

Handelsbanken

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Corporate Governance Report

Handelsbanken is a Swedish public limited company whose shares are listed on Nasdaq Stockholm. The Board hereby submits its Corporate Governance Report for 2024. The Corporate Governance Report has been prepared in accordance with the Annual Accounts Act and the Swedish Corporate Governance Code. Handelsbanken applies the Swedish Corporate Governance Code with no deviations.

Corporate governance at Handelsbanken Group

Corporate governance in the Handelsbanken Group is aimed at creating a clear, fit-for-purpose organisational structure which ensures that operations can be carried out in a sound, effective manner and in accordance with external and internal rules, which facilitates the effective monitoring and management of the risks that arise. A clear allocation of responsibilities meets the Bank's needs as regards internal control, risk control and compliance, and is also key to enabling the operations to be followed up in the best possible manner, from a business perspective. Good governance must run through all operations, and it therefore affects all employees of the Handelsbanken Group.

At the heart of corporate governance are the goals and steering documents issued by the Board and the Chief Executive Officer. Handelsbanken's corporate culture, work method and remuneration system are also important for ensuring effective corporate governance, as is the ability to manage any risks that arise in the business operations.

Risk management is described in detail in a separate risk section in the Annual Report, note G2 on pages 80–122, in the Bank's Pillar 3 report, and also briefly in this Corporate Governance Report.

The Bank's goals, mission and culture

Handelsbanken's goal is to have higher profitability than the average of peer competitors in its home markets. The Bank's profitability goal is intended to offer shareholders long-term, high growth in value, with increasing earnings per share over a business cycle. With stable finances, the Bank can also provide support to its customers whatever the prevailing business environment. High profitability and sound, sustainable business operations are critical to shareholders that have invested in the Bank. In addition, these go hand in hand with low funding costs, positive growth and the Bank being seen as an attractive employer. This goal is mainly to be achieved by the Bank having more satisfied customers and lower costs than its competitors.

Handelsbanken creates value through unique customer meetings. Through trust in the individual, a strong local commitment and a decentralised way of working, the Bank creates long-term customer relationships. By running the Bank in a responsible and sustainable manner and with stable finances, Handelsbanken earns confidence from customers, shareholders and the wider world. Satisfied customers, income growing at a faster rate than expenses, and a low risk tolerance create sustainable profitability and the capacity to grow the Bank's business and customer offerings, regardless of the prevailing business and economic climate.

Handelsbanken always considers the situation of the individual customer, regardless of which customer segment the customer belongs to, which channel the customer chooses when dealing with the Bank, or which product the customer needs. Handelsbanken always strives for long-term customer profitability, and the customer's needs determine what business should be done with the customer, not the products that currently generate the highest profitability. The customer decides which distribution channel is best suited to the situation.

The overall customer responsibility always lies with the branch closest to the customer's geographical location.

Handelsbanken's decentralised approach means that each part of the business operations bears full responsibility for its business, based on the allocation of responsibilities and the directions established in the steering documents. The Bank's approach is characterised by trust and respect for customers and employees alike. Handelsbanken aims to develop the competency and skills of its employees and create the conditions to encourage long-term employment relations. All operations within the Group shall observe high ethical standards.

Regulations

The operations of Swedish banks are regulated by law, and banking operations may only be run with a licence from the Swedish Financial Supervisory Authority. The regulations for the Bank's operations are extensive.

The most pertinent of these include:

- The Swedish Companies Act
- The Swedish Banking and Financing Business Act
- Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (CRR)
- Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse
- The Swedish Credit Institutions and Securities Companies (Special Supervision) Act
- The Swedish Money Laundering and Terrorist Financing (Prevention) Act
- The Swedish Securities Market Act
- Extensive regulation of mutual fund and insurance operations

In addition, there are also a number of regulations and guidelines as well as general advice of crucial importance from the Swedish Financial Supervisory Authority and other authorities.

Handelsbanken's main principle is that operations outside Sweden are subject both to Swedish regulations and to the host country's regulations, if these are stricter or require deviations from Swedish rules.

Handelsbanken applies the Swedish Corporate Governance Code with no deviations. The code is available on the Swedish Corporate Governance Board's website, bolagsstyrning.se.

Handelsbanken also applies internal regulations. The steering documents issued by the Board and the Chief Executive Officer 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.

The Board's policies include:

- Policy on governance and steering documents
- Credit policy
- Policy for risk control
- Policy for operational risk
- Capital policy
- Financial policy
- Communication policy
- Policy for sustainability
- Policy for ethical standards
- Policy for management of conflicts of interest
- Policy against corruption
- Policy for remuneration
- Policies for suitability assessment
- Policy for group audit operations
- Policy for managing and reporting events of material significance
- Policy for the use of external auditors
- Policy for compliance
- Policy for complaints management
- Policy for employees' transactions in financial instruments
- Accounting policy
- Policy for products and services
- Policy on measures against financial crime

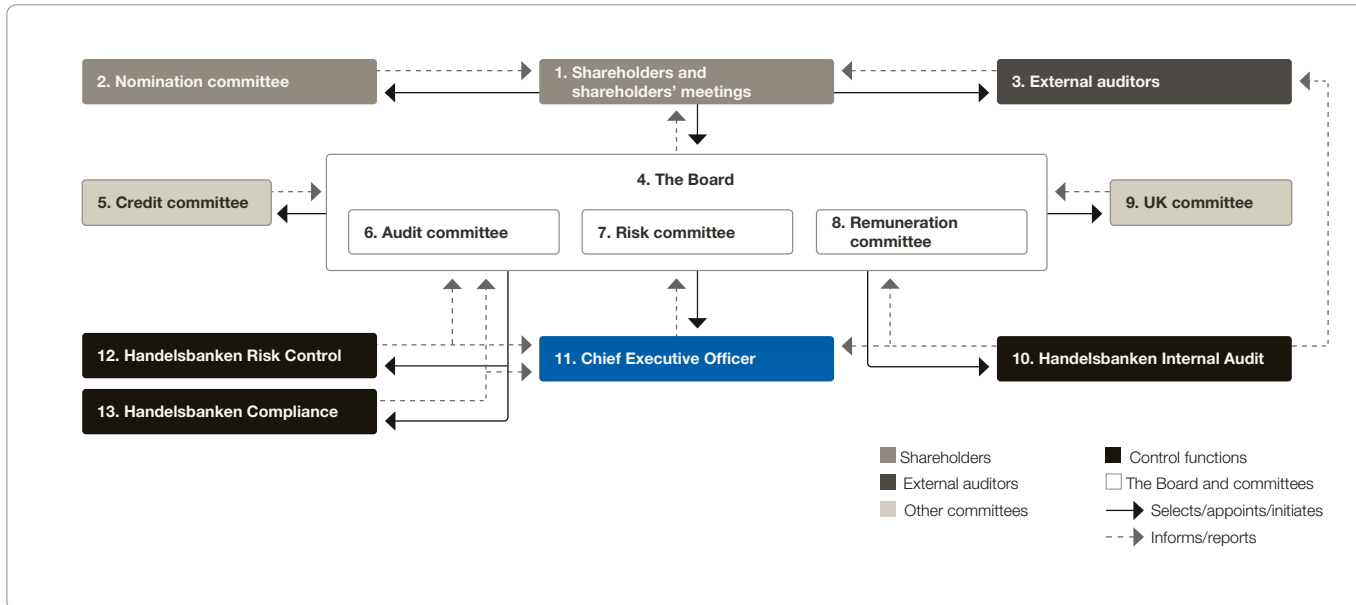
A summary of the Board's policies can be found on handelsbanken.com. Certain policies are also available in their entirety on the website.

More information

More information about Handelsbanken's corporate governance is available at handelsbanken.com. The site includes the following information:

- Previous Corporate Governance Reports from 2008 onwards
- Previous Sustainability Reports from 2010 onwards
- Articles of Association
- Information about the Nomination committee
- Minutes from shareholders' meetings from 2012 onwards.

Corporate governance structure



1. Shareholders and shareholders' meetings

Shareholders exercise their right to decide on matters concerning Handelsbanken at shareholders' meetings, which are the Bank's highest decision-making body. Every year, an Annual General Meeting (AGM) is held, which among other things appoints the Board, the Chairman of the Board and auditors.

2. Nomination committee

The Nomination committee's task is to prepare and submit proposals to the AGM regarding the appointment of the Chairman and other members of the Board and fees to the Chairman and other members of the Board. As prescribed by the Swedish Corporate Governance Code, the Nomination committee also submits proposals regarding the appointment of auditors and fees to the auditors. The AGM decides how the Nomination committee will be appointed.

3. External auditors

The external auditors are appointed by the AGM for the period until the end of the following year's AGM. The auditors are accountable to the shareholders. They carry out an audit and submit an audit report covering matters such as the Annual Report, including this Corporate Governance Report, and the administration of the Board and the Chief Executive Officer. In addition, the auditors report orally and in writing to the Board's Audit committee concerning how their audit was conducted. The auditors also submit a summary report of their audit to the Board as a whole.

4. The Board

The Board is responsible for the Bank's organisation and manages the Bank's affairs on behalf of its shareholders. The Board must continuously assess the Bank's financial situation and ensure that the Bank is organised in such a way that the accounting records, management of funds and other aspects of the Bank's financial circumstances are satisfactorily controlled. 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 Chief Executive Officer.

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 Chief Executive Officer. The appointments made by the Board include the Chief Executive Officer, Executive Vice Presidents, the Chief Risk Officer, the Chief Compliance Officer and the Chief Audit Executive, and the Board also stipulates the employment terms for these persons. The Chairman is responsible for evaluating the Board's work and informs the Nomination committee of the results of this evaluation.

