

## **Proposals for decisions, including motivated account as regards Directors, of the Nomination Committee for Skandinaviska Enskilda Banken AB for the Annual General Meeting 2018**

The Nomination Committee for the 2018 Annual General Meeting was constituted on the basis of the share ownership position as per 31 August 2017.

The Chairman of the Nomination Committee is Petra Hedengran (Investor AB). The other shareholder representatives are Magnus Billing (Alecta), Lars Heikensten (Trygg-Stiftelsen) and Javiera Ragnartz (AMF). Marcus Wallenberg (Chairman of the Board of Directors, SEB) is also a member of the Committee. Tomas Nicolin, (Director, SEB) is additional member to the Nomination Committee.

Shareholders have had the opportunity to make proposals to the Nomination Committee, via e-mail and ordinary post.

### **Election of Chairman of the Meeting**

The Nomination Committee proposes Sven Unger, member of the Swedish Bar Association, as Chairman of the Meeting.

### **Determination of the number of Directors and Auditors to be elected by the Meeting**

The Nomination Committee proposes 11 Directors and one Auditor.

### **Approval of the remuneration to the Directors elected by the Meeting and the Auditor**

The Nomination Committee proposes a Directors' fee of SEK 9,700,000 to be distributed with SEK 2,940,000 to the Chairman of the Board, SEK 6,760,000 to be distributed to the other Directors elected by the AGM who are not employed in the Bank with SEK 930,000 to each of the Vice Chairmen and with SEK 700,000 to each of the other Directors. In addition hereto up to SEK 3,582,500 is proposed as fee for Committee work to be distributed as follows:

Risk & Capital Committee; Chairman SEK 550,000, other member SEK 345,000, Audit & Compliance Committee; Chairman SEK 425,000, other member SEK 265,000 and Remuneration & Human Resources Committee; Chairman SEK 387,500, other member SEK 195,000.

The proposal implies an increase in base fee as regards the Chairman from SEK 2,850,000 to SEK 2,940,000 (3.2 per cent), as regards the Vice Chairmen from SEK 900,000 to SEK 930,000 each (3.3 per cent) and as regards other Directors from SEK 675,000 to SEK 700,000 each (3.7 per cent). For the Chairman of the Audit & Compliance Committee the fee is proposed to be increased from SEK 400,000 to SEK 425,000 and for members of the committee the fee is proposed to be increased from SEK 250,000 to SEK 265,000 each. The fees to the Chairman and members of the Risk & Capital Committee and the Remuneration & Human Resources Committee, respectively, are proposed to remain unchanged. No employee of the Bank will be a member of a Board Committee. The proposed raise of fees is primarily motivated by an increase in workload in the board and in the Audit & Compliance Committee but partly also to align with market.

Auditor's fee is proposed to be payable according to approved invoice.

### **Election of Directors as well as Chairman of the Board**

The Nomination Committee proposes re-election of the Directors Johan H. Andresen, Signhild Arnegård Hansen, Samir Brikho, Winnie Fok, Tomas Nicolin, Sven Nyman, Jesper Ovesen, Helena Saxon, Johan Torgeby, Marcus Wallenberg and Sara Öhrvall, all for the period up to and including the Annual General Meeting 2019.

Marcus Wallenberg is proposed as Chairman of the Board of Directors.

Out of the proposed Directors the following are independent in relation to the Bank and its management as well as in relation to major shareholders: Johan H. Andresen, Signhild Arnegård Hansen, Samir Brikho, Winnie Fok, Tomas Nicolin, Sven Nyman and Jesper Ovesen. Helena Saxon and Marcus Wallenberg are independent in relation to the Bank and its management. Johan Torgeby is independent in relation to the Bank's major shareholders.

#### The Nomination Committee motivated account for the proposal for Directors

The Nomination Committee has been informed that all present Directors are available for re-election.

