Handelsbanken

Handelsbanken plc

Board Nomination Committee

Terms of Reference

Version 9

Approved by Board: 12 March 2025

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Board Nomination Committee – Terms of Reference

1 Purpose

1.1 The Board Nomination Committee (the Committee) shall, having regard to the matters set out in the steering guidelines issued by the group chief executive on behalf of the shareholder:

1.1.1 periodically review the composition and effectiveness of the board of directors of the Handelsbanken plc (the Board)

1.1.2 prepare descriptions of roles, capabilities and time commitments required for Board appointments and make recommendations to the Board and to the shareholder for new Board members, and members of Board committees

1.1.3 formulate and keep current, diverse and inclusive succession plans for both executive and non-executive directors

2 Membership

2.1 The Committee shall comprise at least three members. A majority of the members of the Committee shall be independent non-executive directors.

2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive Officer (CEO), the chief human resources officer, other members of the Board and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.

2.3 The Board shall appoint the chair of the Committee. In the absence of the chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The chair of the Board shall not chair the Committee when it is dealing with the matter of succession to the chair of the Board.

3 Secretary

The company secretary, or a nominee of the company secretary, shall act as the secretary of the Committee.

4 Quorum and voting

4.1 The quorum necessary for the transaction of business shall be two members the majority of which should be independent.

4.2 Decisions of the Committee require majority approval unless otherwise specified.

4.3 If members are unavailable for a particular meeting, the remaining members may co-opt an independent non-executive director to constitute a quorum.

5 Frequency of meetings

5.1 The Committee shall meet at least four times year and otherwise as required by the chair.

6 Notice of meetings

6.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the chair.

6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

7 Minutes of meetings

7.1 The secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

7.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless, in the opinion of the chair, it would be inappropriate to do so.

8 Duties

Board composition and effectiveness

8.1 The Committee shall:

8.1.1 regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes

8.1.2 give full consideration to diverse and inclusive succession planning for directors and senior management function holders and the CEO of Handelsbanken Wealth & Asset Management (‘senior management’) in the course of its work, taking into account the challenges and opportunities facing Handelsbanken plc, and the skills and expertise needed on the Board and within the senior management in the future

8.1.3 keep under review the leadership needs of the organisation, both executive and non-executive and all staff classified as senior management with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace

8.1.4 lead and commission the annual board performance evaluation and assist the chair of the Board as necessary

8.1.5 review the results of the board performance evaluation process performed by the Committee that relate to the composition of the Board

8.1.6 review annually the time required from non-executive directors; performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties

Appointments

8.2 The Committee shall:

8.2.1 identify and nominate directors for the approval of the Board and then recommend to the shareholder, candidates to fill board vacancies as and when they arise and consult with the shareholder in connection with any such nominations

8.2.2 Recommend to the Board the approval of the chief risk officer and chief compliance officer (following the recommendation of the Board Risk and Compliance Committee) and of the chief audit executive (following the recommendation of the Board Audit Committee)

8.2.3 before any recommendation to shareholder is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall:

8.2.3.1 take into account the views of the shareholder

8.2.3.2 use open advertising or the services of external advisers as necessary to facilitate the search

8.2.3.3 consider candidates from a wide range of backgrounds

8.2.3.4 consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position

8.2.3.5 ensure that all appointees on joining the Board, undergo an appropriate induction programme and consider any training requirements for the Board as a whole;

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8.2.4 for the appointment of the chair of the Board, the Committee should prepare a job specification, including the time commitment expected. The proposed chair's other significant commitments should be disclosed to the Board before appointment and any changes to the chair's commitments should be reported to and approved by the Board as they arise

8.2.5 make recommendations to the Board of membership of the other Board committees, in consultation with the chair of those committees

8.2.6 recommend to the Board the re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience required

8.2.7 make recommendations to the Board regarding the re-election by the shareholder of directors under Handelsbanken plc's Articles of Association, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years)

8.2.8 make recommendations to the Board involving any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of Handelsbanken plc subject to the provisions of the law and their service contract

8.2.9 ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings

8.2.10 approve the process in the event of an executive Director becoming a non-executive director of other companies whether externally or internally within the Handelsbanken Group.

8.2.11 ensure that prior to the appointment of a director, the proposed appointee is required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest. These must be authorised by the Board prior to appointment and any future business interests that could result in a conflict of interest must not be undertaken without prior authorisation of the board.

8.2.12 assist the Board in the identification, approval and reporting of material risk-takers ('MRTs) within Handelsbanken plc by receiving the MRT list on at least an annual basis. The Committee will receive the full MRT list (including those captured with qualitative and quantitative criteria), with only those with quantitative going to the Remuneration Committee.

Succession

8.3 The Committee shall ensure plans are in place for orderly, diverse and inclusive succession to the Board and all staff classified as senior management, plus the Company Secretary.

8.4 Recommend to the Board any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved.

General

8.5 In the performance of all of its duties, the Committee shall work and liaise as necessary with all other Board committees, including, in particular, the Remuneration Committee in relation to the identification, approval and reporting of material risk-takers having regard to qualitative criteria.

8.6 Work and liaise as necessary with other Board Committees, ensuring the interaction between committees and with the Board is reviewed regularly.

8.7 Consider and recommend to the Board for approval the Gender Pay Statement.

9 Reporting responsibilities

9.1 The chair of the Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

9.3 The Committee shall compile a report for Handelsbanken plc's annual report and to be provided to the shareholder for inclusion in the Group annual report, if required, including:

9.3.1.1 details about its activities and the process used to make appointments, including a statement of the Board's policy on diversity, and the approach adopted to support the development of a diverse pipeline

9.3.1.2 details on the gender balance of those in the senior management team and their direct reports and progress on achieving the objectives and such other information as the shareholder may require are considered with the Board

9.3.1.3 in connection with the Remuneration Committee ensure that any measurable objectives that it has set for implementing the policy are taken into account

10 Other matters

The Committee shall:

10.1 have access to sufficient resources in order to carry out its duties, including access to the company secretary for assistance as required.

10.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

10.3 give due consideration to laws, regulations and any other applicable rules relevant to the matters within its terms of reference, as appropriate.

10.4 arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

10.5 hold a private session of the members at the start or end of each meeting, if required.

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11 Authority

11.1 The Committee is authorised by the Board to obtain, at Handelsbanken plc's expense, outside legal or other professional advice on any matters within its terms of reference.

Version	Amendments	Approved by Board
1	Initial adoption	20 November 2018
2	Annual review	13 August 2019
3	Annual review	15 April 2020
4	Quorum changed from 3 to 2, to enable business to be transacted in the absence of a member	20 January 2021
5	Addition of evaluation of succession planning process (8.4) and review of Board/Board Committee interaction (8.6)	16 March 2021
6	Changes to membership periods, as updated in other committees' terms of reference (2.3); Expansion of the Committee's role in approving MRTs and how this interacts with the Remuneration Committee (8.2.10); Explicit reference to consideration to the Gender Pay Gap Statement (8.7) and where the responsibilities lie.	5 May 2022
7	Updates to reflect requirements of Board to consider Diversity and Inclusion requirements for succession planning and Board Induction Training.	7 March 2023
8	No changes proposed	March 2024
9	Removal of part of section 2 on the duration of terms, which aligns with updates to other Board Committee terms of reference. Inclusion of a section (8.2.2) on the process for the appointment of the Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive.	March 2025