

## **Evaluation of variable remuneration to GEM according to Swedish code by the Board**

According to the Guidelines for remuneration to the executive officers (CEO and members of Group Executive Management) approved by the Annual General Meeting 20 March 2014, an Executive Incentive Programme 2014 (“GEM EIP 2014”) has been offered to reward performance meeting agreed predetermined targets on Group, business unit and individual level. GEM EIP 2014 is similar to GEM EIP 2013 which substituted the former variable salary part and Long Term Incentive Programme.

The effect on the long term result is to be considered when determining the targets in GEM EIP 2014. The outcome from GEM EIP 2014 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 2014 has a one year performance period and the outcome shall not exceed the fixed salary.

The Board has monitored and evaluated the performance 2014 of CEO and Group Executive Management (GEM) and based on proposal from Board Remuneration Committee concluded on the GEM EIP 2014.

There have been no deviations from the approved Guidelines for remuneration to the executive officers 2014.

CEO and members of GEM participate in Nordea’s Long Term Incentive Programme 2012 as well as, pending on that AGM 2015 approves the proposed Guidelines for remuneration to the executive officers, Nordea’s Executive Incentive Programme 2015 (GEM EIP 2015).

LTIP 2012 is based on matching shares and performance shares measuring performance over three years. The vesting period for LTIP 2012 will end at the day Nordea releases its interim report for the period January – March 2015. 60% of the outcome of LTIP 2012 will be deferred according to Swedish and local regulations where applicable.

A benchmark has been conducted autumn 2014 comparing remuneration for CEO and each member of GEM with customized peer groups. The Board finds the remuneration for CEO and members of GEM balanced in relation to remuneration structures and levels observed among peer groups.

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27 January 2015  
Board of Directors