

Nordea

Decision proposals etc.

Annual General Meeting 15 March 2018



Nordea Bank AB (publ) **Annual General Meeting 15 March 2018**

Decision proposals etc.

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- Item 19 – Approval of the merger plan between the company and Nordea Holding Abp

Item 3

Approval of the agenda

Proposed agenda

1. Election of a chairman for the general meeting
2. Preparation and approval of the voting list
3. Approval of the agenda
4. Election of at least one minutes checker
5. Determination whether the general meeting has been duly convened
6. Submission of the annual report and consolidated accounts, and of the audit report and the group audit report
In connection herewith: speech by the Group CEO
7. Adoption of the income statement and the consolidated income statement, and the balance sheet and the consolidated balance sheet
8. Decision on dispositions of the company's profit according to the adopted balance sheet
9. Decision regarding discharge from liability for the members of the board of directors and the CEO
(The auditor recommends discharge from liability)
10. Determination of the number of board members
11. Determination of the number of auditors
12. Determination of fees for board members and auditors
13. Election of board members and chairman of the board
14. Election of auditors
15. Resolution on establishment of a nomination committee
16. Resolution on authorization for the board of directors to decide on issue of convertible instruments in the company
17. Resolution on purchase of own shares according to chapter 7 section 6 of the Swedish Securities Market Act (Sw. lagen (2007:528) om värdepappersmarknaden)
18. Resolution on guidelines for remuneration for executive officers
19. Approval of the merger plan between the company and Nordea Holding Abp
20. Resolutions on the following matters initiated by the shareholder Carl Axel Bruno:
 - a) I propose that the annual general meeting instructs the board of directors of Nordea Bank AB to introduce better control of that the Bank and the employees of the Bank really follows Nordea's Code of Conduct.
 - b) I also propose that the annual general meeting decides that Nordea's central security organization is instructed to handle the control of the Bank's local security.

Item 8

Dispositions of the company's profit according to the adopted balance sheet

The Board of Directors and the CEO propose a dividend of 0.68 euro per share, and further, that the record date for dividend should be 19 March 2018.

With this record date, the dividend is scheduled to be sent out by Euroclear Sweden AB on 26 March 2018.

Statement of the Board of Directors according to chapter 18 section 4 of the Swedish Companies Act

In connection with the dividend proposal put forward by the Board of Directors of Nordea Bank AB (publ) (the "Company") to the annual general meeting on 15 March 2018, the Board of Directors hereby gives the following statement according to chapter 18 section 4 of the Swedish Companies Act.

The nature, scope and risks of the business

The nature and scope of the business are laid down in the Articles of Association and the 2017 Annual Report. The business conducted by the Company and the group involves no further risks beyond what is generally associated with conducting business of this kind. The dependence of the Company of the macroeconomic cycle does not deviate from what is common in this kind of financial business. Regarding significant events reference is made to what is presented in the Annual Report. In addition to this, no events have occurred which affect the Company's ability to distribute earnings.

The financial position of the Company and the group

The financial position of the Company and the group as per 31 December 2017 is presented in the 2017 Annual Report. The principles used for valuation of assets, provisions and liabilities are also found therein. As will be seen from the proposed distribution of earnings, the Board of Directors proposes a dividend of EUR 0.68 per share, corresponding to a total dividend payment of EUR 2,747 m. The proposed dividend amounts to 91 % of the group's net profit after tax, 8 % of the group's equity, excluding minority interests, and 9 % of the Company's equity.

The Company's and the group's equity has, net, been positively affected by assets and liabilities being reported at market value on 31 December 2017.

According to the 2017 Annual Report the group's Common Equity Tier 1 capital ratio after proposed dividend is 19.5 % (previous year 18.4 %).

The proposed dividend does not pose a threat to the completion of investments deemed necessary, nor to the Company's or the group's ability to meet present and expected payment obligations in due time. The liquidity forecast for the Company and the group shows that the Company and the group, considering the proposed distribution of earnings, have readiness to settle variations in the current payment obligations.

