

Annual General Shareholders' Meeting of SAS AB, February 19, 2015

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

SAS AB operates in a market that, for a number of years, has been subject to significant pressure for change and ever increasing competition. During the 2012 to 2014 period, SAS completed an extensive restructuring program, known as 4XNG, which resulted in lowered unit costs, a more flexible cost base and increased productivity. However, since the program's introduction, the market trend has shown the original program to be insufficient for creation of the required level of competitiveness. The establishment of external production models and new low cost carriers over the past few years has changed competitive conditions for European aviation and entailed stronger price pressure and lower than expected revenue. To meet these new challenges, SAS must now implement additional, long-term, cost savings and other measures aimed at bolstering the company's financial strength and long-term competitiveness. In parallel with meeting these new challenges, SAS has also announced changes in the Group Management during the current fiscal year, which will mean further pressure on a Group Management that is already working under considerable pressure.

Given the aforementioned 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 commercial focus on customer and consumer issues 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 current Board is particularly suited to provide the company's management the necessary support in the forthcoming comprehensive change process, not least in 2015 but also thereafter.

Accordingly, the Nomination Committee concludes that the existing composition of the Board corresponds well to the needs set by the company's situation and challenges and, therefore, proposes reelection of all Board members.

Furthermore, the Nomination Committee's opinion is that the Code's requirements for diversity, breadth and an even gender balance will be satisfied in a relevant manner by the proposal. However, the Nomination Committee has higher ambitions with regard to the Board's gender balance and, moving forward, will direct the Nomination Committee's efforts toward reaching a more equal gender balance but, for this year's meeting, the Committee has chosen to prioritize the Board's need for continuity and stability for the aforementioned reasons.

Accordingly, the Nomination Committee proposes reelection of the eight current members: Fritz H. Schur, Monica Caneman, Carsten Dilling, Dag Mejdell, Jacob Wallenberg, Lars-Johan Jarnheimer, Birger Magnus and Sanna Suvanto-Harsaae. It is proposed that Fritz H. Schur be re-elected as Chairman of the Board.

The Nomination Committee deems that all Board members elected by the shareholders' meeting and proposed Board members are independent of the company and company management. It is the Nomination Committee's opinion that all current and proposed members are independent in relation to major shareholders with the exception of Dag Mejdell owing to his position as CEO of Posten Norge AS, which is wholly owned by the Norwegian government.



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, F. Uhrenholt Holding A/S and C.P. Dyvig & Co. A/S. Vice Chairman of the Board of Brd. Klee A/S. Board member of WEPA Industrie-holding SE. *Education:* B.Sc. Economics and Business Administration. *Earlier directorships/positions:* Chairman of Det Danske Klasselotteri 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.

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



First Vice Chairman Jacob Wallenberg, born 1956

Vice Chairman of the Board of SAS AB since 2001.

Directorships: Chairman of Investor AB. Vice Chairman of Ericsson AB and Board member of ABB Ltd, the Knut and Alice Wallenberg Foundation, the Confederation of Swedish Enterprise and the Stockholm School of Economics. *Education:* B.Sc. Economics and MBA Wharton School, University of Pennsylvania. *Earlier directorships/positions:* Chairman of SEB. Vice Chairman of Stockholms Handelskam-mares 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.

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. Industrial advisor IK investment Partners. *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.

Shareholding: 4,214 common shares.

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.



Monica Caneman, born 1954

Member of the Board of SAS AB since 2010.

Directorships: Chairman of the Fourth Swedish Pension Fund, Arion bank hf and Big Bag AB. Board member of Storebrand ASA, Poolia AB, My Safety AB, Intermail A/S, Comhem AB and Schibsted Sverige AB. *Education:* MBA, Stockholm School of Economics. *Earlier directorships/positions:* Board member of EDT AS, Allenex AB, Frösunda LSS AB and Intervendum AB. Board member of Schibsted ASA, Resco AB, Nocom AB, Akademikliniken AB, Nya Livförsäkrings AB, SEB Trygg Liv, XponCard Group AB, Lindorff Group AB, Citymail Group AB, EDB Business Partner ASA, Nordisk Energiförvaltning ASA and Svenska Dagbladet AB.

Shareholding: 4,000 common shares.

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. President and CEO of TDC A/S. *Directorships:* Board member of the Confederation of Danish Industry (DI) and Industry's Employers in Copenhagen (IAK). *Education:* B.Sc. and M.Sc. in Economics and Business Administration, Copenhagen Business School. *Earlier directorships/positions:* Board member of Traen A/S (Chairman), Gatetrade A/S, Columbus IT Partner A/S and a number of Board assignments for the TDC Group. *Shareholding:* 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 CDON Group, Eniro AB and Arvid Nordqvist HAB, Ingka Holding BV (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. 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 and 2,520 preference shares. Independent of the company, the company management and the company's major shareholders.



Birger Magnus, born 1955

Member of the Board of SAS AB since 2013. *Directorships:* Chairman of Storebrand ASA, Hafslund ASA, NRK A/S, XENETAA/S and Stiftelsen Aktiv mot Krefit. Board member of Aschehoug AS, Kristian Gerhard Jebsen Group and Harvard Business School Publishing. *Education:* : MBA, INSEAD and M.Sc., University of Science and Technology. *Earlier directorships/positions:* Chairman of Svenska Dagbladet, Aftonbladet, Aftenposten, VG, Media Norge and 20 Min Holding. *Shareholding:* 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 Babysam AS, Sunset Boulevard AS, VPG AS and Best Friend AB. Board member of Paulig Oy, Clas Ohlson AB, Altia Oy, CCS 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 and Symrise AG. *Shareholding:* 0. Independent of the company, the company management and the company's major shareholders.