5. Credit committee

The Board has set up a Credit committee which decides on credit cases where the amount exceeds the decision limit that the Board has delegated to another unit. Cases of special importance and credits to Board members and certain persons in managerial positions are decided upon by the Board as a whole.

6. Audit committee

The Board's Audit committee monitors the Bank's financial reporting by examining important accounting matters and other factors that may affect the qualitative content of the financial reports. The committee also monitors the effectiveness of the Bank's and Group's internal control, internal audit and risk management with regard to financial reporting, as well as the external auditors' impartiality and independence. The committee is also presented with a report on the Group's work with and reporting on sustainability matters. In addition, the committee evaluates the audit activities and submits a recommendation to the Nomination committee in the matter of the appointment of auditors. The Audit committee also receives reports from the Bank's internal and external auditors.

7. Risk committee

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., and examines reports from Handelsbanken Compliance and Handelsbanken Risk Control. The committee also makes decisions independently, including decisions on the significant parts of the Bank's risk rating and estimation processes linked to the IRB approach.

8. Remuneration committee

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 Chief Audit Executive. The guidelines for remuneration to executive officers are presented on page 51. The committee also makes an assessment of Handelsbanken's remuneration policy and remuneration system.

9. UK committee

The Board's UK Committee monitors the operations of Handelsbanken plc.

10. Handelsbanken Internal Audit

Handelsbanken Internal Audit performs an independent, impartial audit of the operations and financial reporting of the Group. A key task is to assess and verify processes for risk management, internal control and corporate governance. The Chief Audit Executive is appointed by the Board.

11. Chief Executive Officer

The Chief Executive Officer is appointed by the Board to lead Handelsbanken's day-to-day operations. In addition to instructions from the Board, the Chief Executive Officer is obliged to comply with the provisions of the Swedish Companies Act and a number of other statutes concerning, among other things, the Bank's accounting, management of funds and operational control.

12. Handelsbanken Risk Control

Handelsbanken Risk Control is responsible for verifying that all material risks in the Group are identified and managed by the relevant functions, and for analysing and reporting these risks. The Chief Risk Officer reports directly to the Chief Executive Officer and is the Head of Handelsbanken Risk Control.

13. Handelsbanken Compliance

Handelsbanken Compliance is responsible for monitoring and controlling compliance, providing advice and support on measures to be taken by the business in order to ensure compliance, and for the reporting of material deficiencies and risks. The Chief Compliance Officer reports directly to the Chief Executive Officer and is the Head of Handelsbanken Compliance.

Shareholders and shareholders' meetings

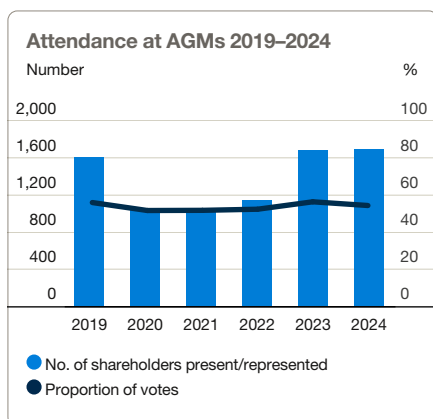
Shareholder rights

At the end of 2024, Handelsbanken had just over 220,000 shareholders. Shareholders' rights to decide on matters concerning the company's affairs are exercised at regular shareholders' meetings, the AGM and extra-ordinary general meetings. Handelsbanken has two classes of shares: class A and class B. Class A shares are by far the most common and represented more than 98 per cent of all shares outstanding at the end of 2024. Class A shares and class B shares entitle holders to the same proportion of the profit. Each class A share entitles the holder to one vote, while each class B share entitles the holder to one-tenth of a vote.

A shareholder wishing to have a matter considered by the AGM must submit a written request to the Board, in time for the matter to be included in the notice of the meeting. The Bank's website, handelsbanken.com, contains information as to when this request must have reached the Board.

At the AGM, the Bank's shareholders make various decisions of major importance to the Bank's governance. Shareholders' decisions include:

- adopting the income statement and balance sheet
- appropriation of profits
- discharge from liability for the Board and the Chief Executive Officer for the past financial year



- the number of Board members and auditors of the Bank, and the election of Board members and auditors
- determining fees to Board members and auditors
- guidelines for remuneration to executive officers.

The shareholders at a shareholders' meeting can also make decisions on the Bank's Articles of Association. The Articles of Association constitute the fundamental steering document for the Bank. They specify which operations the Bank is to conduct, the limits on the amount of share capital, the right of shareholders to participate at shareholders' meetings and the items to be presented at the AGM. The Articles of Association also state that the number of Board members must be at least eight and at most 15. They are elected for one year at a time.

Information in preparation for meetings is published at handelsbanken.com. Minutes of previous meetings are also available in both Swedish and English.

Major shareholders

At the end of 2024, the holdings of one shareholder represented more than 10 per cent of the votes: AB Industrivärden, with 11.7 per cent. Detailed information on the Bank's largest Swedish shareholders can be found on page 39.

Annual General Meeting 2024

Handelsbanken's AGM was held on 20 March 2024.

1,697 shareholders were represented at the meeting. They represented approximately 54.6 per cent of all votes in the Bank. The Chairman of the meeting was lawyer Patrik Marcellius.

The decisions made by the shareholders at the meeting included:

- An ordinary dividend of SEK 6.50 per share and a special dividend of SEK 6.50 per share, with the remaining amount at the disposal of the meeting to be carried forward.
- Authorisation for the Board to decide on the acquisition of not more than 120 million shares in the Bank, as well as divestment of shares.
- Authorisation for the Board to decide on the issuance of convertible tier 1 capital instruments.
- Amendment of the Articles of Association removing the provision on limitation on voting rights.
- Amendment to the guidelines for remuneration to executive officers.

- The Board is to consist of nine members, excluding deputy members.
- The re-election of eight Board members and the election of Louise Lindh as new Board member for the period until the conclusion of the next AGM.
- The election of Pär Boman as Chairman of the Board.
- Fees to be paid to the Board members: SEK 3,900,000 to the Chairman of the Board, SEK 1,110,000 to the Deputy Chairman, and SEK 795,000 to the other Board members. For committee work, fees of SEK 475,000 are to be paid to each member of the Credit committee, the Risk committee and the Audit committee, fees of 450,000 are to be paid to each member of the UK committee, and fees of SEK 140,000 are to be paid to each member of the Remuneration committee. Furthermore, it was decided that the fee of SEK 600,000 would be paid to the Chair of the Risk committee and the Audit committee, that SEK 140,000 would be paid to the Chair of the Remuneration committee, that SEK 540,000 would be paid to the Chair of the Credit committee, and that SEK 510,000 would be paid to the Chair of the UK committee. Board members who are employees of Handelsbanken shall not receive a fee.
- The AGM re-elected PricewaterhouseCoopers AB and Deloitte AB to serve as auditors until the end of the AGM to be held in 2025.

Auditors

Magnus Svensson Henryson has been an authorised public accountant since 2001 and has been the auditor-in-charge for PricewaterhouseCoopers AB at Handelsbanken since 2024. Magnus Svensson Henryson is also an auditor for Bure Equity, Embracer, Holmen, L E Lundbergföretagen and Hufvudstaden. Magnus Svensson Henryson was born in 1969.

Malin Lüning has been an authorised public accountant since 2008 and has been auditor-in-charge for Deloitte AB at Handelsbanken since 2023. She is also an auditor for SBAB and Söderberg & Partners. Malin Lüning was born in 1980.

Nomination committee

The shareholders at the 2022 AGM resolved to establish an instruction for how the Nomination committee is to be appointed. According to the decision, the instruction will apply until it

is amended by a future AGM. The instruction states that the Nomination committee shall comprise five members: the Chairman of the Board and one representative from each of the Bank's four largest shareholders on 31 August the year before the AGM is held.

However, the Nomination committee must not include representatives of companies which are significant competitors of the Bank in any of its main areas of operations. It is the Chairman of the Board's task to contact the largest owners, so that they will appoint one representative each to sit on the Nomination committee, together with the Chairman. The 2025 Nomination committee comprises:

Representative	Shareholders	Voting power %, 31 August 2024
Helena Stjernholm, Chair	Industrivärden	11.71
Maria Sjöstedt	Oktogonen Foundation	8.17
Claes Boustedt	Lundberg ownership group	4.65
Anna Magnusson	Första AP-fonden (AP1)	0.72
Pär Boman, Board Chairman		

Information on the composition of the Nomination committee has been available at handelsbanken.com since 19 September 2024.

The Nomination committee's task in preparation for the AGM on 26 March 2025 is to submit proposals for the election of a chairman of the AGM, the Chairman of the Board and other members of the Board, the fees to the Chairman and other members of the Board, and remuneration for committee work. The Nomination committee is also to submit proposals regarding the election of and fees to auditors.

In its work, the Nomination committee takes into account the Board's diversity policy. The policy stipulates that to promote independent opinions and critical questioning, it is desirable that the Board should be characterised by appropriate diversity and breadth in terms of its members' qualifications, experience and background and an even gender balance. When formulating its proposal to the AGM, the Nomination committee considers relevant parts of the Board's policy regarding the suitability assessment of Board members and the Chief Executive Officer. In compiling the proposal, the Nomination committee also considers the evaluation of the Board carried out by the Chairman of the Board.

Board

After the shareholders at the 2024 AGM had appointed Pär Boman to be Chairman of the Board, Fredrik Lundberg was appointed as Deputy Chairman at the first Board meeting after the AGM. At the same time, the Board appointed members of the Credit committee, Audit committee, Risk committee, Remuneration committee and UK committee. Information about the Board is shown on pages 54–56.

