

HANDELSBANKEN

Proposal from the nomination committee (2011) and a report on its work

The nomination committee has consisted of Mr Carl-Olof By, Industrivärden, chairman, Mr Henrik Forssén, the Oktagonen Foundation, Mr Bo Selling, Alecta, Mr Mats Guldbrand, the Lundberg ownership group and Mr Hans Larsson, chairman of the board of Handelsbanken.

Election of the chairman of the annual general meeting

The nomination committee proposes that Mr Sven Unger be elected chairman of the annual general meeting (AGM).

Determining the number of members of the board to be appointed by the AGM

The nomination committee proposes that the AGM resolve that the board consist of twelve members (unchanged).

Determining fees for board members and auditors

Fees are proposed as follows: SEK 3,000,000 (2,350,000) to the chairman, SEK 800,000 (675,000) to each of the two vice chairmen, and SEK 550,000 (450,000) to each of the remaining members. For committee work, the following fees are proposed: SEK 300,000 (250,000) to each member of the credit committee, SEK 125,000 (100,000) to each member of the remuneration committee, SEK 200,000 (175,000) to the chairman of the audit committee, and SEK 150,000 (125,000) to the remaining members of the audit committee.

The nomination committee proposes that the meeting resolve on remuneration to be paid to the auditors “on approved account”.

Election of the board members and the chairman of the board

The nomination committee proposes that the AGM re-elect all board members.

The nomination committee also proposes that the chairman of the board, Mr Hans Larsson, be re-elected as chairman.

The composition of the board fulfils the requirement in the issuers’ regulations applying to companies with shares admitted to trading on NASDAQ OMX Stockholm that the majority of board members must be independent of the company and the company’s management (9 out of 12), as well as the requirement that at least two of the independent board members must be independent of the company’s major shareholders (5 out of the 9).

For a more detailed presentation of the persons proposed for re-election as board members, please see the attached information.

Mandate of the nomination committee

The 2010 annual general meeting resolved as follows on the procedure for appointing a nomination committee for the annual general meeting in 2011 and subsequent annual general meetings.

The nomination committee shall have five members. Four of the members (the “Shareholders’ Representatives”) shall represent the Bank’s four largest shareholders/shareholder groups in terms of votes, according to shareholder information from Euroclear Sweden AB as at 31 August the year before the annual general meeting is held, or which by some other means prove to be among the largest shareholders (the “Largest Shareholders”) on this date; one of these members is to chair the committee. However, the nomination committee must not include representatives of companies which are significant competitors of the Bank in any of its main areas of operations.

The annual general meeting assigns the chairman of the board to contact the Largest Shareholders. These will each appoint one representative who, together with the chairman, are to constitute the nomination committee for the period until a new nomination committee is appointed by mandate from the next annual general meeting. The members of the nomination committee for the nomination of board members shall be announced on the Bank’s website six months at the latest before the election is to be conducted.

The members of the nomination committee are to appoint the chairman among themselves. No fees are to be paid.

Should a shareholder which is represented on the nomination committee cease to be one of the Largest Shareholders as a result of changes in the ownership structure, then, if the change is significant and the majority of the members of the nomination committee so decides, the shareholder’s representative must withdraw from the nomination committee, and the shareholder which has been newly added to the four largest shareholders/shareholder groups in terms of votes is to appoint a representative instead. However, changes in the ownership structure which occur less than three months before an annual general meeting will not lead to any change in the composition of the nomination committee.

If a Shareholders’ Representative leaves his/her position with the shareholder, the shareholder is entitled to appoint a new representative for the nomination committee.

If one of the Largest Shareholders no longer wishes to participate in the work of the nomination committee by having a representative on the committee, and the nomination committee considers that there is a need to replace this representative, the shareholder which is next in line among the largest shareholders/shareholder groups in terms of votes is to appoint a representative instead.

Any changes in the composition of the nomination committee must be made public immediately.

This resolution on the procedure for appointing a nomination committee for the annual general meeting in 2011 and subsequent annual general meetings shall apply until it is amended by a future shareholders’ meeting.

Report on the work of the nomination committee

The nomination committee has held four meetings.

On the Bank's website under the heading "Annual General Meeting," it was stated that shareholders were able to submit proposals to the nomination committee by 31 December 2010 at the latest. No proposals have been received.

Assessment of the board and proposal for re-election

The chairman of the board, Mr Hans Larsson, has submitted a report regarding the assessment of the work of the board carried out during the second half of 2010. The main conclusions from these meetings have been presented to the nomination committee. The nomination committee has also had a meeting with an additional board member, in order to obtain further information regarding the work of the board, and to provide information for an assessment of the chairman. In the opinion of the nomination committee, the work of the board is functioning well.

