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SVENSKA HANDELSBANKEN AB

Proposals from the nomination committee (2021) and a report on its work

Proposals from the nomination committee

The nomination committee has consisted of Ms Helena Stjernholm (Industrivärden), chair, Ms Maria Sjöstedt (Oktogonen Foundation), Mr Mats Guldbrand (Lundberg ownership group), Ms Carina Silberg (Alecta) and the Chairman of the Board Mr Pär Boman. The decision to make the below proposals has been made unanimously.

Election of the chairman of the meeting

The nomination committee proposes that Mr Sven Unger be elected chairman of the meeting.

Election of two persons to check and countersign the minutes

The nomination committee proposes Ms Carina Sverin (AFA Försäkring) and Ms Carina Silberg (Alecta), to check and countersign the minutes together with the chairman of the meeting. In the event of absence of one or both of them, the nomination committee proposes firstly Mr Mats Guldbrand (Lundbergföretagen) and secondly Ms Helena Stjernholm (Industrivärden).

Determining the number of members of the Board to be appointed by the meeting

The nomination committee proposes that the meeting resolve to appoint nine Board members. In addition, it is noted that employee representatives have been appointed to the Board.

Determining the number of auditors

The nomination committee proposes that the meeting resolve that two registered auditing companies be appointed as auditors.

Determining fees for Board members and auditors

Fees are proposed as follows: SEK 3,500,000 (3,400,000) to the Chair, SEK 1,000,000 (970,000) to the Deputy Chair, and SEK 715,000 (690,000) to each of the remaining members.

For committee work, the following fees are proposed: SEK 425,000 (400,000) to each member of the credit committee, SEK 140,000 (140,000) to each member of the remuneration committee, SEK 425,000 (-) to each member of the UK-committee and SEK 475,000 to SEK to the chair of the UK-committee, SEK 425,000 (400,000) to each member and SEK 525,000 (450,000) to the chair of the risk committee, SEK 425,000 (400,000) to each member and SEK 525,000 (500,000) to the chair of the audit committee.

Board members who are employees of Handelsbanken are not to receive a fee.

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 re-election of the following members of the Board: Mr Jon Fredrik Baksaas, Mr Hans Biörck, Mr Pär Boman, Ms Kerstin Hessius, Mr Fredrik Lundberg, Mr Ulf Riese, Ms Arja Taaveniku and Ms Carina Åkerström. The nomination committee proposes the election of Ms Stina Bergfors.

The nomination committee also proposes that Mr Pär Boman be re-elected by the meeting as Chairman of the Board.

For a more detailed presentation of the persons proposed, please see the attached information.

Election of auditors

The nomination committee proposes that the meeting re-elect Ernst & Young AB and PricewaterhouseCoopers AB (“PwC”) as auditors for the period until the end of the annual general meeting to be held in 2022. These two auditing companies have announced that, should they be elected, they will appoint as auditors in charge Mr Jesper Nilsson (authorised public accountant) for Ernst & Young AB and Mr Johan Rippe (authorised public accountant) for PwC.

Mandate of the nomination committee

The nomination committee does not propose any change in the procedure for appointing the nomination committee.

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; and one of the members shall be the Chairman of the Board. 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 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 annual general meeting where election is to be conducted.

The members of the nomination committee are to appoint a 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 share ownership of the shareholder or other shareholders, 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 and explanation

The nomination committee met on 16 occasions.

It has been stated on the Bank's website under the heading "Annual General Meeting," that shareholders may submit proposals to the nomination committee. In order to be processed with due care, the proposals must have reached the nomination committee by 31 December 2020 at the latest.

Assessment of the Board and proposal for composition of the Board

The nomination committee has studied the assessment of the work of the Board carried out in late 2020 and has interviewed Board members. Based on this, the nomination committee has found that the work of the Board is functioning very well. The nomination committee has also received a report on the Bank's operations from the Bank's management.

In its work, both in terms of its evaluation and the construction of its proposal, the nomination committee has taken into consideration the Board of Handelsbanken's policy for promoting diversity within the Board, and also the requirement of the Swedish Corporate Governance Code to aim for diversity, breadth and gender balance on the Board. The Board's diversity policy states that to promote independent opinions and critical questioning, it is desirable that the Board should be characterised by sufficient diversity in terms of age, gender, geographical origin, and educational and professional background. In this context, the nomination committee has also discussed succession planning for the Handelsbanken Board. In addition, the nomination committee has studied Handelsbanken's policy regarding suitability assessment of Board members.

