

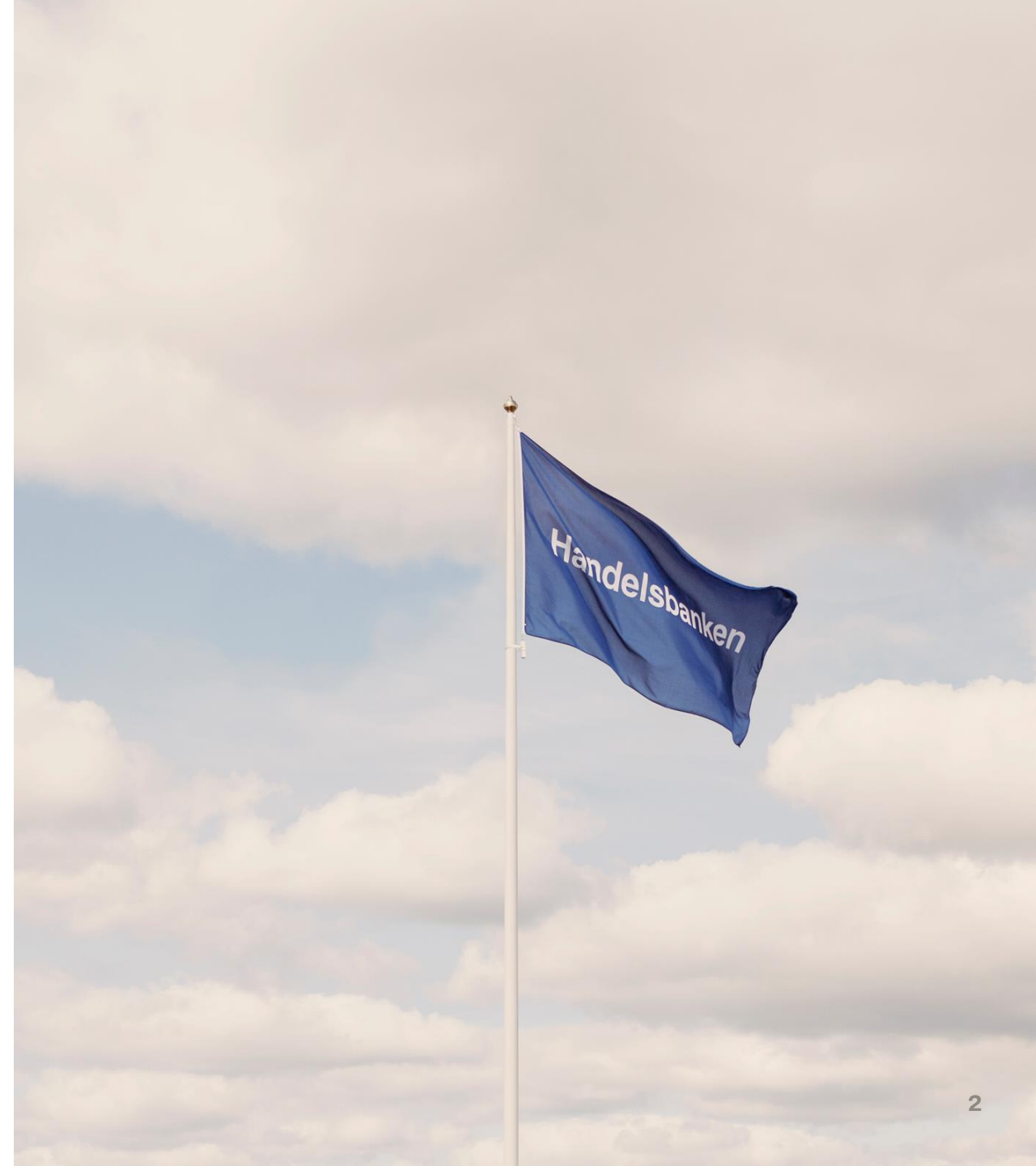
For the year ended  
31 December 2025

# Handelsbanken UK

**Total tax contribution report**

# Handelsbanken's approach to tax

- Handelsbanken recognises that its success derives from the trust it enjoys from its customers, counterparties, employees, investors, public authorities and the public in general.
- It understands how taxation contributes to a sustainable society, and Handelsbanken entities endeavour to act in accordance with all applicable tax laws and regulations, and to be guided by prevailing international agreements/standards dealing with tax related matters.
- Handelsbanken plc ('HB plc') has adopted the HMRC Code of Practice on Taxation for Banks and supports international efforts towards greater tax transparency.
- HB plc's earnings and tax payments are disclosed in the country-by-country report prepared and submitted by its parent company, Svenska Handelsbanken AB. Its attitude towards tax risk management, tax planning, professional conduct and best practice when working with tax authorities, are set out in its published Tax Strategy.



# 2025 summary

- During the year ended 31 December 2025, the Handelsbanken Group provided banking services in Sweden, Norway, The Netherlands, and the UK. It was also represented in Finland, Luxembourg, Poland and the USA. Handelsbanken made substantial tax payments in all countries in which it operated. It also collected taxes from employees and customers on behalf of local tax authorities.
- Handelsbanken's UK operations were carried out via three active entities - HB plc, Handelsbanken Wealth & Asset Management Ltd ('HWAM'), and Handelsbanken ACD ('HACD'). All other UK incorporated entities were dormant.
- HB plc, and HWAM made a Total Tax Contribution of approx. **£241m** in 2025 (£258m in 2024). This is made up of taxes paid (i.e. paid in the name of HB plc and HWAM) of **£176m** (£194m in 2024), and taxes collected (e.g. collected from employees' pay) of **£64m** (£64m in 2024). The reduced amount of tax paid in 2025 vs 2024 is largely attributable to a reduced corporation tax liability in 2025.