The financial position of the group does not give rise to any other assessment than that the Company and the group can continue their business and that the Company and the group can be expected to meet their liabilities both in the short- and long-term perspective. It is the assessment of the Board of Directors that the size of the equity after the proposed dividend is in reasonable proportion to the scope of the Company's and the group's business and the risks associated with conducting the business.

The justifiability of the proposed dividend

With reference to the above and what has otherwise come to the attention of the Board of Directors it is the assessment of the Board of Directors that the proposed dividend is justifiable considering the demands with respect to size of the Company's and the group's equity which are imposed by the nature, scope and risks associated with the business, and the Company's and the group's need for consolidation, liquidity and financial position in general.

Stockholm 24 January 2018

The Board of Directors of Nordea Bank AB (publ)

Item 13

Election of board members and chairman of the board

The Nomination Committee proposes that for the period until the end of the next annual general meeting Björn Wahlroos, Pernille Erenbjerg, Robin Lawther, Lars G Nordström, Sarah Russell, Silvija Seres, Birger Steen and Maria Varsellona shall be re-elected as board members and Nigel Hinshelwood and Torbjörn Magnusson shall be elected as board members. For the period until the end of the next annual general meeting Björn Wahlroos shall be re-elected chairman.

Independence according to the Swedish Code of Corporate Governance

All of the proposed board members are considered independent in relation to the company and its management. The majority of the proposed board members are thus independent in relation to the company and its management.

Of the proposed board members, all members apart from Björn Wahlroos and Torbjörn Magnusson are considered independent in relation to the company's major shareholders. Thus, the number of board members who are independent exceeds the minimum requirements, that is that at least two of the proposed board members who are independent in relation to the company and its management are also independent in relation to the company's major shareholders.

Björn Wahlroos is board chairman of Sampo plc, which owns more than ten per cent of all shares and votes in Nordea Bank AB (publ). Torbjörn Magnusson is member of the Group Executive Committee of Sampo plc, which owns more than 10 per cent of all shares and votes in Nordea Bank AB (publ).

The Nomination Committee is composed of Torbjörn Magnusson, chairman of the Committee, appointed by Sampo plc as a shareholder, Mogens Hugo, appointed by Nordea-fonden as a shareholder, Katarina Thorslund, appointed by Alecta as a shareholder, Anders Oscarsson, appointed by AMF and AMF Fonder as shareholders, and Björn Wahlroos, chairman of the Board of Directors.

Information on which assignments the proposed board members have in other companies etc.



Björn Wahlroos

Ph.D (Economics), 1979. Board member since 2008 and Chairman since 2011. Born 1952. Nationality: Finnish. Board Chairman of Sampo plc and UPM-Kymmene Corporation.

Other assignments: Board Chairman of Hanken School of Economics. Board member of several charities, including the Finnish Business and Policy Forum EVA/ETLA and the Mannerheim Foundation.

Previous positions:

2001–2009 Group CEO and President of Sampo plc.
 2005–2007 Chairman of Sampo Bank plc.
 1998–2000 Chairman and CEO of Mandatum Bank plc.
 1992–1997 President of Mandatum & Co Ltd.
 1985–1992 Various positions with Union Bank of Finland including executive vice president and member of the executive committee 1989–1992.
 1974–1985 Various academic positions, including Professor of Economics at Hanken School of Economics and visiting professor at Brown University and Kellogg Graduate School of Management, Northwestern University.

Shareholding in Nordea: 100,000*

Pernille Erenbjerg

MSc (Business Economics and Auditing) and State Authorised Public Accountant. Board member since 2017. Born 1967. Nationality: Danish. Group CEO and President of TDC A/S. Board member of DFDS A/S and Genmab A/S.

Previous positions:

2011–2015 Group Chief Financial Officer TDC A/S
 2003–2011 Various management positions TDC A/S
 2002–2003 Partner Deloitte Touche Tohmatsu
 1987–2002 Auditor Arthur Andersen

Shareholding in Nordea: 0*



Robin Lawther

BA Honours (Economics) and MSc (Accounting & Finance). Board member since 2014. Born 1961. Nationality: American and British. Board member of Oras Invest Ltd

Other assignments: Board member of UK Government Investments Limited.

