Item 17 a) – c)

The Board of Directors' of Skandinaviska Enskilda Banken AB (publ) proposal for decision at the Annual General Meeting on 4 April 2023 on Long-term Equity Programmes for 2023

Background and objectives of the Long-term Equity Programmes

Skandinaviska Enskilda Banken AB (SEB or the Bank) aims to attract, retain, develop and reward committed and competent employees who contribute to the Bank's long-term success. Employee remuneration should encourage high performance, sound and responsible behaviour and risk-taking that is aligned with SEB's behaviours and the level of risk tolerance set by the Board of Directors (Board). It should promote the employees' long-term commitment to create sustainable value for customers and shareholders. The total remuneration reflects the complexity, responsibility and leadership skills required in each position as well as the performance of the individual employee. Performance is evaluated on the basis of financial and non-financial goals, with SEB's behaviours as a starting point.

Equity-based remuneration is a means to attract and retain staff with key competences in SEB and its subsidiaries. It is also an incentive for the employees to become shareholders of SEB, which builds and strengthens long-term commitment in the interests of the shareholders. Furthermore, regulatory requirements for financial institutions demand that variable remuneration to a large extent is paid out in equity or equity-related instruments.

SEB first introduced long-term equity programmes in 1999. Information about the programmes has been provided in the annual reports and at the Annual General Meetings (AGMs). The scope of the outstanding programmes can be found in the Annual Report 2022.

The programmes are evaluated on a continuous basis throughout the year by the Remuneration and Human Resources Committee of the Board (RemCo). RemCo also monitors the employees' participation in the programmes.

The evaluations generally focus on keeping the same structure as in previous year, while also considering the effectiveness, attractiveness and competitiveness of the Bank's programmes. Furthermore, market, shareholder preferences and society trends are analysed as well as the external and internal communication.

The outcome of the evaluation is reported to the Board and also discussed with the major shareholders together with the suggested proposal for the upcoming AGM.

Proposals

Based on the evaluation and discussions with major shareholders in SEB, it is proposed that the AGM resolves on the following three long-term equity programmes for 2023 with the same main structure as previous year:

a) SEB All Employee Programme 2023 (AEP) for all employees in most of the countries where SEB operates,
b) SEB Share Deferral Programme 2023 (SDP) for the Group Executive Committee (GEC), certain other senior managers and key employees, and

c) SEB Restricted Share Programme 2023 (RSP) for some employees in certain business units.

The proposals have been prepared by the Board and RemCo. The Board's and RemCo's view is that the proposals strike an appropriate balance between motivating the employees and achieving a long-term, well-balanced and competitive remuneration. For the avoidance of doubt, Board members that participate in any of the programmes have not participated in the Board's decision making of this proposal.

The proposed programmes allow for risk adjustment for current as well as future risks. The final outcome may therefore be cancelled partly or entirely in accordance with regulations, among other things taking the Bank's result and capital and liquidity required in the business into account.

SEB All Employee Programme 2023 (AEP) (17 a)

The AEP in brief

SEB All Employee Programme 2023 (AEP) is a programme for all employees (excluding GEC members) in most of the countries where SEB operates. The AEP normally requires, with certain exemptions such as retirement, redundancy and disability, the employee to be employed during three years from allotment of the conditional share rights or conditional deferred amount to be eligible for payment in class A-shares of the Bank or cash adjusted for the SEB A-share's total shareholder return, TSR, as applicable.

For employees in Sweden, the individual maximum outcome is capped at SEK 75,000. For employees in other eligible countries, the individual maximum outcome is denominated in local currencies and capped at levels ranging from approximately the equivalent of SEK 30,000 to SEK 100,000, depending on country.

Performance criteria

The outcome of the AEP is based on the development of pre-determined long-term Group financial and non-financial targets. The financial targets are return on equity (RoE) and cost development. RoE is evaluated in absolute terms and relative to how other banks are performing while cost development is evaluated against the cost levels externally communicated by the Bank.

The non-financial targets are customer satisfaction and sustainability. The evaluation of customer satisfaction is based on the results of external customer surveys compared to internally set customer satisfaction targets while sustainability is evaluated against the sustainability ambitions externally communicated by the Bank.

On individual level, the allocation of the cash component as well as any delivery of class A-shares or cash payment adjusted for TSR (as applicable) is also dependent on the employee fulfilling his/her obligations towards SEB. The outcome is also subject to a proposal at the AGM 2024 on dividend distribution to the shareholders. The Board may nevertheless decide to allocate an outcome even if no proposal for a dividend is made, provided the reason for not proposing dividend follows from e.g. temporary regulations or recommendations from authorities limiting dividends.

