per cent. For more information on deposits, see page 38 of the Fact book.

Assets under management and life insurance

Fund assets under management increased by 12 per cent in the first quarter to SEK 1 809bn (1 614). The increase was predominantly due to the market upturn, but net inflows also contributed.

Asset management SEKbn	31 Mar 2024	31 Dec 2023	31 Mar 2023
Sweden	1 692	1 510	1 365
Estonia	30	27	22
Latvia	43	38	32
Lithuania	41	37	27
Other countries	3	2	2
Total Mutual funds under Management	1 809	1 614	1 456
Closed End Funds	1	1	0
Discretionary asset management	451	427	388
Total assets under Management	2 260	2 042	1 844

The net flow in the Swedish fund market amounted to SEK 23bn (42), where the previous quarter included annual PPM contributions of approximately SEK 43bn.

The net flow to Swedbank Robur's funds in Sweden amounted to SEK 10bn (4) in the quarter. Distributions from Swedbank had positive net flows. Meanwhile, flows through the savings banks and third-party distributions increased. In Estonia, Latvia and Lithuania, the net flow amounted to SEK 2bn (2).

By assets under management, Swedbank Robur is the leader in the Swedish and Baltic fund markets. As of 29 February, the market share in Sweden was 22 per cent. In Estonia and Lithuania, the market share was 39 per cent, while Latvia had a market share of 40 per cent.

Life insurance assets under management in the Swedish operations increased by 12 per cent during the quarter to SEK 377bn (337) as of 31 March. Premium income, consisting of premium payments and capital transfers, amounted to SEK 10bn (7) in the first quarter. Swedbank is the largest life insurance company Estonia, Latvia and Lithuania.

Assets under management, life insurance SEKbn	31 Mar 2024	31 Dec 2023	31 Mar 2023
Sweden	377	337	305
of which collective occupational pensions	216	190	167
of which endowment insurance	102	94	90
of which occupational pensions	47	43	38
of which other	12	11	10
Baltic countries	10	9	9
Total assets under management	387	345	313

For premium income, excluding capital transfers, Swedbank's market share in the fourth quarter (latest available data) was 6 per cent (6 per cent in the third quarter of 2023). In the transfer market, Swedbank's market share in the fourth quarter was 9 per cent (9 per cent in the third quarter of 2023).

Payments

The total number of card transactions acquired by Swedbank during the quarter was 868 million, 6 per cent higher than the same period in 2023. The total number of transactions acquired in Sweden, Norway, Finland and Denmark increased by 41 million, or 6 per cent, while the number of transactions acquired in the Baltic countries increased by 8 per cent.

Acquired transaction volumes increased in Sweden, Norway, Finland and Denmark by 6 per cent to SEK 207bn and in the Baltic countries by 8 per cent to SEK 33bn compared to the same quarter in 2023. Foreign exchange effects from transaction volumes in Finland and Denmark, the seasonal impact of Easter in March and new customers, contributed to higher transaction volumes.

The total number of Swedbank cards in issue at the end of the quarter was 8.4 million, in line with the end of the previous quarter.

	31 Mar 2024	31 Dec 2023	31 Mar 2023
Number of cards			
Issued cards, million	8.4	8.4	8.3
of which Sweden	4.5	4.5	4.5
of which Baltic countries	3.9	3.9	3.9

The number of purchases in Sweden with Swedbank cards decreased by 0.4 per cent during the quarter compared to the same quarter in 2023. A total of 332 million card purchases were made. In the Baltic countries, the number of card purchases increased by 10 per cent in the same period to 233 million during the quarter.

In Sweden, there were 213 million domestic payments during the quarter, in line with the same period in 2023.

Swedbank's market share of payments via Bankgirot was 34 per cent in the fourth quarter. In the Baltic countries, 126 million domestic payments were processed, an increase of 11 per cent compared to the same period in 2023.

The number of international payments in Sweden increased by 3 per cent compared to the same quarter in 2023 and amounted to 1.8 million. In the Baltic countries, international payments increased by 19 per cent to 7.8 million.

Credit and asset quality

The credit quality of Swedbank's lending was solid with low credit impairments despite the weak economic situation. Total credit impairment provisions amounted to SEK 8 463m (8 225), of which SEK 996m (1 324) was post model adjustments.

In the Swedish mortgage business there were further increases during the quarter in both loans with late payments and forborne loans. Weaker household finances and the simplified application process for amortisation deferrals contributed to the increase in forborne loans, of which most are considered repayable in the long term. A smaller share of forborne loans is classified as stage 3.

The total share of loans in stage 2, gross, decreased to 10.2 per cent (10.4). For personal loans, the share of loans in stage 2 was 7.4 per cent (7.8) and for corporate loans it was 16.3 per cent (16.3).

The share of loans in stage 3, gross, increased to 0.52 per cent (0.43), where the increase primarily consisted of Swedish mortgages that have been granted amortisation deferrals and the borrower did not pass a new "left to live on" calculation. The provision ratio for loans in stage 3 was 24 per cent (25).

For more information on credit exposures, provisions and credit quality, see notes 10 and 12-14 as well as pages 40-48 of the Fact book.

Funding and liquidity

In the first quarter, interest rates increased as the bond market lowered its expectations of large, rapid interest

rate cuts by central banks. Despite this, the willingness to invest remained strong, which resulted in lower credit spreads.

Swedbank continued to be active in the funding markets. During the quarter, issuance primarily consisted of covered bonds in SEK, but also of additional Tier 1 capital instruments in USD as well as senior non-preferred bonds in USD and CHF. In total, Swedbank issued SEK 42bn in long-term debt instruments during the quarter. As of 31 March, Swedbank's outstanding short-term funding in issue amounted to SEK 349bn (263). The need for financing is affected by the current liquidity situation, future maturities and changes in deposit and lending volumes, and therefore is adjusted over the course of the year. For more information on funding and liquidity, see notes 16-18 and pages 57-69 of the Fact book.

	31 Mar 2024	31 Dec 2023	31 Mar 2023
Liquid assets and ratios			
Cash and balances with central banks and the National Debt Office, SEKbn	347	278	357
Liquidity reserve, SEKbn	665	513	692
Liquidity coverage ratio (LCR), % ¹²	180	172	160
Net stable funding ratio (NSFR), %	126	124	120

1) USD 209%; EUR 277%; SEK 106%.

2) The liquidity coverage ratio has been re-calculated and figures prior to 2024 have been adjusted.

Ratings

During the quarter, there were no changes to Swedbank's ratings. For more information on the ratings, see page 69 of the Fact book.

Credit ratings	Moody's	S&P	Fitch
Covered bonds	Aaa	AAA	-
Senior preferred	Aa3	A+	AA
Senior non-preferred	Baa1	A-	AA-
Tier 2	Baa2	BBB+	A
Additional tier 1	Ba1	BBB-	BBB+
Short term	P-1	A-1	F1+
Outlook ¹	S	S	S

1) P=positive, S=stable, N=negative, RuR= Rating(s) under Review and WN= Watch Negative

Operational risks

During the quarter, an increase in cybersecurity risk as a result of geopolitical conditions was noted. Given the current threat scenario, IT and information security, including cybersecurity risk, remains the highest priority. Swedbank works continuously to ensure a high level of availability and security for our customers.

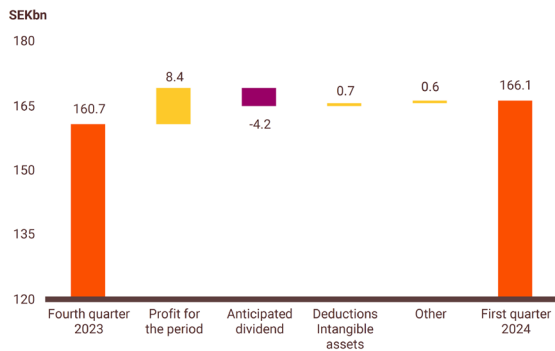
Fraud is a growing problem, which is being discussed at the highest levels of the society, particularly with fraud prevention for seniors in focus. The bank is part of a task force within the Swedish Bankers' Association with the goal to draw up industry-wide guidelines for protecting customers against fraud. Swedbank invests in and continuously improves its resilience and capacity to detect, prevent and investigate these crimes.

Capital and capital adequacy

Capital ratio and capital requirement

The Common Equity Tier 1 (CET1) capital ratio was 19.3 per cent (19.0) at the end of the quarter. The total CET1 capital requirement, including Pillar 2 guidance, was 15.1 per cent (15.1) of the Risk Exposure Amount (REA), which resulted in a CET1 capital buffer of 4.2 per cent (3.9). CET1 capital increased to SEK 166bn (161) and was mainly affected by the quarterly profit and anticipated dividend.

Change in Common Equity Tier 1 capital (Refers to Swedbank consolidated situation)



Risk Exposure Amount (REA)

REA increased to SEK 859bn (847) in the first quarter.

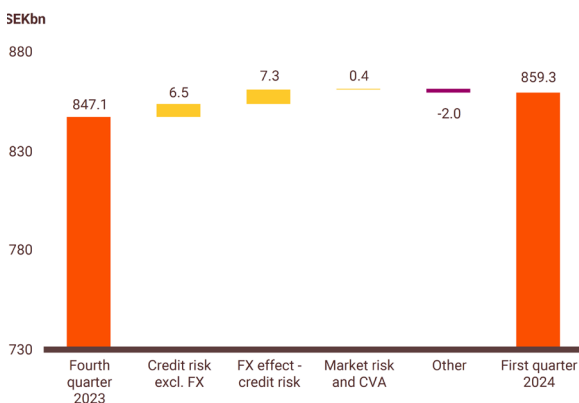
REA for credit risk increased primarily due to foreign exchange effects, increased volumes, and the implementation of the probability of default (PD) model for exposures to large corporates within Corporates and Institutions. Other effects within REA for credit risks decreased mainly due to shorter maturities for corporate exposures.

REA for market risk increased by SEK 2bn, mainly through an increase in specific interest rate risk, while REA for credit value adjustments decreased by SEK 1bn due to hedged positions.

REA for Article 3 according to the EU's regulation on prudential requirements for credit institutions (CRR) resulted in a decrease of SEK 2bn.

Change in REA

(Refers to Swedbank consolidated situation)



The leverage ratio was 6.4 per cent (6.5) and therefore exceeds the leverage ratio requirement including Pillar 2 guidance of 3.5 per cent.

Capital and resolution regulations

Due to the guidelines from the European Banking Authority (EBA), Swedbank is applying for approval of new internal models for risk classification. The review process is expected to continue in 2024 and 2025.

Swedbank previously decided on an Article 3 add-on corresponding to the bank's estimate of the remaining impact on REA of the new models. The Swedish FSA has also introduced a temporary add-on of 1 per cent in the Pillar 2 requirement (P2R) related to the ongoing review of the models. The models are likely to result in a lower capital requirement than the add-on in P2R. Going forward, a slight increase in REA over and above the bank's voluntary Article 3 add-on is expected when the new models are implemented.

The Resolution Act, which entered into force in 2021, applies the MREL requirement as of 1 January 2024. Swedbank meets the requirements by a wide margin.

Investigations

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

In February, the Estonian Prosecutor's Office closed its investigation of suspected money laundering offences by Swedbank AS during the period 2014–2016. The criminal investigation originated from the Estonian FSA's previous investigation of Swedbank AS in 2019.

Other events

The reorganisation announced in the third quarter of 2023 was implemented during the quarter. A new business area has been established under the leadership of Malin Lilliecrona to bring together premium and private banking customers. Swedish Banking is focused on mortgage customers, younger customers, and small businesses and their owners. Anna-Karin Laurell is the new Head of Swedish Banking. Corporate customers with advisors have been transferred to Corporates and Institutions.

On 26 March, Swedbank's Annual General Meeting re-elected Göran Bengtsson, Annika Creutzer, Hans Eckerström, Kerstin Hermansson, Helena Liljedahl, Anna Mossberg, Per Olof Nyman, Biljana Pehrsson, Göran

Persson and Biörn Riese as Board members. Göran Persson was elected by the Annual General Meeting as Chair of the Board of Directors.

The Annual General Meeting also decided in accordance with the Board of Directors' proposal to pay a dividend of SEK 15.15 per share. The dividend corresponds to 50 per cent of net profit for the financial year 2023 in accordance with the bank's dividend policy.

Events after the end of the period

On 12 April, Moody's raised the outlook on Swedbank's long-term ratings to positive from stable partly against the backdrop of Moody's assessment that the work the bank has done to alleviate previous shortcomings has led to lower risks relating to money laundering and terrorist financing.

Swedish Banking

Income statement

SEKm	Q1	Q4	%	Q1	%
	2024	2023 ¹		2023 ¹	
Net interest income	4 650	4 888	-5	5 189	-10
Net commission income	1 866	1 721	8	1 772	5
Net gains and losses on financial items	63	100	-37	58	8
Other income ²	243	237	2	311	-22
Total income	6 822	6 947	-2	7 331	-7
Staff costs	513	504	2	473	9
Variable staff costs	16	12	30	10	60
Other expenses	1 647	1 695	-3	1 433	15
Depreciation/amortisation of tangible and intangible assets	4	4	7	5	-28
Total expenses	2 179	2 215	-2	1 921	13
Profit before impairments, bank taxes and resolution fees	4 643	4 732	-2	5 410	-14
Credit impairment	83	234	-64	305	-73
Bank taxes and resolution fees	212	218	-2	230	-8
Profit before tax	4 347	4 280	2	4 875	-11
Tax expense	832	799	4	938	-11
Profit for the period	3 515	3 481	1	3 937	-11
Return on allocated equity, %	26.1	26.4		29.8	
Loan/deposit ratio, %	191	191		186	
Credit impairment ratio, %	0.04	0.11		0.14	
Cost/income ratio ¹	0.32	0.32		0.26	
Loans to customers, SEKbn	853	858	-1	876	-3
Deposits from customers, SEKbn	446	449	-1	471	-5
Full-time employees	2 633	2 623	0	2 399	10

1) Comparative figures have been restated due to the reorganisation during the first quarter of 2024. For more information, see Note 4.

