

Svenska Handelsbanken AB (publ)
Corporate identity no.: 502007-7862
Registered office: Stockholm
handelsbanken.com

Since 1871

Handelsbanken was founded in 1871. Today, a little over 150 years later, we are one of the world's strongest banks.

Our idea of how to run our Bank is based on trust and respect for individuals, both customers and employees. Through personal relationships, a long-term approach and a strong local presence, we create value in every customer meeting.

Our ambition is to provide the best bank offering within financing, savings and advisory services. With satisfied customers, we see potential for continued strong business development and profitable growth at a low risk. Our home markets are Sweden, Norway, the UK and the Netherlands, with business also conducted in Luxembourg and the USA.

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Introduction

Handelsbanken provides this information in compliance with Part Eight of Regulation (EU) No 575/2013 (CRR) and the Swedish Financial Supervisory Authority's regulations (FFFS 2014:12) regarding prudential requirements and capital buffers.

The disclosures pursuant to CRR can be found in this report in the form of quantitative and qualitative information to be provided as stipulated in the Commission Implementing Regulation (EU) 2021/637. Note that new CRR rules as well as Regulation (EU) 2024/3172 on Pillar 3 disclosures applies as of 1 January 2025.

For additional information regarding Handelsbanken, please see the Annual Report 2025.

Svenska Handelsbanken AB (publ) is the parent institution in Handelsbanken's consolidated situation. For Handelsbanken, the conglomerate rules mean that the capital requirements for the consolidated situation and the capital requirement for the insurance operations are combined.

Companies that are part of the consolidated situation and that are thus covered by the capital adequacy requirements according to the capital adequacy regulations are listed in table EU LI3. All subsidiaries which are subject to the regulations are included in the consolidated situation. Handelsbanken has no subsidiaries in which the actual own funds are less than the prescribed own funds. For additional information regarding related party disclosures, own funds and capital requirements, please see the Annual Report 2025 notes G52 and G54.

For periodic information, for which Handelsbanken has identified a need to submit information more often than once a year, please refer to the Bank's interim reports and quarterly Pillar 3 reports. Information to be provided on a quarterly basis as stipulated in the CRR is published on Handelsbanken's website.

The information is presented as at 31 December 2025, and the comparative figures as at 31 December 2024 unless otherwise specified. The amounts in parentheses are the figures for the preceding year.

Key metrics and overview of risk-weighted exposure amount

Template (KM1) shows Key metrics related to risk-based capital ratios, leverage ratio and liquidity standards and provides a set of Key metrics covering the Bank's available capital (including buffer requirements and ratios). KM1 encompasses total risk-weighted assets, leverage ratio, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). KM1 presents information on the impact of the Bank's regulatory capital and leverage ratios compared to the Bank's capital and leverage.

EU KM1

Key metrics 2025			
SEK m		2025	2024
Available own funds (amounts)			
1	Common Equity Tier 1 (CET1) capital	137 084	155 345
2	Tier 1 capital	146 233	166 296
3	Total capital	171 268	193 191
Risk-weighted exposure amounts			
4	Total risk-weighted exposure amount	779 729	825 457
4a	Total risk exposure pre-floor	779 729	
Capital ratios (as a percentage of risk-weighted exposure amount)			
5	Common Equity Tier 1 ratio (%)	17.6	18.8
5a	Not applicable		
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	17.6	
6	Tier 1 ratio (%)	18.8	20.2
6a	Not applicable		
6b	Tier 1 ratio considering unfloored TREA (%)	18.8	
7	Total capital ratio (%)	22.0	23.4
7a	Not applicable		
7b	Total capital ratio considering unfloored TREA (%)	22.0	
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)			
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.6	1.8
EU 7e	of which: to be made up of CET1 capital (percentage points)	1.0	1.2
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	1.2	1.4
EU 7g	Total SREP own funds requirements (%)	9.6	9.8
Combined buffer requirement (as a percentage of risk-weighted exposure amount)			
8	Capital conservation buffer (%)	2.5	2.5
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)		
9	Institution specific countercyclical capital buffer (%)	2.0	2.0
EU 9a	Systemic risk buffer (%)	3.2	3.2
10	Global Systemically Important Institution buffer (%)		
EU 10a	Other Systemically Important Institution buffer (%)	1.0	1.0
11	Combined buffer requirement (%)	8.7	8.7
EU 11a	Overall capital requirements (%)	18.3	18.5
12	CET1 available after meeting the total SREP own funds requirements (%)	12.0	13.1
Leverage ratio			
13	Total exposure measure	3 193 942	3 368 806
14	Leverage ratio (%)	4.6	4.9
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)			
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.15	0.50
EU 14b	of which: to be made up of CET1 capital (percentage points)	0.2	0.5
EU 14c	Total SREP leverage ratio requirements (%)	3.0	3.0
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)			
EU 14d	Leverage ratio buffer requirement (%)		
EU 14e	Overall leverage ratio requirements (%)	3.0	3.0
Liquidity Coverage Ratio			
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	928 004	962 211
EU 16a	Cash outflows - Total weighted value	552 923	603 635
EU 16b	Cash inflows - Total weighted value	62 809	75 835
16	Total net cash outflows (adjusted value)	490 114	527 801
17	Liquidity coverage ratio (%)	190.7	183.4
Net Stable Funding Ratio			
18	Total available stable funding	2 025 068	2 143 849
19	Total required stable funding	1 700 566	1 734 333
20	NSFR ratio (%)	119.1	123.6

EU KM2

Presentation in accordance with the implementing technical standards for the application of Regulation (EU) No 575/2013 and Directive 2014/59/EU with regards to the supervisory reporting and public disclosure of the minimum requirement for own funds and eligible liabilities. Excluded rows are deemed not relevant for Handelsbanken at present.

Key metrics - MREL and, where applicable, G-SII requirement for own funds and eligible liabilities 2025

SEK m	Minimum requirement for own funds and eligible liabilities (MREL)
Own funds and eligible liabilities, ratios and components	
1 Own funds and eligible liabilities	368 322
EU-1a Of which own funds and subordinated liabilities	248 520
2 Total risk exposure amount of the resolution group (TREA)	779 729
3 Own funds and eligible liabilities as a percentage of the TREA (%)	47,24
EU-3a Of which own funds and subordinated liabilities (%)	31,87
4 Total exposure measure (TEM) of the resolution group	3 193 942
5 Own funds and eligible liabilities as percentage of the TEM (%)	11,53
EU-5a Of which own funds or subordinated liabilities (%)	7,78
Minimum requirement for own funds and eligible liabilities (MREL)	
EU-7 MREL expressed as a percentage of the TREA (%)	26,29
EU-8 Of which to be met with own funds or subordinated liabilities (%)	19,14
EU-9 MREL expressed as a percentage of the TEM (%)	6,00
EU-10 Of which to be met with own funds or subordinated liabilities (%)	6,00

EU OV1

The table shows risk exposure amounts (REA) for credit, counterparty, market and operational risk at the end of the previous and current period. Credit risk is calculated by the Standardised approach, the Foundation IRB approach and the Advanced IRB approach. Market risk and operational risk is calculated by the standardised approach. REA for credit risk, counterparty credit risk and operational risk is in line with the previous period. REA for market risk has decreased compared to the previous year.

SEK m	Total risk exposure amounts (TREA) 2025	Total risk exposure amounts (TREA) 2024	Total own funds requirements 2025
1 Credit risk (excluding CCR)	644 829	706 444	51 586
2 Of which standardised approach	165 401	196 867	13 232
3 Of which foundation IRB (FIRB) approach	64 578	51 667	5 166
4 Of which slotting approach			
EU 4a Of which equities under the simple risk weighted approach		2 922	
5 Of which advanced IRB (AIRB) approach	160 862	234 160	12 869
5a Of which risk weight floors (CRR article 458)	253 988	220 828	20 319
6 Counterparty credit risk - CCR	5 043	8 858	403
7 Of which standardised approach	4 637	8 194	371
8 Of which internal model method (IMM)			
EU 8a Of which exposures to CCPs	239	266	19
EU 8b Of which other CCR	167	398	13
9 Credit valuation adjustment - CVA	2 176	2 127	174
10 Of which the standardised approach (SA)		2 127	
11 Of which the basic approach (F-BA and R-BA)	2 176		174
12 Of which the simplified approach			
13 Settlement risk	2		0
14 Securitisation exposures in the non-trading book (after the cap)			
15 Of which SEC-IRBA approach			
16 Of which SEC-ERBA (including IAA)			
17 Of which SEC-SA approach			
18 Of which 1250% deduction			
19 Position, foreign exchange and commodities risks (Market risk)	18 506	22 511	1 481
EU 19a Of which standardised approach	18 506	22 511	1 481
20 Of which IMA			
21 Large exposures			
22 Operational risk	109 172	85 517	8 734
23 Exposures to crypto-assets			
EU 23a Amounts below the thresholds for deduction (subject to 250% risk weight)			
EU 23b Output floor applied (%)	50		
EU 23c Floor adjustment (before application of transitional cap)			
24 Floor adjustment (after application of transitional cap)			
25 Total	779 729	825 457	62 378

KEY METRICS AND OVERVIEW OF RISK-WEIGHTED EXPOSURE AMOUNT

EU CMS1 – Comparison of modelled and standardised risk weighted exposure amounts at risk level

Key metrics 2025		RWEAs for modelled approaches that banks have supervisory approval to use	RWEAs for portfolios where standardised approaches are used	Total actual RWEAs (a + b)	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
SEK m						
1	Credit risk (excluding counterparty credit risk)	479 428	165 401	644 829	877 277	833 075
2	Counterparty credit risk	4 476	567	5 043	7 945	7 945
3	Credit valuation adjustment		2 176	2 176	2 176	2 176
4	Securitisation exposures in the banking book					
5	Market risk		18 506	18 506	18 506	28 059
6	Operational risk		109 172	109 172	109 172	109 172
7	Other risk weighted exposure amounts		2	2	2	7
8	Total	483 904	295 825	779 729	1 015 079	980 433

EU CMS2 – Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level

Key metrics 2025		RWEAs for modelled approaches that banks have supervisory approval to use	RWEAs for column (a) if re-computed using the standardised approach	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
SEK m						
1	Central governments and central banks	7 478	23	7 478	23	23
1a	Regional governments or local authorities	2 402	10	2 402	10	10
1b	Public sector entities					
EU 1c	Categorised as Multilateral Development Banks in SA					
EU 1d	Categorised as International organisations in SA					
2	Institutions	2 963	1 186	2 964	1 188	1 188
3	Equity			19 629	19 629	19 629
4	Not applicable					
5	Corporates	177 407	328 338	282 424	477 581	433 379
5.1	Of which: F-IRB is applied	50 039	99 598	50 039	127 269	99 598
5.2	Of which: A-IRB is applied	127 368	228 740	127 368	239 559	228 740
EU 5a	Of which: Corporates - General	177 407	328 338	282 424	477 581	433 379
EU 5b	Of which: Corporates - Specialised lending					
EU 5c	Of which: Corporates - Purchased receivables					
6	Retail	273 918	322 854	310 326	359 268	359 268
6.1	Of which: Retail - Qualifying revolving					
EU 6.1a	Of which: Retail - Purchased receivables					
EU 6.1b	Of which: Retail - Other	17 098	37 416	24 686	44 995	44 995
6.2	Of which: Retail - Secured by residential real estate	256 820	285 438	285 640	314 273	314 273
7	Not applicable					
EU 7a	Of which: Retail - Categorised as secured by mortgages on immovable properties and ADC exposures in SA	267 781	311 894	296 174	340 285	340 285
EU 7b	Collective investment undertakings (CIU)					
EU 7c	Categorised as exposures in default in SA	2 719	4 287	5 478	7 050	7 050
EU 7d	Categorised as subordinated debt exposures in SA					
EU 7e	Categorised as covered bonds in SA	3 941	3 621	3 941	3 621	3 621
EU 7f	Categorised as claims on institutions and corporates with a short-term credit assessment in SA					
8	Others	8 600	7 328	10 187	8 907	8 907
9	Total	479 428	667 647	644 829	877 277	833 075

EU INS1

Insurance participations 2025			
		Exposure value	Risk-weighted exposure amount
SEK m			
1	Own fund instruments held in insurance or re-insurance undertakings or insurance holding company not deducted from own funds	6 254	15 636

EU INS2

Financial conglomerates information on own funds and capital adequacy ratio 2025		
SEK m		
1	Supplementary own fund requirements of the financial conglomerate (amount)	12 867
2	Capital adequacy ratio of the financial conglomerate (%)	122.4

EU OVC ICAAP information**Article 438(a) CRR**

Approach to assessing the adequacy of the internal capital

In addition to the regulatory capital and buffer requirements, the Bank performs internal capital adequacy assessments in which all risks and capital requirements are assessed. The Bank's assessment is based on an economic capital (EC) model and conservative stress tests. The EC model is calibrated to a confidence level of 99.97% over a one-year horizon. The stress tests cover a five-year horizon and affirm that the capital supply in a normal business cycle should be sufficient to cover potential losses and capital requirement changes which may occur under stressed conditions.

Article 438(c) CRR

Upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process.

Provided upon demand from the relevant competent authority.

Risk management policies and objectives

Handelsbanken's restrictive approach to risk means that the Bank deliberately avoids high-risk transactions. The risk strategy is founded on a strong risk culture, which is sustainable in the long term and applies to all areas of the Group. This restrictive approach to risk means that the Bank is a stable and long-term business partner for its customers, regardless of the economic climate and market situation. The Bank is characterised by a clear division of responsibility where each part of the business operations bears full responsibility for its business and for risk management. The decentralised business model is combined with both centralised processes and strong internal controls. The Bank's approach to risk applies in all countries where the Bank operates.

EU OVA - Institution risk management approach

Point (f) of Article 435(1) CRR

Disclosure of concise risk statement approved by the management body.

Risk statement

Handelsbanken's business goal is to have higher profitability than the average of peer competitors in the home markets. This goal is mainly to be achieved by having more satisfied customers and lower costs than its competitors. Handelsbanken is a bank with a strong local presence and a decentralised way of working.

The Bank's low risk tolerance means that its overall risk profile is to be low. The Group must also be well capitalised at all times in relation to the risks, fulfil all requirements imposed by the authorities, and hold liquid assets so that it can meet its payment obligations, including in situations of financial stress in the short and long term. The Bank must also have appropriate preventive protection and incident management capabilities in the event of an attack, disruption or interruption to the Bank's critical operations. The risk tolerance and the risk strategy support Handelsbanken's aim to have a business model that is independent of changes in the business cycle.

The Bank has, and will maintain, a low level of credit risk. The Bank's tolerance of credit risk is reflected in the expectation that the Bank will be able to have good capacity for granting credit without government support, even in a serious recession. This is achieved by such measures as its strong local presence and close customer relations. The quality of credits must never be neglected in favour of achieving higher volume or a higher margin. The Bank is selective when choosing customers with the requirement that borrowers have a good repayment capacity. As a consequence of this, the credit portfolio has a clear concentration on risk classes where the probability of loss is low. This consistent approach is reflected in the Bank's low credit losses over time. In 2025, credit losses were -0.01% (-0.02) of loans to the public.

To ensure that the Bank is well capitalised in relation to the risks and has a good liquidity situation, the Board stipulates the Bank's risk tolerance for capitalisation and liquidity. When the risk tolerance for capitalisation is decided, the capital measure is set partly in relation to the statutory requirements and partly in relation to Handelsbanken's assessed capital requirement based on the Bank's model for economic capital (EC), which encompasses all of the Group's risks in one single metric. The risk tolerance for the Bank's liquidity risk is decided on the one hand through requirements that the Bank under stressed

circumstances must have a sufficiently large liquidity reserve in the form of liquid assets and assets which can be pledged, including liquidity-generating measures to be able to continue its operations during determined time periods, and on the other hand through requirements regarding the accumulated net amount of incoming and outgoing cash flows in different time intervals.

The common equity tier 1 ratio must, under normal circumstances, exceed the total common equity tier 1 capital requirement communicated by the Swedish Financial Supervisory Authority by at least 1 percentage point. The leverage ratio must exceed the total capital requirement communicated by the Swedish Financial Supervisory Authority by at least 0.6 percentage points.

The ratio between AFR (Available Financial Resources) and EC must exceed 120%.

The Bank's assessment of the Swedish Financial Supervisory Authority's common equity tier 1 capital requirement at year-end 2025 was 14.7% (14.9), including the Swedish Financial Supervisory Authority's guidance of 0.5% within the framework of Pillar 2. Similarly, the Bank's assessment of the leverage ratio requirement was 3.15% (3.5), including the Swedish Financial Supervisory Authority's guidance of 0.15% within the framework of Pillar 2.

At the end of 2025, the Bank's common equity tier 1 ratio was 17.6% (18.8) and the AFR/EC ratio was 357% (383). The Bank must have accumulated positive net cash flows over a period of at least one year, taking into account the liquidity reserve, including liquidity-generating measures, and during stressed conditions that entail, for example, that parts of the non-fixed-term deposits from households and companies disappear during the first month. At the end of 2025, the outcome of this stress test showed that Handelsbanken's liquidity requirement was covered for a period of more than three years.

The Bank's risk profile is in accordance with the risk tolerance and risk strategy established by the Board.

Point (b) of Article 435(1) CRR

Information on the risk governance structure for each type of risk.

The Board is Handelsbanken's highest administrative body and is responsible for the Bank's organisation and manages the Bank's affairs on behalf of its shareholders. This includes, inter alia, establishing the overall goals and strategy of the company as well as following up operations. The Board establishes policies and instructions on how this is to be executed, and establishes rules of procedure for the Board and also an instruction for the CEO. These steering documents state how

responsibility and authority are allocated among the Board as a whole, the committees, the Chairman of the Board and the CEO. The appointments made by the Board include the CEO, Executive Vice Presidents, members of the Executive Team and heads of the control functions. Moreover, the Board also stipulates the employment terms for these persons. The Chairman is responsible for ensuring that the Board's work is evaluated annually and informs the Nomination committee of the results of this evaluation.

The Board's Risk committee monitors the effectiveness of the Handelsbanken Group's risk control and risk management. The committee prepares decisions in the Board regarding the Bank's risk strategy, risk tolerance, etc. The committee processes reports from Handelsbanken Risk Control and Handelsbanken Compliance. The Risk committee also makes decisions such as on the significant parts of the Bank's risk rating and estimation processes linked to the IRB approach.

The Risk and Compliance committee has been set up by the CEO for follow-up of the Group's risk management within several areas and for in-depth discussions regarding the Bank's overall risk situation prior to such matters being addressed by the Risk committee and the Board. In addition to the CEO, the Risk and Compliance committee comprises, among others, the heads of business support units and control functions.

Responsibility for ensuring that the appropriate procedures, systems and processes are in place to ensure that the operations can be conducted in accordance with external and internal rules, and to effectively monitor and manage any risks that arise has been delegated by the CEO to managers who report directly to the CEO. This includes fit-for-purpose internal control. In turn, these managers may delegate operational responsibility for meeting these requirements to managers who report to them. Among other things, this responsibility means that fit-for-purpose instructions and procedures for the operation must be in place, and compliance with these procedures must be monitored regularly. Thus, internal control, risk control and compliance are integral parts of managers' responsibility at all levels in the Bank.

THREE LINES OF DEFENCE FOR RISK MANAGEMENT

Handelsbanken has three lines of defence for management, follow-up and internal control of the Bank's risks. These are described in more detail below.

First line of defence

The business operations and the units that support the business operations constitute the first line of defence, with responsibility for identifying, managing and restricting the risks facing the business in accordance with external and internal rules. Responsibility for ensuring that the appropriate procedures, systems and processes are in place to ensure that the operations can be conducted in accordance with external and internal rules, and to effectively monitor and manage any risks that arise has been delegated by the CEO to managers who report directly to the CEO. This includes fit-for-purpose internal control. In turn, these managers may delegate operational responsibility for meeting these requirements to managers who report to them. Among other things, this responsibility means that fit-for-purpose instructions and procedures for the operation must be in place, and compliance with these procedures must be monitored regularly. Thus, internal control, risk control and compliance are integral parts of managers' responsibility at all levels in the Bank.

Second line of defence

The Handelsbanken Risk Control and Handelsbanken Compliance control functions constitute the second line of defence. Both functions are independent and organisationally separated from the activities they monitor and control.

The subsidiaries' control functions are an integral part of Handelsbanken's control functions. The subsidiaries must incorporate the Handelsbanken Group's governing policies into their own corresponding documents unless local or sector specific requirements give rise to deviations.

Handelsbanken Risk Control

Handelsbanken Risk Control identifies, measures, analyses and reports all the Group's material risks. This includes monitoring and checking the Group's risk management and assessing that Handelsbanken's risk management framework is efficient and fit-for-purpose. Handelsbanken Risk Control also checks that the risks and risk management comply with the Bank's risk strategy, and fall within the risk tolerance established by the Board.

The Head of Handelsbanken Risk Control is appointed by the Board and reports directly and regularly to the CEO and the Board. In 2025, the Head of Handelsbanken Risk Control attended all meetings of the Risk committee and most meetings of the Board and the Board's Credit Committee.

Handelsbanken Compliance

Handelsbanken Compliance identifies, monitors, controls and reports on compliance risks within the Group. This includes controlling and assessing the suitability and effectiveness of the procedures in place and actions taken to minimise the risk of non-compliance with applicable rules. In addition, Handelsbanken Compliance provides advice and support about compliance to employees, the CEO and the Board, and continually informs the units concerned about the risks which may arise in the operations due to non-compliance. Handelsbanken Compliance also monitors the risk level relative to the risk tolerance for compliance risks established by the Board.

The function includes the Appointed Officer for Controlling and Reporting Obligations (CFA) according to the applicable money laundering and terrorist financing regulations, and the Data Protection Officer (DPO) according to the applicable regulations on data protection and personal data processing.

The Head of Handelsbanken Compliance is appointed by the Board and reports directly and regularly to the CEO on matters regarding compliance in the Group, as well as quarterly to the Risk committee and the Board. This includes the report from the Appointed Officer regarding risks linked to financial crime, as well as the report from the DPO on data protection risks.

Third line of defence

The third line of defence is the Board's controlling body, Handelsbanken Internal Audit. The Head of Handelsbanken Internal Audit is appointed by and reports to the Board.

Handelsbanken Internal Audit is tasked with performing an independent, impartial audit of the operations and financial reporting of the Group. This includes assessing, evaluating and verifying processes for risk management, internal control and corporate governance. The assignment is based on a policy established by the Board and is performed on the basis of a risk-based methodology in accordance with internationally accepted standards issued by the Institute of

Internal Auditors (IIA). The planned auditing activities are documented every year in an audit plan which is established by the Board. Handelsbanken Internal Audit's conclusions, the actions to be taken and their status are reported regularly to the Audit committee and every year to the Board as a whole. The Head of Handelsbanken Internal Audit is also a recipient of reports made via Handelsbanken's separate system for whistleblowing.

Handelsbanken Internal Audit is regularly subject to independent external quality reviews. In addition, the Bank's external auditors perform an annual quality review of the work of Handelsbanken Internal Audit.

Steering documents

The steering documents issued by the Board and the CEO state the most important and fundamental principles, and also establish a framework for the Group's business operations, including the requirements for ensuring internal control for the business operations. These steering documents are complemented by other internal rules that provide more detailed instructions and guidance on how the business operations are to be conducted.

A summary of the Board's policies can be found on handelsbanken.com. Certain policies are also available in their entirety on the website.

Employees

The Bank's policies and guidelines also include rules regarding the conduct of employees. The following are extracts from codes of conduct included in the Bank's policies and guidelines that relate to staff.

Handelsbanken's co-workers

- must not be in a position where they may be suspected of taking improper advantage of knowledge about the financial markets which they obtain in the course of their work
- must be familiar with legislation concerning trading in financial instruments and observe the Bank's rules for employees' private securities and currency transactions
- must, in their work at the Bank and in their private affairs, refrain from business transactions that violate the Bank's rules
- must refrain from transactions or other commitments that could seriously jeopardise their personal financial position
- are not permitted to process transactions in which they, or persons closely associated with them, have a personal interest - this also applies to companies in which co-workers, or persons closely associated with them, are involved
- must report to a manager or can notify Compliance or Internal Audit if they suspect irregularities at the Bank. Handelsbanken's separate whistleblowing system provided by an external supplier may be used as well as these reporting channels
- must notify the Bank of assignments outside the Bank and obtain approval - this also applies to secondary occupations and certain posts in clubs, societies and the like.

For a detailed description of the Bank's management of liquidity risk, market risk, credit risk (including counterparty risk) and operational risk see EU LIQA, EU MRA, EU CRA and EU ORA.

Point (e) of Article 435(1) CRR.

Declaration approved by the management body on the adequacy of the risk management arrangements

Risk declaration

Handelsbanken has satisfactory arrangements for risk management which are fit for purpose in relation to the Bank's business goal, the risk tolerance and risk strategy which the Board has decided for the operations and the Bank's overall risk profile.

Point (c) of Article 435(1) CRR

Disclosure on the scope and nature of risk disclosure and/or measurement systems.

In 2025, the Head of Handelsbanken Risk Control reported the Group's risks (except for compliance risks) to the CEO, the Board's Risk committee and the Board at least quarterly. The Head of Handelsbanken Compliance reported the Group's compliance risks in a corresponding manner.

The Risk and Compliance committee has been set up by the CEO for follow-up of the Group's risk management within several areas and for in-depth discussions regarding the Bank's overall risk situation prior to such matters being addressed by the Risk committee and the Board. In addition to the CEO, the Risk and Compliance Committee comprises, among others, the heads of business support units and control functions.

For a more detailed description of the Bank's scope and nature of risk disclosure and/or measurement systems for liquidity risk, market risk, credit risk (including counterparty risk) and operational risk see EU LIQA, EU MRA, EU CRA and EU ORA.

Point (c) of Article 435(1) CRR

Disclose information on the main features of risk disclosure and measurement systems.

The Board evaluates the Bank's risk tolerance and risk strategy on a regular basis and, if needed, implements updates.

The Bank's risk tolerance and risk strategy are expressed mainly through the Credit policy, Policy for operational risk, Capital policy, Financial policy, Policy for sustainability and Policy for compliance.

In accordance with the Policy for risk control, Policy for compliance and the Policy for internal audit the control functions are responsible for monitoring that the risk management is expedient and effective and that the risks are within the risk tolerance and risk strategy adopted by the Board.

Handelsbanken Risk Control reports all the Group's material risks at an aggregated level on a regular basis to the Board's risk committee with an assessment of whether the risks are within the risk tolerance and risk strategy established by the Board. The Board is presented with a proposal to approve the Bank's internal capital- and liquidity adequacy assessment and thereby confirm that the risks are within the risk tolerance for capital and liquidity adopted by the Board.

Handelsbanken Risk Control's assessment of the expediency and efficiency of the framework for risk management is presented in "Assessment of the Bank's framework for risk management" on an annual basis.

Point (a) of Article 435(1) CRR

Strategies and processes to manage risks for each separate category of risk.

Handelsbanken's Board has overall responsibility for the Bank's risk management and establishes internal rules for this. The Board establishes policies and the CEO establishes guidelines describing how various risks should be managed and reported.

The Board's Financial policy for the Handelsbanken Group states that Handelsbanken has a low risk tolerance.

Handelsbanken has a low tolerance of liquidity risks, both at aggregate level and in individual currencies. The Bank strives to have good access to liquidity, low variation in results and a considerable capacity to meet customers' funding needs, even in difficult times. This is achieved by maintaining a good matching of incoming and outgoing cash flows over time in all currencies essential to the Bank and by maintaining large liquidity reserves of good quality. The Bank thus minimises the economic risks in funding and can thereby maintain stable and long-term funding for the business-operating units.

Handelsbanken has a restrictive view of market risks. Market risks must be limited by matching cash flows and interest rate adjustment periods, hedging open positions and taking other actions to limit risk.

The Board's steering documents, as well as internal instructions, reflect the Group's risk tolerance and risk strategy for credit risks.

Handelsbanken's risk tolerance for credit risk includes restrictions within a number of areas i.e. Geographical focus, Portfolio composition, Repayment capacity, Counterparty risks and Collateral.

Handelsbanken has a low credit risk tolerance, and the Bank's business model focuses on credit risks being taken and managed in the business operations. While business decisions in Handelsbanken are decentralised, the Bank's credit process is centralised.

In order to maintain the Group's low risk tolerance for credit risks, credit decisions must be made according to the limitation in place for the respective decision levels, as stipulated in the delegation procedure determined by the Board and described in the credit instructions for the Handelsbanken Group.

Handelsbanken has a low tolerance for operational risk, although this risk is an inevitable component in all operations. As far as possible, Handelsbanken must endeavour to prevent these risks. Operational losses must be low. An operational risk which could have serious adverse consequences for the Bank, the Bank's customers or the financial system in the event of an incident must be reduced to a lower risk level.

The Bank also has a low tolerance for compliance risks and must prevent these risks as far as possible and prioritise the work that needs to be carried out to quickly address any risks which have been identified. A compliance risk is beyond risk tolerance if the Compliance function deems that the risk is major or critical, and is of the view that there is no adequate action plan, or that there are material deviations from the existing action plan.

Handelsbanken has low tolerance of remuneration risks and actively strives to keep them at a low level. Performance-based variable remuneration must be applied with great caution and is not offered to employees who, in their professional roles, can have a material impact on the Bank's risk profile. The principles for the Bank's remuneration

system are stipulated in the remuneration policy decided on by the Board.

Sustainability risks are to be managed in line with Handelsbanken's generally low risk tolerance and comply with the risk tolerance for the risk classes in which sustainability risks are an integral part of the risk assessment.

Points (a) and (d) of Article 435(1) CRR

Information on the strategies and processes to manage, hedge and mitigate risks, as well as on the monitoring of the effectiveness of hedges and mitigants.

Handelsbanken's Board has overall responsibility for the Bank's risk management and establishes internal rules for this. The Board establishes policies and the CEO establishes guidelines describing how various risks should be managed and reported. The steering documents issued by the Board and the CEO state the most important and fundamental principles, and also establish a framework for the Group's business operations, including the requirements for ensuring internal control for the business operations. These steering documents are complemented by other internal rules that provide more detailed instructions and guidance on how the business operations are to be conducted.

Handelsbanken's low risk tolerance is a central element of the Bank's business concept. The low risk tolerance, together with a decentralised way of working, stable finances, and accountability, make up the foundation of Handelsbanken's long-term customer relationships. The local presence, coupled with internal control, promotes low risks. Among other things, the restrictive approach to risk means that the Bank deliberately avoids high-risk transactions, even if the expected financial reward may be high at the time.

The Bank's risk tolerance and risk strategy are expressed mainly through the Credit policy, Policy for operational risk, Capital policy, Financial policy, Policy for sustainability and Policy for compliance.

The Bank has a strong capital and liquidity situation and continuous access to the financial markets via the Bank's short-term and long-term funding programmes. The Bank has a large and high-quality liquidity reserve, which provides a good degree of resistance to possible disruptions in the financial markets. The Bank's liquidity portfolio, which is part of the liquidity reserve, has a low risk profile and primarily consists of government bonds and covered bonds. In addition, there are balances with central banks and a comprehensive unutilised issue amount for covered bonds at Stadshypotek. Liquidity reserves are kept in all currencies that are important to the Bank. Operations can thus be maintained for a considerable period of time even in an extreme situation when funding markets are closed. The total liquidity reserve including the unutilised issue amount covers the Bank's liquidity requirements for more than three years in a stressed scenario.

The Bank's capital situation remains strong. Good earnings and low credit losses during the year have contributed to this.

Handelsbanken's Board has overall responsibility for the Bank's management of market and liquidity risk and articulates the risk tolerance by establishing policy documents and setting limits.

The CEO has delegated the functional responsibility for the Group's funding and liquidity management to the CFO. Under the CFO, the Head of Handelsbanken Treasury has the operational responsibility for

the Group's funding and liquidity management, regardless of unit, country and subsidiary. This responsibility includes managing the Group's ALM risks, meaning liquidity, foreign exchange and interest rate risks. Handelsbanken Markets is responsible for trading in financial instruments and manages most of the Bank's trading book. To meet customers' demand for financial instruments with exposure to the fixed-income, currency, equities or commodity markets, a certain level must be maintained in the trading book, which results in market risks. The ALM risks arising in Handelsbanken Markets' operations are included in Treasury's overall responsibility, while Handelsbanken Markets assumes overall responsibility for managing other market risks.

The Bank's limit system restricts the size of the exposure to various types of market and liquidity risks. Measurement methods and limits are established by the Board. The limits for interest rate, foreign exchange and liquidity risk are then delegated by the CEO and the CFO to the Head of Handelsbanken Treasury, who in turn delegates these to the business-operating units. Limits for equity price risk and commodity price risk are delegated from the Board via the CEO to the CFO. The CFO then delegates these to Handelsbanken Markets.

Within the boundaries of the limit system, each part of the business operations bears the responsibility for its own business activities and its management of all risks. The control functions monitor that the business operations are conducted within the Bank's risk tolerance, and regularly report on the risks to the Board and Executive Team.

The CEO and the CFO also decide on supplementary risk measures, intraday limits and instructions. The supplementary risk measures aim to reduce the Bank's sensitivity to volatility changes in the financial markets, and to limit the risks of specific holdings and the liquidity risk per currency. The supplementary risk measures also limit the risks from a maturity perspective.

The risk control function is independent and organisationally separated from the activities they monitor and control. Handelsbanken Risk Control identifies, measures, analyses and reports all the Group's material risks. This includes monitoring and checking the Group's risk management and assessing that Handelsbanken's risk management

framework is efficient and fit-for-purpose. Handelsbanken Risk Control also checks that the risks and risk management comply with the Bank's risk strategy, and fall within the risk tolerance established by the Board.

EU OVB - Disclosure on governance arrangements

Point (a) of Article 435(2) CRR

The number of directorships held by members of the management body.

Name	Position and significant board assignments	Background	Education
Pär Boman Chairman	Chairman of AB Volvo, Deputy Chairman of AB Industrivärden, Board Member of Skanska AB. Chairman of Pensionskassan SHB Tjänstepensionsförening and the Handelsbanken Research Foundations	2006–2015 President and Chief Executive Officer of Handelsbanken.	Engineer and Business/Economics degree, Dr. h.c. econ.
Fredrik Lundberg Deputy Chairman	President and Chief Executive Officer of L E Lundbergföretagen AB, Chairman of Holmen AB, Hufvudstaden AB and AB Industrivärden, Board Member of L E Lundbergföretagen AB.	President of L E Lundbergföretagen AB since 1981, active at Lundbergs since 1977.	Graduate Engineer and Graduate in Economics/Business Administration Dr. h.c. mult.
Hélène Barnekow Board member	Chairman of Mindler AB and Storytel AB, Board member of Investment AB Latour and GN Store Nord A/S.	2018-2022 Chief Executive Officer of Microsoft Sweden, 2014-2018 Chief Executive Officer and various management roles, Tella Sverige, 2009-2014 Various market leader roles, EMC Corporation (UK and USA), 2001-2009 Various market leader roles, etc., Sony Ericsson Mobile Communications (USA, UK and Sweden), 1999-2001 Market leader, Novo Nordisk (Denmark), 1995-1999 Various management roles, Ericsson, 1993-1995 Market leader, Microsoft Corporation (Malta), 1991-1993 Project manager/consultant, DLF, Sweden.	Graduate in Economics/business administration
Stina Bergfors Board member	Board member of Tele2 AB and Prisjakt Sverige Holding AB.	2013 – 2018 Co-founder and Chief Executive Officer and other roles, United Screens, 2008 – 2013 Country Director, Google and Youtube, 2004 – 2007 Chief Executive Officer and other roles, Carat, 2000 – 2004 Director and other roles, OMD Worldwide, 1999 – 1999 Account Manager, TV3 Sweden, Modern Times Group.	Graduate in Economics/Business Administration, Dr. h.c. phil.
Hans Björck Board member	Chairman of Skanska AB.	2001–2011 Skanska, Executive Vice President and Chief Financial Officer. 1998–2001 Autoliv, Chief Financial Officer 1997–1998 Self-employed, 1977–1997 Various positions in Esselte.	Graduate in Economics/Business Administration.
Kerstin Hessius Board member	Chairman of Hemsö Fastighets AB, Board member of Lumera AB and Uppsala Universitets Stiftelseförvaltning Ekonomisk förening.	2004-2022 AP3, Third Swedish National Pension Fund, Chief Executive Officer 2001–2004 Stockholm Stock Exchange, Chief Executive Officer, 1999–2000 Sveriges Riksbank, Deputy Governor of the central bank, 1998 Danske Bank, Chief Executive Officer Asset Management, 1990–1997 ABN Amro Bank/Alfred Berg, 1989–1990 Finanstidningen, 1986–1989 Swedish National Debt Office, 1985–1986 Sveriges Riksbank (Swedish central bank), 1984–1985 Swedish Agency for Public Management.	Graduate in Economics/Business Administration.
Anders Jernhall Board member	Executive Vice President of Holmen AB Board member of L E Lundberg Kapitalförvaltning AB and Indutrade AB	2025 – Deputy CEO, Holmen AB 2014-2025 Deputy CEO and Chief Financial Officer, Holmen AB 2010-2014 Chief Financial Officer, Holmen AB 1997–2010 Various positions at Holmen AB, including Group Controller and Group Treasurer 1994-1997 Citibank	Graduate in Economics/Business Administration
Louise Lindh Board member	Chairman of J2L Holding AB and Fastighets AB L E Lundberg, Board member L E Lundbergföretagen AB.	2017–2024 President and Chief Executive Officer, Fastighets AB L E Lundberg, 2005–2017 Various positions, including assistant to the Chief Executive	Graduate in Economics/Business Administration.

RISK MANAGEMENT POLICIES AND OBJECTIVES

	Hufvudstaden AB, Holmen AB and Handelsbanken Research Foundations.	Officer, Executive Vice President and Regional Manager, Fastighets AB L E Lundberg, 2003–2005 Audit assistant, KPMG.	
Ulf Riese Board Member	Deputy Chairman of Handelsbanken Research Foundations.	Various positions at Handelsbanken, 2016–2018 Senior Advisor, 2007–2016 Chief Financial Officer, 2004–2007 Head of Handelsbanken Asset Management, 2004 Executive Vice President of Handelsbanken.	Graduate in Economics/Business Administration.
Anna Hjelmberg Employee representative	Chair of Finansförbundet's Handelsbanken union club, Board member of Pensionskassan SHB Tjänstepensionsförening.	Insurance Officer at Handelsbanken Liv and union roles in the Handelsbanken Group.	Economics Programme at upper secondary school.
Lena Renström Employee representative	Chair of Finansförbundet's Handelsbanken SE union club.	Advisory services in Handelsbanken's branch operations.	Graduate in Economics/Business Administration.
Stefan Henricson Employee representative, Deputy member	Board member of Finansförbundet's Handelsbanken SE union club.	Managerial and advisory services at branches and regional head offices at Handelsbanken.	Economics Programme at upper secondary school.
Mikael Almvret Employee representative, Deputy member	Chair of Akademikerföreningen (Association for graduate professionals) at Handelsbanken.	Specialist, System Owner and Business operations developer within Anti-Money Laundering, International operations and trading.	Graduate in Economics /Business Administration.

Point (b) of Article 435(2) CRR

Information regarding the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise.

In compiling its proposal for the AGM, the nomination committee considers relevant parts of the policy adopted by the Board regarding suitability assessment of Board members and the CEO. The policy contains criteria for knowledge, experience, reputation, sufficient time, other commitments etc. The nomination committee also considers the evaluation of the Board carried out by the Chairman of the Board. Please also see table in point a) above.

Point (c) of Article 435(2) CRR

Information on the diversity policy with regard of the members of the management body.

In the Bank's recruitment and diversity-related work, the nomination committee takes into account matters relating to diversity on the Board, including gender distribution. Handelsbanken's Board has adopted a policy to promote diversity on the Board.

The policy stipulates that to promote independent opinions and critical questioning, it is desirable that the Board should be characterised by diversity and breadth in terms of its members' qualifications, experience and background and an even gender balance. During the 2025 financial year, the percentage of women on the Board of the Bank was 44 per cent of the elected members.

Point (d) of Article 435(2) CRR

Information whether or not the institution has set up a separate risk committee and the frequency of the meetings.

The Board's risk committee monitors risk control and risk management in the Handelsbanken Group. The committee prepares decisions regarding the Bank's risk strategy, risk tolerance, etc. and examines reports from Handelsbanken Compliance and Handelsbanken Risk Control.

In 2025, the Risk Committee had seven meetings.

Point (e) Article 435(2) CRR

Description on the information flow on risk to the management body.

The Head of Handelsbanken Risk Control must ensure that the CEO, the Board's risk committee and the Board are kept regularly informed of material risks and of situations involving a particular development of risks.

Every quarter, the Head of Handelsbanken Risk Control must submit an overall Group risk report to the CEO, the Board's risk committee, and the Board. The report must also be presented orally by the Head of Handelsbanken Risk Control to the Board's risk committee and to the Board. The Head of Handelsbanken Risk Control must also ensure that other units which need the report gain access to it.

The Group risk report must contain a description of the Group's material risks and deficiencies, including the Group's material deficiencies in both risk data aggregation and the Handelsbanken Group's ability to manage risk data. These reports shall cover:

1. impact analysis and proposals for action
2. follow-up of previously reported risks and deficiencies
3. follow-up of action taken
4. forward-looking risk assessments

The report must enable an assessment of whether Handelsbanken is fulfilling the risk strategy and remaining within the risk tolerance decided by the Board. Risk outside the risk tolerance range must be reported promptly, together with the operations' action plan, to the CEO. The risk must thereafter be reported to the Board's risk committee and the Board, together with the action plan.

Once a year, or at the request of the Board's risk committee, the Board or the CEO, the Head of Handelsbanken Risk Control must, on the basis of their area of responsibility, assess whether the Handelsbanken Group's framework for risk management, including risk tolerance and risk strategy, is effective and fit for purpose.