Composition of the Board

The Board was composed of nine elected members during the 2024 financial year. When the Board is to be elected, the Nomination committee proposes members. The Board also includes two members and two deputy members who are employee representatives, in accordance with applicable legislation.

The Board members have broad and extensive experience from the business community. Several are, or have been, chief executive officers of major companies, and most of them are also board members of major companies. Several members have worked on the Bank's Board for a long time and are very familiar with the Bank's operations. The Nomination committee's proposals at previous AGMs, including their reasons, are available at handelsbanken.com.

Suitability assessments of individual Board members are undertaken, and of the Board as a whole. The suitability assessment of the Board is carried out at least annually, as well as prior to changes in the composition of the Board, or when it is otherwise deemed necessary. This ensures that the Board has the knowledge, skills and experience required to fulfil its duties, which include establishing strategies and risk tolerances, and understanding and challenging decisions and proposals by executive management on the basis of their consequences.

During the 2024 financial year, the percentage of women on the Board of the Bank was 44 per cent of the elected members, and the percentage of the elected members with a different geographical origin than the country where Handelsbanken is domiciled was 11 per cent. The proportion of elected members who were independent of the Bank, its management and major shareholders was 78 per cent.

The Swedish Corporate Governance Code stipulates that the majority of Board members elected by the AGM must be independent of the Bank and the Bank's management, and

that at least two of the independent Board members must also be independent of those of the company's shareholders that control 10 per cent or more of the shares and votes in the Bank. The composition of the Board fulfils the Code's requirements for independence.

Regulations governing the Board's work

The fundamental rules regarding the distribution of tasks among the Board, the Board committees, the Chairman, the Chief Executive Officer and Handelsbanken Internal Audit are in accordance with the Swedish Companies Act and the Swedish Corporate Governance Code, and are expressed in the Board's rules of procedure, as well as in its instructions to the Chief Executive Officer and to the Chief Audit Executive.

Chairman of the Board

The Board's rules of procedure state that the Chairman shall ensure that the Board carries out its work efficiently and that it fulfils its duties. This involves organising and managing the Board's work and creating the best possible conditions for this work. The Chairman must also ensure that the Board members continually update and expand their knowledge of the Bank's operations, and that new members receive appropriate introduction and training. The Chairman must be available to the Chief Executive Officer as an advisor and discussion partner, but must also prepare the Board's evaluation of the Chief Executive Officer's work.

The Chairman's duties include being chair of the Credit committee, Remuneration committee and UK committee, as well as being a member of the Audit committee and Risk committee. The Chairman is responsible for ensuring that the Board's work is evaluated annually. The 2024 Board evaluation took place via questionnaires and by the Chairman holding interviews with each Board member. The Deputy Chairman was responsible for the evaluation of the Chairman. The findings of the evaluation were presented to and discussed by the Board. The Chairman also informed the Nomination committee about the Board evaluation. The Chairman is responsible for maintaining contact with the major shareholders concerning ownership matters.

There is no other regular division of work for the Board except as concerns the committees.

Board work

The Board is the company's highest administrative body and is responsible for establishing the overall goals and strategy of the company.

Summary of focus areas in the Board's committees (excluding the Credit committee)

Committee	Members	Duties	Other focus areas in 2024
Audit committee	Ulf Riese (Chair) Jon Fredrik Baksaas Hans Biörck Pär Boman	<p>The work of the Audit committee includes the following:</p> <ul style="list-style-type: none"> • monitoring the financial reporting, as well as the effectiveness of the Bank's internal control, internal audit and risk management systems in relation to financial reporting • providing recommendations and proposals concerning the financial reporting • preparing the Board's decision regarding an audit plan for the work of Handelsbanken Internal Audit and taking into account reports from Handelsbanken Internal Audit • having regular contact with the external auditors. These auditors report to the committee on significant matters that have emerged from the statutory audit • keeping up to date with the audit of the Annual Report and consolidated accounts and the Swedish Supervisory Board of Public Accountants' quality control • assisting the Nomination committee in the matter of proposing auditors and thereafter submitting a recommendation regarding the election of auditors • informing the Board of the results of the audit and of the manner in which the audit has contributed to the reliability of the financial reports • monitoring and verifying the external auditors' impartiality and independence, with a particular focus on whether the auditors provide any services other than auditing to the company • receiving reports on the Group's work as well as reports on sustainability matters • receiving reports on productivity measures and so forth for material products and processes as well as performance targets and control systems relating to major IT investments. <p>All interim reports and year-end reports are reviewed by the Audit committee. Items are presented by the Chief Executive Officer, the Chief Financial Officer, the Chief Audit Executive and the persons with main responsibility from the audit companies appointed by the AGM. The members of the committee can also ask questions to the Chief Audit Executive and external auditors when members of Bank management are not present.</p> <p>The Board's report on internal control over financial reporting can be found on page 52.</p>	<p>During the year, the Audit committee engaged in its usual work relating to financial reporting, auditing, etc. The Committee also addressed matters relating to management changes and the Bank's sustainability agenda and alignment with CSRD.</p>
Risk committee	Kerstin Hessius (Chair) Hans Biörck Pär Boman Ulf Riese Hélène Barnekow	<p>The work of the Risk committee includes the following:</p> <ul style="list-style-type: none"> • processing reports from the Chief Risk Officer (CRO) and Chief Compliance Officer • preparing the Board's decisions regarding the establishment of the internal capital adequacy and liquidity adequacy assessment • processing the validation and evaluation of the internal risk rating system • preparing the Board's decisions regarding risk tolerance and risk strategy • processing the evaluation of the risk calculation methods used for limiting financial risks, calculating capital requirements and calculating economic capital • preparing the Board's decisions regarding the establishment of Handelsbanken's recovery plan. <p>The Chief Risk Officer and Chief Compliance Officer present their reports to the Risk committee. The members of the committee can also ask questions to the Chief Risk Officer and Chief Compliance Officer when members of Bank management are not present. The Bank's Chief Executive Officer and Chief Financial Officer also attend meetings of the Risk committee.</p> <p>The three lines of defence for risk management are described on pages 48–49.</p>	<p>During the year, the Risk committee regularly addressed matters relating to risk tolerance, including credit risk, counterparty risk and liquidity risk, as well as the development of the Bank's IRB models. In addition, the committee discussed risk and compliance issues linked to, among other things, IT security, the Digital Operational Resilience Act (DORA) and operational risks, and anti-money laundering work. The committee also discussed the economic conditions and their effects on the Bank's business operations and its risks.</p>
Remuneration committee	Pär Boman (Chair) Jon Fredrik Baksaas Hans Biörck	<p>The tasks of the Remuneration committee include making an independent assessment of Handelsbanken's remuneration policy and remuneration system. In addition, the Remuneration committee prepares matters regarding remuneration to be decided on by the Board and the AGM. After the shareholders at the AGM have decided on guidelines for remuneration to executive officers, the Board decides on remuneration to, among others, these officers and the heads of the control functions: Handelsbanken Internal Audit, Handelsbanken Risk Control and Handelsbanken Compliance. Each year, the Remuneration committee evaluates Handelsbanken's guidelines as well as its remuneration structures and levels in accordance with the Swedish Corporate Governance Code.</p> <p>The Board's remuneration report is available at handelsbanken.com.</p>	<p>The Remuneration committee has engaged in its usual work concerning matters relating to remuneration. In addition, the committee has addressed cases involving the appointment of senior managers.</p>
UK committee	Pär Boman (Chair) Ulf Riese Michael Green Carl Cederschiöld	<p>Every quarter, the committee for UK operations receives information about the performance and position of the UK operations, and every year, information about the business plan for the UK operations, etc.</p>	<p>The UK committee has followed the operations of Handelsbanken plc, in terms of its financial reporting and its business situation.</p>

The Board addresses many important matters during the year as part of carrying out its duties. This includes regularly occurring items to ensure sound risk management and reliable financial reporting. Other matters resulting from external regulatory requirements are also addressed, for example, adopting the Bank's internal capital adequacy and liquidity adequacy assessment (ICAAP/ILAAP) and recovery plan. The Board receives and examines the quarterly reporting from the company's control functions. This is an important part of the Board's control and overall efforts to ensure that the company is managed responsibly based on sound risk-taking and a high level of compliance. In addition, the Board addresses regularly occurring items such as the Bank's credit risks and credit losses, capital assessments, IT systems, IT security, audits, sustainability and the Bank's work on anti-money laundering and combating fraud. Furthermore, matters discussed at Remuneration, Risk and Audit committee meetings are reported at the next Board meeting.

At the first Board meeting after the AGM, the Board appoints a Deputy Chairman and the members and Chairs of its various Board committees. At this meeting, the Board also adopts the policies and other internal steering documents that regulate governance and internal control at the Bank.

The Board had 12 meetings in 2024, including two extended strategy meetings.

Committee work

Credit committee

The Credit committee consisted of the Chairman of the Board (Pär Boman, who also chairs the committee), the Deputy Chairman (Fredrik Lundberg), the Chief Executive Officer (Michael Green), the Chief Credit Officer (Per Beckman), and six Board members appointed by the Board (Jon Fredrik Baksaas, Stina Bergfors, Hans Biörck, Kerstin Hessius, Ulf Riese and Louise Lindh).