The nomination committee considers that the board should consist of twelve members. Among the nominated persons, Mr Tommy Bylund and Ms Ulrika Boëthius represent the Oktogonen Foundation, in which context it may be noted that there are no separate employee representatives on the Bank's board.

At the 2009 annual general meeting, two new members joined the board. No members have declined re-election. The persons proposed for re-election are presented below. In the opinion of the nomination committee, the composition of the proposed board, given the Bank's operations, stage of development and other circumstances, will be appropriate, with the requisite breadth and versatility in terms of background, expertise and experience. It is proposed that Hans Larsson again be elected chairman of the board. Therefore, no changes are proposed for this year.

Board fees

The nomination committee proposes that the board's fees be raised. The fees have been unchanged since the 2008 annual general meeting. The work of the board at a major bank is demanding. A raise in the basic fees and the committee fees is now justified.

The nomination committee has discussed the relative levels of the basic fees and the fees for committee work, and has found that participation in the board's credit committee (with its 11 meetings annually) should be recognised with higher relative remuneration than previously.

Directors of the Board

Hans Larsson, Chairman

BA
Stockholm
Nationality: Swedish
Born 1942
Member since 1990
Chairman of the Board's credit committee and remuneration committee
Member of the Board's audit committee

Other assignments

Chairman of Nobia AB, Attendo AB, Valedo Partners Fund 1 AB
Director of AB Industrivärden, Holmen AB

Background

1985-1989 CEO Swedish Match AB
1989-1991 CEO Esselte AB
1992-1999 CEO Nordstjärnan AB
Chairman of, among others, NCC AB, Linjebuss AB, Bilspedition/BTL AB, Althin Medical AB, Carema AB, Sydsvenska Kemi AB

Own shareholdings and those of immediate family

18,600

Independent of the Bank and its management
Not independent of major shareholders (director of AB Industrivärden)

Anders Nyrén, Vice Chairman

Graduate in business administration and MBA
President and Chief Executive of AB Industrivärden
Bromma
Nationality: Swedish
Born 1954
Member since 2001
Member of the Board's credit committee

Other assignments

Chairman of Sandvik AB
Director of Telefonaktiebolaget L M Ericsson, Ernströmgruppen AB, AB Industrivärden, Svenska Cellulosa AB SCA, SSAB AB, AB Volvo
Chairman of Föreningen för god sed på värdepappersmarknaden

Background

1997-2001 Skanska, deputy CEO, CFO
1996-1997 Nordbanken, Director with responsibility in the bank's management for Markets and Corporate Finance
1992-1996 Securum, deputy CEO, CFO
1987-1992 OM International AB, CEO
1986-1987 STC Venture AB, CEO
1982-1987 STC, deputy CEO, CFO
1979-1982 AB Wilhelm Becker, Director

Own shareholdings and those of immediate family

2,000

Independent of the Bank and its management
Not independent of major shareholders (President and Chief Executive of AB Industrivärden)

Fredrik Lundberg, Vice Chairman

Graduate engineer and graduate in business administration
Honorary Doctor of Philosophy and Honorary Doctor of Technology
President and Group Chief Executive of L E Lundbergföretagen AB
Djursholm
Nationality: Swedish
Born 1951
Member since 2002
Member of the Board's credit committee

Other assignments

Chairman of Holmen AB, Cardo AB, Hufvudstaden AB
Director of L E Lundbergföretagen AB, AB Industrivärden, Sandvik AB

Background

Active at Lundbergs since 1977
Group Chief Executive of L E Lundbergföretagen AB since 1981

Own shareholdings and those of immediate family

2,425,000

Independent of the Bank and its management
Not independent of major shareholders (director of AB Industrivärden)

Jon Fredrik Baksaa

Graduate in business administration and MBA
President and Group Chief Executive of Telenor ASA
Sandvika
Nationality: Norwegian
Born 1954
Member since 2003
Member of the Board's credit committee

Other assignments

Director of Det Norske Veritas (council), Doorstep AS, GSMA, VimpelCom Ltd

Background

1994-2002 Telenor ASA, Chief Financial Officer/Executive Vice President/Senior Executive Vice President
1997-1998 Telenor Bedrift AS, Managing Director
1989-1994 TBK AS, Chief Finance Officer/Chief Executive Officer
1988-1989 Aker AS, Chief Finance Director
1985-1988 Stolt Nielsen Seaway AS, Oslo and Haugesund, Chief Finance Director
1979-1985 Det Norske Veritas, System consultant/Controller/Contract Co-ordinator

Own shareholdings and those of immediate family

0

Independent of the Bank, its management, and major shareholders

Ulrika Boëthius

Sciences programme, Upper Secondary School
Bank employee
Stockholm
Nationality: Swedish
Born 1961
Member since 2004