Proposed new Board member

Stina Bergfors (born 1972) was the co-founder and former CEO of the digital mediacompany United Screens which in 2018 was divested to RTL Group. She was formerly Swedish head of Google and Youtube, after having had several other executive positions within Swedish media. Stina is a member of the board of H&M and the logistics- and techcompany Budbee (and is also proposed as new member of the board of Tele2). She has previously served for six years as member of the board of Ingka Group (IKEA Retail, Ingka Centres and Ingka Investment). Stina is engaged in the Prince Daniel Fellowship at the Royal Swedish Academy of Engineering Sciences (Kungl. Ingenjörsvetenskapsakademien). She holds a degree in economics/administration and is honorary doctor at the Luleå University of Technology.

For a more detailed presentation, please see the attached information.

The overall expertise of the Board

The proposed new Board member will add expertise and experience to the Board which will strengthen it and its level of knowledge as a whole. Overall, the proposed Board has extensive experience of banking and finance, real property, industrial and consumer-oriented operations, digitalization and the capital market. It is proposed that the 2021 annual general meeting elect 9 board members – 4 women and 5 men.

In the opinion of the nomination committee, the composition of the proposed Board, taking into consideration the Bank's operations, stage of development and other circumstances, will be appropriate. The nomination committee has found that the members proposed for election and re-election have the requisite breadth and versatility in terms of expertise, experience,

insights and background to understand, examine and evaluate the Bank's operations, including the risks. The proposed members are also deemed to have integrity and independence of mind. All the proposed members have stated that they will be able to devote sufficient time to carrying out their Board assignments.

The Swedish Code of Corporate Governance stipulates that a majority of the Board members must be independent of the Bank and its management, and at least two of these must also be independent of Handelsbanken's major shareholders. The nomination committee's proposal fulfils this requirement. The nomination committee has also considered whether long periods of service by Board members who are independent under the Swedish Corporate Governance Code could affect the independence of these members. The nomination committee's assessment is that this is not the case. The members' independence under the Swedish Corporate Governance Code is set out in the presentation below.

Fees to Board members

Against the background of the increased amount of work and the extended liability of board members in a bank the nomination committee considers it is motivated to increase the fees for board membership as well as the fees for committee work. In order to be able to attract and retain competent individuals in the Board of the Bank fees should be market-based and proportionate to the liability and the work required of a member of the Board.

Election of auditors

Handelsbanken's Board has resolved to assign to the nomination committee the task of making proposals to the annual general meeting regarding the election of auditors and fees for the auditors. Handelsbanken's audit committee has recommended that two auditing companies be appointed as auditors for Handelsbanken and that the mandate period be one year. The audit committee has also recommended the re-election of Ernst & Young AB and PricewaterhouseCoopers AB. The recommendation from the audit committee is made without the committee being subject to influence from a third party or by mandatory conditions which limit the annual general meeting's freedom of choice. The audit committee's recommendation is based on reasons reported to the nomination committee. The nomination committee has decided to follow the recommendation of the audit committee.

Proposed members of the Board

Pär Boman, Chairman

Engineering and Business/Economics degree

Nationality: Swedish

Born in 1961

Member since 2006

Position and other assignments

Chairman of Svenska Cellulosa AB SCA and Essity AB

Vice Chairman of AB Industrivärden

Board member Skanska AB

Background

2006-2015 President and Group Chief Executive, Handelsbanken

Own holdings of shares and financial instruments, and those of closely associated persons

115,000 shares and 28,549 shares indirectly via the Oktagonen profit-sharing foundation

Independent of the Bank and its management

Not independent of major shareholders (Vice Chairman of AB Industrivärden)

Fredrik Lundberg, Vice Chairman

Graduate Engineer and Graduate in Economics/Business Administration

Honorary Doctor of Economics and Honorary Doctor of Engineering

Nationality: Swedish

Year of birth: 1951

Member since 2002

Position and other assignments

President and CEO of L E Lundbergföretagen AB

Chairman of Holmen AB, Hufvudstaden AB and AB Industrivärden,

Board member of L E Lundbergföretagen AB and Skanska AB

Background

Active at Lundbergs since 1977

CEO L E Lundbergföretagen AB since 1981

Own holdings of shares and financial instruments, and those of closely associated persons

74,775,000 shares

Independent of the Bank and its management

Not independent of major shareholders (Chairman of AB Industrivärden)

Jon Fredrik Baksaas

Graduate in Economics/Business Administration and PED from IMD

Nationality: Norwegian

Year of birth: 1954

Member since 2003

Position and other assignments

Chairman of Statnett SF and DNV

Board member, Telefonaktiebolaget LM Ericsson

Background

2008-2016 Board member GSM Association, Chairman 2013-2016

2002-2015 Telenor Group, President and Group Chief Executive

1989-2002 Telenor Group, various positions within finance, financial control and management