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.

Business development

Swedish Banking's focus after the reorganisation is on the mortgage business, young customers and the bank's small business customers. Through improvements to availability and by being proactive, the business area will develop and strengthen the customer experience for all of Swedbank's customers.

Efforts to increase fraud awareness in society are continuing, not least through an extension of the industry-wide anti-fraud campaign "Hard to Scam". Swedbank is arranging meetings to inform and educate customers in connection with this.

During the quarter, new features were launched to improve the customer experience and availability. Now customers can, for example, see the passcode for their credit card in the app, and children and guardians can temporarily block the child's debit card if it is lost.

Profit was stable during the quarter. Lower income was offset by decreased expenses and lower credit impairments.

Net interest income decreased, mainly driven by lower earnings on deposits.

Household mortgage volume decreased by SEK 2bn. Corporate deposits decreased by SEK 3bn. Volumes have been negatively impacted by customer transfers to the business units Premium & Private Banking and Corporates and Institutions.

Deposit volumes decreased by SEK 3bn, with household deposits increasing by SEK 2bn and corporate deposits decreasing by SEK 5bn.

Net commission income increased, mainly driven by higher income from asset management.

Other income was stable.

Expenses decreased due to lower consulting expenses.

Credit impairments amounted to SEK 83m (234). Rating and stage migrations were offset by decreased post model adjustments.

Baltic Banking

Income statement

SEKm	Q1		Q4		Q1	
	2024	2023 ¹	%	2023 ¹	%	
Net interest income	4 604	4 854	-5	3 940	17	
Net commission income	806	847	-5	817	-1	
Net gains and losses on financial items	135	159	-15	133	2	
Other income ²	184	448	-59	207	-11	
Total income	5 729	6 308	-9	5 097	12	
Staff costs	473	514	-8	476	-1	
Variable staff costs	25	32	-23	19	33	
Other expenses	906	908	0	732	24	
Depreciation/amortisation of tangible and intangible assets	43	35	23	45	-5	
Total expenses	1 448	1 489	-3	1 273	14	
Profit before impairments, bank taxes and resolution fees	4 281	4 819	-11	3 824	12	
Impairment of tangible and intangible assets	0	4				
Credit impairment	6	-28		-29		
Bank taxes and resolution fees	621	608	2	24		
Profit before tax	3 654	4 235	-14	3 829	-5	
Tax expense	737	1 425	-48	692	7	
Profit for the period	2 917	2 810	4	3 137	-7	
Return on allocated equity, %	33.1	35.6		41.9		
Loan/deposit ratio, %	67	67		64		
Credit impairment ratio, %	0.01	-0.04		-0.05		
Cost/income ratio ¹	0.25	0.24		0.25		
Loans to customers, SEKbn	266	255	5	241	11	
Deposits from customers, SEKbn	398	383	4	375	6	
Full-time employees	4 790	4 762	1	4 674	2	

1) Comparative figures have been restated due to the reorganisation during the first quarter of 2024. For more information, see Note 4.

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.

Business development

Macroeconomic conditions stabilised in the quarter with falling inflation and rising real wages. Economic activity recovered. A sustainable mortgages campaign was launched in all three Baltic countries as the concept was successful in Estonia and Latvia last year.

Swedbank Robur, which celebrated its third anniversary in the Baltic countries, has become the most popular investment alternative for Swedbank's customers and has strong interest among savers.

During the quarter, the "Birthday Present 18" project was launched in Latvia to give everyone turning 18 years of age the equivalent of EUR 20 in Swedbank Robur funds.

Profit increased by 7 per cent in local currency during the quarter, mainly due to a lower tax expense. Income decreased while credit impairments increased.

Net interest income decreased by 3 per cent in local currency, mainly due to higher expenses for deposits driven by a gradual increase in deposit volumes in accounts with higher interest rates.

Lending increased by 1 per cent in local currency to both consumers and corporates while deposits remained stable during the quarter.

Net commission income decreased by 2 per cent in local currency due to seasonally lower card usage.

Other income decreased by 58 per cent in local currency, mainly due to positive valuation effects in the previous quarter.

Expenses decreased slightly in local currency after seasonally higher expenses in the previous quarter. Expenses for IT development increased.

Credit impairments amounted to SEK 6m (-28). Rating and stage migrations as well as increased provisions for individually assessed loans were offset by decreased post model adjustments.

The lower tax expense for the quarter was mainly due to the fact that the fourth quarter of 2023 included additional deferred tax related to an anticipated extra dividend from the Estonian subsidiary Swedbank AS.

Corporates and Institutions

Income statement

SEKm	Q1	Q4	%	Q1	%
	2024	2023 ¹		2023 ¹	
Net interest income	3 375	3 683	-8	3 190	6
Net commission income	963	951	1	814	18
Net gains and losses on financial items	465	128		434	7
Other income ²	30	34	-11	39	-23
Total income	4 833	4 796	1	4 478	8
Staff costs	558	539	4	540	3
Variable staff costs	36	22	68	43	-15
Other expenses	977	998	-2	960	2
Depreciation/amortisation of tangible and intangible assets	5	5	-2	6	-7
Total expenses	1 577	1 564	1	1 548	2
Profit before impairments, bank taxes and resolution fees	3 257	3 232	1	2 930	11
Impairment of tangible and intangible assets		27			
Credit impairment	54	149	-64	480	-89
Bank taxes and resolution fees	239	238	0	227	5
Profit before tax	2 964	2 818	5	2 223	33
Tax expense	622	536	16	449	39
Profit for the period	2 342	2 282	3	1 775	32
Return on allocated equity, %	19.2	17.4		14.4	
Loan/deposit ratio, %	160	170		145	
Credit impairment ratio, %	0.03	0.09		0.30	
Cost/income ratio ¹	0.33	0.33		0.35	
Loans to customers, SEKbn	543	543	0	554	-2
Deposits from customers, SEKbn	339	320	6	383	-11
Full-time employees	1 786	1 725	4	1 714	4

1) Comparative figures have been restated due to the reorganisation during the first quarter of 2024. For more information, see Note 4.

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.

Business development

Corporates and Institutions' new organisation is an important step in creating a stronger corporate business that can more effectively offer a broader range of competence to small, medium-sized and large companies.

Business activity increased somewhat during the quarter, partly driven by expectations of interest rate cuts. Rate-sensitive companies in particular re-examined their debt.

The market for high-yield bond and equity issuance improved. Swedbank also assisted banks that were active in the bond market. Trading in fixed-rate bonds was high in both the primary and secondary market. FX trading remained stable.

Lending volume was stable. Lending to the real estate sector increased slightly, while lending to other sectors decreased, mainly related to larger customers.

Deposit volume increased due to short-term deposits from funds in foreign currency and seasonally higher volumes from the public sector.

Net interest income decreased during the quarter mainly due to lower deposit margins as well as one-off effects in the previous quarter.

Net commission income benefited from increased income mainly related to short-term bond issuance and asset management, while income from equity-related transactions decreased.

Net gains and losses on financial items increased due to derivative valuation adjustments (DVA) and higher earnings from fixed income trading.

Expenses increased primarily due to salary increases.

Credit impairments amounted to SEK 54m (149). Rating and stage migrations as well as increased provisions for individually assessed loans were offset by decreased post model adjustments.

Premium and Private Banking

Income statement

SEKm	Q1	Q4	%	Q1	%
	2024	2023 ¹		2023 ¹	
Net interest income	469	491	-5	542	-14
Net commission income	374	346	8	311	20
Net gains and losses on financial items	8	6	21	7	8
Other income ²	7	8	-6	6	19
Total income	859	852	1	867	-1
Staff costs	143	130	10	116	24
Variable staff costs	4	3	27	3	35
Other expenses	159	135	18	143	11
Total expenses	305	268	14	261	17
Profit before impairments, bank taxes and resolution fees	553	584	-5	606	-9
Credit impairment	-4	7		11	
Bank taxes and resolution fees	31	30	6	32	-2
Profit before tax	526	548	-4	563	-6
Tax expense	97	115	-15	116	-16
Profit for the period	429	433	-1	447	-4
Return on allocated equity, %	27.1	27.2		28.7	
Loan/deposit ratio, %	168	165		166	
Credit impairment ratio, %	-0.01	0.02		0.04	
Cost/income ratio ¹	0.36	0.31		0.30	
Loans to customers, SEKbn	128	126	2	120	6
Deposits from customers, SEKbn	76	76	0	72	6
Full-time employees	576	552	4	507	14

1) Comparative figures have been restated due to the reorganisation during the first quarter of 2024. For more information, see Note 4.

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.

Business development

The new business area Premium and Private Banking offers a full range of products and services for customers in Sweden who need ongoing personal contact with the bank as well as financial planning. Premium and Private Banking has a strong local presence and provides convenient access to qualified advice. The new business area also handles asset management for corporate customers as well as pension distribution.

Demand for qualified advice remained high, and during the quarter the number of Premium and Private Banking customers increased. Positive expectations about the stock market performance contributed to high demand for asset management services.

A pension campaign during the quarter encouraged Swedbank's customers to make informed choices about their pension and pension savings and to improve their financial health.

Profit was stable during the quarter. Increased income and lower credit impairments were offset by higher expenses.

Net interest income decreased mainly driven by lower earnings from deposits.

Household mortgage volume increased by SEK 2bn and deposit volume was stable. Volumes have been positively impacted by customer transfers from Swedish Banking.

Net commission income increased, mainly driven by higher income from asset management, where the market upturn contributed positively.

Expenses increased due to more employees in the new business area.

Credit impairments amounted to SEK -4m (7).

Group Functions and Other

Income statement

SEKm	Q1 2024	Q4 2023 ¹	%	Q1 2023	%
Net interest income	-521	-610		-942	
Net commission income	-35	-109		-52	
Net gains and losses on financial items	10	451	-98	283	-96
Other income ²	949	956	-1	761	25
Total income	404	689	-41	50	
Staff costs	1 836	1 808	2	1 729	6
Variable staff costs	100	72	39	62	61
Other expenses	-1 177	-866		-1 230	
Depreciation/amortisation of tangible and intangible assets	476	424	12	391	22
Administrative fines				890	
Total expenses	1 236	1 438	-14	1 843	-33
Profit before impairments, bank taxes and resolution fees	-832	-749	11	-1 793	
Impairment of tangible and intangible assets		43			
Credit impairment	6	1		10	-42
Bank taxes and resolution fees	0	8		5	
Profit before tax	-838	-801		-1 808	
Tax expense	-64	-116		-73	
Profit for the period	-774	-685		-1 734	
Full-time employees	7 725	7 614	1	7 496	3

1) Comparative figures have been restated due to the reorganisation during the first quarter of 2024. For more information, see Note 4.

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

During the quarter, profit decreased due to lower income.

Net interest income improved while corresponding net interest income within Group Treasury decreased due to higher financing expenses related to long-term funding.

Net gains and losses on financial items within Group Treasury decreased mainly related to negative changes in the value of derivatives.

Expenses decreased due to lower consulting expenses.

Financial statements - Group

Income statement, condensed

Group SEKm	Q1 2024	Q4 2023	Q1 2023
Interest income	28 209	28 445	21 432
Interest expense	-15 609	-15 116	-9 497
Net interest income (note 5)	12 599	13 329	11 936
Net commission income (note 6)	3 976	3 754	3 660
Net gains and losses on financial items (note 7)	682	845	916
Net insurance income (note 8)	267	535	282
Share of profit or loss of associates and joint ventures	128	117	171
Other income	436	448	422
Total income	18 087	19 029	17 387
Staff costs	3 700	3 632	3 466
Other general administrative expenses (note 9)	1 956	2 310	1 607
Depreciation/amortisation of tangible and intangible assets	528	468	448
Administrative fines			890
Total expenses	6 185	6 411	6 410
Profit before impairments, bank taxes and resolution fees	11 902	12 618	10 977
Impairment of tangible and intangible assets		74	
Credit impairment (note 10)	144	363	777
Bank taxes and resolution fees (note 11)	1 104	1 102	518
Profit before tax	10 654	11 080	9 681
Tax expense	2 226	2 758	2 121
Profit for the period	8 428	8 321	7 560
Earnings per share, SEK	7.49	7.40	6.73
Earnings per share after dilution, SEK	7.47	7.38	6.71

Statement of comprehensive income, condensed

Group	Q1	Q4	Q1
SEKm	2024	2023	2023
Profit for the period reported via income statement	8 428	8 321	7 560
Items that will not be reclassified to the income statement			
Remeasurements of defined benefit pension plans	969	-1 637	247
Share related to associates and joint ventures	21	-43	22
Total	990	-1 680	269
Items that may be reclassified to the income statement			
Exchange rate differences, foreign operations	2 505	-2 505	910
Hedging of net investments in foreign operations	-1 627	1 617	-536
Cash flow hedges	3	-3	-2
Foreign currency basis risk	-11	0	2
Share of other comprehensive income of associates and joint ventures	12	-22	-38
Total	882	-913	336
Other comprehensive income for the period, net of tax	1 872	-2 593	605
Total comprehensive income for the period	10 300	5 729	8 165
Total comprehensive income attributable to:			
Shareholders of Swedbank AB	10 300	5 729	8 166
Non-controlling interests	0	0	-1

For the period January – March 2024 a gain after tax of SEK -969m (247) was recognised in other comprehensive income, relating to remeasurements of defined benefit pension plans. As per 31 March 2024 the discount rate used to calculate the closing pension obligation was 3.89 per cent, compared with 3.69 per cent per 31 December 2023. The inflation assumption was 1.56 per cent compared with 1.57 per cent per 31 December 2023. The fair value of plan assets increased during 2024 by SEK 799m. In total, at 31 March 2024 the fair value of plan assets exceeded the obligation for funded defined benefit pension plans by SEK 3 395m, therefore the funded plans are presented as an asset.

