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Principles for
Responsible Banking

Responsible Banking Progress Statement for PRB Signatories



Summary template

Svenska Handelsbanken AB (publ) 2025

Principle 1: Alignment	Principle 2: Impact & Target Setting	Principle 3: Clients & Customers
<p>Content</p> <p>Handelsbanken works continuously to integrate sustainability into our business and help our customers make sustainable choices and prepare for current and future regulations. Our sustainability report complies with the European Sustainability Reporting Standards (ESRS), and sustainability is an integrated part of our way of doing business.</p> <p>We have an important role in the transition to a more sustainable economy and work actively to reduce both our own and our customers' climate impact. We follow up climate risks through stress tests and scenario analyses to understand how changes in the climate and new requirements can affect both us and our customers.</p> <p>The Sustainable Development Goals were adopted by the UN General Assembly in September 2015. They consists of 17 goals, which aim at achieving sustainable social, environmental and financial development. We have chosen to focus on six of these goals, all of which are related to our core business - Goal 5 Gender Equality, Goal 8 Decent work and economic growth, Goal 9 Industry, innovation and infrastructure, Goal 11 Sustainable cities and communities, Goal 13 Climate action and Goal 16 Peace, justice and strong institutions.</p>	<p>Content</p> <p>Handelsbanken initiated its double materiality assessment in line with the CSRD in 2023 and the final results of the assessment were adopted in 2024. An updated double materiality assessment was carried out during 2025.</p> <p>The transition plan encompasses the Bank's financed emissions from lending and asset management, which account for more than 99 per cent of the Bank's reported emissions. The Bank's core business is lending, and a large part of this lending is collateralized with real estate. As a result, the analysis of physical climate risks and transition risks primarily focus on real estate-related risks in the credit risk area.</p> <p>During the year, the Bank updated its methods for emission calculations in accordance with new industry standards, revised the previous base year, calculated emissions and prepared sector-specific reduction pathways. The home markets have endeavored to improve data collection and quality assurance to enhance comparability and the reliability of risk assessment and reporting.</p> <p>Handelsbanken's Group-wide target is to reduce the Bank's absolute Scope 1 and 2</p>	<p>Content</p> <p>Handelsbanken has a decentralized business model, which means that our local bank branches play a central role in our operations and are responsible for the entire bank's work in their areas. We integrate sustainability into our business by offering financial products, services and advice that help our customers make sustainable choices and prepare for both current and future regulations.</p> <p>The Bank conducts responsible funding, for example, by issuing green bonds for which the proceeds are used to finance projects with a clear sustainability focus. Handelsbanken offers several forms of financing that support the climate transition and sustainable development, including green loans, sustainability-linked loans, and climate and energy loans, both for companies and for private individuals. The sustainable lending volumes have increased during the year, and the Bank intends to continue the development of financing products to support customers in their transition.</p> <p>The Bank has developed a Group-wide process for customer dialogues on sustainability in financing, supplemented with advisory services and training courses. In the coming years, this strategy will be implemented and followed up through key indicators. In Sweden, the Bank also arranged</p>