Previous positions:

1985–2012 Various positions within J.P. Morgan.
 2011–2012 Head, Wealth Management for Southeast, USA.
 2007–2011 Head, Nordic Investment Bank, UK.
 2005–2007 Head, Mergers & Acquisitions Execution, European Financial Institutions, UK.
 2003–2005 Head, Commercial Banking Group, UK.
 1994–2005 Managing Director, Financial Institutions Investment Banking, UK
 1990–1994 Vice President, Mergers & Acquisitions, UK.
 1985–1990 International Capital Markets, USA.

Shareholding in Nordea: 50,000*

Lars G Nordström

Law studies at Uppsala University. Board member since 2003 and Vice Chairman since 2017. Born 1943. Nationality: Swedish. Board Chairman of Vattenfall AB. Board member of Viking Line Abp.

Other assignments: Board Chairman of the Finnish-Swedish Chamber of Commerce. Board member of the Swedish-American Chamber of Commerce and the Centre for Business and Policy Studies (SNS). Member of the Royal Swedish Academy of Engineering Sciences (IVA). Honorary Consul of Finland in Sweden.

Previous positions:

2008–2011 President and Group CEO of Posten Norden AB.
 2006–2010 Board member of TeliaSonera AB.
 2005–2009 Board Chairman of the Royal Swedish Opera.
 2002–2007 President and Group CEO of Nordea Bank AB.
 1993–2002 Various executive management positions within Nordea Group.
 1970–1993 Various positions within Skandinaviska Enskilda Banken (Executive Vice President from 1989).

Shareholding in Nordea: 23,250*

* Shareholdings, as of 31 December 2017, also include shares held by family members and closely affiliated legal entities.



Sarah Russell

Master of Applied Finance. Board member since 2010. Born 1962. Nationality: Australian. CEO Aegon Asset Management and Board member of several group companies incl. Chairman of the board of Aegon Asset Management Holdings BV and member of the Management Board of Aegon NV. Vice chairman of the Supervisory Board of La Banque Postale Asset Management SA.

Other assignments: Member of the Supervisory Board of Nederlandse Investeringsinstelling NV. Board member of the American Chamber of Commerce in the Netherlands.

Previous positions:

1994–2008 Various executive management positions within ABN AMRO, including Senior Executive Vice President and CEO of ABN AMRO Asset Management 2006–2008.

1981–1994 Various management and other positions in Financial Markets within Toronto Dominion Australia Ltd.

Shareholding in Nordea: 0*

Silvija Seres

MBA, Ph.D (Mathematical science) and MSc (Computer Science). Board member since 2015. Born 1970. Nationality: Norwegian. Board member of Academedia AB, DNV GL Group AS, Oslo Børs VPS Holding ASA, Oslo Børs ASA and Synchron International AB.

Other assignments: Board member of Norsk rikskringkasting AS (NRK), Stiftelsen Det Norske Veritas, Oslo Business Region AS, Simula Research Laboratory AS, and the Kavli Trust. Chairman of the Board of Polyteknisk Forening. Member of the Corporate Assembly (Nor. Bedriftsforsamlingen) of Telenor ASA.

Previous positions:

2011–2016 Managing director of TechnoRocks AS.

2008–2011 Director of Business Management at Microsoft Development Center, Norway.

2004–2008 Vice President for Services Strategic Development, Product Marketing and Strategic Development at Fast Search & Transfer ASA.

1997–2003 Prize Fellow, Tutor and Lecturer at University of Oxford, the UK.



2003 Visiting Researcher at the Chinese Academy of Sciences in Beijing, China.

2002 Assistant Professor and Programme Manager at Dar Al Hekma University in Jeddah, Saudi Arabia.

1999 Visiting Researcher at DEC/Compaq Systems Research Center in Palo Alto, USA.

1996–1997 Scientific Researcher at Norwegian Computing Centre

1994–1996 IT developer at Skrivervik Data.