For January – March 2024 an exchange rate difference of SEK 2 505m (910) 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 12m (-38) 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 loss of SEK 2 517m is not taxable. Most of the Group's foreign net investments are hedged against currency risk resulting in a loss after tax of SEK -1 627m (-536) for the hedging instruments.

Balance sheet, condensed

Group SEKm	31 Mar 2024	31 Dec 2023	31 Mar 2023
Assets			
Cash and balances with central banks	346 835	252 994	361 343
Treasury bills and other bills eligible for refinancing with central banks, etc.	216 836	178 619	290 378
Loans to credit institutions	44 819	67 534	59 316
Loans to the public	1 890 048	1 863 375	1 838 152
Value change of the hedged assets in portfolio hedges of interest rate risk	-8 345	-8 489	-17 389
Bonds and other interest-bearing securities	74 479	58 841	72 513
Financial assets for which customers bear the investment risk	359 157	319 795	287 622
Shares and participating interests	48 128	34 316	37 894
Derivatives (note 19)	42 665	39 563	37 351
Intangible assets (note 15)	20 962	20 440	20 301
Other assets	43 841	28 531	48 857
Total assets	3 079 424	2 855 519	3 036 339
Liabilities and equity			
Amounts owed to credit institutions (note 16)	93 671	72 054	136 427
Deposits and borrowings from the public (note 17)	1 275 393	1 234 262	1 313 079
Value change of the hedged liabilities in portfolio hedges of interest rate risk	103	209	
Financial liabilities for which customers bear the investment risk	360 340	320 609	289 440
Debt securities in issue (note 18)	827 627	728 548	864 571
Short positions, securities	30 087	17 297	23 986
Derivatives (note 19)	39 008	73 453	47 859
Insurance provisions	27 986	26 315	25 582
Other liabilities	72 962	46 313	58 027
Senior non-preferred liabilities (note 18)	119 171	104 828	66 774
Subordinated liabilities (note 18)	40 933	32 841	37 232
Total liabilities	2 887 281	2 656 730	2 862 977
Equity	192 144	198 790	173 362
Total liabilities and equity	3 079 424	2 855 519	3 036 339

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	Retained earnings	Total	Non- controlling interests	Total equity
January-March 2024										
Opening balance 1 January 2024	24 904	17 275	9 330	-5 697	7	-22	152 962	198 760	30	198 790
Dividends							-17 048	-17 048		-17 048
Share based payments to employees							102	102		102
Total comprehensive income for the period			2 517	-1 627	3	-11	9 418	10 300	0	10 300
Closing balance 31 March 2024	24 904	17 275	11 848	-7 324	10	-32	145 433	192 113	30	192 144
January-December 2023										
Opening balance 1 January 2023	24 904	17 275	9 660	-5 964	11	-8	130 174	176 052	29	176 080
Dividends							-10 964	-10 964		-10 964
Share based payments to employees							306	306		306
Total comprehensive income for the period			-331	267	-3	-14	33 447	33 367	2	33 368
Closing balance 31 December 2023	24 904	17 275	9 330	-5 697	7	-22	152 962	198 760	30	198 790
January-March 2023										
Opening balance 1 January 2023	24 904	17 275	9 660	-5 964	11	-8	130 174	176 052	29	176 080
Dividends							-10 964	-10 964		-10 964
Share based payments to employees							80	80		80
Total comprehensive income for the period			872	-536	-2	2	7 830	8 166	-1	8 165
Closing balance 31 March 2023	24 904	17 275	10 532	-6 500	9	-6	127 120	173 334	28	173 362

1) Other contributed equity consists mainly of share premiums.

Cash flow statement, condensed

Group SEKm	Jan-Mar 2024	Full year 2023	Jan-Mar 2023
Operating activities			
Profit before tax	10 654	43 622	9 681
Adjustments for non-cash items in operating activities	-6	-1 952	3 355
Income taxes paid	-1 652	-5 443	-896
Cash flow from operating activities before changes in operating assets and liabilities	8 996	36 227	12 140
Increase (-) / decrease (+) in assets	-71 328	-59 104	-173 848
Increase (+) / decrease (-) in liabilities	134 500	-122 271	141 764
Cash flow from operating activities	72 168	-145 148	-19 944
Investing activities			
Acquisitions of and contributions to associates and joint ventures		-53	-50
Dividend from associates and joint ventures	101	306	69
Acquisitions of other fixed assets and strategic financial assets	-30	-852	-352
Disposals of/maturity of other fixed assets and strategic financial assets	4	181	59
Cash flow from investing activities	75	-418	-274
Financing activities			
Amortisation of lease liabilities	-298	-799	-201
Issuance of senior non-preferred liabilities	11 460	46 580	9 152
Redemption of senior non-preferred liabilities	-908	-1 665	-578
Issuance of subordinated liabilities	6 811	9 339	5 243
Redemption of subordinated liabilities	-481	-10 316	-255
Dividends paid		-10 964	
Cash flow from financing activities	16 584	32 175	13 361
Cash flow for the period	88 827	-113 391	-6 857
Cash and cash equivalents at the beginning of the period	252 994	365 992	365 992
Cash flow for the period	88 827	-113 391	-6 857
Exchange rate differences on cash and cash equivalents	5 014	393	2 208
Cash and cash equivalents at end of the period	346 835	252 994	361 343

During 2023 contributions were provided to the joint ventures P27 Nordic Payments Platform AB, Invidem AB and Tibern AB of SEK 48m, 3m and 2m respectively.

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 Corporate Reporting Board, the Annual Accounts Act for Credit Institutions and Securities Companies and the directives of the Swedish Financial Supervisory Authority (SFSA).

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

The accounting policies applied in the interim report conform to those applied in the Annual and Sustainability Report for 2023, which was prepared in accordance with International Financial Reporting Standards as adopted by the European Union and interpretations thereof.

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

Change in presentation

In order to provide a better overview of the financial statements, items within these have been aggregated from the first quarter 2024.

Changes in accounting regulations

Amended regulations that is applicable from 1 January 2024 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 of assets, liabilities and disclosures of contingent assets and liabilities as of the reporting date as well as the recognised income and expenses during the reporting period. The executive management continuously evaluates these judgments and estimates, including assessing control over investment funds, the fair value of financial instruments, provisions for credit impairment, impairment testing of goodwill, provisions and contingent liabilities, defined

benefit pension provisions, insurance contracts and deferred taxes.

Post-model expert credit adjustments to the credit impairment provisions continue to be necessary, given the geopolitical and economic uncertainties. Further information is provided in Note 10.

Beyond this, there have been no significant changes to the basis upon which the critical accounting judgments and estimates have been determined compared with 31 December 2023.

Note 3 Changes in the Group structure

No significant changes to the Group structure occurred during the first quarter 2024.

Note 4 Operating segments (business areas)

January-March 2024 SEKm	Swedish Banking	Baltic Banking	Corporates and Institutions	Premium and Private Banking	Group Functions and Other	Eliminations	Group
Income statement							
Net interest income	4 650	4 604	3 375	469	-521	22	12 599
Net commission income	1 866	806	963	374	-35	1	3 976
Net gains and losses on financial items	63	135	465	8	10	0	682
Other income ¹	243	184	30	7	949	-583	831
Total income	6 822	5 729	4 833	859	404	-560	18 087
Staff costs	513	473	558	143	1 836	-4	3 520
Variable staff costs	16	25	36	4	100		181
Other expenses	1 647	906	977	159	-1 177	-555	1 956
Depreciation/amortisation of tangible and intangible assets	4	43	5	0	476		528
Total expenses	2 179	1 448	1 577	305	1 236	-560	6 185
Profit before impairments, bank taxes and resolution fees	4 643	4 281	3 257	553	-832		11 902
Impairment of tangible and intangible assets		0					0
Credit impairment	83	6	54	-4	6		144
Bank taxes and resolution fees	212	621	239	31	-0		1 104
Profit before tax	4 347	3 654	2 964	526	-838		10 654
Tax expense	832	737	622	97	-64		2 226
Profit for the period	3 515	2 917	2 342	429	-774		8 428
Net commission income							
Commission income							
Payment processing	113	159	239	3	110	-4	620
Cards	505	525	759	9	-156		1 641
Asset management and custody	1 594	160	580	386	-1	-87	2 632
Lending	23	54	225	1	0	-2	301
Other commission income ²	246	159	380	125	13	-5	918
Total	2 481	1 057	2 183	523	-33	-98	6 113
Commission expense	615	251	1 220	149	1	-99	2 137
Net commission income	1 866	806	963	374	-35	1	3 976
Balance sheet, SEKbn							
Cash and balances with central banks	0	4	4		339	-0	347
Loans to credit institutions	6	1	149	0	278	-388	45
Loans to the public	853	267	638	128	6	-1	1 890
Interest-bearing securities		2	75		217	-2	291
Financial assets for which customers bear the investment risk	282	2	29	46			359
Investments in associates and joint ventures	6				2		8
Derivatives		0	114		98	-170	43
Tangible and intangible assets	2	13	-0	0	12	0	26
Other assets	20	151	32	3	290	-426	70
Total assets	1 168	440	1 040	177	1 242	-987	3 079
Amounts owed to credit institutions	5	0	370	0	95	-376	94
Deposits and borrowings from the public	446	398	360	76	6	-11	1 275
Debt securities in issue	-0	2	1		827	-3	828
Financial liabilities for which customers bear the investment risk	283	2	29	47			360
Derivatives		0	122		86	-170	39
Other liabilities	379		114	48	17	-428	131
Senior non-preferred liabilities			-0		119		119
Subordinated liabilities			-0		41		41
Total liabilities	1 114	403	996	171	1 192	-987	2 887
Allocated equity	55	37	44	6	51		192
Total liabilities and equity	1 168	440	1 040	177	1 242	-987	3 079
Key figures							
Return on allocated equity, %	26.1	33.1	19.2	27.1	-5.6		16.9
Cost/income ratio	0.32	0.25	0.33	0.36	3.06		0.34
Credit impairment ratio, %	0.04	0.01	0.03	-0.01	0.05		0.03
Loan/deposit ratio, %	191	67	160	168	18		141
Lending to the public, stage 3, SEKbn (gross)	5	1	3	0			10
Loans to customers, total, SEKbn	853	266	543	128	1		1 791
Provisions for loans to customers, total, SEKbn	2	1	4	0	0		7
Deposits from customers, SEKbn	446	398	339	76	6		1 266
Risk exposure amount, SEKbn	292	197	302	37	32		859
Full-time employees	2 633	4 790	1 786	576	7 725		17 510
Allocated equity, average, SEKbn	54	35	49	6	55		199

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.

January-March 2023 ¹ SEKm	Swedish Banking	Baltic Banking	Corporates and Institutions	Premium and Private Banking	Group Functions and Other	Eliminations	Group
Income statement							
Net interest income	5 189	3 940	3 190	542	-942	16	11 936
Net commission income	1 772	817	814	311	-52	-2	3 660
Net gains and losses on financial items	58	133	434	7	283	0	916
Other income ²	311	207	39	6	761	-449	875
Total income	7 331	5 097	4 478	867	50	-435	17 387
Staff costs	473	476	540	116	1 729	-4	3 330
Variable staff costs	10	19	43	3	62	0	136
Other expenses	1 433	732	960	143	-1 230	-432	1 607
Depreciation/amortisation of tangible and intangible assets	5	45	6	0	391	0	448
Administrative fine					890		890
Total expenses	1 921	1 273	1 548	261	1 843	-435	6 410
Profit before impairments, bank taxes and resolution fees	5 410	3 824	2 930	606	-1 793		10 977
Credit impairment	305	-29	480	11	10		777
Bank taxes and resolution fees	230	24	227	32	5		518
Profit before tax	4 875	3 829	2 223	563	-1 808		9 681
Tax expense	938	692	449	116	-73		2 121
Profit for the period	3 937	3 137	1 775	447	-1 734		7 560
Net commission income							
Commission income							
Payment processing	115	164	224	3	99	-4	601
Cards	468	516	668	8	-80	0	1 580
Asset management and custody	1 354	144	491	311	-1	-77	2 222
Lending	15	54	221	2	5	-2	296
Other commission income ³	301	153	363	107	3	-2	926
Total	2 253	1 032	1 966	432	27	-85	5 625
Commission expense	481	215	1 152	121	79	-83	1 965
Net commission income	1 772	817	814	311	-52	-2	3 660
Balance sheet, SEKbn							
Cash and balances with central banks	1	4	2		354		361
Loans to credit institutions	5	0	198		285	-429	59
Loans to the public	876	241	601	120	1	-1	1 838
Interest-bearing securities		2	71		293	-3	363
Financial assets for which customers bear the investment risk	225	2	23	37			288
Investments in associates	6				2		8
Derivatives		0	152		124	-239	37
Tangible and intangible assets	2	13	-0	0	11	0	26
Other assets	18	151	24	3	205	-346	56
Total assets	1 134	413	1 072	160	1 276	-1 018	3 036
Amounts owed to credit institutions	8	2	382		140	-396	136
Deposits and borrowings from the public	471	375	403	72	2	-11	1 313
Debt securities in issue	-0	2	3		864	-4	865
Financial liabilities for which customers bear the investment risk	227	2	23	37			289
Derivatives	0	0	163		123	-239	48
Other liabilities	375		49	44	8	-368	108
Senior non-preferred liabilities			-0		67	-0	67
Subordinated liabilities			-0		37	-0	37
Total liabilities	1 081	383	1 024	153	1 241	-1 018	2 863
Allocated equity	53	30	49	6	35		173
Total liabilities and equity	1 134	413	1 072	160	1 276	-1 018	3 036
Key figures							
Return on allocated equity, %	29.8	41.9	14.4	28.7	-17.6		17.0
Cost/income ratio	0.26	0.25	0.35	0.30	36.67		0.37
Credit impairment ratio, %	0.14	-0.05	0.30	0.04	0.13		0.16
Loan/deposit ratio, %	186	64	145	166	33		137
Lending to the public, stage 3, SEKbn (gross)	2	1	3	0			6
Loans to customers, total, SEKbn	876	241	554	120	1		1 791
Provisions for loans to customers, total, SEKbn	1	1	4	0			7
Deposits from customers, SEKbn	430	375	425	71	2		1 303
Risk exposure amount, SEKbn	345	160	258	14	29		806
Full-time employees	2 399	4 674	1 714	507	7 496		16 789
Allocated equity, average, SEKbn	53	30	49	6	39		178

1) Comparative figures have been restated due to the reorganisation during the first quarter 2024.