The Credit committee normally holds one meeting every month to take decisions on credit cases that exceed a set limit and that are not decided on by the whole Board due to the importance of these cases or legal requirements. The Country General Managers and County Managers, and the Head of Handelsbanken Global Banking presented cases to the Credit committee from their own units in 2024 and participated when other cases were presented, with the objective of providing them with a good picture of the Board's approach to risk. Credit cases that are decided upon by the whole Board are presented by the Chief

Credit Officer. If a delay in the credit decision would inconvenience the Bank or the borrower, the credit instructions allow the Chief Executive Officer and the Chief Credit Officer to decide on credit cases during the interval between Credit committee meetings.

In 2024, the Credit committee had ten meetings.

Audit committee

The Audit committee comprised the Chairman of the Board (Pär Boman) and three Board members appointed by the Board (Jon Fredrik Baksaas, Hans Biörck and Ulf Riese). The latter members are independent of major shareholders, and of the Bank and its management. Ulf Riese was appointed to chair the committee.

In 2024, the Audit committee had nine meetings.

Risk committee

The Risk committee comprised the Chairman of the Board (Pär Boman) and four Board members appointed by the Board (Hans Biörck, Kerstin Hessius, Ulf Riese and Héléne Barnekow). The latter members are independent of major shareholders, and of the Bank and its management. Kerstin Hessius was appointed to chair the committee.

In 2024, the Risk committee had nine meetings.

Remuneration committee

The Remuneration committee comprised the Chairman of the Board (Pär Boman, who also chairs the committee) and two Board members appointed by the Board (Jon Fredrik Baksaas and Hans Biörck). The latter members are independent of the Bank, its management, and major shareholders.

In 2024, the Remuneration committee had eight meetings.

UK committee

The UK committee comprised the Chairman of the Board, (Pär Boman, who also chairs the committee), the Chief Executive Officer (Michael Green), the Chief Financial Officer (Carl Cederschiöld) and a member appointed by the Board (Ulf Riese).

In 2024, the UK committee had four meetings.

The Bank's management

Chief Executive Officer

During the 2024 financial year, Michael Green served as the Chief Executive Officer and President of Handelsbanken. Michael Green was born in 1966 and his academic qualifications include studies in business administration, economics and law. Michael Green joined the Gothenburg branch of the Bank as a corporate advisor in 1994 and he subsequently served in various roles, such as the Head of the US operations, Head of Handelsbanken in Western Sweden and Head of Capital Markets. In 2020, Michael Green was appointed General Manager of Handelsbanken Sweden. Alongside his employment at Handelsbanken, Michael Green is also a board member of the Stockholm Chamber of Commerce, ICC Sweden and Finance Sweden. On 31 December 2024, Michael Green's shareholdings in Handelsbanken and those of related parties amounted to 111,405, of which 85,000 class A shares in direct holdings and 26,405 in indirect holdings via the Oktogonen profit-sharing scheme. Neither Michael Green nor his related parties has any material shareholdings or other ownership interests in companies with which the Bank has significant business relationships.

Decision-making process

As a general rule, responsibilities and powers of authority at Handelsbanken under the Chief Executive Officer have been assigned to individual members of staff, rather than groups or committees. However, collective decisions are made, in the form of credit decisions made in Credit committees and the national boards. It is required that the members are unanimous regarding these decisions.

Chief Executive Officer's forum

The Chief Executive Officer has several forums at his disposal to address various matters, including the Executive Team and the Risk and Compliance committee.

Executive Team

On 1 April 2024, Handelsbanken adopted a new management structure with an Executive Team that replaced the previous Executive Management to coordinate the strategic governance of the Group on an ongoing basis, and address operational Group-wide issues and other critical matters from a Group perspective. Before decisions are made on such matters by the Chief Executive Officer or other

officers, these are, as a general rule, discussed by the Executive Team. For more information on the members of the Executive Team and former executive management, refer to page 57.

The Risk and Compliance committee

The Risk and Compliance committee has been set up by the Chief Executive Officer for follow-up of 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 Chief Executive Officer, the Risk and Compliance committee comprises, among others, the heads of business support units and control functions.

Operational structure

Handelsbanken's overall organisational structure follows a geographical governance model. The Bank has long employed decentralised working methods, with important business decisions made locally close to the customer. Customer responsibility is geographical, meaning that all of the Group's customers are affili-

ated with a physical branch, regardless of which products or services the customer needs, or which channels the customer chooses.

The Handelsbanken Group's home markets are Sweden, Norway, the UK and the Netherlands, but the Group also has business operations in other markets. Outside Sweden, operations are mainly conducted via international branches, except in the UK, where the Bank has a subsidiary for its British operations.

In 2021, the decision was made to initiate a process to divest the operations in Finland. In 2023, an agreement was signed to sell the Finnish private, SME and life insurance operations. These transactions were completed in 2024. Handelsbanken's remaining operations in Finland are being handled in a separate sales process.

The starting point is that Country General Managers have overall responsibility for the Bank's activities in their respective countries. This responsibility includes a distribution responsibility for products and services, as well as a customer responsibility. The Chief Executive Officer has corresponding responsibility for operations in Sweden.

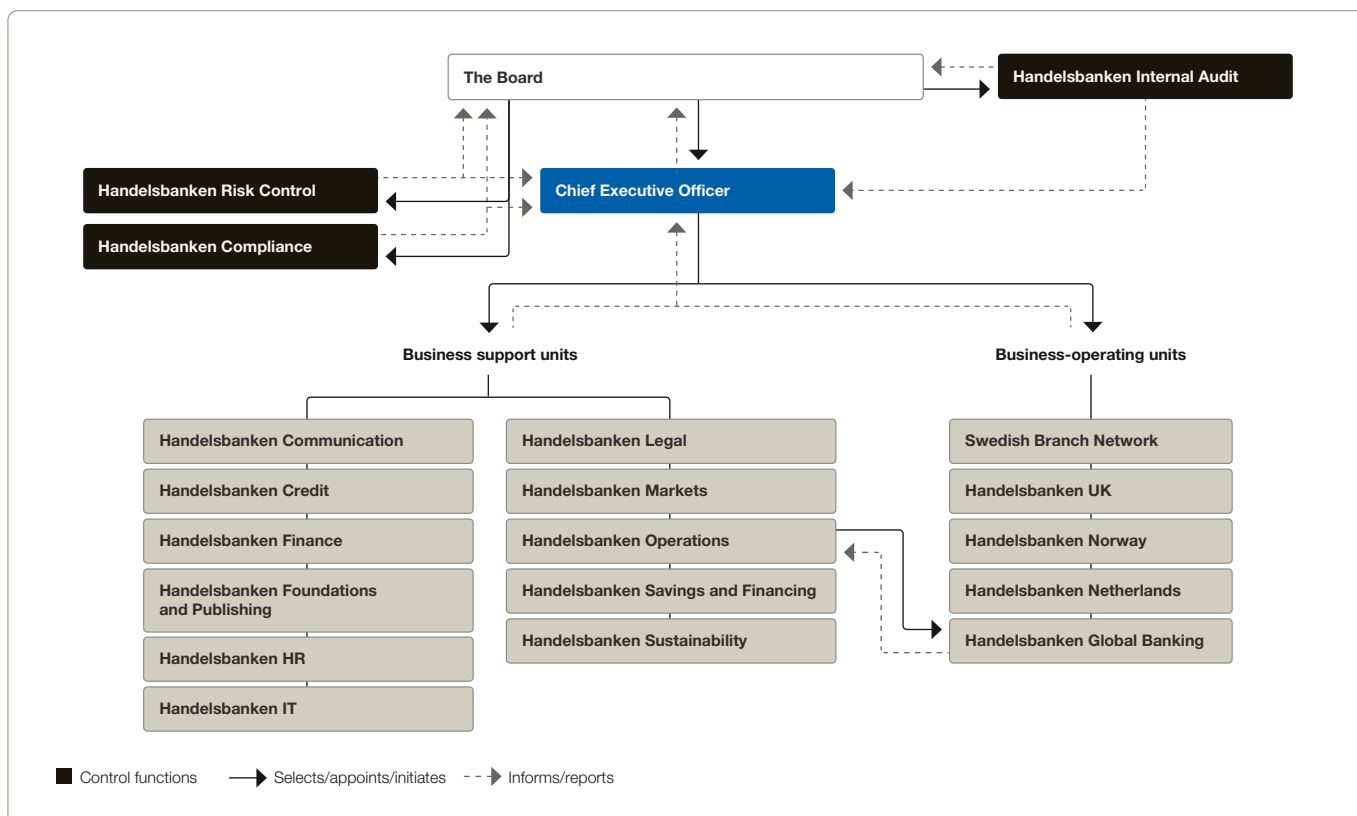
Business operations in the countries are supported by a number of units with Group-wide responsibility.

Product managers constitute central business support for a given product area. Product responsibility includes, according to a Group-wide approval process, developing, managing and phasing out products and services, as well as coordinating and supporting the distribution of the products and services.

Function managers have Group-wide responsibility for a given area. Function responsibility includes ensuring that work within the area functions well and is conducted in accordance with internal and external rules and regulations. The responsibility also includes providing guidance and support relating to the area.

Three lines of defence for risk management

Handelsbanken has three lines of defence for risk 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 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 such that the operations can be conducted in accordance with external and internal rules regarding internal control, risk control and regulatory compliance in each respective unit has been delegated by the Chief Executive Officer to managers who report directly to the Chief Executive Officer. 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.

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 Chief Executive Officer 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 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 Chief Compliance Officer is appointed by the Board and reports directly and regularly to the Chief Executive Officer 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.

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 Chief Risk Officer is appointed by the Board and reports directly and regularly to the Chief Executive Officer and the Board. In 2024, the Chief Risk Officer attended all meetings of the Risk committee and most meetings of the Board and the Board's Credit Committee.

A more detailed description of the Bank's risk management and control is contained in note G2 on pages 80–122, and also in the Bank's Pillar 3 Report.

