

ANNUAL GENERAL SHAREHOLDERS' MEETING AT SAS AB, MARCH 13, 2019

The Nomination Committee's reasoned statement delivered pursuant to Rule 2.6 of the Swedish Corporate Governance Code (the Code).

The Annual General Shareholders' Meeting (AGM) on April 10, 2018 resolved that the Nomination Committee of SAS AB was to comprise Carl Rosén, Swedish Ministry of Finance, for the Swedish government, Peder Lundquist, Danish Ministry of Finance, for the Danish government, Jan Tore Føsund, Norwegian Ministry of Trade, Industry and Fisheries, for the Norwegian government, and Jacob Wallenberg for the Knut and Alice Wallenberg Foundation. Due to the Norwegian government's divestment of their holding, Jan Tore Føsund was replaced in August 2018 by Gerald Engström, who through his personal shareholding, as well as shareholding through his company Färna Invest AB, represents a substantial interest in the company.

The Nomination Committee has been tasked with preparing proposals for resolution by the AGM on:

- the election of the Chairman of the AGM;
- the number of Board members;
- the election of Board members and the Chairman of the Board;
- Directors' fees (broken down among the Chairman, Vice Chairman, other Board members and any remuneration for work on Board committees);
- the election of the company's auditors;
- auditors' fees; and
- the Nomination Committee ahead of the 2020 AGM.

The Nomination Committee has had five minuted meetings, as well as several meetings and contacts in between these. The company's general counsel has served as secretary of the Nomination Committee.

In preparing the nominations for the Board, the Committee evaluated the Board's work, qualifications and composition. This evaluation was used by the Committee to assess how the current Board meets the requirements that will be placed on the Board as a result of the company's circumstances and future direction as well as any skills that should possibly be added to the Board.

In preparing the nominations, the Committee also interviewed all other members of the Board. The Committee also met with the company's President and CEO, who presented the company's position and operations as well as his perception of collaboration with the Board.

SAS AB operates in a market subject to significant pressure for change and intense competition. Even if the improvement in recent years is commendable and SAS generated a return on capital invested over the past year that exceeded the goal, the company cannot rest on its laurels. The business world around us is changing, and our competitors are not standing still but continually enhancing the efficiency of their operations.

Given the above conditions, the Nomination Committee is of the opinion that continuity on the Board is of particular importance. The Board currently possesses substantial leadership experience of change management, broad competence in customer and consumer issues, and digitalization as well as extensive experience of work with strategic business development. The nomination Committee has in its search for an additional Board member looked for a person with experience from the airline industry. Kay Kratky fulfills this requirement and is therefore proposed as a new board member. With its experience of SAS and previous action programs, the Nomination Committee is of the opinion that the proposed Board is particularly suited to provide the company's management the necessary support in the ongoing change process.

The Nomination Committee has adopted Rule 4.1 of the Code as diversity policy, and deems that the Code's requirements on diversity, breadth of qualifications, experience and background, as well as gender balance are fulfilled through the Nomination Committee's proposal.

The Nomination Committee therefore proposes reelection of the current Board members Carsten Dilling, Dag Mejdell, Monica Caneman, Liv Fiksdahl, Lars-Johan Jarnheimer, Oscar Stege Unger and Sanna Suvanto-Harsaae, and the election of Kay Kratky as a new Board member.

Carsten Dilling is proposed to be re-elected the new Chairman of the Board.

The Nomination Committee deems that all proposed Board members are independent of the company and company management. It is the Committee's opinion that all current and proposed members are independent in relation to major shareholders.



CARSTEN DILLING
BORN 1962

Chairman of the Board of SAS AB since 2018. Member of the Board of SAS AB since 2014.
Directorships: Chairman of NNIT A/S and Icotera A/S, vice chairman of Højgaard Holding A/S and Board member of Terma A/S and MTH Group A/S.
Education: B.Sc. and M.Sc. in Economics and Business Administration, Copenhagen Business School.
Earlier directorships/positions: Board member of Get AS, Traen A/S (Chairman), GateTrade A/S, Columbus IT Partner A/S, Confederation of Danish Industry (DI) and Industrial Employers in Copenhagen (IAK) and a number of Board assignments for the TDC Group. Previously President and CEO of TDC A/S.
Shareholding: 35,222.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