The result of the evaluation of methods used for the calculation and application of limits, capital requirements, economic capital and stress tests must be reported to the Board's risk committee on an annual basis.

The Head of Handelsbanken Risk Control must present Risk Control's reports and attend meetings when matters that could affect the Group's risk are on the agenda.

Scope of application

EU LH

The table shows which regulatory framework is used to calculate the capital requirement for each asset type in the balance sheet. Derivatives, repos and securities lending capital requirements are calculated according to both the CCR framework and the market risk framework.

Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories 2025		Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation ¹	Carrying values of items				Not subject to own funds requirements or subject to deduction from own funds
				Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	
SEK m								
1	Assets							
2	Cash and balances with central banks	408 154	408 155	408 155				
3	Other loans to central banks	24 526	24 526	24 526	0			
4	Interest-bearing securities available as collateral with central banks	188 272	188 272	172 113	0		16 159	
5	Loans to other credit institutions	21 694	21 587	8 141	13 446			
6	Loans to the public	2 263 765	2 307 191	2 265 841	41 092	258		0
7	Value change of interest-hedged item in portfolio hedge	-5 510	-5 510	-5 510				
8	Bonds and other interest-bearing securities	53 631	53 631	38 253			15 378	
9	Shares and participating interests	16 549	11 123	686	1 014		10 437	
10	Investments in associates	881	7 136	7 069				68
11	Assets where the customer bears the value change risk	312 284	2 463	2 463				
12	Derivative instruments	21 752	21 752		21 752		21 752	
13	Reinsurance assets	0	0	0				
14	Intangible assets	7 991	7 597	0				7 597
15	Property and equipment	4 956	4 956	4 956				
16	Current tax assets	14	96	96				
17	Deferred tax assets	631	675	-8				683
18	Pension assets	14 920	14 928	0				14 928
19	Assets held for sale	43 580	0	0				
20	Other assets	6 956	6 689	6 122				
21	Prepaid expenses and accrued income	2 518	2 492	2 492				
22	Total assets	3 387 566	3 077 760	2 935 395	77 304	258	63 726	23 276
1	Liabilities							
2	Liabilities to credit institutions	64 525	64 525					
3	Deposits and borrowing from the public	1 293 784	1 306 965					
4	Liabilities where the customer bears the value change risk	312 714	2 463					
5	Issued securities	1 429 185	1 429 185					
6	Derivative instruments	26 211	26 211				26 211	
7	Short positions	2 163	2 163				722	
8	Insurance liabilities	7 310	0					
9	Current tax liabilities	726	725					
10	Deferred tax liabilities	4 028	4 013					
11	Provisions	538	716					
12	Pension obligations	0	0					
13	Liabilities related to assets held for sale	413	0					
14	Other liabilities	10 524	10 097					
15	Accrued expenses and deferred income	2 029	2 168					
16	Subordinated liabilities	34 061	34 061					
17	Total liabilities	3 188 211	2 883 292				26 933	

¹ Carrying values under scope of regulatory consolidation are shown prior to the reclassification of the disposal group Finland to Assets held for sale and Liabilities held for sale, as in the published financial statements.

EU LI2

The table shows the difference between the carrying amount under the scope of regulatory consolidation and exposures considered for regulatory purposes.

Main sources of differences between regulatory exposure amounts and carrying values in financial statements 2025		Total	Items subject to			
			Credit risk framework	CCR framework	Securitisation framework	Market risk framework
SEK m						
1	Assets carrying value amount under the scope of regulatory consolidation (as per template EU LI1)	3 076 683	2 935 395	77 304	258	63 726
2	Liabilities carrying value amount under the regulatory scope of consolidation (as per template EU LI1)	26 933				26 933
3	Total net amount under the regulatory scope of consolidation	3 049 750	2 935 395	77 304	258	36 793
4	Off-balance-sheet amounts	490 448	490 448			
5	Differences in valuations					
6	Differences due to different netting rules, other than those already included in row 2	-25 653		-7 366		-18 287
7	Differences due to consideration of provisions	988	988	0		
8	Differences due to the use of credit risk mitigation techniques (CRMs)	-30 914	14 029	-44 943		
9	Differences due to credit conversion factors	-367 120	-367 120			
10	Differences due to Securitisation with risk transfer			100		
11	Other differences	100		100		
12	Exposure amounts considered for regulatory purposes	3 117 599	3 073 740	25 095	258	18 506

EU LIA Explanations of differences between accounting and regulatory exposure amounts
Article 436(b) CRR

Differences between columns (a) and (b) in template EU LI1.

The regulatory consolidation (consolidated situation) consists of the parent company, subsidiaries and associates that are also included in the consolidated Group accounts reported in published financial statements, as shown in table EU LI3. The companies that are included in the consolidated accounts but are excluded from the consolidated situation are also shown in table EU LI3. Just as in the consolidated accounts, associates are consolidated using the equity method in the regulatory consolidated situation. All subsidiaries which are subject to the CRR are included in the consolidated situation.

Article 436(d) CRR

Qualitative information on the main sources of differences between the accounting and regulatory scope of consolidation shown in template EU LI2.

The main sources of differences between regulatory exposure amounts and carrying values in financial statements are the off balance sheet exposures reported under the credit risk framework, the differences due to the use of credit risk mitigation techniques and the reporting of derivative exposures under both the market risk and the counterparty credit risk framework.

SCOPE OF APPLICATION

EU LI3

The table outlines the scopes of consolidation for the companies included in the consolidated situation at year-end.

Outline of the differences in the scopes of consolidation (entity by entity) 2025									
Name of the entity	Corporate identity number	Ownership share %	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
				Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
Svenska Handelsbanken AB (publ)	502007-7862	N/A	Parent company	N/A					Credit institution
Handelsbanken Finans AB (publ)	556053-0841	100.00	Full consolidation	X					Credit institution
Stadshypotek AB (publ)	556459-6715	100.00	Full consolidation	X					Credit institution
Svenska Intecknings Garanti AB Sigab (inaktiv)	556432-7285	100.00	Full consolidation	X					Non-financial corporation
Handelsbanken Fonder AB	556418-8851	100.00	Full consolidation	X					Financial corporations other than credit institutions
Ecster AB (publ)	556993-2311	100.00	Full consolidation	X					Credit institution
Handelsbanken plc	11305395	100.00	Full consolidation	X					Credit institution
Handelsbanken Wealth and Asset Management Limited	04132340	100.00	Full consolidation	X					Financial corporations other than credit institutions
Handelsbanken Nominees Limited (inaktiv)	2299877	100.00	Full consolidation	X					Non-financial corporation
Handelsbanken Second Nominees Limited (inaktiv)	3193458	100.00	Full consolidation	X					Non-financial corporation
Handelsbanken ACD Limited	4332528	100.00	Full consolidation	X					Non-financial corporation
Svenska Property Nominees Limited (inaktiv)	2308524	100.00	Full consolidation	X					Non-financial corporation
Optimix Vermogensbeheer N.V.	33194359	100.00	Full consolidation	X					Financial corporations other than credit institutions
Add Value Fund Management B.V.	19196768	80.00	Full consolidation	X					Financial corporations other than credit institutions
Optimix Beheer en Belegging B.V. (inaktiv)	33186584	100.00	Full consolidation	X					Non-financial corporation
Handelsbanken Markets Securities, Inc.	11-3257438	100.00	Full consolidation	X					Financial corporations other than credit institutions
Handelsbanken Rahoitus Oy	0112308-8	100.00	Full consolidation	X					Financial corporations other than credit institutions
Handelsbanken Fastigheter AB	556873-0021	100.00	Full consolidation	X					Non-financial corporation
Rådstuplass 4 AS	910508423	100.00	Full consolidation	X					Non-financial corporation
SHB Hospitality AB	556993-9034	100.00	Full consolidation	X					Non-financial corporation
Bankomat AB	556817-9716	20.00	Equity method				X		Non-financial corporation
Bankgirocentralen BGC Aktiebolag	556047-3521	22.28	Equity method				X		Non-financial corporation
Finansiell ID-teknik BID AB	556630-4928	28.30	Equity method				X		Non-financial corporation
USE Intressenter AB	559161-9464	24.48	Equity method				X		Non-financial corporation
Getswish AB	556913-7382	20.00	Equity method				X		Non-financial corporation
Finansinfrastruktur i Sverige AB	559198-9610	20.84	Equity method				X		Non-financial corporation
Invidem AB	559210-0779	16.70	Equity method				X		Non-financial corporation
Tibern AB	559384-3542	14.30	Equity method				X		Non-financial corporation
Handelsbanken Liv Försäkring AB (koncern exkl.)	516401-8284	100.00	Full consolidation					X	Insurance company
Handelsbanken Fastigheter AB)								X	Insurance company
Svenska Re S.A.	RCS Lux B-32053	100.00	Full consolidation					X	Insurance company
Handelsbanken Skadeförsäkrings AB	516401-6767	100.00	Full consolidation					X	Insurance company
Svenska RKA International Insurance Services AB (inaktiv)	556324-2964	100.00	Full consolidation				X		Insurance company
Dyson Group plc	00163096	27.00	Equity method				X		Non-financial corporation
Dyson Industries Ltd	1187031	100.00					X		Non-financial corporation
Beepart Ltd	177682	100.00					X		Non-financial corporation
Pickford Holland & Company Ltd	128414	100.00					X		Non-financial corporation
EFN Ekonomikanalen AB	556930-1608	100.00					X		Non-financial corporation

Note: These entities are outside consolidated situation: Handelsbanken Liv Försäkrings AB, SHB Liv Försäkringsaktiebolag, Svenska RKA International Insurance Services AB, Handelsbanken Skadeförsäkrings AB, EFN Ekonomikanalen AB, Svenska Re S.A.

Dyson Group plc, Dyson Industries Ltd, Beepart Ltd and Pickford Holland & Company Ltd.

EU LIB Other qualitative information on the scope of application**Article 436(f) CRR**

Impediment to the prompt transfer of own funds or to the repayment of liabilities within the group.

For the Bank's risk management, it is important that in risk terms, both the Group and the regulatory consolidation can be viewed as one unit. To enable efficient risk management in the Group, capital may need to be re-allocated among the various companies in the Group. In general, Handelsbanken is able to reallocate capital among the Group companies, to the extent that is permitted by legislation, for example, with reference to capital adequacy requirements and restrictions in corporate law. The Bank sees no other material or legal obstacles to a rapid transfer of funds from own funds, or repayment of liabilities between the parent company and its subsidiaries.

Article 436(g) CRR

Subsidiaries not included in the consolidation with own funds less than required.

Handelsbanken has no subsidiaries where the actual own funds are less than the prescribed own funds.

Article 436(h) CRR

Use of derogation referred to in Article 7 CRR or individual consolidation method laid down in Article 9 CRR.

Not applicable.

Article 436(g) CRR

Aggregate amount by which the actual own funds are less than required in all subsidiaries that are not included in the consolidation.

Handelsbanken has no subsidiaries where the actual own funds are less than the prescribed own funds.

EU PV1

Prudent valuation adjustments (PVA) 2025	Risk category					Category level AVA - Valuation uncertainty		Total category level post- diversification		
	Equity	Interest Rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA		Of which: Total core approach in the trading book	Of which: Total core approach in the banking book
1 Market price uncertainty	0	208		178		0	0	194	177	17
2 Set not applicable in the EU										
3 Close-out cost	1	0	1	3	0			4	4	
4 Concentrated positions				9		Not applicable	Not applicable	9	9	
5 Early termination						Not applicable	Not applicable			
6 Model risk	3					37	47	61	28	32
7 Operational risk	0	10	0	9	0	Not applicable	Not applicable	20	18	2
8 Set not applicable in the EU										
9 Set not applicable in the EU										
10 Future administrative costs		44				Not applicable	Not applicable	44	44	
11 Set not applicable in the EU										
12 Total Additional Valuation Adjustments (AVAs)								502	280	223

Regulatory own funds

The disclosed regulatory adjustments comprise deductions from own funds and prudential filters as referred to in points (a), (d), (e) and (f) of Article 437 of Regulation EU 575/2013. The right hand column of this template shows the source of every major input, which is cross-referenced to the corresponding rows in template EU CC2.

EU CC1

Presentation in accordance with the requirements of Commission Implementing Regulation (EU) No 2021/637. Excluded rows are deemed not relevant for Handelsbanken at present.

Composition of regulatory own funds 2025		Amount at disclosure date	Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation amount of regulation (EU) No 575/2013
SEK m			
Common equity tier 1 capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	11 827	E - 2, E - 4
	of which: share capital	3 069	E - 2, E - 4
2	Retained earnings	147 090	E - 7
3	Accumulated other comprehensive income (and any other reserves)	13 477	E - 6
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-12 579	E - 8
6	Common equity tier 1 (CET1) capital before regulatory adjustments	159 815	
Common equity tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	-502	
8	Intangible assets (net of related tax liability) (negative amount)	-7 664	A - 18
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-238	E - 6
12	Negative amounts resulting from the calculation of expected loss amounts	-1 494	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-15	
15	Defined benefit pension fund assets (negative amount)	-11 853	A - 24
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-918	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative		
20c	of which: securitisation positions (negative amount)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)		
22	Amount exceeding the 17,65% threshold (negative amount)		
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		
25	Of which: deferred tax assets arising from temporary differences		
25a	Losses for the current financial year (negative amount)		
25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)		
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)		
27a	Other regulatory adjustments	-46	
28	Total regulatory adjustments to common equity tier 1 (CET1) capital	-22 730	
29	Common equity tier 1 (CET1) capital	137 084	
Additional tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	9 149	L - 19
32	of which: classified as liabilities under applicable accounting standards	9 149	L - 19
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase-out from AT1		
36	Additional tier 1 (AT1) capital before regulatory adjustments	9 149	L - 19
Additional tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)		
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount) in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
42	Qualifying (T2) deductions that exceed the T2 capital of the institution (negative amount)		
43	Total regulatory adjustments to additional tier 1 (AT1) capital		
44	Additional tier 1 (AT1) capital	9 149	
45	Tier 1 capital (T1 = CET1 + AT1)	146 233	
Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and the related share premium accounts	25 030	L - 20

Presentation in accordance with the requirements of Commission Implementing Regulation (EU) No 2021/637. Excluded rows are deemed not relevant for Handelsbanken at present.

Composition of regulatory own funds 2025		Amount at disclosure date	Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation amount of regulation (EU) No 575/2013
SEK m			
50	Credit risk adjustments	5	
51	Tier 2 (T2) capital before regulatory adjustments	25 035	L - 20
	Tier 2 (T2) capital: regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)		
55	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amounts)	0	A - 5
57	Total regulatory adjustments to tier 2 (T2) capital	0	A - 5
58	Tier 2 (T2) capital	25 035	
59	Total capital (TC = T1 + T2)	171 268	
60	Total risk-weighted assets	779 729	
	Capital ratios and requirements including buffers		
61	Common equity tier 1 capital (as a percentage of total risk exposure amount)	17.6	
62	Tier 1 capital (as a percentage of total risk exposure amount)	18.8	
63	Total capital (as a percentage of total risk exposure amount)	22.0	
64	Institution CET1 overall capital requirements	14.2	
65	of which: capital conservation buffer requirement	2.5	
66	of which: countercyclical buffer requirement	2.0	
67	of which: systemic risk buffer requirement	3.2	
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	1.0	
67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.0	
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	11.5	
	Amounts below the thresholds for deduction (before risk weighting)	0	
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities amount below 10% threshold and net of eligible short positions)	0	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	6 254	
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	0	
	Applicable caps on the inclusion of provisions tier 2 capital		
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)		
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	2 075	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)		
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	2 903	

EU CC2

Reconciliation of regulatory own funds to balance sheet in the audited financial statements 2025		Balance-sheet as in published financial statements	Under regulatory scope of consolidation	Reference
SEK m				
	ASSETS			
A – 1	Cash and balances with central banks	408 154	408 155	
A – 2	Other loans to central banks	24 526	24 526	
A – 3	Interest-bearing securities available as collateral with central banks	188 272	188 272	
A – 4	Loans to other credit institutions	21 694	21 587	
A – 5	Loans to the public	2 263 765	2 307 191	55, 57
A – 6	Value change of interest-hedged item in portfolio hedge	(5 510)	(5 510)	
A – 7	Bonds and other interest-bearing securities	53 631	53 631	
A – 8	<i>of which interest-bearing instruments classified as fair value through other comprehensive income (carrying amount)</i>	9 056	9 056	
A – 9	<i>of which interest-bearing instruments classified as fair value through other comprehensive income, accumulated value change</i>	(98)	(98)	
A – 10	Shares and participating interests	16 549	11 123	
A – 11	<i>of which shares classified as fair value through other comprehensive income (carrying amount)</i>	798	686	
A – 12	<i>of which shares classified as fair value through other comprehensive amount, accumulated value change</i>	528	517	
A – 13	Investments in associates	881	7 136	
A – 14	Assets where the customer bears the value change risk	312 284	2 463	
A – 15	Derivative instruments	21 752	21 752	
A – 16	<i>of which cash flow hedges</i>	238	238	
A – 17	Reinsurance assets			
A – 18	Intangible assets	7 991	7 597	8
A – 19	Property and equipment	4 956	4 956	
A – 20	Current tax assets	14	96	
A – 21	Deferred tax assets	631	675	
A – 22	<i>of which related to cash flow hedges</i>			
A – 23	<i>of which related to interest-bearing instruments classified as fair value through other comprehensive income</i>	15	15	
A – 24	Pension assets	14 920	14 928	15
A – 25	Assets held for sale	43 580	-	
A – 26	Other assets	6 956	6 689	
A – 27	Prepaid expenses and accrued income	2 518	2 492	
A – 28	Total assets	3 387 566	3 077 760	
	LIABILITIES AND EQUITY			
L – 1	Liabilities to credit institutions	64 525	64 525	
L – 2	Deposits and borrowing from the public	1 293 784	1 306 965	
L – 3	Liabilities where the customer bears the value change risk	312 714	2 463	
L – 4	Issued securities	1 429 185	1 429 185	
L – 5	Derivative instruments	26 211	26 211	
L – 6	<i>of which cash flow hedges</i>			
L – 7	Short positions	2 163	2 163	
L – 8	Insurance liabilities	7 310		
L – 9	Current tax liabilities	726	725	
L – 10	Deferred tax liabilities	4 028	4 013	
L – 11	<i>of which related to cash flow hedges</i>	62	62	
L – 12	<i>of which related to shares classified as fair value through other comprehensive income</i>	85	85	
L – 13	Provisions	538	716	
L – 14	Pension obligations			
L – 15	Liabilities related to assets held for sale	413		
L – 16	Other liabilities	10 524	10 097	
L – 17	Accrued expenses and deferred income	2 029	2 168	
L – 18	Subordinated liabilities	34 061	34 061	
L – 19	<i>of which tier 1 capital loans</i>	9 149	9 149	30, 32, 36
L – 20	<i>of which loans with remaining time to maturity > 5 yrs</i>	25 030	25 030	46, 51
L – 21	<i>of which loans with remaining time to maturity < 5 yrs</i>			
L – 22	<i>of which other loans</i>			
L – 23	Total liabilities	3 188 211	2 883 292	
E – 1	Minority interest	3	3	
E – 2	Share capital	3 069	3 069	1
E – 3	<i>Holdings of own shares</i>	(217)	(217)	
E – 4	Share premium reserve	8 758	8 758	
E – 5	<i>of which equity from compound financial instruments</i>			
E – 6	Other reserves	13 953	13 477	3, 11
E – 7	Retained earnings	149 845	147 090	2
E – 8	Profit for the year (belonging to shareholders of Svenska Handelsbanken AB)	23 727	22 072	5a
E – 9	Total equity	199 355	194 468	
LE - 1	Total liabilities and equity	3 387 566.00	3 077 760.00	

EU CCA, CET1

Presentation in accordance with the requirements of Commission Implementing Regulation (EU) No 2021/637. For meeting own funds and eligible liabilities requirements.

Main features - regulatory own funds instruments, CET1			
1	Issuer	Svenska Handelsbanken AB	Svenska Handelsbanken AB
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	SE0007100599	SE0007100607
EU-2a	Public or private placement	Public	Public
3	Governing law(s) of the instrument	Swedish law	Swedish law
3a	Contractual recognition of write-down and conversion powers of resolution authorities	N/A	N/A
	<i>Regulatory treatment</i>		
4	Current treatment taking into account, where applicable, transitional CRR rules	Common equity tier 1 capital	Common equity tier 1 capital
5	Post-transitional CRR rules	Common equity tier 1 capital	Common equity tier 1 capital
6	Eligible at solo/(sub)consolidated/solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Share capital, class A	Share capital, class B
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	SEK 11 616m	SEK 211m
9	Nominal amount of instrument	SEK 3 014m	SEK 55m
EU-9a	Issue price	SEK 11 616m	SEK 211m
EU-9b	Redemption price	N/A	N/A
10	Accounting classification	Equity	Equity
11	Original date of issuance	1871	1990
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	N/A	N/A
14	Issuer call subject to the previous supervisory approval	N/A	N/A
15	Optional call date, contingent call dates and redemption amount	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A
	<i>Coupons/dividends</i>		
17	Fixed or floating dividend/coupon	N/A	N/A
18	Coupon rate and any related index	N/A	N/A
19	Existence of a dividend stopper	N/A	N/A
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A	N/A
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A	N/A
21	Existence of step-up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	1	1
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Lowest, next senior is additional tier 1 capital	Lowest, next senior is additional tier 1 capital
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A
EU-37a	Link to the full term and conditions of the instrument (signposting)		

REGULATORY OWN FUNDS

EU CCA, AT1

Presentation in accordance with the requirements of Commission Implementing Regulation (EU) No 2021/637. For meeting own funds and eligible liabilities requirements.

Main features - regulatory own funds instruments, AT1 2025			
1	Issuer	Svenska Handelsbanken AB	Svenska Handelsbanken AB
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2233263404	XS2233263586
EU-2a	Public or private placement	Public	Public
3	Governing law(s) of the instrument	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law
3a	Contractual recognition of write-down and conversion powers of resolution authorities	Yes	Yes
<i>Regulatory treatment</i>			
4	Current treatment taking into account, where applicable, transitional CRR rules	Additional tier 1 capital	Additional tier 1 capital
5	Post-transitional CRR rules	Tier 1 capital	Tier 1 capital
6	Eligible at solo/(sub)consolidated/solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Additional tier 1 capital	Additional tier 1 capital
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	SEK 4 580m	SEK 4 568m
9	Nominal amount of instrument	USD 500m	USD 500m
EU-9a	Issue price	100%	100%
EU-9b	Redemption price	100%	100%
10	Accounting classification	Liability – amortised cost	Liability – amortised cost
11	Original date of issuance	6 Oct, 2020	6 Oct, 2020
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	No maturity date	No maturity date
14	Issuer call subject to the previous supervisory approval	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	1 Mar 2027, Tax/Regulatory call, 100% of nominal amount	1 Mar 2031 Tax/Regulatory call, 100% of nominal amount
16	Subsequent call dates, if applicable	Callable each subsequent interest reset date after first redemption date	Callable each subsequent interest reset date after first redemption date
<i>Coupons/dividends</i>			
17	Fixed or floating dividend/coupon	Fixed	Fixed
18	Coupon rate and any related index	4.375%	4.75%
19	Existence of a dividend stopper	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A	N/A
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A	N/A
21	Existence of step-up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Convertible	Convertible
24	If convertible, conversion trigger(s)	Common equity tier 1 ratio 8% consolidated, 5.125% parent company	Common equity tier 1 ratio 8% consolidated, 5.125% parent company
25	If convertible, fully or partially	Fully	Fully
26	If convertible, conversion rate	The greater of the current market price of an ordinary share on the conversion date translated into USD at the prevailing exchange rate, and the floor price (USD 7.58) on the conversion date. The floor price may not be lower than the quota value (Sw: kvotvärde) of the share.	The greater of the current market price of an ordinary share on the conversion date translated into USD at the prevailing exchange rate, and the floor price (USD 7.58) on the conversion date. The floor price may not be lower than the quota value (Sw: kvotvärde) of the share.
27	If convertible, mandatory or optional conversion	Mandatory	Mandatory
28	If convertible, specify instrument type convertible into	Share capital, class A	Share capital, class A
29	If convertible, specify issuer of instrument it converts into	Svenska Handelsbanken AB	Svenska Handelsbanken AB
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	3	3
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to all instruments except shares, next in priority are subordinated loans	Subordinate to all instruments except shares, next in priority are subordinated loans
36	Non-compliant transitioned features	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A
EU-37a	Link to the full term and conditions of the instrument (signposting)		

REGULATORY OWN FUNDS

EU CCA, T2

Presentation in accordance with the requirements of Commission Implementing Regulation (EU) No 2021/637. For meeting own funds and eligible liabilities requirements.

Main features - regulatory own funds instruments, T2

1	Issuer	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2486857431	XS252351165	XS2667124569	XS293011096
EU-2a	Public or private placement	Public	Public	Public	Public
3	Governing law(s) of the instrument	Mainly English law. Swedish insolvency law	Mainly English law. Swedish insolvency law	Mainly English law. Swedish insolvency law	Mainly English law. Swedish insolvency law
3a	Contractual recognition of write-down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes
	<i>Regulatory treatment</i>				
4	Current treatment taking into account, where applicable, transitional CRR rules	Tier 2 capital	Tier 2 capital	Tier 2 capital	Tier 2 capital
5	Post-transitional CRR rules	Tier 2 capital	Tier 2 capital	Tier 2 capital	Tier 2 capital
6	Eligible at solo/(sub)consolidated/solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Subordinated loan	Subordinated loan	Subordinated loan	Subordinated loan
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	SEK 5 394m	SEK 6 198m	SEK 8 078m	SEK 5 361m
9	Nominal amount of instrument	EUR 500m	GBP 500m	EUR 750m	EUR 500m
EU-9a	Issue price	99.914%	99.934%	99.792%	99.388%
EU-9b	Redemption price	100%	100%	100%	100%
10	Accounting classification	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
11	Original date of issuance	1 Jun 2022	23 Aug 2022	16 Aug 2023	4 Nov 2024
12	Perpetual or dated	Dated	Dated	Dated	Dated
13	Original maturity date	1 Jun 2033	23 Aug 2032	16 Aug 2034	4 Nov 2036
14	Issuer call subject to the previous supervisory approval	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	1 Jun 2028. Tax/Regulatory call. 100% of nominal amount	23 Aug 2027. Tax/Regulatory call. 100% of nominal amount	16 Aug 2029. Tax/Regulatory call. 100% of nominal amount	4 Nov 2031. Tax/Regulatory call. 100% of nominal amount
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A
	<i>Coupons/dividends</i>				
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	3.25%	4.625%	5.0%	3.625%
19	Existence of a dividend stopper	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step-up or other incentive to redeem	No	No	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A
30	Write-down features	No	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	4	4	5	6
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to all senior lending	Subordinate to all senior lending	Subordinate to all senior lending	Subordinate to all senior lending
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A
EU-37a	Link to the full term and conditions of the instrument (signposting)				

Eligible liabilities

Handelsbanken's eligible liabilities instruments within the meaning of Article 72b CRR are disclosed in the below tables, CCA.

EU CCA, EMTN

Presentation in accordance with the requirements of Commission Implementing Regulation (EU) No 2021/637

Main features - regulatory own funds instruments, EMTN 1(5)

1	Issuer	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2782828649	XS2715276163	CH184694714	XS2551280436
EU-2a	Public or private placement	Public	Public	Public	Public
3	Governing law(s) of the instrument	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law
3a	Contractual recognition of write-down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes
	<i>Regulatory treatment</i>				
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	Eligible liabilities	Eligible liabilities	Eligible liabilities	Eligible liabilities
6	Eligible at solo/(sub)consolidated/solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior preferred	Senior preferred	Senior preferred	Senior preferred
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	SEK 5 403m	SEK 8 103m	SEK 4 075m	SEK 8 103m
9	Nominal amount of instrument	EUR 500m	EUR 750m	CHF 350m	EUR 750m
EU-9a	Issue price	100%	99.893%	100.012%	99.821%
EU-9b	Redemption price	100%	100%	100%	100%
10	Accounting classification	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
11	Original date of issuance	08 Mar 2024	10 Nov 2023	24 May 2022	01 Nov 2022
12	Perpetual or dated	Dated	Dated	Dated	Dated
13	Original maturity date	08 Mar 2027	10 May 2027	24 May 2027	01 Nov 2027
14	Issuer call subject to the previous supervisory approval	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A
	<i>Coupons/dividends</i>				
17	Fixed or floating dividend/coupon	Floating	Fixed	Fixed	Fixed
18	Coupon rate and any related index	EURIBOR + 0.45% quarterly	3.875%	1.25%	3.75%
19	Existence of a dividend stopper				
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step-up or other incentive to redeem	No	No	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A
30	Write-down features	No	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual
EU-34b	Ranking of the instrument in normal insolvency proceedings				
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Indebtedness entitled to preference under Swedish law	Indebtedness entitled to preference under Swedish law	Indebtedness entitled to preference under Swedish law	Indebtedness entitled to preference under Swedish law
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A
EU-37a	Link to the full term and conditions of the instrument (signposting)	Microsoft Word - SHB PP March 2024 - Pricing Supplement(2007805753.3)	uko2-2007210257-v1_shb_trade_november_2023_pricing_supplement_execution_version.pdf (alertr.com)	AODocument (alertr.com)	AODocument (alertr.com)

ELIGIBLE LIABILITIES

Main features - eligible liabilities instruments, EMTN page 3(5)						
1	Issuer	Svenska Handelsbanken AB				
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS1865236100	XS2345317510	XS1909084375	XS0994979044	XS1016849462
EU-2a	Public or private placement	Private	Public	Private	Public	Public
3	Governing law(s) of the instrument	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law	English law	English law
3a	Contractual recognition of write-down and conversion powers of resolution authorities	Yes	Yes	Yes	No	No
	<i>Regulatory treatment</i>					
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	Eligible liabilities				
6	Eligible at solo/(sub)consolidated/solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior	Senior preferred	Senior	Senior	Senior
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	SEK 918m	SEK 10 805m	SEK 918m	SEK 1 134m	SEK 486m
9	Nominal amount of instrument	USD 100m	EUR 1000m	USD 100m	EUR 105m	EUR 45m
EU-9a	Issue price	100%	99.714%	100%	100%	100%
EU-9b	Redemption price	100%	100%	100%	100%	100%
10	Accounting classification	Liability – amortised cost				
11	Original date of issuance	14 Aug 2018	06 Sep 2021	15 Nov 2018	20 Nov 2013	17 Jan 2014
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	14 Aug 2028	06 Sep 2028	15 Nov 2028	20 Nov 2028	17 Jan 2029
14	Issuer call subject to the previous supervisory approval	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A
	<i>Coupons/dividends</i>					
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	3.678%	0.05%	3.983%	3.08%	3.08%
19	Existence of a dividend stopper					
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step-up or other incentive to redeem	No	No	No	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A
30	Write-down features	No	No	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual	Contractual
EU-34b	Ranking of the instrument in normal insolvency proceedings					
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Indebtedness entitled to preference under Swedish law				
36	Non-compliant transitioned features	No	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A
EU-37a	Link to the full term and conditions of the instrument (signposting)	N/A	Document (alertir.com)	N/A	FINAL TERMS (alertir.com)	emtn_322_isin_xs1016849462.pdf (alertir.com)

ELIGIBLE LIABILITIES

Main features - eligible liabilities instruments, EMTN page 4(5)						
1	Issuer	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2447983813	XS2527451905	XS2121207828	XS2888395659	XS1904734495
EU-2a	Public or private placement	Public	Public	Public	Public	Private
3	Governing law(s) of the instrument	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law
3a	Contractual recognition of write-down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes	Yes
	<i>Regulatory treatment</i>					
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	Eligible liabilities	Eligible liabilities	Eligible liabilities	Eligible liabilities	Eligible liabilities
6	Eligible at solo/(sub)consolidated/solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior non-preferred	Senior preferred	Senior non-preferred liabilities	Senior non-preferred liabilities	Senior
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	SEK 10 805m	SEK 8 103m	SEK 10 805m	SEK 8 103m	SEK 648m
9	Nominal amount of instrument	EUR 1000m	EUR 750m	EUR 1000m	EUR 750m	EUR 60m
EU-9a	Issue price	99.874%	99.358%	99.602%	99.600%	100%
EU-9b	Redemption price	100%	100%	100%	100%	100%
10	Accounting classification	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
11	Original date of issuance	23 Feb 2022	05 Sep 2022	18 Feb 2020	27 Aug 2024	12 Nov 2018
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	23 Feb 2029	05 Sep 2029	18 Feb 2030	27 Aug 2031	12 Nov 2031
14	Issuer call subject to the previous supervisory approval	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A
	<i>Coupons/dividends</i>					
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	1.375%	2.625%	0.5%	3.250%	1.563%
19	Existence of a dividend stopper					
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step-up or other incentive to redeem	No	No	No	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A
30	Write-down features	No	No	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual	Contractual
EU-34b	Ranking of the instrument in normal insolvency proceedings					
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to senior	Indebtedness entitled to preference under Swedish law	Subordinated to senior	Subordinated to senior	Indebtedness entitled to preference under Swedish law
36	Non-compliant transitioned features	No	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A
EU-37a	Link to the full term and conditions of the instrument (signposting)			Microsoft Word - ICM-#34696691-v5-SHB_Senior_MTN_Trade - Feb_2020 - Final Terms (alertir.com)	368_handelsbanken_green_bond.pdf	
		Document				N/A

ELIGIBLE LIABILITIES

Main features - eligible liabilities instruments, EMTN page 5(5)

1	Issuer	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS3000592363	XS3152596493	XS2767224921	XS2530441109	XS3218068990
EU-2a	Public or private placement	Public	Public	Public	Public	Public
3	Governing law(s) of the instrument	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law	Mainly English law, Swedish insolvency law
3a	Contractual recognition of write-down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes	Yes
	<i>Regulatory treatment</i>					
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	Eligible liabilities	Eligible liabilities	Eligible liabilities	Eligible liabilities	Eligible liabilities
6	Eligible at solo/(sub)consolidated/solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior preferred	Senior non-preferred liabilities	Senior non-preferred liabilities	Senior non-preferred liabilities	Senior non-preferred liabilities
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	SEK 5 403m	SEK 8 103m	SEK 8 103m	SEK 1 621m	SEK 8 103m
9	Nominal amount of instrument	EUR 500m	EUR 750m	EUR 750m	EUR 150m	EUR 750m
EU-9a	Issue price	99.688%	100%	99.468%	100%	99.516%
EU-9b	Redemption price	100%	100%	100%	100%	100%
10	Accounting classification	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
11	Original date of issuance	17 Feb 2025	19 Aug 2025	15 Feb 2024	12 Sep 2022	30 Oct 2025
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	17 Feb 2032	19 Aug 2032	15 Feb 2034	12 Sep 2034	30 Oct 2035
14	Issuer call subject to the previous supervisory approval	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A
	<i>Coupons/dividends</i>					
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	2.875%	3.250%	3.750%	3.696%	3.375%
19	Existence of a dividend stopper					
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step-up or other incentive to redeem	No	No	No	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A
30	Write-down features	No	No	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual	Contractual
EU-34b	Ranking of the instrument in normal insolvency proceedings					
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Indebtedness entitled to preference under Swedish law	Subordinated to senior	Subordinated to senior	Subordinated to senior	Subordinated to senior
36	Non-compliant transitioned features	No	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A
EU-37a	Link to the full term and conditions of the instrument (signposting)	v1_svenska_handelsbanken_trade_february_2025_prices_supplement_fixed_rate_notes_execution_version.pdf	svenska_handelsbanken_trade_august_2025_prices_supplement_003_final.pdf	366_handelsbanken_green_bond.pdf	AODocument	373_handelsbanken_green_bond.pdf

ELIGIBLE LIABILITIES

EU CCA, AMTN

Presentation in accordance with the requirements of Commission Implementing Regulation (EU) No 2021/637

Main features - eligible liabilities instruments, AMTN page 1(2)

1	Issuer	Svenska Handelsbanken AB				
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	AU3FN0067476	AU3CB0297232	AU3FN0075636	AU3FN0081485	AU3CB0303121
EU-2a	Public or private placement	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	Mainly NSW law, Swedish insolvency law				
3a	Contractual recognition of write-down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes	Yes
	<i>Regulatory treatment</i>					
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	Eligible liabilities				
6	Eligible at solo/(sub)consolidated/solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior preferred				
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	SEK 616m	SEK 4 003m	SEK 2 155m	SEK 1 232m	SEK 616m
9	Nominal amount of instrument	AUD 100m	AUD 650m	AUD 350m	AUD 200m	AUD 100m
EU-9a	Issue price	100%	99.672%	100%	100%	99.974%
EU-9b	Redemption price	100%	100%	100%	100%	100%
10	Accounting classification					
11	Original date of issuance	24 Mar 2022	02 Mar 2023	02 Mar 2023	05 Oct 2023	05 Oct 2023
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	24 Mar 2027	02 Mar 2028	02 Mar 2028	05 Oct 2028	05 Oct 2028
14	Issuer call subject to the previous supervisory approval	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A
	<i>Coupons/dividends</i>					
17	Fixed or floating dividend/coupon	Floating	Fixed	Floating	Floating	Fixed
18	Coupon rate and any related index	90 days BBSW + 1.10% qa	5.00% s.a	90 days BBSW + 1.05% qa	90 days BBSW + 1.15% qa	5.40% s.a
19	Existence of a dividend stopper	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step-up or other incentive to redeem	No	No	No	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A
30	Write-down features	No	No	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual	Contractual
EU-34b	Ranking of the instrument in normal insolvency proceedings					
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Indebtedness entitled to preference under Swedish law				
36	Non-compliant transitioned features	No	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A
EU-37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A

ELIGIBLE LIABILITIES

Main features - eligible liabilities instruments, AMTN page 2(2)			
1	Issuer	Svenska Handelsbanken AB	Svenska Handelsbanken AB
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	AU3FN0101317	AU3CB0325462
EU-2a	Public or private placement	Private	Private
3	Governing law(s) of the instrument	Mainly NSW law, Swedish insolvency law	Mainly NSW law, Swedish insolvency law
3a	Contractual recognition of write-down and conversion powers of resolution authorities	Yes	Yes
	<i>Regulatory treatment</i>		
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A
5	Post-transitional CRR rules	Eligible liabilities	Eligible liabilities
6	Eligible at solo/(sub)consolidated/solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior preferred	Senior preferred
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	SEK 4 003m	SEK 3 695m
9	Nominal amount of instrument	AUD 650m	AUD 600m
EU-9a	Issue price	100%	99.693%
EU-9b	Redemption price	100%	100%
10	Accounting classification		
11	Original date of issuance	02 Sep 2025	02 Sep 2025
12	Perpetual or dated	Dated	Dated
13	Original maturity date	02 Sep 2030	02 Sep 2030
14	Issuer call subject to the previous supervisory approval	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A
	<i>Coupons/dividends</i>		
17	Fixed or floating dividend/coupon	Floating	Fixed
18	Coupon rate and any related index	90 days BBSW + 0.82% qa	4.30%
19	Existence of a dividend stopper	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory
21	Existence of step-up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual
EU-34b	Ranking of the instrument in normal insolvency proceedings		
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Indebtedness entitled to preference under Swedish law	Indebtedness entitled to preference under Swedish law
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A
EU-37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A

ELIGIBLE LIABILITIES

EU CCA, 144A

Presentation in accordance with the requirements of Commission Implementing Regulation (EU) No 2021/637

Main features - eligible liabilities instruments, 144A page 1(2)

1	Issuer	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB	Svenska Handelsbanken AB
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	US86959LAH69	US86959LAQ6	US86959LAR4	US86959LAL7	US86959LAP8
EU-2a	Public or private placement	Public	Public	Public	Public	Public
3	Governing law(s) of the instrument	Mainly New York law, Swedish insolvency law	Mainly New York law, Swedish insolvency law	Mainly New York law, Swedish insolvency law	Mainly New York law, Swedish insolvency law	Mainly New York law, Swedish insolvency law
3a	Contractual recognition of write-down and conversion powers of resolution authorities	Yes	Yes	Yes	Yes	Yes
	<i>Regulatory treatment</i>					
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	Eligible liabilities	Eligible liabilities	Eligible liabilities	Eligible liabilities	Eligible liabilities
6	Eligible at solo/(sub)consolidated/solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior non-preferred	Senior preferred	Senior preferred	Senior preferred	Senior non-preferred
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	SEK 9 175m	SEK 5 505m	SEK 3 670m	SEK 7 340m	SEK 9 175m
9	Nominal amount of instrument	USD 1 000m	USD 600m	USD 400m	USD 800m	USD 1 000m
EU-9a	Issue price	100%	99.896%	100%	99.852%	99.556%
EU-9b	Redemption price	100%	100%	100%	100%	100%
10	Accounting classification					
11	Original date of issuance	11 Jun 2021	28 May 2024	28 May 2024	10 Jun 2022	15 Jun 2023
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	11 Jun 2027	28 May 2027	28 May 2027	10 Jun 2027	15 Jun 2028
14	Issuer call subject to the previous supervisory approval	Yes*	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	11 Jun 2026	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A
	<i>Coupons/dividends</i>					
17	Fixed or floating dividend/coupon	Fixed rate reset note	Fixed	Floating	Fixed	Fixed
18	Coupon rate and any related index	1.418% s.a	5.125% s.a.	SOFR+0.66% quarterly	3.95% s.a	5.5% s.a
19	Existence of a dividend stopper	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step-up or other incentive to redeem	No	No	No	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A
30	Write-down features	No	No	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual	Contractual
EU-34b	Ranking of the instrument in normal insolvency proceedings					
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to senior preferred notes and 3a2 notes	Indebtedness entitled to preference under Swedish law	Indebtedness entitled to preference under Swedish law	Indebtedness entitled to preference under Swedish law	Subordinated to senior preferred notes and 3a2 notes
36	Non-compliant transitioned features	No	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A
EU-37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A	N/A

ELIGIBLE LIABILITIES

Main features - eligible liabilities instruments, 144A page 2(2)

1	Issuer	Svenska Handelsbanken AB	Svenska Handelsbanken AB
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	US86959LATO	US86959LAS2
EU-2a	Public or private placement	Public	Public
3	Governing law(s) of the instrument	Mainly New York law, Swedish insolvency law	Mainly New York law, Swedish insolvency law
3a	Contractual recognition of write-down and conversion powers of resolution authorities	Yes	Yes
	<i>Regulatory treatment</i>		
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A
5	Post-transitional CRR rules	Eligible liabilities	Eligible liabilities
6	Eligible at solo/(sub)consolidated/solo & (sub)consolidated	Solo & (sub)consolidated	Solo & (sub)consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior preferred	Senior preferred
8	Amount recognised in regulatory capital or eligible liabilities (currency in million, as of most recent reporting date)	SEK 4 588m	SEK 6 881m
9	Nominal amount of instrument	USD 500m	USD 750m
EU-9a	Issue price	100%	99.755%
EU-9b	Redemption price	100%	100%
10	Accounting classification		
11	Original date of issuance	23 May 2025	23 May 2025
12	Perpetual or dated	Dated	Dated
13	Original maturity date	23 May 2028	23 May 2028
14	Issuer call subject to the previous supervisory approval	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A
	<i>Coupons/dividends</i>		
17	Fixed or floating dividend/coupon	Floating	Fixed
18	Coupon rate and any related index	SOFR + 0,74%	4,375% s.a
19	Existence of a dividend stopper	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory
21	Existence of step-up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual
EU-34b	Ranking of the instrument in normal insolvency proceedings		
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Indebtedness entitled to preference under Swedish law	Indebtedness entitled to preference under Swedish law
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A
EU-37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A

EU TLAC1

Presentation in accordance with the implementing technical standards for the application of Regulation (EU) No 575/2013 and Directive 2014/59/EU with regards to the supervisory reporting and public disclosure of the minimum requirement for own funds and eligible liabilities. Excluded rows/column are deemed not relevant for Handelsbanken at present.

