

HANDELSBANKEN

Proposal from the nomination committee (2012) 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 group and Mr Hans Larsson, Chairman of the Board of Handelsbanken.

Election of the chairman of the 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 meeting

The nomination committee proposes that the meeting resolve that the Board consist of twelve members (unchanged).

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 3,150,000 (3,000,000) to the chairman, SEK 850,000 (800,000) to each of the two vice chairmen, and SEK 575,000 (550,000) to each of the remaining members. For committee work, the following unchanged fees are proposed: SEK 300,000 (300,000) to each member of the credit committee, SEK 125,000 (125,000) to each member of the remuneration committee, SEK 200,000 (200,000) to the chairman of the audit committee, and SEK 150,000 (150,000) 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 meeting re-elect all Board members with the exception of Ms Ulrika Boëthius and Mr Göran Ennerfelt, who have declined re-election, and that the meeting elect Mr Ole Johansson and Ms Charlotte Skog as new Board members.

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

The proposed composition of the Board fulfils the requirements of the Swedish Corporate Governance Code with regard to the majority of the members being independent of the company and the company’s management (9 out of 12) and also with regard to two of the independent members also being independent of major owners (5 out of 9).

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

Election of auditors

The nomination committee proposes that the meeting re-elect KPMG AB and Ernst & Young AB as auditors for the period until the end of the AGM to be held in 2013. These two auditing companies have announced that, should they be elected, they will appoint the same auditors in charge as in 2011: Mr Stefan Holmström (authorised public accountant) will be appointed as auditor in charge for KPMG AB, while Mr Erik Åström (authorised public accountant) will be appointed as auditor in charge for Ernst & Young AB.

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 annual general meeting where the 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 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 six meetings.

It has been stated on the Bank's website under the heading "Annual General Meeting" that shareholders may submit proposals to the nomination committee by 31 December 2011 at the latest. No proposals have been received.

Assessment of the Board and proposal for election and 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 2011. The main conclusions from these meetings have been presented to the nomination committee. The nomination committee has also had a meeting with two additional Board members, in order to obtain further information regarding the work of the Board, and to provide a basis 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 continue to consist of twelve members. Among the nominated persons, Mr Tommy Bylund (renomination) and Ms Charlotte Skog (new nomination) represent the Oktogonen Foundation, in which context it may be noted that there are no separate employee representatives on the Bank's Board.

Ms Ulrika Boëthius and Mr Göran Ennerfelt have declined re-election. The nomination committee has evaluated various persons for election, and based on this evaluation it proposes Mr Ole Johansson as a new Board member. Over many years Mr Johansson held various positions within the Wärtsilä Group; most recently he was chief executive from 2000 to 2011. Mr Johansson is also Chairman of Outokumpu Oyj and the Confederation of Finnish Industries EK. In addition, the nomination committee proposes Ms Charlotte Skog as a new Board member. Ms Skog is an employee of Handelsbanken and a Board member of Oktogonen.

The persons proposed for election, as well as those 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.

Board fees

The nomination committee proposes that the Board fees be raised slightly, but no rise in fees for committee work is proposed. The work of the Board at a major bank is demanding. A carefully considered raising of the basic fee is therefore justified. In this proposal, the combined Board fee increases by just under four per cent.

Board members

Hans Larsson, Chairman

BA
Director
Stockholm
Nationality: Swedish
Born in 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 Attendo AB, Valedo Partners Fund 1 och 2 AB
Board member AB Industrivärden, Holmen AB

Background

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

Own shareholdings and those of immediate family

18,600

Independent of the Bank and its management
Not independent of major shareholders (Board member, AB Industrivärden)

Anders Nyrén, Vice Chairman

Graduate in Business Administration and MBA
President and CEO of AB Industrivärden
Bromma
Nationality: Swedish
Born in 1954
Member since 2001
Member of the Board's credit committee

Other assignments

Chairman of Sandvik AB
Board member Telefonaktiebolaget L M Ericsson, Ernströmgruppen AB, AB Industrivärden, Svenska Cellulosa AB SCA, SSAB AB, AB Volvo
Board member, Stockholm School of Economics and the Stockholm School of Economics Association

Background

1997-2001 Skanska, Deputy CEO, CFO
1996-1997 Nordbanken, Director with responsibility 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 CEO of AB Industrivärden)

Fredrik Lundberg, Vice Chairman

Graduate Engineer and Graduate in Business Administration
Honorary Doctor of Economics and Honorary Doctor of Engineering
President and CEO of L E Lundbergföretagen AB
Djursholm
Nationality: Swedish
Born in 1951
Member since 2002
Member of the Board's credit committee

Other assignments

Chairman of Holmen AB, Hufvudstaden AB
Board member L E Lundbergföretagen AB, AB Industrivärden, Sandvik AB, Skanska AB

Background

Active at Lundbergs since 1977
CEO L E Lundbergföretagen AB since 1981

Own shareholdings and those of immediate family

2,525,000

Independent of the Bank and its management
Not independent of major shareholders (Board member, AB Industrivärden)

Jon Fredrik Baksaas

Graduate in Business Administration and MBA
President and CEO of Telenor ASA
Sandvika, Norway
Nationality: Norwegian
Born in 1954
Member since 2003