General structure and share delivery

Subject to the below conditions, 50 per cent of the outcome is normally paid immediately in cash and 50 per cent is deferred for three years. For employees in Sweden, the deferred part is allocated as conditional share rights. After three years, the conditional share rights are converted and then paid in class A-shares in the Bank. Each conditional share right carries the right to receive one class A-share in the Bank

For employees outside of Sweden, the deferred part is allocated as conditional deferred amount. After three years the deferred amount is adjusted for TSR (i.e. the share price development of the class A-share in the Bank, including reinvested dividends) and paid out in cash.

For the AEP 2023 it is proposed to introduce an option for the employees to choose a pay-out structure as follows:

1. Pay-out 50 % immediately in cash and 50 % in shares or TSR adjusted cash after 3 years as described above as default or if no choice is made,
2. Pay-out 100 % in shares or TSR adjusted cash after 3 years with adjusted higher initial allocation, or
3. Pay-out 100 % immediately in cash with adjusted lower allocation.

The adjustment of the initial allocation in option 2 and 3 will be set to ensure similar total cost as if all eligible employees are paid using the default payment structure in option 1.

Should the total outcome under the AEP be below approximately 30 per cent of the maximum outcome, the total outcome may be paid in cash without deferral for all eligible employees.

The holders are compensated for dividends to the shareholders during the deferral period. Thus, the number of conditional share rights will be recalculated during the deferral period, taking the dividend into account. The TSR calculation includes reinvested dividends during the deferral period.

The programme will comprise an obligation for the Bank to deliver a maximum of approximately 9.0 million class A-shares. The expected outcome for the programme is approximately 1.8 million class A-shares.

Costs and risk mitigation
For information on the costs associated with the AEP and actions to hedge the financial risks of the AEP, please see "*The cost for the programmes*" and "*Hedging and transfer of shares*" below.

SEB Share Deferral Programme 2023 (SDP) (17 b)
The SDP in brief
SEB Share Deferral Programme 2023 (SDP) is a programme for GEC, certain other senior managers and key employees, maximum 1,000 participants in total. The SDP normally requires, with certain exemptions such as retirement, disability and orderly transition, the employee to be employed during three years from allotment to be eligible for payment. A further requirement for GEC and their direct reports is that they hold shares (including share rights for which the ownership has passed to the participant) in SEB equal to a pre-determined amount, for GEC equivalent to one-year salary net of taxes, acquired no later than during the initial three-year vesting period (see "*General structure and share delivery"* below). If these requirements are not fulfilled, the share rights may be forfeited. For GEC members, the initial allotment may not exceed 100 per cent of the base pay.

Performance criteria
The participants are granted an individual number of conditional share rights based on their position and the fulfilment of pre-determined Group, business unit and individual targets as outlined in SEB's and the relevant unit's business plan and the individuals' development plan. The targets are set on an annual basis as a mix of financial and non-financial targets. Examples on Group level are the

financial targets return on equity (RoE) and return on business equity (RoBE) as well as cost development.

Examples of non-financial targets are, customer satisfaction and parameters such as compliance, employee engagement, SEB's corporate sustainability development and risk management.

The targets are evaluated from a multi-year perspective including both absolute and relative performance, as applicable, and taking SEB's three year business plan into account.

General structure and share delivery
For GEC and other senior managers, ownership of 50 per cent of the conditional share rights is transferred to the participant after a qualification period of three years, 50 per cent after a qualification period of five years. For other participants, ownership of 100 per cent of the conditional share rights is transferred after three years, unless they are deemed Identified staff, then 50 per cent of the ownership is transferred after four years. After each respective qualification period there is an additional holding period of one year after which the share rights can be exercised during a period of three years. Each share right carries the right to receive one class A-share in the Bank.

For participants in countries mainly outside of SEB's European locations, the structure described above remains the same, but the allocation is deferred as a conditional deferred amount and, after the holding period, paid in cash adjusted for the TSR, including any dividend distribution during the holding and exercise period.

In order to facilitate share ownership and strengthening the shareholder alignment, in addition to the above-mentioned exercise period, the exercise period for GEC members is extended during the period that they are members of GEC.

The holders are compensated for dividends to the shareholders during the holding and exercise period. Thus, the number of share rights will be recalculated during this period, taking the dividend into account. The TSR calculation includes reinvested dividends during this period.

