

Innovation in times of COVID-19

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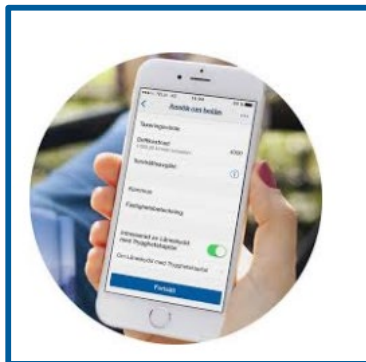


Our surrounding world

Technology



Customer behaviour



New Players



Regulation



...and keeping in mind

"Innovation is not creating something new.

Innovation is not inventing something that didn't exist before.

Innovation is adding new value that didn't exist before."

Tweet by Jared Spool 190817

Most concern is driven by financial uncertainty rather than health risks

I am worried about myself or my loved ones...

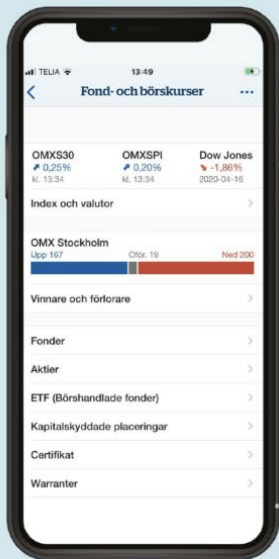


Source: Kantarsifo Covid-19 Barometer

The Coronavirus has or will impact my household income....



Communication based on customer needs



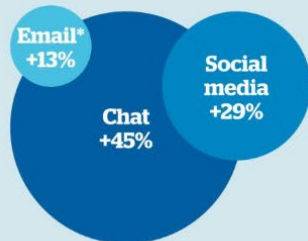
Number of visitors

- "Mutual fund and share prices"
- "Indexes and currencies"
- "News"

60-70% ↑

1 - 31 March 2020 (compared with February 2020)
Corporate app, Sweden

Personal Service on digital channels



1 - 31 March 2020 (compared with March 2019)

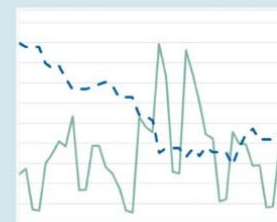
*includes messages via the Online Banking email function



Handelsbanken Personal Service

Calls to Personal Service, alternative 'Shares & Funds', increased significantly when the stock market slumped in March.

— Incoming
- - - - - OMXS30



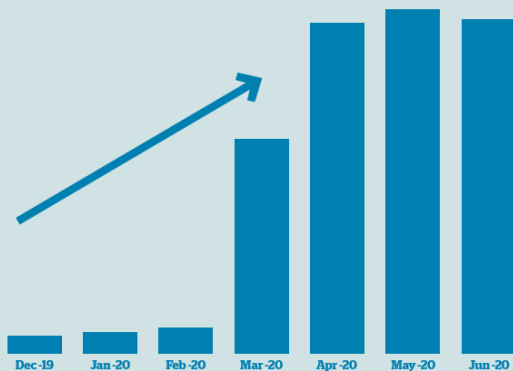
Rapid actions for remote working and maintaining operations

1,000 per cent increase in the number of online meetings



From February to June 2020,

the number of internal and external Skype meetings grew by over 1,000 per cent. Our normal method of working with a focus on personal contact and close relationships simply found new expressions.



Quick readjustment when a large proportion of the Bank's employees work from home, and many daily meetings take place remotely via digital solutions.



An example: Hackaton

An innovation day with business operations, IT and design, with the aim of developing digital meetings and the mobile customer experience. *"In our apps, how can we support private and corporate customers in times of uncertainty?"*

Setting:

- Generating ideas based on a problem
- Cross-functional teams across different organisational units
- New perspectives and greater insights
- The next step: Evaluation and validation ahead of development

Digital application process for temporary exemption from amortisation requirements

"I would just like to say how impressed I am that you managed to deliver a solution like this in such a short time!"

