

## **Evaluation by the Board of variable remuneration to GEM according to Swedish Corporate Governance Code**

According to the Guidelines for remuneration to the executive officers (CEO, Deputy CEO and other members of Group Executive Management) approved by the Annual General Meeting 16 March 2017, an Executive Incentive Programme 2017 (“GEM EIP 2017”) was offered to reward performance meeting agreed predetermined targets on Group, business unit and individual level. GEM EIP 2017 is similar to previously offered GEM EIP (offered since 2013).

The effect on the long term result is to be considered when determining the targets in GEM EIP 2017. The outcome from GEM EIP 2017 shall be paid over a five year period in cash and be subject to forfeiture clauses, Total Shareholder Return indexation and retention based on the Swedish FSA’s regulations on remuneration systems taking into account domestic rules and practices where relevant. GEM EIP 2017 has a one year performance period and the outcome shall not exceed the fixed salary.

The Board has monitored and evaluated the performance 2017 of CEO, Deputy CEO and other members of Group Executive Management (GEM) and based on proposal from Board Remuneration Committee concluded on the GEM EIP 2017.

There have been no deviations from the approved Guidelines for remuneration to the executive officers 2017.

CEO, Deputy CEO and other members of GEM participate in, pending on that AGM 2018 approves the proposed Guidelines for remuneration to the executive officers, Nordea’s Executive Incentive Programme 2018 (GEM EIP 2018).

A benchmark has been conducted end 2017 comparing remuneration for CEO, Deputy CEO and each member of GEM with customized peer groups. The Board finds the remuneration for CEO, Deputy CEO and members of GEM balanced in relation to remuneration structures and levels observed among peer groups.

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24 January 2018

Board of Directors