



Item 17

The Board of Directors' of Skandinaviska Enskilda Banken AB (publ) proposal at the Annual General Meeting on 25 March 2015 on guidelines for salary and other remuneration for the President and members of the Group Executive Committee

Proposal

The Board of Directors proposes that the Annual General Meeting approves the below referred guidelines for salary and other remuneration to be applied with regard to the President and members of the Group Executive Committee. The proposed guidelines correspond in all material respects to the guidelines for remuneration approved by the AGM 2014.

Regulatory framework

The guidelines comply with the Swedish Financial Supervisory Authority (FSA) regulations on remuneration in financial companies as well as with the Swedish Corporate Governance Code and Swedish and international regulations and guidelines in relevant parts.

According to the regulations, the Bank shall identify employees whose professional activities have a material impact on the SEB Group's risk profile. The members of the Group Executive Committee are included in this category.

Guidelines

SEB aims to be an attractive employer who can attract and retain the most qualified and committed employees in the markets where SEB operates. Good performance and sound behaviour is rewarded. SEB's remuneration supports an appropriate and professional approach and balanced risk taking, for the benefit of the customers and the shareholders.

Remuneration shall be competitive in the markets and segments where SEB operates in order to reward high performing employees. SEB's competitors consist of both local and regional financial institutions as well as global firms in the markets on which SEB operates.

The remuneration structure for the Group Executive Committee is based on three main components; **base pay, equity-based remuneration** and **pension and other benefits**. The total remuneration reflects the complexity, responsibility and leadership skills required as well as the performance of the individual Executive. The remuneration structure does not include cash-based variable remuneration.

The **base pay** forms the foundation of the market oriented total remuneration required to attract Senior Executives. The individual base pay shall be linked to the requirements on the position as well as the sustainable performance of the Executive holding the position.

Equity-based remuneration is a means to attract and retain Senior Executives with key competences in SEB. It is also an incentive for the employees to become shareholders of SEB and it builds and strengthens long-term commitment in the interests of the shareholders.



The allotment of equity-based remuneration is based on the Board of Directors' assessment of performance in terms of Return on Equity (ROE)/Return on Business Equity (ROBE), cost targets and customer satisfaction and parameters such as compliance and risk as outlined in SEB's business plan. The initial allotment may not exceed 100 per cent of the base pay.

The final outcome is subject to risk adjustment. Information on the structure and cost of the proposed long-term equity programmes for 2015 is found in the Board proposal for the programmes (item 18 on the agenda).

The **pension** plans for the members of the Group Executive Committee are defined contribution plans, with the exception of a small defined benefit component according to the collective agreement covering all employees. The pension plan shall be in line with the Pension Policy and Instruction of the SEB Group.

Termination of employment by the Bank entitles to a severance payment of up to twelve months base pay. SEB has the right to deduct any income from other employments from the severance pay.

Other benefits such as a company car and domestic services may be offered and shall be on market terms.

General

The Board shall have the possibility to deviate from the approved guidelines if special reasons exist in an individual case.

Stockholm in February 2015

Skandinaviska Enskilda Banken AB (publ)

THE BOARD OF DIRECTORS