Comment from a branch

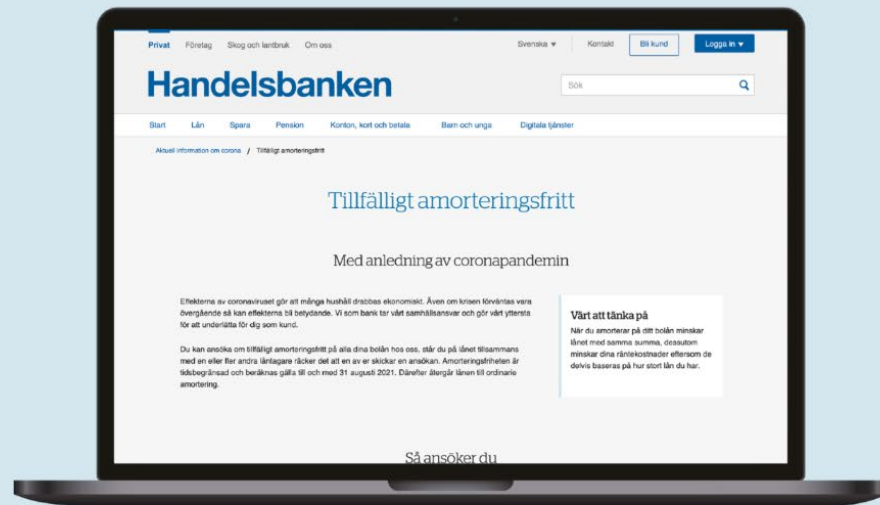
Approx.
6,000

applications within the first 3 days



20 minutes

saved per application



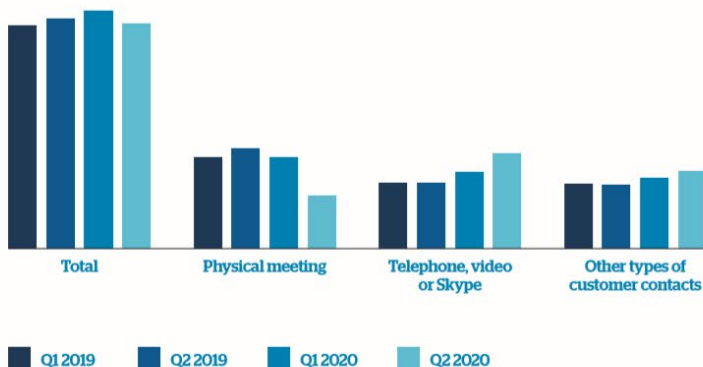
"I can hardly begin to explain what an enormous weight off our shoulders this is!"

Comment from a branch

Just as much contact, but in different ways

We are seeing a major increase in contact by phone and digital channels such as Skype and email. At the same time, physical meetings are still important for many customers. And most important of all for us is that the overall personal contact is at least at the same level.

Group Customer time Private and Corporate



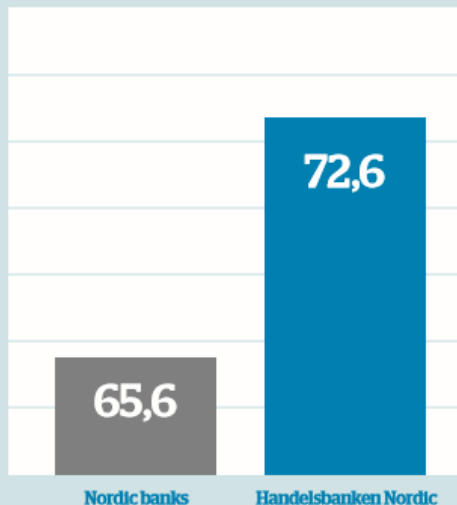
The option

of being able to meet digitally has been appreciated. In May, online meetings made up around 25 per cent of the advisory sessions held in Finland and Sweden. But most investment advisory meetings still take place physically at the branch.