Other assignments

Vice chairperson of Swedish Union of Financial Sector Employees

Background

Bank officer at Handelsbanken since 1981
Chairperson of Handelsbanken's union club 1997-2004

Own shareholdings and those of immediate family

0

Not independent (employed)

Pär Boman

Engineer and graduate in business administration
President and Group Chief Executive of Handelsbanken
Linköping
Nationality: Swedish
Born 1961
Member since 2006
Member of the Board's credit committee

Other assignments

Director of Svenska Cellulosa AB SCA, Swedish Bankers' Association

Background

2002-2005 Executive Vice President, Head of Handelsbanken Markets
1998-2002 Executive Vice President, Head of Regional Bank Denmark, Handelsbanken
Employee of Handelsbanken since 1991

Own shareholdings and those of immediate family

1 500

Not independent (President and Group Chief Executive)

Tommy Bylund

Upper Secondary School
Bank Vice President
Ljusdal
Nationality: Swedish
Born 1959
Member since 2000
Member of the Board's credit committee

Other assignments

Chairman of the Oktogonen foundation
Director of Ljusdals kommuns näringspolitiska stiftelse, Närjus

Background

Employee of Handelsbanken since 1980
Branch manager since 1992

Own shareholdings and those of immediate family

944

Not independent (employed)

Göran Ennerfelt

BA and graduate in business administration
President of Axel Johnson Holding AB
Upplands Väsby
Nationality: Swedish
Born 1940
Member since 1985
Member of the Board's credit committee and remuneration committee

Other assignments

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Background

Since 1966 has had various assignments and positions within the Axel Johnson Group, except for a period at Wells Fargo, San Francisco, USA 1971-1972

Own shareholdings and those of immediate family

65,000

Independent of the Bank, its management, and major shareholders

Lone Fonss Schroder

Graduate in business administration and bachelor of laws
Copenhagen
Nationality: Danish
Born 1960
Member since 2009
Member of the Board's audit committee

Other assignments

Director of Vattenfall (audit committee), Aker ASA (audit committee), Aker Solutions ASA, NKT A/S, Volvo Personvagnar AB (chairman of the audit committee)

Background

1982-2004 Leading managerial positions within AP Møller/Maersk A/S
2005-2010 Chief Executive, Walleniusrederierna AB

Own shareholdings and those of immediate family

0

Independent of the Bank, its management, and major shareholders

Jan Johansson

Bachelor of laws
President and Group Chief Executive of Svenska Cellulosa AB SCA
Stockholm
Nationality: Swedish
Born 1954
Member since 2009

Other assignments

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Background

1981-1983 District court clerk
1984-1985 Trainee lawyer
1985-1990 Corporate lawyer within Shell
1990-1994 Head of business area at Svenska Shell
1994-2001 Executive Vice President, Vattenfall

2001 Head of network operations, Telia AB
2001-2007 President and Group Chief Executive, Boliden AB

Own shareholdings and those of immediate family
5 000

Independent of the Bank, its management, and major shareholders

Sverker Martin-Löf

Tech Lic
Honorary PhD
Stockholm
Nationality: Swedish
Born 1943
Member since 2002
Chairman of the Board's audit committee
Member of the Board's credit committee

Other assignments
Chairman of AB Industrivärden, Svenska Cellulosa AB SCA, Skanska AB, SSAB AB
Vice Chairman of Telefonaktiebolaget LM Ericsson

Background
1977-2002 Various senior positions at Svenska Cellulosa AB SCA

Own shareholdings and those of immediate family
4,000

Independent of the Bank and its management
Not independent of major shareholders (director of AB Industrivärden)

Bente Rathe

Graduate in business administration and MBA
Trondheim
Nationality: Norwegian
Born 1954
Member since 2004
Member of the Board's remuneration committee

Other assignments
Chairman of Ecohz AS, Cenium AS
Vice Chairman of Norsk Hydro ASA, Powel AS, Innovasjon Norge
Director of Choice Hotels Scandinavia AS, Home Invest AS, Norske Statens Finanskrisestutvalg

Background
1999-2002 Deputy Chief Executive, Gjensidige NOR (chief executive of life insurance company, chairperson Mutual Fund and Asset Management Company)
1996-1999 Chief Executive, Gjensidige Bank AS
1993-1996 Chief Executive, Elcon Finans AS
1993-1991 Deputy Chief Executive, Forenede Forsikring
1989-1991 CFO, Forenede Forsikring
1977-1989 Head of credits and CFO, E.A. Smith AS

Own shareholdings and those of immediate family
1,330

Independent of the Bank, its management, and major shareholders