Third line of defence

The third line of defence is Handelsbanken Internal Audit, the Board's controlling body. The Chief Audit Executive 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 Chief Audit Executive 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.

Principles for remuneration at Handelsbanken

The remuneration policy establishes the Bank's principles for remuneration to employees. The policy stipulates that Handelsbanken's remuneration system must be fit-for-purpose and consistent with the Bank's business objectives and business culture, which are based on sound, sustainable operations, in which employees observe high ethical standards, good administrative order and regulatory compliance. Remuneration must also be structured in a manner that promotes a healthy and efficient management of sustainability risks. Remuneration must be on market terms, enabling Handelsbanken to attract, recruit, retain and develop skilled staff, and ensuring good management succession, thus contributing to the achievement of the Handelsbanken Group's corporate goal. In general, Handelsbanken has low tolerance of risk and holds the opinion that fixed remuneration contributes to healthy operations. This is, therefore, the main principle. The Bank's executive officers and employees who make decisions on credits or limits, or who work at the Bank's control functions, are paid fixed remuneration together with the possibility of further remuneration from the Oktogonen profit-sharing scheme. This also applies to employees who are assessed as having a material impact on the Bank's risk profile, called "risk-takers" in the Bank.

The main principle of the remuneration policy is that remuneration is paid in the form of fixed remuneration. However, the policy allows for variable remuneration to be paid. The Board decides on the total amount.

In certain countries, Handelsbanken is party to collective bargaining agreements on general terms and conditions of employment and conditions for pensions. The policy does not affect rights and obligations under collective bargaining agreements; nor does it affect obligations under applicable contract law or labour law.

Handelsbanken HR is responsible for verifying that remuneration in Handelsbanken is compliant with external and internal rules. The independent control functions monitor and analyse the remuneration system and report

material risks and flaws to the Board's Remuneration and Risk committees.

A detailed description of fixed and variable remuneration at Handelsbanken is given below. Other information concerning remuneration paid by the Bank in accordance with the current regulations is presented in note G8 on pages 126–131, and in the Bank's remuneration report which is available at handelsbanken.com. This note and the Remuneration Report also provide information about amounts for salaries, pensions and other benefits, and loans to executive officers.

Fixed remuneration

The Bank takes a long-term view of its staff's employment. Remuneration for work performed is set individually for each employee, and is paid in the form of a fixed salary, customary salary benefits and pension.

The main principle is that salaries are set locally in salary reviews between employees and their line manager. These principles have been applied for many years with great success. They mean that managers at all levels participate regularly in the salary process, and take responsibility for the Bank's salary policy and the growth in their own unit's staff costs.

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.

In Sweden and certain other countries, the Bank is party to collective bargaining agreements on general terms and conditions of employment during the employment period and on terms and conditions of pensions after employees have reached retirement age. The aim of the Bank's policy on salaries is to increase the Bank's competitiveness and profitability, to enable the Bank to attract, recruit, retain and develop skilled staff, and to ensure good management succession planning. Good profitability and productivity performance at the Bank creates the necessary conditions for salary growth for the Bank's employees.

Variable remuneration

The Oktogonen profit-sharing scheme 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 and the Board's overall assessment regarding the Bank's performance. Disburse-

ments are mainly made in cash to the employees, or alternatively to a pension plan, a savings plan or a combination of the two.

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. Performance-based variable remuneration is not offered to employees who, in their professional roles, have a material impact on the Bank's risk profile. 1.1 per cent of the Group's employees are eligible to receive performance-based variable remuneration. The total amount reserved for performance-based variable remuneration to employees in the Handelsbanken Group must not exceed 0.4 per cent of the Bank's common equity tier 1 capital during any given year. For 2024, a total of SEK 49 million was allocated for performance-based variable remuneration, corresponding to approximately 0.4 per cent of total salaries and approximately 0.03 per cent of the Bank's common equity tier 1 capital.

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 result on which the performance-based variable remuneration is based is adjusted for risk and charged with the actual cost of the capital and liquidity required by the operations. Normally, performance-based variable remuneration is only paid in cash. In subsidiaries which conduct mutual fund operations and in Handelsbanken Wealth & Asset Management Ltd, the performance-based variable remuneration is entirely or partially paid out as mutual fund units.

The main rule for performance-based variable remuneration is that at least 40 per cent is to be deferred for at least four years. For particularly large amounts of performance-based variable remuneration, 60 per cent is deferred. Payment and the right of ownership of the variable remuneration do not accrue to the person with the entitlement until after the end 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. Employees may not receive performance-based variable remuneration amounting to more than 100 per cent of their fixed remuneration.

Handelsbanken complies with the Swedish Financial Supervisory Authority's regulations regarding remuneration structures, which include provisions for formulating and adopting remuneration policies. The heads of the areas concerned, as well as the Chief Risk Officer and Chief Compliance Officer, take part in the Remuneration committee's preparation and assessment of the Board's remuneration policy and the Bank's remuneration system.

Remuneration to executive officers

The shareholders at the AGM decide on guidelines for remuneration to the Chief Executive Officer, Executive Vice Presidents and other members of the Executive Team.

The Board decides on remuneration to the officers who are subject to the Annual General Meeting's (AGM) remuneration guidelines (a total of nine individuals as at 31 December 2024). The Board also decides on remuneration to the Chief Audit Executive, among others.

Executive officers in Handelsbanken are Board members, the Chief Executive Officer, Executive Vice Presidents, and other members of the Executive Team.

The guidelines adopted by the AGM on 20 March 2024 are presented below.

Guidelines for remuneration to executive officers of Svenska Handelsbanken AB

These guidelines shall be applied to remuneration to the Chief Executive Officer, Executive Vice President, and other members of the Executive Team (below referred to as “executive officers”). The guidelines shall also apply to any remuneration to members of the Board which is paid in addition to fees for assignment to the Board of the Bank.

The guidelines shall be applied to new agreements, and shall not affect remuneration previously decided for executive officers. The guidelines are not applicable to remuneration that is decided upon by the annual general meeting.

Handelsbanken’s goal is to have higher profitability than the average of peer competitors in its home markets. This goal is mainly to be achieved by more satisfied customers and lower costs than its competitors.

Handelsbanken’s business strategy is presented in the Annual Report. To contribute to the Bank’s goal; remuneration must reflect a long-term view of employment at the Bank, and also be in keeping with the Bank’s generally low risk tolerance.

Principles for remuneration to employees of Handelsbanken

Handelsbanken’s principles for remuneration to employees are long-established. In the policy for remuneration in the Handelsbanken Group, the Board has established that the Bank’s remuneration system must be consistent with the Bank’s business objectives and business culture, which are based on sound, sustainable operations.

In addition, the remuneration policy states that fixed remuneration is fit-for-purpose for sound, sustainable operations, and is therefore applied as a basic principle. Variable remuneration is applied with great caution. Remuneration for work performed is set individually for each employee, and is paid in the form of a fixed salary, pension allocation and customary salary benefits (which can take the form of a car allowance, housing associated with the position, disability insurance, household assistance services, etc.). Salaries are based on factors known in advance, such as those set out in the remuneration policy.

Taking into account the above approach, an employee’s total remuneration must be on market terms and gender-neutral, enabling Handelsbanken to attract, recruit, retain and

develop skilled employees, and ensuring good management succession.

Remuneration to executive officers

In the preparation of the Board’s proposals for these guidelines, Handelsbanken’s remuneration policy and the above principles for remuneration to employees have been taken into account; this contributes to the Bank’s business strategy, long-term interests and sustainability:

- The aggregated total remuneration shall be on market terms.
- Remuneration is paid in the form of a fixed cash salary, pension provision and customary benefits.
- The executive officers in question are included in the Oktogonen profit-sharing system on the same terms as all employees of the Bank.
- Pension benefits are defined contribution, may correspond to a maximum of 35 per cent of the annual fixed cash salary, and may be payable in addition to pension plans under collective agreements. Other salary benefits may per year in total correspond to a maximum of 35 per cent of the annual fixed salary.
- Employment contracts are to apply until further notice or for a fixed term. The period of notice on the part of an executive officer is six months, and on the part of Handelsbanken a maximum of twelve months. If the Bank terminates the employment contract later than five years after the person becomes one of the Bank’s executive officers, the period of notice is a maximum of twenty-four months. No other termination benefits are paid. Other time periods may apply due to collective agreements or labour legislation.

Concerning employment conditions that are subject to non-Swedish regulations: with regard to pension benefits and other benefits, the relevant adjustments may be made to comply with such mandatory regulations or fixed local practice. In doing this, the overall aims of these guidelines shall be fulfilled as far as possible.

Fees to Board members

Members of the Board who are elected by the general meeting shall in special circum-

stances be able to be compensated for services provided within their respective area of competence (including assignments to the board of another group company) which do not constitute services to the Board of the Bank. Such duties of service shall be handled in accordance with applicable internal rules and by due consideration of possible conflicts of interest. These services shall be compensated for by market-based remuneration. Information about any remuneration for such services shall be included in the annual report and the remuneration report.

Decision process

The Board has set up a remuneration committee. The committee’s tasks include preparing the Board’s proposals concerning guidelines for remuneration to executive officers. When the need for material changes arises – and at least every four years – the Board shall draw up a proposal for new guidelines and present it for a resolution at the annual general meeting. The guidelines shall apply until new guidelines have been adopted by the annual general meeting. The remuneration committee must also monitor and evaluate the application of the guidelines for remuneration for executive officers, as well as the prevailing structures and levels of remuneration at the Bank. All members of the remuneration committee are independent of the Bank and its management. The Chief Executive Officer also attends the committee’s meetings, although not when the committee is discussing and deciding upon remuneration-related matters that concern the Chief Executive Officer himself/herself.

