

Reasoned statement by the Board of Directors of Svenska Handelsbanken AB pursuant to Chapter 18, Section 4 of the Swedish Companies Act

In view of the Board of Directors' proposal for distribution of a total of 30,461,977 class A shares in AB Industrivärden to the shareholders in Handelsbanken, the Board of Directors hereby gives the following reasoned statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act.

As of 31 December 2020, the Group's and the parent company's equity amounted to SEK 171,473 million and SEK 142,839 million, respectively. As of such date, unrealised changes in assets and liabilities at fair value had a net impact on equity of SEK -1,658 million. Ahead of the 2021 Annual General Meeting, the non-restricted profits at the disposal of the general meeting amounted to SEK 133,814 million. The 2021 Annual General Meeting resolved on a cash dividend of SEK 4.10 per share in Handelsbanken, corresponding to a total of SEK 8,118 million. Accordingly, the amount available for distribution pursuant to Chapter 17, Section 3, Paragraph 1 of the Swedish Companies Act is SEK 125,696 million.

Based on the closing price for the Industrivärden class A share on Nasdaq Stockholm on 20 September 2021, the value of the proposed dividend-in-kind amounts to SEK 8,748.7 million. The total of 30,461,977 class A shares in Industrivärden proposed to be distributed to the shareholders in Handelsbanken are currently held by Svenska Handelsbankens Pensionsstiftelse (the "**Pension Foundation**"). Provided that the Extraordinary General Meeting resolves in accordance with the Board of Directors' proposals, Handelsbanken will acquire the total of 30,461,977 class A shares in Industrivärden from the Pension Foundation prior to the completion of the proposed distribution. The shares will be acquired and booked, respectively, at market value at the transaction date following a resolution at the general meeting (21 October 2021), whereby the market value will be determined based on the closing price of the Industrivärden class A share on Nasdaq Stockholm on 21 October 2021. If the difference between the opening price and the closing price of the Industrivärden class A share on Nasdaq Stockholm on 21 October 2021 would exceed 3 percent, the market value shall however instead be determined based on the volume weighted average price paid for the Industrivärden class A share on Nasdaq Stockholm on 21 October 2021. The value of the Industrivärden class A shares may therefore fluctuate during the period from the date of this statement up to and including the transaction date, 21 October 2021 (due to changes in the price of the Industrivärden class A share on Nasdaq Stockholm). The booked value of the proposed dividend-in-kind and thus the remaining amount available for distribution in Handelsbanken will change accordingly.

The total capitalisation of the parent company and the consolidated situation on 30 June 2021 (the balance sheet date of the most recent capital adequacy report), minus the proposed dividend of class A shares in Industrivärden to the shareholders in Handelsbanken and based on material changes since 30 June 2021, exceeded the statutory requirements pursuant to EU Regulation 575/2013 and Directive 2013/36/EU as well as other relevant requirements established for the Bank by public authorities. Following completion of the proposed dividend-in-kind, the CET1 level, the common equity tier 1 ratio, pro forma as of 30 June 2021, is estimated, based on the closing price for the Industrivärden class A share on Nasdaq Stockholm on 20 September 2021, to fall from 20.5 percent to approximately 19.4 percent, which means a maintained capitalisation above the target ratio range.

With reference to the aforementioned, the Board of Directors considers the proposed dividend to be justified considering the requirements that the scope and nature of the business and the risks involved impose on the Company's and the Group's equity and the Company's and the Group's consolidation level, liquidity and financial position. This is the Board of Directors' assessment even if the market value of the Industrivärden class A shares at the transaction date, taking into account what is reasonable and realistic, would cause the dividend to be greater than what it would have been if the transaction had been carried out on the date of this reasoned statement.

Stockholm on 21 September 2021
SVENSKA HANDELSBANKEN AB (PUBL)
The Board of Directors