Composition - MREL 2025		Minimum requirement for own funds and eligible liabilities (MREL)
SEK m		
Own funds and eligible liabilities and adjustments		
1	Common Equity Tier 1 capital (CET1)	137 084
2	Additional Tier 1 capital (AT1)	9 149
6	Tier 2 capital (T2)	25 035
11	Own funds for the purpose of Articles 92a of Regulation (EU) No 575/2013 and 45 of Directive 2014/59/EU	171 268
Own funds and eligible liabilities: Non-regulatory capital elements		
12	Eligible liabilities instruments issued directly by the resolution entity that are subordinated to excluded liabilities (not grandfathered)	77 252
EU-12a	Eligible liabilities instruments issued by other entities within the resolution group that are subordinated to excluded liabilities (not grandfathered)	
EU-12b	Eligible liabilities instruments that are subordinated to excluded liabilities issued prior to 27 June 2019 (subordinated grandfathered)	
EU-12c	Tier 2 instruments with a residual maturity of at least one year to the extent they do not qualify as Tier 2 items	
13	Eligible liabilities that are not subordinated to excluded liabilities (not grandfathered pre-cap)	118 182
EU-13a	Eligible liabilities that are not subordinated to excluded liabilities issued prior to 27 June 2019 (pre-cap)	1 621
14	Amount of non subordinated eligible liabilities instruments, where applicable after application of Article 72b (3) CRR	119 803
17	Eligible liabilities items before adjustments	197 055
EU-17a	Of which subordinated liabilities items	79 252
Own funds and eligible liabilities: Adjustments to non-regulatory capital elements		
18	Own funds and eligible liabilities items before adjustments	368 322
19	(Deduction of exposures between multiple point of entry (MPE) resolution groups)	
20	(Deduction of investments in other eligible liabilities instruments)	
22	Own funds and eligible liabilities after adjustments	368 322
EU-22a	Of which: own funds and subordinated liabilities	248 520
Risk-weighted exposure amount and leverage exposure measure of the resolution group		
23	Total risk exposure amount (TREA)	779 729
24	Total exposure measure (TEM)	3 193 942
Ratio of own funds and eligible liabilities		
25	Own funds and eligible liabilities as a percentage of TREA	47.24
EU-25a	Of which own funds and subordinated liabilities	31.87
26	Own funds and eligible liabilities as a percentage of TEM	11.53
EU-26a	Of which own funds and subordinated liabilities	7.78
27	CET1 (as a percentage of the TREA) available after meeting the resolution group's requirements	13.06

EU TLAC3b

Presentation in accordance with the implementing technical standards for the application of Regulation (EU) No 575/2013 and Directive 2014/59/EU with regards to the supervisory reporting and public disclosure of the minimum requirement for own funds and eligible liabilities. Excluded rows are deemed not relevant for Handelsbanken at present.

Creditor ranking - resolution entity 2025		Insolvency ranking							Sum of 1 to 7
SEK m		1 (most junior)	2	3	4	5	6	7 (most senior)	
1	Description of insolvency rank	Common Equity Tier 1 Capital	Fines and penalties	Additional Tier 1 capital instruments	Tier 2 capital instruments	Other Subordinated debt	Senior non-preferred debt	Senior unsecured debt	
5	Own funds and liabilities potentially eligible for meeting MREL	109 234		9 149	25 035		64 675	119 803	327 895
6	of which residual maturity ≥ 1 year < 2 years							43 797	43 797
7	of which residual maturity ≥ 2 year < 5 years						30 741	69 970	100 710
8	of which residual maturity ≥ 5 years < 10 years				19 674		33 935	6 036	59 645
9	of which residual maturity ≥ 10 years, but excluding perpetual securities				5 361				5 361
10	of which perpetual securities	109 234		9 149					118 383

Countercyclical capital buffers

EU CCyB1

The table shows the geographical breakdown of credit exposures relevant for the calculation of the countercyclical capital buffer.

Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer 2025		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own funds requirements			Risk-weighted exposure amounts	Own fund requirements weights (%)	Counter-cyclical buffer rate (%)	
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book				Total
010	Breakdown by country													
	Sweden	24 100	1 642 691	291			1 667 081	31 572	50		31 622	395 275	63,4	2,0
	Norway	3 383	314 801	60			318 243	6 621	8		6 629	82 864	13,3	2,5
	Other countries	347 722	43 752	2			391 475	11 632	0		11 633	145 410	23,3	1,9
020	Total	375 205	2 001 243	352			2 376 800	49 825	59		49 884	623 549	100,0	

EU CCyB2

The table shows the total amount for the institution-specific countercyclical capital buffer.

Amount of institution-specific countercyclical capital buffer 2025		
SEK m		
10	Total risk exposure amount	779 729
20	Institution specific countercyclical buffer rate (%)	2,0
30	Institution specific countercyclical buffer requirement	15 880

Leverage ratio

EU LRA Disclosure of LR qualitative information

Article 451.1 d CRR.

Description of the processes used to manage the risk of excessive leverage

The Bank's capital requirement is reported weekly to the CFO and the CEO and at least quarterly to the Board. In cases where various thresholds are exceeded, or if the Head of Handelsbanken Treasury or the CFO deems it appropriate for some other reason, proposals for appropriate measures are presented to the CEO. The capital situation in a medium- and long-term perspective is summarised quarterly by the capital committee. Handelsbanken Treasury performs a complete update of the capital forecast on a quarterly basis, or when there are significant changes in conditions.

Description of the factors that had an impact on the leverage Ratio during the period to which the disclosed leverage Ratio refers

The leverage ratio decreased during the year from 4.9% to 4.6%. Both the nominator (Tier 1 capital) and the denominator (Exposures Measure) decreased during the year.

EU LRI

The table shows the summary reconciliation of accounting assets and leverage ratio exposures.
The leverage ratio total exposure measure has increased compared to the previous period.

LRSum: Summary reconciliation of accounting assets and leverage ratio exposures 2025		Applicable amount
SEK m		
1	Total assets as per published financial statements	3 077 760
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	309 806
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	
7	Adjustment for eligible cash pooling transactions	
8	Adjustment for derivative financial instruments	12 062
9	Adjustment for securities financing transactions (SFTs)	3 166
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	135 942
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-0.22
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	
12	Other adjustments	-344 794
13	Total exposure measure	3 193 942

LEVERAGE RATIO

EU LR2

The table shows the leverage ratio for the current and previous period. The exposures are specified for the categories on-balance, derivatives, securities finance and off-balance. The leverage ratio is calculated as tier 1 capital divided by the total exposures. The leverage ratio has decreased compared to the previous year.

LRCom: Leverage ratio common disclosure 2025

SEK m		2025	2024
	On-balance-sheet exposures (excluding derivatives and SFTs)		
1	On-balance-sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	3 023 639	3 173 131
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework		
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-11 428	-5 083
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)		
5	(General credit risk adjustments to on-balance sheet items)		
6	(Asset amounts deducted in determining Tier 1 capital)	-22 730	-21 622
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	2 989 481	3 146 426
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	11 970	26 158
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach		
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	19 603	23 569
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach		
EU-9b	Exposure determined under Original Exposure Method		
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)		
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)		
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)		
11	Adjusted effective notional amount of written credit derivatives	2 341	2 115
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-100	-100
13	Total derivatives exposures	33 814	51 742
	Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	32 369	32 987
15	Netted amounts of cash payables and cash receivables of gross SFT assets)	0	1
16	Counterparty credit risk exposure for SFT assets	2 371	2 169
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR		
17	Agent transaction exposures		
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)		
18	Total securities financing transaction exposures	34 740	35 156
	Other off-balance-sheet exposures		
19	Off-balance sheet exposures at gross notional amount	490 388	480 790
20	(Adjustments for conversion to credit equivalent amounts)	-354 446	-345 261
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	NOT mappable	NOT mappable
22	Off-balance sheet exposures	135 942	135 529
	Excluded exposures		
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)		
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))		
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)		
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)		
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))		
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-35	-47
EU-22g	(Excluded excess collateral deposited at triparty agents)		
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)		
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)		
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)		
EU-22k	(Total exempted exposures)		
EU-22l	(Exposures deducted in accordance with point (q) of Article 429a(1) CRR)		
EU-22m	(Total exempted exposures)	-36	-47
	Capital and total exposure measure		
23	Tier 1 capital	146 233	166 296
24	Total exposure measure	3 193 942	3 368 806
	Leverage ratio		
25	Leverage ratio (%)	4.6	4.9
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	4.6	4.9
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	4.6	4.9
26	Regulatory minimum leverage ratio requirement (%)	3.0	3.0
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.2	0.5
EU-26b	of which: to be made up of CET1 capital	0.2	0.5
27	Leverage ratio buffer requirement (%)	0.0	0.0
EU-27a	Overall leverage ratio requirement (%)	3.0	3.0
EU-27	Choice on transitional arrangements for the definition of the capital measure	NA	NA
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	51 158	38 989
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	32 369	32 987
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	3 212 731	3 374 808
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	3 212 731	3 374 808
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	4.6	4.9
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	4.6	4.9

EU LR3

The table specifies on-balance-sheet exposures excluding derivatives, SFTs, and exposures exempt from the leverage ratio calculation. The total exposure has increased compared to the previous period.

LRSpI: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) 2025		CRR leverage ratio exposures
SEK m		
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	3 044 544
EU-2	Trading book exposures	98 680
EU-3	Banking book exposures, of which:	2 945 864
EU-4	Covered bonds	36 210
EU-5	Exposures treated as sovereigns	620 007
EU-6	Exposures to regional governments, MDB, international organisations and PSE NOT treated as sovereigns	
EU-7	Institutions	3 550
EU-8	Secured by mortgages of immovable properties	2 058 849
EU-9	Retail exposures	64 536
EU-10	Corporates	141 658
EU-11	Exposures in default	6 050
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	15 004

Funding and liquidity risk

Liquidity risk is the risk that the Bank will not be able to meet its payment obligations when they fall due without being affected by unacceptable costs or losses. Handelsbanken has a low tolerance of liquidity risks, both at aggregate level and in individual currencies. The Bank strives to have good access to liquidity, low variation in results and a considerable capacity to meet customers' funding needs, even in difficult times. This is achieved by maintaining a good matching of incoming and outgoing cash flows over time in all currencies essential to the Bank and by maintaining large liquidity reserves of good quality.

EU LIQA Liquidity risk management

In accordance with Articles 435(1) and 451a(4) CRR.

Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding.

Handelsbanken's Board has overall responsibility for the Bank's risk management and establishes internal rules for this. The Board establishes policies and the CEO establishes guidelines describing how various risks should be managed and reported.

Handelsbanken has low tolerance of liquidity risks, both at an aggregated level and in individual currencies. The Bank strives to have good access to liquidity, low variation in results and a considerable capacity to meet customers' funding needs, even in difficult times. This is achieved by maintaining a good matching of incoming and outgoing cash flows over time in all currencies essential to the Bank and by maintaining large liquidity reserves of good quality. The Bank thus minimises the economic risks in funding and can thereby maintain stable and long-term funding for the business-operating units. The Bank strives for a balanced usage of deposit and market funding. Furthermore, the Bank aims for breadth in its funding programmes and their use. This ensures that the Bank can keep its core business intact for a long period of time, even if there is extensive disruption in the financial markets. This results in a well-matched balance sheet, where illiquid assets are financed using stable funding.

Good diversification between different types of funding sources in various markets, currencies and forms of funding instruments is a key component of the funding strategy. This reduces the significance of individual markets or sources of funding.

Structure and organisation of the liquidity risk management function (authority, statute, other arrangements).

Handelsbanken's Board has overall responsibility for the Bank's liquidity risk management and establishes internal rules for this. Funding and liquidity management is governed by policies established by the Board, which also decides on limits. Instructions from the CFO concretise these policies. The instructions establish parameters such as the composition of the funding and assumptions that form the basis of the Bank's stress tests. Liquidity limits are delegated in the operations from the Board via the CEO, CFO and finally the Head of Handelsbanken Treasury.

The CEO has delegated the functional responsibility for the Group's funding and liquidity management to the CFO. Under the CFO, the Head of Handelsbanken Treasury has the operational responsibility for the Group's funding and liquidity management, regardless of unit, country and subsidiary. This responsibility includes managing the Group's ALM risks, meaning liquidity, foreign exchange and interest rate risks. Measurement methods and limits are established by the

Board. The limits for interest rate, foreign exchange and liquidity risk are then delegated by the CEO and the CFO to the Head of Handelsbanken Treasury, who in turn delegates these to the business-operating units. Limits for equity price risk and commodity price risk are delegated from the Board via the CEO to the CFO. The CFO then delegates these to Handelsbanken Markets. Handelsbanken Risk Control is responsible for measuring liquidity risks and reports risk utilisation daily to the CEO and the CFO, and on a regular basis to the Board.

A description of the degree of centralisation of liquidity management and interaction between the group's units.

All funding and liquidity management in the Group is centralised to Handelsbanken Treasury where all liquidity risk limits are delegated to the operations. Handelsbanken Treasury is also responsible for the Bank's liquidity reserve, including the pledged assets that must be kept in different payment and clearing systems. Treasury monitors liquidity flows during the day to ensure that the Bank has sufficient collateral in its payment systems at any given time to meet the Bank's payment obligations.

Scope and nature of liquidity risk reporting and measurement systems.

Limit utilisation for liquidity risks is compiled and controlled on a daily basis by Handelsbanken Risk Control. Exceeded limits are immediately reported to the person who makes the decision about the limits. The liquidity risk is summarised and reported daily to the CEO and the CFO and to the Board at every regular Board meeting. The Liquidity committee, chaired by the Head of Handelsbanken Treasury, meets before each regular Board meeting and on other occasions when necessary. In Liquidity committee meetings, reports are presented on the current liquidity situation, on the results of stress tests, scenario analyses, and other information which is relevant for the assessment of the Group's liquidity situation.

Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants.

In order to limit risk in liquidity management, the Bank has a robust risk tolerance framework including both limits and qualitative targets for liquidity risk. Handelsbanken Risk Control is responsible for measuring risks and reports risk utilisation daily to the CEO and the CFO, and on a regular basis to the Board. Liquidity planning is based on an analysis of cash flows for the respective currency. The funding strategy is that illiquid assets are financed in a stable and long-term manner, and that a positive liquidity position (cash flows plus liquid assets) must be maintained – even in stressed conditions. This gap analysis is

supplemented by scenarios, in which the effect on liquidity is further stressed and analysed using various assumptions.

An outline of the Bank's contingency funding plans.

Handelsbanken maintains a contingency funding plan in the event of a liquidity shortfall (*Group Contingency Plan for Managing a Liquidity Crisis*). The plan specifies responsibilities, sets out practical steps and considerations needed in order to implement various contingency actions. It also determines a set of indicators to be used to help identify when it is appropriate to take contingency actions. A traffic light system is adopted, where each indicator has a baseline level and three trigger levels with prescribed escalation and reporting processes.

The focus is on being proactive rather than reactive, to ensure continued access to liquidity and continued confidence in the Bank, in times of crisis.

The indicators cover the Bank's short-term and long-term liquidity positions, counterbalancing capacity, dependence on deposits, the use of credit facilities and the cost of wholesale funding. They also distinguish between key currencies.

Each indicator is monitored at the applicable level of periodicity, i.e. from daily to quarterly, depending on the indicator and the current business state. Indicators are evaluated and discussed by the Liquidity Committee on a monthly basis and trigger levels are recalibrated if necessary. A review of the indicator framework is conducted annually.

All indicators are monitored over time, e.g. by including historic values, and hence trending information is an integral part of the reporting conducted within the Bank's general risk management framework. An escalation process is associated with all indicators, regardless of type. Pre-determined levels activate an escalation process to predefined decision-making bodies.

Handelsbanken Risk Control and Handelsbanken Treasury follow the liquidity metrics on a daily basis. If any of the metrics are in jeopardy, it is the responsibility of the Head of Handelsbanken Treasury to take remedial action. Remedial actions may be to use non-encumbered assets (most likely mortgages) in secured financing transactions, selling assets in the liquidity reserve and utilising the funding programmes. In a very severe crisis measures such as withholding dividends, or reduced lending to the public would also be available. In such cases the Board and the CEO are involved in the decision-making.

An explanation of how stress testing is used.

The governance of the Bank's liquidity situation is based on stress tests, which are performed at an aggregate level and also individually for the currencies that are essential to the Bank. The stress tests ensure that the Bank has sufficient liquidity, from both a short-term and long-term perspective, in various stressed scenarios and with various liquidity-generating measures. The stress tests are carried out with the application of both market wide and idiosyncratic stress on a daily basis. These are also supplemented with scenario analyses which consider substantial falls in housing prices. In these stress tests, it is assumed that the Bank does not have access to market funding, at the same time as parts of the deposits from households and companies gradually disappear in the first month. It is further assumed that the Bank will continue to conduct its core business by renewing loans to households and companies at maturity and that customers will partly utilise issued commitments and credit facilities.

The stress tests assume that the cash assets in the liquidity reserve are used and that securities can immediately supply liquidity if

provided as collateral or sold. In the long-term stress tests, it is assumed that the Bank will be able to generate further liquidity through the unutilised issue amount for covered bonds and by implementing other liquidity-generating measures to gradually provide the Bank with liquidity.

A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance that the liquidity risk management systems put in place are adequate with regard to the institution's profile and strategy.

Handelsbanken has satisfactory arrangements for risk management which are fit for purpose in relation to the Bank's business goal, the risk tolerance and risk strategy which the Board has decided for the operations and the Bank's overall risk profile.

A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in the EU LIQ1 template under this ITS) providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body.

Please also see the Board's complete risk statement in EU OVA.

To ensure that the Bank has a good liquidity situation, the Board stipulates the Bank's risk tolerance for liquidity. Handelsbanken has a low risk tolerance. The structural risk in the balance sheet must promote a low variation in financial performance and stable, long-term profit growth and not be so high as to prevent Handelsbanken from being able to, in the short and long term, fulfil the requirements set by supervisory authorities. Financial risks shall only arise as a natural part of business with customers, in connection with the Handelsbanken Group's funding and liquidity management, and in its role as a market maker. The Group's risks must be limited through the good matching of both cash flows and interest-fixing periods, the hedging of open positions, and the use of collateral, netting agreements and other risk mitigation measures. In addition, the Group should avoid business proposals and trading in products that appear to be complicated or difficult to understand.

The purpose of the Group's funding and liquidity management is to ensure that Handelsbanken is able to meet its payment commitments in the short and long term. A further aim is that the Group should have better access to the capital markets and a lower funding cost than the average for peer banks. In addition, Handelsbanken should continue to have a high rating from the most important rating agencies in comparison with peer banks, and taking into account the rating for each state in which the Bank has its main operations.

Good diversification between different types of funding sources in various markets, currencies and forms of funding instruments is a key component of the funding strategy. This reduces the significance of individual markets or sources of funding. Target ranges for the Bank's short- and long-term market funding are established in instructions from the CFO.

Short-term market funding by currency

Breakdown by currency as at 31 December 2025 for issued securities with a short-term¹ original maturity.

	Amount (SEK bn)
SEK	
EUR	169
USD	328
Other	27

¹Short-term maturity refers to a maturity of less than one year and one month.

Long-term market funding by currency

Breakdown by currency as at 31 December 2025 for issued securities with a long-term¹ original maturity.

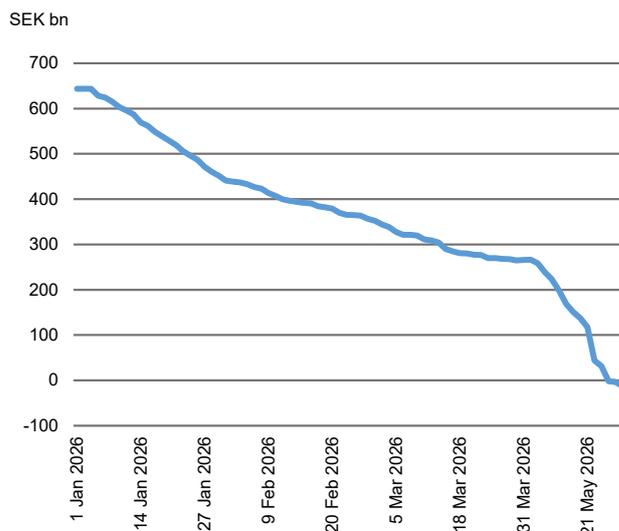
	Amount (SEK bn)
SEK	546
EUR	251
USD	60
Other	46

¹Long-term maturity refers to a maturity equal to or in excess of one year and one month.

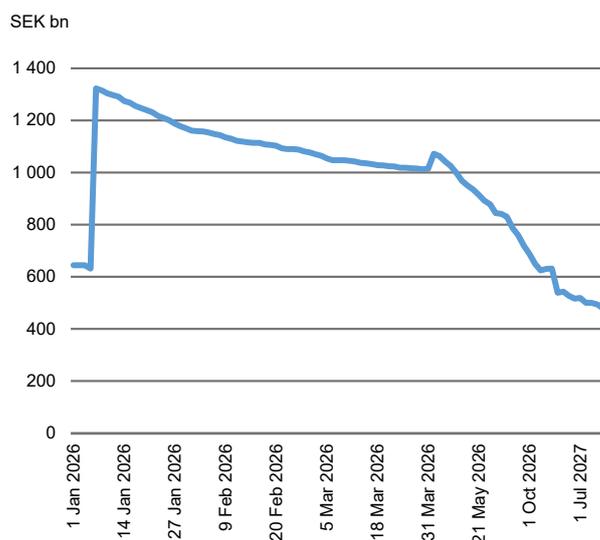
Handelsbanken must have a good match of maturities for liabilities and assets, and positive structural net funding that reflects the difference between stable funding and illiquid assets. Handelsbanken’s illiquid assets are risk-weighted and consist of lending to households and companies, and other assets requiring stable funding. Handelsbanken’s stable funding is risk-weighted and consists of shareholders’ equity, deposits from households and companies, and other funding with sufficiently long residual maturity or quality to withstand a protracted liquidity crisis. In addition, Handelsbanken must have an adequate liquidity reserve in the form of cash available from central banks and assets that are liquid and can be pledged, to be able to continue its operations for pre-determined periods of time, without new funding on the financial markets. This requirement must also be fulfilled in times of financial strain. In addition, the Bank must have the liquidity-generating capacity to cope with a lengthy period of financial strain without requiring new funding on the financial markets.

The maturity mismatch of assets and liabilities is monitored through internal short- and long-term stress tests, as described above in the section regarding stress testing. The mismatch analysis also includes effects from off-balance sheet items, such as increased cash collateral requirements and increased utilisation of outstanding credit facilities.

Short-term stress test of liquidity – accumulated liquidity position



Long-term stress test of liquidity, including liquidity-generating measures - accumulated liquidity position



FUNDING AND LIQUIDITY RISK

EU LIQ1

The following table shows weighted and unweighted components and levels for the liquidity coverage ratio (LCR) where the values presented are simple averages of month-end observations over the 12 months preceding the end of each quarter.

LCR disclosure template 2025		Total unweighted value (average)				Total weighted value (average)			
		31-Dec-25	30-Sep-25	30-Jun-25	31-Mar-25	31-Dec-25	30-Sep-25	30-Jun-25	31-Mar-25
SEK m									
	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	HIGH-QUALITY LIQUID ASSETS								
1	Total high-quality liquid assets (HQLA)					928 004	968 680	975 264	975 333
	CASH – OUTFLOWS								
2	Retail deposits and deposits from small business customers, of which:	666 348	660 538	658 150	655 766	58 517	58 252	58 094	57 495
3	<i>Stable deposits</i>	363 600	360 347	359 323	361 525	18 180	18 017	17 966	18 076
4	<i>Less stable deposits</i>	302 749	300 191	298 827	294 241	40 337	40 234	40 128	39 419
5	Unsecured wholesale funding	748 238	781 852	783 621	789 934	408 272	434 067	436 809	444 635
6	<i>Operational deposits (all counterparties) and deposits in networks of cooperative banks</i>	275 503	285 113	290 087	294 907	65 899	68 289	69 786	71 208
7	<i>Non-operational deposits (all counterparties)</i>	394 521	414 187	409 936	406 788	264 159	283 226	283 426	285 187
8	<i>Unsecured debt</i>	78 214	82 552	83 598	88 240	78 214	82 552	83 598	88 240
9	Secured wholesale funding					4 277	4 337	5 029	4 766
10	Additional requirements	454 523	458 019	465 337	471 290	75 937	78 627	83 789	88 137
11	<i>Outflows related to derivative exposures and other collateral requirements</i>	33 136	35 030	39 903	43 731	32 269	34 073	38 753	42 611
12	<i>Outflows related to loss of funding on debt products</i>								
13	<i>Credit and liquidity facilities</i>	421 387	422 989	425 433	427 559	43 668	44 554	45 036	45 525
14	Other contractual funding obligations	6 761	7 797	7 416	8 898	4 863	5 881	5 498	6 982
15	Other contingent funding obligations	53 689	52 492	55 792	59 487	1 056	1 035	1 065	1 119
16	TOTAL CASH OUTFLOWS					552 923	582 199	590 284	603 133
	CASH – INFLOWS								
17	Secured lending (e.g. reverse repos)	50 357	47 734	45 838	45 807	9 620	10 091	10 694	11 923
18	Inflows from fully performing exposures	70 360	70 322	74 809	74 968	41 696	41 773	44 972	46 156
19	Other cash inflows	11 493	11 565	8 799	11 136	11 493	11 565	8 799	11 136
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
EU-19b	(Excess inflows from a related specialised credit institution)								
20	TOTAL CASH INFLOWS	132 209	129 621	129 446	131 910	62 809	63 430	64 465	69 215
<i>EU-20a</i>	<i>Fully exempt inflows</i>								
<i>EU-20b</i>	<i>Inflows subject to 90% cap</i>								
<i>EU-20c</i>	<i>Inflows subject to 75% cap</i>	132 209	129 621	129 446	131 910	62 809	63 430	64 465	69 215
21	LIQUIDITY BUFFER					928 004	968 680	975 264	975 333
22	TOTAL NET CASH OUTFLOWS					490 114	518 769	525 820	533 918
23	LIQUIDITY COVERAGE RATIO (%)					191	188	187	184

FUNDING AND LIQUIDITY RISK

EU LIQ2

The following template shows weighted and unweighted components and level for the Net Stable Funding Ratio (NSFR) at the end of the fourth quarter 2025 in accordance with Article 451a(3) CRR

a. The main driving forces for the NSFR are loans to the public, issued debt and the deposit base. Handelsbanken Treasury monitors the balance sheet and manages the maturity structure of the issued debt to ensure an adequate NSFR. The structure of the liability side should be based on the composition of the assets in order to maintain a sound structural liquidity position. The more long-term lending and other illiquid assets, the more stable financing is required. During the last year, the NSFR has been stable.

b. Handelsbanken does not have interdependent assets and liabilities at the reporting period.

Net Stable Funding Ratio 2025		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
SEK m						
Available stable funding (ASF) Items						
1	Capital items and instruments	168 933			25 030	193 962
2	Own funds	168 933			25 030	193 962
3	Other capital instruments					
4	Retail deposits		795 932	5 431	2 682	744 937
5	Stable deposits		418 398	2 180	1 600	401 149
6	Less stable deposits		377 534	3 250	1 082	343 788
7	Wholesale funding:		1 038 644	192 652	748 160	1 082 156
8	Operational deposits		258 633			129 317
9	Other wholesale funding		780 011	192 652	748 160	952 839
10	Interdependent liabilities					
11	Other liabilities:	4 667	65 453		4 013	4 013
12	NSFR derivative liabilities	4 667				
13	All other liabilities and capital instruments not included in the above categories		65 453		4 013	4 013
14	Total available stable funding (ASF)					2 025 068
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					7 687
EU-15a	Assets encumbered for more than 12m in cover pool		6 121	4 632	561 213	486 171
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:		333 540	241 875	1 172 940	1 111 099
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		9 188			
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		24 013	370	705	2 134
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		158 052	106 504	330 938	409 472
21	With a risk weight of less than or equal to 35% under the Basel II Standardised approach for credit risk		5 950	1 510	23 180	19 194
22	Performing residential mortgages, of which:		142 173	134 929	834 780	693 837
23	With a risk weight of less than or equal to 35% under the Basel II Standardised approach for credit risk		134 264	126 822	771 396	631 953
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		114	72	6 516	5 656
25	Interdependent assets					
26	Other assets:		25 624	8 707	61 693	72 952
27	Physical traded commodities					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				12 267	10 427
29	NSFR derivative assets					
30	NSFR derivative liabilities before deduction of variation margin posted		18 434			922
31	All other assets not included in the above categories		7 190	8 707	49 426	61 603
32	Off-balance sheet items		64 373	21 903	351 140	22 657
33	Total RSF					1 700 566
34	Net Stable Funding Ratio (%)					119

EU LIQB on qualitative information on LCR, which complements template EU LIQ1

In accordance with Article 451a(2) CRR.

Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time.

The main drivers of the LCR are issued unsecured debt, non-operational deposits and central bank placements. The goal is to manage these three inputs so that they are highly correlated as regards to volume changes. By controlling these inputs, the Bank has achieved a relatively stable LCR over time.

Explanations on the changes in the LCR over time.

The LCR has been quite stable over time. However, given the nature of the measure there are inevitable fluctuations caused by slight changes in the maturity structure of Handelsbanken's issued debt and also from client activities (e.g. deposits, loans issued/repaid). Changes also occur due to the nature of LCR being a fraction where equal increases, or decreases, in outflows and liquid assets will incur a change in the LCR.

Explanations on the actual concentration of funding sources.

The actual concentration aligns with the Bank's funding strategy. The strategy aims for well-diversified funding in terms of currencies, investors, debt types and geographic breakdown. The strategy is long-term and has been followed for many years. The result is a funding structure that is relatively stable over time. The most important sources of funding are deposits from households and companies as well as covered and senior bonds. The short-term funding mainly comprises deposits from financial companies and institutions as well as issues of commercial papers and certificates of deposit.

High-level description of the composition of the institution's liquidity buffer.

The liquidity reserve is built up of several different parts. Cash, central bank balances and liquid securities (government bonds, covered bonds and other securities of very high credit quality). Holdings which can provide Handelsbanken with almost immediate liquidity in normal and stressed situations in the relevant currencies for Handelsbanken.

Derivative exposures and potential collateral calls.

Cash flows stemming from derivative exposures and potential collateral calls are reported in row 11 and 19, where row 11 also includes outflows from the impact of an adverse market scenario on derivatives transactions (the historical look back approach) as well as material outflows due to deterioration of own credit quality.

Currency mismatch in the LCR.

The Bank holds large and relevant liquidity reserves to match the outflows and inflows of LCR in all currencies of relevance for Handelsbanken. The Swedish Financial Supervisory Authority also stipulates a 100% LCR in EUR, USD and 75% LCR in all other significant currencies for Handelsbanken within the framework of the supervisory review and evaluation process in Pillar 2 which the Bank is also obligated to fulfil.

Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile.

Not applicable.

ENCUMBERED AND UNENCUMBERED ASSETS

EU AE1

The following table shows encumbered and unencumbered assets. The information is presented as quarterly medians over the previous 12 months.

Encumbered and unencumbered assets 2025		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
SEK m		010	030	040	050	060	080	090	100
010	Assets of the reporting institution	799 562	22 246			2 562 077	844 961		
030	Equity instruments	11 439				10 835			
040	Debt securities	17 980	17 893	17 980	17 980	256 281	220 383	256 281	218 990
050	<i>of which: covered bonds</i>	3 207	3 120	3 207	3 207	38 079	35 053	38 079	35 053
060	<i>of which: asset-backed securities</i>								
070	<i>of which: issued by general governments</i>	14 170	14 170	14 170	14 170	33 746	33 480	33 746	33 480
080	<i>of which: issued by financial corporations</i>	3 896	3 810	3 896	3 896	48 917	41 149	48 917	41 149
090	<i>of which: issued by non-financial corporations</i>					3 682	532	3 682	532
120	Other assets	768 617	2 112			2 290 734	627 794		

EU AE2

The following table shows collateral received. The information is presented as quarterly medians over the previous 12 months.

Collateral received and own debt securities issued 2025		Fair value of encumbered collateral received or own debt securities issued		Unencumbered	
			of which notionally eligible EHQLA and HQLA	Fair value of collateral received or own debt securities issued available for encumbrance	of which EHQLA and HQLA
SEK m		010	030	040	060
130	Collateral received by the disclosing institution	10 194	5 208	47 214	40 104
140	Loans on demand				
150	Equity instruments	5 305		7 110	
160	Debt securities	5 208	5 208	40 104	40 104
170	<i>of which: covered bonds</i>	2 195	2 195	27 981	27 981
180	<i>of which: asset-backed securities</i>				
190	<i>of which: issued by general governments</i>	1 995	1 995	9 289	4 241
200	<i>of which: issued by financial corporations</i>	2 412	2 412	31 938	31 938
210	<i>of which: issued by non-financial corporations</i>				
220	Loans and advances other than loans on demand				
230	Other collateral received				
240	Own debt securities issued other than own covered bonds or asset-backed securities				
241	Own covered bonds and securitisation issued and not yet pledged				
250	Total assets, collateral received and own debt securities issued	812 652			

EU AE3

The following table shows sources of encumbrance. The information is presented as quarterly medians over the previous 12 months.

Sources of encumbrance 2025		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered
SEK m		010	030
010	Carrying amount of selected financial liabilities	700 774	789 917

EU AE4 Accompanying narrative information

In accordance with Article 443 CRR.

An important part of the Bank's liquidity management is to retain significant volumes of unutilised collateral that can be used in the event of disruptions in the financial markets. One prerequisite for being able to pledge additional collateral is for the Bank to have unutilised collateral at its disposal from the outset. The Bank therefore retains substantial volumes of non-encumbered assets that could be used as collateral in the issue of covered bonds. Furthermore, the Bank holds liquid securities with very high credit ratings which can be used as collateral in repo-transactions.

The Bank is restrictive with entering into agreements (such as CSA agreements) with other parties than financial institutions, that stipulate that the Bank, according to certain criteria, may be forced to provide collateral to a counterparty.

To assess the degree of subordination between investors of unsecured funding and secured funding, the volume and credit quality of the non-encumbered assets are important factors. The Bank's low risk tolerance ensures that the non-encumbered assets are of a high quality. Since the Bank wishes to have a balanced utilisation of covered and senior bonds, there is a large volume of mortgage loans which are not encumbered. Other non-encumbered loans are also of a good credit quality and thus available for contingent purposes.

General narrative information on asset encumbrance, including:

a) an explanation of any difference between the regulatory consolidation scope used for the purpose of the disclosures on asset encumbrance and the scope retained for the application of the liquidity requirements on a consolidated basis as defined in Chapter 2 of Title I of Part Two CRR, which is used to define (E)HQLA eligibility;

There are no differences.

b) an explanation of any difference between, on the one hand, pledged and transferred assets in accordance with the applicable accounting frameworks and as applied by the institution and, on the other hand, encumbered assets and an indication of any difference of treatment of transactions, such as when some transactions are deemed to lead to pledge or transfer of assets but not to encumbrance of assets, or vice versa;

There are no differences.

c) the exposure value used for the purposes of disclosure and how median exposure values are derived.

The exposure value used for the purposes of disclosure is based on the accounting balances of each quarter.

Narrative information relating to the impact of the institution's business model on its level of encumbrance and the importance of encumbrance on the institution's funding model, including the following:

a) the main sources and types of encumbrance, detailing, where applicable, encumbrance due to significant activities with derivatives, securities lending, repos, covered bonds issuance and securitisation;

Encumbrance is primarily due to covered bonds issuance and to a lesser extent derivatives trading and banking book hedging.

b) the structure of encumbrance between entities within a group, and especially whether the encumbrance level of the consolidated group

stems from particular entities and whether there is significant intragroup encumbrance;

The majority of the encumbered assets consist of Stadshypotek's cover pools, which comprise mortgage loans provided as collateral for outstanding covered bonds.

c) information on over-collateralisation, especially regarding covered bonds and securitisations, and the incidence of over-collateralisation on the levels of encumbrance; The majority of the encumbered assets consist of Stadshypotek's cover pools, which comprise mortgage loans provided as collateral for outstanding covered bonds. The Bank also has voluntary OC (over-collateralisation – extra assets in addition to those which are needed to cover the issued bonds, and in addition to the 2% statutory requirement) of 8% which is included in the pool.

d) additional information on encumbrance of assets, collateral and off-balance sheet items and the sources of encumbrance by any significant currencies other than the reporting currency as referred to in Article 415(2) CRR;

The main source of encumbrance in significant currencies other than the reporting currency is from the Norwegian cover pool in NOK, approximately 8.9% of encumbered assets. There is also a small proportion of other significant currencies, mainly EUR and GBP.

e) a general description of the proportion of items included in column 060 'Carrying amount of unencumbered assets' in Template EU AE1 that the institution would not deem available for encumbrance in the normal course of its business (e.g. intangible assets, including goodwill, deferred tax assets, property, plant and other fixed assets, derivative assets, reverse repo and stock borrowing receivables);

The proportion of items included in column 060 'Carrying amount of unencumbered assets' in Template EU AE1 that the Bank deem as not available for encumbrance in the normal course of business amounts to approximately 2.5%. This consist of intangible assets such as goodwill, deferred tax assets, property, plant and other fixed assets, derivative assets, reverse repo and stock borrowing receivables. Stemming from the previous divestments of operations in Finland, a decision was made that the remaining part of the Bank's balance sheet in Finland is not to be considered available for encumbrance. These assets account for 1.9% of the available assets.

f) the amount of underlying assets and of cover pool assets of retained securitisations and retained covered bonds, and whether those underlying and cover pool assets are encumbered or unencumbered, along with the amount of associated retained securitisations and retained covered bonds;

The Bank does not have any retained securitisations nor retained covered bonds.

g) where relevant for explaining the impact of their business model on their level of encumbrance, details (including quantitative information if relevant) on each of the following:

Not relevant.

h) where relevant in the context of their use of encumbrance in relation to their business model, additional information on the breakdown of the following rows in the templates EU AE1, EU AE2 and EU AE3:

Not relevant.

Market risk

Handelsbanken has a restrictive view of market risks. Market risks mainly arise as a result of customer-driven transactions, in the Bank's role as market maker and in connection with the Bank's funding and liquidity management. Market risk arises from price and volatility changes in the financial markets and are divided into interest rate risk, equity price risk, foreign exchange risk and commodity price risk.

EU MRA Qualitative disclosure requirements related to market risk

Points (a) and (d) of Article 435 (1) CRR

A description of the institution's strategies and processes to manage market risk, including:

- *An explanation of management's strategic objectives in undertaking trading activities, as well as the processes implemented to identify, measure, monitor and control the institution's market risks*
- *A description of their policies for hedging and mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges*

Handelsbanken has a restrictive view of market risks. Market risks must be limited by matching cash flows and interest rate adjustment periods, hedging open positions and taking other actions to limit risk.

Market risks arise in Handelsbanken's operations in the banking book mainly as a result of interest rate and currency positions in the Bank's funding and lending activities. A residual market risk arises in cases where risk exposures cannot be perfectly hedged. Alongside risk exposures in the customer business, market risks may also derive from exposures that are necessary for conducting the banking operations, such as Handelsbanken Treasury's liquidity portfolio. Market risks also arise in the trading book when the Bank meets customers' demand for financial instruments with exposure to the fixed-income, currency, equity or commodity markets. Besides these customer-driven exposures, market risks may also arise in connection with the Bank's market maker function. In addition to the above, market risks also arise as a part of Handelsbanken Liv's operations and in the Bank's pension system.

Handelsbanken's Board has overall responsibility for the Bank's management of market risks and articulates the risk tolerance by establishing policy documents and setting limits.