<p>Handelsbanken published its first Group-wide climate transition plan in 2023, and it is regularly updated in line with new regulatory requirements and as the bank's operations develop.</p> <p>The transition plan is based on the Bank's business model and seeks to contribute to EU and national climate targets in each home market, and the Paris Agreement's goal of limiting global warming to 1.5°C. The structure of the plan is based on guidance for the financial sector from the Glasgow Financial Alliance for Net Zero (GFANZ) and the latest published plan, updated 2025, has been adopted by the Head of Handelsbanken Savings, and Financing, who also has Group-wide responsibility for sustainability.</p> <p>Handelsbanken Fonder's climate ambitions and investment strategy are closely integrated with the Bank's transition plan. As an asset manager, Handelsbanken Fonder aims for its total investment portfolio to be aligned with the Paris Agreement and to reach net-zero greenhouse gas emissions by 2040, and investing in companies that contribute to the UN Sustainable Development Goals and Agenda 2030, thereby supporting the Group's implementation of the UN Principles for Responsible Banking in its asset management activities.</p> <p>The provisions on sustainability reporting have been amended as a result of the introduction of the EU Corporate Social Responsibility Directive (CSRD), which means that Handelsbanken's 2025 Sustainability Report is presented in its entirety in the administration report.</p>	<p>emissions in its home markets by 50 per cent by 2030 from the 2021 level.</p> <p>Energy efficiency is a central action for reducing the climate impact of the Bank's own operations. The target is to reduce energy consumption per square metre in the headquarters and internal departments in Sweden by an average of at least 2.5 per cent per year between 2023 and 2030. The target is followed up annually. The target is not science-based and stakeholders were not involved in setting it, but energy efficiency is an established method for reducing emissions. The targets for own operations are based on the Bank's commitment to reduce its direct environmental and climate impact over time.</p> <p>Furthermore, the Bank has set targets for electricity procurement, which means that 100 per cent renewable electricity will continue to be purchased until 2030.</p> <p>For the Bank's lending portfolio, financed emissions are measured and compared with scientific emission reduction pathways, including from the Science Based Targets initiative (SBTi), which forms a basis for monitoring and developing relevant KPIs.</p> <p>The Bank's credit risk analysis includes an assessment of how the customer is affected by sustainability risks, including climate-related risk – both physical risks and transition risks. One of the first steps in analysing the repayment capacity is determining which sector the customer belongs to and the specific sustainability risks that are related to it.</p> <p>Handelsbanken's main KPI for banking operations is the Green Asset Ratio (GAR), which shows the proportion of assets on the balance sheet at the</p>	<p>customer meetings, webinars and targeted mailings to housing co-operative associations on energy, maintenance planning and upcoming regulations.</p> <p>For savings and investments, our asset management offers a wide and varied range of funds that includes both products with a distinct sustainability profile and options that satisfy other investment preferences. This allows Handelsbanken to meet differing customer needs while its advisory services help increase knowledge about sustainable investment choices. 79 per cent of the managed fund volume were reported subject to the regulations of the SFDR in the second highest reporting category (article 8) and 21 per cent in the highest reporting category (article 9).</p> <p>The Bank continues its efforts to improve financial health and reduce the gender-based savings gaps through customized advisory services.</p>
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	<p>end of the period that meet the Taxonomy criteria.</p> <p>Handelsbanken Fonder in Sweden, which accounts for about 90 per cent of the Group's assets under management, has set an overall target of achieving net-zero emissions from its investment portfolio by 2040 in line with the Net Zero Investment Framework 2.0 (NZIF 2.0) with an interim target. Handelsbanken Fonder has also set an interim target stating that 50 per cent of the companies in the investment portfolio are to be aligning with a net-zero pathway by 2030, and to engage in dialogue with those companies that together account for 70 per cent of the fund company's financed GHG emissions and that have not yet aligned with a net-zero pathway.</p>	
<p>Links & references</p> <p>Facts about how we work with sustainability Home markets/Locations https://www.handelsbanken.com/en/sustainability https://www.handelsbanken.com/en/sustainability#185887/ https://www.handelsbanken.com/en/sustainability/our-role-in-society</p> <p>Climate Impact https://www.handelsbanken.com/en/sustainability/climate-impact</p> <p>SDGs https://www.handelsbanken.com/en/sustainability/sustainable-development-goals</p> <p>Transition plan, page 3 https://www.handelsbanken.com/tron/xgpu/info/contents/v1/document/72-157096</p> <p>Annual report 2025, pages 59, 81 and 82-84 https://vp292.alertir.com/afw/files/press/handelsbanken/202602267127-1.pdf</p>	<p>Links & references</p> <p>Annual Report 2025, Targets and target development pages 59, 81 and 83-87 Metrics and targets, including E1-2, E1-4 -- E1-8, pages 84-87 GAR pages 91-92 Credit risk strategy page 167</p> <p>https://vp292.alertir.com/afw/files/press/handelsbanken/202602267127-1.pdf</p> <p>Transition plan, page 6 https://www.handelsbanken.com/tron/xgpu/info/contents/v1/document/72-157096</p> <p>Materiality analysis https://www.handelsbanken.com/en/sustainability/materiality-analysis</p>	<p>Links & references</p> <p>https://www.handelsbanken.com/en/sustainability</p> <p>Annual Report 2025, page 62-63, 81 and 84 https://vp292.alertir.com/afw/files/press/handelsbanken/202602267127-1.pdf</p> <p>Supporting sustainable development https://www.handelsbanken.se/sv/foretag/kund-hoss/hallbarhetskollen (in Swedish)</p> <p>https://www.handelsbanken.se/sv/privat/bolan/energikollen (in Swedish)</p> <p>Financial health https://www.handelsbanken.se/sv/ekonomi-i-livet/privatekonomi/vardagshjalp/vardagekonomi/finaansiell-halsa (in Swedish)</p> <p>Handelsbanken Green Bond Framework https://www.handelsbanken.com/tron/xgpu/info/contents/v1/document/72-150724</p>