Deviation from the guidelines

The Board may decide, temporarily, to deviate partly or wholly from the guidelines, if there are particular reasons for this in an individual case, and a deviation is necessary to satisfy the Bank’s long-term interests and sustainability, or to ensure the Bank’s financial viability. As stated above, preparing the Board’s resolutions in matters of remuneration is part of the remuneration committee’s tasks, and this includes decisions regarding deviations from the guidelines.

The Board's report on internal control over financial reporting

The presentation of Handelsbanken's process for internal control over the financial reporting is based on the framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which covers the following components: control environment, risk assessment, control activities, information and communication, and monitoring activities. The process was designed to ensure compliance with the Bank's principles for financial reporting and internal control, and to ensure that the financial reporting has been prepared pursuant to the law, applicable accounting standards, and other requirements related to listed companies.

Control environment

To ensure reliable financial reporting, Handelsbanken's internal control process for financial reporting is based on the control environment. The control environment is fundamental to other components of the process and has been described earlier in the Corporate Governance Report: i.e. organisational structure, division of responsibilities and steering documents. An important aspect of the control environment is that decision-making channels, powers of authority and responsibilities are clearly defined and communicated, and that steering documents established by the Board and Chief Executive Officer provide clear guidance and are complied with.

Risk assessment

Risk assessment aims to identify, manage and follow up risks with the potential to affect the financial reporting. Handelsbanken Finance is responsible for performing a risk assessment at Group level, in order to identify units for which the need for internal control is assessed as being of material significance to minimise the risk of material error in the financial reporting. Units that Handelsbanken Finance deems must be covered by the process are required to draw up general documentation of their processes for internal control over the financial reporting. This general documentation must describe the processes that generate the unit's most significant balance sheet and profit and loss items, risks, procedures for preparing the accounts, and identified control activities. The identified control activities are carried out each quarter to ensure that the financial reporting is correct, in all material respects.

The self-evaluations carried out annually within the parent company and subsidiaries are an essential part of the Bank's total risk assessment. Risks in the financial reporting are part of this total analysis. Other aspects of Handelsbanken's risk management are detailed in note G2 on pages 80–122 and in the Bank's Pillar 3 report.

Control activities

Various control activities are incorporated into the entire financial reporting process.

Handelsbanken Finance bears the overall responsibility for the financial reporting, the consolidated accounts and consolidated financial reports, and for financial and administrative control systems. The unit's responsibilities also include the Group's liquidity, the internal bank, own funds, tax analysis and Group-wide reporting to public authorities.

Handelsbanken Finance has the overall responsibility for ensuring that a fit-for-purpose process is in place for reporting on internal control over the financial reporting. For the units that Handelsbanken Finance has deemed must be covered by the process for internal control over the financial reporting, control activities are identified which are aimed at preventing, detecting and correcting errors and deviations in the financial reporting. Handelsbanken Finance has established a number of financial control activities linked to the general ledger and the process of preparing the accounts, which all finance departments within the parent company and subsidiaries are required to carry out in conjunction with every quarterly closing of accounts. These include, for example, the reconciliation and verification of reported amounts, and analyses of income statements and balance sheets. In addition to financial control activities, units selected by Handelsbanken Finance are responsible for identifying and evaluating operational control activities. These include controls performed in, for example, business processes and systems, which are assessed as being of material significance to minimise the risk of material error in the financial reporting. Heads of accounting and control at the respective units are responsible for ensuring that the control activities in the financial reporting for their unit are fit-for-purpose – i.e. that they are designed to prevent, detect and correct errors and deviations – and are in compliance with steering documents and instructions. At each quarterly closing of the accounts, the units certify to Handelsbanken Finance that the control activities have been carried out, and that their balance sheets and income statements are correct. Based on Handelsbanken Finance's follow-up of the units' reports, the CFO reports the status of the internal control of financial reporting to the Audit committee at each quarterly closing of accounts.

The CFO is responsible for setting up and maintaining a Valuation committee. The committee's role is to support the decision-making processes for valuation and reporting matters. The committee deals with the valuation of financial assets and liabilities, including derivatives at fair value and also financial gua-

rantees. The valuations refer to both own holdings and holdings on behalf of others. The committee must ensure that the valuation complies with external regulations, steering documents and current market practices.

High information security is a precondition for good internal control over the financial reporting. Thus there are regulations and steering documents to ensure availability, accuracy, confidentiality and traceability of information in the business systems.

Information and communication

The Bank has information and communication paths with the aim of achieving completeness and correctness in its financial reports. Handelsbanken Finance must ensure that the staff concerned are aware of and have access to instructions of significance to the financial reporting. The Group's general accounting instructions and special procedures for producing financial reports, and the process for internal control over the financial reporting, are communicated to the staff concerned via the Group's intranet. The system used for financial reporting encompasses the entire Group.

Monitoring activities

The respective accounting and financial departments at the Bank monitor and verify compliance with applicable rules in the form of internal steering documents which affect the financial reporting, as the responsibility for internal control is an integral part of the managerial responsibility.

Handelsbanken Risk Control is responsible for identifying, checking and reporting risks of errors in the Bank's assumptions and assessments that form the basis of the Bank's financial reporting. Handelsbanken Risk Control is described in more detail on pages 43 and 49.

Handelsbanken Internal Audit is assigned to examine internal governance and control, and to evaluate the reliability of the Group's financial reporting. Handelsbanken Internal Audit is described in more detail on pages 43 and 49.

As part of the quality control work for financial reporting, the Board has set up an Audit committee. Among other responsibilities, the committee processes critical accounting matters and the financial reports produced by the Bank. The committee also supervises the effectiveness of the internal control, internal audit and the process for internal control over the financial reporting. The Audit committee is described in more detail on page 43.

The Group's information and communication paths are monitored continually to ensure that they are fit-for-purpose for the financial reporting.

Board

Elected by the AGM



Name	Pär Boman Chairman	Fredrik Lundberg Deputy Chairman	Jon Fredrik Baksaas Board member	Hélène Barnekow Board member	Stina Bergfors Board member
Year elected	2006	2002	2003	2022	2021
Year of birth	1961	1951	1954	1964	1972
Nationality	Swedish	Swedish	Norwegian	Swedish	Swedish
Position and significant board assignments ¹⁾	Chairman of AB Volvo • Deputy Chairman of AB Industrivärden • Board member of Skanska AB • Chairman Pensionskassan SHB, Jan Wallanders och Tom Hedelius stiftelse and Tore Browaldhs stiftelse.	President and CEO of L E Lundbergföretagen AB • Chairman of Holmen AB, Hufvudstaden AB and AB Industrivärden • Board member of L E Lundbergföretagen AB and Skanska AB.	Chairman of DNV Group AS • Board member of Telefonaktiebolaget LM Ericsson and Scale Leap Capital AS.	Chairman of Mindler AB and Storytel AB • Board member of GN Store Nord A/S.	Board member of H&M Hennes & Mauritz AB and Tele2 AB.
Background	2006–2015 President and Chief Executive Officer of Handelsbanken.	President of L E Lundbergföretagen AB since 1981 • Active at Lundbergs since 1977.	2008–2016 GSM Association member, Chairman 2013–2016 • 2002–2015 Telenor Group, President and CEO • 1989–2002 Telenor Group, various positions within finance, financial control and management • 1988–1989 Aker AS • 1985–1988 Stolt Nielsen Seaway AS • 1979–1985 Det Norske Veritas, Norway and Japan.	2018–2022 CEO of Microsoft Sweden • 2014–2018 CEO and various management roles, Telia 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, 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.	2013–2018 Co-founder and CEO, other roles, United Screens • 2008–2013 Country Director, Google and Youtube • 2004–2007 CEO and other roles, Carat • 2000–2004 Director, other roles, OMD Worldwide • 1999–1999 Account Manager, TV3 Sweden, Modern Times Group.
Education	Engineer and Business/Economics degree, Dr. h.c. econ.	Graduate Engineer and Graduate in Economics/Business Administration, Dr. h.c. mult.	Graduate in Economics/Business Administration and PED from IMD.	Graduate in Economics/Business Administration.	Graduate in economics/administration, Dr. h.c. phil.
Remuneration 2024 ²⁾	SEK 6,040,000	SEK 1,585,000	SEK 1,885,000	SEK 1,270,000	SEK 1,270,000
Credit committee Participation	Chair 10/10	10/10	9/10	–	10/10
Audit committee Participation	9/9	–	8/9	–	–
Remuneration committee Participation	Chair 8/8	–	8/8	–	–
Risk committee Participation	9/9	–	–	6/9 ³⁾	–
UK committee Participation	Chair 4/4	–	–	–	–
Board meetings Participation	12/12	12/12	12/12	12/12	12/12
Own shareholdings and those of related parties, 31 December 2024	165,682, of which 130,000 class A shares in direct holdings and 35,682 in indirect holdings ⁵⁾	82,275,000 class A shares	3,800 class A shares	1,000 class A shares	4,300 class A shares
Dependent/independent	Independent of the Bank and its management. Not independent of major shareholders (Deputy Chairman of AB Industrivärden).	Independent of the Bank and its management. Not independent of major shareholders (Chairman of AB Industrivärden).	Independent of the Bank, its management and major shareholders.	Independent of the Bank, its management and major shareholders.	Independent of the Bank, its management and major shareholders.

1) As of 20 February 2025.

2) The presented remuneration to the Board is resolved on by the AGM and relates to the annual remuneration between the 2024 AGM and the 2025 AGM.