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

Operating segments accounting policies

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

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

The return on allocated equity for the operating segments is calculated based on profit for the period

attributable to the shareholders for the operating segment, in relation to average monthly allocated equity for the operating segment. For periods shorter than one year the key ratio is annualised.

From the first quarter 2024, the operation within Premium and Private Banking is reported as a new business segment. The operation was previously reported within Swedish Banking. In connection with the change the corporate customers, which are handled by advisors, have been moved to Corporates and Institutions. The comparative figures have been restated. In addition to this, there have been a few minor transfers of support functions between the segments and Group Functions and Other.

SEKm	Changes between presentation in second interim report 2023 and new restated reporting					Group
	Banking	Banking	Institutions	Private banking	and Other	
Income statement						
Net interest income	-1 373		830	542	1	
Net commission income	-416		100	311	5	
Net gains and losses on financial items	-44		37	7		
Other income ²	-9		-22	6	25	
Total income	-1 843		946	867	30	
Staff costs	-226		120	116	-10	
Variable staff costs	-4		2	3		
Other expenses	-361		196	143	22	
Depreciation/amortisation of tangible and intangible assets	-0		0	0		
Total expenses	-591		318	261	12	
Profit before impairments, bank taxes and resolution fees						
	-1 252		628	606	18	
Credit impairment	-132		121	11		
Bank taxes and resolution fees	-63		31	32		
Profit before tax	-1 057		476	563	18	
Tax expense	-223		105	116	2	
Profit for the period	-833		371	447	16	
Net commission income						
Commission income						
Payment processing	-46		43	3		
Cards	-57		39	8	10	
Asset management and custody	-356		45	311		
Lending	-12		4	2	5	
Other commission income ³	-199		92	107		
Total	-671		224	432	15	
Commission expense	-255		124	121	10	
Net commission income	-416		100	311	5	
Balance sheet, SEKbn						
Loans to credit institutions	-1		1			
Loans to the public	-212		92	120		
Financial assets for which customers bear the	-60		23	37		
Other assets	-5		2	3	1	-1
Total assets	-278		118	160	1	-1
Amounts owed to credit institutions	-1		1			
Deposits and borrowings from the public	-155		83	72	1	
Financial liabilities for which customers bear the investment risk	-60		23	37		
Other liabilities	-49		6	44		-1
Total liabilities	-266		113	153	1	-1
Allocated equity	-12		5	6		
Total liabilities and equity	-278		118	160	1	-1
Key figures						
Return on allocated equity, %	0.2		1.6	28.7	0.2	
Cost/income ratio	-0.01		0.00	0.30		
Credit impairment ratio, %	-0.02		0.03	0.04		
Loan/deposit ratio, %	12		-9	166	6	
Lending to the public, stage 3, SEKbn (gross)	-1		1	0		
Loans to customers, total, SEKbn	-212		92	120	0	
Provisions for loans to customers, total, SEKbn	-1		1	0		
Deposits from customers, SEKbn	-154		83	72	0	
Risk exposure amount, SEKbn	-14			14		
Full-time employees	-982		549	507	-74	
Allocated equity, average, SEKbn	-12		5	6		

Note 5 Net interest income

SEKm	Q1 2024	Q4 2023	Q1 2023
Interest income			
Cash and balances with central banks	4 007	3 663	3 406
Treasury bills and other bills eligible for refinancing with central banks, etc.	2 047	2 686	1 413
Loans to credit institutions	835	890	691
Loans to the public	23 075	22 950	16 769
Bonds and other interest-bearing securities	552	453	389
Derivatives ¹	-1 044	-487	-126
Other assets	-1	21	11
Total	29 470	30 175	22 553
Transfer of trading-related interests reported in Net gains and losses	1 261	1 730	1 121
Total interest income	28 209	28 445	21 432
Interest expense			
Amounts owed to credit institutions	-1 280	-1 615	-1 287
Deposits and borrowings from the public	-8 381	-7 979	-4 684
of which deposit guarantee fees	-149	-82	-157
Debt securities in issue	-6 895	-7 127	-5 860
Senior non-preferred liabilities	-922	-895	-377
Subordinated liabilities	-537	-475	-374
Derivatives ¹	127	587	1 864
Other liabilities	-24	-26	-21
Total	-17 911	-17 530	-10 739
Transfer of trading-related interests reported in Net gains and losses	-2 302	-2 414	-1 242
Total interest expense	-15 609	-15 116	-9 497
Net interest income	12 599	13 329	11 936
Net investment margin before trading-related interests are deducted	1.54	1.68	1.55
Average total assets	3 006 487	3 017 371	3 051 193
Interest income on financial assets at amortised cost	28 018	28 327	21 240
Interest expense on financial liabilities at amortised cost	17 166	17 075	12 100

1) The derivatives lines includes net interest income from derivatives hedging assets and liabilities in the balance sheet. These may have both positive and negative impact on interest income and interest expense.

Note 6 Net commission income

SEKm	Q1 2024	Q4 2023	Q1 2023
Commission income			
Payment processing	620	625	601
Cards	1 641	1 786	1 580
Service concepts	420	414	392
Asset management and custody	2 632	2 426	2 222
Insurance	98	156	86
Securities and corporate finance	198	189	199
Lending	301	326	296
Other	201	122	250
Total commission income	6 113	6 043	5 625
Commission expense			
Payment processing	-380	-412	-364
Cards	-762	-885	-708
Service concepts	-50	-46	-47
Asset management and custody	-686	-651	-579
Insurance	-84	-74	-69
Securities and corporate finance	-99	-100	-93
Lending	-24	-45	-40
Other	-52	-75	-64
Total commission expense	-2 137	-2 289	-1 965
Net commission income			
Payment processing	240	212	237
Cards	879	901	872
Service concepts	370	368	345
Asset management and custody	1 947	1 775	1 643
Insurance	13	82	17
Securities and corporate finance	99	89	105
Lending	277	281	256
Other	150	47	185
Total net commission income	3 976	3 754	3 660

Note 7 Net gains and losses on financial items

SEKm	Q1 2024	Q4 2023	Q1 2023
Fair value through profit or loss			
Shares and share related derivatives	370	152	-14
of which dividend	159	18	88
Interest-bearing securities and interest related derivatives	1 101	924	472
Financial liabilities	1	-6	0
Financial assets and liabilities where the customers bear the investment risk, net	13	8	-1
Other financial instruments	-1	0	1
Total fair value through profit or loss	1 485	1 079	458
Hedge accounting			
Ineffectiveness, one-to-one fair value hedges	3	33	86
of which hedging instruments	-3 214	16 482	3 676
of which hedged items	3 217	-16 450	-3 590
Ineffectiveness, portfolio fair value hedges	-6	-29	82
of which hedging instruments	-256	-6 620	-2 898
of which hedged items	250	6 591	2 980
Ineffectiveness, cash flow hedges	-2	3	-1
Total hedge accounting	-5	6	167
Amortised cost			
Derecognition gain or loss for financial assets	3	14	11
Derecognition gain or loss for financial liabilities	99	6	9
Total amortised cost	102	20	20
Trading related interest			
Interest income	1 261	1 730	1 121
Interest expense	-2 302	-2 414	-1 242
Total trading related interest	-1 041	-684	-121
Change in exchange rates	141	423	393
Total	682	845	916

Note 8 Net insurance income

	Q1	Q4	Q1
SEKm	2024	2023	2023
Insurance service revenue	1 210	1 124	1 043
Insurance service expenses	-943	-872	-799
Insurance service result	267	252	244
Result from reinsurance contracts held	1	-7	-16
Insurance finance income and expense	-1 517	-1 020	-734
Insurance result	-1 249	-776	-506
Return on financial assets backing insurance contracts with participation features	1 516	1 311	787
Total	267	535	282

Note 9 Other general administrative expenses

	Q1	Q4	Q1
SEKm	2024	2023	2023
Premises	98	122	121
IT expenses	836	926	631
Telecommunications and postage	36	28	32
Consultants	286	492	222
Compensation to savings banks	53	54	55
Other purchased services	325	316	267
Travel	26	43	27
Entertainment	6	13	6
Supplies	16	20	23
Advertising, PR and marketing	71	142	33
Security transport and alarm systems	21	19	17
Repair/maintenance of inventories	37	41	31
Other administrative expenses	120	82	111
Other operating expenses	25	12	29
Total	1 956	2 310	1 607

Note 10 Credit impairment

SEKm	Q1 2024	Q4 2023	Q1 2023
Credit impairments for loans at amortised cost			
Credit impairments - stage 1	-167	-283	259
Credit impairments - stage 2	-22	314	456
Credit impairments - stage 3	261	11	4
Credit impairments - purchased or originated credit impaired	-1	0	0
Total	71	42	720
Write-offs	105	160	57
Recoveries	-55	-33	-49
Total	51	127	9
Total - credit impairments for loans at amortised cost	122	168	729
Credit impairments for loan commitments and guarantees			
Credit impairments - stage 1	5	-93	35
Credit impairments - stage 2	-51	-10	21
Credit impairments - stage 3	68	297	-8
Total - credit impairments for loan commitments and guarantees	23	194	48
Total credit impairments	144	363	777
Credit impairment ratio, %	0.03	0.08	0.16

Calculation of credit impairment provisions

The measurement of expected credit losses is described in Note G3.1 Credit risk on pages 86-91 of the 2023 Annual and Sustainability Report.

Measurement of 12-month and lifetime expected credit losses

While inflation has started to come down, the high interest rates and overall costs levels, combined with geopolitical instability, continue to weigh on private persons and companies, resulting in a high level of uncertainty regarding impact on credit risk. As the quantitative risk models do not yet reflect all potential deteriorations in credit quality, post-model adjustments have been made to capture potential future rating and stage migrations.

Post-model expert credit adjustments to increase the credit impairment provisions continue to be deemed necessary and amounted to SEK 996m (SEK 1 324m at 31 December 2023) and are allocated as SEK 525m in stage 1 and SEK 471m in stage 2 (SEK 678m in stage 1, SEK 644m in stage 2 and SEK 1m in stage 3 at 31 December 2023). Customers and industries are reviewed and analysed considering the current situation, particularly in more vulnerable sectors. During the first quarter, the main changes were that post-model expert credit adjustments for the Property management sector and Retail sector were released whilst post-model expert credit adjustments for Manufacturing sector increased. The most significant post-model adjustments at 31 March 2024 were in the Property management, Manufacturing and Agriculture, forestry, fishing sectors.

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 risk grades 0 to 5, a downgrade by 1 grade from initial recognition is assessed as a significant change in credit risk. Alternatively, for exposures originated with risk grades 18 to 21, a downgrade by 5 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 2023 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 risk grades 0 to 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 risk grades 18 to 21, an increase of 200-300 per cent from initial recognition is considered significant except for Swedish mortgages where an absolute 12-month PD threshold is also applied.

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 2024	Share of total portfolio in terms of gross carrying amount, % 31 Mar 2024	Increase in threshold by 1 grade, %	Decrease in threshold by 1 grade, %	Recognised credit impairment provisions 31 Dec 2023	Share of total portfolio in terms of gross carrying amount, % 31 Dec 2023
18-21	<0.1	5 - 8 grades	-6.2	4.8	88	11	-4.8	3.6	119	11
13-17	0.1 - 0.5	3 - 7 grades	-3.4	7.9	320	11	-3.9	8.3	314	11
9-12	>0.5 - 2.0	1 - 5 grades	-9.9	12.4	236	4	-10.2	11.2	250	4
6-8	2.0 - 5.7	1 - 3 grades	-8.2	4.4	92	1	-8.3	3.7	95	1
0-5	>5.7 - 99.9	1 grade	-2.0	0.0	42	0	-2.5	0.0	44	0
			-6.3	8.2	778	28	-6.4	7.6	822	28
		Post model expert credit adjustment ⁴			108				195	
		Sovereigns and financial institutions with low credit risk			4	0			12	0
		Stage 3 financial instruments			783	0			739	0
		Total⁵			1 673	28			1 768	29

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 138m (204).

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 2024	Share of total portfolio in terms of gross carrying amount, % 31 Mar 2024	Increase in threshold by 100%, %	Decrease in threshold by 50%, %	Recognised credit impairment provisions 31 Dec 2023	Share of total portfolio in terms of gross carrying amount, % 31 Dec 2023
18-21	200-300 ²	-12.0	13.5	174	21	-11.0	15.4	176	21
13-17	100-250	-1.6	4.3	1 352	23	-1.9	6.5	1 467	22
9-12	100-200	-1.9	2.6	1 502	13	-2.0	4.3	1 361	12
6-8	50-150	-0.9	2.5	457	4	-1.3	4.6	403	4
0-5	50	-0.2	0.3	435	2	-0.4	0.4	303	2
		-2.0	3.4	3 920	63	-2.2	5.4	3 711	61
		Post-model expert credit adjustment ³		888				1 127	
		Sovereigns and financial institutions with low credit risk		58	9			48	10
		Stage 3 financial instruments		1 923	0			1 571	0
		Total⁴		6 790	72			6 457	71

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

2) For Swedish mortgages originated in risk grades 18-21 besides a relative increase in lifetime PD of 200-300% an absolute increase in the 12-month PD above 7.5bps is applied.