The programme will comprise an obligation for the Bank to deliver a maximum of approximately 4.2 million class A-shares.

Costs and risk mitigation
For information on the costs associated with the SDP and actions to hedge the financial risks of the SDP, please see "*The cost for the programmes*" and "*Hedging and transfer of shares*" below.

SEB Restricted Share Programme 2023 (RSP) (17c)
The RSP in brief
SEB Restricted Share Programme 2023 (RSP) is a programme for selected employees on the level below senior executives within certain business units of SEB, maximum 1,000 participants in total. The RSP requires that the participant has not been dismissed by SEB or ceased its employment with SEB and has taken up, e.g., a new employment, board membership, partnership, assignment or is directly or indirectly engaged in a business which might have an adverse effect for the Bank before the end of the qualification period, to be eligible for payment.

Performance criteria
Participants that have a material impact on the risk profile of the bank, Identified Staff (IDS) are granted an individual number of share rights and conditional share rights, whereas other participants are granted an individual number of conditional share rights. The grant is based on the fulfilment of pre-determined Group, business unit and individual targets as outlined in SEB's and the relevant unit's business plan and the individuals' development plan. The targets are set on an annual basis as a mix of financial and non-financial targets. Examples on Group level are the financial targets return on equity (RoE) and return on business equity (RoBE) as well as cost development.

Examples of non-financial targets are customer satisfaction and parameters such as compliance, employee engagement, SEB's corporate sustainability development and risk management.

The targets are evaluated from a multi-year perspective including both absolute and relative performance, as applicable, and taking SEB's three year business plan into account.

General structure and share delivery
The ownership of the share rights is transferred immediately to the participants. The ownership of the conditional share rights is transferred to participants that are IDS, *pro rata* after qualification periods of one to four years. The ownership of the conditional share rights is transferred to other participants, *pro rata* after qualification periods of one to three years. Each share right carries the right to receive one class A-share in the Bank.

The qualification periods of the programme have been set to periods shorter than three years in order to comply with mandatory remuneration requirements applicable to banks.

After the transfer of the ownership there is an additional holding period of one year after which the share rights can be exercised during a period of six months.

For participants in countries mainly outside SEB's European locations, the structure described above is applied, but the allocation is deferred as a conditional deferred amount and after the holding period, paid in cash adjusted for the TSR, including any dividend distribution during the holding and exercise period.

The holders are compensated for dividends to the shareholders during the holding and exercise periods. Thus, the number of share rights will be recalculated during the these periods, taking the dividend into account. The TSR calculation includes reinvested dividends during the these periods.

The programme will comprise an obligation for the Bank to deliver a maximum of approximately 1.4 million class A-shares.

Costs and risk mitigation
For information on the costs associated with the RSP and actions to hedge the financial risks of the RSP, please see "*The cost for the programmes*" and "*Hedging and transfer of shares*" below.

Allotment under the programmes
The maximum number of shares that can be transferred under the programmes is 14.6 million. The calculated expected outcome is approximately 6.9 million shares. The maximum number of shares under the programmes equals approximately 0.66 per cent including and 0.25 per cent excluding the SEB All Employee Programme (expected outcome equals approximately 0.31 per cent including and 0.23 per cent excluding the SEB All Employee Programme) of the total number of

shares in the Bank. The delivery of class A-shares is proposed to be effectuated with existing shares. Allotment under the programmes shall be made before the 2024 AGM.

The number of class A-shares which each participant may receive in the programmes may be subject to recalculation under the terms and conditions of the programmes as a consequence of AGM decisions on issues of bonus shares to shareholders, splits, preferential issues and similar measures.

Participation in any of the programmes requires that it is legally and appropriately possible in the jurisdiction concerned and that such participation in the Bank's judgement is possible with reasonable administrative and financial costs.

Shares received and purchased under the programmes are ordinary class A-shares with the right to a dividend. The share rights are not securities that can be sold, pledged or transferred to others.

Taxation
The programmes have been designed in such a way that participants will normally be taxed for the benefit of receiving shares in the income year when the shares are received. The taxable value of the benefit will normally be equal to the closing price for the shares when the shares are received. The value of the benefit is taxed as income from employment for the participant. Thus, social security contributions will in most cases be charged on the benefit amount and be a cost for the employer.