Principle 4: Stakeholders	Principle 5: Governance & Culture	Principle 6: Transparency & Accountability
<p>Content</p> <p>Mapping and understanding the bank’s value chain is crucial in the context of sustainability, particularly for double materiality under the CSRD. This assessment identifies impacts, risks and opportunities both upstream, downstream and own operations, and the effects this has on the company’s stakeholders.</p> <p>Handelsbanken’s principal stakeholders are customers, co-workers, owners and investors, trade unions and the rest of society, including special interest organisations, public authorities and legislators. These stakeholder groups have been identified on the basis of their significant impact on, or impact from, the Bank’s activities. Dialogues with these stakeholders take place regularly in a variety of formats and to different extents.</p> <p>The Bank also maintains continual dialogue with other stakeholders, such as equity research analysts and investors, trade associations, sustainability analysts, non-profit organisations, international organisations, municipalities and regions, suppliers, press and media, students and educational establishments. Dialogue takes place in, for example, investor meetings, responding to different types of surveys related to sustainability and participating in forums. Handelsbanken is also</p>	<p>Content</p> <p>The Board issues overarching policies that must be applied throughout the entire operations of the Handelsbanken Group, including to subsidiaries, where applicable, unless binding regulations outside Sweden, or relating to subsidiaries, make deviations necessary. The policy for sustainability sets the direction for Handelsbanken’s sustainability work and applies to the entire Group. The policy stipulates that sustainability is to be integrated into all operations, including customer meetings, product development, risk management and operations.</p> <p>The Board’s policy forms the basis for a number of guidelines issued by the Chief Executive Officer that regulate in more detail how the Handelsbanken Group is to act in relation to environment and climate change, forestry and agriculture, human rights and labour, the weapons and defence industry, the tobacco industry, financial crime, supplier arrangements, tax management, and security and data protection.</p> <p>The Board and the Chief Executive Officer set out the basic principles and frameworks for the Group’s sustainability activities. The Chief Executive Officer has delegated the functional responsibility for sustainability in the Handelsbanken Group to the Head of Handelsbanken Savings and Financing, who reports to the CEO. Under the Head of Handelsbanken Savings and Financing, there is a Groupwide specialist function, Handelsbanken</p>	<p>Content</p> <p>This report is based on the Annual Report 2025, which has been subject to limited assurance review by Handelsbanken’s auditors PricewaterhouseCoopers AB (PwC).</p> <p>In addition, references have been made to Handelsbanken’s home page.</p>

<p>a member of Finance Sweden's sustainability council and sustainability committee.</p> <p>The independent news channel EFN contributes to sharing knowledge and improving financial literacy and financial health in society.</p>	<p>Sustainability, led by the Operative Head of Sustainability, that has the operational responsibility for coordinating sustainability at the Bank and supporting the business in integrating sustainability into its operations and in identifying significant sustainability risks.</p> <p>The CFO is responsible for the bank's sustainability reporting and reports on the Bank's progress regarding sustainability to the Chief Executive Officer and the Board's Audit committee to ensure that these activities are in line with the Bank's overall business goals and risk management.</p> <p>Performance-related remuneration is paid neither to the board members, nor to the executive officers of the bank.</p> <p>Sustainability is an integral component of the Bank's skills development. The "Sustainability in the financial industry" course is mandatory for all co-workers and consultants with assignments longer than six months.</p>	
<p>Links & references</p> <p>Annual Report 2025, pages 63-65, 71-72, 85 https://vp292.alertir.com/afw/files/press/handelsbanken/202602267127-1.pdf</p>	<p>Links & references</p> <p>Annual Report 2025, pages 59-62 (including GOV 1-5), 82, 97 (including S1-4) and 204-205 https://vp292.alertir.com/afw/files/press/handelsbanken/202602267127-1.pdf</p> <p>https://www.handelsbanken.com/en/about-the-group/corporate-governance/policy-documents-and-guidelines</p>	<p>Links & references</p> <p>Annual Report 2025 pages 140-141 https://vp292.alertir.com/afw/files/press/handelsbanken/202602267127-1.pdf</p> <p>https://www.handelsbanken.com/en/</p>