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

4) Of which provisions for off-balance exposures are SEK 1 004m (894).

Incorporation of forward-looking macroeconomic scenarios

The Swedbank Economic Outlook was published on 25 January and the baseline scenario was updated by Swedbank Macro Research as of 11 March. The baseline scenario, with an assigned probability weight of 66.6 per cent, is aligned with the published outlook and incorporates updated observed outcome and data

points. The alternative scenarios are aligned with the updated baseline scenario, with probability weights of 16.7 per cent assigned to both the upside and downside scenario. The table below sets out the key assumptions of the scenarios at 31 March 2024.

31 March 2024	Positive scenario			Baseline scenario			Negative scenario		
	2024	2025	2026	2024	2025	2026	2024	2025	2026
Sweden									
GDP (annual % change)	0.5	3.6	2.3	-0.1	3.0	2.6	-3.6	-4.1	3.6
Unemployment (annual %) ¹	8.4	8.4	7.7	8.4	8.4	7.8	8.8	11.1	10.9
House prices (annual % change)	-1.7	4.9	4.3	-1.8	4.4	4.0	-10.7	-7.6	3.7
Stibor 3m (%)	3.72	2.64	2.11	3.54	2.41	2.10	3.02	0.52	0.25
Estonia									
GDP (annual % change)	0.6	3.7	3.1	-0.4	2.8	3.4	-4.2	-6.0	3.3
Unemployment (annual %)	7.5	6.2	5.5	7.7	6.8	5.9	8.4	12.2	13.5
House prices (annual % change)	-0.7	4.7	5.1	-1.5	3.5	4.9	-18.0	-22.0	4.9
Latvia									
GDP (annual % change)	1.5	3.4	3.0	1.4	2.7	2.5	-2.6	-5.2	2.6
Unemployment (annual %)	6.5	5.8	5.7	6.6	6.1	6.0	8.4	12.4	12.7
House prices (annual % change)	1.4	5.0	3.9	0.0	4.7	5.3	-15.5	-23.1	-0.9
Lithuania									
GDP (annual % change)	1.6	2.5	2.1	1.1	2.0	2.3	-3.2	-6.0	3.1
Unemployment (annual %)	6.8	6.2	6.0	7.1	6.7	6.6	7.9	11.5	14.7
House prices (annual % change)	0.9	4.0	4.2	-0.1	3.7	4.9	-18.7	-23.2	1.9
Global indicators									
US GDP (annual %)	2.4	2.3	2.1	2.0	1.5	1.9	-0.2	-2.8	1.4
EU GDP (annual %)	0.5	2.1	1.2	-0.1	1.5	1.4	-3.2	-4.9	1.9
Brent Crude Oil (USD/Barrel)	81.3	76.3	72.5	80.2	75.5	72.5	61.4	43.9	56.2
Euribor 6m (%)	3.55	2.67	2.07	3.32	2.03	1.87	3.07	0.31	0.00

1) Unemployment rate, 16-64 years

The rapid decline in inflation, combined with falling interest rates, increases the likelihood of a soft landing for many economies this year. The US economy has remained resilient and growth in 2024 will be only slightly slower than last year. Growth in the euro area economy has slowed down markedly, not least in Germany, but a recovery is expected in 2025.

Intensified geopolitical tensions, not least in the Middle East, pose a risk to the global economic recovery. The disruption to trade flows in the Suez Canal is causing damage in the form of production delays and higher prices. If this remains an isolated event, it will not be enough to reverse the downward trend in inflation.

Falling inflation, lower interest rates and rising real incomes pave the way for a rapid recovery of the Swedish economy in 2025. However, the near-term outlook is bleak, and GDP is expected to be unchanged this year before growing by 3% next year. The labour market will continue to weaken and the unemployment rate is expected to peak at 8.6% in the fourth quarter of 2024.

In the Baltic countries, GDP growth will resume in 2024, especially in the second half of the year, mainly driven by stronger household purchasing power. Growth is likely to accelerate in 2025. Unemployment is expected to remain stable or increase only slightly.

Sensitivity

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

Operating segments	31 Mar 2024				31 Dec 2023 ¹			
	Credit impairment provisions (probability weighted)	Credit impairment provisions			Credit impairment provisions (probability weighted)	Credit impairment provisions		
		Of which: post-model expert credit adjustment	Negative scenario	Positive scenario		Of which: post-model expert credit adjustment	Negative scenario	Positive scenario
Swedish Banking	1 893	4	2 004	1 866	1 914	30	1 986	1 831
Baltic Banking	1 557	409	1 772	1 344	1 475	456	1 716	1 284
Corporates and Institutions	4 833	581	5 160	4 410	4 660	835	4 905	4 166
Premium & Private Banking	134	2	224	110	137	3	209	121
Group ²	8 463	996	9 206	7 776	8 225	1 324	8 856	7 442

1) Comparative figures have been restated due to the reorganisation during the first quarter 2024. For more information see Note 4.

2) Including operating segment Group Functions & Other.

Note 11 Bank taxes and resolution fees

SEKm	Q1	Q4	Q1
	2024	2023	2023
Swedish bank tax	276	294	292
Lithuanian bank tax	508	584	
Latvian bank tax	107		
Resolution fees	213	224	226
Total	1 104	1 102	518

Swedish bank tax refers to Risk tax on credit institutions that was introduced from 1 January 2022. It is applied on credit institutions with a tax base exceeding SEK 150bn.

Lithuanian bank tax refers to the Lithuanian temporary solidarity contribution on credit institutions that was introduced and is calculated from May 2023 until the end of 2024. The bank tax is 60 percent and is applied to a part of the net interest income earned during the period which exceeds the average net interest income of four historical years by more than 50 percent.

Latvian bank tax refers to the temporary fee that was introduced January 1, 2024 and applies for 2024 only. The bank tax will be charged with 0.5% per quarter calculated on the total portfolio of floating mortgage loans signed before October 31, 2023.

Note 12 Loans

The following tables present loans to the public and credit institutions at amortised cost by industry sectors, loans and credit impairment provisions ratios.

31 March 2024

SEKmn	Stage 1			Stage 2			Stage 3			Total
	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	
Sector/industry										
Private customers	1 092 679	319	1 092 360	87 388	848	86 540	5 557	1 208	4 349	1 183 250
Private mortgage	963 186	141	963 045	73 726	425	73 302	4 241	483	3 758	1 040 105
Tenant owner associations	87 603	10	87 593	5 209	13	5 197	36	7	28	92 818
Private other	41 890	168	41 722	8 452	410	8 042	1 280	717	563	50 327
Corporate customers	508 173	1 092	507 081	99 986	2 686	97 301	4 012	1 098	2 915	607 296
Agriculture, forestry, fishing	53 125	110	53 015	8 395	164	8 231	320	56	264	61 509
Manufacturing	31 382	222	31 161	13 146	603	12 543	321	134	186	43 889
Public sector and utilities	31 829	44	31 785	4 056	57	3 999	81	16	65	35 849
Construction	15 059	69	14 990	6 730	247	6 483	259	81	178	21 651
Retail and wholesale	36 929	122	36 807	4 162	191	3 971	345	111	234	41 012
Transportation	11 671	28	11 643	1 995	73	1 922	65	20	45	13 610
Shipping and offshore	4 823	6	4 817	828	33	795	114	84	30	5 643
Hotels and restaurants	5 191	7	5 184	1 304	23	1 281	57	16	41	6 505
Information and communication	14 526	56	14 470	4 115	141	3 974	4	1	3	18 447
Finance and insurance	17 140	41	17 099	6 279	222	6 057	138	23	115	23 271
Property management, including	258 871	332	258 538	41 503	797	40 706	1 968	426	1 542	300 786
Residential properties	69 426	84	69 342	16 193	374	15 820	793	58	735	85 896
Commercial	128 231	168	128 063	16 935	316	16 619	641	268	372	145 054
Industrial and Warehouse	39 462	41	39 421	4 957	46	4 912	160	13	147	44 480
Other	21 751	39	21 712	3 417	62	3 356	374	86	288	25 356
Professional services	16 924	37	16 887	4 707	69	4 639	295	117	178	21 704
Other corporate lending	10 703	18	10 685	2 768	67	2 701	45	12	33	13 418
Loans to customers	1 600 852	1 411	1 599 441	187 374	3 533	183 841	9 569	2 305	7 264	1 790 546
Loans to the public, Swedish National Debt Office	5 000		5 000							5 000
Loans to credit institutions	28 507	64	28 442	362	7	356				28 798
Loans to the public and credit institutions at amortised cost	1 634 359	1 475	1 632 883	187 736	3 540	184 196	9 569	2 305	7 264	1 824 344
Share of loans, %	89.23	0.0	0.0	10.25	0.0	0.0	0.52	0.0	0.0	100
Credit impairment provision ratio, %	0.09	0.00	0.00	1.89	0.00	0.00	24.09	0.00	0.00	0.40

31 December 2023

SEKmn	Stage 1			Stage 2			Stage 3			Total
	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	
Sector/industry										
Private customers	1 081 947	305	1 081 642	91 710	886	90 824	4 090	1 047	3 043	1 175 510
Private mortgage	954 622	137	954 485	76 889	432	76 457	2 924	401	2 522	1 033 465
Tenant owner associations	86 204	8	86 196	6 196	18	6 178	3	0	3	92 378
Private other	41 121	160	40 961	8 625	436	8 188	1 163	645	518	49 667
Corporate customers	507 735	1 252	506 482	99 796	2 629	97 167	3 765	943	2 823	606 471
Agriculture, forestry, fishing	53 318	111	53 207	8 464	158	8 306	349	68	280	61 793
Manufacturing	29 910	173	29 737	12 015	532	11 483	275	117	158	41 377
Public sector and utilities	32 412	56	32 356	3 524	92	3 432	86	17	69	35 858
Construction	15 265	100	15 165	6 373	171	6 202	182	69	113	21 480
Retail and wholesale	37 078	183	36 895	3 873	166	3 707	283	58	225	40 827
Transportation	11 347	37	11 310	2 041	81	1 960	84	26	58	13 328
Shipping and offshore	5 660	8	5 652	1 791	60	1 730	118	87	30	7 412
Hotels and restaurants	4 958	28	4 930	1 212	69	1 143	56	16	41	6 114
Information and communication	13 853	52	13 801	4 864	136	4 728	808	81	726	19 256
Finance and insurance	21 272	33	21 239	4 475	38	4 437	160	41	120	25 795
Property management, including	251 799	410	251 389	43 310	960	42 350	1 041	265	776	294 516
Residential properties	69 251	121	69 129	17 002	400	16 601	144	19	125	85 856
Commercial	123 908	191	123 717	17 613	431	17 182	435	170	265	141 164
Industrial and Warehouse	38 453	53	38 400	5 103	54	5 049	147	15	131	43 581
Other	20 188	45	20 143	3 593	75	3 518	315	61	255	23 916
Professional services	20 520	45	20 475	4 728	74	4 653	211	74	137	25 265
Other corporate lending	10 344	17	10 327	3 127	92	3 035	113	24	89	13 450
Loans to customers	1 589 682	1 557	1 588 125	191 506	3 515	187 991	7 855	1 989	5 866	1 781 981
Loans to the public, Swedish National Debt Office	30 000		30 000							30 000
Loans to credit institutions	24 701	54	24 647	323	11	312				24 959
Loans to the public and credit institutions at amortised cost	1 644 383	1 611	1 642 771	191 829	3 526	188 303	7 855	1 989	5 866	1 836 940
Share of loans, %	89.17			10.40			0.43			100
Credit impairment provision ratio, %	0.10			1.84			25.33			0.39

31 March 2023

SEKm	Stage 1			Stage 2			Stage 3			Total
	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	Gross carrying amount	Credit impairment provisions	Net	
Sector/industry										
Private customers	1 079 698	232	1 079 466	94 072	742	93 330	2 258	747	1 510	1 174 307
Private mortgage	947 578	96	947 482	81 533	343	81 191	1 375	260	1 115	1 029 788
Tenant owner associations	90 163	8	90 155	3 115	11	3 104	5	1	5	93 263
Private other	41 957	128	41 829	9 424	388	9 036	878	487	391	51 256
Corporate customers	543 921	1 511	542 410	74 106	2 127	71 979	3 643	1 385	2 258	616 648
Agriculture, forestry, fishing	54 276	88	54 187	7 851	138	7 713	197	41	155	62 056
Manufacturing	42 743	290	42 453	5 692	266	5 426	319	112	206	48 085
Public sector and utilities	32 784	44	32 740	3 376	112	3 264	12	2	10	36 014
Construction	15 482	90	15 392	5 266	110	5 156	113	58	55	20 604
Retail and wholesale	35 890	210	35 681	5 525	211	5 313	141	56	85	41 079
Transportation	13 435	84	13 351	1 883	124	1 759	35	8	26	15 137
Shipping and offshore	7 803	38	7 765	1 040	145	895	1 625	794	832	9 492
Hotels and restaurants	3 873	22	3 851	3 033	165	2 868	262	49	213	6 932
Information and communication	18 611	59	18 552	1 942	24	1 919	4	1	3	20 473
Finance and insurance	22 228	25	22 204	1 278	16	1 262	21	7	15	23 481
Property management, including	262 109	496	261 613	32 830	722	32 108	660	208	452	294 173
Residential properties	74 351	132	74 219	14 316	325	13 991	121	20	100	88 311
Commercial	126 066	212	125 854	9 106	249	8 856	213	128	85	134 795
Industrial and Warehouse	42 201	72	42 130	5 244	75	5 169	173	20	153	47 452
Other	19 491	80	19 411	4 164	73	4 091	153	40	114	23 615
Professional services	22 215	37	22 178	2 431	48	2 383	100	14	86	24 647
Other corporate lending	12 471	28	12 443	1 958	45	1 913	155	34	120	14 476
Loans to customers	1 623 619	1 742	1 621 876	168 178	2 868	165 310	5 901	2 132	3 769	1 790 955
Cash collaterals posted	2 427		2 427							2 427
Loans to the public, Swedish National Debt Office	1		1							1
Loans to credit institutions	54 058	39	54 020	133	3	130				54 150
Loans to the public and credit institutions at amortised cost	1 680 105	1 781	1 678 324	168 311	2 871	165 440	5 901	2 132	3 769	1 847 533
Share of loans, %	90.60			9.08			0.32			100
Credit impairment provision ratio, %	0.11			1.71			36.13			0.37

Note 13 Credit impairment provisions

The following table presents a summary of credit impairment provisions for financial instruments that are subject to the credit impairment requirements.

