

Item 16

The Board of Directors' of Skandinaviska Enskilda Banken AB (publ) proposal at the Annual General Meeting on 29 June 2020 on guidelines for salary and other remuneration for the President and members of the Group Executive Committee

Proposal

The Board of Directors of Skandinaviska Enskilda Banken AB (publ) ("SEB") proposes that the Annual General Meeting (AGM) 2020 approves the below referred guidelines (the "Guidelines") for salary and other remuneration to be applied with regard to the President and members of the Group Executive Committee (together the "Executives").

Each remuneration which the shareholders resolve on at the AGM falls outside of the scope of the Guidelines. The long-term equity-based remuneration to the Executives and remuneration to the board members for the board assignment are consequently excluded from these Guidelines.

Board members might be contracted to perform consultancy services for SEB separate to their board assignments. Any such undertaking will be managed according to internal rules and with due considerations to potential conflict of interest. These Guidelines are not applicable on such contract unless it is for a position that is covered by these Guidelines. Information about the remuneration for such contract will be included in the Annual Report and the Remuneration Report.

The Guidelines are forward-looking, meaning that they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the Guidelines at the AGM 2020. These Guidelines do not apply to any remuneration decided or approved by the AGM 2020 or at earlier shareholders' meetings.

The purpose of the Guideline is to increase the shareholders' participation and insight in matters regarding remuneration for the Executives and to ensure that shareholders can influence the framework for the remuneration for the Executives. It is the Board of Directors that resolves upon the specific and individual remuneration for the Executives within the framework of the Guidelines.

Regulatory framework

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

The Bank shall identify employees whose professional activities have a material impact on the SEB Group's risk profile. The Executives are included in this category.

SEB business strategy

SEB's business strategy is to be the leading Nordic corporate and institutional bank, as well as the top universal bank in Sweden and the Baltic countries, maintaining a strong financial position including capital, liquidity and cost control to deliver long-term shareholder value. For more information regarding SEB's business strategy, please see www.sebgroup.com.

Guidelines

SEB aims to attract and retain committed and competent employees who contribute to SEB's long-term success. Employee remuneration should encourage high performance, sound and responsible behaviour and risk-taking that are aligned with SEB's values and the level of risk tolerance set by the Board of Directors. It should promote the employees' long-term commitment to create sustainable value for customers and shareholders. Performance is evaluated on the basis of financial and non-financial goals, with SEB's values as a starting point.

A prerequisite for the implementation of SEB's business strategy and its sustainable long-term success is that SEB is able to recruit and retain qualified senior executives. It is necessary that SEB offers competitive remuneration 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.

These Guidelines enable SEB to offer the Executives a competitive total remuneration.

Long-term equity programmes have been implemented in SEB since 1999. Such programmes have been resolved on by relevant general shareholders' meetings and are therefore excluded from these Guidelines. The long-term equity programmes include, among others, the Executives. The performance criteria used to assess the initial allotment of these long-term equity programmes are distinctly linked to the business strategy, the current three year business plan and thereby to SEB's long-term value creation, including its sustainability. At present, these performance criteria comprise e.g. SEB's operating income and expense, return on equity, customer satisfaction, employee engagement, IT & digitalisation, sustainability, conduct and strategic initiatives. The maximum annual allotment of long-term equity programmes may not exceed 100 per cent of the Executives' base pay in accordance with applicable laws and regulations. For more information regarding these programmes, including the criteria which the outcome depends on, please see the Board of Directors' proposal for decision at the AGM on Long-term equity programmes.

Types of remuneration etc.

The remuneration structure for the Executives shall be on market terms and may consist of **base pay (fixed cash salary), pension benefits and other benefits**. Additionally, the general shareholders' meeting may – irrespective of these Guidelines – resolve on, among other things **equity-based remuneration**.

The total remuneration shall reflect 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 Executives.

The **pension** benefit for the President, including health insurance, shall be defined contribution plan and the pension premium shall amount to not more than 50 per cent of the annual base pay. For the other Executives the pension benefit, including health insurance, shall be defined contribution based with individual exemption of a defined benefit component according to the collective agreement covering all employees and capped at a maximum pensionable salary of 30 income base amount (*Sw. Inkomstbasbelopp*). The pension premium for the defined contribution plan, shall amount to not more

than 50 per cent of the annual base pay. The pension plan shall be in line with the Remuneration Policy for the SEB Group.

Other benefits may include, for example, life insurance, medical insurance, health promoting support, company car and domestic services offered and shall be on market terms. Such benefits may amount to not more than 20 per cent of the annual base pay.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these Guidelines.

Termination of employment

Upon termination of an employment, the notice period may not exceed twelve months. Base pay during the notice period and severance pay may together not exceed an amount equivalent to the Executive's base pay for two years. SEB has the right to deduct any income from other employments from the severance pay. When termination is made by the Executive, the notice period may not exceed six months, without any right to severance pay.

Additionally, remuneration may be paid for non-compete undertakings. Such non-compete remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed Executive is not entitled to severance pay. The non-compete remuneration shall be based on the base pay at the time of termination of employment and amount to not more than 100 per cent of the monthly base pay at the time of termination of employment and be paid during the time the non-compete undertaking applies, however, not for more than 18 months following the termination of employment.

The decision-making process to determine, review and implement the Guidelines

The Board of Directors has established a Remuneration and HR Committee ("Remuneration committee"). The Remuneration committee's tasks include preparing the Board of Directors' decision to propose these Guidelines. The Board of Directors shall prepare a proposal for new Guidelines at least every fourth year and submit it to the general shareholders' meeting. The Guidelines shall be in force until new Guidelines are adopted by a general shareholders' meeting. The Remuneration committee shall also monitor and evaluate programmes for variable remuneration for the Executives, the application of the Guidelines for salary and other remuneration to the Executives as well as the current remuneration structures and compensation levels in the SEB Group. The members of the Remuneration committee are independent of SEB, its management and are not employed by SEB. Executives do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these Guidelines, the salary and employment conditions for employees have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time in the Remuneration committee's and the Board of Directors' basis of decision when evaluating whether the Guidelines and the limitations set out herein are reasonable.

Derogation from the Guidelines

The Board of Directors may temporarily resolve to derogate from the Guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve SEB's long-term interests, including its sustainability, or to ensure SEB's financial viability. As set out above,

the Remuneration committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This also includes any resolutions to derogate from the Guidelines.

Stockholm in May 2020

Skandinaviska Enskilda Banken AB (publ)

THE BOARD OF DIRECTORS