Shareholding in Nordea: 0*

Birger Steen

MSc (Computer Science) and MBA. Board member since 2015. Born 1966. Nationality: Norwegian. Board member of Schibsted ASA, Skooler AS and Nordic Semiconductor ASA

Other assignments: Member of the Board of Trustees of the Nordic Heritage Museum in Seattle.

Previous positions:

2011 – 2016 CEO of Parallels, Inc.

2009–2010 Vice President of Worldwide SMB & Distribution at Microsoft Corporation.

2004–2009 General Manager of Microsoft Russia.

2002–2004 General Manager of Microsoft Norge.

2000–2002 CEO of Scandinavia Online AS.

1996–1999 Vice President of Business Development of Schibsted ASA.

1993–1996 Consultant of McKinsey & Company.

1992–1993 Oil Trader at Norwegian Oil Trading AS.

Shareholding in Nordea: 0*

* Shareholdings, as of 31 December 2017, also include shares held by family members and closely affiliated legal entities.



Maria Varsellona

Law degree (Juris Doctor). Born 1970. Nationality: Italian. Chief Legal Officer and member of the Group Leadership Team in Nokia Corporation. Board member of Alcatel-Lucent Shanghai Bell.

Previous positions:

- 2013–2014 Group General Counsel and member of the Executive Board Nokia Siemens & Networks
- 2011–2013 Group General Counsel and member of the Global Leadership Team Tetra Pak, Tetra Laval Group
- 2009–2010 Group General Counsel and member of the Global Leadership Team Sidel, Tetra Laval Group
- 2008–2009 Adjunct professor and lecturer Università degli Studi di Firenze, Italy
- 2006–2009 Senior Legal Counsel GE Oil & Gas
- 2005–2006 Senior Legal Counsel The Hertz Corporation
- 2001–2004 Senior Legal Counsel GE Oil & Gas
- 1998–2001 Lawyer Pini, Bingham & Partners
- 1994–1998 Lawyer The Greco Law firm

Shareholding in Nordea: 0*

Nigel Hinshelwood

HCIMA in management. Born 1966. Nationality: British. Board member of Marks & Spencer Financial Services plc.

Previous positions:

- 2016-2017 Head of UK Bank and Deputy CEO HSBC Bank plc
- 2015-2016 Group General Manager & Global Head of Operations HSBC Group Holdings
- 2011-2015 Group General Manager & Chief Operating Officer Europe, Middle East and Africa HSBC Group Holdings
- 2010-2011 Global Head HSBC Insurance Holdings
- 2008-2010 Global Chief Operating Officer HSBC Insurance Holdings
- 2005-2007 Head of Programme Management and Business Transformation
- 2003-2005 General Manager, Head of Global Banking and Insurance Services Asia Pacific Unisys Corporation
- 2000-2003 Chief Executive Officer South East Asia Capgemini
- 1997-2000 Partner Ernst & Young

- 1996-1997 National Sales Director Australia Sequent Computer Systems
- 1990-1996 Chief Operating Officer Asia Pacific Policy Management Systems Corporation

Shareholding in Nordea: 0*

Torbjörn Magnusson

Licentiate (Engineering). Born 1963. Nationality: Swedish. President and CEO of If P&C Insurance Holding Ltd (publ). Board Chairman of If P&C Insurance Ltd (publ) and Topdanmark A/S. Board member of If P&C Insurance Holding Ltd (publ).

Other assignments: Vice President of Insurance Europe. Board member of the Swedish Insurance Employer Association and the Swedish Insurance Federation.

Previous positions:

- 2001-2002 Head of Chief Commercial Business Division If P&C Holding Ltd (publ)
- 1999-2001 Head of Commercial Products If P&C Holding Ltd (publ)
- 1998-1999 Head of P&C Support and Chief Actuary Försäkringsaktiebolaget Skandia
- 1996-1997 Chief Controller Försäkringsaktiebolaget Skandia
- 1995-1996 Chief Actuary Non-Life Mercantile & General Insurance
- 1994-1995 Deputy Actuary Non-Life Mercantile & General Insurance
- 1990-1993 Actuary Non-Life Skandia International
- 1988-1989 Information Systems Consultant Arthur Andersen & Company

Shareholding in Nordea: 0*

* Shareholdings, as of 31 December 2017, also include shares held by family members and closely affiliated legal entities.