SEKm	Gross carrying amount / Nominal amount			Credit impairment provisions			Net		
	31 Mar	31 Dec	31 Mar	31 Mar	31 Dec	31 Mar	31 Mar	31 Dec	31 Mar
	2024	2023	2023	2024	2023	2023	2024	2023	2023
Loans to credit institutions	28 869	25 024	54 192	71	65	42	28 798	24 959	54 150
Loans to the public	1 802 795	1 819 043	1 800 125	7 249	7 062	6 743	1 795 546	1 811 981	1 793 383
Other ¹	211 748	168 182	289 852	4	4	1	211 744	168 178	289 850
Total	2 043 411	2 012 249	2 144 168	7 324	7 132	6 785	2 036 087	2 005 118	2 137 383
Loan commitments and financial guarantees	305 793	293 257	307 317	1 142	1 097	756			

1) Other includes Treasury bills and other bills eligible for refinancing with central banks, etc. and Other financial assets.

The following table presents gross carrying amounts and nominal amounts by stage for financial instruments that are subject to the credit impairment requirements.

SEKm	Gross carrying amount / Nominal amount											
	31 Mar 2024				31 Dec 2023				31 Mar 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Loans to credit institutions	28 507	362	0	28 869	24 701	323	0	25 024	54 058	133	0	54 192
Loans to the public	1 605 852	187 374	9 569	1 802 795	1 619 682	191 506	7 855	1 819 043	1 626 046	168 178	5 901	1 800 125
Other ¹	211 704	37	7	211 748	168 136	42	5	168 182	289 834	15	2	289 852
Total	1 846 062	187 773	9 576	2 043 411	1 812 519	191 871	7 860	2 012 249	1 969 939	168 326	5 903	2 144 168
Loan commitments and financial guarantees	270 955	33 277	1 561	305 793	256 362	36 104	791	293 257	279 091	28 089	137	307 317

1) Other includes Treasury bills and other bills eligible for refinancing with central banks, etc. and Other financial assets.

Reconciliation of credit impairment provisions for loans

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

Loans to the public and credit institutions	2024				2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
SEKm								
Opening balance 1 January	1 611	3 526	1 989	7 127	1 524	2 404	2 121	6 049
Movements affecting Credit impairments								
New and derecognised financial assets, net	75	63	-135	3	115	-52	-91	-28
Changes in PD	126	10		137	87	-31		56
Changes in risk factors (EAD, LGD, CCF)	-63	-128	23	-168	-50	-2	32	-20
Changes in macroeconomic scenarios	29	-15	-9	5	159	148	-2	305
Post-model expert credit adjustments	-157	-159	-1	-316	94	100	3	197
Individual assessments			233	233			10	10
Stage transfers	-178	207	182	211	-147	293	81	228
from 1 to 2	-209	464		256	-169	483		314
from 1 to 3	-1		45	44	0		6	6
from 2 to 1	32	-117		-85	21	-158		-137
from 2 to 3		-153	175	23		-41	126	85
from 3 to 2		13	-32	-19		10	-45	-35
from 3 to 1	0		-7	-7	2		-6	-4
Other	0	-1	-32	-33	0	0	-29	-29
Total movements affecting credit impairments	-167	-22	261	72	259	456	4	719
Movements recognised outside credit impairments								
Interest			31	31			29	29
Change in exchange rates	31	36	24	90	-1	11	-24	-14
Closing balance 31 March	1 475	3 540	2 305	7 320	1 781	2 871	2 132	6 784

Loan commitments and financial guarantees

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

SEKm	2024				2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance 1 January	330	448	320	1 097	384	295	34	714
Movements affecting Credit impairments								
New and derecognised financial assets, net	34	-22	-5	8	29	16	-3	42
Changes in PD	2	26		27	4	-24		-20
Changes in risk factors (EAD, LGD, CCF)	-25	-67	-4	-96	-18	-12	-2	-31
Changes in macroeconomic scenarios	11	9	0	20	33	10	0	43
Post-model expert credit adjustments	-10	-22	0	-33	0	1	0	0
Individual assessments			69	69			0	0
Stage transfers	-6	25	8	27	-13	30	-3	14
from 1 to 2	-22	47		25	-16	38		22
from 1 to 3	0		4	4	0		0	0
from 2 to 1	16	-22		-5	2	-7		-5
from 2 to 3		-1	5	4		0	4	3
from 3 to 2		0	0	0		0	-2	-2
from 3 to 1	0		0	0	0		-5	-5
Total movements affecting credit impairments	5	-51	68	23	35	21	-8	48
Change in exchange rates	5	5	12	22	-1	-4	-1	-6
Closing balance 31 March	340	401	401	1 142	418	312	25	756

Note 14 Credit risk exposures

SEKm	31 Mar 2024	31 Dec 2023	31 Mar 2023
Assets			
Cash and balances with central banks	346 835	252 994	361 343
Interest-bearing securities	291 314	237 460	362 891
Loans to credit institutions	44 819	67 534	59 316
Loans to the public	1 890 048	1 863 375	1 838 152
Derivatives	42 665	39 563	37 351
Other financial assets	21 564	7 972	28 114
Total assets	2 637 245	2 468 899	2 687 168
Contingent liabilities and commitments			
Guarantees	44 123	43 835	42 136
Loan commitments	261 670	249 422	265 181
Total contingent liabilities and commitments	305 793	293 257	307 317
Total	2 943 038	2 762 156	2 994 484

Note 15 Intangible assets

SEKm	Indefinite useful life			Definite useful life				Total	
	Goodwill & Brand			Other intangible assets				Full year 2023	Jan-Mar 2023
	Jan-Mar 2024	Full year 2023	Jan-Mar 2023	Jan-Mar 2024	Full year 2023	Jan-Mar 2023	Jan-Mar 2024		
Opening balance	13 861	13 850	13 850	6 580	6 036	6 036	20 440	19 886	19 886
Additions				301	1 265	379	301	1 265	379
Amortisation for the period				-204	-641	-138	-204	-641	-138
Impairment for the period					-81			-81	
Sales and disposals				-2		-1	-2		-1
Exchange rate differences	424	11	175	2	1	1	426	12	176
Closing balance	14 285	13 861	14 024	6 677	6 580	6 276	20 962	20 440	20 301

As of 31 March 2024, there was no indication of an impairment of intangible assets.
During 2023, impairments of SEK 81m was made in relation to internally developed software, which will no longer be used.

Note 16 Amounts owed to credit institutions

SEKm	31 Mar 2024	31 Dec 2023	31 Mar 2023
Central banks	11 097	10 098	22 971
Banks	69 676	46 540	76 198
Other credit institutions	5 827	8 162	8 104
Repurchase agreements	7 073	7 256	29 155
Total	93 671	72 054	136 427

Note 17 Deposits and borrowings from the public

SEKm	31 Mar 2024	31 Dec 2023	31 Mar 2023
Private customers	712 385	702 565	699 943
Corporate customers	553 600	527 863	603 119
Total deposits from customers	1 265 985	1 230 428	1 303 062
Cash collaterals received	3 816	3 470	4 449
Swedish National Debt Office	229	94	85
Repurchase agreements - Swedish National Debt Office	1	3	0
Repurchase agreements	5 362	268	5 482
Total borrowings	9 408	3 835	10 017
Deposits and borrowings from the public	1 275 393	1 234 262	1 313 079

Note 18 Debt securities in issue, senior non-preferred liabilities and subordinated liabilities

SEKm	31 Mar 2024	31 Dec 2023	31 Mar 2023
Commercial papers	349 033	263 334	407 435
Covered bonds	361 343	345 615	331 013
Senior unsecured bonds	116 237	118 238	123 968
Structured retail bonds	1 013	1 361	2 155
Total debt securities in issue	827 627	728 548	864 571
Senior non-preferred liabilities	119 171	104 828	66 774
Subordinated liabilities	40 933	32 841	37 232
Total	987 731	866 217	968 577

	Jan-Mar 2024	Full-year 2023	Jan-Mar 2023
Turnover			
Opening balance	866 217	872 976	872 976
Issued	205 560	893 599	290 932
Repurchased	-1 129	-20 295	-5 832
Repaid	-118 285	-899 951	-195 532
Interest, change in fair values or hedged items in fair value hedges and changes in exchange rates	35 367	19 888	6 033
Closing balance	987 731	866 217	968 577

Note 19 Derivatives

SEKm	Nominal amount			Positive fair value			Negative fair value		
	31 Mar 2024	31 Dec 2023	31 Mar 2023	31 Mar 2024	31 Dec 2023	31 Mar 2023	31 Mar 2024	31 Dec 2023	31 Mar 2023
Derivatives in hedge accounting									
One-to-one fair value hedges	598 946	558 527	534 771	3 015	6 415	984	17 107	15 654	26 465
Portfolio fair value hedges	343 750	352 036	400 750	9 149	9 665	18 017	596	503	43
Cash flow hedges	8 496	8 188	8 307	893	596	731			
Total	951 192	918 751	943 828	13 057	16 676	19 732	17 703	16 157	26 508
Non-hedge accounting derivatives	34 833 358	33 026 557	32 244 837	931 479	887 411	1 149 370	930 928	925 558	1 158 022
Gross amount	35 784 550	33 945 308	33 188 666	944 536	904 087	1 169 102	948 631	941 715	1 184 530
Offset amount				-901 871	-864 523	-1 131 750	-909 623	-868 262	-1 136 671
Total				42 665	39 563	37 351	39 008	73 453	47 859

1) Interest rate swaps

2) Cross currency basis swaps

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

Note 20 Valuation categories for financial instruments

The tables below present the carrying amount and fair value of financial assets and financial liabilities, according to valuation categories. The methodologies to determine the fair value are described in the Annual and Sustainability Report 2023, note G47 Fair value of financial instruments.

SEKm	31 Mar 2024						
	Fair value through profit and loss						
	Mandatorily				Hedging instruments	Total carrying amount	Fair value
	Amortised cost	Trading	Other	Total			
Financial assets							
Cash and balances with central banks	346 835					346 835	346 835
Treasury bills and other bills eligible for refinancing with central banks, etc.	189 965	19 964	6 907	26 871		216 836	216 838
Loans to credit institutions	28 798	16 020		16 020		44 819	44 819
Loans to the public ¹	1 795 550	94 276	222	94 498		1 890 048	1 889 116
Value change of the hedged assets in portfolio hedges of interest rate risk	-8 345					-8 345	-8 345
Bonds and other interest-bearing securities		54 485	19 993	74 479		74 479	74 479
Financial assets for which customers bear the investment risk			359 157	359 157		359 157	359 157
Shares and participating interests		20 665	27 463	48 128		48 128	48 128
Derivatives		40 963		40 963	1 702	42 665	42 665
Other financial assets	21 752					21 752	21 752
Total	2 374 555	246 373	413 743	660 116	1 702	3 036 374	3 035 444
Financial liabilities							
Fair value through profit and loss							
	Amortised cost	Trading	Fair value option	Total	Hedging instruments	Total carrying amount	Fair value
Financial liabilities							
Amounts owed to credit institutions	73 988	19 684		19 684		93 671	93 671
Deposits and borrowings from the public	1 266 214	9 179		9 179		1 275 393	1 275 422
Value change of the hedged liabilities in portfolio hedges of interest rate risk	103					103	103
Financial liabilities for which customers bear the investment risk			360 340	360 340		360 340	360 340
Debt securities in issue ²	826 486	1 013	128	1 141		827 627	829 723
Short position securities		30 086		30 086		30 086	30 086
Derivatives		38 048		38 048	960	39 008	39 008
Senior non-preferred liabilities	119 171					119 171	123 671
Subordinated liabilities	40 933					40 933	41 528
Other financial liabilities	59 922					59 922	59 922
Total	2 386 818	98 010	360 467	458 477	960	2 846 254	2 853 474

1) Financial leasing agreements, when the Group is acting as lessor, are included in the valuation category Amortised cost since they are covered by provisions for expected credit losses.

2) Nominal amount of debts securities in issue designated at fair value through profit or loss was SEK 115m.

31 Dec 2023

SEKm	Fair value through profit and loss						Total carrying amount	Fair value
	Mandatorily				Hedging instruments			
	Amortised cost	Trading	Other	Total				
Financial assets								
Cash and balances with central banks	252 994						252 994	252 994
Treasury bills and other bills eligible for refinancing with central banks, etc.	159 974	12 464	6 182	18 645			178 619	178 622
Loans to credit institutions	24 959	42 575		42 575			67 534	67 534
Loans to the public ¹	1 811 981	51 151	244	51 395			1 863 375	1 863 244
Value change of the hedged assets in portfolio hedges of interest rate risk	-8 489						-8 489	-8 489
Bonds and other interest-bearing securities		43 158	15 683	58 841			58 841	58 841
Financial assets for which customers bear the investment risk			319 795	319 795			319 795	319 795
Shares and participating interests		8 540	25 776	34 316			34 316	34 316
Derivatives		37 957		37 957	1 606		39 563	39 563
Other financial assets	8 180						8 180	8 180
Total	2 249 598	195 845	367 679	563 523	1 606		2 814 728	2 814 600

SEKm	Fair value through profit and loss						Total carrying amount	Fair value
	Mandatorily				Hedging instruments			
	Amortised cost	Trading	Fair value option	Total				
Financial liabilities								
Amounts owed to credit institutions	57 736	14 318		14 318			72 054	72 054
Deposits and borrowings from the public	1 230 521	3 741		3 741			1 234 262	1 234 336
Value change of the hedged liabilities in portfolio hedges of interest rate risk	209						209	209
Financial liabilities for which customers bear the investment risk				320 609	320 609		320 609	320 609
Debt securities in issue ²	727 064	1 361	123	1 484			728 548	719 546
Short position securities		17 297		17 297			17 297	17 297
Derivatives		72 694		72 694	759		73 453	73 453
Senior non-preferred liabilities	104 828						104 828	108 262
Subordinated liabilities	32 841						32 841	32 995
Other financial liabilities	34 417						34 417	34 417
Total	2 187 617	109 411	320 732	430 142	759		2 618 518	2 613 178

1) Financial leasing agreements, when the Group is acting as lessor, are included in the valuation category Amortised cost since they are covered by provisions for expected credit losses.