Total remuneration to the Board amounted to SEK 20,345,000.

3) Became a member of the committee in March 2024.

4) Became a Board member and a member of the committee in March 2024.

5) Refers to indirect shareholdings in Handelsbanken via the Oktogonen profit-sharing scheme.

Board cont.



Name	Hans Biörck Board member	Kerstin Hessius Board member	Louise Lindh Board member	Ulf Riese Board member
Year elected	2018	2016	2024	2020
Year of birth	1951	1958	1979	1959
Nationality	Swedish	Swedish	Swedish	Swedish
Position and significant board assignments ¹⁾	Chairman of Skanska AB.	Chairman of Hemsö Fastighets AB. • Board member of Lumera AB.	Chairman of J2L Holding AB and Fastighets AB L E Lundberg • Board member L E Lundberg-företagen AB, Hufvudstaden AB and Holmen AB.	Board member Jan Wallanders och Tom Hedelius stiftelse and Tore Browaldhs stiftelse.
Background	2001–2011 Skanska, Executive Vice President and CFO • 1998–2001 Autoliv, CFO • 1997–1998 Self-employed • 1977–1997 Various positions in Esselte.	2004–2022 AP3 Third National Swedish Pension Fund, CEO • 2001–2004 Stockholm Stock Exchange, CEO • 1999–2000 Sveriges Riksbank, Deputy Governor of the central bank • 1998 Danske Bank, CEO, Asset Management • 1990–1997 ABN Amro Bank/Alfred Berg • 1989–1990 Finanstidningen • 1986–1989 Swedish National Debt Office • 1985–1986 Sveriges Riksbank (central bank) • 1984–1985 Swedish Agency for Public Management.	2017–2024 President and CEO, Fastighets AB L E Lundberg • 2005–2017 Various positions, including assistant to the CEO, Executive Vice President and Regional Manager, Fastighets AB L E Lundberg • 2003–2005 audit assistant, KPMG.	Various positions at Handelsbanken • 2016–2018 Senior Advisor • 2007–2016 CFO • 2004–2007 Head of Handelsbanken Asset Management • 2004 Executive Vice President of Handelsbanken • Employed at Handelsbanken 1983.
Education	Graduate in Economics/ Business Administration.	Graduate in Economics/ Business Administration.	Graduate in Economics/ Business Administration.	Graduate in Economics/ Business Administration.
Remuneration 2024 ²⁾	SEK 2,360,000	SEK 1,870,000	1,270,000 kr	SEK 2,795,000
Credit committee Participation	10/10	10/10	8/10 ⁴⁾	10/10
Audit committee Participation	9/9	–	–	Chair 9/9
Remuneration committee Participation	8/8	–	–	–
Risk committee Participation	9/9	Chair 9/9	–	9/9
UK committee Participation	–	–	–	4/4
Board meetings Participation	12/12	12/12	9/12 ⁴⁾	12/12
Own shareholdings and those of related parties, 31 December 2024	10,000 class A shares	47,213 class A shares	3,051,000 class A shares	200,000 class A shares
Dependent/independent	Independent of the Bank, its management and major shareholders.	Independent of the Bank, its management and major shareholders.	Independent of the Bank, its management and major shareholders.	Independent of the Bank, its management and major shareholders.

Board cont.



Name	Anna Hjelmberg Employee representative	Lena Renström Employee representative	Stefan Henricson Employee representative, Deputy member	Mikael Almvret Employee representative, Deputy member
Year elected	2020	2020	2020	2023
Year of birth	1969	1965	1970	1969
Nationality	Swedish	Swedish	Swedish	Swedish
Position and significant board assignments ¹⁾	Chair of Finansförbundet's Handelsbanken union club • Board member of Pensionskassan SHB.	Chair of Finansförbundet's Handelsbanken SE-union club.	Board member of Finansförbundet's Handelsbanken SE-union club.	Chair of Akademikerföreningen (Association for graduate professionals) at Handelsbanken.
Background	Insurance officer at Handelsbanken Liv, union roles in the Handelsbanken Group.	Advisory services in Handelsbanken's branch operations.	Managerial and advisory services at branches and regional head offices at Handelsbanken.	Specialist, System Owner and Business and Operations developer within Anti-Money Laundering, International operations, and Trading.
Education	Economics Programme at upper secondary school.	Graduate in Economics/Business Administration.	Economics Programme at upper secondary school.	Graduate in Economics/Business Administration.
Remuneration 2024 ²⁾	SEK 0	SEK 0	SEK 0	SEK 0
Credit committee Participation	–	–	–	–
Audit committee Participation	–	–	–	–
Remuneration committee Participation	–	–	–	–
Risk committee Participation	–	–	–	–
UK committee Participation	–	–	–	–
Board meetings Participation	11/12	12/12	12/12	12/12
Own shareholdings and those of related parties, 31 December 2024	0	0	38,784, of which 38,784 in indirect holdings ³⁾	29,527, of which 29,527 in indirect holdings ³⁾
Dependent/independent	Not independent of the Bank and its management (employee). Independent of major shareholders.	Not independent of the Bank and its management (employee). Independent of major shareholders.	Not independent of the Bank and its management (employee). Independent of major shareholders.	Not independent of the Bank and its management (employee). Independent of major shareholders.

1) As of 20 February 2025.

2) The presented remuneration to the Board is resolved on by the AGM and relates to the annual remuneration between the 2024 AGM and the 2025 AGM.

Total remuneration to the Board amounted to SEK 20,345,000.

3) Refers to indirect shareholdings in Handelsbanken via the Oktogonen profit-sharing scheme.

Executive Team

Executive Team¹⁾

Name	Position	Year of birth	Employed	Shareholdings
Per Beckman	Chief Credit Officer and Executive Vice President	1962	1993	Shareholdings 20,170, of which 20,170 in indirect holdings ⁶⁾
Carl Cederschiöld ²⁾	Chief Financial Officer and Executive Vice President	1973	1998	Shareholdings 34,526, of which 16,600 class A shares in direct holdings ⁵⁾ and 17,926 in indirect holdings ⁶⁾
Pernilla Eldestrand ³⁾	Chief Communication Officer	1969	1989	Shareholdings 40,987, of which 40,987 in indirect holdings ⁶⁾
Michael Green	President and Chief Executive Officer	1966	1994	Shareholdings 111,405, of which 85,000 class A shares in direct holdings ⁵⁾ and 26,405 in indirect holdings ⁶⁾
Maria Hedin	Chief Risk Officer	1964	2010	Shareholdings 6,592, of which 246 class B shares in direct holdings ⁵⁾ and 6,346 in indirect holdings ⁶⁾
Dan Lindwall	Responsible for subsidiaries and group-wide matters	1965	2000	Shareholdings 7,356, of which 7,356 in indirect holdings ⁶⁾
Cecilia Lundin	Chief Human Resources Officer	1970	2023	Shareholdings 55, of which 55 class B shares in direct holdings ⁵⁾
Anton Romare Keller ⁴⁾	Chief Information Officer	1982	2007	Shareholdings 12,766, of which 2,772 class A shares in direct holdings ⁵⁾ and 9,994 in indirect holdings ⁶⁾

1) The table shows the Executive Team as per 20 February 2025. Until 31 March 2024, the Executive Team consisted of the Bank's executive management, which, in addition to the Chief Executive Officer (Michael Green) also included the Chief Financial Officer (Carl Cederschiöld), Chief Information Officer (Mattias Forsberg), Chief Credit Officer (Per Beckman), Chief Human Resources Officer (Cecilia Lundin), Head of Capital Markets (Dan Lindwall), Chief Sustainability and Climate Officer (Catharina Belfrage Sahlstrand), Chief Strategy Officer (Martin Noréus), Head of Products and Offerings (Anna Possne), Chief Risk Officer (Maria Hedin), the Country General Manager of Norway (Arild Andersen) and the Chief Executive Officer of Handelsbanken plc (Mikael Sörensen). The Chief Legal Officer (Martin Wasteson) and Chief Compliance Officer (Monika Bergström) was co-opted to the executive management. On 31 July 2024, Mattias Forsberg left the Executive Team in conjunction with stepping down from his position as Chief Information Officer. Catharina Belfrage Sahlstrand left the Executive Team on 21 January 2025 when she stepped down from her position as Chief Sustainability Officer.

2) Also Acting Chief Sustainability Officer since 21 January 2025.

3) Took office on 1 October 2024.

4) Took office on 1 August 2024.

5) Direct shareholdings refer to own and related party's shareholdings in Handelsbanken on 31 December 2024.

6) Refers to indirect shareholdings in Handelsbanken via the Oktogonen profit-sharing scheme on 31 December 2024.

Auditor's report

NOTE: this is an unofficial translation of the report originally issued in Swedish. In case of discrepancies between the original report and this translation the original Swedish version shall prevail.

To the general meeting of the shareholders of Svenska Handelsbanken AB (publ), corporate identity number 502007-7862

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Svenska Handelsbanken AB (publ) for the year 2024 with the exception of the sustainability report on page 15 and the corporate governance statement on pages 40–57. The annual accounts and consolidated accounts of the company are included on pages 10–247 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of parent company as of December 31, 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies. The consolidated accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the group as of December 31, 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies. Our opinions do not cover the corporate governance statement on pages 40–57 or the sustainability report on pages 15.