- HACD did not pay any corporation tax during the year. It did incur a small amount of irrecoverable VAT in its role as authorised client director for the HWAM multi asset funds, which is included in the HWAM irrecoverable input VAT figure stated in this report.

## UK taxes paid

Taxes paid to HMRC are those which constitute a cost to HB plc and HWAM. UK Corporation Tax was the single largest tax burden for the Handelsbanken UK group in 2025.

### UK Corporation Tax

HB plc and HWAM pay UK Corporation Tax on profits. The main rate of UK Corporation Tax ('CT') was 25% throughout the 2025 calendar year. HB plc also pays an additional 3% tax on its profits by way of the UK 'banking surcharge'. HWAM did not pay corporation tax in 2025 and instead transferred a loss to HB plc to reduce HB plc's CT liability. The amount reported is the net amount of corporation tax paid to HMRC in the 2025 calendar year.

### Employment taxes

Employer's National Insurance Contributions (NIC) are paid on the cost of employee salaries. Tax is also paid on the provision of employee entertainment and benefits if not otherwise deducted from employee pay (e.g. through the Bank's PAYE Settlement Agreement, or 'PSA', with HMRC). This figure also includes the net Apprenticeship Levy payment for the year, which is used to fund apprenticeship training. The rate of Employer NI increased from 13.8% to 15% in 2025, which is a factor in the increased the amount of employment taxes paid vs the previous year.

### Irrecoverable Input VAT

HB plc and HWAM typically pay UK VAT when buying goods and services from both UK and non-UK suppliers. If incurred for business purposes, this VAT is accounted for as 'Input VAT' and a portion of this can be recovered from HMRC (see 'Net VAT collected' under UK Taxes Collected). HB plc and HWAM only recover a small fraction of Input VAT from HMRC, with the rest being an irrecoverable cost for the business. The amount reported is taken from the quarterly VAT returns for the 2025 calendar year.