The CEO has delegated the functional responsibility for the Group's funding and liquidity management to the CFO. Under the CFO, the Head of Handelsbanken Treasury has the operational responsibility for the Group's funding and liquidity management, regardless of unit, country and subsidiary. This responsibility includes managing the Group's ALM risks, meaning liquidity, foreign exchange and interest rate risks. Handelsbanken Markets is responsible for trading in financial instruments and manages most of the Bank's trading book. To meet customers' demand for financial instruments with exposure to the fixed-income, currency, equity or commodity markets, a certain level must be maintained in the trading book, which results in market risks. The ALM risks arising in Handelsbanken Markets' operations are included in Treasury's overall responsibility, while Handelsbanken

Markets assumes overall responsibility for managing other market risks.

The Bank's limit system restricts the size of the exposure to various types of market risks. Measurement methods and limits are established by the Board. The limits for interest rate, foreign exchange and liquidity risk are then delegated by the CEO and the CFO to the Head of Handelsbanken Treasury, who in turn delegates these to the business-operating units. Limits for equity price risk and commodity price risk are delegated from the Board via the CEO to the CFO. The CFO then delegates these to Handelsbanken Markets.

Within the boundaries of the limit system, each part of the business operations bears the responsibility for its own business activities and its management of all risks. The control functions monitor that the business operations are conducted within the Bank's risk tolerance, and regularly report on the risks to the Board and Executive Team.

The CEO and the CFO also decide on supplementary risk measures, intraday limits and instructions. The supplementary risk measures aim to reduce the Bank's sensitivity to volatility changes in the financial markets, and to limit the risks of specific holdings and the liquidity risk per currency. The supplementary risk measures also limit the risks from a maturity perspective.

Market risks are measured using several different methods. The sensitivity measures used show which changes in value would occur in the event of predefined changes in prices and volatilities. Position-related risk measures and probability-based Value at Risk (VaR) models are also used.

Point (b) of Article 435 (1) CRR

A description of the structure and organisation of the market risk management function, including a description of the market risk governance structure established to implement the strategies and processes of the institution discussed in row (a) above, and that describes the relationships and the communication mechanisms between the different parties involved in market risk management.

Handelsbanken's Board has overall responsibility for the Bank's management of market risks and articulates the risk tolerance by establishing policy documents and setting limits.

The CEO has delegated the functional responsibility for the Group's funding and liquidity management to the CFO. Under the CFO, the Head of Handelsbanken Treasury has the operational responsibility for the Group's funding and liquidity management, regardless of unit, country and subsidiary. This responsibility includes managing the Group's ALM risks, meaning liquidity, foreign exchange and interest rate risks. Handelsbanken Markets is responsible for trading in financial instruments and manages most of the Bank's trading book. To meet

customers' demand for financial instruments with exposure to the fixed-income, currency, equity or commodity markets, a certain level must be maintained in the trading book, which results in market risks. The ALM risks arising in Handelsbanken Markets' operations are included in Treasury's overall responsibility, while Handelsbanken Markets assumes overall responsibility for managing other market risks.

The Bank's limit system restricts the size of the exposure to various types of market risks. Measurement methods and limits are established by the Board. The limits for interest rate, foreign exchange and liquidity risk are then delegated by the CEO and the CFO to the Head of Handelsbanken Treasury, who in turn delegates these to the business-operating units. Limits for equity price risk and commodity price risk are delegated from the Board via the CEO to the CFO. The CFO then delegates these to Handelsbanken Markets.

Within the boundaries of the limit system, each part of the business operations bears the responsibility for its own business activities and its management of all risks. The control functions monitor that the business operations are conducted within the Bank's risk tolerance, and regularly report on the risks to the Board and Executive Team.

The CEO and the CFO also decide on supplementary risk measures, intraday limits and instructions. The supplementary risk measures aim to reduce the Bank's sensitivity to volatility changes in the financial markets, and to limit the risks of specific holdings and the liquidity risk per currency. The supplementary risk measures also limit the risks from a maturity perspective.

Point (c) of Article 435 (1) CRR

Scope and nature of risk reporting and measurement systems

Limit utilisation for market risks is compiled and controlled on a daily basis by Handelsbanken Risk Control. Exceeded limits are immediately reported to the person who makes the decision about the limits. The control functions monitor that the business operations are conducted within the Bank's risk tolerance, and regularly report on the risks to the Board and Executive Team.

Market risks are measured using several different methods. The sensitivity measures used show which changes in value would occur in the event of predefined changes in prices and volatilities. Position-related risk measures and probability-based Value at Risk (VaR) models are also used. VaR is calculated for the portfolios at Handelsbanken Markets and Treasury which are classified as trading book. VaR is a probability-based measure and expresses the losses in Swedish kronor from risk positions that cannot be expected to be exceeded due to movements in the underlying markets over a specified holding period and for a given confidence level.

EU MR1

The following table shows RWEAs for market risk according to the standardised approach at year-end 2025

Market risk under the standardised approach 2025		
SEK m		RWEAs
Outright products		
1	Interest rate risk (general and specific)	4 138
2	Equity risk (general and specific)	26
3	Foreign exchange risk	14 233
4	Commodity risk	4
Options		
5	Simplified approach	
6	Delta-plus approach	
7	Scenario approach	104
8	Securitisation (specific risk)	
9	Total	18 506

General interest rate risk is measured daily, and limits are set as the absolute sum of the least favourable changes in fair value per currency in the case of instantaneous parallel shifts of 1 percentage point for all interest rates. Credit spread risk is measured and limited by using sensitivity to changes in credit spreads, that is, the difference between the interest on the current holding and the interest on a government bond with the same maturity. The risk is measured and limits set on the basis of different rating classes and is calculated as the least favourable change in market value in the case of an upward or downward shift of one basis point in all credit spreads.

Changes in the risks in the case of hypothetical changes in various interest rate curves, such as steepening, flattening and basis risk, are measured and followed up on a regular basis. The non-linear interest rate risk, for example, part of the risk in interest rate options, is measured and a limit set with pre-defined stress scenarios expressed in matrices. This means that the risk is measured as changes in underlying market interest rates and volatilities. VaR and other risk measures are also used for the trading book, supplemented by various stress scenarios.

To estimate the effect of interest rate changes on the income statement, the net interest income risk is also measured. The net interest income risk is measured as the least favourable change in net interest income over a 12-month period in the case of a 1 percentage point increase or decrease in market rates. This effect reflects the differences in interest rate adjustment periods and volume composition between assets, liabilities and derivatives outside the trading book, assuming that the size of the balance sheet is constant.

Equity price risk is measured as the market value change in the Bank's total equity positions in the case of an instantaneous change in equity prices of +/-10 % and in volatilities of +/-25 %.

The structural foreign exchange risk is managed by considering the trade-off between the respective impacts of foreign exchange movements on either capital ratios or equity. The Board has established the maximum permitted impact on equity which the structural foreign exchange position is permitted to give rise to in the hedging of the common equity tier 1 ratio, and the maximum permitted position and sensitivity in the common equity tier 1 ratio due to fluctuations in exchange rates. The Board, CEO and CFO have set VaR limits and position limits for foreign exchange risk for non-structural risk, i.e. in the trading and banking book operations.

Commodity price risk, both linear and non-linear, is measured as the absolute total of risk for all commodities to which the Bank is exposed.

IRRBB**EU IRRBBA Qualitative information on interest rate risks of non-trading book activities****Article 448(1), point (e)**

A description of how the institution defines IRRBB for purposes of risk control and measurement

Interest rate risk refers to the risk of profits and economic value being affected in an adverse manner for the Bank, as a result of movements in interest rates or volatilities. Exposure to interest rate risk in the non-trading book is divided into general interest rate and credit spread risk. The general interest rate risk is measured as the change in profit and economic value of all items on and off the balance sheet when there is a change of one percentage point in all interest rates. The credit spread risk is calculated as the absolute sum of the changes in value for credit-sensitive holdings in the case of a one basis point parallel shift in the current credit spread, and is calculated by rating level and by individual counterparty.

The regulatory capital requirement for interest rate risk is measured on the basis of the EBA guidelines. Model and parametric assumptions are different where the Swedish Financial Supervisory Authority has additional requirements (FI dnr 24-4186). The internal capital assessment for IRRBB is included in the Bank's model for economic capital. IRRBB in the economic capital model is based on empirical scenarios for general interest rate risk, credit spread risk and basis spread risk. Scenarios span from the 1980s to the present day and cover the Swedish banking crisis in the early 1990s, the financial crisis of 2008 and the Covid-19 pandemic in the early 2020s.

Interest rate risk limit utilisation is measured daily. The regulatory capital requirement for IRRBB is calculated daily and reported quarterly to the Board and senior management. IRRBB in the economic capital model is calculated monthly but can be calculated on a daily basis if deemed necessary. Internal hedges and the boundary between the trading and the non-trading book are monitored and regularly evaluated.

Net interest income risk is measured on the basis of the EBA guidelines. Net interest income stress testing is included in Group-wide stress and scenario analysis. It provides forward-looking assessments of risk and provides indications of how much capital might be needed to absorb losses in adverse market conditions. The various scenarios are formulated by Handelsbanken Risk Control and Treasury. The selected scenarios all represent possible adverse economic trends for the Bank. Scenario analysis is conducted regularly, at least quarterly.

Article 448(1), point (f)

A description of the institution's overall IRRBB management and mitigation strategies.

Handelsbanken's Board has overall responsibility for the Bank's management of market risks and articulates the risk tolerance by establishing policy documents and setting limits.

The CEO has delegated the functional responsibility for the Group's funding and liquidity management to the CFO. Under the CFO, the Head of Handelsbanken Treasury has the operational responsibility for the Group's funding and liquidity management, regardless of unit, country and subsidiary. This responsibility includes managing the Group's ALM risks, meaning liquidity, foreign exchange and interest rate risks.

The Bank's limit system restricts the size of the exposure to various types of market risks. Measurement methods and limits are established by the Board. The limits for interest rate, foreign exchange and liquidity risk are then delegated by the CEO and the CFO to the Head of Handelsbanken Treasury, who in turn delegates these to the business-operating units.

Handelsbanken Risk Control is responsible for identifying, measuring, analysing and reporting interest rate risks. Interest rate risks and limit utilisation for Handelsbanken Treasury, the mortgage loan business and other operations, are monitored and summarised on a daily basis.

Handelsbanken Risk Control calculates the capital requirement for IRRBB according to both regulatory requirements and to the Bank's internal model for economic capital. The Board, CEO, CFO and Head of Handelsbanken Risk Control continually receive reports on the market risks, utilisation of the limits and capital requirements. Handelsbanken Internal Audit regularly reviews whether risk measurement and reporting are taking place in compliance with internal rules and regulatory requirements.

According to internal policies, the Bank's funding must be well-diversified in terms of markets, currencies and maturities. When the Bank obtains funding on markets other than those in which the primary lending currencies are used, foreign exchange risk arises. Derivatives are used to transform the duration and currency of assets and liabilities in order to reach a suitable match and ensure stable earnings. Derivatives in the non-trading book consist solely of vanilla instruments: interest rate swaps, cross currency basis swaps, FX-swaps and bond futures. The maturity profile of the funding is matched to that of the lending in order to restrict interest rate risk. In general, interest rate risk exposure is in markets which are characterised by good liquidity.

Article 448(1), points (e) (i) and (v); Article 448(2)

The periodicity of the calculation of the institution's IRRBB measures, and a description of the specific measures that the institution uses to gauge its sensitivity to IRRBB

Interest rate risk limit utilisation is evaluated daily. The net interest income risk and the regulatory capital requirement for IRRBB are calculated daily and reported quarterly to the Board and senior management. IRRBB in the Economic capital model is calculated monthly but can be calculated on a daily basis if deemed necessary. Internal hedges and the boundary between the trading and the non-trading book are monitored and regularly evaluated. Net interest income stress testing is conducted regularly and reported quarterly to the Board and senior management.

Article 448(1), point (e) (iii); Article 448(2)

A description of the interest rate shock and stress scenarios that the institution uses to estimate changes in the economic value and in net interest income (if applicable) and

Article 448(1), point (e) (ii); Article 448(2)

A description of the key modelling and parametric assumptions different from those used for disclosure of template EU IRRBB1 (if applicable)

The general interest rate risk is measured as the change in profit and economic value of all items on and off the balance sheet when there is a change of one percentage point in all interest rates. Non-parallel gap risk limit is measured in a steepening scenario (short rates fall and long rates increase), short rates down scenario, long rates down scenario,

and mid rates down scenario. The credit spread risk is calculated as the absolute sum of the changes in value for credit-sensitive holdings in the case of a one basis point parallel shift in the current credit spread, and is calculated by rating level and by individual counterparty.

The Bank also measures interest rate risk and net interest income risk on the basis of EBA Guidelines. Model and parametric assumptions are different where the Swedish Financial Supervisory Authority has additional requirements (FI dnr 24-4186). The internal capital assessment for IRRBB is included in the Bank's model for economic capital. IRRBB in the economic capital model is based purely on empirical scenarios for general interest rate risk, credit spread risk and basis spread risk. Scenarios span from the 1980s to the present day and cover the Swedish banking crisis in the early 1990s, the financial crisis of 2008 and the Covid-19 pandemic in the early 2020s. Net interest income stress testing includes various scenarios formulated by Handelsbanken Risk Control and Treasury. The selected scenarios all represent possible adverse economic trends for the Bank. Net interest income risk is also measured and reported for a 1 percentage point parallel shift of interest curves over a one-year horizon.

Article 448(1), point (e) (iv); Article 448(2)

A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment (if applicable).

Interest rate risk in the non-trading book is generally hedged at portfolio level. Derivatives are used to transform the duration and currency of assets and liabilities in order to reach a suitable match and ensuring stable earnings. The Bank employs hedge accounting to hedges and hedged items.

Article 448(1), point (c); Article 448(2)

A description of key modelling and parametric assumptions used for the IRRBB measures in template EU IRRBB1 (if applicable)

Handelsbanken has been modelling the interest rate adjustment periods of non-maturity deposits (NMD) since 2015. The starting point of the model is to assign deposit customers into Retail-transactional, Retail-non-transactional and Wholesale. Within each category there are a number of deposits products. The repricing of each product type is then determined based on historical Handelsbanken deposit rates, market rates and customer behaviour. NMD from financial institutions are excluded from the modelling. For net interest income risk, additional repricing assumptions are made for mortgage loans. The mortgage loans are divided into subgroups to take into consideration different behavioural aspects.

Article 448(1), point (d)

Explanation of the significance of the IRRBB measures and of their significant variations since previous disclosures

The regulatory capital requirement for IRRBB is calculated daily and reported quarterly to the Board and senior management. Regulatory capital is evaluated together with the internal capital requirement for IRRBB calculated in Handelsbanken's model for economic capital and with the results from internal models for IRRBB.

i) Any other relevant information regarding the IRRBB measures disclosed in template EU IRRBB1 (optional)

(1) (2) Article 448(1), point (g)

Disclosure of the average and longest repricing maturity assigned to non-maturity deposits

The Bank applies a duration of 0.33 years for non-maturity deposits on average. The average duration for core is 1.13 years with 10 years being the longest.

EU IRRBB1

Interest rate risks of non-trading book activities 2025		Changes of the economic value of equity		Changes of the net interest income	
		Current period	Last period	Current period	Last period
Supervisory shock scenarios					
SEK m					
1	Parallel up	-748	-1 029	2 611	3 832
2	Parallel down	1 169	1 531	-3 845	-5 260
3	Steeper	-741	-753		
4	Flatter	194	244		
5	Short rates up	-134	-130		
6	Short rates down	-144	-84		

MARKET RISK

EU CVAA Qualitative disclosure requirements related to credit valuation adjustment risk

Point (a) of Article 445a(1) CRR

Bilateral CVA is monitored on a daily basis by both the business function and the independent risk management function. In addition, market risk stress testing is applied to unilateral CVA, whereby interest rate levels, foreign exchange rates, and individual counterparty credit spreads are subject to stress. The stress testing framework, including underlying assumptions and calibration, is reviewed and recalibrated at least annually by the independent risk control function. The institution does not currently engage in active hedging of CVA risk; however, where applicable, Credit Support Annex (CSA) agreements are utilised to mitigate counterparty credit risk and associated CVA exposure.

Point (b) of Article 445a(1) CRR

Handelsbanken does not meet all the conditions set out in Article 273a(2).

The credit valuation adjustment (CVA) risk refers to the risk that the market value of a derivative will decrease, owing to deterioration of the creditworthiness of the counterparty. The CVA is a component in the regulations for the valuation of derivatives. An exposure to a counterparty with weaker creditworthiness must have a lower carrying amount than the equivalent exposure to a counterparty with better creditworthiness. In this context, credit risk means that if a given counterparty’s creditworthiness weakens, the balance sheet values of all derivative transactions with this counterparty with a positive market value decrease – and thus the Bank’s equity decreases.

EU CVA 1

Credit valuation adjustment risk under the Reduced Basic Approach	Components of Own Funds Requirements	Own Funds Requirements
1 Aggregation of systematic components of CVA risk	69 754	
2 Aggregation of idiosyncratic components of CVA risk	1 780	
3 <i>Total</i>		174

Credit risk

Handelsbanken's low risk tolerance is maintained by means of a strong credit policy and credit culture. The Bank's credit policy states that credits must normally have satisfactory collateral. A weak repayment capacity can never be accepted on the grounds that good collateral has been offered to the Bank. The same principles as regards the Bank's approach to risks apply in all countries where the Bank operates and these are sustainable over time. The decentralised working method, combined with a local presence and the Bank's low risk tolerance, are important reasons for the Bank reporting very low credit losses over a long period of time.

CREDIT QUALITY

EU CRA General qualitative information about credit risk

Institutions shall describe their risk management objectives and policies for credit risk by providing the following information:

In the concise risk statement in accordance with point (f) of Article 435(1) CRR, how the business model translates into the components of the institution's credit risk profile.

See EU OVA.

When discussing their strategies and processes to manage credit risk and the policies for hedging and mitigating that risk in accordance with points (a) and (d) of Article 435(1) CRR, the criteria and approach used for defining the credit risk management policy and for setting credit risk limits.

The Board has the overall responsibility for the Bank's risk management and establishes internal rules for this. The Board establishes various steering documents, and the CEO establishes guidelines describing how risks should be managed and reported.

The Bank's operations entail a variety of risks that are systematically identified, measured, managed and reported in all parts of the Group. Handelsbanken's restrictive approach to risk means that the Bank deliberately avoids high-risk transactions. This low risk tolerance is maintained through a strong risk culture that is sustainable in the long term and applies to all areas of the Group. The risk culture is an integral part of the Bank's work and is deeply rooted among the Bank's employees. The Bank is characterised by a clear division of responsibility where each part of the business operations bears full responsibility for its business and for risk management. As a consequence, there are strong incentives for high risk awareness and for prudence in business operations. However, the decentralised business model is combined with strong centralised controls. The same principles for the Bank's approach to risks apply in all countries where the Bank operates.

The credit policy and credit instructions describe the Bank's risk tolerance, including credit risk limits and risk strategy, and apply to the entire Group. These steering documents are evaluated and adopted by the Board on an annual basis. Handelsbanken has a low tolerance of credit risks and strives to maintain its historically low level of credit losses compared to other banks.

Each branch has full financial responsibility for granted credits. Therefore, it addresses problems that arise when a customer has repayment difficulties and also bears any credit losses. If necessary, the local branch obtains support from the local head office and central departments. The Bank makes sure that all employees whose work involves transactions linked to credit risk acquire a solid and well-

founded approach to this type of risk. This approach forms an important part of the Bank's culture. The working method and approach described are important reasons for the Bank's very low credit losses over a long period. Customer and credit responsibility lies with the branch manager or with the employees appointed by the manager of the local branch. In Handelsbanken's decentralised organisation, the documentation that forms the basis for credit decisions is always prepared by the branch responsible for the credit, regardless of whether the final decision is to be made at the branch, at local level, in the Board's credit committee or by the Board. The Bank has an established method, including criteria for evaluating customers, which is described by the Board in the credit policy. Branch managers and most branch staff have personal decision limits allowing them to decide on credits to the customers they manage. For decisions on larger credit limits, there are local and central decision levels. Each additional level of decision adds credit expertise and experience. Each decision level has the right to reject credit limits both within their own decision level and also credit limits which would otherwise have been approved at a higher level. All staff throughout the decision process who are responsible for granting credits, regardless of level, must be in agreement in order to positively decide on a credit limit. If there is the slightest doubt among any of these staff, the credit application is rejected. The largest credits are reviewed by Handelsbanken Credit and decided by the Board or the credit committee set up by the Board. However, no credit application may be processed in the Bank without the recommendation of the branch manager who is responsible for the credit, with the exception of retail credit commitments made via automatic processes.

In Handelsbanken's decentralised organisation, where a large proportion of the credit and credit limit decisions are made by individual branches, a well-functioning review process is crucial for ensuring high-quality decision-making. The branch manager examines the quality of the staff's decisions and the local credit departments examine the quality of decisions made by branch managers. The purpose of the quality review is to ensure that the Bank's credit policy and internal instructions are complied with, that credit quality is maintained, and that credit and credit limit decisions show that there is good credit judgement and a sound business approach. A corresponding quality review is also performed for credit limit decisions made at higher levels in the Bank. Credit limits granted by a County Manager in tandem with a head of local credit department, or country credit committees, and national boards, are examined by Handelsbanken Credit, which also prepares and examines credit limits decided by the Board or the credit committee set up by the Board.

The Policy for risk control states that Handelsbanken should have a risk control function that is independent of the functions that are to be

MARKET RISK

monitored. Risk control should be enforced regarding all material risks in Handelsbanken, with the exception of compliance risks, which are within the purview of Handelsbanken Compliance. The risk control function should verify that all material risks to which the Group is exposed, or may be exposed to in the future, are identified and managed by the relevant functions, and should also supervise and monitor the Group's risk management. In addition, the function must identify risks arising as a result of deficiencies in the Group's risk management. The risk control function should also verify that every business unit monitors all its material risks in an efficient manner.

The Bank's credit policy states that credits must normally have satisfactory collateral. A weak repayment capacity can never be accepted on the grounds that good collateral has been offered to the Bank. Collateral may, however, substantially reduce the Bank's loss if the borrower cannot fulfil his or her obligations. Credits must therefore be adequately secured. The local branch's close contact with its customers enables the branch to quickly identify any problems and take action. In many cases, this means that the Bank can take action more rapidly than would have been possible with a more centralised management of problem loans. The Bank's measures to limit its credit risk include the acceptance of collateral from customers. The primary means of reducing credit risk in the Bank is the pledging of immovable property, such as residential properties and other real estate, floating charges on assets, guarantees (including guarantor commitments) and the use of netting agreements.

The basic principle applied in property finance is that credits must be covered by collateral in the form of properties. For exposures with properties as collateral, a loan-to-value (LTV) ratio is calculated by dividing the credit exposure by the value of the collateral. The Bank follows internal recommendations and external regulations which limit the maximum amount of a loan for which the collateral is property.

The value of collateral is reviewed in accordance with internal instructions on an annual basis and is based on the estimated market value. Reviews are carried out more often if the market conditions have changed significantly.

The size of counterparty exposures is restricted by credit limits in the regular credit process. The size of the exposures may vary substantially due to fluctuations in the price of the underlying asset. In order to take into consideration the risk that the exposure may increase, supplements are added to the value of the exposure when setting credit limits. These add-ons are calculated using standard amounts that depend on the type of contract and the time to maturity. The exposures are calculated and followed up daily. The counterparty risk in derivatives is reduced through close-out netting agreements, which involve offsetting positive values against negative values in all derivative transactions with the same counterparty. Netting agreements are supplemented with agreements for issuing collateral for the net exposure (Credit Support Annex, CSA), which further reduce the credit risk. The collateral for these transactions is mainly cash, but government securities are also used. Due to the high proportion of cash, concentration risks in the collateral are limited. The majority of Handelsbanken's agreements include close-out netting, and the agreements with the largest exposures, which are to financial institutions, also include CSAs. Derivatives which are cleared via central counterparties also give rise to capital requirements. Central counterparties are clearing houses which act as the counterparty for both the buyer and seller in various transactions, and thus take over the responsibility for fulfilling the parties' obligations.

All parties which use a central counterparty must provide collateral for all transactions. In most cases the risk weight for centrally cleared derivatives is considerably lower than for other types of derivatives.

When informing on the structure and organisation of the risk management function in accordance with point (b) of Article 435(1) CRR, the structure and organisation of the credit risk management and control function.

At Handelsbanken, the credit process is based on a conviction that a decentralised organisation with local presence ensures high quality in credit decisions. The Bank is a relationship bank whose branches maintain regular contact with the customer. This gives the branch an in-depth knowledge of each individual customer and a continually up-to-date picture of the customer's financial situation.

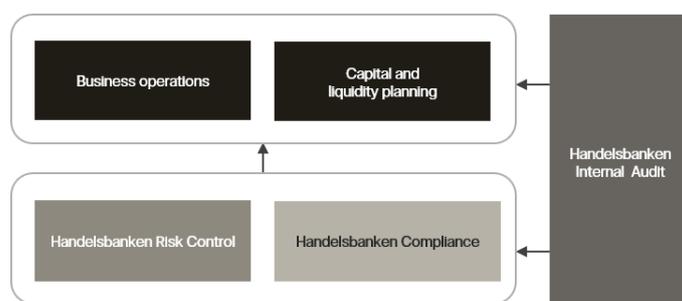
In Handelsbanken's decentralised organisation, a well-functioning review process, involving the local credit department and Handelsbanken Credit, is crucial for ensuring high-quality decision-making. The branch manager examines the quality of the staff's decisions and the local credit departments examine the quality of decisions made by branch managers. A corresponding quality review is also performed for credit limit decisions made at higher levels in the Bank. The purpose of the quality review is to ensure that the Bank's credit policy and internal instructions are complied with, that credit quality is maintained, and that credit and credit limit decisions show that there is good credit judgement and a sound business approach. Credit limits granted by a county manager in tandem with head of local credit department, or country credit committees, and national boards, are examined by Handelsbanken Credit, which also prepares and examines credit limits decided by the Board or the credit committee set up by the Board.

The Board's Policy for risk control states that the risk control should be independent from the functions it monitors.

Handelsbanken's framework for risk control also shows that the independent risk control and risk control units for subsidiaries are independent and organisationally separated from the units they monitor. Handelsbanken Risk Control's role and independence from the operations under review is described in Handelsbanken's Corporate Governance Report, for example.

When informing on the authority, status and other arrangements for the risk management function in accordance with point (b) of Article 435(1) CRR, the relationships between credit risk management, risk control, compliance and internal audit functions.

Handelsbanken's risk management and risk control



Handelsbanken Credit, being a part of the business operations and the first line of defence, bears the overall responsibility for the Bank's credit process, and for preparing every major credit case that the

Board's credit committee or the Board as a whole decides on. The Head of Handelsbanken Credit reports to the CEO and is a member of the credit committee established by the Board. The Head of Handelsbanken Credit also reports to the Board about losses and risks in the credit portfolio.

Handelsbanken Risk Control, the second line of defence, is responsible for independent monitoring and control of the credit risk management carried out by the business operations. Handelsbanken Risk Control is further responsible for identifying, measuring, analysing and for continuously reporting the current credit risk situation in the Group to the Bank's management and Board internally at an aggregated level. The risk control function is also responsible for ensuring that the measurement methods used for the calculation of capital requirements are fit for purpose and also for regularly evaluating the IRB system. Handelsbanken Risk Control reports continually to the CEO and on a regular basis to the Risk Committee and the Board.

Handelsbanken Compliance is an independent second line function whose main tasks comprise identifying, monitoring, controlling and reporting on compliance risks within the Group, as well as providing advice and support about compliance. Handelsbanken Compliance is also responsible for the Group's contacts with public authorities regarding supervision of the Group's licensed operations. The Head of Handelsbanken Compliance reports continually to the CEO on matters regarding compliance in the Group, as well as quarterly to the Risk Committee and the Board.

Handelsbanken Internal Audit, the third line of defence, is governed by, and reports to, the Board. It performs independent periodic reviews and verifies that Handelsbanken Risk Control's, Handelsbanken Credit's and the business operations' risk management is adequate and compliant. The internal auditors are in turn evaluated by external auditors.

EU CRB Additional disclosure related to the credit quality of assets.

The scope and definitions of 'past-due' and 'impaired' exposures used for accounting purposes and the differences, if any, between the definitions of past due and default for accounting and regulatory purposes as specified by the EBA Guidelines on the application of the definition of default in accordance with Article 178 CRR.

"Past-due" is defined as a borrower having an unsettled, overdue payment (interest, repayment instalment or fee not paid by the due date). The definition of "impaired" is identical with the definition of default. There is no difference between the definitions of past due and default for accounting and regulatory purposes.

The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this.

There are some cases where exposures that are more than 90 days past due are not considered to be impaired. Those cases are: either the past-due amount is insignificant or the reason for the overdraft is technical, meaning that it has been caused by deficiencies in systems outside the control of the customer and the customer is not considered to be in default for any other reason. The definition of insignificant is:

For retail exposures (Private individuals and Small companies) default is reported when the unpaid, overdue amount exceeds the equivalent of

- 1) SEK 1000, and
- 2) 1% of the agreement's exposure

For corporate exposures (Corporate, Bank, Sovereign and Municipality), when the unpaid, overdue amount exceeds the equivalent of

- 1) SEK 5 000, and
- 2) The relative threshold of 1% of the borrower's total exposure in Handelsbanken.

Description of methods used for determining general and specific credit risk adjustments.

In the Capital Requirements Regulation (CRR), credit risk adjustments are loss provisions that are divided into two categories: specific and general. The term 'Credit risk adjustments' in CRR corresponds to 'provisions' in accounting rules. Expected credit losses (ECL) determined in accordance with IFRS 9 correspond to Specific Credit Risk Adjustments in CRR.

The impairment rules presented in IFRS 9 apply to financial assets at amortised cost, financial assets at fair value through other comprehensive income, as well as financial guarantees and other irrevocable commitments, and are based on a model for the recognition of expected credit losses (ECL). The assets to be tested for impairment are divided into three stages, depending on the degree of credit impairment.

- Stage 1 comprises financial assets with no significant increase in credit risk since initial recognition.
- Stage 2 comprises financial assets with a significant increase in credit risk since initial recognition, but for which there is no objective evidence that the claim is credit impaired at the time of reporting.

- Stage 3 comprises financial assets for which objective circumstances have been identified indicating that the claim is credit-impaired.

Model-based calculation

The quantitative models which form the basis for the calculation of expected credit losses for agreements in Stage 1 and Stage 2 make use of several assumptions and assessments. One key assumption is that the quantifiable relationships between macroeconomic risk factors and risk parameters in historical data are representative of future events. The quantitative models applied are based on a history of approximately 10 years, although this history varies by product and region due to inconsistency in the availability of historical outcomes. The quantitative models have been constructed with the help of econometric models, applying the assumption that the observations are independently conditioned by the risk factors. This means that the risk parameters can be predicted without distortion. Furthermore, a selection of the most significant macroeconomic risk factors is made on the basis of the macroeconomic risk factors' ability to demonstrate to individual risk parameters. The selection of the macroeconomic risk factors and specification of the model are based on achieving a balance between simplicity, demonstrative ability and stability.

Manual and expert-based calculation

As a rule, manual calculation is used for agreements in Stage 3, with the exception of a small portfolio of homogeneous claims in Stage 3. Expert-based calculation is carried out for model outcomes on agreements in Stage 1 and Stage 2, in order to incorporate the estimated impact of factors not deemed to have been considered in the model.

At the end of 2024, the Bank applied an expert-based provision based on elevated credit risks relating to uncertainty factors which were not deemed to be fully considered in the Bank's risk models. These uncertainty factors were mainly related to the macroeconomic climate and potential significant changes in the demand profile. At the end of 2025, the Bank had not identified any need for an expert-based provision, which has therefore been discontinued. This entails a reversal of previous provisions of SEK 149 million.

The institution's own definition of a restructured exposure used for the implementation of point (d) of Article 178(3) CRR specified by the EBA Guidelines on default in accordance with Article 178 CRR when different from the definition of forborne exposure defined in Annex V to Commission Implementing Regulation (EU) 680/2014.

Forborne exposure is defined as debt contracts to which forbearance measures have been extended. Forbearance measures are concessions towards debtors facing, or about to face, difficulties in meeting their financial commitments. Pursuant to regulations from the EBA, the Bank is required to manage credit agreements where the borrower has insufficient payment capacity at an early stage. At the stage where there are already delays to payment for a credit agreement, or where there are suspicions that payment will be delayed, the Bank must take action. If changes to credit terms and conditions, or other terms and conditions affecting the credit agreement, are made by the Bank to facilitate payment, this is to be considered forbearance. However, it is important that the granting of forbearance does not delay the implementation of any further necessary measures, such as managing credit losses. Forbearance on a credit includes both concessions in terms and conditions for existing credits and concessions through the issuance of new credit used to

fully or partially repay existing credits. For the concession to be considered forbearance, all of the following conditions must be met:

- The borrower has, or is going to have, financial difficulties.
- The borrower is no longer able to fulfil existing credit terms and conditions.
- The concession gives a benefit that the borrower would have been unable to attain without having, or being about to have, financial difficulties.

When assessing forbearance measures, a simultaneous assessment is to be made as to whether payment is unlikely, in which case default should be reported.

All contractual agreements including overdrafts, credit cards, loans and loan commitments (revocable and irrevocable) are considered credit agreements, as are debt instruments, although not when these are held by the Bank for trading purposes. Loan commitments refer to agreed or contracted loan facilities. Changes to credit terms and conditions for financially stable borrowers are not normally considered forbearance.

When the following indications are identified, default is set automatically.

- If the decided forbearance measures result in the classification of the concession as material.
- If a concession is granted to a customer who has one or more other agreements that are in default, the agreement with the concession is placed in default.
- If an agreement is 30 days late and has previously been in default, the agreement is placed in default because of the delay, even if it is only a matter of 30 days.
- If a new concession is granted to a customer that already has a concession, the agreement is placed in default (this is also how it is coded).
- If the agreement is in a trial period according to the regulations for 'non-performing' agreements and the customer is granted a concession, the agreement is placed in default and classified as a distressed restructuring.

EU CQ1

Gross carrying amount of forborne exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk and collateral and financial guarantees received, according to the scope of regulatory consolidation in accordance with Chapter 2 of Title II of Part One of the CRR.

Credit quality of forborne exposures 2025		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
			Of which defaulted	Of which impaired					
SEK m									
005	Cash balances at central banks and other demand deposits								
010	Loans and advances	5 320	1 800	1 800	351	-12	-122	4 364	1 633
020	Central banks								
030	General governments								
040	Credit institutions								
050	Other financial corporations	2	10	10		0		12	10
060	Non-financial corporations	4 394	917	917	222	-10	-72	2 650	836
070	Households	924	873	873	128	-2	-50	1 702	787
080	Debt Securities								
090	Loan commitments given	792	6	6	1	1	0	73	6
100	Total	6 111	1 806	1 806	352	-11	-122	4 437	1 638

EU CQ4

Quality of non-performing exposures by geography 2025		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing		Of which subject to impairment				
			Of which defaulted					
SEK m								
010	On-balance-sheet exposures	2 525 166	6 535	6 357	2 322 897	-859		
020	Sweden	1 805 019	3 774	3 687	1 621 439	-567		
030	United Kingdom	231 352	2 029	1 944	231 352	-145		
040	Norway	322 842	610	605	322 842	-114		
060	Finland	6 462	6	6	6 462	-2		
070	the Netherlands	109 228	48	48	109 228	-9		
080	other countries	50 263	68	68	31 574	-23		
090	Off-balance-sheet exposures	499 467	131	110				
100	Sweden	315 711	77	56				
110	United Kingdom	73 659	28	28				
120	Norway	66 846	24	24				
140	Finland	4 155	1	1				
150	the Netherlands	3 404						
160	other countries	35 693	1	1				
170	Total	3 024 633	6 667	6 468	2 322 897	-859		

MARKET RISK

EU CQ5

Credit quality of loans and advances to non-financial corporations by industry 2025		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing		Of which loans and advances subject to impairment			
			Of which defaulted				
SEK m							
010	Agriculture, forestry and fishing	8 120	12	12	8 120	-4	
020	Mining and quarrying	1 552	1		1 552	-1	
030	Manufacturing	32 700	47	46	32 700	-25	
040	Electricity, gas, steam and air conditioning supply	5 230	8	8	5 230	-5	
050	Water supply	1 315			1 315	0	
060	Construction	34 451	203	203	34 451	-113	
070	Wholesale and retail trade	21 509	143	143	21 509	-63	
080	Transport and storage	4 376	8	8	4 376	-9	
090	Accommodation and food service activities	23 852	121	121	23 852	-17	
100	Information and communication	1 103	11	11	1 103	-11	
110	Real estate activities	765 618	1 158	1 069	765 618	-136	
120	Financial and insurance activities	29 506	1	1	29 506	-4	
130	Professional, scientific and technical activities	21 009	153	153	21 009	-14	
140	Administrative and support service activities	9 530	20	20	9 530	-6	
150	Public administration and defence, compulsory social security	3			3	0	
160	Education	1 256	4	4	1 256	-1	
170	Human health services and social work activities	1 512	16	13	1 512	-3	
180	Arts, entertainment and recreation	3 628	10	5	3 628	-2	
190	Other services	18 449	43	43	18 449	-23	
200	Total	984 718	1 957	1 859	984 718	-437	

EU CQ7

Information on the instruments that were cancelled in exchange for the collateral obtained by taking possession and on the value of the collateral obtained by taking possession.

Collateral obtained by taking possession and execution processes 2025		Value at initial recognition	Accumulated negative changes
SEK m			
010	Property, plant and equipment (PP&E)		
020	Other than PP&E	2	
030	<i>Residential immovable property</i>		
040	<i>Commercial Immovable property</i>		
050	<i>Movable property (auto, shipping, etc.)</i>	2	
060	<i>Equity and debt instruments</i>		
070	<i>Other</i>		
080	Total	2	

CREDIT RISK

EU CRI

Gross carrying amount of performing and non-performing exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk, accumulated partial write-off, and collateral and financial guarantees received, according to the scope of regulatory consolidation in accordance with Chapter 2 of Title II of Part One of the CRR. Exposures in Finland are not included in this table as they have been moved to assets held for sale on the balance sheet.

Performing and non-performing exposures and related provisions 2025		Gross carrying amount/nominal amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write off	Collateral and financial guarantees received		
		Performing exposures			Non-performing exposures		Performing exposures accumulated impairment and provisions		Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					On performing exposures	On non-performing exposures	
		Of which stage 1	Of which stage 2	Of which stage 2	Of which stage 3	Of which stage 1	Of which stage 2	Of which stage 2	Of which stage 3	Of which stage 2	Of which stage 3					
												SEK m				
005	Cash balances at central banks and other demand deposits	408 841	408 841													
010	Loans and advances	2 307 306	2 260 327	46 979	6 535	175	6 361	-267	-138	-129	-591	-3	-588		2 128 551	5 381
020	Central banks	23 891	23 891													
030	General governments	17 730	17 727	3				0	0	0					1 912	
040	Credit institutions	22 404	22 404	0	0		0	0	0	0	0		0		0	
050	Other financial corporations	28 993	28 942	52	31		31	-2	-2	0					5 620	31
060	Non-financial corporations	982 760	962 275	20 486	1 957	96	1 862	-170	-99	-71	-268	-2	-266		903 997	1 672
070	Of which SMEs	696 137	679 284	16 853	1 587	89	1 498	-143	-81	-62	-140	-2	-138		684 787	1 437
080	Households	1 231 527	1 205 088	26 439	4 546	79	4 467	-96	-38	-58	-323	-1	-322		1 217 022	3 678
090	Debt securities	211 325	9 056					-1	-1							
100	Central banks	127 963														
110	General governments	43 848														
120	Credit institutions	39 515	9 056					-1	-1							
130	Other financial corporations															
140	Non-financial corporations															
150	Off-balance-sheet exposures	499 336	275 092	4 381	131	1	110	57	31	26	17	0	13		184 155	54
160	Central banks															
170	General governments	24 318	12 858	1				0	0	0					866	
180	Credit institutions	10 558	8 207	1				1	1	0						
190	Other financial corporations	19 898	13 688	15	0		0	1	1	0					8 859	
200	Non-financial corporations	351 843	149 015	3 239	121	0	100	43	19	24	17	0	13		100 175	53
210	Households	92 719	91 324	1 125	11	0	10	13	10	3	0	0			74 255	1
220	Total	3 426 808	2 953 317	51 360	6 667	175	6 471	-326	-171	-155	-608	-3	-601		2 312 706	5 435

EU CRI-A

Maturity of exposures 2025		Net exposure value					
		On demand	< = 1 year	> 1 year < = 5 years	> 5 years	No stated maturity	Total
SEK m							
1	Loans and advances	13 842	488 666	573 584	1 220 532	6 696	2 303 319
2	Debt securities		172 929	23 683	15 359		211 972
3	Total	13 842	661 595	597 267	1 235 891	6 696	2 515 291

MARKET RISK

EU CR2

Changes in the stock of non-performing loans and advances 2025

SEK m		Gross carrying amount
010	Initial stock of non-performing loans and advances	9 835
020	Inflows to non-performing portfolios	2 407
030	Outflows from non-performing portfolios	-4 096
040	Outflows due to write-offs	-4 096
050	Outflow due to other situations	
060	Final stock of non-performing loans and advances	8 146

EU CQ3

Credit quality of performing and non-performing exposures by past due days 2025		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days	Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted		
SEK m													
005	Cash balances at central banks and other demand deposits	408 841	408 841										
010	Loans and advances	2 307 306	2 306 750	556	6 535	4 287	374	549	751	463	72	38	6 361
020	Central banks	23 891	23 891										
030	General governments	17 730	17 730	0									
040	Credit institutions	22 404	22 404	0	0	0							0
050	Other financial corporations	28 993	28 993	0	31	17	4	3	7	1			31
060	Non-financial corporations	982 760	982 625	135	1 957	1 243	83	143	362	88	26	11	1 862
070	Of which SMEs	696 137	696 004	133	1 587	976	75	131	327	64	15		1 498
080	Households	1 231 527	1 231 106	421	4 546	3 027	287	403	382	375	46	27	4 467
090	Debt securities	211 325	211 325										
100	Central banks	127 963	127 963										
110	General governments	43 848	43 848										
120	Credit institutions	39 515	39 515										
130	Other financial corporations												
140	Non-financial corporations												
150	Off-balance-sheet exposures	499 336			131								110
160	Central banks												
170	General governments	24 318											
180	Credit institutions	10 558											
190	Other financial corporations	19 898			0								0
200	Non-financial corporations	351 843			121								100
210	Households	92 719			11								10
220	Total	3 426 808	2 926 916	556	6 667	4 287	374	549	751	463	72	38	6 471

CREDIT RISK MITIGATION TECHNIQUES

EU CRC Qualitative disclosure requirements related to CRM techniques

Article 453 (a) CRR

A description of the core the policies and processes for on- and off-balance sheet netting and an indication of the extent to which institutions make use of balance sheet netting.