2) Nominal amount of debts securities in issue designated at fair value through profit or loss was SEK 111m.

Note 21 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 2023, note G47 Fair value of financial instruments.

The financial instruments are distributed in three levels depending on the degree of observable market data in the valuation and activity in the market.

- 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 2024				31 Dec 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Treasury bills etc.	24 262	2 609		26 871	17 217	1 428		18 645
Loans to credit institutions		16 020		16 020		42 575		42 575
Loans to the public		94 454	44	94 498		51 358	37	51 395
Bonds and other interest-bearing securities	58 862	15 616		74 479	47 783	11 057		58 841
Financial assets for which the customers bear the investment risk	359 157			359 157	319 795			319 795
Shares and participating interests	46 848	10	1 270	48 128	33 133	9	1 173	34 316
Derivatives	121	42 544		42 665	174	39 390		39 563
Total	489 250	171 253	1 314	661 818	418 102	145 818	1 210	565 129
Liabilities								
Amounts owed to credit institutions		19 684		19 684		14 318		14 318
Deposits and borrowings from the public		9 179		9 179		3 741		3 741
Debt securities in issue		1 141		1 141		1 484		1 484
Financial liabilities for which the customers bear the investment risk		360 340		360 340		320 609		320 609
Derivatives	115	38 893		39 008	189	73 264		73 453
Short positions, securities	28 893	1 193		30 086	16 282	1 015		17 297
Total	29 009	430 428		459 437	16 470	414 431		430 901

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

Changes in level 3

SEKm	2024					2023				
	Assets			Liabilities		Assets			Liabilities	
	Equity instruments	Loans	Fund units of which customers bear the investment risk	Total	Liabilities for which the customers bear the investment risk	Equity instruments	Loans	Fund units of which customers bear the investment risk	Total	Liabilities for which the customers bear the investment risk
Opening balance 1 January	1 173	37	0	1 210	0	1 081	33	144	1 258	144
Purchases	4	7		11		3	3		6	
Sale of assets/ dividends received			-129	-129		-11		-7	-18	
Reimbursement					-129					-7
Gains or losses, Net gains and losses on financial items of which changes in unrealised gains or losses for items held at closing day	93		129	222	129	50		4	54	4
Closing balance 31 March	1 270	44	0	1 314	0	1 123	36	141	1 300	141

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

Level 3 mainly comprises strategic unlisted shares. These include holdings in VISA Inc. C shares that are subject to selling restrictions until June 2028 and under certain conditions may have to be returned. Liquid quotes are not available for these shares, therefore the fair value is established with significant elements of

Swedbank's own internal assumptions. The carrying amount of the holdings in Visa Inc. C amounted as per 31 mars 2024 to SEK 615m (SEK 467m 31 mars 2023).

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 0m.

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. Remaining unit holdings, only correlated to the Russia funds, and related liabilities to the insurance savers have been measured at fair value according to level 3 and been measured at value SEK

Note 22 Assets pledged, contingent liabilities and commitments

SEKm	31 Mar 2024	31 Dec 2023	31 Mar 2023
Loans used as collateral for covered bonds ¹	394 281	381 369	371 022
Assets recorded in register on behalf of insurance policy holders	375 410	335 375	304 184
Other assets pledged for own liabilities	116 545	151 763	84 913
Other assets pledged	17 311	18 253	15 398
Assets pledged	903 547	886 760	775 517
Nominal amounts			
Guarantees	44 123	43 835	42 136
Other	74	77	75
Contingent liabilities	44 197	43 911	42 211
Nominal amounts			
Loans granted not paid	207 166	192 919	207 713
Overdraft facilities granted but not utilised	54 504	56 503	57 468
Commitments	261 670	249 422	265 181

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

Swedbank is cooperating with authorities in the United States who are conducting investigations into Swedbank's historic AML compliance and the Group's response thereto, as well as related issues involving the Group's anti-money laundering controls and certain individuals and entities who may at some time have been customers of the Group. Investigations by the Department of Justice (DoJ), the Securities and Exchange Commission (SEC) and the Department of Financial Services (DFS) in New York are ongoing. In June 2023, Swedbank reached an agreement to remit SEK 37m related to violation of OFAC regulations.

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

In February, the Estonian Prosecutor's Office closed its investigation of suspected money laundering offences by Swedbank AS in 2014–2016. The criminal investigation originated from the Estonian FSA's previous investigation of Swedbank AS in 2019.

Note 23 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 2024	31 Dec 2023	31 Mar 2023	31 Mar 2024	31 Dec 2023	31 Mar 2023
Financial assets and liabilities, which have been offset or are subject to netting						
Gross amount	1 190 873	1 036 690	1 292 397	1 115 533	1 035 778	1 292 412
Offset amount	-1 054 511	-951 626	-1 202 839	-1 062 263	-955 365	-1 207 759
Net amounts presented in the balance sheet	136 362	85 064	89 559	53 270	80 414	84 653
Related amounts not offset in the balance sheet						
Financial instruments, netting arrangements	22 640	21 929	29 111	19 295	21 930	29 111
Financial Instruments, collateral	89 364	45 980	42 982	18 163	19 294	35 549
Cash collateral	13 075	7 460	8 217	8 796	38 055	16 002
Total amount not offset in the balance sheet	125 079	75 369	80 310	46 254	79 279	80 662
Net amount	11 283	9 695	9 249	7 015	1 135	3 991

The amount offset for derivative assets includes offset cash collateral of SEK 8 116m (9 542) derived from the balance sheet item Amounts owed to credit institutions.

The amount offset for derivative liabilities includes offset cash collateral of SEK 15 869m (13 281), derived from the balance sheet item Loans to credit institutions.

Note 24 Capital adequacy, consolidated situation

This note contains the information made public according to the Swedish Financial Supervisory Authority Regulation FFFS 2008:25. 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 2021/637 of the European Commission can be found on Swedbank's website: <https://www.swedbank.com/investor-relations/reports-and-presentations/risk-reports>.

In the consolidated situation the Group's insurance companies are accounted for according to the equity method instead of full consolidation. Joint venture companies EnterCard Group AB, Invidem AB and P27 Nordic Payments Platform AB consolidates by proportional method instead of accounted for with the equity method. Otherwise, the same principles for consolidations are applied as for the Group. Otherwise, the same principles for consolidations are applied as for the Group.

	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023
Consolidated situation, SEKm					
Available own funds					
Common Equity Tier 1 (CET1) capital	166 143	160 659	156 880	152 511	147 702
Tier 1 capital	187 988	174 848	171 844	167 442	162 241
Total capital	208 908	195 648	192 499	193 791	185 944
Risk-weighted exposure amounts					
Total risk exposure amount	859 345	847 121	837 943	819 021	806 178
Capital ratios as a percentage of risk-weighted exposure amount					
Common Equity Tier 1 ratio	19.3	19.0	18.7	18.6	18.3
Tier 1 ratio	21.9	20.6	20.5	20.4	20.1
Total capital ratio	24.3	23.1	23.0	23.7	23.1
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	2.7	2.7	2.7	2.3	2.3
of which: to be made up of CET1 capital	1.8	1.8	1.8	1.5	1.5
of which: to be made up of Tier 1 capital	2.1	2.1	2.1	1.8	1.8
Total SREP own funds requirements	10.7	10.7	10.7	10.3	10.3
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	0.0	0.0	0.0	0.0	0.0
Institution-specific countercyclical capital buffer	1.7	1.7	1.6	1.6	0.9
Systemic risk buffer	3.1	3.1	3.1	3.1	3.0
Global Systemically Important Institution buffer	0.0	0.0	0.0	0.0	0.0
Other Systemically Important Institution buffer	1.0	1.0	1.0	1.0	1.0
Combined buffer requirement	8.3	8.3	8.2	8.2	7.4
Overall capital requirements	18.9	19.0	18.9	18.4	17.7
CET1 available after meeting the total SREP own funds requirements	13.0	12.4	12.3	12.6	12.3
Leverage ratio					
Total exposure measure	2 957 209	2 689 307	2 876 831	2 892 936	2 921 562
Leverage ratio, %	6.4	6.5	6.0	5.8	5.6
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	0.0	0	0	0	0
of which: to be made up of CET1 capital	0.0	0.0	0.0	0.0	0.0
Total SREP leverage ratio requirements	3.0	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	3.0
Liquidity Coverage Ratio¹²					
Total high-quality liquid assets, average weighted value	691 200	709 683	722 060	717 976	715 174
Cash outflows, total weighted value	499 465	521 325	536 211	537 832	544 397
Cash inflows, total weighted value	58 558	58 123	55 863	55 578	53 133
Total net cash outflows, adjusted value	440 907	463 202	480 347	482 255	491 264
Liquidity coverage ratio, %	158.2	154.2	151.0	149.8	146.5
Net stable funding ratio					
Total available stable funding	1 781 575	1 720 299	1 722 723	1 741 688	1 709 056
Total required stable funding	1 415 898	1 390 353	1 420 508	1 415 740	1 418 583
Net stable funding ratio, %	125.9	123.7	121.3	123.0	120.5

1) The liquidity coverage ratio has been re-calculated and figures prior to 2024 have been adjusted.

2) High quality liquid assets and cashflows refer to the average of the values at each month-end during the last 12 months. The ratio is calculated as an average of the 12 last month-end observations.

Common Equity Tier 1 capital Consolidated situation, SEKm	31 Mar 2024	31 Dec 2023	31 Mar 2023
Shareholders' equity according to the Group's balance sheet	192 114	198 760	173 334
Anticipated dividend	-4 214	-17 049	-3 780
Value changes in own financial liabilities	-125	-150	-227
Cash flow hedges	-13	-9	-11
Additional value adjustments	-528	-609	-803
Goodwill	-14 298	-13 874	-14 037
Deferred tax assets	-20	-25	-41
Intangible assets	-3 800	-4 470	-4 320
Insufficient coverage for non-performing exposures	-87	-61	-9
Deductions of CET1 capital due to Article 3 CRR	-141	-140	-113
Shares deducted from CET1 capital	-48	-46	-39
Pension fund assets	-2 696	-1 667	-2 253
Total	166 143	160 659	147 702

Risk exposure amount Consolidated situation, SEKm	31 Mar 2024	31 Dec 2023	31 Mar 2023
Credit risks, standardised approach	59 138	59 387	53 128
Credit risks, IRB	388 620	374 538	337 809
Default fund contribution	329	335	231
Settlement risks			
Market risks	18 364	16 592	19 837
Credit value adjustment	1 569	2 986	1 976
Operational risks	96 123	96 123	79 995
Additional risk exposure amount, Article 3 CRR	27 279	29 234	73 400
Additional risk exposure amount, Article 458 CRR	267 924	267 925	239 802
Total	859 345	847 121	806 178

	SEKm			%		
Capital requirements¹ Consolidated situation, SEKm / %	31 Mar 2024	31 Dec 2023	31 Mar 2023	31 Mar 2024	31 Dec 2023	31 Mar 2023
Capital requirement Pillar 1	139 869	138 023	124 354	16.3	16.3	15.4
of which Buffer requirements ²	71 121	70 254	59 860	8.3	8.3	7.4
Capital requirement Pillar 2 ³	22 945	22 618	18 300	2.7	2.7	2.3
Pillar 2 guidance	4 297	4 236	8 062	0.5	0.5	1.0
Total capital requirement including Pillar 2 guidance	167 110	164 877	150 716	19.4	19.5	18.7
Own funds	208 908	195 648	185 944			

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 2023.

	SEKm			%		
Leverage ratio requirements¹ Consolidated situation, SEKm / %	31 Mar 2024	31 Dec 2023	31 Mar 2023	31 Mar 2024	31 Dec 2023	31 Mar 2023
Leverage ratio requirement Pillar 1	88 716	80 679	87 647	3.0	3.0	3.0
Leverage ratio Pillar 2 guidance	14 786	13 447	13 147	0.5	0.5	0.5
Total capital requirement including Pillar 2 guidance	103 502	94 126	100 794	3.5	3.5	3.5
Tier 1 capital	187 988	174 848	162 241			

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

Note 25 Internal capital requirement

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

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

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

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

As of 31 March 2024, the internal capital assessment for Swedbank's consolidated situation amounted to SEK 50bn (SEK 50.5bn as of 31 December 2023). The capital to meet the internal capital assessment, i.e. the Total capital, amounted to SEK 208.9bn (SEK 195.6bn as of 31 December 2023) (see Note 24). Swedbank's internal capital assessment using its own models is not comparable with the estimated capital requirement that the SFSA releases quarterly and does not consider the SFSA risk-weight floor for Swedish mortgages.

The internally estimated capital requirement for the parent company amounted to SEK 33.7bn (SEK 34.4bn as of 31 December 2023) and the total capital amounted to SEK 153.7bn (SEK 142.8bn as of 31 December 2023) (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 III framework are described in more detail in Swedbank's Annual and Sustainability Report 2023 as well as in Swedbank's yearly Risk Management and Capital Adequacy Report, available on www.swedbank.se.

