

ANNUAL GENERAL SHAREHOLDERS' MEETING AT SAS AB, FEBRUARY 22, 2017

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 March 8, 2016 resolved that the Nomination Committee of SAS AB was to comprise Magnus Skåniger, Swedish Ministry of Finance, for the Swedish government, Rasmus Lønborg, Danish Ministry of Finance, for the Danish government, Jan Tore Føsum, Norwegian Ministry of Trade, Industry and Fisheries, for the Norwegian government, and Peter Wallenberg Jr. for the Knut and Alice Wallenberg's Foundation.

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 2017 AGM.

The Nomination Committee held six minuted meetings as well as other meetings and contact between these minuted meetings. The company's General Counsel has served as secretary to the 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.

The Nomination Committee has liaised closely with the Chairman of the Board, who has also had ongoing involvement in the Committee's work. 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. At the same time, the Scandinavian air travel market and demand for more long-haul routes and leisure routes within Europe is on the rise. SAS has implemented extensive efficiency enhancements over the past few years, which have resulted in reduced costs and a more variable cost base. SAS's change efforts have had an effect and, during the 2015/2016 fiscal year, the company was profitable. However, profitability is too low. A lower cost structure is required if SAS is to leverage the growth existing in the Scandinavian market. Accordingly, SAS is planning further structural measures aimed at strengthening SAS's profitability in the long term.

Given the above conditions, the Nomination Committee is of the opinion that Board continuity 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. With its experience of SAS and previous action programs related to the qualified Board work, 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, not least in 2017, but also thereafter.

The Committee applies Rule 4.1 of the Code as its Diversity Policy and believes that the Code's requirements for diversity, breadth and an even gender balance will be met through the Committee's proposals.

The Nomination Committee thus proposes reelection of Fritz H. Schur, Monica Caneman, Carsten Dilling, Dag Mejdell, Jacob Wallenberg, Lars-Johan Jarnheimer, Sanna Suvanto-Harsaae and Berit Svendsen. It also proposes re-election of Fritz H. Schur as Chairman of the Board.

The Nomination Committee deems that all Board members elected by the AGM and 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.



CHAIRMAN
FRITZ H. SCHUR, BORN 1951

Chairman of the Board of SAS AB since April 2008. Member of the Board of SAS AB since 2001.

Directorships: Chairman of the companies in the Fritz Schur Group and C.P. Dyvig & Co. A/S. Vice Chairman of the Board of Brd. Klee A/S. Board member of WEPA Industrieholding SE.

Education: B.Sc. Economics and Business Administration.

Earlier directorships/positions: Chairman of Det Danske Klasselotteri A/S, F. Uhrenholt Holding A/S, SN Holding A/S, CVI A/S, PostNord AB and Post Danmark A/S, Chairman of DONG Energy A/S and Vice Chairman of Interbank A/S. Board member of De Post NV/La Poste SA, Belgium, and others.

Shareholding: 40,000 common shares and 2,888 preference shares through legal entities.

Shareholding of related parties: 0.

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



SECOND VICE CHAIRMAN
DAG MEJDELL, BORN 1957

Second Vice Chairman of the Board of SAS AB since 2008. President and CEO of Posten Norge AS.

Directorships: Chairman of Arbeidsgiverforeningen Spekter, International Post Corporation and Norsk Hydro ASA.

Education: MBA, Norwegian School of Economics and Business Administration.

Earlier directorships/positions: President and CEO of Dyno Nobel ASA. Chairman of 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 common shares.

Shareholding of related parties: 0.

Independent of the company and the company management. Owing to his position as CEO of Posten Norge AS, wholly owned by the Norwegian government, Dag Mejdell is not regarded as independent in relation to major shareholders.



**FIRST VICE CHAIRMAN
JACOB WALLEBERG, BORN 1956**

Vice Chairman of the Board of SAS AB since 2001.

Directorships: Chairman of Investor AB. Vice Chairman of ABB Ltd, FAM AB, Patricia Industries and Telefonaktiebolaget LM Ericsson, and Board member of the Stockholm School of Economics, the Knut and Alice Wallenberg Foundation and the Confederation of Swedish Enterprise.

Education: B.Sc. Economics and MBA Wharton School, University of Pennsylvania.

Earlier directorships/positions: Chairman of SEB. Vice Chairman of Stockholms Handelskammare Service AB, Electrolux AB and Atlas Copco, as well as Board member of the Coca-Cola Company, Stora and WM-data. President and CEO of SEB, Deputy President and CFO of Investor AB.

Shareholding: 10,000 common shares.

Shareholding of related parties: 0.

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



**CARSTEN DILLING,
BORN 1962**

Member of the Board of SAS AB since 2014.

Directorships: Vice Chairman of NNIT 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: 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 Qliro-Group, Arvid Nordqvist HAB and Ingka Holding B.V (IKEA's parent company). Board member of Egmont International Holding AS and Elite Hotels.

Education: B.Sc. in Business Administration and Economics, Lund and Växjö universities.

Earlier directorships/positions: Chairman of 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 common shares, 2,520 preference shares.

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 Arion bank hf, Bravida Holding AB and Big Bag AB. Board member of Comhem AB, Intermail A/S and Nets AB.

Education: MBA, Stockholm School of Economics.

Earlier directorships/positions: Chairman of Allenex 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, EDB Business Partner ASA, Lindorff Group AB, My Safety 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 common shares.

Shareholding of related parties: 0.

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



**BERIT SVENDSEN,
BORN 1963**

Member of the Board of SAS AB since 2016.

Directorships: DNB ASA and Bisnode AB.

Education: M.Sc. in Electronic Systems Design, Norwegian University of Science and Technology (NTNU), M.Sc. in Technology Management, NTNU/NHH and Massachusetts Institute of Technology, Sloan School of Management, Boston, USA.

Earlier directorships/positions: Chairman of Data Respons ASA. Board member of EMGS and Ekornes ASA. Member of the European Commission's advisory group for ICT issues.

Shareholding: 0.

Shareholding of related parties: 0.

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



**SANNA SUVANTO-HARSAA,
BORN 1966**

Member of the Board of SAS AB since 2013.

Directorships: Chairman of Babysam AS, Sunset Boulevard AS, TCM AS, Bext VPG AS, Workz AS, Altia OYj, BoConcept AS and Footway AB. Board member of Paulig Oj, Broman group OYj, Clas Ohlson AB and Upplands Motor AB.

Education: M.Sc. in Business and Economics, Lund University.

Earlier directorships/positions: Chairman of Health and Fitness Nordic AB and BTX AS. Board member of Jetpak AB, Duni AB, Candyking AB, CCS AB and Symrise AG.

Shareholding: 0.

Shareholding of related parties: 0.

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