1988-1989 Aker AS

1985-1988 Stolt Nielsen Seaway AS

1979-1985 Det Norske Veritas, Norway and Japan

Own holdings of shares and financial instruments, and those of closely associated persons

3,800 shares

Independent of the Bank, its management and major shareholders

Stina Bergfors

Graduate in Economics/administration

Honorary doctor of philosophy

Nationality: Swedish

Born 1972

Proposed new member

Position and other assignments

Board member of H&M Hennes & Mauritz and Budbee

Proposed new board member of Tele2 at the annual general meeting 2021

Background

2013 - 2018 co-founder and CEO and other roles, United Screens

2008 – 2013 Country director, Google and Youtube

2004 – 2007 CEO and other roles, Carat

2000 – 2004 Director and other roles OMD Worldwide

1999- 1999 Account Manager, TV3 Sweden, Modern Times Group

Own holdings of shares and financial instruments, and those of closely associated persons

0 shares

Independent of the Bank and its management and major shareholders

Hans Börck

Graduate in Economics/Business Administration

Nationality: Swedish

Born 1951

Member since 2018

Position and other assignments

Chairman, Skanska AB and Trelleborg AB

Background

2001-2011 Skanska, Deputy CEO and CFO

1998-2001 Autoliv, CFO

1997-1998 Own business

1977-1997 Various positions within Esselte

Own holdings of shares and financial instruments, and those of closely associated persons

5,000 shares

Independent of the Bank, its management and major shareholders

Kerstin Hessius

Graduate in Economics/Business Administration

Nationality: Swedish

Born in 1958

Member since 2016

Position and other assignments

CEO AP3 Third National Swedish Pension Fund

Board member of Vasakronan AB, Hemsö Fastighets AB and Trenum AB.

Background

2001-2004 Stockholm stock exchange, CEO

1999-2000, Sveriges Riksbank, Deputy Governor of the central bank

1998 Danske Bank, CEO Asset Management

1990-1997 ABN Amro Bank / Alfred Berg

1989-1990 Finanstidningen

1986-1989 Swedish National Debt Office

1985-1986 Sveriges Riksbank

1984-1985 Swedish Agency for Public Management

Own holdings of shares and financial instruments, and those of closely associated persons

8,700 shares

Independent of the Bank, its management and major shareholders

Ulf Riese

Graduate in Economics/Business Administration

Nationality: Swedish

Year of birth: 1959

Member since 2020

Position and other assignments

No other positions or assignments

Background

Various positions at Handelsbanken

2016 – 2018 Senior advisor

2007 – 2016 CFO Handelsbanken

2004 – 2007 Head of Handelsbanken Asset Management

2004 - 2018 Executive Vice President, Handelsbanken

Employed by Handelsbanken since 1983

Own holdings of shares and financial instruments, and those of closely associated persons

180,000 shares

Independent of the Bank, its management (starting from 1 April 2021)

Independent of major shareholders

Arja Taaveniku

Economist

Nationality: Swedish

Born 1968

Member since 2020

Position and other assignments

Chairman, Svenska Handelsfastigheter AB

Member of the board, Nobia AB and Mekonomen AB

Proposed new member of Dunelm Plc

Background

2015 – 2019 Chief Offer and Supply Chain Officer, Kingfisher plc, Chief Executive of subsidiary of Kingfisher plc

2012 – 2015 President and Group Chief Executive, Ikano Group

2005 – 2012 Global Business Area Director, IKEA Group

1989 – 2005 Various positions within the IKEA Group

Own holdings of shares and financial instruments, and those of closely associated persons

0 shares

Independent of the Bank and its management

Independent of major shareholders

Carina Åkerström

Bachelor of Laws

Nationality: Swedish

Born 1962

Member since 2019

Position and other assignments

President and Group Chief Executive of Svenska Handelsbanken AB

Vice Chairman Swedish Bankers' Association

Background

Various positions at Handelsbanken

2016 – 2019 Deputy Group Chief Executive of Handelsbanken

2010 – 2019 Head of Regional Bank Stockholm

2008 – 2010 Head of regional bank Eastern Sweden

2008 - 2019 Executive Vice President, Handelsbanken

Employed by Handelsbanken since 1986

Own holdings of shares and financial instruments, and those of closely associated persons

18,000 shares and 32,856 shares indirectly via the Oktogonen profit-sharing foundation

Not independent of the Bank and its management (employee)

Independent of major shareholders