The Bank does not use on- or off-balance sheet netting as a credit risk mitigation technique.

Article 453 (b) CRR

The core features of policies and processes for eligible collateral evaluation and management eligible collateral evaluation and management.

The Bank follows up and regularly updates the market value of the collateral used for credit risk mitigation purposes. A control procedure is established whereby the market value is checked at least every third year for residential properties, and at least annually for other types of property. The value is checked more frequently when there are material changes in factors affecting the property market. For properties with an exposure exceeding EUR 3 million, a new valuation by an independent assessor is made at least every third year.

Article 453 (c) CRR

A description of the main types of collateral taken by the institution to mitigate credit risk.

The Bank has property collateral for a large majority of its exposures and a large majority of this collateral consists of residential properties.

Article 453 (d) CRR

For guarantees and credit derivatives used as credit protection, the main types of guarantor and credit derivative counterparty and their creditworthiness used for the purposes of reducing capital requirements, excluding those used as part of synthetic securitisation structures.

Guarantees from sovereigns with very high creditworthiness represent the type of guarantee with the largest impact on capital requirements. The Bank also has guarantees from a wide range of banks and corporate guarantors which have a lesser impact on capital requirements.

Article 453 (e) CRR

Information about market or credit risk concentrations within the credit mitigation taken.

The Bank monitors the credit risk concentrations, within the credit mitigation taken, as part of its process of monitoring large exposures. The effect of financial collateral received is measured and added to the relevant client's total exposure. The effect of credit risk mitigations taken is measured regularly and has only minor impact on the Bank's credit risk concentrations.

EU CR3

The table shows secured exposures and unsecured exposures. The outstanding secured exposures are broken down by amounts secured by collateral, guarantees and credit derivatives. Relations are in line with the previous period.

CRM techniques overview: Disclosure of the use of credit risk mitigation techniques 2025		Unsecured carrying amount	Secured carrying amount		
			Of which secured by collateral	Of which secured by financial guarantees	
SEK m					Of which secured by credit derivatives
1	Loans and advances	588 750	2 133 932	2 128 617	5 315
2	Debt securities	211 323			
3	Total	800 074	2 133 932	2 128 617	5 315
4	Of which non-performing exposures	564	5 381	5 380	1
EU-5	Of which defaulted	564	5 381	5 380	1

CREDIT RISK STANDARDISED APPROACH

EU CRD Qualitative disclosure requirements related to standardised model

Article 444 (a) CRR

Names of the external credit assessment institutions (ECAIs) and export credit agencies (ECAs) nominated by the institution, and the reasons for any changes over the disclosure period.

When calculating risk weights according to the standardised approach, information regarding the external rating from the external rating agency Standard & Poor's is used, where applicable.

Article 444 (b) CRR

The exposure classes for which each ECAI or ECA is used.

The Bank uses external ratings from Standard & Poor's for exposures to sovereigns, institutions and corporates.

Article 444 (c) CRR

A description of the process used to transfer the issuer and issue credit ratings onto comparable assets items not included in the trading book.

Not applicable.

Article 444 (d) CRR

The association of the external rating of each nominated ECAI or ECA (as referred to in row (a)) with the risk weights that correspond with the credit quality steps as set out in Chapter 2 of Title II of Part Three CRR (except where the institution complies with the standard association published by the EBA).

The Bank complies with the standard association in accordance with Commission Implementing Regulation (EU) 2016/1799 as illustrated below.

Credit quality steps and external credit ratings from Standard & Poor's 2025		Risk Weights (%)		
		Corporates	Institutions and regional and local authorities	Central governments and central banks
	S&P			
Step 1	AAA to AA-	20	20 (20)	0
Step 2	A+ to A-	50	30 (20)	20
Step 3	BBB+ to BBB-	75	50 (20)	50
Step 4	BB+ to BB-	100	100 (50)	100
Step 5	B+ to B-	150	100 (50)	100
Step 6	CCC+ and below	150	150 (150)	150
unrated		100	20-150	100

Article 444 (e) CRR

Exposure calculated according to standardised approach broken down into credit quality steps based on external ratings 2025	Sovereign and central banks		Institutions		Corporate	
	Exposure	Exposure value	Exposure	Exposure value	Exposure	Exposure value
SEK m						
Step 1	100 062	96 604	1	0	2 126	2 126
Step 2			1 833	7	2 127	265
Step 3					4 177	673
Step 4					1 444	428
Step 5						
Step 6						

CREDIT RISK

EU CR4

The table shows exposures before and after credit conversion factors and credit risk mitigation, and risk exposure amounts and risk weights according to the standardised approach. The amounts and risk weights are specified by exposure class. The total exposures are in line with previous year.

Standardised approach – Credit risk exposure and CRM effects 2025		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWA density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWA density, %
SEK m							
1	Central governments or central banks	96 094	3 938	96 129	480	0	0
2	Non-central government public sector entities	0	3	0	0	0	20
EU 2a	Regional government or local authorities	0	3	0	0	0	20
EU 2b	Public sector entities						
3	Multilateral development banks	1 314		1 314			
EU 3a	International organisations						
4	Institutions	7	1 827	7	0	1	20
5	Covered bonds						
6	Corporates	9 373	49 075	8 563	2 411	9 570	87.2
6.1	Of which: Specialised Lending						
7	Subordinated debt exposures and equity	7 852		7 852		19 629	250
EU 7a	Subordinated debt exposures						
EU 7b	Equity	7 852		7 852		19 629	250
8	Retail	8 266	13 957	7 138	4 116	7 845	69.71
9	Secured by mortgages on immovable property and ADC exposures	330 332	29 763	330 323	7 212	123 843	36.69
9.1	Secured by mortgages on residential immovable property - non IPRE	105 893	15 750	105 892	5 538	28 910	25.94
9.2	Secured by mortgages on residential immovable property - IPRE	106 170	2 451	106 170	592	25 667	24.04
9.3	Secured by mortgages on commercial immovable property - non IPRE	13 711	2 091	13 702	254	7 324	52.48
9.4	Secured by mortgages on commercial immovable property - IPRE	103 491	9 217	103 491	733	60 198	57.76
9.5	Acquisition, Development and Construction (ADC)	1 067	254	1 067	95	1 743	150
10	Exposures in default	2 165	40	2 165	6	2 759	127.06
EU 10a	Claims on institutions and corporates with a short-term credit assessment						
EU 10b	Collective investment undertakings						
EU 10c	Other items	7 152	936	4 689	0	1 752	37.37
11	Not applicable						
17	Total	462 555	99 539	458 180	14 227	165 401	35.01

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The table below shows the EAD broken down by exposure class and risk weight. It comprises figures obtained using the standardised approach. Total EAD is in line with the previous period.

Standardised approach 2025 page 1(2)		Risk weight																
		0%	2%	4%	10%	20%	30%	35%	40%	45%	50%	60%	70%	75%	80%	90%	100%	105%
SEK m																		
1	Central governments or central banks	96 609																
2	Non-central government public sector entities	0				0												
EU 2a	Regional government or local authorities	0				0												
EU 2b	Public sector entities																	
3	Multilateral development banks	1 314																
EU 3a	International organisations																	
4	Institutions					7												
5	Covered bonds																	
6	Corporates									265			673				10 036	
6.1	Of which: Specialised lending																	
7	Subordinated debt exposures and equity																0	
EU 7a	Subordinated debt exposures																0	
EU 7b	Equity																0	
8	Retail exposures								4 090				5 385				593	
9	Secured by mortgages on immovable property and ADC exposures				136 724	12 610	52 736		1 182		41 585	68 454	13 335		2 412	2 276	705	
9.1	Secured by mortgages on residential immovable property - non IPRE				97 494	2 017			3				11 597				289	
9.1.1	No loan splitting applied																	
9.1.2	loan splitting applied (secured)				97 370	2 017												
9.1.3	loan splitting applied (unsecured)					123			3				11 597				289	
9.2	Secured by mortgages on residential immovable property - IPRE				39 231	10 592	52 736		1 152		235		1 328				783	
9.3	Secured by mortgages on commercial immovable property - non IPRE								27		12 705		409		2		812	
9.3.1	No loan splitting applied												342				431	
9.3.2	loan splitting applied (secured)										12 686				2			
9.3.3	loan splitting applied (unsecured)								27		19		67				382	
9.4	Secured by mortgages on commercial immovable property - IPRE										28 645	68 454			2 409		392	
9.5	Acquisition, Development and Construction (ADC)																	
10	Exposures in default																996	
EU 10a	Claims on institutions and corporates with a short-term credit assessment																	
EU 10b	Collective investment undertakings (CIU)																	
EU 10c	Other items					3 671											1 018	
11	Not applicable																	
EU 11c	TOTAL	97 923				140 403	12 610	52 736		5 272	265	41 585	68 454	19 393		2 412	14 920	705

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Standardised approach 2025 page 2(2)		Risk weight							Total	Of which unrated
		110%	130%	150%	250%	370%	400%	1 250%		
SEK m										
1	Central governments or central banks								96 609	96 609
2	Non-central government public sector entities								0	
EU 2a	Regional government or local authorities								0	0
EU 2b	Public sector entities									
3	Multilateral development banks								1 314	1 314
EU 3a	International organisations									
4	Institutions								7	-37
5	Covered bonds									
6	Corporates								10 975	20 884
6.1	Of which: Specialised lending									
7	Subordinated debt exposures and equity				7 852				7 852	
EU 7a	Subordinated debt exposures									
EU 7b	Equity				7 852				7 852	
8	Retail exposures			316				871	11 254	
9	Secured by mortgages on immovable property and ADC exposures	3 935		1 551				30	337	
									535	
9.1	Secured by mortgages on residential immovable property - non IPRE							30	111 431	
9.1.1	No loan splitting applied									
9.1.2	loan splitting applied (secured)								99 387	
9.1.3	loan splitting applied (unsecured)							30	12 044	
9.2	Secured by mortgages on residential immovable property - IPRE								106 762	
9.3	Secured by mortgages on commercial immovable property - non IPRE								13 956	
9.3.1	No loan splitting applied								773	
9.3.2	loan splitting applied (secured)								12 688	
9.3.3	loan splitting applied (unsecured)								494	
9.4	Secured by mortgages on commercial immovable property - IPRE	3 935		389					104 224	
9.5	Acquisition, Development and Construction (ADC)				1162				1 162	
10	Exposures in default			1175					2 171	
EU 10a	Claims on institutions and corporates with a short-term credit assessment									
EU 10b	Collective investment undertakings (CIU)									
EU 10c	Other items								4 689	4 081
11	Not applicable									
EU 11c	TOTAL	3 935		3 042	7 852			901	472 407	

CREDIT RISK IRB APPROACH

EU CRE Qualitative disclosure requirements related to IRB approach

Article 452 (a) CRR

The competent authority's permission of the approach or approved transition

The Bank has had permission from the Swedish Financial Supervisory Authority to calculate the capital requirement for credit risk using the IRB approach since 2007. The permission applies to the consolidated situation, in which the parent company Svenska Handelsbanken AB (publ) is the ultimate parent, and to the companies Svenska Handelsbanken AB (publ), Stadshypotek AB (publ) and Handelsbanken Finans AB (publ).

Handelsbanken has seven rating systems (consolidated level): retail, large corporates, medium-sized corporates, property companies, housing co-operative associations, institutions and central and regional governments.

Handelsbanken has approval to use own estimates of PD, LGD and CCF for the rating systems retail, large corporates, medium-sized corporates, property companies, and housing co-operative associations whereas the capital requirement for the remaining rating systems is calculated without own estimates of LGD and CCF.

The Swedish Financial Supervisory Authority has also granted Handelsbanken permission to apply the standardised approach instead of the IRB approach for certain exposures in accordance with Article 150.1 second paragraph and 150.1a (b) of the CRR. These exceptions cover 'insignificant portfolios due to its size and risk profile' and 'intra group' exposures.

The majority of the exposures subject to sequential implementation in accordance with Article 148 of the CRR consists of exposures in Handelsbanken plc and exposures in the Netherland branch.

Article 452 (c) CRR

The control mechanisms for rating systems at the different stages of model development, controls and changes, which shall include information on:

i) the relationship between the risk management function and the internal audit function;

The Risk Control constitutes the risk management function within the Bank. The Risk Control is responsible for developing and maintaining IRB models including ongoing review, supervision, estimations and alterations. Furthermore, this function is responsible for the application of new or changed IRB models to the Swedish Financial Supervisory Authority. It also has the overarching responsibility for the management of changes to the Bank's IRB approach.

Internal Audit performs an annual review of the bank's rating systems and its operations. This includes an assessment of the credit function, validation and the methodologies used for estimating Probability of Default (PD), Loss Given Default (LGD), Expected Loss (EL) and Credit Conversion Factors (CCF). The scope of the reviews also covers compliance with relevant applicable regulatory and internal requirements. In addition, Internal Audit reviews all applications for new or changed IRB models, providing independent assurance on the adequacy and effectiveness of the model risk framework, its controls and adherence to policies and regulatory requirements. Internal Audit is independent from the Risk Control. The Head of Handelsbanken

Internal Audit is appointed by the Board and reports regularly to the Board's audit committee. The policy for the Internal Audit function is adopted annually by the Board.

(ii) the rating system review;

Model validation forms part of the review of IRB rating systems and is performed by the independent validation function. The validation function and the unit responsible for IRB model development and calibration are divided into two different organisational units reporting separately to the same member of the executive team, the Head of Handelsbanken Risk Control. Over their lifecycles, models are first subject to initial validation following model development or a material change. This includes independently reviewing and assessing the main steps of model development, assessing whether models are fit for purpose and performing as intended, evaluating models against relevant regulatory requirements, assessing the implementation of models and assessing the usage of models. When an IRB model has been approved, recurring validation is performed at least annually, which among other analyses includes a review of estimates, evaluation of the models' risk differentiating capabilities and evaluation of representativeness in the light of the new data and other information that has become available.

(iii) procedure to ensure the independence of the function in charge of reviewing the models from the functions responsible for the development of the models;

The validation function and the unit responsible for IRB model development and calibration are divided into two different organisational units reporting separately to the same member of the executive team, the Head of Handelsbanken Risk Control.

(iv) the procedure to ensure the accountability of the functions in charge of developing and reviewing the models

Accountability of the functions in charge of developing and reviewing the models is ensured through delegation of responsibility through job descriptions. The Head of Handelsbanken Risk Control delegates responsibility to the Head of Credit Risk Control who in turn delegates relevant responsibilities to the head of the model development unit. Furthermore, the Head of Handelsbanken Risk Control delegates responsibility to the head of the validation function.

Article 452 (d) CRR

The role of the functions involved in the development, approval and subsequent changes of the credit risk models;

The role of the model development unit involves the following:

To ensure that the Bank's capital requirements for credit risk according to IRB are calculated based on models that are suitable for the purpose, that these models are maintained through ongoing review, that decided changes to the models used in the risk classification process are implemented, and that new models are developed based on the Bank's needs and authorities' requirements.

To be responsible for calculation of, and model development for, economic capital (EC) for credit risks.

To verify that the risk classification systems and changes in them are assessed and documented in accordance with the Bank's IRB Change process.

To ensure, within the unit's area of responsibility, that applicable regulations are complied with, that information requested by the Swedish Financial Supervisory Authority is prepared and submitted and also to otherwise ensure that the Bank's obligations to the Swedish Financial Supervisory Authority and other authorities are fulfilled.

To make sure that established rules and procedures are evaluated annually and document that the internal control within the unit is appropriate, and to ensure that necessary measures are implemented based on this together with reports from control functions.

To prepare and maintain appropriate information and reporting systems to ensure control over all significant risks in the relevant parts of the business.

The conclusions, observations and recommendations of a validation are compiled into detailed validation reports which are distributed to Handelsbanken Credit Risk Control and the Head of Handelsbanken Risk Control. Validation results are presented to the Board's Risk Committee and to relevant members of the executive team on an annual basis. Validation results are distributed in written form through the IRB report to the Board's Risk Committee, and through the IRB evaluation report to relevant members of the executive team, both on an annual basis.

Article 452 (e) CRR

The scope and main content of the reporting related to credit risk models;

The Bank conducts the following reporting related to credit risk models. The overall purpose of these reports is to provide relevant information regarding the Bank's credit risk measurement and management.

1. *The Evaluation of Handelsbanken's rating of credit risks in accordance with the IRB approach*

Prepared annually, this report provides an overall assessment of the Bank's rating systems and their performance. It identifies IRB deficiencies and the status of corrective actions. It also includes a comparison of realised default rates, realised LGDs and realised conversion factors against expectations, migration across grades and updated estimates.

The report is addressed to relevant members of the executive team. A summary of the report is presented to the IRB Committee and the Central Board's Risk Committee.

2. *The Credit Risk Report*

Issued quarterly, this report focuses on changes in the credit risk portfolio. It includes the migrations within PD risk classes and PD risk class distribution. It also includes information on defaults, exposures to high-risk customers and property collaterals for corporates and private individuals.

The report is addressed to relevant members of the executive team.

3. *The Group Risk Report*

Issued quarterly, this report monitors the Bank's risk tolerance and the Head of Handelsbanken Risk Control's assessment of material risks and significant deficiencies. The results of stress-tests and information on capital requirements calculation is also included.

The report is addressed to the Board's Risk Committee and presented to relevant members of the executive team.

4. *Reports on validation of the Bank's IRB models*

Conducted annually to ensure model quality through predefined quantitative and qualitative tests. The results, including observations and recommendations, are compiled into detailed validation reports.

The reports are shared with Handelsbanken Credit Risk Control and the Head of Handelsbanken Risk Control. Validation results are presented to the Board's Risk Committee and to relevant members of the executive team.

5. *The IRB Report*

Prepared biannually, the *IRB Report* provides a comprehensive overview of the institution's IRB framework and its current status. Key components include an overall status update of the IRB approach and changes to the IRB approach, results of the evaluation of the IRB Approach and the model validation (reports mentioned in p. 1 and 4 above), including actions taken in response to findings. Furthermore, the report includes the results of the annual review of risk parameter estimates.

This report is addressed to relevant members of the executive team and presented for the Board's Risk Committee.

Article 452 (f) CRR

A description of the internal ratings process by exposure class, including the number of key models used with respect to each portfolio and a brief discussion of the main differences between the models within the same portfolio, covering:

(i) the definitions, methods and data for estimation and validation of PD, which shall include information on how PDs are estimated for low default portfolios, whether there are regulatory floors and the drivers for differences observed between PD and actual default rates at least for the last three periods;

(ii) where applicable, the definitions, methods and data for estimation and validation of LGD, such as methods to calculate downturn LGD, how LGDs are estimated for low default portfolio and the time lapse between the default event and the closure of the exposure;

(iii) where applicable, the definitions, methods and data for estimation and validation of conversion factors, including assumptions employed in the derivation of those variables.

To quantify its credit risks, the Bank calculates the probability of default, PD, the exposure the Bank is expected to have if a default occurs, EAD (using a model for a Credit Conversion Factor, CCF), and the proportion of the loan that the Bank would be expected to lose in the case of default, LGD. A default shall be considered to have occurred when the obligor is unlikely to pay its credit obligation to the institution or the obligor is past due more than 90 days on any material credit obligation.

The PD value is expressed as a percentage where, for example, a PD value of 0.5% means that one borrower of 200 with the same PD value would be expected to default within one year.

For exposures to corporates and institutions, as well as for exposures to central governments, central banks, regional governments and local authorities (sovereign exposures), the internal rating set for each counterparty is directly converted into a risk class on a scale from 1 to 10 (where risk class 10 refers to defaulted counterparties). Corporate

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exposures are divided into four counterparty types, based on the business evaluation template used for the counterparty. PD is calculated individually for each risk class and counterparty type.

Regional governments and local authorities share the sovereign risk class scale with central governments and central banks. However, to account for the higher risk of the former they are assigned one risk class worse than the latter, given the same internal rating. Hence, the risk class scale for regional governments and local authorities is from 2 to 10, not 1 to 10.

The models for sovereigns, institutions and large corporates are global and the ones for medium sized corporates, real estate corporates, and housing co-operative associations apply to exposures in Sweden, Norway and Finland. LGD- and CCF-models for corporates, including large corporates, also apply to exposures in Sweden, Norway and Finland.

For retail exposures, the risk class is also based on the internal rating assigned to all credit customers. The rating is, however, not translated directly into a risk class as for corporate exposures; instead, the different exposures are sorted into a number of smaller groups based on certain factors. Such factors include the type of credit, the counterparty's debt-servicing record and whether there are one or more borrowers. An average default rate is calculated for each of the smaller groups, and based on this, the groups are sorted into one of the 10 risk classes. Different models are used for exposures to private individuals and to small companies (that are also classified as retail exposures), and by country, Sweden, Norway and Finland.

For exposures to medium-sized corporates, property companies and housing co-operative associations as well as for retail exposures, the LGD is determined using the Bank's own loss history. For exposures to large corporates that are subject to a capital requirement using the IRB approach with own estimates of LGD and CCF, the LGD is determined based on internal losses and external observations. For retail exposures secured by property in Sweden and for property exposures to medium-sized companies, property companies and housing co-operative associations, different LGD values are applied depending on the loan-to-value ratio of the collateral. For other exposures, the LGD value is determined by factors that may depend on the existence and valuation of collateral, the type of product and similar factors. For exposures that are subject to a capital requirement according to the IRB approach without own estimates of LGD and CCF, prescribed values are applied for those parameters. The prescribed value that may be used is determined by the collateral provided for each exposure.

For each exposure class, the PD is calculated for each of the risk classes that refer to non-defaulted counterparties or agreements.

The PD models for corporates are based on historical default frequencies, by risk class and counterparty type. The estimates on portfolio level are based partly on the Bank's internal data and partly on data from other sources, such as external credit rating agencies, and are based on the duration of a hypothetical business cycle in which one of five years is a downturn year and the Swedish banking crisis in the 1990s is taken into account, as required by the Swedish Financial Supervisory Authority. Significant margins of conservatism are added to the estimates at portfolio level, and these PD values are normally not expected to vary year on year. The estimates by risk class are based on the Bank's internal default data and a model that determines the relationship of PD between different risk classes. Margins are then added so that each portfolio's aggregate PD coincides with the

estimate of portfolio PD. The models are recalibrated at least annually as the distribution of counterparties over risk classes varies over time. This process assures that aggregate PD does not deviate significantly from the estimated portfolio PD. This implies that the PD for each risk class may vary over time as the model is recalibrated.

An updated and recalibrated PD-model for institutions was implemented in August 2023. In the model, PD-values are estimated by mapping internal ratings to external ratings. External default rates are then used to estimate an implied internal default rate per risk class. PD values for sovereign exposures are based on default rates and PD for large corporates and expert assessments, as the Bank has no defaults at all to this type of counterparty.

The PD values for retail are based on calculations of the historical default frequencies for each risk class. The average default rates are then adjusted such that one year out of five represents a downturn year, and margins of conservatism are added.

When establishing LGD, the risk measure shall reflect the loss rates in economically unfavourable circumstances, known as 'downturn LGD'. For collateral in property, the downturn LGD is based on observed loss rates from the property crisis in the early 1990s. For other collateral relating to retail exposures, observed LGD is adjusted for downturns by a factor which depends on the PD and type of product. For corporate exposures in the IRB approach with own estimates of LGD and CCF, the LGD is adjusted for downturns so that the Bank's observed losses in the crisis years of 1991–1996 can be explained by the risk measures with a good margin. For exposures with property collateral, in many cases LGD is estimated based on the property's loan-to-value-ratio (LTV). Since the value of the property, and consequently also the LTV, usually varies with the business cycle, this means that the capital requirement will also to some extent have a cyclical dependency.

When the exposure amount, EAD, is to be calculated, certain adjustments are made to the carried exposure, e.g. regarding revolving credits. Normally this means that the credit granted is adjusted using a certain credit conversion factor (CCF) for the part of the credit that is unutilised at the time of reporting. For certain product categories, the credit conversion factors are determined by prescribed regulatory values, while for others, the Bank uses its own calculated conversion factors. Here, it is mainly the product referred to that governs the CCF, but the utilisation level may also be relevant.

In Sweden and Norway national regulatory risk weight floors apply. In both countries, the average risk weight of the portfolio of mortgage loans must not be below 25%. Furthermore, in Norway, corporate exposures with collateral in real estate must not have a risk weight below 35%. In Sweden, the risk weight floor for corporate exposures with collateral in commercial real estate is 35% and for corporate exposures with collateral in residential real estate the risk weight floor is 25%.

The following methods are used for the validation of PD, LGD and CCF models:

Risk quantification. Assessment of the predictive ability. Primarily quantitative tests: one-sided outcome tests on observed outcomes (default rates, realised LGDs or realised CCFs) versus estimates and historical outcomes. Two-sided outcome tests on observed outcomes versus historical outcomes. For PD models binomial tests are applied, except for low default portfolios where alternative tests are used such as Jeffrey's test. For LGD and CCF models t-tests are applied, except for low default portfolios where exact tests such as the sign test are applied.

Risk differentiation. Assessment of rank order ability (AR, Somers' D, gAUC), concentration (adjusted Herfindahl index) and heterogeneity (Z-test, Welch's F-test).

Model structure tests. Qualitative and quantitative assessment of the conceptual approach, segmentation, risk factor selection and other structural components of the model.

Review of model documentation and source code. Qualitative assessment of the quality and completeness of model documentation and source code.

Manual data quality assessment of historical data. Assessment of the accuracy, completeness and appropriateness of data where deficiencies are handled with additional margins of conservatism.

Population stability and representativeness. Assessment of the representativeness of data used in model development and model calibration, based on qualitative and quantitative tests (PSI).

Model implementation. Qualitative and quantitative tests to assess the integrity of the implemented model.

Migration analysis (PD models). Analysis of migrations based on qualitative and quantitative (Notches, MWB) tests.

Long-run average default rate (PD models). Assessment based on regulatory requirements concerning long-run average default rate, complemented with quantitative tests including outcome tests.

Downturn adjustment (LGD and CCF models). Validation of conditional LGDs and CCFs appropriate for an economic downturn. This includes a qualitative assessment on the identification of an economic downturn and downturn estimation method, based on relevant regulatory requirements, complemented with quantitative tests including outcome tests.

Margin of conservatism and appropriate adjustments. Qualitative assessment based on regulatory requirements, complemented with quantitative tests including outcome tests.

Comparison with external data sources. Comparison of PD, LGD and CCF estimates and outcomes with those of other comparable banks.

In general, the data used for validation consists of all available data from the model development period (including model calibration) until the date of the validation. All available data is used, meaning the time period and data series used for validation is as long as possible. In general quantitative tests are performed on the most recent available data, depending on the test and model. In many cases this means the most recent annual data. In other cases, for instance for low default portfolios, longer time periods may be used for quantitative tests (that also include the most recent data).

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The following table shows the total EAD, undrawn commitments, exposure-weighted average PD, LGD and CCF, and exposure-weighted average risk weights broken down by exposure class and obligor grade. RWA and RWA density is here calculated using the IRB approach not including risk weight floors implemented by national authorities.

IRB approach - Credit risk exposures by exposure class and PD range 2025		On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF(%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors ¹	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
A-IRB	PD range												
SEK m													
Total A-IRB	0.00 to < 0.15	1 233 205	123 166	0.36	1 277 858		571 554		1.0	54 159	0.04	162	-29
Total A-IRB	0.00 to < 0.10	866 705	98 556	0.25	890 917		217 242		1.0	35 660	0.04	85	-13
Total A-IRB	0.10 to < 0.15	366 500	24 610	0.81	386 941		354 312			18 498	0.05	77	-16
Total A-IRB	0.15 to < 0.25	1 169	4 304	0.58	3 618		21 527			377	0.10	2	-1
Total A-IRB	0.25 to < 0.50	329 567	9 063	0.23	331 675		139 761		1.0	38 190	0.12	187	-14
Total A-IRB	0.50 to < 0.75	87 265	6 180	0.56	90 644		97 221			17 694	0.20	122	-15
Total A-IRB	0.75 to < 2.50	68 106	4 503	0.54	70 543		27 223		1.0	22 906	0.32	224	-38
Total A-IRB	0.75 to < 1.75	58 773	2 451	0.58	60 190		23 178		1.0	18 177	0.30	161	-14
Total A-IRB	1.75 to < 2.5	9 333	2 052	0.50	10 352		4 045		1.0	4 730	0.46	63	-24
Total A-IRB	2.50 to < 10.00	26 763	1 227	0.75	27 647		45 605			13 311	0.48	244	-21
Total A-IRB	2.5 to < 5	25 577	859	0.84	26 267		43 562			12 175	0.46	206	-14
Total A-IRB	5 to < 10	1 186	368	0.54	1 381		2 043		1.0	1 136	0.82	38	-7
Total A-IRB	10.00 to < 100.00	9 062	351	0.65	9 259		9 291		1.0	7 159	0.77	512	-44
Total A-IRB	10 to < 20	587	151	0.79	677		1 952			452	0.67	38	-7
Total A-IRB	20 to < 30	1 941	139	0.51	2 012		318		1.0	1 416	0.70	100	-12
Total A-IRB	30.00 to < 100.00	6 534	61	0.61	6 570		7 021			5 292	0.81	374	-26
Total A-IRB	100.00 (Default)	3 959	45	0.59	3 984		3 023			7 065	1.77	775	-775
Total A-IRB	Subtotal	1 759 096	148 839	0.38	1 815 229		915 205		1.0	160 862	0.09	2 228	-937
Corporates Other	0.00 to < 0.15	530 880	60 350	0.15	540 045	0.07	23 653	18.06	2.0	32 907	0.06	74	-10
Corporates Other	0.00 to < 0.10	455 614	57 470	0.14	463 392	0.06	17 097	18.61	2.0	28 483	0.06	59	-5
Corporates Other	0.10 to < 0.15	75 266	2 880	0.48	76 653	0.13	6 556	14.69	2.0	4 424	0.06	15	-5
Corporates Other	0.15 to < 0.25						7						
Corporates Other	0.25 to < 0.50	100 415	9 034	0.23	102 513	0.31	4 468	21.91	2.0	17 117	0.17	70	-5
Corporates Other	0.50 to < 0.75	13 041	4 292	0.47	15 052	0.53	2 195	31.37	2.0	4 296	0.29	25	-9
Corporates Other	0.75 to < 2.50	47 616	2 947	0.42	48 861	1.24	4 949	23.08	2.0	15 500	0.32	147	-30
Corporates Other	0.75 to < 1.75	39 731	1 057	0.30	40 048	1.08	3 094	21.41	2.0	11 322	0.28	94	-9
Corporates Other	1.75 to < 2.5	7 885	1 890	0.49	8 813	1.94	1 855	30.72	2.0	4 178	0.47	52	-21
Corporates Other	2.50 to < 10.00	3 478	358	0.52	3 662	4.92	543	27.40	1.0	1 920	0.52	53	-8
Corporates Other	2.5 to < 5	2 642	15	0.49	2 649	4.03	232	23.50	1.0	1 082	0.41	25	-3
Corporates Other	5 to < 10	836	343	0.52	1 013	7.25	311	37.58	2.0	837	0.83	28	-5
Corporates Other	10.00 to < 100.00	3 120	182	0.51	3 212	29.89	462	21.62	2.0	2 351	0.73	208	-24
Corporates Other	10 to < 20	0	0	0.30	0	12.74	4	39.00	5.0	0	2.07	0	0
Corporates Other	20 to < 30	1 919	139	0.51	1 990	22.93	288	21.92	1.0	1 402	0.70	98	-12
Corporates Other	30.00 to < 100.00	1 201	42	0.50	1 222	41.23	170	21.14	2.0	949	0.78	109	-13
Corporates Other	100.00 (Default)	910	30	0.50	925	100.00	151	32.96	2.0	1 954	2.11	271	-271
Corporates Other	Subtotal	699 460	77 193	0.19	714 270	0.48	36 428	19.32	2.0	76 045	0.11	846	-357
Retail Secured by residential real estate	0.00 to < 0.15	670 620	55 631	0.51	699 545	0.08	307 316	12.59		18 483	0.03	77	-16
Retail Secured by residential real estate	0.00 to < 0.10	391 418	41 085	0.40	407 852	0.05	191 477	11.43		6 478	0.02	23	-7
Retail Secured by residential real estate	0.10 to < 0.15	279 202	14 546	0.82	291 694	0.13	115 839	14.22		12 005	0.04	54	-9
Retail Secured by residential real estate	0.15 to < 0.25	615	2 350	0.40	1 564	0.21	1 337	20.82		122	0.08	1	-1
Retail Secured by residential real estate	0.25 to < 0.50	217 920	9	0.40	217 924	0.30	123 549	16.33		19 250	0.09	107	-9

CREDIT RISK

IRB approach - Credit risk exposures by exposure class and PD range 2025		On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF(%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors ¹	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
A-IRB	PD range												
SEK m	PD range												
Retail Secured by residential real estate	0.50 to < 0.75	67 849	230	0.88	68 022	0.65	53 527	18.18		11 465	0.17	80	-4
Retail Secured by residential real estate	0.75 to < 2.50	17 486	62	0.81	17 535	1.56	5 628	20.26		5 900	0.34	56	-3
Retail Secured by residential real estate	0.75 to < 1.75	17 327	48	0.78	17 364	1.56	5 459	20.15		5 818	0.34	54	-3
Retail Secured by residential real estate	1.75 to < 2.5	159	14	0.90	171	2.13	169	31.16		82	0.48	1	0
Retail Secured by residential real estate	2.50 to < 10.00	20 923	122	0.96	21 091	4.64	12 053	15.24		10 040	0.48	148	-9
Retail Secured by residential real estate	2.5 to < 5	20 732	117	0.96	20 896	4.62	11 967	15.15		9 849	0.47	144	-8
Retail Secured by residential real estate	5 to < 10	192	5	0.90	195	7.45	86	24.29		192	0.99	4	0
Retail Secured by residential real estate	10.00 to < 100.00	4 884	14	0.82	4 894	30.09	3 115	14.15		3 972	0.81	207	-10
Retail Secured by residential real estate	10 to < 20	151	12	0.79	158	16.72	148	24.40		159	1.00	6	-1
Retail Secured by residential real estate	20 to < 30	0			0	22.21	1	35.00		0	1.53	0	0
Retail Secured by residential real estate	30.00 to < 100.00	4 732	2	0.99	4 736	30.53	2 966	13.81		3 813	0.81	200	-9
Retail Secured by residential real estate	100.00 (Default)	2 489	1	0.82	2 491	100.00	1 589	15.30		3 809	1.53	196	-196
Retail Secured by residential real estate	Subtotal	1 002 787	58 418	0.51	1 033 066	0.67	508 114	13.96		73 041	0.07	871	-248
Retail Other	0.00 to < 0.15	31 705	7 184	0.92	38 268	0.09	259 740	30.46		2 769	0.07	11	-2
Retail Other	0.00 to < 0.10	19 673	1	0.40	19 673	0.05	12 856	24.07		699	0.04	2	0
Retail Other	0.10 to < 0.15	12 032	7 184	0.92	18 594	0.13	246 884	37.22		2 070	0.11	9	-2
Retail Other	0.15 to < 0.25	553	1 954	0.79	2 055	0.24	20 217	35.41		255	0.12	2	0
Retail Other	0.25 to < 0.50	11 231	21	0.35	11 238	0.32	12 918	29.80		1 822	0.16	11	-1
Retail Other	0.50 to < 0.75	6 375	1 658	0.76	7 571	0.66	41 923	33.79		1 934	0.26	17	-2
Retail Other	0.75 to < 2.50	3 003	1 494	0.77	4 146	1.41	16 746	38.71		1 506	0.36	22	-4
Retail Other	0.75 to < 1.75	1 714	1 347	0.80	2 778	1.04	14 719	40.88		1 037	0.37	12	-2
Retail Other	1.75 to < 2.5	1 289	147	0.55	1 368	2.14	2 027	34.32		469	0.34	10	-3
Retail Other	2.50 to < 10.00	2 362	747	0.83	2 894	4.36	33 976	35.67		1 351	0.47	43	-4
Retail Other	2.5 to < 5	2 203	727	0.83	2 721	4.08	32 327	35.27		1 244	0.46	37	-3
Retail Other	5 to < 10	159	20	0.84	173	8.74	1 649	41.95		107	0.62	6	-1
Retail Other	10.00 to < 100.00	1 058	155	0.80	1 153	24.27	6 152	34.65		836	0.73	97	-10
Retail Other	10 to < 20	435	139	0.79	519	16.79	1 829	35.71		293	0.56	31	-6
Retail Other	20 to < 30	22			22	22.21	29	35.00		14	0.62	2	-1
Retail Other	30.00 to < 100.00	601	16	0.86	612	30.68	4 294	33.74		530	0.87	64	-4
Retail Other	100.00 (Default)	560	14	0.77	568	100.00	1 496	52.12		1 303	2.29	308	-308
Retail Other	Subtotal	56 849	13 228	0.86	67 893	1.70	393 168	31.85		11 776	0.17	511	-332

¹ The amount is based on the number of agreements rather than counterparties for retail exposures

MARKET RISK

IRB approach - Credit risk exposures by exposure class and PD range 2025													
F-IRB		On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF(%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors ¹	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
SEK m	PD range												
Total F-IRB	0.00 to < 0.15	696 381	203 026	0.22	740 566		1 692		2.0	37 373	0.05	47	-19
Total F-IRB	0.00 to < 0.10	659 706	198 399	0.21	701 680		1 270		2.0	31 543	0.05	39	-17
Total F-IRB	0.10 to < 0.15	36 675	4 627	0.48	38 885		422		2.0	5 830	0.15	8	-2
Total F-IRB	0.15 to < 0.25	69	0	0.40	69		11		3.0	28	0.41	0	0
Total F-IRB	0.25 to < 0.50	17 023	31 476	0.20	23 416		376		2.0	8 099	0.35	22	-6
Total F-IRB	0.50 to < 0.75	3 186	2 733	0.21	3 754		483		2.0	1 918	0.51	8	-2
Total F-IRB	0.75 to < 2.50	6 531	3 001	0.21	7 153		439		2.0	3 997	0.56	30	-4
Total F-IRB	0.75 to < 1.75	3 890	1 636	0.04	3 958		78		2.0	1 655	0.42	9	-1
Total F-IRB	1.75 to < 2.5	2 642	1 364	0.41	3 195		361		2.0	2 342	0.73	20	-3
Total F-IRB	2.50 to < 10.00	338	112	0.48	391		52		2.0	198	0.51	3	-1
Total F-IRB	2.5 to < 5	240	30	0.50	255		6		1.0	157	0.62	2	0
Total F-IRB	5 to < 10	97	82	0.47	136		46		2.0	41	0.30	1	-1
Total F-IRB	10.00 to < 100.00	1 863	1 643	0.36	2 463		86		2.0	4 253	1.73	125	-11
Total F-IRB	10 to < 20	1 795	1 577	0.36	2 363		19		2.0	4 175	1.77	119	-9
Total F-IRB	20 to < 30	43	45	0.48	65		40		2.0	45	0.70	3	-1
Total F-IRB	30.00 to < 100.00	25	21	0.49	35		27		2.0	33	0.93	3	-1
Total F-IRB	100.00 (Default)	3	10	0.44	7		7		2.0			3	-7
Total F-IRB	Subtotal	725 395	242 001	0.22	777 819		3 146		2.0	55 866	0.07	239	-51
Central governments or central banks	0.00 to < 0.15	545 305	7 608	0.14	546 352		39	44.83	1.0	7 460	0.01	5	-10
Central governments or central banks	0.00 to < 0.10	545 305	7 608	0.14	546 352		39	44.83	1.0	7 460	0.01	5	-10
Central governments or central banks	0.10 to < 0.15												
Central governments or central banks	0.15 to < 0.25	0	0	0.40	0	0.20	2	45.00	3.0	0	0.52	0	0
Central governments or central banks	0.25 to < 0.50												
Central governments or central banks	0.50 to < 0.75												
Central governments or central banks	0.75 to < 2.50	23	0	0.40	23	1.00	2	45.00	1.0	18	0.78	0	0
Central governments or central banks	0.75 to < 1.75	23	0	0.40	23	1.00	2	45.00	1.0	18	0.78	0	0
Central governments or central banks	1.75 to < 2.5												
Central governments or central banks	2.50 to < 10.00												
Central governments or central banks	2.5 to < 5												
Central governments or central banks	5 to < 10												
Central governments or central banks	10.00 to < 100.00												
Central governments or central banks	10 to < 20												
Central governments or central banks	20 to < 30												
Central governments or central banks	30.00 to < 100.00												
Central governments or central banks	100.00 (Default)												
Central governments or central banks	Subtotal	545 328	7 609	0.14	546 375	0.00	43	44.83	1.0	7 478	0.01	5	-10
Regional governments or local authorities	0.00 to < 0.15	12 511	14 882	0.18	15 204	0.03	169	44.45	3.0	2 374	0.16	2	0
Regional governments or local authorities	0.00 to < 0.10	12 511	14 882	0.18	15 204	0.03	169	44.45	3.0	2 374	0.16	2	0
Regional governments or local authorities	0.10 to < 0.15												
Regional governments or local authorities	0.15 to < 0.25	69			69	0.20	8	38.09	3.0	28	0.41	0	0
Regional governments or local authorities	0.25 to < 0.50												
Regional governments or local authorities	0.50 to < 0.75												
Regional governments or local authorities	0.75 to < 2.50												
Regional governments or local authorities	0.75 to < 1.75												
Regional governments or local authorities	1.75 to < 2.5												
Regional governments or local authorities	2.50 to < 10.00												
Regional governments or local authorities	2.5 to < 5												
Regional governments or local authorities	5 to < 10												