DAG MEJDELL
BORN 1957

Vice Chairman of the Board of SAS AB since 2008.
Directorships: Chairman of Norsk Hydro ASA, Sparebank 1 SR Bank ASA, NSB AS, International Post Corporation and Telecomputing.
Education: MBA, Norwegian School of Economics and Business Administration.
Earlier directorships/positions: President and CEO of Dyno Nobel ASA and CEO of Posten Norge AS. Chairman of Arbeidsgiverforeningen Spekter, Svenska Handelsbanken, Region Norway and Vice Chairman of Evry ASA. Board member of DYWIDAG System International GmbH. Industrial advisor IK investment Partners.
Shareholding: 4,214.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



MONICA CANEMAN
BORN 1954

Member of the Board of SAS AB since 2010.
Directorships: Chairman of Euroclear Sverige AB and of the Nasdaq AB Listing Committee.
Education: MBA, Stockholm School of Economics.
Earlier directorships/positions: Chairman of Allenex AB, Arion Bank hf, Big Ba AB, Bravida Holding AB, EDT AS, the Fourth Swedish Pension Fund, Frösunda LSS AB, Interverbum AB and Viva Media Group AB. Board member of Akademikliniken AB, Citymail Group AB, Comhem AB EDB Business Partner ASA, Intermail A/S, Lindorff Group AB, My Safety AB, Nets AB, Nordisk Energiförvaltning ASA, Nya Livförsäkrings AB, Nocom AB, Resco AB, Schibsted ASA, SEB Trygg Liv, Svenska Dagbladet AB and XponCard Group AB.
Shareholding: 4,000.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



LIV FIKSDAHL
BORN 1965

Member of the Board of SAS AB since 2018.
Directorship/position: None
Education: Finance and management at Trondheim Business School.
Earlier directorships/positions: Head of IT and Operations at DnB, and other previous leading positions in DnB. Chairman of the Board of the industry organization Banking and Payment in Finance Norway. Vice Chairman of the Norwegian Savings Banks Association. Board member of BankAxept and Doorstep.
Shareholding: 0.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



LARS-JOHAN JARNHEIMER
BORN 1960

Member of the Board of SAS AB since 2013.
Directorships: Chairman of Arvid Nordqvist HAB, Egmont International Holding AS, and Ingka Holding B.V (IKEA's parent company). Board member of Wonderbo AB and Elite Hotels.
Education: B.Sc. in Business Administration and Economics, Lund and Växjö universities.
Earlier directorships/positions: Chairman of Qiro Group, BRIS and Eniro AB. Board member of MTG Modern Times Group AB, Millicom International Cellular S.A, Invik and Apoteket AB. President and CEO of Tele2.
Shareholding: 10,000.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



SANNA SUVANTO-HARSAAE
BORN 1966

Member of the Board of SAS AB since 2013.
Directorships: Chairman of Altia Oyj, BoConcept AS, TCM Group AS, Babysam AS, Nordic Pet Care Group AS, Workz AS och Footway AB. Vice Chairman of Paulig Oyj. Board member of CEPOS and Broman Group Oyj.
Education: M.Sc. in Business and Economics, Lund University.
Earlier directorships/positions: Chairman of i Health and Fitness Nordic AB, Sunset Boulevard AS and BTX AS. Board member of Jetpak AB, Duni AB, Candyking AB, Upplands Motor AB, CCS AB, Clas Ohlson AB and Symrise AG.
Shareholding: 2,100.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



OSCAR STEGE UNGER
BORN 1975

Member of the Board of SAS AB since 2018.
Directorship/position: Director of Wallenberg Foundation AB
Education: Master of Science in Business Administration and Bachelor of Science in Economics at Stockholm University.
Earlier directorships/positions: Head of Investor Relations, and thereafter Head of Communications, at Investor AB.
Shareholding: 5,000.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



KAY KRATKY
BORN 1958 New

Directorship/position: Member of the executive board of the Austrian Aviation Association, President of the Aviation Initiative for Renewable Energy in Germany e.V. and chairman of the advisory board of Caphenia GmbH.
Education: Mechanical engineering, Technische Hochschule Darmstadt.
Earlier directorships/positions: CEO of Austrian Airlines, COO of Lufthansa German Airlines.
Shareholding: 0.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.