As a basis for its proposals, the Nomination Committee has had access to information on the Bank's activities and financial and strategic position provided by the Chairman of the Board and by Tomas Nicolin, member of the SEB Board of Directors. At one of the Nomination Committee meetings, the Committee was given information by Jesper Ovesen, one of the Vice Chairmen of the Board and Chairman of the Audit & Compliance Committee of the Board. Further, the Nomination Committee has reviewed the outcome of the SEB Board's evaluation of its board work made during the autumn of 2017 and has received information on how the board work functions.

The Nomination Committee has been informed by the Bank of the rules, regulations and guidelines in the governance area, among others having implications to the task of nominating Directors to the Board of the Bank. In addition, the Nomination Committee has been informed of the contents of the *Policy on diversity and assessment of suitability of Directors for Skandinaviska Enskilda Banken AB*, a policy adopted by the Board of Directors of the Bank. The Nomination Committee has also had access to information on the proposed Directors other assignments as provided by each of them and compiled by the Bank.

Based on the information provided the Nomination Committee has assessed to what extent the present Board of Directors meets the requirements that will be put on the Board as a result of the Bank's business and organisation, position and future direction, as well as the criteria set up in applicable rules, regulations and guidelines.

As to the need for combined competence on the Board it is the firm opinion of the Nomination Committee that a number of different experiences and competences shall be represented. The business of the SEB Group comprises almost all kinds of financial services. Thus, combined experience represented on the Board from banking and securities business as well as from asset management and insurance business is a necessity. It is also of importance that the Board comprises a good level of combined competence and experience from enterprise and from different markets, both the different geographic home markets of the SEB Group and markets deemed to be of specific strategic interest. This also calls for a good level of knowledge of the main customer groups of SEB. The Nomination Committee is further of the opinion that the Board shall contain a good level of combined competence as regards among others risk management, the regulatory framework, governance and control. Several years of combined experience from board work, strategic business development, target definition and follow-up is also a pre-requisite. Good insights in and understanding of the consequences of the on-going digitalization of the society is also of great importance.

The Nomination Committee has discussed, among other things, the size and composition of the Board in terms of e.g. industry experience and expertise as well as other diversity perspectives. It is the opinion of the Nomination Committee that diversity and equality perspectives are of importance in board composition. Among other things in light of this, the composition of the Board from the distribution according to gender, age and background has been separately discussed. In preparing the proposal for Directors, the Nomination Committee has for Diversity policy applied Clause 4.1 of the Rules for Corporate Governance in Swedish Corporate Governance Code. Based on information provided, the Nomination Committee has also assessed the pre-requisites for the Directors to commit sufficient time for

the assignment. Further, the Nomination Committee has discussed future succession matters and is in that context of the opinion that continuity and a long-term perspective in securing the competence and composition of the Board is of significant importance.

It is the opinion of the Nomination Committee that the board work is well functioning. The 2018 AGM in the Bank is proposed to elect 11 Directors. Out of the proposed individuals four are women and six are men<sup>1</sup>. The proposed Board meets the requirements that will be put on the Board as a result of the Bank's business and organisation, position and future direction, as well as the criteria set up in relevant rules, regulations and guidelines, among others as regards other assignments.

The Nomination Committee is further of the opinion that the individuals proposed, all of good repute, are well suited for the task both individually and as a group and that they are able to commit sufficient time for the assignment as well as to perform the assignment with the care and engagement required.

The proposal for the composition of the Board of Directors of the Bank meets the requirements following from the rules of the Swedish Corporate Governance Code as regards independence of Directors.

Further particulars regarding the proposed Directors are available on the Bank's website, [www.sebgroup.com](http://www.sebgroup.com).

#### **Election of Auditor**

The Nomination Committee proposes re-election of PricewaterhouseCoopers AB for the period up to and including the AGM 2019 (the authorised public accountant Peter Nyllinge with PwC will be responsible for the auditing activities).

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The Nomination Committee for SEB in February 2018

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<sup>1</sup> The President and CEO is not included in this calculation