CREDIT RISK

IRB approach - Credit risk exposures by exposure class and PD range 2025													
F-IRB		On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF(%)	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors ¹	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
SEK m	PD range												
Regional governments or local authorities	10.00 to < 100.00												
Regional governments or local authorities	10 to < 20												
Regional governments or local authorities	20 to < 30												
Regional governments or local authorities	30.00 to < 100.00												
Regional governments or local authorities	100.00 (Default)												
Regional governments or local authorities	Subtotal	12 581	14 882	0.18	15 274	0.03	177	44.42	3.0	2 402	0.16	2	0
Institutions	0.00 to < 0.15	37 315	4 756	0.40	39 227	0.15	44	13.95	2.0	5 875	0.15	8	-2
Institutions	0.00 to < 0.10	1 927	1 174	0.11	2 056	0.07	12	13.56	3.0	234	0.11	0	0
Institutions	0.10 to < 0.15	35 387	3 582	0.50	37 172	0.15	32	13.97	2.0	5 640	0.15	8	-2
Institutions	0.15 to < 0.25												
Institutions	0.25 to < 0.50	250	2 521	0.36	1 160	0.33	18	41.33	3.0	793	0.68	2	0
Institutions	0.50 to < 0.75	3	155	0.47	76	0.71	7	45.00	4.0	88	1.16	0	0
Institutions	0.75 to < 2.50	0	135	0.50	68	1.55	9	45.00	5.0	118	1.74	0	0
Institutions	0.75 to < 1.75	0	135	0.50	68	1.55	9	45.00	5.0	118	1.74	0	0
Institutions	1.75 to < 2.5												
Institutions	2.50 to < 10.00	0	30	0.50	15	3.37	3	45.00	5.0	30	1.99	0	0
Institutions	2.5 to < 5	0	30	0.50	15	3.37	3	45.00	5.0	30	1.99	0	0
Institutions	5 to < 10												
Institutions	10.00 to < 100.00	0			0	34.88	11	45.00	1.0	0	2.35	0	0
Institutions	10 to < 20												
Institutions	20 to < 30												
Institutions	30.00 to < 100.00	0			0	34.88	11	45.00	1.0	0	2.35	0	0
Institutions	100.00 (Default)												
Institutions	Subtotal	37 568	7 597	0.39	40 545	0.16	92	14.85	2.0	6 903	0.17	10	-3
Corporates Other	0.00 to < 0.15	101 250	175 779	0.22	139 782	0.07	1 441	30.65	2.0	21 665	0.16	32	-7
Corporates Other	0.00 to < 0.10	99 963	174 734	0.22	138 069	0.07	1 051	30.71	2.0	21 475	0.16	31	-7
Corporates Other	0.10 to < 0.15	1 288	1 045	0.41	1 714	0.14	390	25.81	1.0	189	0.11	1	0
Corporates Other	0.15 to < 0.25						1						
Corporates Other	0.25 to < 0.50	16 773	28 955	0.19	22 256	0.26	358	35.32	2.0	7 306	0.33	21	-6
Corporates Other	0.50 to < 0.75	3 183	2 578	0.19	3 678	0.61	476	32.71	1.0	1 830	0.50	8	-2
Corporates Other	0.75 to < 2.50	6 509	2 865	0.19	7 063	1.47	428	26.59	2.0	3 861	0.55	29	-4
Corporates Other	0.75 to < 1.75	3 867	1 501	0.00	3 867	1.13	67	20.51	2.0	1 520	0.39	9	0
Corporates Other	1.75 to < 2.5	2 642	1 364	0.41	3 195	1.89	361	33.94	2.0	2 342	0.73	20	-3
Corporates Other	2.50 to < 10.00	338	82	0.47	376	5.19	49	17.24	1.0	168	0.45	3	-1
Corporates Other	2.5 to < 5	240			240	4.03	3	19.93	1.0	127	0.53	2	0
Corporates Other	5 to < 10	97	82	0.47	136	7.25	46	12.49	2.0	41	0.30	1	-1
Corporates Other	10.00 to < 100.00	1 863	1 643	0.36	2 462	13.43	75	38.85	2.0	4 253	1.73	125	-11
Corporates Other	10 to < 20	1 795	1 577	0.36	2 363	12.74	19	39.61	2.0	4 175	1.77	119	-9
Corporates Other	20 to < 30	43	45	0.48	65	23.86	40	19.73	2.0	45	0.70	3	-1
Corporates Other	30.00 to < 100.00	25	21	0.49	35	40.37	16	23.06	2.0	32	0.92	3	-1
Corporates Other	100.00 (Default)	3	10	0.44	7	100.00	7	35.57	2.0			3	-7
Corporates Other	Subtotal	129 919	211 913	0.22	175 625	0.36	2 835	31.21	2.0	39 083	0.22	221	-38
Total	(all exposures classes)	2 484 490	390 840	0.28	2 593 048	0.24	918 351	11.88	1.0	216 728	0.08	2 467	-988

¹ The amount is based on the number of agreements rather than counterparties for retail exposures

MARKET RISK

EU CR6-A

Scope of the use of IRB and SA approaches 2025		Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to IRB approach (%)	Percentage of total exposure value subject to a roll-out plan (%)
SEK m						
1	Central governments or central banks	533 083	634 557	0.23	84.01	15.76
2	Regional governments or local authorities	14 680	14 683	0.00	99.98	0.02
3	Public sector entities					
4	Institutions	53 162	58 408	8.68	91.02	0.30
5	Corporates	1 164 124	1 478 960	0.55	78.71	20.74
5.1	<i>Of which Corporates - General</i>	1 164 124	1 478 960	0.55	78.71	20.74
5.2	<i>Of which Corporates - Specialised lending</i>					
5.2.1	<i>Of which Corporates - Specialised lending, excluding slotting approach</i>					
5.2.2	<i>Of which Corporates - Specialised lending under slotting approach</i>					
5.3	<i>Of which Corporates - Purchased Receivables</i>					
6	Retail	1 131 281	1 268 057	0.59	89.21	10.19
6.1	<i>of which Retail – Qualifying revolving</i>					
6.2	<i>of which Retail – Secured by residential immovable property</i>	1 061 205	1 175 340	0.27	90.29	9.44
6.3	<i>Of which Retail - Purchased Receivables</i>					
6.4	<i>of which Retail - Other retail exposures</i>	70 076	92 540	4.48	75.73	19.79
7	Equity		7 852	100.00		
EU 7a	Collective investment undertakings (CIU)					
8	Other non-credit obligation assets	9 220	9 220		100.00	
7	Total	2 905 551	3 471 738	0.87	83.69	15.44

EU CR7

The table shows gross risk exposure amount and net risk exposure amount after taking into account the impact of netting agreements and collateral posting. Handelsbanken's risk exposure amount is not affected by credit derivatives.

IRB approach - Effect on the RWEAs of credit derivatives used as CRM techniques 2025		Pre-credit derivatives risk weighted exposure amount	Actual risk weighted Exposure amount
SEK m			
1	Central governments and central banks - F-IRB		7 478
EU 1a	Regional governments and local authorities -F-IRB		2 402
EU 1b	Public sector entities - F-IRB		
2	Central governments and central banks - A-IRB		
EU 2a	Regional governments and local authorities A-IRB		
EU 2b	Public sector entities A-IRB		
3	Institutions – F-IRB		6 903
5	Corporates – F-IRB		39 083
EU 5a	Corporates - General		39 083
EU 5b	Corporates - Specialised lending		
EU 5c	Corporates - Purchased receivables		
6	Corporate – A-IRB		76 045
EU 6a	Corporates - General		76 045
EU 6b	Corporates - Specialised lending		
EU 6c	Corporates - Purchased Receivables		
EU 8a	Retail - A-IRB		84 816
9	Retail – Qualifying revolving (QRRE)		
10	Retail – Secured by residential immovable property		73 041
EU10a	Retail – Purchased receivables		
EU10b	Retail- Other retail exposures		11,776
17	Exposures under F-IRB		55,866
18	Exposures under A-IRB		160,862
10	TOTAL (including F-IRB exposures and A-IRB exposures)		216,728

CREDIT RISK

EU CR7-A

IRB approach - Disclosure of the extent of the use of CRM techniques 2025		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs		
		Funded credit Protection (FCP)										Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
		Total exposures	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)		
SEK m															
1	Central governments and central banks														
2	Regional governments and local authorities														
3	Public sector entities														
5	Corporates	714 270		94.96	93.62		134.00							130 888	76 045
5.1	Corporates - General	714 270		94.96	93.62		134.00							130 888	76 045
5.2	Corporates - Specialized Lending														
5.3	Corporates - Purchased Receivables														
6	Retail	1 100 959	13.00	98.21	97.87		34.00							275 274	84 816
6.1	Retail – Qualifying revolving														
6.2	Retail – Secured by residential immovable property	1 033 066	0.00	100.00	100.00		0.00							257 475	73 041
6.3	Retail - Purchased Receivables														
6.4	Retail – Other retail exposures	67 893	204.00	70.98	65.49		549.00							17 799	11 776
7	Total	1 815 229	8.00	96.93	96.20		73.00							406 163	160 862

IRB approach - Disclosure of the extent of the use of CRM techniques 2025		Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs		
		Funded credit Protection (FCP)										Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
		Total exposures	Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)		
SEK m															
1	Central governments and central banks	546 375		0.66	0.66									5 896	7 478
2	Regional governments and local authorities	15 274		2.32	2.32							0.44		397	2 402
3	Public sector entities														
4	Institutions	40 545										5.39		7 085	6 903
5	Corporates	175 625	4.24	37.19	36.99		0.21					9.36		50 823	39 083
5.1	Corporates - General	175 625	4.24	37.19	36.99		0.21					9.36		50 823	39 083
5.2	Corporates - Specialized Lending														
5.3	Corporates - Purchased Receivables														
6	Total	777 819	0.96	8.91	8.86		0.05					2.4		64 200	55 866

MARKET RISK

EU CR8

The following table shows the change for risk exposure amount for credit risk calculated by the IRB approach. It further specifies the capital requirement. The change of risk exposure amount is broken down by type of driver. The risk exposure amount has decreased compared to the previous Period.

RWEA flow statements of credit risk exposures under the IRB approach 2025		Risk weighted exposure amount
SEK m		
1	RWAs as at the end of the previous reporting period	488 501
2	Asset size	-5 794
3	Asset quality	-7 777
4	Model updates	
5	Methodology and policy	
6	Acquisitions and disposals	
7	Foreign exchange movements	-3 242
8	Other	12 216
9	Risk weighted exposure amount as at the end of the reporting period	483 904

EU CR9

IRB approach – Back-testing of PD per exposure class (fixed PD scale)		Number of obligors at the end of the previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
A- IRB 2025			Of which number of obligors which defaulted in the year				
Exposure class	PD range						
Corporates Other	0.00 to <0.15	25 630	16	0.06	0.07	0.07	0.03
Corporates Other	0.00 to <0.10	18 962	9	0.05	0.06	0.05	0.01
Corporates Other	0.10 to <0.15	6 668	7	0.11	0.13	0.13	0.07
Corporates Other	0.15 to <0.25						
Corporates Other	0.25 to <0.50	4 850	4	0.08	0.31	0.32	0.08
Corporates Other	0.50 to <0.75	2 249	1	0.04	0.53	0.54	0.09
Corporates Other	0.75 to <2.50	5 475	25	0.46	1.24	1.40	0.41
Corporates Other	0.75 to <1.75	3 458	15	0.43	1.08	1.07	0.28
Corporates Other	1.75 to <2.5	2 017	10	0.50	1.94	1.95	0.59
Corporates Other	2.50 to <10.00	759	18	2.37	4.92	5.53	1.95
Corporates Other	2.5 to <5	418	12	2.87	4.03	4.07	2.11
Corporates Other	5 to <10	341	6	1.76	7.25	7.32	1.83
Corporates Other	10.00 to <100.00	578	35	6.06	29.89	27.73	6.20
Corporates Other	10 to <20	33			12.74	12.29	1.61
Corporates Other	20 to <30	392	21	5.36	22.93	23.11	4.83
Corporates Other	30.00 to <100.00	153	14	9.15	41.23	42.90	9.64
Corporates Other	100.00 (Default)	138	7	5.07	100.00	100.00	7.23
Retail Secured by residential real estate	0.00 to <0.15	324 095	98	0.03	0.08	0.08	0.05
Retail Secured by residential real estate	0.00 to <0.10	200 802	28	0.01	0.05	0.05	0.03
Retail Secured by residential real estate	0.10 to <0.15	123 293	70	0.06	0.13	0.13	0.11
Retail Secured by residential real estate	0.15 to <0.25	2 250	1	0.04	0.21	0.22	0.05
Retail Secured by residential real estate	0.25 to <0.50	132 905	162	0.12	0.30	0.31	0.22
Retail Secured by residential real estate	0.50 to <0.75	58 325	130	0.22	0.65	0.65	0.23
Retail Secured by residential real estate	0.75 to <2.50	9 365	26	0.28	1.56	1.53	0.81
Retail Secured by residential real estate	0.75 to <1.75	8 737	22	0.25	1.56	1.48	0.46
Retail Secured by residential real estate	1.75 to <2.5	628	4	0.64	2.13	2.10	1.15
Retail Secured by residential real estate	2.50 to <10.00	15 044	257	1.71	4.64	4.66	2.23
Retail Secured by residential real estate	2.5 to <5	14 887	252	1.69	4.62	4.62	2.11
Retail Secured by residential real estate	5 to <10	157	5	3.18	7.45	8.17	3.80
Retail Secured by residential real estate	10.00 to <100.00	4 286	363	8.47	30.09	29.34	9.34
Retail Secured by residential real estate	10 to <20	340	14	4.12	16.72	16.73	7.51
Retail Secured by residential real estate	20 to <30	1			22.21	22.21	
Retail Secured by residential real estate	30.00 to <100.00	3 945	349	8.85	30.53	30.43	6.24
Retail Secured by residential real estate	100.00 (Default)	1 730	62	3.58	100.00	100.00	17.39
Retail Other	0.00 to <0.15	252 687	120	0.05	0.09	0.13	0.05
Retail Other	0.00 to <0.10	4 943	1	0.02	0.05	0.05	0.05
Retail Other	0.10 to <0.15	247 744	119	0.05	0.13	0.13	0.10
Retail Other	0.15 to <0.25	21 433	15	0.07	0.24	0.24	0.10
Retail Other	0.25 to <0.50	16 324	35	0.21	0.32	0.31	0.26
Retail Other	0.50 to <0.75	41 253	112	0.27	0.66	0.66	0.46
Retail Other	0.75 to <2.50	17 314	104	0.60	1.41	1.24	1.02
Retail Other	0.75 to <1.75	15 569	97	0.62	1.04	1.13	0.85
Retail Other	1.75 to <2.5	1 745	7	0.40	2.14	2.15	1.33
Retail Other	2.50 to <10.00	38 060	561	1.47	4.36	3.26	3.06
Retail Other	2.5 to <5	36 620	502	1.37	4.08	3.04	2.68
Retail Other	5 to <10	1 440	59	4.10	8.74	9.03	4.25
Retail Other	10.00 to <100.00	7 394	513	6.94	24.27	28.49	13.19
Retail Other	10 to <20	1 666	130	7.80	16.79	16.65	9.13
Retail Other	20 to <30	26	1	3.85	22.21	22.21	6.68
Retail Other	30.00 to <100.00	5 702	382	6.70	30.68	31.98	21.25
Retail Other	100.00 (Default)	1 630	49	3.01	100.00	100.00	7.74

IRB approach – Back-testing of PD per exposure class (fixed PD scale)		Number of obligors at the end of the previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Exposure class	PD range		Of which number of obligors which defaulted in the year				
A- IRB 2025							
Total A-IRB	0.00 to <0.15	586 265	229	0.04	0.00	0.10	0.05
Total A-IRB	0.00 to <0.10	224 629	38	0.02	0.00	0.05	0.03
Total A-IRB	0.10 to <0.15	361 636	191	0.05	0.00	0.13	0.10
Total A-IRB	0.15 to <0.25	23 652	16	0.07	0.00	0.24	0.09
Total A-IRB	0.25 to <0.50	153 670	198	0.13	0.00	0.31	0.23
Total A-IRB	0.50 to <0.75	101 592	242	0.24	0.00	0.65	0.38
Total A-IRB	0.75 to <2.50	32 085	155	0.48	0.00	1.35	0.92
Total A-IRB	0.75 to <1.75	27 707	134	0.48	0.00	1.24	0.73
Total A-IRB	1.75 to <2.5	4 378	21	0.48	0.00	2.05	1.23
Total A-IRB	2.50 to <10.00	53 608	831	1.55	0.00	3.68	3.06
Total A-IRB	2.5 to <5	51 678	763	1.48	0.00	3.49	2.54
Total A-IRB	5 to <10	1 930	68	3.52	0.00	8.66	3.80
Total A-IRB	10.00 to <100.00	11 675	842	7.21	0.00	28.71	12.48
Total A-IRB	10 to <20	2 011	142	7.06	0.00	16.59	8.63
Total A-IRB	20 to <30	419	22	5.25	0.00	23.05	4.87
Total A-IRB	30.00 to <100.00	9 245	678	7.33	0.00	31.60	21.10
Total A-IRB	100.00 (Default)	3 281	111	3.38	0.00	100.00	8.47

IRB approach – Back-testing of PD per exposure class (fixed PD scale)		Number of obligors at the end of the previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Exposure class	PD range		Of which number of obligors which defaulted in the year				
F- IRB 2025							
Central governments or central banks	0.00 to <0.15	48				0.00	
Central governments or central banks	0.00 to <0.10	48				0.00	
Central governments or central banks	0.10 to <0.15						
Central governments or central banks	0.15 to <0.25	2			0.20	0.20	
Central governments or central banks	0.25 to <0.50						
Central governments or central banks	0.50 to <0.75						
Central governments or central banks	0.75 to <2.50	2			1.00	1.00	
Central governments or central banks	0.75 to <1.75	2			1.00	1.00	
Central governments or central banks	1.75 to <2.5						
Central governments or central banks	2.50 to <10.00						
Central governments or central banks	2.5 to <5						
Central governments or central banks	5 to <10						
Central governments or central banks	10.00 to <100.00						
Central governments or central banks	10 to <20						
Central governments or central banks	20 to <30						
Central governments or central banks	30.00 to <100.00						
Central governments or central banks	100.00 (Default)						
Regional governments or local authorities	0.00 to <0.15	202			0.03	0.01	
Regional governments or local authorities	0.00 to <0.10	202			0.03	0.01	
Regional governments or local authorities	0.10 to <0.15						
Regional governments or local authorities	0.15 to <0.25	10			0.20	0.20	
Regional governments or local authorities	0.25 to <0.50						
Regional governments or local authorities	0.50 to <0.75						
Regional governments or local authorities	0.75 to <2.50						
Regional governments or local authorities	0.75 to <1.75						
Regional governments or local authorities	1.75 to <2.5						
Regional governments or local authorities	2.50 to <10.00						
Regional governments or local authorities	2.5 to <5						
Regional governments or local authorities	5 to <10						
Regional governments or local authorities	10.00 to <100.00						
Regional governments or local authorities	10 to <20						
Regional governments or local authorities	20 to <30						
Regional governments or local authorities	30.00 to <100.00						
Regional governments or local authorities	100.00 (Default)						
Corporates Other	0.00 to <0.15	1 058			0.07	0.09	0.07
Corporates Other	0.00 to <0.10	621			0.07	0.06	
Corporates Other	0.10 to <0.15	437			0.14	0.14	0.11
Corporates Other	0.15 to <0.25						
Corporates Other	0.25 to <0.50	195			0.26	0.28	0.22
Corporates Other	0.50 to <0.75	497	1	0.20	0.61	0.55	0.16
Corporates Other	0.75 to <2.50	425	3	0.71	1.47	1.86	0.65

MARKET RISK

IRB approach – Back-testing of PD per exposure class (fixed PD scale)			Number of obligors at the end of the previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
Exposure class	PD range		Of which number of obligors which defaulted in the year					
F-IRB 2025								
Corporates Other	0.75 to <1.75	45	1	2.22	1.13	1.15	0.76	
Corporates Other	1.75 to <2.5	380	2	0.53	1.89	1.94	0.68	
Corporates Other	2.50 to <10.00	72			5.19	7.19	1.14	
Corporates Other	2.5 to <5	3			4.03	4.07		
Corporates Other	5 to <10	69			7.25	7.32	1.15	
Corporates Other	10.00 to <100.00	82	5	6.10	13.43	24.58	4.56	
Corporates Other	10 to <20	16			12.74	12.29	1.68	
Corporates Other	20 to <30	52	5	9.62	23.86	23.68	4.17	
Corporates Other	30.00 to <100.00	14			40.37	41.92	7.39	
Corporates Other	100.00 (Default)	10	1	10.00	100.00	100.00	15.25	
Total F-IRB	0.00 to <0.15	1308				0.08	0.06	
Total F-IRB	0.00 to <0.10	871				0.05		
Total F-IRB	0.10 to <0.15	437				0.14	0.11	
Total F-IRB	0.15 to <0.25	12				0.20		
Total F-IRB	0.25 to <0.50	195				0.28	0.22	
Total F-IRB	0.50 to <0.75	497	1	0.20		0.55	0.16	
Total F-IRB	0.75 to <2.50	427	3	0.70		1.85	0.65	
Total F-IRB	0.75 to <1.75	47	1	2.13		1.14	0.74	
Total F-IRB	1.75 to <2.5	380	2	0.53		1.94	0.68	
Total F-IRB	2.50 to <10.00	72				7.19	1.14	
Total F-IRB	2.5 to <5	3				4.07		
Total F-IRB	5 to <10	69				7.32	1.15	
Total F-IRB	10.00 to <100.00	82	5	6.10		24.58	4.53	
Total F-IRB	10 to <20	16				12.29	1.68	
Total F-IRB	20 to <30	52	5	9.62		23.68	3.28	
Total F-IRB	30.00 to <100.00	14				41.92	7.39	
Total F-IRB	100.00 (Default)	10	1	10.00		100.00	15.25	

EU CR9.1

IRB approach – Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)			Number of obligors at the end of the previous year		Observed average default rate (%)	Average PD (%)	Average historical annual default rate (%)
Exposure class	PD range	External rating equivalent		Of which number of obligors which defaulted in the year			
F-IRB 2025							
Institutions	0.00% to < 0.10%	Aaa,Aa	13			0.07	
Institutions	0.10% to < 0.20%	Aa,A	32			0.15	
Institutions	0.20% to < 0.50%	A,Baa	21			0.33	
Institutions	0.50% to < 1.00%	Baa	8			0.71	
Institutions	1.00% to < 2.00%	Baa,Ba	10			1.55	
Institutions	2.00% to < 5.00%	Ba	2			3.37	
Institutions	5.00% to < 25.00%	B	2			7.35	
Institutions	25.00% to < 35.00%	B,Caa					
Institutions	35.00% to < 100.00%	Caa,C					

SPECIALISED LENDING

EU CR10.1

Specialised lending: Project finance (Slotting approach)

Regulatory categories	Remaining maturity	On-balance-sheet exposure	Off-balance-sheet exposure	Risk weight %	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years			50			
	Equal or more than 2.5 years			70			
Category 1	Less than 2.5 years			70			
	Equal or more than 2.5 years			90			
Category 1	Less than 2.5 years			115			
	Equal or more than 2.5 years			115			
Category 1	Less than 2.5 years			250			
	Equal or more than 2.5 years			250			
Category 1	Less than 2.5 years						
	Equal or more than 2.5 years						
Total	Less than 2.5 years						
	Equal or more than 2.5 years						

EU CR10.2

Specialised lending: Income-producing real estate and high volatility commercial real estate (Slotting approach)

Regulatory categories	Remaining maturity	On-balance-sheet exposure	Off-balance-sheet exposure	Risk weight %	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years			50			
	Equal or more than 2.5 years			70			
Category 1	Less than 2.5 years			70			
	Equal or more than 2.5 years			90			
Category 1	Less than 2.5 years			115			
	Equal or more than 2.5 years			115			
Category 1	Less than 2.5 years			250			
	Equal or more than 2.5 years			250			
Category 1	Less than 2.5 years						
	Equal or more than 2.5 years						
Total	Less than 2.5 years						
	Equal or more than 2.5 years						

EU CR10.3

Specialised lending: Object finance (Slotting approach)

Regulatory categories	Remaining maturity	On-balance-sheet exposure	Off-balance-sheet exposure	Risk weight %	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years			50			
	Equal or more than 2.5 years			70			
Category 1	Less than 2.5 years			70			
	Equal or more than 2.5 years			90			
Category 1	Less than 2.5 years			115			
	Equal or more than 2.5 years			115			
Category 1	Less than 2.5 years			250			
	Equal or more than 2.5 years			250			
Category 1	Less than 2.5 years						
	Equal or more than 2.5 years						
Total	Less than 2.5 years						
	Equal or more than 2.5 years						

MARKET RISK

EU CR10.4

Specialised lending: Commodities finance (Slotting approach)

Regulatory categories	Remaining maturity	On-balance-sheet exposure	Off-balance-sheet exposure	Risk weight %	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years			50			
	Equal or more than 2.5 years			70			
Category 1	Less than 2.5 years			70			
	Equal or more than 2.5 years			90			
Category 1	Less than 2.5 years			115			
	Equal or more than 2.5 years			115			
Category 1	Less than 2.5 years			250			
	Equal or more than 2.5 years			250			
Category 1	Less than 2.5 years						
	Equal or more than 2.5 years						
Total	Less than 2.5 years						
	Equal or more than 2.5 years						

EU CR10.5

Equity exposures under the simple risk-weighted approach

Remaining maturity	On-balance-sheet exposure	Off-balance-sheet exposure	Risk weight %	Exposure value	Risk weighted exposure amount	Expected loss amount
Less than 2.5 years			50			
Equal or more than 2.5 years			70			
Less than 2.5 years			70			
Equal or more than 2.5 years			90			
Less than 2.5 years			115			
Equal or more than 2.5 years			115			

COUNTERPARTY CREDIT RISK

EU CCRA Qualitative disclosure related to CCR

Article 439 (a) CRR

Description of the methodology used to assign internal capital and credit limits for counterparty credit exposures, including the methods to assign those limits to exposures to central counterparties.

The value fluctuation risk for transactions longer than spot (foreign exchange risk, equity risk, commodity risk and interest rate risks) is included in the Bank's credit limit for the client. For limitation purposes, the exposure for counterparty credit risk is calculated as the current mark-to-market value (MTM) plus an Add-on to cover future changes in the MTM value.

The Bank assigns limits to central counterparties for value fluctuation risk in terms of the replacement cost should the central counterparty default, and for the risk of the central counterparty needing to utilise the Bank's funds to cover losses as a result of other members defaulting.

Article 439 (b) CRR

Description of policies related to guarantees and other credit risk mitigants, such as the policies for securing collateral and establishing credit reserves.

The counterparty credit risk in derivatives is reduced through close-out netting agreements, which involve offsetting positive values against negative values in all derivative transactions with the same counterparty. Netting agreements are supplemented with credit support annex (CSA) agreements, for issuing collateral for the net exposure, which further reduces the counterparty credit risk. The collateral for these transactions is mainly cash, but government instruments and covered bonds are also used. Due to the high proportion of cash, the concentration risks in the collateral are limited.

Article 439 (c) CRR

Description of policies with respect to Wrong-Way risk as defined in Article 291 of the CRR.

The Bank has limited exposure to general wrong-way risk, as derivative transactions are generally client driven with the purpose of hedging the clients' business from market risk exposures. General wrong-way risk is measured and monitored within the credit valuation adjustment model framework.

Transactions with specific wrong-way risk are automatically identified and monitored in the derivatives execution system. The exposure

under a credit limit is conservatively set to the notional amount. For own funds requirements purposes, the transactions are handled according to Article 291 of the CRR.

The Bank does not accept securities associated with significant wrong-way risk as collateral for counterparty credit risk mitigation.

Article 431 (3) and (4) CRR

Any other risk management objectives and relevant policies related to CCR.

The credit policy describes the Bank's risk tolerance for counterparty credit risk. The risk tolerance concerning counterparty credit risk is expressed in terms of a level derived from a forward-looking stress test for CVA. Limits based on the stress test a result are monitored daily and distributed to the business unit responsible for managing the counterparty credit risk in the Bank.

Counterparty credit risk is reported to the Board periodically via the Group risk report. Counterparty credit risk is also reported through the Bank's Risk Committee. The risk tolerance is monitored and reported daily within the risk control function and the business unit responsible for managing the counterparty credit risk in the Bank.

Article 439 (d) CRR

The amount of collateral the institution would have to provide if its credit rating was downgraded.

A small number of the collateral agreements entered into by the Bank include terms and conditions concerning ratings-based threshold amounts for Handelsbanken. These conditions mean that the Bank must provide further collateral for the counterparty in question, in the event of external parties lowering the Bank's rating. At year-end, a downgrading from AA/Aa2 to AA-/Aa3 would have meant the Bank having to provide additional collateral of SEK 100m (22).

CREDIT RISK

EU CCR1

The table shows the approach used to calculate credit counterparty risk (CCR) exposure and REA and the main parameters used within each approach.

Analysis of CCR exposure by approach 2025		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
SEK m									
EU-1	EU - Original Exposure Method (for derivatives)				1.0				
EU-2	EU - Simplified SA-CCR (for derivatives)				1.0				
1	SA-CCR (for derivatives)	2 221	11 610		1.0	46 437	19 117	19 248	4 637
2	IMM (for derivatives and SFTs)								
2a	Of which securities financing transactions netting sets								
2b	Of which derivatives and long settlement transactions netting sets								
2c	Of which from contractual cross-product netting sets								
3	Financial collateral simple method (for SFTs)								
4	Financial collateral comprehensive method (for SFTs)					6 558		2 356	135
5	VaR for SFTs								
6	Total					52 995	19 117	21 604	4 772

EU CCR3

The table shows EAD for credit counterparty risk (CCR) according to the standardised approach. Amounts are broken down by exposure class and risk weight. The regulatory capital requirement has increased compared to the previous year.

Standardised approach – CCR exposures by regulatory portfolio and risk 2025		Risk weight											Total exposure value	
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others		
SEK m														
1	Central governments or central banks													
2	Regional governments or local authorities													
3	Public sector entities													
4	Multilateral development banks	24												24
5	International organisations	105												105
6	Institutions		3 236			176								3 412
7	Corporates													
8	Retail								2	0	0		5	6
9	Institutions and corporates with a short-term credit assessment													
10	Other items									286				286
11	Total exposure value	128	3 236			176			2	286	0		5	3 832

EU CCR4

The table shows credit counterparty risk (CCR) exposures and risk-weighted assets subject to the IRB approach. Amounts are broken down by exposure class and obligor grade. The table further specifies average PD, average LGD and resulting risk weights. The total exposure has decreased compared to the previous period.

IRB approach – CCR exposures by exposure class and PD scale 2025			Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
SEK m		PD scale							
1	Central Governments and Central Banks	0.00 to < 0.15	3 987		12	45.00		17	0.43
2	Central Governments and Central Banks	0.15 to < 0.25							
3	Central Governments and Central Banks	0.25 to < 0.50							
4	Central Governments and Central Banks	0.50 to < 0.75							
5	Central Governments and Central Banks	0.75 to < 2.50							
6	Central Governments and Central Banks	2.50 to < 10.00							
7	Central Governments and Central Banks	10.00 to < 100.00							
8	Central Governments and Central Banks	100.00 (Default)							
9	Central Governments and Central Banks	Subtotal (exposure class)	3 987		12	45.00		17	0.43
1	Regional governments or local authorities	0.00 to < 0.15	1 062	0.03	31	45.00	3.00	180	16.92
2	Regional governments or local authorities	0.15 to < 0.25							
3	Regional governments or local authorities	0.25 to < 0.50							
4	Regional governments or local authorities	0.50 to < 0.75							
5	Regional governments or local authorities	0.75 to < 2.50							
6	Regional governments or local authorities	2.50 to < 10.00							
7	Regional governments or local authorities	10.00 to < 100.00							
8	Regional governments or local authorities	100.00 (Default)							
9	Regional governments or local authorities	Subtotal (exposure class)	1 062	0.03	31	45.00	3.00	180	16.92
1	Institutions	0.00 to < 0.15	5 165	0.13	39	45.00	1.00	1 765	34.18
2	Institutions	0.15 to < 0.25							
3	Institutions	0.25 to < 0.50	544	0.33	9	45.00	1.00	269	49.41
4	Institutions	0.50 to < 0.75	109	0.71	3	45.00	1.00	91	83.44
5	Institutions	0.75 to < 2.50	2	1.55	1	45.00		1	78.07
6	Institutions	2.50 to < 10.00							
7	Institutions	10.00 to < 100.00							
8	Institutions	100.00 (Default)							
9	Institutions	Subtotal (exposure class)	5 820	0.16	52	45.00	1.00	2 126	36.54
1	Corporates	0.00 to < 0.15	8 709	0.08	726	39.62	2.00	1 495	17.17
2	Corporates	0.15 to < 0.25							
3	Corporates	0.25 to < 0.50	1 252	0.28	198	33.09	2.00	395	31.57
4	Corporates	0.50 to < 0.75	145	0.62	83	38.47	1.00	65	44.99
5	Corporates	0.75 to < 2.50	264	1.18	90	32.91	3.00	178	67.49
6	Corporates	2.50 to < 10.00	12	4.84	13	29.84	3.00	8	66.42
7	Corporates	10.00 to < 100.00	8	31.29	10	38.83	1.00	10	134.40
8	Corporates	100.00 (Default)							
9	Corporates	Subtotal (exposure class)	10 390	0.17	1 120	38.63	2.00	2 152	20.72
	Total	Total (all exposures classes)	21 259	0.13	1 215	41.89	2.00	4 476	21.05

CREDIT RISK

EU CCR5

The table shows collateral posted or received to support or reduce counterparty credit risk (CCR) exposures related to derivative transactions and securities finance transactions, including transactions cleared through a CCP.

Composition of collateral for CCR exposures 2025		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
SEK m									
1	Cash – domestic currency		4 523		745		824		10 682
2	Cash – other currencies		18 092		10 550		246		21 961
3	Domestic sovereign debt				621		10 177		795
4	Other sovereign debt						21 352		
5	Government agency debt								
6	Corporate bonds		64	8 345	327	766	40	40	
7	Equity securities					1 065	7 801	1 070	10 096
8	Other collateral	2 007		2 057					
9	Total	2 007	22 678	10 401	12 243	1 831	40 441	1 110	43 533

EU CCR6

The table shows exposures to credit derivative transactions broken down to derivatives bought or sold as well as notional amounts and fair value. Total fair value have decreased compared to the previous year.

Credit derivative exposures 2025			
SEK m		Protection bought	Protection sold
	Notionals		1 795
1	Single-name credit default swaps	100	559
2	Index credit default swaps		
3	Total return swaps		
4	Credit options		
5	Other credit derivatives		
6	Total notionals	100	2 354
	Fair values		
7	Positive fair value (asset)		137
8	Negative fair value (liability)	-2	-24

EU CCR8

The table shows exposures to QCCPs. The exposure to QCCP is in line with the previous year

Exposures to CCPs 2025			
SEK m		Exposure value	RWEA
1	Exposures to QCCPs (total)		239
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	3 236	65
3	(i) OTC derivatives	2 596	52
4	(ii) Exchange-traded derivatives	625	12
5	(iii) SFTs	16	0
6	(iv) Netting sets where cross-product netting has been approved		
7	Segregated initial margin	8 345	
8	Non-segregated initial margin	325	
9	Prefunded default fund contributions	435	174
10	Unfunded default fund contributions	1 085	
11	Exposures to non-QCCPs (total)		
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which		
13	(i) OTC derivatives		
14	(ii) Exchange-traded derivatives		
15	(iii) SFTs		
16	(iv) Netting sets where cross-product netting has been approved		
17	Segregated initial margin		
18	Non-segregated initial margin		
19	Prefunded default fund contributions		
20	Unfunded default fund contributions		

Operational risk

EU ORA Qualitative information on operational risk

Points (a), (b), (c) and (d) Article 435(1) and point (a) Article 446(1) CRR *Disclosure of the risk management objectives and policies.*

Operational risk refers to the risk of loss due to inadequate or failed internal processes, human error, erroneous systems or external events. The definition includes legal risk and model risk as well as information and communication technology (ICT) risk.

The Board establishes the Handelsbanken Group's tolerance for operational risk. Handelsbanken has a low tolerance for operational risk, although this risk is an inevitable component in all operations. As far as possible, Handelsbanken must endeavour to prevent these risks. Operational losses must be low. An operational risk which could have serious adverse consequences for the Bank, the Bank's customers, or the financial system in the event of an incident must be reduced to a lower risk level. The Bank must have appropriate and preventive protection against attacks, disruptions or interruptions to the Bank's critical operations and have incident management capabilities in the event of such attacks, disruptions or interruptions. Losses resulting from an incident can be covered by insurance, although insurance may never replace sound risk management. The CEO decides on management guidelines and limits for operational risks.

In 2025, Handelsbanken's recognised operational losses, which comprise expected and recognised operational losses exceeding SEK 25,000 and any recoveries, totalled SEK 123 million (119).

Organisational Structure

The responsibility for identifying, assessing and managing operational risk is an integral part of managerial responsibility at all levels in the Handelsbanken Group. The Bank's decentralised way of working and cost-consciousness promote good management of operational risk, which leads to vigilance against potential loss in daily procedures and events.

Operational risk is managed in the business operations, and this management is controlled by Handelsbanken Risk Control. Specially appointed local coordinators for operational risk (local OpRisk coordinators) are in place to assist managers in their management of operational risk. The local OpRisk coordinators are responsible for supporting the business operations on operational risks, incident management, risk indicators, action plans, limits and reporting. Handelsbanken Risk Control is responsible for regularly evaluating the various methods, processes and procedures used by the operations for identifying, assessing, managing and reporting operational risks, and for verifying that the operations monitor the implementation of the actions which have been decided. Handelsbanken Risk Control is also responsible for ensuring that risks are evaluated before decisions are made concerning new or materially changed products, services, markets, processes and IT systems or in the case of major changes in the Group's operations or organisational structure. In addition, Handelsbanken Risk Control is responsible for identifying, assessing, analysing, and reporting at the Group level all material operational risks and their development to management and the Board. The risk reports presented to management and the Board also contain information about material incidents and risk mitigation measures.

Methods For Identifying, Assessing And Managing

Operational Risk

The business operations are responsible for owning and managing risks associated with day-to-day operational activities within their units. The Bank monitors the development of operational risk according to different risk categories that are of importance to the Group. The CEO decides on these risk categories.

The Group-wide methods for identifying, assessing and managing operational risk are incident reporting, risk indicators and self-assessment of operational risk.

Incident reporting: All incidents that are deemed to have or have had a serious impact on operations, the bank's customers or the financial system, as well as incidents with operational losses exceeding SEK 25,000, are reported. Incidents are analysed to identify any shortcomings or weaknesses that may pose operational risks.

Risk indicators: Risk indicators with thresholds are used in order to continuously monitor developments and provide early warning signals of heightened operational risks. If a threshold of a risk indicator is exceeded, a risk assessment must be carried out to serve as a basis for assessing the risk management measures to be taken.

Self-assessment: The units make use of methods and processes for identifying, assessing and managing operational risk based on self-evaluations. The Group-wide operational risk analysis process and methodology supports the entities in systematically and regularly identifying operational risks in their individual areas of responsibility. Identified risks are assessed according to a Group-wide assessment scale and documented in a risk register. Operational risk analysis also provides support to entities in monitoring and reporting operational risks.

Change Management

The change management area covers new or materially changed products, services, markets, processes and IT systems, or when there are material changes in the Group's operations or organisational structure. The activities and actors involved in the process are described in the Bank's instructions and approval process for change management, which also describe how and when to involve the control functions. The process also includes requirements that risk analyses are carried out and that these consider, for example, areas such as financial crime, environment and climate, information security and data quality. Decisions related to changes must also be documented.

Continuity Planning And Crisis Management The purpose of the Bank's continuity management and crisis management is to ensure that the Bank is well prepared to continue its business operations in the event of an unpredictable situation. This means that preparatory measures must be taken to mitigate the effects of a serious disruption on the business operations, such that these can continue at an acceptable level for the duration of the disruption. The CEO's guidelines for continuity planning and crisis management and supplementary instructions, state that consequence analyses are to be performed each year, in order to ascertain which operations and IT systems are of such critical importance that they require continuity plans.

The continuity plans include planning the maintenance of operations during the disruption and recovery to normal operations. For essential processes, the plans must include the longest permitted duration of a stoppage. There is a Central Crisis Team for the entire Group. In

OPERATIONAL RISK

In addition, crisis teams are to be established in some subsidiaries and units. Work in the crisis functions is to be undertaken according to special crisis manuals.

Continuity plans and crisis manuals must be revised on an annual basis at a minimum. The plans must be tested each year, at a minimum, and crisis drills are carried out by the units required to have crisis functions. The work is evaluated annually and reported to the Board as part of the overall reporting of the Bank's digital operational resilience.