Item 14

Election of auditors

In accordance with the Audit Committee's recommendation the Nomination Committee proposes that for the period until the end of the next annual general meeting Öhrlings Pricewaterhouse-Coopers AB shall be re-elected as auditor.

The Nomination Committee is composed of Torbjörn Magnusson, chairman of the Committee, appointed by Sampo plc as a shareholder, Mogens Hugo, appointed by Nordea-fonden as a shareholder, Katarina Thorslund, appointed by Alecta as a shareholder, Anders Oscarsson, appointed by AMF and AMF Fonder as shareholders, and Björn Wahlroos, chairman of the Board of Directors.

Item 15

Resolution on establishment of a nomination committee

The shareholders of the Nomination Committee of Nordea Bank AB (publ) (the "Company") propose that the annual general meeting on 15 March 2018 resolves on the following establishment of a nomination committee.

"It was resolved to establish a nomination committee with the task to present proposal for the chair for the annual general meeting and to present at general meetings where election shall take place of board members and chairman of the board of directors, including determination of the number of board members, and auditor, and decision shall be made regarding fees for board members and auditor, proposals to the general meeting for such decisions.

The nomination committee shall consist of the chairman of the board of directors, as the convener, and further four members. The nomination committee shall elect its chairman. The chairman of the board of directors must not be the chairman of the nomination committee. The shareholders with the four largest shareholdings in terms of voting right in the Company shall have the right to appoint one member each. If any of these shareholders should opt to waive such right, the right will pass to the shareholder that holds the largest shareholding in terms of voting right next to the said four shareholders. The same rule applies if such next shareholder should waive its right, whereby the right will pass to the next shareholder in the order according to the size of the shareholding. Members appointed in accordance with this paragraph are not entitled to any remuneration from the Company.

The nomination committee will be constituted on the basis of to the Company known shareholdings in the Company on 30 September 2018. If a shareholder who has appointed a member subsequently should cease to have such right, the member appointed shall, after decision by the nomination committee, be entitled to stay as a member of the nomination committee as long as the shareholder who appointed the member owns shares in the Company. If the appointed member leaves his/her office, a new member shall be appointed in accordance with the order as set out in the second paragraph above. However, after the end of 2018 a new member may only be appointed, except as regards the chairman of the board of directors, if a member previously appointed should leave his/her office, irrespective of the reason, and the nomination committee subsequently should consist of less than three members apart from the chairman of the board of directors.

The nomination committee may attach co-opted members who are appointed by shareholders that after the constituting meeting of the nomination committee are among the four largest shareholders in terms of voting right in the Company and that have not already appointed a member to the nomination committee. Such co-opted members participate in the decisions of the nomination committee and are not entitled to any compensation from the Company.

Moreover, the nomination committee may attach a maximum of three co-opted members who for the purpose of the work of the nomination committee possess the required knowledge of and experience in the social, business and cultural conditions of the regions and markets in which the main activities of the group are carried out. Such co-opted members do not participate in the decisions of the nomination committee. Such a co-opted member shall be entitled to compensation for costs incurred as well as reasonable remuneration from the Company for work carried out, as decided by the nomination committee.

An elected member or a co-opted member must not be employed by the Nordea group.

The Company shall publish the composition of the nomination committee no later than six months before the annual general meeting and in addition state the composition in the annual report and in the notice convening the general meeting.

The nomination committee shall be entitled to employ, at the Company's expense, a recruitment consultant or any other resource that the committee finds necessary in order to perform its duties.

The nomination committee's mandate is valid until a new nomination committee has been constituted, unless a general meeting before then has decided otherwise."