Other assignments

Board member 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

Pär Boman

Engineering and Business/Economics degree
President and Group Chief Executive of Handelsbanken
Stockholm
Nationality: Swedish
Born in 1961
Member since 2006
Member of the Board's credit committee

Other assignments

Board member Svenska Cellulosa AB SCA, Swedish Bankers' Association

Background

2002-2005 EVP, Head of Handelsbanken Markets
1998-2002 EVP, Head of Regional Bank Denmark, Handelsbanken
Employed by Handelsbanken since 1991

Holdings of shares and financial instruments, own and those of immediate family

7,133 shares, of which 4,883 held indirectly via the Oktogonen profit-sharing foundation.
Nominal value SEK 5,638,000 in Handelsbanken's 2008 convertible bond and SEK 8,318,142 in Handelsbanken's 2011 convertible bond

Not independent (President and Group Chief Executive)

Tommy Bylund

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

Other assignments

Chairman of the Oktogonen foundation
Member of Ljusdal municipality's economic foundation (Närlijus)

Background

Employed by Handelsbanken since 1980
Branch manager at Handelsbanken since 1992

Holdings of shares and financial instruments, own and those of immediate family

17,362 shares, of which 16,418 held indirectly via the Oktogonen profit-sharing foundation.
Nominal value SEK 909,000 in Handelsbanken's 2008 convertible bond and SEK 1,131,799 in Handelsbanken's 2011 convertible bond

Not independent (employee)

Lone Fønss Schrøder

Graduate in Business Administration and Bachelor of Laws
Director
Copenhagen, Denmark
Nationality: Danish
Born in 1960
Member since 2009
Member of the Board's credit committee
Member of the Board's audit committee

Other assignments

Board member Vattenfall (audit committee), Aker ASA (audit committee), Aker Solutions ASA, NKT A/S, Volvo Personvagnar AB (chair audit committee)

Background

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

Own shareholdings and those of immediate family

0

Independent of the Bank, its management and major shareholders

Jan Johansson

Bachelor of Laws
President and CEO of Svenska Cellulosa AB SCA
Stockholm
Nationality: Swedish

Born in 1954
Member since 2009

Other assignments

Board member of SSAB, Svenska Cellulosa AB SCA

Background

2001-2007 President and CEO Boliden AB
2001 Head of network operations, Telia AB
1994-2001 Deputy CEO, Vattenfall
1990-1994 Head of Division at Svenska Shell
1985-1990 Corporate lawyer within Shell
1984-1985 Trainee lawyer
1981-1983 District court clerk

Own shareholdings and those of immediate family

5,000

Independent of the Bank, its management and major shareholders

Ole Johansson

Diploma in Economics and Business Administration
Director
Grankulla, Finland
Nationality: Finnish
Born in 1951

Other assignments

Chairman of Outokumpu Oyj, the Confederation of Finnish Industries EK, EQ Oyj Abp
Vice Chairman of the mutual employment pension insurance company Varma
Board member of Etna and EVA, East Office of Finnish Industries, Federation of Finnish Technology Industries

Background

1975-2011 held various positions within the Wärtsilä (Metra) Group, with the exception of a period with Valmet 1979-1981.
CEO of the Wärtsilä Group, 2000-2011

Own shareholdings and those of immediate family

0

Independent of the Bank, its management and major shareholders

Sverker Martin-Löf

Lic. Tech
Ph D (h.c.)
Director
Stockholm
Nationality: Swedish
Born in 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 Active at Svenska Cellulosa AB SCA in various management positions

Own shareholdings and those of immediate family

4,000

Independent of the Bank and its management
Not independent of major shareholders (Board member, AB Industrivärden).

Bente Rathe

Graduate in Business Administration and MBA

Director

Trondheim, Norway

Nationality: Norwegian

Born in 1954

Member since 2004

Member of the Board's credit committee

Member of the Board's remuneration committee

Other assignments

Chair, Ecohz AS, Cenium AS

Vice chair, Norsk Hydro ASA, Powel AS, Innovasjon Norge

Board member, Polaris Media ASA, Nordic Choice Hospitality Group AS, Home Invest AS, Aker Kvaerner Holding AS, Ethics Committee for Norwegian Government Pension Fund Global

Background

1999-2002 Deputy Group Chief Executive Gjensidige NOR (CEO of life insurance company, Chair of Mutual Fund and Asset Management Company)

1996-1999 President, Gjensidige Bank AS

1993-1996 CEO, Elcon Finans AS

1991-1993 Deputy CEO, 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

Charlotte Skog

Economics Programme at upper secondary school

Bank employee

Österskär

Nationality: Swedish

Born in 1964

Other assignments

Board member of Oktagonen Foundation, Vice Chair of the Financial Sector Union Club at Handelsbanken, outgoing member of the Board of Handelsbanken Regional Bank Stockholm

Background

Employed by Handelsbanken since 1989

Holdings of shares and financial instruments, own and those of immediate family

5,274 shares held indirectly via the Oktagonen profit-sharing foundation.

Nominal value SEK 226,000 in Handelsbanken's 2008 convertible bond and SEK 242,722 in Handelsbanken's 2011 convertible bond

Not independent (employee)