

Financial Crime Policy Statement

Handelsbanken UK recognises that financial crime presents significant threat to the integrity of the financial system. As such, Handelsbanken UK is committed to preventing our products and services from being used to commit or further financial crime, and to undertake its activities with integrity and in line with applicable legal and regulatory requirements and relevant industry guidance.

Handelsbanken UK has zero tolerance for any conduct that knowingly or deliberately constitutes, enables, supports, conceals, or facilitates financial crime including:

- money laundering or attempted money laundering;
- terrorist financing or proliferation financing;
- breaches of applicable sanctions;
- fraud;
- bribery or corruption; and
- the facilitation of tax evasion.

In addition, Handelsbanken UK has a low tolerance for the risk of being used to facilitate financial crime, and adopts a risk-based approach to managing and mitigating this risk, whereby:

- Handelsbanken UK shall not participate in transactions where the nature or purpose is not sufficiently understood, or in transactions that may be suspected of being linked to criminal activity;
- Handelsbanken UK prohibits the opening or maintenance of anonymous accounts or anonymous passbooks; and
- Handelsbanken UK shall not initiate or maintain relationships with shell banks and will ensure it does not establish or maintain relationships with institutions that permit their accounts to be used by shell banks.

To prevent, detect, and manage the risk of economic crime, Handelsbanken UK applies a comprehensive risk-based framework and:

- applies a risk-based approach to the identification, assessment, and management of money laundering, terrorist financing, and proliferation financing risks, taking into account its customers, geographies, products, services, transactions, and delivery channels;
- maintains a documented Business-Wide Risk Assessment and customer risk assessment methodologies to ensure that risks are appropriately identified, assessed, and managed on an ongoing basis;
- implements and maintains proportionate systems and controls, including customer due diligence and enhanced due diligence for higher risk customers, transaction monitoring, screening, and internal reporting mechanisms designed to detect and prevent financial crime;
- maintains appropriate governance, oversight, and accountability arrangements for the effective operation of the AML/CTF framework;
- requires all employees and associated persons to act with integrity and vigilance, and to promptly identify and escalate any suspicions of financial crime in accordance with internal procedures; and
- co-operates, where appropriate, with regulators, law enforcement and relevant authorities, and supports efforts to prevent and disrupt financial crime.

Further detail on Handelsbanken UK's approach to specific risk areas is set out in relevant policies and minimum standards. The Board and senior management maintain oversight of Handelsbanken UK's AML/CTF framework and demonstrate a clear and ongoing commitment to effective risk management, compliance, and the prevention of financial crime.

Risk-specific Policy Statement

Appendix 1- Sanctions Policy Statement

This Appendix sets out Handelsbanken UK's policy statement in relation to sanctions and proliferation financing risk. In line with its Sanctions and Proliferation Financing policy, Handelsbanken UK maintains a zero-tolerance approach to breaches of applicable sanctions laws and regulations.

Handelsbanken UK is committed to complying with the sanctions laws and regulations of the United Kingdom, United Nations, European Union, and the United States. Sanctions measures may include, but are not limited to, assets freeze, trade restrictions, arms embargoes, export or import prohibition, financial services restrictions, and other measures imposed.

Handelsbanken UK's Sanctions and Proliferation Financing Policy prohibits engaging in any business activities or transactions that violate, or risk violating, applicable sanctions laws, or that are contrary to the policy objectives and approach set out in this Policy, which includes, without limitation, the following:

- engaging directly or indirectly with individuals, entities, organisations, or vessels or aircrafts or other parties named on a relevant sanctions list;
- engaging directly or indirectly in business activity that involves, originates from, transits through, or is for the ultimate benefit of, jurisdictions or regions subject to comprehensive sanctions or which are otherwise identified as prohibited by Handelsbanken UK due to heightened sanctions risk. As at the publication date of this policy, these prohibited countries and regions include Iran; the Democratic People's Republic of Korea (North Korea); Sudan; Syria; Crimea, and the occupied regions of Ukraine (Donetsk, Kherson, Luhansk and Zaporizhzhia); Russia; Belarus; and direct supply chain or investment links to the Xinjiang Uyghur Autonomous Region of China;
- customers domiciled in, incorporated in, or materially operating from countries or regions subject to comprehensive sanctions or prohibited through Handelsbanken policy prohibitions;
- Handelsbanken UK shall not process, facilitate or otherwise support directly or indirectly, any transactions, or support activities involving designated persons or prohibited jurisdictions or regions;
- Handelsbanken UK shall not knowingly process, facilitate, or otherwise support transactions that are structured or designed to circumvent applicable sanctions restrictions or conceal involvement of sanctioned persons, entities, or jurisdictions;
- Handelsbanken UK shall not knowingly provide financial services in connection with trade involving goods, services, or technologies that are subject to sanctions or trade restrictions;
- Handelsbanken UK has no appetite for engaging in, financing, facilitating or otherwise supporting the trade, transportation, purchase, or sale of Russian-origin oil or petroleum products where such activity would breach applicable oil price cap restrictions, or where Handelsbanken UK cannot obtain adequate assurance that the transaction complies with those restrictions;
- customers deemed to have increased sanctions exposure with insufficient controls, measures, or due diligence requirements in place to appropriately manage the risk posed. These are defined as customers who are engaged in the trade of goods, technologies, or services subject to UK trade sanctions, UK Strategic Export Control restrictions, dual use goods restrictions, or goods listed on the Common High Priority Items List, where Handelsbanken UK cannot obtain sufficient comfort regarding the customer's sanctions compliance controls.

Appendix 2- Anti-Bribery, Corruption and Facilitation of Tax Evasion Policy Statement

This Appendix sets out Handelsbanken UK's policy statement in relation to bribery, corruption, and facilitation of tax evasion risk.

In line with the Financial Crime Policy, Handelsbanken UK adopts a zero-tolerance approach to bribery, corruption and facilitation of tax evasion in all forms and prohibits any conduct that may directly or indirectly constitute, support, enable, conceal, or facilitate:

- bribery or attempted bribery;
- business practices;
- inducements or influence;
- or commissions;
- offering, promising, giving, requesting, agreeing to receive, or accepting of a bribe; or
- criminal facilitation of tax evasion by any employee, intermediary, or other associated person acting for or on behalf of Handelsbanken UK.

Handelsbanken UK prohibits any deliberate, dishonest, or improper conduct intended to facilitate or assist another person to evade tax, whether in relation to UK taxes or foreign taxes, and will maintain reasonable and proportionate prevention procedures designed to reduce the risk of such conduct occurring, in line with applicable legal and regulatory requirements, including the Criminal Finances Act 2017.

Handelsbanken UK expects all employees and associated persons to act with integrity, honestly, fairly, professionally, and in accordance with applicable laws, regulations and the Handelsbanken UK's internal policies.