The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts. We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and the consolidated financial statement for the current period. These matters were addressed in the context of the audit of, and in forming our opinion on, the financial statements and consolidated financial statement as a whole, and we do not provide a separate opinion on these matters. The description below of how the audit was conducted in these areas is provided in this context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements and the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the Key audit matter
<p>Provision for expected credit losses</p> <p>Detailed information and description of the area are provided in the annual accounts and consolidated accounts. Credit risk exposure and how it is managed is described in note G2. The Group's reported expected credit losses are specified in note G10. Disclosures regarding the parent company are presented in note P2 and P10. The relevant accounting policies for the Group in this area are described in note G1, sections 6 and 13. Note P1 indicates that the parent company's accounting policies regarding lending and provisions for expected credit losses are consistent with the Group's accounting policies.</p> <p>As of 31 December, 2024 lending to the public amounts to MSEK 2 297 878 (524 171) for the group (parent) which amounts to 65% (23%) of total assets. The total credit risk exposure, including off-balance commitments, amounts to MSEK 3 699 017 (2 952 370).</p> <p>Provision for expected credit losses on lending to the public amounts to MSEK 1 609 (836) for which MSEK 538 (169) is based on model and expert based calculations (Stages 1 and 2) and MSEK 1 071 (666) is based on manual calculations (Stage 3). The Bank performs expert based adjustments on the model-based calculations in Stages 1 and 2 to take into consideration factors which are not accounted for in the model.</p> <p>Expected credit losses shall be measured in a way that reflects an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes and is based on past events, current conditions and forecasts of economic conditions. To determine the provision the Bank is required to make estimates and assumptions regarding for example criteria to identify a significant increase in credit risk and methods to calculate expected credit losses. Due to the complexity of the calculation and the fact that it requires the Bank to make estimates and assumptions with a significant impact on reported amounts, the valuation of the provision for expected credit losses is considered a key audit matter.</p>	<p>We have evaluated whether the Bank's assessment of probability of default, loss given default, exposure at default and expected credit loss as well as significant increase in credit risk is in accordance with IFRS 9.</p> <p>We have obtained an understanding of and tested the design of key controls in the credit process including credit decision, credit review, rating classification as well as identifying and determining credits deemed to be in default. We have also tested controls related to model data input and general IT controls including system access management for affected systems.</p> <p>Furthermore, we have on a sample basis reviewed the Bank's initial and current credit rating. We have tested that data used from supporting systems used in the model is complete and accurate.</p> <p>We have reviewed and assessed the model including assumptions and parameters and verified the functionality of the model. We have assessed the reasonableness of the macro-economic data used. We have assessed the reasonableness of the manual adjustments, including the expert-based provision, performed by the Bank. As part of our audit, we used our internal model specialists to support us with the audit procedures performed.</p> <p>We have also reviewed that the disclosures in the financial reports regarding provisions for expected credit losses are appropriate.</p>

Fair value measurement of financial instruments with no market prices available

Detailed disclosures and descriptions of this area are provided in the annual report and consolidated accounts. Financial instruments measured at fair value are described in Note G42 for the Group and Note P37 for the parent company. The relevant accounting policies for the Group in this area are detailed in Note G1, section 5, on page 72. Note P1 indicates that the parent company's accounting policies regarding financial instruments measured at fair value align with the Group's accounting policies.

Key audit matter	How our audit addressed the Key audit matter
<p>The Bank has financial instruments where market price is missing, thus fair value is determined using valuation models based on market data. These financial instruments are categorized as level 2 under the IFRS fair value valuation hierarchy. Svenska Handelsbanken has also, to some extent, financial instruments whose valuation to fair value is determined using valuation models for which the value is affected by input data that cannot be verified by external market data. These financial instruments are categorized as level 3 under IFRS fair value valuation hierarchy.</p> <p>The group (parent company) has financial assets and financial liabilities in level 2 amounting to MSEK 52 852 (73 669) and MSEK 19 390 (30 901) respectively. Financial assets and liabilities in level 3 amounts to MSEK 194 (179) and MSEK 17 (17) respectively.</p> <p>The main part of the financial instruments in level 2 is made out of derivative contracts, among them interest rate swaps and various types of linear currency derivatives, fund shares, and interest bearing instruments. These instruments are valued through the use of valuation models based on market rates and other market prices. Financial instruments in level 3 primarily consist of unlisted shares in joint ventures, and investments in the insurance business. Due to the complexity of calculations and the fact that the Bank has to make assessments with a significant impact on reported amounts, valuation of financial instruments with no market prices is considered to be a key audit matter.</p>	<p>We have assessed whether the Bank's method for valuation of financial instruments where market prices are unavailable, including the classification within the valuation hierarchy, is in accordance with IFRS 13.</p> <p>We have tested key controls in the valuation process, including the Bank's assessment and approval of assumptions and methods used in model-based calculations, controls over data quality as well as change management regarding internal valuation models. We have also tested general IT-controls, including system access management for affected systems.</p> <p>Further, we have evaluated the methods and assumptions made during the valuation of financial instruments with no market prices available. We have compared the valuation models with valuation guidelines and appropriate industry practice. We have compared assumptions used against appropriate benchmarks and price sources and examined any significant discrepancies. We have verified the reasonableness of the calculations by conducting our own independent valuations on a sample basis. During the audit, we have engaged our internal valuation specialist to assist us with selected audit procedures.</p> <p>We have also reviewed the adequacy of the disclosures in the financial statements regarding the fair value measurement of financial instruments.</p>

Other Information than the annual accounts and consolidated accounts

This document contains other information besides the annual report and consolidated financial statements, which is found on pages 1–9 and 254–382. The remuneration report for the financial year 2024 also constitutes other information. The Board of Directors and the CEO are responsible for this other information.

Our opinion on the annual report and consolidated financial statement does not cover this information, and we do not express any form of assurance conclusion on this other information.

In connection with our audit of the annual report and consolidated financial statements, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the

annual report and consolidated financial statements. During this review, we also consider the knowledge we have gained during the audit and assess whether the information otherwise appears to contain material misstatements.

If, based on the work we have performed on this information, we conclude that there is a material misstatement in this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual report and consolidated financial statements and that they give a fair presentation in accordance with the Swedish Annual Report Act for Credit Institutions and Securi-

ties Companies and, concerning the consolidated financial statement, in accordance with IFRS accounting standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual report and consolidated financial statements, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors

and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual report and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual report and consolidated financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional

omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual report and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion about the annual report and consolidated financial statement. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual report and consolidated financial statement, including the disclosures, and whether the annual report and consolidated financial statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statement. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement confirming that we have complied with relevant ethical requirements regarding independence, and to disclose any relationships and other matters that could reasonably be thought to bear on our independence, as well as, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual report and consolidated financial statements, including the most significant assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation preclude public disclosure about the matter.

Report on other legal and regulatory requirements

The auditor's audit of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual report and consolidated financial statement, we have also audited the administration of the Board of Directors and the Managing Director of Svenska Handelsbanken AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal regarding the allocation of the company's profit or loss. In the case of a proposed dividend, this includes, among other things, an assessment of whether the dividend is justifiable considering the requirements that the nature, scope, and risks of the company's and the Group's operations impose on the size of the parent company's and the Group's equity, the need for consolidation, liquidity, and overall financial position.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among

other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or

- in any other way has acted in contravention of the Companies Act, the Banking and Financing Business Act, the Swedish Annual Report Act for Credit Institutions and Securities Companies or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the

audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment, focusing on risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular significance for the company's situation. We review and evaluate decisions made, supporting documentations, actions taken, and other circumstances relevant to our opinion on discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting documents in order to be able to assess whether the proposal is in accordance with the Swedish Companies Act.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Svenska Handelsbanken AB (publ) for the financial year 2024.

Our examination and our opinion pertain solely to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Svenska Handelsbanken AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the econo-

mic decisions of users taken on the basis of the Esef report.

The audit firms apply International Standard on Quality Management 1, which requires the company to design, implement and manage a quality management system including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a

valid XHTML format and a reconciliation of the Esef report with the audited annual report and consolidated financial statements.

Furthermore, the procedures also include an assessment of whether the Group's income statement, balance sheet, statements of changes in equity, cash flow statement and notes in the Esef report have been marked with iXBRL in accordance with the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for the corporate governance report on pages 40–57 and for ensuring that it has been prepared in accordance with the Swedish Annual Report Act.

Our review has been conducted in accordance with FAR's recommendation RevR 16, The Auditor's Examination of the Corporate Governance Report. This means that our examination of the corporate governance report has a different focus and significantly lesser scope than the focus and scope of an audit conducted in accordance with International

Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides us with a sufficient basis for our opinion.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Swedish Annual Report Act and chapter 7 section 31, second paragraph of the same act, are consistent with the other parts of the annual report and consolidated financial statements and are in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies.

Auditor's report on the statutory sustainability report

It is the board of directors who is responsible for the statutory sustainability report on page 15 and that it has been prepared in accordance with the previous wording that applied prior to 1 July 2024 of the Swedish Annual Report Act.

Our examination has been conducted in accordance with FAR's auditing standard

RevR 12 The auditor's opinion on the statutory sustainability report. This means that our review of the sustainability report has a different focus and significantly lesser scope than the focus and scope of an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides us with a sufficient basis for our opinion.

A statutory sustainability report has been prepared.

PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, was appointed auditor of Svenska Handelsbanken AB (publ) by the general meeting of the shareholders on 20 March 2024 and has been the company's auditor since 29 March 2017.

Deloitte AB, Rehnsgatan 11, 113 57 Stockholm, was appointed auditor of Svenska Handelsbanken AB (publ) by the general meeting of the shareholders on 20 March 2024 and has been the company's auditor since 22 March 2023.

Stockholm February 26, 2025

PricewaterhouseCoopers AB

Magnus Svensson Henryson
Authorized Public Accountant

Deloitte AB

Malin Lünig
Authorized Public Accountant

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