The cost for the programmes
All Employee Programme (AEP)
The *maximum* annual charge for the deferred part of the AEP (i.e. shares and cash adjusted for TSR) that may affect the profit and loss account is SEK 160m, out of which SEK 33m is related to social charges. The annual charge to the profit and loss account for the expected calculated outcome under the programme is estimated to SEK 65m, out of which SEK 14m is related to social charges. The expected aggregated charges during the total programme period in the profit and loss account are SEK 260m.

Share Deferral Programme (SDP)
The *maximum* annual charge for the SDP that may affect the profit and loss account is SEK 165m, out of which SEK 38m is related to social charges. The annual charge to the profit and loss account for the *expected* calculated outcome under the programme is estimated to SEK 145m, out of which SEK 33m is related to social charges. The expected aggregated charge during the total programme period in the profit and loss account is SEK 580m.

Restricted Share Programme (RSP)
Based on the structure of the RSP, where part of the ownership is transferred immediately and part is distributed *pro rata*, the annual charge will differ each year during the programme length. The *maximum* annual charge for the RSP that may affect the profit and loss account is SEK 105m the first year and SEK 13m the last year, out of which SEK 25m and SEK 3m respectively is related to social charges. The annual charge to the profit and loss account for the *expected* calculated outcome under the programme is estimated to SEK 105m and SEK 13m respectively, out of which SEK 25m and SEK 3m respectively is related to social charges. The expected aggregated charge during the total programme period in the profit and loss account is SEK 214m.

Assumptions
The maximum calculated annual charge is based on the assumptions that the price of the class A-share is SEK 120 and that no participant is leaving SEB during the employment requirement period. Furthermore, it may be noted that should the SEB share price increase from the assumed SEK 120, the increase in maximum calculated annual charge will be approximately SEK 2.5m for every SEK in increase. The part of the programmes that will be settled in cash will create a higher volatility in the income statement since the change in the share price is reported when it occurs.

Other
The expected average annual charge in the profit and loss account for the three programmes is equivalent to approximately 1.64 per cent of the total annual staff costs in the SEB Group.

Hedging and transfer of shares
The AEP, SDP and RSP programmes lead to certain financial exposure for the Bank, due to market price changes for the class A-share in the Bank. The aim is to hedge this exposure by the acquisition of own shares (item 18 b on the agenda for the AGM) or by equity swap contracts with third parties. The social security contribution is not hedged. Based on the current interest level, it is estimated that the annual interest expense for the hedging arrangement for the programmes is negligible.

There are different methods for effectuating the transfer of shares to the participants under the programmes, such as delivery of own shares and an agreement with a third party under which the third-party transfers shares to the participants under the programmes. The Board considers delivery of own shares as the most cost efficient and flexible method. Therefor this is the main alternative (item 18 c on the agenda for the AGM).

Proposed decision concerning Long-term Equity Programmes for 2023 (item 17 a – c on the agenda)
The Board of Directors proposes that the AGM decides on long-term equity programmes for 2023 based on the scope and principles referred to above in the form of:

a) SEB All Employee Programme 2023 (AEP) for all employees in most of the countries where SEB operates,
b) SEB Share Deferral Programme 2023 (SDP) for the Group Executive Committee (GEC), certain other senior managers and key employees, and
c) SEB Restricted Share Programme 2023 (RSP) for some employees in certain business units.

The Board of Directors shall be authorised to decide on the detailed terms and conditions for the AEP, SDP and RSP programmes based on the above principles, including making such adjustments that may be necessary or desirable to comply with local national laws, regulations or established practices. The Board of Directors shall also be authorised to reduce the final outcome of the programmes, either partly or entirely, considering SEB's financial results and position, the conditions on the stock market, conditions related to the participant and other circumstances such as changes in accounting principles as well as due to regulatory requirements. Any reduction of the final outcome of the programmes shall be communicated in connection with SEB's first financial report following the decision.

The Board of Directors shall furthermore be authorised to make minor adjustments to the AEP, SDP and RSP programmes from time to time if the adjustment is deemed advisable and provided that the programmes following such adjustments do not deviate from the principles set forth above. In particular, any adjustments may not result in that the maximum number of shares and the calculated maximum costs for the programmes are exceeded.

The Board of Directors may delegate any of its rights outlined herein to the Remuneration and Human Resources Committee.

There is a requirement for resolutions to be passed in accordance with the Board of Directors' proposal that the resolutions of the AGM are supported by shareholders representing more than half of the votes cast.

Stockholm in February 2023

Skandinaviska Enskilda Banken AB (publ)

THE BOARD OF DIRECTORS