The most important result: Satisfied customers

SKI/EPSI
Nordic study

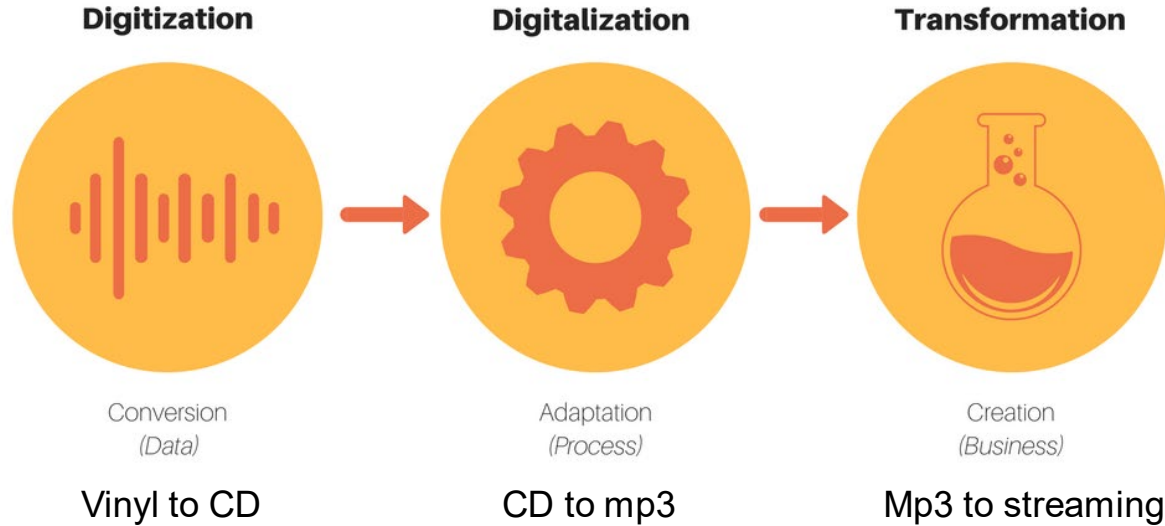
Private customers
- about the banks'
management of
COVID-19 crisis



What reasons do customers give for being satisfied with Handelsbanken?

- A wide branch network
- Adaptation of branch premises
- Dispensation from amortisation requirements
- Stable digital services
- The option of meeting your advisor online
- Access to business intelligence
- Clear, transparent communications

How far have we come?



2020

2030



Self Driving

**Assisted
Self Service**

**Human
Touch**

- Automated
- Scalable
- Always on

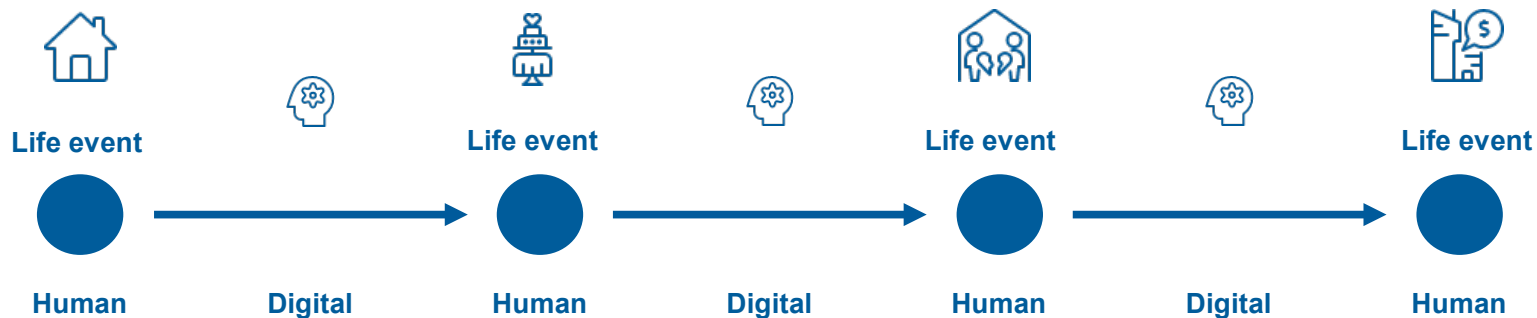
- Empathy
- Same context
- Build trust

Augmented Intelligence – combining technology with what people do best

...e.g. building relationships with other people



Seamless integration between human and digital interactions



Continuous long-term relationship via all channels

Handelsbanken