The Nomination Committee is composed of Torbjörn Magnusson, chairman of the Committee, appointed by Sampo plc as a shareholder, Mogens Hugo, appointed by Nordea-fonden as a shareholder, Katarina Thorslund, appointed by Alecta as a shareholder, Anders Oscarsson, appointed by AMF and AMF Fonder as shareholders, and Björn Wahlroos, chairman of the Board of Directors.

Item 16

Resolution on authorization for the Board of Directors to decide on issue of convertible instruments in the company

New rules on capital requirements consisting of an EU Regulation and an EU Directive, the so-called CRD IV package, entered into force in 2014. Within the framework of the capital requirements rules, loss absorbing capital instruments can be used to meet parts of the capital requirements. The Board of Directors proposes that the annual general meeting authorizes the Board of Directors to issue such capital instruments.

The purpose of the authorization is to facilitate a flexible and efficient adjustment of the company's capital structure to the capital requirements. The authorization means that the Board of Directors will be able to swiftly carry out issues without firstly holding an extraordinary general meeting, which the Board of Directors considers appropriate with regard to that these capital instruments principally are intended to be issued in the international debt market. The Board of Directors intends to use the authorization if the Board of Directors judges that the capital trigger level at which conversion shall take place is at such a level that gives the shareholders and the Board of Directors the possibility to act in good time and propose alternatives to conversion.

In light of the above the Board of Directors of Nordea Bank AB (publ) (the "Company") proposes that the annual general meeting on 15 March 2018 resolves on the following authorization for the Board of Directors to decide on issue of convertible instruments in the Company.

"It was resolved to authorize the Board of Directors for the period until the next annual general meeting, on one or several occasions, with or without preferential rights for existing shareholders, to decide on issue of convertible instruments, and then the amount that the share capital may be increased with at full exercise of the convertible instruments shall be maximum ten per cent of the Company's share capital, which would correspond to issuance of 404,995,191 new ordinary shares calculated on the current amount of ordinary shares issued in the Company. Issue of convertible instruments by virtue of the authorization shall be done on market conditions.

The managing director, or anyone appointed by the managing director, is authorized to make such minor adjustments to the resolution as may be required in connection with registration of the resolution with the Swedish Companies Registration Office."

Item 17

Resolution on purchase of own shares according to chapter 7 section 6 of the Swedish Securities Market Act (Sw. lagen (2007:528) om värdepappersmarknaden)

The Board of Directors of Nordea Bank AB (publ) (the "Company") proposes that the annual general meeting on 15 March 2018 resolves on the following purchase of own shares according to chapter 7 section 6 of the Swedish Securities Market Act (*Sw. lagen (2007:528) om värdepappersmarknaden*).

"It was resolved that the Company, in order to facilitate its securities business, up until the next annual general meeting, may purchase own ordinary shares according to chapter 7 section 6 of the Swedish Securities Market Act (*Sw. lagen (2007:528) om värdepappersmarknaden*). However, with the limitation that the Company's holding of such shares in the trading book must never exceed the lower of 0.1 per cent of the total number of shares in the Company or 10 per cent of the Company's exceeding Common Equity Tier 1 capital. The price for the ordinary shares shall equal the market price prevailing at the time of the acquisition."

Item 18

Resolution on guidelines for remuneration for executive officers

The Board of Directors of Nordea Bank AB (publ) proposes that the annual general meeting on 15 March 2018 resolves on the following guidelines for remuneration to executive officers.

“Nordea shall maintain remuneration levels and other employment conditions needed to recruit and retain executive officers with competence and capacity to deliver on the strategy and targets thus enabling Nordea to become a Great European bank.

The term “executive officers” shall in this context mean the CEO and Deputy CEO of Nordea Bank AB (publ) and the executives who are members of Group Executive Management.

Remuneration for executive officers will be decided by the Board of Directors in accordance with Nordea’s internal policies and procedures, which are based on the Swedish Financial Supervisory Authority’s (“SFSA”) regulations on remuneration systems, the Swedish Corporate Governance Code, national implementation of the EU’s directive on capital requirements for banks as well as international sound compensation practices.

