

Corporate Governance

SE-106 70 Stockholm

In my capacity as a shareholder in Svenska Handelsbanken AB (publ), I wish to add the following matter to the Agenda of the annual general meeting of shareholders in Svenska Handelsbanken AB for 2019

Background

Svenska Handelsbanken AB (publ) ("Handelsbanken") has placed its pension obligations in a pension foundation, Svenska Handelsbankens Pensionsstiftelse.

The pension foundation can be said to comprise two parts. The first part constitutes pension obligations regarding occupational pensions (almost SEK 30 billion), while the second part constitutes an SPC (Supplementary Pension Commitment) amounting to approximately SEK 11 billion (as at 31 December 2017). The SCP derives from special provisions made during the period 1989-2004.

Up until spring 2016, the two parts had somewhat similar investment policies for assets, as was expressed in note 8 of Handelsbanken's annual reports, over a period several years, as follows: "The Bank believes that due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of the Bank's long-term strategy to manage the plans efficiently."

In spring 2016, the investment strategy for the part representing the SPC assets was remodelled to focus exclusively on interest-bearing securities. The decision, in itself, was unusual, given the timing. The change of strategy was implemented at a time when Sweden (together with much of the western world) was experiencing the lowest interest rates in several hundred years, i.e. the value of the assets could not, in principle, develop in any manner other than negatively (rising interest rates result in lower values for interest-bearing securities).

The Board of Svenska Handelsbankens Pensionsstiftelse was responsible for this strategic decision, although, as with the entirety of the Bank's business operations, the Bank's Board bears the ultimate responsibility.

Examination

As a shareholder, my expectation is that the Bank manages its affairs and treats its employees in a manner which follows applicable laws and rules, and which is in line with basic ethical values. However, I do not claim to have any insight into the Bank's day-to-day operations, nor how other matters relating to the running of the Bank are managed. With regard to the change of investment strategy for the pension funds, I am surprised that neither the foundation's auditors nor the Bank's

auditors appointed by the AGM have reacted. In my opinion, the operations have been run in a manner that I, in my capacity as shareholder and beneficiary of SCP, consider to fall below my hopes and expectations.

The purpose of the change in investment strategy, as presented to the entitled beneficiaries, meant that the Bank was in breach of Swedish law and EU directives, under which the Bank is obliged to manage its pension assets in the best interest of the entitled beneficiaries. The Bank is required to manage pension assets in a manner which is in the best interest of the entitled beneficiaries – **not** in a manner which is in the best interest of Handelsbanken. Therefore, a consequence of the change in investment strategy is that the Bank has violated Swedish law and EU directives, and is likely guilty of breach of trust or aggravated breach of trust.

The objective of the change in investment strategy, as clarified in an information letter dated May 2017 – namely that the reallocation was intended to benefit future provisions to the Oktogonen profit-sharing foundation – also implies that the Bank is a wilful perpetrator of age discrimination.

In order to ensure that this serious matter is subject to an inquiry, I, in my capacity as shareholder in Handelsbanken, request that the AGM for 2019 resolves to implement a special examination pursuant to Chapter 10, Section 21 of the Swedish Companies Act. The examination shall, if implemented:

- verify that the change in investment strategy was solely undertaken for the benefit of those entitled to a pension
- verify that an appropriate risk diversification has been achieved relative to the long-term obligation
- examine the result of the change in investment strategy, in comparison to the other part of the pension foundation, i.e. the occupational pension assets (for which no change in the strategy has been adopted)

And finally

- completely exonerate the Bank from any criminal activity in its actions with regard to the change in investment strategy in 2016

Oslo, as above

[SIGNATURE]

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