Handelsbanken also participates in the voluntary work organised by the Swedish financial sector's private-public partnership organization (FSPOS) to strengthen the sector's capacity to manage disruptions and stoppages. One FSPOS exercise was carried out in 2025.

Supplier arrangements: The Bank has a designated process for managing supplier arrangements, including outsourcing agreements, within the Group. As the starting point, the Bank applies a risk-based working method, taking into account the Bank's low risk tolerance, in assessments prior to decisions on supplier arrangements and their administration. According to the guidelines issued by the CEO, outsourcing agreements related to operations of material significance and other supplier arrangements deemed to entail a high risk for the Bank are to be treated as particularly important. These guidelines also

apply to contracts for information and communication technology (ICT) services that support critical or important functions. The guidelines apply throughout the Handelsbanken Group and also cover the subsidiaries in the Group.

Article 446(1) and (2) CRR

Disclosure of operational risk.

Handelsbanken previously used the standardised approach to calculate the capital requirement for operational risk. With the introduction of CRR3, the previously allowed methods have been replaced by one method - the Standardised Approach.

The capital requirement under the Standardised Approach is based on the size and complexity of the bank, with progressively higher capital requirements for larger institutions. At the end of 2025, the total capital requirement for operational risk for the consolidated situation was SEK 8 734m (6 841). The increase was mainly due to a change in the calculation method.

EU OR1

Operational risk losses												
SEK m		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	average
Using €20,000 threshold												
1	Total amount of operational risk losses net of recoveries (no exclusions)	121	93	87	40	21	68	30	35	32	115	64
2	Total number of operational risk losses	53	57	33	39	24	42	33	43	22	37	38
3	Total amount of excluded operational risk losses	0	0	0	0	0	0	0	0	0	0	0
4	Total number of excluded operational risk events	0	0	0	0	0	0	0	0	0	0	0
5	Total amount of operational risk losses net of recoveries and net of excluded losses	121	93	87	40	21	68	30	35	32	115	64
Using €100,000 threshold												
6	Total amount of operational risk losses net of recoveries (no exclusions)	102	77	77	26	12	52	18	19	26	101	51
7	Total number of operational risk losses	11	19	9	9	4	6	6	8	4	8	8
8	Total amount of excluded operational risk losses	0	0	0	0	0	0	0	0	0	0	0
9	Total number of excluded operational risk events	0	0	0	0	0	0	0	0	0	0	0
10	Total amount of operational risk losses net of recoveries and net of excluded losses	102	77	77	26	12	52	18	19	26	101	51
Details of operational risk capital calculation												
11	not applicable											
12	not applicable											
13	not applicable											

EU OR2

Business Indicator, components and subcomponents					
SEK m		2025	2024	2023	Average value
1	Interest, lease and dividend component (ILDC)				44 313
EU 1	ILDC related to the individual institution/consolidated Group (excluding entities considered by Article 314(3))				44 313
1a	Interest and lease income	164 101	173 724	130 883	156 236
1b	Interest and lease expense	116 883	129 062	89 862	111 936
1c	Total assets/Asset component	3 048	3 082	2 963	3 031 454
		063	958	342	
1d	Dividend income/ dividend component	12	16	11	13
2	Services component (SC)				13 290
2a	Fee and commission income	12 323	13 199	13 458	12 993
2b	Fee and commission expense	2 808	3 290	3 319	3 139
2c	Other operating income	325	161	404	297
2d	Other operating expense	118	119	116	118
3	Financial component (FC)				2 848
3a	Net profit or loss applicable to trading book (TB)	298	3 198	1 775	1 757
3b	Net profit or loss applicable to banking book (BB)	1 837	997	440	1 091
3c	Approach followed to determine the TB/BB boundary (PBA or accounting approach)				accounting approach
4	Business Indicator (BI)				60 452
5	Business indicator component (BIC)				8 734

Disclosure on the BI		
6a	BI gross of excluded divested activities	60 452
6b	Reduction in BI due to excluded divested activities	
EU 6c	Impact in BI of mergers/acquisitions	

EU OR3

Operational risk own funds requirements and risk exposure amounts		
SEK m		2025
1	Business Indicator Component (BIC)	8 734
EU1	Alternative Standardised Approach (ASA) Own Funds Requirements (OROF) under Article 314(4)	
2	Not applicable	
3	Minimum Required Operational Risk Own Funds Requirements (OROF)	8 734
4	Operational Risk Exposure Amounts (REA)	109 172

Remuneration policy

The Bank's principles for remuneration to employees are long established. In general, Handelsbanken has low tolerance of risk and holds the opinion that fixed remuneration contributes to healthy and sustainable operations. Performance-based variable remuneration is applied with great caution and to a very limited extent. Performance-based variable remuneration is not given to qualitative risktakers.

EU REMA Remuneration policy

Institutions shall describe the main elements of their remuneration policies and how they implement these policies. In particular, the following elements, where relevant, shall be described:

Information relating to the bodies that oversee remuneration

Name, composition and mandate of the main body (management body or remuneration committee where established) overseeing the remuneration policy and the number of meetings held by that main body during the financial year.

Management body: CEO and the Central Board ("the Board").

Remuneration Committee: Chairman of the Board and two Board members.

Mandate: The Board's remuneration committee evaluates the employment conditions for the Bank's executive officers in the light of prevailing market terms. The committee's tasks also include preparing the Board's proposals to the AGM concerning guidelines for remuneration to executive officers, monitoring and evaluating the application of these guidelines, and preparing the Board's decisions on remuneration and other terms of employment for, among others, executive officers, as well as for the Head of Handelsbanken Internal Audit. The committee also makes an assessment of Handelsbanken's remuneration policy and remuneration system.

Number of meetings: 8 (8)

External consultants whose advice has been sought, the body by which they were commissioned, and in which areas of the remuneration framework.

No advice has been sought.

A description of the scope of the institution's remuneration policy (e.g. by regions, business lines), including the extent to which it is applicable to subsidiaries and branches located in third countries.

The remuneration policy applies throughout the Handelsbanken Group. The Group policy is implemented within subsidiaries and branches. If there are obstacles to this policy being applied, due to binding regulations in a country where Handelsbanken pursues its operations, or due to regulations that are binding upon subsidiaries, adapted rules are to be formulated for these operations.

A description of the staff or categories of staff whose professional activities have a material impact on institutions' risk profile).

The following categories have been identified as risk-takers at Handelsbanken:

- a) Members of the Board of the parent company and the Boards of material subsidiaries
- b) CEOs of the parent company and the material subsidiaries
- c) Heads of units or staff functions at Central Head Office

- d) Heads of business areas
- e) Country General Managers for Norway, the Netherlands and the UK, as well as the Head of Business Support who reports to the CEO
- f) District Heads
- g) The Heads of Handelsbanken Compliance, Handelsbanken Risk Control and Handelsbanken Internal Audit
- h) Managers who report to the heads specified in points b-g above
- i) The Country General Manager of the Bank's operations in a country of operations not specified in e) above
- j) The Head of Handelsbanken Treasury and managers who report to the Head of Handelsbanken Treasury
- k) Members of the Risk Forum and Asset and Liability Committee (ALCO)
- l) Persons making decisions on new products
- m) Any person with total earned remuneration equal to or exceeding the average remuneration paid to members of the parent company's Board, as well as employees who are part of the executive team and have total earned remuneration equal to or exceeding EUR 500.000 and work in an essential business unit, where their position has a significant impact on the risk profile of the unit concerned.
- n) Any person who is among the 0.3% of employees at Handelsbanken with the highest remuneration, or who has a total earned remuneration equal to or exceeding EUR 750.000
- o) Any person who is not covered by points a-n above, but who is considered to have a material impact on the Bank's risk profile.

Information relating to the design and structure of the remuneration system for identified staff

An overview of the key features and objectives of remuneration policy, and information about the decision-making process used for determining the remuneration policy and the role of the relevant stakeholders.

The Bank's principles for remuneration to employees are long established. In general, Handelsbanken has a low tolerance of risk and holds the opinion that fixed remuneration contributes to healthy and sustainable operations. This is, therefore, the main principle. Performance-based variable remuneration is applied with great caution and to a very limited extent. It is only offered to employees in the Capital Markets business area and in mutual fund and asset management operations. The profit-sharing system covers all employees in the Handelsbanken Group. The provision is classified as variable remuneration and is based on profitability metrics linked to Handelsbanken's corporate goals being met, in combination with the Board's overall assessment regarding the Bank's performance.

At Handelsbanken, the Board decides on the remuneration policy. The AGM decides on guidelines for remuneration to executive officers.

Information on the criteria used for performance measurement and ex ante and ex post risk adjustment.

Salaries are based on factors known in advance: the nature and level of difficulty of the work, competency and skills, work performance and results achieved, leadership, and being a cultural ambassador for the Bank.

Performance-based variable remuneration is based on Handelsbanken's factors for setting salaries and it must be designed so that it does not encourage unhealthy risk-taking. The financial results of business areas with performance-based variable remuneration are adjusted for risk and charged with the actual cost of the capital and liquidity required by the operations.

Whether the management body or the remuneration committee, where established, reviewed the institution's remuneration policy during the past year, and if so, an overview of any changes that were made, the reasons for those changes and their impact on remuneration.

The remuneration policy was reviewed by the remuneration committee during the past year. Only editorial changes were made.

Information of how the institution ensures that staff in internal control functions are remunerated independently of the businesses they oversee.

No performance-related variable remuneration is provided at internal control functions. Internal control functions only participate in the profit-sharing scheme. For employees within the Bank's control functions, the contribution is based on criteria adapted to the control function's assignment, independent of profitability. Fixed remuneration is determined independently of the business areas the control functions are assigned to control.

Policies and criteria applied for the award of guaranteed variable remuneration and severance payments.

Guaranteed variable remuneration is not permitted according to the remuneration policy. Termination benefits can only be paid when an employment contract is terminated by means of mutual agreement on the remuneration, taking into account laws, collective bargaining agreements and the prevailing practices in the labour market; they must not encourage failure or negligence.

Description of the ways in which current and future risks are taken into account in the remuneration processes.

Disclosures shall include an overview of the key risks, their measurement and how these measures affect remuneration.

The Bank's principles for remuneration to employees are long established. In general, Handelsbanken has a low tolerance of risk and holds the opinion that fixed remuneration contributes to healthy operations. This is, therefore, the main principle.

Performance-based variable remuneration:

An assessment of performance, which forms the basis for the allocation and transfer of performance-based variable remuneration, must be primarily based on risk-adjusted profit metrics. Both current and future risks are to be taken into consideration. The performance assessment must be based on a perspective of several years, to take into account the underlying business cycle and any business risks, and on long-term sustainable profits. The assessment must also take into account the operations' cost of capital and liquidity. In the assessment, it must be possible to take into account the employee and the unit's

contribution to Handelsbanken's total business operations, even if these cannot be quantified. Proposals for the allocation and transfer of performance-based variable remuneration must include thorough documentation of performance and risks.

In addition to the stipulations above regarding performance assessments, the results that form the basis for performance-based variable remuneration must be based on results achieved without incurring credit, market, or liquidity risk for Handelsbanken. The assessment must also include how well the unit has been able to attract, recruit, retain and develop competent employees, thus being able to maintain high quality in its operations, in order to contribute to the achievement of Handelsbanken's corporate goal in the long term. The individual performance-based variable remuneration must also reflect a sustainable, risk-adjusted performance, with the Bank's salary-setting factors being taken into account.

Profit-sharing scheme:

Assessments that form the basis for the allocation to the profit-sharing scheme are to be based on Handelsbanken's corporate goals, calculated as return on equity (ROE) compared with peer competitors in the home markets, and on the Board's overall assessment of the Bank's performance.

The performance assessment must be risk adjusted, and based on a perspective over several years, to take into account the underlying business cycle and any business risks, and on long-term sustainable profits. The assessment must also take into account the Bank's cost of capital and liquidity.

The ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) CRD.

No employee may receive performance-based variable remuneration equivalent to more than 100% of their fixed remuneration. According to the rules of the profit-sharing scheme, the amount per employee is limited to maximum of SEK 100.000 per year. The total amount allocated for performance-based variable remuneration for one year for Handelsbanken employees must not exceed 0.4% of the Bank's common equity tier 1 capital.

For 2025, the allocation for performance-based variable remuneration corresponds to approximately 0.5% of total salaries and approximately 0.04% of the Bank's common equity tier 1 capital.

Description of the ways in which the institution seeks to link performance during a performance measurement period with levels of remuneration.

An overview of main performance criteria and metrics for institution, business lines and individuals.

Fixed remuneration:

The level of fixed remuneration is based on salary factors known in advance: the nature and level of difficulty of the work, competency and skills, work performance and results achieved, leadership, and being a cultural ambassador for the Bank.

Profit-sharing scheme:

Assessment that forms the basis for allocation to the profit-sharing scheme shall be based on Handelsbanken's corporate objectives, measured as return on equity (ROE) compared with peer competitors in the home markets, and the Board's overall assessment of the Bank's performance. The performance assessment must be risk-adjusted and made with a multi-year perspective to take into account the underlying business cycle and any business risks and on long-term sustainable

REMUNERATION POLICY

results. The assessment must also take into account the Bank's costs for capital and liquidity.

In order to receive an allocation from the profit-sharing scheme, it is required that the employee does not act in violation of Handelsbanken's internal policies and guidelines. Such violations would be evidenced in the form of issued written warnings or local equivalent.

The quantitative criterion is based on the employee's contribution to the Group's financial performance. For employees within those of the Bank's control functions which are covered by the scheme, the allocation is instead based on criteria adapted to the control function's assignment, independent of profitability considerations. This is followed up within the annual review process.

Performance-based variable remuneration:

The performance assessment must be based on a perspective over several years, to take into account the underlying business cycle and any business risks, and on long-term sustainable profits. The assessment must also take into account the operations' cost of capital and liquidity. In the assessment, it must be possible to take into account the employee's and the unit's contributions to Handelsbanken's total business operations. In addition, the results that form the basis for performance-based variable remuneration must be based on results achieved without incurring credit, market, or liquidity risk for Handelsbanken. The assessment must also include how well the unit has been able to attract, recruit, retain and develop competent employees, thus being able to maintain high quality in its operations, in order to contribute to the achievement of Handelsbanken's corporate goal in the long term.

Evaluation takes place using an evaluation tool, which is based on the Bank's salary-setting factors: The nature and degree of difficulty of the work, Performance ability and achieved work results, Competence, Leadership, Culture bearer including Compliance & Risk and the Market. Through the evaluation, the Bank considers that excessive risk-taking on the part of the employee is counteracted.

The manager evaluates employees where specific issues under each salary-based factor have been formulated by business unit managers for their respective operations. There are different sets of questions based on whether the employee is a manager or employee. In units where there are several different roles, questions have been adapted based on the role of the employee. The individual evaluations per salary-setting factor are documented in a separate system which supports and forms the basis for the award of performance-based variable remuneration.

An overview of how amounts of individual variable remuneration are linked to institution-wide and individual performance.

Profit-sharing scheme

The assessment that forms the basis for allocation to the profit-sharing scheme shall be based on Handelsbanken's corporate goal, measured as return on equity (ROE) compared with peer banks in the Bank's home markets and the Board's overall assessment of the Bank's development. The assessment must also take into account the Bank's costs for capital and liquidity.

The amount allocated to an employee is based on their working hours and the fulfilment of individual qualitative and quantitative criteria.

Performance-based variable remuneration

The performance assessment must be based on a perspective over

several years, to take into account the underlying business cycle and any business risks, and on long-term sustainable profits. The assessment must also take into account the operations' cost of capital and liquidity. In the assessment, it must be possible to take into account the employee's and the unit's contributions to Handelsbanken's total business operations. In addition, the results that form the basis for performance-based variable remuneration must be based on results achieved without incurring credit, market, or liquidity risk for Handelsbanken. The assessment must also include how well the unit has been able to attract, recruit, retain and develop competent employees, thus being able to maintain high quality in its operations, in order to contribute to the achievement of Handelsbanken's corporate goal in the long term.

The individual allocation is based on the Bank's salary-setting factors.

Information on the criteria used to determine the balance between different types of instruments awarded including shares, equivalent ownership interest, options and other instruments.

Only mutual funds are used as instruments as regards performance-based variable remuneration within subsidiaries where required.

Information of the measures the institution will implement to adjust variable remuneration in the event that performance metrics are weak, including the institution's criteria for determining "weak" performance metrics.

Profit-sharing scheme

The allocation to the profit-sharing scheme is adjusted based on an evaluation of Handelsbanken's corporate goals, calculated as return on equity (ROE) compared with peer competitors in the home markets, and on the Board's overall assessment of the Bank's performance, as well as evaluation of the individual criteria.

Performance-based variable remuneration

The allocation is adjusted based on the unit's contribution to Handelsbanken's total business operations.

The following criteria are considered:

- a) whether Handelsbanken's financial position or ability to fund its operations is materially weakened, or whether the Bank is subject to specific regulations under the legislation on state support to credit institutions or similar, in order to continue pursuing its operations
- b) whether unknown risks or losses materialise in the remuneration-setting profit figures/data at the unit or individual level
- c) whether there has been exposure to long-term illiquid assets, whose value has declined materially since the decision on allocation of variable remuneration and has thus incurred significant losses for Handelsbanken
- d) whether there has been exposure to assets which, following the decision on allocation of performance-based variable remuneration, have declined in value without the employee taking appropriate precautionary measures to minimise the risk of loss
- e) whether the allocation of performance-based variable remuneration was based on clearly erroneous grounds, of which the employee was aware, and
- f) the employee's compliance with internal and external regulations and instructions.

Description of the ways in which the institution seeks to adjust remuneration to take account of long-term performance.

An overview of the institution's policy on deferral, pay out in instrument, retention periods and vesting of variable remuneration including where it is different among staff or categories of staff.

The main rule for performance-based variable remuneration is that at least 40% is to be deferred for at least four years. For particularly large amounts of performance-based variable remuneration, 60% is deferred. Payment and the right of ownership to the variable remuneration do not accrue to the person with the entitlement until the expiry of the deferment period. Deferred variable remuneration can be removed or reduced if losses, increased risks, or increased expenses arise during the deferment period, or if payment is deemed to be unjustifiable in view of the Bank's financial situation. No employee may receive performance-based variable remuneration equivalent to more than 100% of their fixed remuneration.

Variable remuneration may consist solely of cash remuneration, or partly of cash remuneration and partly of financial instruments including mutual fund units, or solely of mutual fund units if the prevailing rules or the subsidiary's remuneration rules so specify.

Performance-based variable remuneration is applied with great caution and to a very limited extent. It is only offered to employees in the Capital Markets business area and in mutual fund and asset management operations. In these operations, performance-based variable remuneration may only be paid to employees at units whose profits derive from commissions or intermediary transactions that take place without the Bank being subject to credit risk, market risk or liquidity risk. Approximately 1% of the Group's employees are eligible to receive performance-based variable remuneration.

Information of the institution's criteria for ex post adjustments (malus during deferral and clawback after vesting, if permitted by national law).

The following criteria are considered:

- a) whether Handelsbanken's financial position or ability to fund its operations is materially weakened, or whether the Bank is subject to specific regulations under the legislation on state support to credit institutions or similar, in order to continue pursuing its operations
- b) whether unknown risks or losses materialise in the remuneration-setting profit figures/data at the unit or individual level
- c) whether there has been exposure to long-term illiquid assets, whose value has declined materially since the decision on allocation of variable remuneration and has thus incurred significant losses for Handelsbanken
- d) whether there has been exposure to assets which, following the decision on allocation of performance-based variable remuneration, have declined in value without the employee taking appropriate precautionary measures to minimise the risk of loss
- e) whether the allocation of performance-based variable remuneration was based on clearly erroneous grounds, of which the employee was aware, and
- f) the employee's compliance with internal and external regulations and instructions.

Where applicable, shareholding requirements that may be imposed on identified staff.

Not applicable.

The description of the main parameters and rationale for any variable components scheme and any other non-cash benefit in accordance with point (f) of Article 450(1) CRR.

Information on the specific performance indicators used to determine the variable components of remuneration and the criteria used to determine the balance between different types of instruments awarded, including shares, equivalent ownership interests, share-linked instruments, equivalent non-cash-instruments, options and other instruments.

Allocations under the profit-sharing scheme are distributed in cash, and performance-based variable remuneration is distributed in cash to employees that are not identified as risk-takers, and in mutual funds to risk-takers, where required.

Upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management.

Not applicable.

Information on whether the institution benefits from a derogation laid down in Article 94(3) CRD in accordance with point (k) of Article 450(1) CRR.

For the purposes of this point, institutions that benefit from such a derogation shall indicate whether this is on the basis of point (a) and/or point (b) of Article 94(3) CRD. They shall also indicate which of the remuneration principles they apply the derogation(s), the number of staff members that benefit from the derogation(s) and their total remuneration, split into fixed and variable remuneration.

Employees whose professional activities have a material impact on the Bank's risk profile, qualitative risk-takers, are not eligible for performance-based variable remuneration.

The profit-sharing scheme covers all employees in the Handelsbanken Group. The amount per employee is limited according to the rules of the profit-sharing scheme (maximum SEK 100.000 per year), and article 94(3) b) CRD has been applied.

Large institutions shall disclose the quantitative information on the remuneration of their collective management body, differentiating between executive and non-executive members in accordance with Article 450(2) CRR.

The total remuneration to the executive members of the management body amounts to SEK 19.8 m and the total remuneration to the non-executive members of the management body amounts to SEK 20.6 m.

EU REM1

Remuneration awarded for the financial year 2025		MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Number of identified staff	9	1	24	662
2	Total fixed remuneration	21	20	113	1 257
3	Of which: cash-based	21	20	113	1 257
EU-4a	Fixed remuneration				
	Of which: shares or equivalent ownership interests				
5	Of which: share-linked instruments or equivalent non-cash instruments				
EU-5x	Of which: other instruments				
7	Of which: other forms				
9	Number of identified staff		1	16	631
10	Total variable remuneration		0	0	33
11	Of which: cash-based		0	0	32
12	Of which: deferred				
EU-13a	Of which: shares or equivalent ownership interests				
EU-14a	Of which: deferred				
EU-13b	Variable remuneration				
	Of which: share-linked instruments or equivalent non-cash instruments				
EU-14b	Of which: deferred				
EU-14x	Of which: other instruments				0
EU-14y	Of which: deferred				0
15	Of which: other forms				
16	Of which: deferred				
17	Total remuneration (2 + 10)	21	20	113	1290

EU REM2

Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff) 2025		MB Supervisory function	MB Management function	Other senior management	Other identified staff
SEK m					
Guaranteed variable remuneration awards					
1	Guaranteed variable remuneration awards - Number of identified staff				
2	Guaranteed variable remuneration awards -Total amount				
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap				
Severance payments awarded in previous periods, that have been paid out during the financial year					
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff				3
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount				17
Severance payments awarded during the financial year					
6	Severance payments awarded during the financial year - Number of identified staff				15
7	Severance payments awarded during the financial year - Total amount				28
8	Of which paid during the financial year				14
9	Of which deferred				14
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap				14
11	Of which highest payment that has been awarded to a single person				4

EU REM3

Deferred and retained remuneration 2025							Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
		Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years			
SEK m									
1	MB Supervisory function								
2	Cash-based								
3	Shares or equivalent ownership interests								
4	Share-linked instruments or equivalent non-cash instruments								
5	Other instruments								
6	Other forms								
7	MB Management function								
8	Cash-based								
9	Shares or equivalent ownership interests								
10	Share-linked instruments or equivalent non-cash instruments								
11	Other instruments								
12	Other forms								
13	Other senior management								
14	Cash-based								
15	Shares or equivalent ownership interests								
16	Share-linked instruments or equivalent non-cash instruments								
17	Other instruments								
18	Other forms								
19	Other identified staff	1		1					
20	Cash-based								
21	Shares or equivalent ownership interests								
22	Share-linked instruments or equivalent non-cash instruments								
23	Other instruments	1		1					
24	Other forms								
25	Total amount	1		1					

EU REM4

Remuneration of 1 million EUR or more per year 2025		Identified staff that are high earners as set out in Article 450(i) CRR
EUR		
1	1 000 000 to below 1 500 000	3
2	1 500 000 to below 2 000 000	1
3	2 000 000 to below 2 500 000	
4	2 500 000 to below 3 000 000	
5	3 000 000 to below 3 500 000	
6	3 500 000 to below 4 000 000	
7	4 000 000 to below 4 500 000	
8	4 500 000 to below 5 000 000	
9	5 000 000 to below 6 000 000	
10	6 000 000 to below 7 000 000	
11	7 000 000 to below 8 000 000	

EU REM5

Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff) 2025	Management body remuneration			Business areas					All other	Total
	MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions		
Total number of identified staff										696
Of which: members of the MB	9	1	10							10
Of which: other senior management				1	3	4	15	1		24
Of which: other identified staff				15	532	2	80	33		662
Total remuneration of identified staff	21	20	41	71	919	29	308	76		1 444
Of which: variable remuneration		0	0	0	19	1	13	0		33
Of which: fixed remuneration	21	20	41	71	900	28	295	76		1 411

ESG Prudential disclosures

This section describes the integration of ESG risks in Handelsbanken's business strategy, processes, governance and risk management. It includes qualitative and quantitative information, in accordance with Article 449a in conjunction with Article 435 CRR. Sustainability risk for Handelsbanken is the risk that the Bank fails to identify and manage risks related to the environment and climate, social conditions, and corporate governance in accordance with the policies, guidelines and positions in the area, which could ultimately have negative financial consequences for the Bank, or damage the Bank's reputation. Also included is the risk that the Bank overlooks sustainability risks in its operations that fall outside the framework of existing policies and guidelines.

QUALITATIVE INFORMATION ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS

Business strategy and processes

Sustainability is integrated into Handelsbanken's corporate culture and working methods and permeates the Group's operations across all markets. Handelsbanken creates long-term value by supporting customers in their transition to a sustainable society and by taking responsibility for the Bank's own impact on the environment, society, and the economy. The Bank's greatest opportunity to contribute lies in its interaction with customers, through proactive advice as well as responsible financing and asset management. Handelsbanken's sustainability strategy ensures that sustainability is integrated in the business model. By starting from customer needs, managing risks, and developing solutions that promote long-term societal value, the Bank contributes to a stable economy and the transition to a more sustainable society.

Handelsbanken applies a decentralised business model in which decision-making authority is delegated close to customers. Operations are organised around local branches responsible for customer relationships, enabling well-informed decisions based on local knowledge and long-term relationships. This way of working also supports effective risk management, as risks are identified and assessed close to the customer and the underlying business. The core of Handelsbanken's business model has remained unchanged over time, creating the conditions to apply these principles consistently.

Governance

Handelsbanken's Board has overall responsibility for the Bank's risk management and establishes the internal rules governing it. The Board has established a risk committee, an audit committee and a remuneration committee, all comprised solely of Board members, which prepare matters for Board decisions. In addition, the CEO has established the Risk and Compliance Committee, which identifies, assesses, and provides commentary on the Bank's most material risks, including ESG risks, to ensure effective risk management. The committee also serves as a preparatory forum for matters to be discussed by the Board or the risk committee. The Board's work is conducted through strategy meetings, usually held twice per year, and through regular Board meetings.

To mitigate and reduce ESG risks, Handelsbanken applies policies and guidelines that affect both new and existing counterparties. The Board has adopted an overarching Sustainability Policy, which sets the direction for the Group's sustainability work and defines

Handelsbanken's approach to material topics related to customers, the Bank's role as an employer and as part of society, and its relationship with owners and investors. The policy covers areas including the environment, human rights and working conditions, anti-corruption, money laundering and taxes. In addition, the CEO establishes guidelines describing how risks are to be managed and reported.

Handelsbanken's sustainability work is guided by the ambition to integrate financial, social and environmental sustainability across all operations. This means conducting financially sound and sustainable business while encouraging and contributing to sustainable development. In doing so, risks and costs are reduced, new business opportunities are identified, employee engagement is strengthened, and confidence in Handelsbanken is maintained.

Handelsbanken's sustainability work is decentralised and conducted close to the business, where the opportunities for real impact are greatest. The Bank's operational sustainability manager coordinates and leads the daily sustainability work and reports to the Head of Handelsbanken Savings and Financing, who is also responsible for sustainability at the Group. The Head of Handelsbanken Savings and Financing reports to the CEO and, when relevant, to the Board of Directors. The Head of Handelsbanken Savings and Financing is responsible for ensuring that sustainability efforts are carried out in accordance with internal and external regulations, and that identified sustainability risks are managed within the operations. Responsibility for sustainability reporting lies with Handelsbanken Group Finance and the CFO, who is a member of the Bank's executive team. Sustainability matters and monitoring are primarily addressed in the Board by the Audit committee when it discusses interim reports, the annual accounts and the double materiality assessment.

The Head of Handelsbanken Savings and Financing chairs Handelsbanken's Sustainability Committee but has delegated the task to the operational sustainability manager. The Committee analyses and, when necessary, coordinates the Group's sustainability efforts, proactively identifying and addressing potential challenges and business opportunities. It consists of decision-makers from both business operations and central functions, several of whom are members of the Bank's executive team.

Handelsbanken's Sustainability Committee has analysed the 17 Sustainable Development Goals (SDGs), the UN's global framework for sustainable development, and their 169 targets to determine how they can be integrated into operations within the scope of the Bank's material topics. The analysis considered the Bank's degree of direct and indirect influence, identified risks and opportunities, and its most

material sustainability topics. As a result, Handelsbanken will focus on the following goals: gender equality; decent work and economic growth; industry, innovation and infrastructure; sustainable cities and communities; and peace, justice and strong institutions.

The Bank's Remuneration Policy emphasises sustainability by aligning remuneration with the business strategy and integrating sustainability considerations into the business model. No specific sustainability targets are linked to performance-based remuneration. Instead, long-term interests and a sustainable business model are promoted using fixed remuneration as the main principle. As remuneration consists primarily of fixed components and variable remuneration is applied very cautiously, sustainability-related outcomes are assessed through the Bank's general principles for sound and sustainable business rather than through specific performance indicators or benchmarks. Variable remuneration is not applied to members of the Bank's management, executive or supervisory bodies. For further information, see Pillar 3, Remuneration Policy.

Risk management

In accordance with the Policy for Sustainability, ESG risks are to be identified and integrated into the Bank's overall risk assessment across general risk areas, including credit, liquidity, market, operational and compliance risks. ESG risks are managed in line with Handelsbanken's generally low risk tolerance and within the risk limits applicable to the relevant risk categories.

The identification and assessment of ESG risks form an integral part of Handelsbanken's credit process. Credit decisions are made in a decentralised structure with responsibility delegated to local branches, supporting high-quality assessments based on local knowledge. The Bank's overall credit risk profile is characterised by low risk, with ESG aspects incorporated into credit risk assessments.

Each branch has full credit responsibility, and ESG-related risks are assessed as part of the evaluation of customers' creditworthiness. This includes assessing whether, and to what extent, ESG factors may affect the customer's financial resilience and repayment capacity. The Head of Handelsbanken Credit reports to the CEO, is a member of the Board-established credit committee and regularly reports to the Board on credit losses and portfolio risk.

Handelsbanken is selective in its choice of customers and prioritises high creditworthiness. Credit quality is never compromised in favour of higher volumes or returns, and the Bank may refrain from granting credit where ESG risks are assessed as excessive. All lending activities must comply with the Bank's low risk tolerance and high ethical standards.

Prior to granting credit, an analysis of the customer's business is always performed, with ESG risks integrated into the assessment of repayment capacity. Environmental, social and governance factors are considered throughout the credit-granting process, including in the setting of counterparty limits. As ESG considerations are embedded in the standard credit process, their impact on credit risk is monitored on an ongoing basis. This assessment also supports an understanding of the customer's transition needs and how Handelsbanken can contribute to risk reduction.

In addition to internal instructions, credit analysts use external sources to support ESG risk assessments. The primary source is information obtained directly from customers, including publicly available sustainability reporting and information gathered through dialogue. Where available, analyses from external credit rating agencies and

ESG research and rating firms, such as Moody's and Sustainalytics, are also used, primarily for publicly listed companies. Access to such information is governed by contractual agreements.

To meet increasing requirements for ESG-related data, Handelsbanken has identified data needs and is developing solutions to improve availability. Implementation is ongoing, and data will increasingly be sourced from existing internal data, purchased data and information obtained from customers. While access to ESG data is currently limited, it is expected to improve as corporate sustainability reporting expands.

ENVIRONMENT-SPECIFIC DISCLOSURES

The governance, strategy and risk management framework applicable to environmental risks is described in the general section on qualitative ESG risk disclosures. This section provides additional environment-specific information.

Business strategy and processes

Handelsbanken has guidelines, established by the CEO, governing business decisions related to the environment and climate change. These require the Bank to identify, assess and address climate- and environment-related risks associated with its customers. The guidelines are supplemented by a sector framework that defines the criteria under which fossil energy companies may be considered aligned with the objectives of the Paris Agreement to limit global warming to close to 1.5°C and therefore potentially eligible for financing.

Handelsbanken supports the EU action plan for financing sustainable growth and works to integrate its components, including the CSRD and the EU taxonomy, into business operations. Over time, the Bank's reporting of EU taxonomy-related key figures will become increasingly important, both as an indicator of business opportunities linked to climate change mitigation and as a tool for identifying and managing environmental risks.

To contribute to the achievement of the EU's climate targets, national climate targets in the Bank's home markets and the objectives of the Paris Agreement, customers are expected to reduce emissions in line with industry-specific targets established at EU and national level.

Handelsbanken's target is to reduce the total volume of its absolute Scope 1 and 2 emissions by 50 per cent in all home markets by 2030 from 2021 levels. The base year has been chosen based on recommendations from the Science Based Targets initiative (SBTi) regarding how base years should be set.

Governance

To ensure effective use of Handelsbanken's innovation capacity and coordinated efforts across the Group, a Green Finance Committee (GFC) has been established. The GFC is responsible for determining technical criteria for green and sustainability-related loans and products, as well as approving assets for inclusion in Handelsbanken's portfolio of green assets. It is a Group-wide committee that brings together the Bank's sustainability expertise. The Head of Handelsbanken Savings and Financing is responsible for the GFC, with day-to-day work delegated to the operational sustainability manager. The Committee ensures that loans eligible for inclusion in the Bank's green assets comply with the criteria set out in the Green Bond Framework and is also responsible for developing and updating the

framework. The GFC assesses the overall ESG benefits of eligible assets through a standardised process, including considerations such as life-cycle impacts, potential rebound effects, resilience, alignment with scientific targets and the risk of significant harm to other sustainability objectives. Technical criteria for green loans are approved by a majority vote of the Committee, with the operational sustainability manager holding a veto.

In 2023, Handelsbanken published its first Group-wide climate transition plan, which is regularly updated to reflect regulatory developments and changes in operations. The plan is grounded in the Bank's corporate culture and its ambition to contribute to the EU climate targets, national climate targets in each home market and the objectives of the Paris Agreement to limit global warming to close to 1.5°C. The transition plan sets out the Group's overall strategy for reducing risks, capturing opportunities and supporting customers in the green transition, with the aim of contributing to the achievement of these climate targets. Its structure is based on guidance for financial institutions from the Glasgow Financial Alliance for Net Zero (GFANZ), and the plan has been approved by the Head of Savings and Financing. In line with the Bank's decentralised operating model, all home markets and relevant business areas integrate the transition plan into their regular business planning, with a focus on activities that deliver the greatest positive impact in the real economy through reduced greenhouse gas emissions. Each home market has a steering committee comprising relevant decision-makers and local sustainability experts, responsible for developing national roadmaps and governing their implementation. Implementation of the national roadmaps is coordinated by the sustainability department through the Group-wide Task Force on Climate, chaired by the operational sustainability manager and comprising representatives from each home market.

Risk management

Handelsbanken has significant exposure to the real estate sector, where climate risks are material. Physical climate risks may result in damage to financed properties, potentially reducing collateral values and affecting customers' operations, income and repayment capacity. Transition risks, such as stricter energy efficiency requirements for buildings, may also lead to increased costs for customers and negatively affect both repayment capacity and collateral values. To address these risks, internal credit risk assessment instructions for property companies have been updated to strengthen the assessment of sector-specific climate risks.

Climate change is a global challenge requiring international cooperation. Handelsbanken supports international initiatives aimed at reducing environmental impact and addressing climate change, including the UN Global Compact and the Principles for Responsible Banking, which inform the Bank's work on climate adaptation and energy. Handelsbanken does not engage in lobbying activities intended to weaken international climate-related initiatives.

The CEO's Guidelines on Environment and Climate Change state that the Bank must avoid entering new business relationships with, or financing, companies engaged in coal mining. The Bank must also refrain from financing new oil or gas extraction, the expansion of existing extraction, or infrastructure directly linked to such activities. Credit may be declined where ESG risks are assessed as excessive, including where customers do not comply with these guidelines.

Handelsbanken's support for energy efficiency improvements among real estate customers is an example of how the Bank works concretely

to mitigate risks related to future EU minimum energy efficiency requirements.

To mitigate environmental and climate-related risks, Handelsbanken has implemented the following measures:

- Continuous development of the Bank's capacity to identify, measure, manage and report physical and transition climate risks within investment and credit processes, as well as within risk control and reporting. This includes the enhancement of existing procedures to improve the identification, valuation and stress testing of assets exposed to climate-related risks, for example using ESG questionnaires in the credit risk assessment process, supported by sector-specific ESG risk guidance developed by internal and external experts.
- A Supplier Code of Conduct.
- Policy documents and instructions governing responsible credits.
- Sustainability reporting in line with the EU Corporate Sustainability Reporting Directive (CSRD), including climate-related disclosures aligned with the TCFD framework.
- Mandatory sustainability-related training for employees.

To address climate-related financial risks, Handelsbanken has conducted scenario analyses of its lending portfolio. As a significant share of lending is secured by property collateral, the Bank's assessments of physical and transition risks have focused primarily on property-related risks within the credit risk framework.

Physical Climate Risk

The Bank's analysis of physical climate risks has focused on flood risk. Flood exposure from watercourses and sea level rise, and in some cases surface water, have been assessed across the Bank's four home markets for lending to the public, a large share of which is secured by real estate. The analysis is based on climate scenario data aiming to approximate RCP 8.5 and applies long-term horizons up to 2050–2100. RCP 8.5 corresponds to a projected global temperature increase of 3.2–5.4°C by 2100, according to the IPCC Fifth Assessment Report (AR5).

The scenario analyses indicate limited exposure to flooding risk for properties in Sweden, partly due to land elevation offsetting sea level rise. In Norway, exposure is somewhat higher but remains limited. In the Netherlands, extensive flood protection measures mitigate risks, and exposure is also assessed as limited despite large areas lying below sea level. Flood risk is generally more pronounced in the UK than in the other home markets, which is reflected in the Bank's exposures. However, this risk may be overstated, as the UK analysis is based on postcode-level data, whereas individual property coordinates are used in the other home markets. Current flood risk in the UK is already elevated and is expected to increase further as a result of climate change.

The results of the analyses are indicative and not fully comparable across countries, due to data uncertainties and differences in data sources, climate scenarios and time horizons. To further assess the implications of physical climate risks for credit risk, the Bank has analysed flood exposure across different credit risk classes. The results indicate that, despite exposure of property collateral to flooding risk, the creditworthiness of affected counterparties remains high, and the associated credit risk is considered limited.

Transition Risk

To assess transition risks in the Bank's lending portfolio, scenario analyses have been conducted to evaluate the financial impact of mandatory energy efficiency improvements for collateral properties, as well as the broader effects of the climate transition on the real economy and, consequently, on the Bank's customers.

The revised EU Energy Performance of Buildings Directive (EPBD) requires improvements in the energy performance of buildings. To assess the financial implications of these requirements, scenario analyses have been performed for lending to Swedish and Norwegian real estate companies and to Swedish households. Each customer was analysed based on individual balance sheets and income statements, using a range of macroeconomic scenarios developed by Handelsbanken over a five-year time horizon. The analyses assessed the impact of reductions in collateral property values corresponding to estimated investment costs. The results indicate that expected credit losses remain low.

To assess the effects of more stringent climate policies on the real economy and their potential impact on customers, additional scenario analyses have been conducted based on the Net Zero 2050 scenario developed by the Network for the Greening of the Financial System (NGFS). This scenario assumes the global implementation of climate policies aimed at achieving net-zero greenhouse gas emissions before 2050 and limiting global warming to 1.5°C. Under this scenario, customers incur costs related to greenhouse gas emissions from their properties. Emissions data were derived from energy performance certificates and estimates from the Partnership for Carbon Accounting Financials (PCAF). Using the same methodology, scope and five-year time horizon, these analyses also indicate low expected credit losses.

Handelsbanken considers responsible action to be fundamental to long-term value creation. Climate-related and environmental risks are primarily associated with increased credit losses and capital costs resulting from weakened customer financial positions. These risks may also arise from non-compliance, potentially leading to legal sanctions, reputational damage and reduced customer confidence.

SOCIAL RISK-SPECIFIC DISCLOSURES

The governance, strategy and risk management framework applicable to social risks is described in the general section on qualitative ESG risk disclosures. This section provides additional social risk-specific information.

Business strategy and processes

The CEO's guidelines for human rights and working conditions state that Handelsbanken supports the UN Guiding Principles on Business and Human Rights. Handelsbanken works to prevent or restrict any negative impact on human rights (including children's rights) and employees' rights which, through business relationships, is associated with the Group's operations, products or services, even if Handelsbanken itself has not caused this negative impact.

Handelsbanken does not accept any form of child labour, slave labour or human trafficking; it works to prevent the occurrence of these in the supply chain and in other companies with which Handelsbanken has business relations. In line with the UK Modern Slavery Act 2015, internal instructions and procedures are in place to guide employees in

identifying and addressing suspected cases of modern slavery or human trafficking.

Employees are required to act in a manner that upholds confidence in Handelsbanken, and all operations are to be characterised by high ethical standards. Financial advice must be based on customer needs, and conflicts of interest are to be identified and managed appropriately. Discrimination on grounds such as gender or religion is not permitted. The Policy for Ethical Standards also sets out procedures for reporting suspected internal fraud or other irregularities, including through an external whistleblowing system.