Salaries and other remuneration in line with market levels constitute the overriding principle for compensation for executive officers at Nordea. Compensation for the executive officers shall be consistent with and promote sound and effective risk management and not encourage excessive risk-taking or counteract Nordea’s long term interests.

Annual remuneration consists of fixed salary and variable salary.

Variable salary to the executive officers will be offered as an Executive Incentive Programme 2018 (“GEM EIP 2018”) with predetermined targets at Group, business area/group function and individual level. The effect on the long term result is to be considered when determining the targets. The outcome from GEM EIP 2018 will be based on the Board of Director’s assessment of performance of the predetermined targets. The outcome from GEM EIP 2018 will be paid over a five-year period in cash, and be subject to forfeiture clauses, Total Shareholder Return indexation (dividend factor to be excluded during the deferral period) and retention based on the SFSA’s regulations on remuneration systems, taking account of domestic rules and practices where relevant. GEM EIP 2018 has a one year performance period and the outcome shall not exceed the fixed salary. The executive officers have been offered similar programs since 2013.

In accordance with SFSA’s remuneration regulations guaranteed variable salary is to be exceptional and may only occur in the context of hiring a new executive officer and then be limited to the first year of employment.

Non-monetary benefits are given as a means to facilitate executive officers' performance. The levels of these benefits are determined by what is considered fair in relation to general market practice. The executive officers shall be offered retirement benefits in accordance with market practice in the country of which they are permanent residents. Fixed salary during the period of notice and severance pay shall in total not exceed 24 months of fixed salary for executive officers.

The Board of Directors may deviate from these guidelines if required due to new remuneration regulations or if there are other special reasons for this in a certain case."

Additional information on the Board of Directors' proposal for guidelines for remuneration to the executive officers

Deviations from approved guidelines 2017:

There have been no deviations from the approved guidelines 2017.

Cost of variable remuneration for executive officers (excluding social cost):

2017

The actual cost for GEM EIP 2017 is EUR 5.2m to be paid over a five year period.

2018

The estimated maximum cost of GEM EIP 2018 is EUR 6.9m and the estimated cost assuming 65% fulfilment of the performance criteria is EUR 4.5m.

Item 19

Approval of the merger plan between the company and Nordea Holding Abp

Background and motive

General

The board of directors of Nordea Bank AB (publ) (the "Company"), as transferor company, has, together with the board of directors of Nordea Holding Abp, which is a Finnish wholly-owned subsidiary of the Company specifically established for the purpose of the merger (the "Transferee Company"), as transferee company, prepared a joint merger plan (the "Merger Plan"). The Merger Plan was signed by each board of directors on 25 October 2017 and subsequently registered with, and publicly announced by, the Swedish Companies Registration Office and the Finnish Patent and Registration Office, respectively.

As further detailed in the Merger Plan, the assets and liabilities of the Company shall be transferred to the Transferee Company through a downstream cross-border merger by way of absorption (the "Merger") pursuant to applicable legislation in Sweden and Finland. As a result of the Merger, the Transferee Company will be the new parent company of the Nordea Group. Thereby, the Nordea Group's registered office will be transferred to Helsinki, Finland.

The effects of the Merger

The Nordea Group is the largest financial services group in the Nordic region and one of the biggest banks in Europe. Nordea expects that domiciling the parent company of the Nordea Group in a country that is a participant of the banking union will mean that the Nordea Group will be subject to a similar regulatory framework as its European peers.

The banking union is based on stronger prudential requirements for banks. It consists of bank supervision, rules for managing failing banks as well as improved protection for depositors. The first two pillars were achieved with the establishment of the Single Supervisory Mechanism (SSM) at the European Central Bank (the "ECB") and of the Single Resolution Mechanism (SRM) while the common system for depositor protection remains to be established. The purpose of the banking union is to ensure that these rules are implemented consistently across the euro area and in other participating countries. Sweden is not a member of the banking union while Finland is.