Note 26 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.

Geopolitical situation

The geopolitical situation is still uncertain due to the instability in the Middle east, the ongoing Russian war of aggression against Ukraine, and an increasingly protectionist trade policies that could affect the financial risks. Although these factors have had a significant impact on the economy, Swedbank has low to negligible direct exposures to counterparts in the warring countries and is assessed to have the ability to manage the indirect risks that may arise due to the heightened geopolitical uncertainty.

Inflation

Global inflation is declining, but it remains significantly above the monetary policy target levels. Both lowering interest rates too early and keeping them high for too long pose a risk to the economies of the Nordic and Baltic regions, which could ultimately cause an economic downturn and increased unemployment. This concern is exacerbated by relatively high levels of household debt and short-term interest rate binding periods in Sweden, making them particularly sensitive to further interest rate hikes.

Challenges and risk in digitalisation

Swedbank continuously monitors operational risks and focuses on areas where the risks are considered highest. Swedbank has noted an increase of cyber risk due to geopolitical situation. During first quarter, Swedbank has prioritised activities to improve IT and information security, including cyber risk. Swedbank works continuously to ensure high service availability and security for its customers. Swedbank's capacity to manage these risks is good.

Fraud is a growing issue that is discussed at the highest societal level, especially focusing on fraud prevention activities within senior citizen population. Swedbank invests in and continuously improves the bank's resilience and ability to detect, prevent, and investigate fraud related crimes.

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

For risks related to the ongoing investigations of authorities in US related to historic anti-money laundering compliance and response related to anti-money laundering controls, please refer to Note 22 Assets pledged, contingent liabilities and commitments. The risk level related to Market Conduct risk (within Conduct risk) is elevated and risk-mitigating activities are ongoing.

Tax

The tax area is complex and there can be a scope for different interpretations. 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 2023 Annual and sustainability report and in the disclosures 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 2024	< 5 yrs	5-10 yrs	> 10 yrs	Total
SEK	-975	-107	255	-827
Foreign currencies	1 010	-305	-28	677
Total	35	-412	227	-150

31 December 2023				
SEK	-1 289	38	331	-920
Foreign currencies	1 110	-242	-69	799
Total	-179	-204	262	-121

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 2024	< 5 yrs	5-10 yrs	> 10 yrs	Total
SEK	793	-644	280	429
Foreign currencies	-700	-279	39	-940
Total	93	-923	319	-511

31 December 2023				
SEK	788	-805	428	411
Foreign currencies	-583	-293	-18	-894
Total	205	-1 098	410	-483

Note 27 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 28 Swedbank's share

	31 Mar 2024	31 Dec 2023	31 Mar 2023
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	-6 752 058	-7 209 322	-7 446 771
Number of outstanding ordinary shares on the closing day	1 125 253 664	1 124 796 400	1 124 558 951
SWED A			
Last price, SEK	212.30	201.70	170.15
Market capitalisation, SEKm	238 891	226 871	191 343

During 2024, within Swedbank's share-based compensation programme, Swedbank AB transferred 457 264 shares at no cost to employees.

	Q1 2024	Q4 2023	Q1 2023
Earnings per share			
Average number of shares			
Average number of shares before dilution	1 125 014 707	1 124 509 662	1 123 704 913
Weighted average number of shares for potential ordinary shares that incur a dilutive effect due to share-based compensation programme	3 121 382	2 862 375	2 729 989
Average number of shares after dilution	1 128 136 089	1 127 372 036	1 126 434 902
Profit, SEKm			
Profit for the period attributable to shareholders of Swedbank	8 428	8 321	7 561
Earnings for the purpose of calculating earnings per share	8 428	8 321	7 561
Earnings per share, SEK			
Earnings per share before dilution	7.49	7.40	6.73
Earnings per share after dilution	7.47	7.38	6.71

Financial statements - Swedbank AB

Income statement, condensed

Parent company SEKm	Q1 2024	Q4 2023	Q1 2023
Interest income	22 275	23 620	18 136
Interest expense	-16 611	-16 792	-11 311
Net interest income	5 663	6 828	6 825
Dividends received	5 627	4 869	6 262
Net commission income	1 764	1 682	1 699
Net gains and losses on financial items	266	1 152	342
Other income	1 096	1 057	923
Total income	14 416	15 588	16 051
Staff costs	3 103	3 042	2 883
Other expenses	1 829	2 147	1 557
Depreciation/amortisation and impairment of tangible and intangible fixed	1 304	1 261	1 265
Administrative fines			890
Total expenses	6 236	6 450	6 596
Profit before impairments, Swedish bank tax and resolution fees	8 180	9 138	9 455
Credit impairments, net	109	214	547
Impairment of financial assets ¹		115	
Swedish bank tax and resolution fees	337	339	337
Operating profit	7 734	8 471	8 571
Appropriations		6 995	
Tax expense	951	317	1 101
Profit for the period	6 783	1 159	7 471

1) Impairment of financial assets refers to impairment of P27 Nordic Payments Platform AB.

Statement of comprehensive income, condensed

Parent company SEKm	Q1 2024	Q4 2023	Q1 2023
Profit for the period reported via income statement	6 783	1 159	7 471
Total comprehensive income for the period	6 783	1 159	7 471

Balance sheet, condensed

Parent company SEKm	31 Mar 2024	31 Dec 2023	31 Mar 2023
Assets			
Cash and balances with central banks	213 228	116 547	218 900
Loans to credit institutions	801 514	817 011	819 143
Loans to the public	484 590	471 612	464 675
Interest-bearing securities	286 068	235 641	357 321
Shares and participating interests	89 867	77 642	77 176
Derivatives	53 460	49 650	53 621
Other assets	44 553	37 196	39 100
Total assets	1 973 281	1 805 299	2 029 938
Liabilities and equity			
Amounts owed to credit institutions	187 881	152 479	186 713
Deposits and borrowings from the public	899 717	864 906	952 674
Value change of the hedged liabilities in portfolio hedges of interest rate risk	125	209	
Debt securities in issue	460 933	378 554	528 185
Derivatives	62 908	96 284	78 986
Other liabilities and provisions	81 056	44 476	65 920
Senior non-preferred liabilities	119 171	104 828	66 774
Subordinated liabilities	40 933	32 841	37 232
Untaxed reserves	12 362	12 362	5 367
Equity	108 194	118 359	108 088
Total liabilities and equity	1 973 281	1 805 299	2 029 938
Pledged collateral	116 326	151 609	84 810
Other assets pledged	17 311	18 253	15 398
Contingent liabilities	89 893	88 535	88 787
Commitments	245 935	235 739	254 058

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 2024					
Opening balance 1 January 2024	24 904	5 968	13 206	74 281	118 359
Dividend				-17 048	-17 048
Share based payments to employees				100	100
Total comprehensive income for the period				6 783	6 783
Closing balance 31 March 2024	24 904	5 968	13 206	64 116	108 194
January-December 2023					
Opening balance 1 January 2023	24 904	5 968	13 206	67 424	111 502
Dividend				-10 964	-10 964
Share based payments to employees				301	301
Total comprehensive income for the period				17 520	17 520
Closing balance 31 December 2023	24 904	5 968	13 206	74 281	118 359
January-March 2023					
Opening balance 1 January 2023	24 904	5 968	13 206	67 424	111 502
Dividend				-10 964	-10 964
Share based payments to employees				79	79
Total comprehensive income for the period				7 471	7 471
Closing balance 31 March 2023	24 904	5 968	13 206	64 010	108 088

Cash flow statement, condensed

Parent company SEKm	Jan-Mar 2024	Full-year 2023	Jan-Mar 2023
Cash flow from operating activities	70 658	-137 536	-22 969
Cash flow from investing activities	9 140	5 794	12 994
Cash flow from financing activities	16 883	32 975	13 562
Cash flow for the period	96 681	-98 767	3 587
Cash and cash equivalents at beginning of period	116 547	215 314	215 314
Cash flow for the period	96 681	-98 767	3 587
Cash and cash equivalents at end of period	213 228	116 547	218 900

Capital adequacy

Parent company, SEKm	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023
Available own funds					
Common equity tier 1 (CET1) capital	111 949	109 148	106 441	106 100	106 324
Tier 1 capital	133 793	123 336	121 405	121 031	120 863
Total capital	153 667	142 832	140 837	146 348	143 484
Risk-weighted exposure amounts					
Total risk exposure amount	435 166	427 077	414 671	393 039	381 565
Capital ratios as a percentage of risk-weighted exposure amount					
Common equity tier 1 ratio	25.7	25.6	25.7	27.0	27.9
Tier 1 ratio	30.7	28.9	29.3	30.8	31.7
Total capital ratio	35.3	33.4	34.0	37.2	37.6
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	1.2	1.2	1.2	2.1	2.1
of which: to be made up of CET1 capital	0.8	0.8	0.8	1.4	1.4
of which: to be made up of Tier 1 capital	0.9	0.9	0.9	1.6	1.6
Total SREP own funds requirements	9.2	9.2	9.2	10.1	10.1
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	1.6	1.7	1.7	1.6	0.9
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	4.1	4.2	4.2	4.1	3.4
Overall capital requirements	13.4	13.4	13.4	14.2	13.5
CET1 available after meeting the total SREP own funds requirements	20.5	20.3	20.4	21.1	21.9
Leverage ratio					
Total exposure measure	1 571 858	1 308 778	1 532 147	1 529 710	1 521 947
Leverage ratio, %	8.5	9.4	7.9	7.9	7.9
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	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	3.0
Liquidity coverage ratio¹²					
Total high-quality liquid assets, average weighted value	571 529	588 366	595 633	581 236	571 405
Cash outflows, total weighted value	504 906	530 163	547 814	547 225	571 247
Cash inflows, total weighted value	51 895	51 162	50 033	50 918	51 115
Total net cash outflows, adjusted value	453 011	479 001	497 781	496 308	520 131
Liquidity coverage ratio, %	126.8	123.5	120.0	117.5	110.6
Net stable funding ratio					
Total available stable funding	1 095 569	1 033 099	1 044 967	1 039 516	1 032 023
Total required stable funding	614 594	596 745	601 829	589 546	601 344
Net stable funding ratio, %	178.3	173.1	173.6	176.3	171.6

1) The liquidity coverage ratio has been re-calculated and figures prior to 2024 have been adjusted.

2) High quality liquid assets and cashflows refer to the average of the values at each month-end during the last 12 months. The ratio is calculated as an average of the 12 last month-end observations.

Risk exposure amount	31 Mar	31 Dec	31 Mar
Parent company, SEKm	2024	2023	2023
Credit risks, standardised approach	131 424	125 798	104 306
Credit risks, IRB	197 172	196 446	175 375
Default fund contribution	329	335	231
Settlement risks			
Market risks	18 117	16 690	19 747
Credit value adjustment	1 538	2 940	1 968
Operational risks	50 860	50 860	42 408
Additional risk exposure amount, Article 3 CRR	1 000	500	29 358
Additional risk exposure amount, Article 458 CRR	34 726	33 508	8 172
Total	435 166	427 077	381 565

	SEKm			%		
Capital requirements¹	31 Mar	31 Dec	31 Mar	31 Mar	31 Dec	31 Mar
Parent company, SEKm / %	2024	2023	2023	2024	2023	2023
Capital requirement Pillar 1	52 870	51 942	43 500	12.1	12.2	11.4
of which Buffer requirements ²	18 056	17 775	12 975	4.1	4.2	3.4
Capital requirement Pillar 2 ³	5 353	5 253	8 013	1.2	1.2	2.1
Total capital requirement including Pillar 2 guidance	58 222	57 195	51 513	13.4	13.4	13.5
Own funds	153 667	142 832	143 484			

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 2023.

	SEKm			%		
Leverage ratio requirements¹	31 Mar	31 Dec	31 Mar	31 Mar	31 Dec	31 Mar
Parent company, SEKm / %	2024	2023	2023	2024	2023	2023
Leverage ratio requirement Pillar 1	47 156	39 263	45 658	3.0	3.0	3.0
Total leverage ratio requirement including Pillar 2 guidance	47 156	39 263	45 658	3.0	3.0	3.0
Tier 1 capital	133 793	123 336	120 863			

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.
Income statement excluding expenses for the administrative fines Amount related to expenses is presented excluding expenses for administrative fines. The amounts are reconciled to the relevant IFRS income statement lines on page 5.	Provides comparability of figures between reporting periods.
Return on equity excluding expenses for administrative fines Calculated based on profit for the period (annualised) attributable to the shareholders excluding expenses for the administrative fines, in relation to average equity attributable to shareholders' of the parent company. The average is calculated using month-end figures ¹ including the prior year end. Profit for the period attributable to shareholders excluding expenses for administrative fines are reconciled to Profit for the period allocated to shareholders, the nearest IFRS measure, on page 5.	Provides comparability of figures between reporting periods.
Cost/Income ratio excluding expenses for administrative fines Total expenses excluding expenses related to administrative fines in relation to total income. Total expenses excluding expense for administrative fines is reconciled to Total expenses, the nearest IFRS measure, on page 5.	Provides comparability of figures between reporting periods.

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

Measure and definition

Purpose

Other alternative performance measures

These measures are defined in the Fact book on page 77 and are calculated from the financial statements without adjustment.

- Share of Stage 1 loans, gross
- Share of Stage 2 loans, gross
- Share of Stage 3 loans, gross
- Equity per share
- Cost/Income ratio
- Credit Impairment ratio
- Loans to customers/Deposits from customers 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

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 2024 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, 24 April 2024

Göran Persson
Chair

Göran Bengtsson
Board Member

Annika Creutzer
Board Member

Hans Eckerström
Board Member

Kerstin Hermansson
Board Member

Helena Liljedahl
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 2024 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, 25 April 2024

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 2024

Interim report for the second quarter 2024	16 July 2024
Interim report for the third quarter 2024	23 October 2024

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

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