Risk management

Social risks, including human rights, social conditions and working conditions, are closely linked to other risk categories. Potential impacts on Handelsbanken primarily relate to increased credit losses and capital costs arising from weakened customer financial positions. Social risks may also result in reputational damage, non-compliance and legal consequences, including fines or other sanctions.

Regarding human rights and working conditions, the following international initiatives, guidelines and conventions can be mentioned:

- The UN Convention on the Rights of the Child (developed by the United Nations Global Compact, UNICEF and Save the Children)
- The UN Global Compact
- The UN Principles of Responsible Investment (PRI)
- The UN Principles for Responsible Banking (PRB)
- The UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Modern Slavery Act 2015
- The UN Universal Declaration of Human Rights
- The International Labour Organisation's core conventions

To mitigate social risks, Handelsbanken has implemented the following measures:

- Mandatory training for employees.
- A Supplier Code of Conduct and supplier audits.
- Strengthened processes related to the Bank's operations and its range of products and services.
- Periodic screening of companies in which Handelsbanken invests.
- ESG questionnaires in the credit risk assessment process, supported by sector-specific ESG risk guidance developed by internal and external experts, documentation requirements and system support.
- Policy documents governing responsible investment and responsible lending.

ESG PRUDENTIAL DISCLOSURES

ESG 1

The template includes assets in the banking book representing loans and advances, debt securities and equity exposures to non-financial counterparties in all countries, excluding assets held for trading and assets held for sale. The aim of the bank is to reduce the financed emissions both through financing the transition of our customers and through policies on new credits to sectors such as oil and gas. However, changes to exposure to single names in some sectors can be seen to have an effect on emissions, thereby increasing emissions in some subsectors. The financing of transition is perceived to be a tool to reduce risk in the face of future impact of climate change and being in line with the risk tolerance of the bank. In 2025 the method for calculating financed emissions has been updated. Emissions for counterparties in high emitting sectors are calculated using counterparty reported emissions, also for exposures collateralised by properties. This results in an overall increase in financed emissions. The identification of exposures to counterparties excluded from EU Paris-aligned benchmarks is made using data from an external provider. Company NACE codes (NACE rev 2) are collected from external official sources .

Handelsbanken calculates financed emissions as part of our membership in PCAF. ESG Pillar 3 financed emissions are calculated using the PCAF methods for real estate and business loans. Calculations are based on the most recent, available reported and estimated emissions for our counterparties from an external provider. The percentage of gross carrying amount based on reported emissions is defined as where reported emissions are available for Scope 1, 2 or 3 for a counterparty.

Banking book- Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity 2025	Gross carrying amount (SEK m)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions gross carrying amount percentage of the portfolio derived from company-specific reporting		> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
	Of which exposures towards companies excluded from EU **	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures	Of which Stage 2 exposures	Of which non-performing exposures	Of which Scope 3 financed emissions	Of which Scope 3 emissions	GHG emissions gross carrying amount percentage of the portfolio derived from company-specific reporting							
									<= 5 years	> 5 year <= 10 years						
SEK m																
Exposures towards sectors that highly contribute to climate change*	902 439	2	2 011	19 583	1 701	-379	-60	-236	4 141 364	3 518 793	3	853 043	22 023	7 874	19 499	2.0
A - Agriculture, forestry and fishing	8 123			60	12	-4	0	-2	28 735	14 371		7 909	177	36	0	2.0
B - Mining and quarrying	1 552		0	15	1	-1	0	0	22 896	18 988	3	1 277	65	210	0	3.0
<i>B.05 - Mining of coal and lignite</i>																
<i>B.06 - Extraction of crude petroleum and natural gas</i>	0											0	0	0	0	
<i>B.07 - Mining of metal ores</i>	51					0			12 603	12 220	95	51	0	0	0	1.0
<i>B.08 - Other mining and quarrying</i>	611			15	1	0	0	0	5 052	1 774		557	55	0	0	2.0
<i>B.09 - Mining support service activities</i>	890		0			0			5 242	4 993	0	669	11	210	0	4.0
C - Manufacturing	32 747		690	1766	47	-25	-3	-17	2 369 785	2 285 720	53	32 479	257	4	7	1.0
<i>C.10 - Manufacture of food products</i>	2 451		0	12	5	-3	0	-2	97 070	89 383	62	2 448	3	0	0	2.0
<i>C.11 - Manufacture of beverages</i>	325			3		0	0		1 012	450		324	0	0	0	1.0
<i>C.12 - Manufacture of tobacco products</i>	0			0		0	0		0	0		0	0	0	0	2.0
<i>C.13 - Manufacture of textiles</i>	107			10		0	0		1 432	1 299		104	3	0	0	2.0
<i>C.14 - Manufacture of wearing apparel</i>	23			0		0	0		326	326		23	0	0	0	1.0
<i>C.15 - Manufacture of leather and related products</i>	5			0		0	0		108	97		5	0	0	0	3.0
<i>C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials</i>	1 620		0	11	2	-2	0	-2	39 207	34 727	0	1 584	33	0	3	1.0
<i>C.17 - Manufacture of pulp, paper and paperboard</i>	62		0	3		0	0		2 366	1 466	2	53	9	0	0	3.0
<i>C.18 - Printing and service activities related to printing</i>	47			1	2	-2	0	-2	649	454		45	0	0	2	5.0
<i>C.19 - Manufacture of coke oven products</i>	173			0		0	0	0	13 425	9 060		173	0	0	0	0.0
<i>C.20 - Production of chemicals</i>	519		7	1		0	0		139 574	101 473	56	478	40	0	0	2.0
<i>C.21 - Manufacture of pharmaceutical preparations</i>	1 366		0	15		-1	0		7 554	4 983	61	1 366	0	0	0	2.0
<i>C.22 - Manufacture of rubber products</i>	3 224		0	2	3	0	0	0	31 032	27 425	28	3 200	24	0	0	0.0
<i>C.23 - Manufacture of other non-metallic mineral products</i>	985		0	21	4	-1	0	-1	42 596	35 645	39	963	22	0	0	2.0
<i>C.24 - Manufacture of basic metals</i>	288		0	1	2	0	0	0	8 158	6 799	27	279	10	0	0	2.0
<i>C.25 - Manufacture of fabricated metal products, except machinery and equipment</i>	2 067		9	25	5	-1	0	-1	420 806	418 583	69	1 974	89	1	2	2.0
<i>C.26 - Manufacture of computer, electronic and optical products</i>	9 203		81	1	11	-1	0	-1	963 960	962 401	80	9 202	1	0	0	0.0
<i>C.27 - Manufacture of electrical equipment</i>	2 725		155	12	5	-2	0	-2	388 509	385 076	84	2 722	3	0	0	3.0
<i>C.28 - Manufacture of machinery and equipment n.e.c.</i>	4 102		396	40	1	-2	0	-1	102 996	100 546	5	4 088	12	2	0	2.0
<i>C.29 - Manufacture of motor vehicles, trailers and semi-trailers</i>	71					0	0		2 708	2 623		71	0	0	0	2.0

ESG PRUDENTIAL DISCLOSURES

Banking book- Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity 2025	Gross carrying amount (SEK m)				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity	
	Of which exposures towards companies excluded from EU**	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures	Of which Stage 2 exposures	Of which non-performing exposures	GHG financed emissions	Of which Scope 3 financed emissions								
									SEK m							SEK m
C.30 - Manufacture of other transport equipment	36		0		0	0		191	143	0	36	0	0	0	1.0	
C.31 - Manufacture of furniture	1614	0	1599	5	-6	-1	-4	79 779	77 101	98	1614	0	0	0	0.0	
C.32 - Other manufacturing	994	0	3	1	-2	0	-1	2 852	2 407	6	988	6	0	0	1.0	
C.33 - Repair and installation of machinery and equipment	743	42	7	0	0	0	0	23 475	23 251	81	740	3	0	0	0.0	
D - Electricity, gas, steam and air conditioning supply	5 230	105	3	8	-5	0	-4	236 122	169 281	32	4 932	289	6	3	1.0	
D35.1 - Electric power generation, transmission and distribution	4 443	105	3	8	-5	0	-4	216 796	169 236	21	4 145	289	6	3	1.0	
D35.11 - Production of electricity	1 898	105	3	8	-5	0	-4	197 082	165 830	49	1 600	289	6	3	2.0	
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	0				0			0	0		0	0	0	0	1.0	
D35.3 - Steam and air conditioning supply	787				0			19 326	45	96	787	0	0	0	2.0	
E - Water supply; sewerage, waste management and remediation activities	1 315		7		0	0		17 092	7 568	1	1 234	78	3	0	3.0	
F - Construction	34 473	25	901	203	-118	-5	-103	176 697	143 416	2	32 139	1 572	609	153	2.0	
F.41 - Construction of buildings	29 302	16	700	157	-85	-3	-75	58 167	35 681	3	27 374	1 180	598	150	2.0	
F.42 - Civil engineering	531	9	48	1	-1	0	0	12 654	11 041	2	459	72	0	0	3.0	
F.43 - Specialised construction activities	4 640	0	154	45	-32	-2	-28	105 876	96 694	0	4 306	321	11	2	2.0	
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	21 519	0	1 320	143	-64	-5	-53	796 655	766 958	40	21 264	236	17	2	1.0	
H - Transportation and storage	4 381	2	92	8	-9	-1	-6	91 348	56 201	0	3 966	395	20	1	3.0	
H.49 - Land transport and transport via pipelines	2 193		58	5	-5	-1	-3	62 891	36 752	0	1 872	321	0	0	3.0	
H.50 - Water transport	71	2	5	0	0	0	0	7 338	1 580	2	70	1	0	0	2.0	
H.51 - Air transport	7		1		0	0		329	88		7	0	0	0	0.0	
H.52 - Warehousing and support activities for transportation	2 081		27	3	-3	0	-2	19 918	17 041	0	1 989	71	20	1	2.0	
H.53 - Postal and courier activities	29		0		0	0		871	740	16	29	1	0	0	2.0	
I - Accommodation and food service activities	24 837	184	861	121	-17	-6	-6	34 820	23 903	0	24 358	421	32	26	2.0	
L - Real estate activities	768 262	1 007	14 558	1 158	-137	-39	-44	367 215	32 385	0	723 487	18 532	6 937	19 307	3.0	
Exposures towards sectors other than those that highly contribute to climate change*	85 800	1 750	998	256	-64	-12	-38				73 811	9 562	2 238	189	3.0	
K - Financial and insurance activities	30 369	51	362	1	-4	-1	0				26 273	3 976	117	2	3.0	
Exposures to other sectors (NACE codes J, M - U)	55 432	1 699	636	256	-60	-11	-37				47 537	5 586	2 121	187	3.0	
Total	988 240	2	3 762	20 581	1 958	-443	-73	-273	4 141 364	3 518 793	3	926 854	31 585	10 112	19 688	2.0

* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006.

** Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation

ESG PRUDENTIAL DISCLOSURES

ESG 2

The availability of EPC labels for the real estate portfolio is limited since energy declarations are not compulsory and are required only when selling or letting properties. The source of information is public registries in each market and internal data originating from bilateral information from clients. EPC labels are defined according to national rules. The methods prescribed by PCAF for estimating energy efficiency scores are utilised for the part of the portfolio lacking EPC data. All credit agreements collateralised in some part by immovable property are included. Non-EU exposures are comprised of the real estate portfolios in the UK and Norway. The country classification is based on the location of the collateral.

Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral 2025	Total gross carrying amount															
	Level of energy efficiency (EP score in kWh/m ² of collateral)							Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
	0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m ² of collateral) estimated (%)	
SEK m																
Total EU area	1 606 104	486 030	987 835	127 117	3 628	1 445	49	44 873	101 850	190 807	246 671	295 511	119 620	31 031	575 740	100
Of which Loans collateralised by commercial immovable property	256 332	63 881	83 156	105 951	2 115	1 223	5	20 368	21 595	30 510	28 794	26 392	9 061	5 403	114 209	100
Of which Loans collateralised by residential immovable property	1 349 772	422 149	904 678	21 166	1 513	222	44	24 505	80 255	160 297	217 876	269 119	110 559	25 628	461 532	100
Of which Collateral obtained by taking possession: residential and commercial immovable properties																
Of which Level of energy efficiency (EP score in kWh/m ² of collateral) estimated	643 957	48 410	488 600	104 558	1 183	1 202	3								575 740	100
Total non-EU area	490 381	42 264	270 148	126 933	22 802	5 524	10 429	17 642	63 850	89 453	83 830	51 887	32 475	37 434	113 810	100
Of which Loans collateralised by commercial immovable property	198 110	23 868	90 513	46 206	14 122	3 270	7 850	13 399	34 314	42 303	34 894	18 432	6 775	4 733	43 260	100
Of which Loans collateralised by residential immovable property	292 271	18 396	179 635	80 727	8 681	2 253	2 579	4 244	29 535	47 150	48 936	33 455	25 700	32 701	70 551	100
Of which Collateral obtained by taking possession: residential and commercial immovable properties																
Of which Level of energy efficiency (EP score in kWh/m ² of collateral) estimated	384 545	27 234	238 807	96 748	8 613	603	260								113 810	100

ESG 3

Handelsbanken is in the process of overseeing the way to best work with sustainable transition in the credit portfolio. Methods for estimating and monitoring emissions have been improved during the year, and the bank is continually working with customers to increase sustainable business practices. As financing real estate property is a large part of the credit portfolio, the sector is included in the template. In line with the sector level approach, only exposures to properties owned by counterparties in the real estate sector are shown here. As calculations are based on the latest available energy declarations for properties, the reference year is not meaningful for the sector.

Handelsbanken has policies to restrict the financing coal, oil and gas activities, and there is little or no financing of production of fossil fuels. For more information about position on fossil energy, please see 'Sector Framework – Fossil energy' on the Handelsbanken website. The suggested NACE codes for sector definitions have been assessed for applicability regarding the IEA metrics. The process determines the counterparties included for sectors disclosed in this template. The lack of publicly available intensity figures from counterparties continues to be a challenge. Intensity figures and distances are not disclosed for sectors where only one counterparty has published metrics.

Banking book - Climate change transition risk: Alignment metrics 2025		NACE Sectors (a minima)	Portfolio gross carrying amount (SEK m)	Alignment metric**	Year of reference	Distance to IEA NZE2050 in %***	Target (year of reference + 3 years)
1	Power		2 686	kg/kWh	2024	-83.6	
2	Fossil fuel combustion		1 048	kg/kgoe	2024		
3	Automotive			gCO2/km	2024		
4	Aviation		7	gCO2/km	2024		
5	Maritime transport		71	gCO2/km	2024		
6	Cement, clinker and lime production		126	tCO2/t	2024		
7	Iron and steel, coke, and metal ore production		362	tCO2/t	2024	-45.8	
8	Chemicals		0	tCO2/t	2024		
9	Real estate commercial		296 852	kg/m2	2025	139.6	
#	Real estate residential		455 070	kg/m2	2025	6.9	

*** PiT distance to 2030 NZE2050 scenario in % (for each metric)

*

List of NACE sectors to be considered

IEA sector	Column b - NACE Sectors (a minima) - Sectors required		**Examples of metrics - non-exhaustive list. Institutions shall apply metrics defined by the IEA scenario
Sector in the template	sector	code	
Maritime transport	shipping	301	Average tonnes of CO2 per passenger-km Average gCO ₂ /MJ and Average share of high carbon technologies (ICE).
Maritime transport	shipping	3011	
Maritime transport	shipping	3012	
Maritime transport	shipping	3315	
Maritime transport	shipping	50	
Maritime transport	shipping	501	
Maritime transport	shipping	5010	
Maritime transport	shipping	502	
Maritime transport	shipping	5020	
Maritime transport	shipping	5222	
Maritime transport	shipping	5224	
Maritime transport	shipping	5229	
Power	power	27	Average tonnes of CO2 per MWh and Average share of high carbon technologies (oil, gas, coal).
Power	power	2712	
Power	power	3314	
Power	power	35	
Power	power	351	
Power	power	3511	
Power	power	3512	
Power	power	3513	
Power	power	3514	
Power	power	4321	
Fossil fuel combustion	oil and gas	06	Average tons of CO2 per GJ. and Average share of high carbon technologies (ICE).
Fossil fuel combustion	oil and gas	061	
Fossil fuel combustion	oil and gas	0610	
Fossil fuel combustion	oil and gas	062	
Fossil fuel combustion	oil and gas	0620	
Fossil fuel combustion	coal	08	
Fossil fuel combustion	coal	09	
Fossil fuel combustion	oil and gas	091	
Fossil fuel combustion	oil and gas	0910	
Fossil fuel combustion	oil and gas	192	
Fossil fuel combustion	oil and gas	1920	
Fossil fuel combustion	oil and gas	2014	
Fossil fuel combustion	oil and gas	352	
Fossil fuel combustion	oil and gas	3521	
Fossil fuel combustion	oil and gas	3522	
Fossil fuel combustion	oil and gas	3523	
Fossil fuel combustion	oil and gas	4612	
Fossil fuel combustion	oil and gas	4671	
Iron and steel, coke, and metal ore production	coal	05	Average tonnes of CO2 per tonne of output and Average share of high carbon technologies (ICE).
Iron and steel, coke, and metal ore production	coal	051	
Iron and steel, coke, and metal ore production	coal	0510	
Iron and steel, coke, and metal ore production	coal	052	
Iron and steel, coke, and metal ore production	coal	0520	
Iron and steel, coke, and metal ore production	steel	07	
Iron and steel, coke, and metal ore production	steel	072	
Iron and steel, coke, and metal ore production	steel	0729	
Iron and steel, coke, and metal ore production	steel	24	
Iron and steel, coke, and metal ore production	steel	241	
Iron and steel, coke, and metal ore production	steel	2410	
Iron and steel, coke, and metal ore production	steel	242	
Iron and steel, coke, and metal ore production	steel	2420	
Iron and steel, coke, and metal ore production	steel	2434	
Iron and steel, coke, and metal ore production	steel	244	
Iron and steel, coke, and metal ore production	steel	2442	
Iron and steel, coke, and metal ore production	steel	2444	
Iron and steel, coke, and metal ore production	steel	2445	
Iron and steel, coke, and metal ore production	steel	245	
Iron and steel, coke, and metal ore production	steel	2451	
Iron and steel, coke, and metal ore production	steel	2452	
Iron and steel, coke, and metal ore production	steel	25	
Iron and steel, coke, and metal ore production	steel	251	
Iron and steel, coke, and metal ore production	steel	2511	
Iron and steel, coke, and metal ore production	steel	4672	

ESG PRUDENTIAL DISCLOSURES

IEA sector	Column b - NACE Sectors (a minima) - Sectors required		**Examples of metrics - non-exhaustive list. Institutions shall apply metrics defined by the IEA scenario
Sector in the template	sector	code	
Cement, clinker and lime production	cement	0811	Average tonnes of CO2 per tonne of output and Average share of high carbon technologies (ICE).
Cement, clinker and lime production	cement	089	
Cement, clinker and lime production	cement	235	
Cement, clinker and lime production	cement	2351	
Cement, clinker and lime production	cement	2352	
Cement, clinker and lime production	cement	236	
Cement, clinker and lime production	cement	2361	
Cement, clinker and lime production	cement	2363	
Cement, clinker and lime production	cement	2364	
aviation	aviation	3030	Average share of sustainable aviation fuels and Average tonnes of CO2 per passenger-km
aviation	aviation	3316	
aviation	aviation	511	
aviation	aviation	5110	
aviation	aviation	512	
aviation	aviation	5121	
aviation	aviation	5223	
automotive	automotive	2815	Average tonnes of CO2 per passenger-km and Average share of high carbon technologies (ICE).
automotive	automotive	29	
automotive	automotive	291	
automotive	automotive	2910	
automotive	automotive	292	
automotive	automotive	2920	
automotive	automotive	293	
automotive	automotive	2932	

ESG 4

The list of top carbon-emitting companies is sourced from the Carbon Majors database from the Climate Accountability Institute (2023).

No materiality restrictions have been applied to exposures. All loans and advances, debt securities and equity instrument exposures in the banking book to the identified corporations and their subsidiaries have been included, regardless of purpose, line of business or economic activity. The purpose of the credit may be to aid transition or to instigate mitigation, or it may be that the financed economic activity may even be included in the taxonomy.

Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms 2025	Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)*	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
	4	0.0	0	1.5	1

*For counterparties among the top 20 carbon emitting companies in the world

ESG PRUDENTIAL DISCLOSURES

ESG 5

The gross carrying amount (GCA) column includes all exposures to non-financial counterparties in the sector for all countries and regions of the Bank regardless of their exposure to physical risk. Subsequent columns include only the gross carrying amount linked to collateral and counterparties exposed to high physical risk. Additional sectors are included where the physical risk of the sector is estimated to exceed 10 per cent of the gross carrying amount of the sector due to chronic and acute climate change events.

The source for physical risk data concerning flooding and sea level rise are governmental agencies from Sweden, Norway, and the Netherlands and is applied based on geolocation of counterparties and real estate collateral. In the UK data is sourced from an external provider based on postal codes. Data from a global external provider covers other aspects of chronic and acute physical risks as listed in Appendix A of the delegated climate act, 2021/2139 (EU), such as drought, extreme heat and cold, cyclones and wildfire. Water stress is deemed to be a material risk primarily for the agricultural sector. In addition to the regional climate model assessment based on actual geolocation coordinates for properties, large counterparties are individually assessed for the same physical risks.

In conclusion, the physical risk encompasses acute risks due to flooding, drought, extreme heat and cold, cyclones, and wildfires and chronic physical risks due to sector based water stress and sea level rise.

The scenario used is RCP 8.5 (the worst-case scenario of business as usual with no climate mitigating actions resulting in a temperature increase up to 4 degrees). The outlook is long-term due to a large part of the portfolio being real estate financing. Thus the time horizon selected is the year 2050, except for the risk of flooding in Norway and Sweden and sea level rise in Norway which is only available for year 2100.

Exposure to the impact of climate change events is reported in gross amounts, i.e. before mitigating actions such as insurance, mitigating actions taken by counterparties, local governments, or other parties (such as flooding or sea erosion barriers, sewage upgrades), etc. It is expected that the effect of physical risk on the portfolio is significantly decreased by such mitigating factors.

Banking book - Climate change physical risk: Exposures subject to physical risk 2025	Gross carrying amount													Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	of which exposures sensitive to impact from climate change physical events											Of which Stage 2 exposures	Of which non-performing exposures			
	Breakdown by maturity bucket						of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events							
	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures			
SEK m																
A - Agriculture, forestry and fishing	8 123	654	14	0	0	2	503	165	0	0	0	0	0	0	0	0
B - Mining and quarrying	1 552	37	0	0	4	4	0	37		0	0	0	0	0	0	0
C - Manufacturing	32 747	188	7	0	0	2	23	173		16	0	0	0	0	0	0
D - Electricity, gas, steam and air conditioning supply	5 230	10	0	0	0	3	0	10		0	0	0	0	0	0	0
E - Water supply; sewerage, waste management and remediation activities	1 315	35	15	0	3	3	11	38		0		0	0	0	0	0
F - Construction	34 473	1 444	42	0	0	2	205	1 281		32	2	-1	0	0	0	0
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	21 519	443	31	0	0	2	54	416	4	64	6	-4	0	0	0	-4
H - Transportation and storage	4 381	143	1	3	0	3	20	127		0	0	0	0	0	0	0
L - Real estate activities	768 262	23 237	1 039	11	15	2	3 746	19 981	574	654	82	-9	-4	0	0	0
Loans collateralised by commercial immovable property	371 687	19 797	1 089	2	0	2	4 514	15 792	583	535	57	-11	-4	0	0	0
Loans collateralised by residential immovable property	509 951	8 786	319	13	15	2	457	8 675	1	281	48	-7	-1	0	0	-4
Reposessed collaterals																
Other relevant sectors (breakdown below where relevant)																
J - Information and communication																
K - Financial and insurance activities																

ESG 5 SE

Sweden Banking book - Climate change physical risk: Exposures subject to physical risk 2025	Gross carrying amount													
	of which exposures sensitive to impact from climate change physical events													
	Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non- performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			
	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity						of which Stage 2 exposures	Of which non- performing exposures	of which Stage 2 exposures	Of which non- performing exposures
SEK m														
A - Agriculture, forestry and fishing	6 586	520	0	0	1	503	17	0	0	0	0	0	0	0
B - Mining and quarrying	217	0	0	0		0			0	0	0	0	0	0
C - Manufacturing	27 509	50	0	0	0	0	50		0	0	0	0	0	0
D - Electricity, gas, steam and air conditioning supply	2 708	0	0	0	0	0			0	0	0	0	0	0
E - Water supply; sewerage, waste management and remediation activities	918	11	0		1	11			0		0	0	0	0
F - Construction	10 848	10	0	0	1	0	10		4	0	0	0	0	0
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	13 918	41	0	0	1	12	30		0	6	-4	0	0	-4
H - Transportation and storage	2 052	0	1	0	8	0	1		0	0	-107	0	0	0
L - Real estate activities	493 132	5 034	76	1	2	327	4 340	448	158	4	0	0	0	0
Loans collateralised by commercial immovable property	138 041	2 169	2	1	1	607	1 110	452	18	0	0	0	0	0
Loans collateralised by residential immovable property	393 032	3 753	76	0	2	284	3 540	1	152	10	-4	0	0	-4
Repossessed collaterals														
Other relevant sectors (breakdown below where relevant)														
J - Information and communication														

ESG PRUDENTIAL DISCLOSURES

ESG 5 UK

United Kingdom Banking book - Climate change physical risk: Exposures subject to physical risk 2025		Gross carrying amount												
		of which exposures sensitive to impact from climate change physical events											Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	
		Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non- performing exposures	of which Stage 2 exposures		Of which non- performing exposures
		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity								
SEK m														
A - Agriculture, forestry and fishing	1 422	134	14		3		148		0	0	0	0	0	
B - Mining and quarrying	67	37			4	0	37				0	0	0	
C - Manufacturing	2 345	115	7		2	0	122		16	0	0	0	0	
D - Electricity, gas, steam and air conditioning supply	37	10			3	0	10				0			
E - Water supply; sewerage, waste management and remediation activities	197	23	15		3		38				0	0		
F - Construction	8 736	1 171	42		2	0	1 212		26	2	-1	0	0	
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	2 578	346	31		2	0	377		64	0	0	0	0	
H - Transportation and storage	648	125	0		3	0	125		0		0	0		
L - Real estate activities	120 133	14 162	951	6	15	3	15 134		455	78	-9	-3	0	
Loans collateralised by commercial immovable property	88 189	12 972	1 079	0	0	3	14 051		462	56	-10	-4	0	
Loans collateralised by residential immovable property	61 120	4 818	239	6	15	2	5 078		127	38	-2	-1	0	
Repossessed collaterals														
Other relevant sectors (breakdown below where relevant)														
K - Financial and insurance activities	3 048	519	45		3	0	565		5		-1	0		
M - Professional, scientific and technical activities	2 194	244	2		3	0	246		0	0	0	0	0	
S - Other service activities	1 798	212	0	0	2	0	212				0	0		

ESG 5 NO

Norway Banking book - Climate change physical risk: Exposures subject to physical risk 2025	Gross carrying amount												
	of which exposures sensitive to impact from climate change physical events											Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions	
	Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non- performing exposures	of which Stage 2 exposures		Of which non- performing exposures
	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity								
SEK m	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity	chronic climate change events	acute climate change events	and acute climate change events	Of which Stage 2 exposures	Of which non- performing exposures	of which Stage 2 exposures	Of which non- performing exposures	
A - Agriculture, forestry and fishing	115	0	0	0					0		0	0	
B - Mining and quarrying	1 269	0	0	0		0			0		0	0	
C - Manufacturing	1 766	23	0	0	2	23			0	0	0	0	
D - Electricity, gas, steam and air conditioning supply	2 485	0	0			0					0		
E - Water supply; sewerage, waste management and remediation activities	32	0	0	0					0		0	0	
F - Construction	11 339	245	0	0	0	1	205	40	2	0	0	0	
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	4 603	56	0	0	1	42	10	4	0	0	0	0	
H - Transportation and storage	411	18	0	3	3	20			0		0	0	
L - Real estate activities	125 677	4 000	11	4	0	1	3 420	465	126	27	0	0	
Loans collateralised by commercial immovable property	106 931	4 520	7	1	0	1	3 910	491	130	42	0	0	
Loans collateralised by residential immovable property	42 310	185	5	7	0	2	173	24	3	0	0	0	
Repossessed collaterals													

ESG PRUDENTIAL DISCLOSURES

ESG 5 NL

Netherlands Banking book - Climate change physical risk: Exposures subject to physical risk 2025	Gross carrying amount											Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	of which exposures sensitive to impact from climate change physical events													
	Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non- performing exposures	of which Stage 2 exposures	Of which non- performing exposures		
	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity									
SEK m														
A - Agriculture, forestry and fishing														
B - Mining and quarrying														
C - Manufacturing	32	0				0							0	
D - Electricity, gas, steam and air conditioning supply														
E - Water supply; sewerage, waste management and remediation activities	0	0											0	
F - Construction	3 550	18	0		4	0	18						0	
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	32	0				0							0	
H - Transportation and storage	313	0				0							0	
L - Real estate activities	29 245	46	1		3	0	46		14				0	0
Loans collateralised by commercial immovable property	37 844	135	1		4		136		14				0	0
Loans collateralised by residential immovable property	13 490	30	0		2		30		0				0	0
Repossessed collaterals														
Other relevant sectors (breakdown below where relevant)														
K - Financial and insurance activities														
M - Professional, scientific and technical activities														

Definitions and explanations

ADDITIONAL TIER 1 CAPITAL

Additional tier 1 capital comprises perpetual subordinated loans which meet the requirements stated in Regulation (EU) No 575/2013 and can therefore be included in the tier 1 capital.

AFR

Available financial resources (AFR) is the Bank's equity with the addition of other financial values on and off the balance sheet, available to cover losses with a one-year time horizon.

BUFFER REQUIREMENT FOR SYSTEMICALLY IMPORTANT INSTITUTIONS

The buffer requirement for banks considered especially important to the financial system. For institutions that are systemically important on a global scale, the requirement can be up to 3.5 per cent. For other systemically important institutions, it can be up to 2 per cent.

CAPITAL CONSERVATION BUFFER

The purpose of this buffer requirement of 2.5 per cent is to ensure that all banks maintain buffer capital exceeding the minimum capital requirements.

CAPITAL REQUIREMENT

The statutory capital requirement means that an institution which is subject to CRR must have a common equity tier 1 ratio of at least 4.5 per cent, a tier 1 ratio of at least 6 per cent and a total capital ratio of at least 8 per cent. This means that own funds for the respective ratio must be at least the stated percentage of the risk exposure amount. For definitions of the respective own funds amounts, see Common equity tier 1 capital, Tier 1 capital and Total capital. In addition to the general requirements, the supervisory authority may add institution-specific requirements in accordance with Pillar 2 of the regulations.

COMBINED BUFFER REQUIREMENT

The sum of the capital conservation buffer, the countercyclical buffer, the requirement for systemically important institutions and the systemic risk buffer.

COMMON EQUITY TIER 1 CAPITAL

Common equity tier 1 capital is one of the components of own funds and mainly comprises equity. Deductions are made for dividends generated, goodwill, and other intangible assets as well as the difference between an expected loss and provisions made for probable loan losses.

COMMON EQUITY TIER 1 RATIO

Common equity tier 1 capital in relation to total risk exposure amount.

COUNTERCYCLICAL BUFFER

A buffer requirement that varies over the business cycle to counteract excessively high credit growth. The level is set by the Swedish Financial Supervisory Authority and can be between 0 and 2.5 per cent.

CRD IV

The EU Credit Institutions Directive: Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms.

CREDIT CONVERSION FACTOR (CCF)

A percentage value by which off-balance sheet exposures are

multiplied to calculate the exposure amount. The credit conversion factor corresponds to the expected utilisation level of the exposure in the event of default.

CREDIT RISK PROTECTION

Risk-mitigation factors and measures.

CREDITS IN DEFAULT

Impaired exposures that are also classified as 'defaulted' under Article 178 of CRR.

CRR

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.

CVA

The credit valuation adjustment (CVA) risk means the risk that the market value of a derivative will decrease, owing to deterioration of the creditworthiness of the counterparty. The CVA is a component in the regulations for the valuation of derivatives. An exposure to a counterparty with weaker creditworthiness must have a lower carrying amount than the equivalent exposure to a counterparty with better creditworthiness. In this context, credit risk means that if a given counterparty's creditworthiness weakens, the balance sheet values of all derivative transactions with this counterparty with a positive market value decrease – and thus the Bank's equity decreases.

DEFAULT

A default shall be considered to have occurred with regard to a particular obligor when either or both of the following have taken place:

- (a) the institution considers that the obligor is unlikely to pay its credit obligations to the institution, the parent undertaking or any of its subsidiaries in full, without recourse by the institution to actions such as realising security;
- (b) the obligor is more than 90 days past due on any material credit obligation to the institution, the parent undertaking or any of its subsidiaries.

ECONOMIC CAPITAL (EC)

Economic capital is a model for calculating economic capital which, in one measurement, identifies the Group's overall risks and indicates the capital which, with very high probability, will cover unexpected losses or decreases in value.

EXPECTED LOSS (EL)

Expected loss or EL means the ratio of the amount expected to be lost on an exposure from a potential default of a counterparty or dilution over a one-year period to the amount outstanding at default.

ELIGIBLE LIABILITIES AND OWN FUNDS

The sum of qualified eligible senior liabilities according to the definition in Swedish Resolution Act (SFS 2015:1016) and own funds.

EXPOSURE AMOUNT

Exposure amount (exposure at default) is the amount which is subject to capital adequacy requirements. For off-balance-sheet items, the amounts are recalculated using the credit conversion factor (CCF). For

derivatives, the exposure value is calculated according to the standardised approach for counterparty credit risk (SA-CCR).

EXPOSURE VALUE

Exposure value is the same as exposure amount. The exposure value concept is used in the standardised approach for credit risk.

FORBEARANCE MEASURE

Forbearance measure is a concession by an institution towards an obligor that is experiencing or is likely to experience difficulties in meeting its financial commitments.

IRB

Internal Ratings Based approach.

IRB APPROACH

The Internal Ratings Based approach or the IRB approach is the approach provided for in Chapter 3 of regulation (EU) No 575/2013 to calculate the risk-weighted exposure amounts for the purposes of points (a) and (f) of Article 92(3).

LEVERAGE RATIO

Tier 1 capital in relation to total assets, including certain off-balance-sheet items recalculated with conversion factors defined in the standardised approach and regulatory adjustments from own funds.

LOSS GIVEN DEFAULT (LGD)

Loss given default or LGD means the ratio of the loss on an exposure due to the default of a counterparty to the amount outstanding at default.

LIQUIDITY COVERAGE RATIO (LCR)

High-quality liquid assets in relation to an estimated net outflow of liquidity over a period of 30 days.

LOAN LOSS RATIO

Loan losses and changes in value of repossessed property in relation to loans to the public and credit institutions (excluding banks), and also repossessed property and credit guarantees at the beginning of the year.

MREL REQUIREMENT

Minimum requirement for eligible liabilities and own funds. Requirement is determined annually by the SNDO, the resolution authority, in accordance with the Swedish resolution Act (SFS 2015:1016).

NET STABLE FUNDING RATIO (NSFR)

The structural liquidity measure that is the ratio between available stable funding and the stable funding required.

NPL NON-PERFORMING LOANS/NPE NON-PERFORMING EXPOSURES

Non-performing loans/exposures are defined as defaulted exposures plus forbore exposures. A default shall be considered to have occurred when the obligor is unlikely to pay its credit obligation to the institution or the obligor is past due more than 90 days on any material credit obligation.

OWN FUNDS/TOTAL CAPITAL

Own funds are the sum of tier 1 and tier 2 capital.

PD

Probability of default or PD means the probability of default of a counterparty over a one-year period.

PERFORMING CREDITS

Credits that are neither impaired nor defaulted.

PILLAR 2 GUIDANCE

Guidance in accordance with Pillar 2 of the regulations allows the supervisory authority to inform the bank of the capital level which it deems the bank must maintain, excluding the minimum and buffer requirements maintained to cover risks and manage future financial strain.

PILLAR 2 REQUIREMENT

The requirement consists of an additional minimum requirement based on a formal decision from the regulatory authorities within the Pillar 2 framework and concerns risks that a bank is or could be exposed to that are not covered by the general minimum requirements.

RISK EXPOSURE AMOUNT

The capital requirement in accordance with CRR, multiplied by 12.5. The risk exposure amount is used in conjunction with market risk and operational risk.

RISK WEIGHT

A measure to describe the level of risk an exposure is expected to have according to the capital adequacy regulations.

RISK-WEIGHTED EXPOSURE AMOUNT

Exposure amount multiplied by risk weight. The risk-weighted exposure amount is used in conjunction with credit risk including counterparty risks.

SECURITISATION

Securitisation means a transaction or scheme, whereby the credit risk associated with an exposure or a pool of exposures is tranching, having all of the following characteristics: (a) payments in the transaction or scheme are dependent upon the performance of the exposure or of the pool of exposures; (b) the subordination of tranches determines the distribution of losses during the ongoing life of the transaction or scheme; (c) the transaction or scheme does not create exposures which possess all of the characteristics listed in Article 147(8) of Regulation (EU) No 575/2013.

SPECIFIC CREDIT RISK ADJUSTMENT

Specific credit risk adjustments consist of collective and individual credit risk adjustments. These apply to exposures covered by either the standardised approach or the IRB approach.

STANDARDISED APPROACH

The Standardised approach is the approach provided for in Chapter 2 of Regulation (EU) No 575/2013 to calculate the risk-weighted exposure amounts for the purposes of points (a) and (f) of Article 92(3). The standardised approach means that the risk weights used when calculating the capital requirement for credit risk are specified in the regulations.

SYSTEMIC RISK BUFFER

A buffer requirement of 3 for the largest banks in Sweden. The aim of the systemic risk buffer is to protect the banking system as a whole in times of financial instability.

TIER 1 CAPITAL

Common equity tier 1 capital including additional tier 1 capital.

TIER 1 RATIO

Tier 1 capital in relation to total risk exposure amount.

TIER 2 CAPITAL

Tier 2 capital is one of the components of own funds and mainly consists of subordinated loans which fulfil the requirements stated in

Regulation (EU) No 575/2013 and can therefore be included as tier 2 capital.

TOTAL CAPITAL RATIO

Total capital in relation to total risk exposure amount.

TOTAL LIABILITIES AND OWN FUNDS

The sum of the Bank's total liabilities and own funds

TOTAL RISK EXPOSURE AMOUNT

The sum of risk exposure amount and risk-weighted exposure amount.

Information items not disclosed according to Article 432

Tables not applicable, non-material or confidential 2025

Table	Description	Reason for non-disclosure
EU CCR7	RWEA flow statements of CCR exposures under the IMM	Not applicable
EU MRB	Qualitative disclosure requirements for institutions using the internal Market Risk Models	Not applicable
EU MR2-A	Market risk under the internal Model Approach (IMA)	Not applicable
EU MR2-B	RWA flow statements of market risk exposures under the IMA	Not applicable
EU MR3	IMA values for trading portfolios	Not applicable
EU MR4	Comparison of VaR estimates with gains/losses	Not applicable
EU CRC	The description of the main types of guarantors and counterparties for credit derivatives and their creditworthiness	Confidential
EU CR2a	Changes in the stock of non-performing loans and advances and related net accumulated recoveries	Not applicable
EU CQ2	Quality of forbearance	Not applicable
EU CQ6	Collateral valuation - loans and advances	Not applicable
EU CQ8	Collateral obtained by taking possession and execution processes – vintage breakdown	Not applicable
EU-SECA	Qualitative disclosure requirements related to securitisation exposures	Non-material
EU-SEC1	Securitisation exposures in the non-trading book	Non-material
EU-SEC2	Securitisation exposures in the trading book	Non-material
EU-SEC3	Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor	Non-material
EU-SEC4	Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor	Non-material
EU-SEC5	Exposures securitised by the institution - Exposures in default and specific credit risk adjustments	Non-material

Signatures of the Chief Executive Officer, Chief Financial Officer and Head of Handelsbanken Risk Control

The Communication Policy for the Handelsbanken Group, adopted by Handelsbanken's Board, and the President and Chief Executive Officer's Guidelines for communication in the Handelsbanken Group are Handelsbanken's steering documents for compliance with the disclosure requirements in Regulation (EU) No 575/2013.

The control environment described in the Annual Report's Corporate Governance Report and in this report is fundamental to Handelsbanken's internal control of disclosures under Part Eight of Regulation (EU) No 575/2013: organisational structure, division of responsibilities, guidelines and steering documents. Another part of the internal control process is the identification and management of the risks that may affect the preparation of disclosures under Part Eight of Regulation (EU) No 575/2013 and the control activities incorporated in the process for preparing disclosures. The Bank has information and communication paths intended to promote the completeness, accuracy, meaningfulness, and consistency over time of disclosures under Part Eight of Regulation (EU) No 575/2013.

The responsibility for internal control of disclosures under Part Eight of Regulation (EU) No 575/2013 has been delegated from the President and Chief Executive Officer to managers who report directly to the CEO and who are in charge of internal control within their respective units.

We hereby declare that the disclosures under Part Eight of Regulation (EU) No 575/2013 have been prepared in accordance with Handelsbanken's internal control framework. The information which is provided under Part Eight of Regulation (EU) No 575/2013 is satisfactory, including in terms of control and frequency, in relation to the disclosure requirements in the Regulation and provides market participants with a comprehensive picture of Handelsbanken's risk profile.

STOCKHOLM FEBRUARY 2026

Michael Green

President and Chief Executive Officer

Mårten Bjurman

Chief Financial Officer

Maria Hedin

Head of Handelsbanken Risk Control