As follows from the Merger Plan, the Company's unique pan-Nordic and international structure means that the existing national regulatory frameworks do not fully accommodate the Company's operating model and recent strategic developments. Domiciling in a country that is participating in the EU's banking union, will mean that the Nordea Group will be subject to a similar regulatory framework as its European peers, with a greater consistency of the application of laws and

regulations and therefore more of a level playing field. This is expected to promote the interests of customers, shareholders and employees.

The Transferee Company is a company specifically established for the Merger that will be licensed by the ECB to conduct banking business and investment services in Finland and is also intended to hold such licence in other jurisdictions in which the Transferor Company currently conducts such operations through branches as well as in Sweden upon the execution of the Merger, at the latest. The Transferee Company will be renamed to Nordea Bank Abp upon receipt of the licence from the ECB.

After the execution of the Merger, the business activities of the Company will, to the extent they originate from Sweden, be conducted by the Transferee Company through a newly established branch in Sweden. Correspondingly, the business activities of the Company, to the extent they originate from, Denmark and Norway as well as Estonia, China, Poland, Singapore, the United Kingdom, Germany and the USA are intended to be conducted by the Transferee Company through branches in each of these jurisdictions. The operations of the Nordea Group will not change as a result of the Merger and no changes in the day-to-day operations are expected from a customer perspective. Only a limited number of employees of the Nordea Group are expected to be affected by the re-domiciliation.

Further information on the Merger will be presented in the prospectus regarding the Merger, which will be made available no later than two weeks prior to the annual general meeting (at the Company's website www.nordea.com).

The Merger Consideration

As follows from the Merger Plan, the shareholders of the Company will receive as merger consideration one (1) new share of the Transferee Company for each share owned in the Company (the "Merger Consideration"). This means that the Merger Consideration will be issued to the shareholders of the Company in proportion to their existing shareholding, with an exchange ratio of 1:1. The exchange ratio has been determined against the fact that the Transferee Company is a wholly owned subsidiary of the Company, without any operations of its own, which means that the value of all shares of the Transferee Company after the Merger reflects the value of all shares of the Company. The Merger Consideration will be issued automatically, and no actions are required from the shareholders of the Company in relation thereto.

The shares in the Transferee Company received as Merger Consideration will be listed on the stock exchanges of Nasdaq Stockholm, Nasdaq Helsinki and Nasdaq Copenhagen. The Company's Finnish Depositary Receipts (FDRs) currently listed on Nasdaq Helsinki will cease to exist and be replaced by directly registered shares in the Transferee Company which will also be listed on Nasdaq Helsinki.

Conditions for the execution of the Merger

The Merger will be executed when the Finnish Patent and Registration Office has registered the Merger in the Finnish trade register, whereby the legal consequences of the Merger enter into force. This is planned to occur on 1 October 2018. Upon such registration, the Company will be dissolved.

The execution of the Merger by the Company and the Transferee Company is subject to the following conditions:

- (i) that the annual general meeting resolves to approve the Merger Plan;
- (ii) that all approvals, authorisations, consents and other decisions by relevant authorities in relation to the Merger, including but not limited to the Transferee Company having been licensed by the ECB to conduct banking business and investment services, have been obtained on terms and conditions which are acceptable to the Company and the Transferee Company according to their respective board of directors;
- (iii) that the shares of the Transferee Company will be admitted to trading on the regulated markets of Nasdaq Stockholm, Nasdaq Helsinki and Nasdaq Copenhagen when the Merger Consideration is issued; and
- (iv) that the Merger is not prohibited or, in the opinion of the boards of directors of the Company and the Transferee Company, impeded, in whole or in part, by any applicable laws and regulations, any change in the practices of relevant authorities or courts (including but not limited to changes in the interpretation and amendments of relevant laws and regulations) or any other reason deemed significant by the board of directors of the Company or the Transferee Company.

The board of directors' proposal

The board of directors proposes that the annual general meeting resolves to approve the Merger Plan.

Authorisation

The board of directors of the Company, or any person appointed by it, shall be authorised to make such minor adjustments to the annual general meeting's resolutions as may be required in connection with the registration of the Merger.
