POLICY FOR SUSTAINABILITY AT STADSHYPOTEK

adopted by the Board on 21 April 2026

This policy must be applied throughout Stadshypotek, including to branch operations, where applicable, unless binding regulations outside Sweden make deviations necessary. Acceptance and backing for such deviations must be gained from the Chief Executive Officer.

1 Purpose

The purpose of this policy is to establish the focus for Stadshypotek's work in the area of sustainability. The policy addresses customer relations, conduct as an employer and an institution in society, relationships with the owner and investors, and suppliers and other business partners.

2 Focus

Stadshypotek's success is dependent on the confidence of customers, employees, owners, public authorities and other stakeholders. Responsible actions are essential to long-term value creation and to Stadshypotek's capacity to run a stable and sustainable business over time.

The overall goal is to achieve better profitability than the average of comparable peers in the home markets. There are two means for achieving this goal: lower costs and more satisfied customers than comparable peers.

By integrating sustainability work into its continuing operations, Stadshypotek contributes to long-term, stable and responsible development that benefits customers and society, and which also considers the climate and environment.

The sustainability work, including such areas as responsible lending, into the business operations – in product development, in purchasing decisions, in various local initiatives and in knowledge sharing.

Stadshypotek supports its customers with financial products, services and advice that meet their needs for making sustainable choices, compliance with applicable regulations and preparations for future legislation. This strengthens customer's capability to manage climate and sustainability-related risks, while simultaneously identifying and harnessing business opportunities. Stadshypotek shall also endeavour to reduce its own direct impact on the environment and climate.

Stadshypotek shall also contribute to improving knowledge on financial, economic and social matters through education, training and research, and to disseminating knowledge to customers and society in general. Customers thereby improve their knowledge, creating the conditions for them to make informed financial decisions, which also contributes to strong and stable societies.
Stadshypotek must safeguard human rights and employees' rights, and not be complicit in breaches of these. Gender equality, diversity and an inclusive corporate culture are an integral part of the core values.

Stadshypotek must not accept corruption, money laundering or terrorist financing, and conflicts of interest must be managed.

Actions regarding taxes must be responsible, correct and transparent. Stadshypotek reports and pays tax based on national regulations in the countries where it conducts its operations, and works to ensure that there is an open dialogue with the tax authorities in these countries. Stadshypotek must not participate in transactions or provide products that may be called into question in the light of prevailing tax legislation.

Stadshypotek must remain independent of all political parties and may not provide any financial support to any political party or make any other type of political donations.

3 Sustainability risks

Sustainability risks arise through impacts on traditional risk classes by sustainability-related risk factors such as (1) environment and climate including physical climate change, transition to a sustainable economy and biodiversity, (2) social responsibility including human rights, working conditions, equality and information security for personal data, and (3) corporate governance including the prevention of corruption and bribery.

Sustainability risks must be identified and be an integral part of risk assessment in the different categories of risk, such as credit risk, liquidity risk, market risk, compliance risk and operational risk, including reputation risk. Strategic risks must also be taken into consideration. Sustainability risks must be managed in line with Stadshypotek's generally low risk tolerance and comply with risk tolerance for the types of risk in which sustainability risk is an integral part of the risk assessment.

Each business operation bears the responsibility for identifying the relevant sustainability risks within all types of risk, and for managing these within the framework of the established risk management processes.

4 Follow-up and reporting

Stadshypotek's overall sustainability work must be reported to the Board annually. Reporting on how Stadshypotek affects, is affected by and manages sustainability issues must be presented in the Handelsbanken Group's annual report and on Handelsbanken's website.