### Business rates, stamp duty and other taxes

HB plc and HWAM pay business rates to local authorities across Britain, as well as stamp duties on transactions relating to land and securities. Other taxes are also paid but are not captured for accounting purposes, so do not feature in this report (e.g. Customs Duty, Insurance Premium Tax, and other smaller items). HB plc moved its headquarters to a new location in 2025, which increased the amount paid in Stamp Duty Land Tax vs the previous year.

### UK Bank Levy

The Bank Levy is a tax on the balance sheet equity and liabilities of banks. HB plc was below the threshold during 2025, and therefore did not pay any Bank Levy.

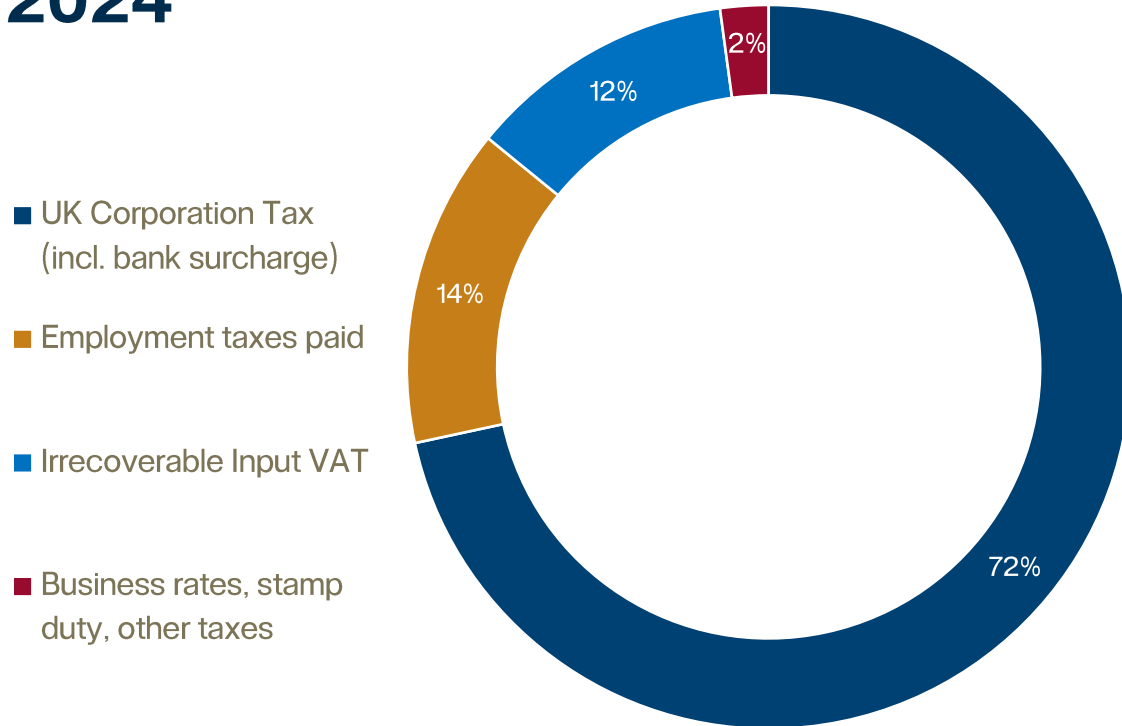
# UK taxes paid

| <b>Taxes paid (HB plc and HWAM)</b>       | <b>2024<br/>£'000</b> | <b>2025<br/>£'000</b> |
|---|-----------------------|-----------------------|
| UK Corporation Tax (incl. bank surcharge) | £139,298              | £118,645              |
| Employment taxes paid                     | £27,739               | £30,375               |
| Irrecoverable input VAT                   | £23,266               | £22,126               |
| Business rates, stamp duty, other taxes   | £4,185                | £5,831                |
| UK Bank Levy                              | £0                    | £0                    |
| <b>Total tax paid (GBP)</b>               | <b>£194,488</b>       | <b>£176,977</b>       |

# UK taxes paid

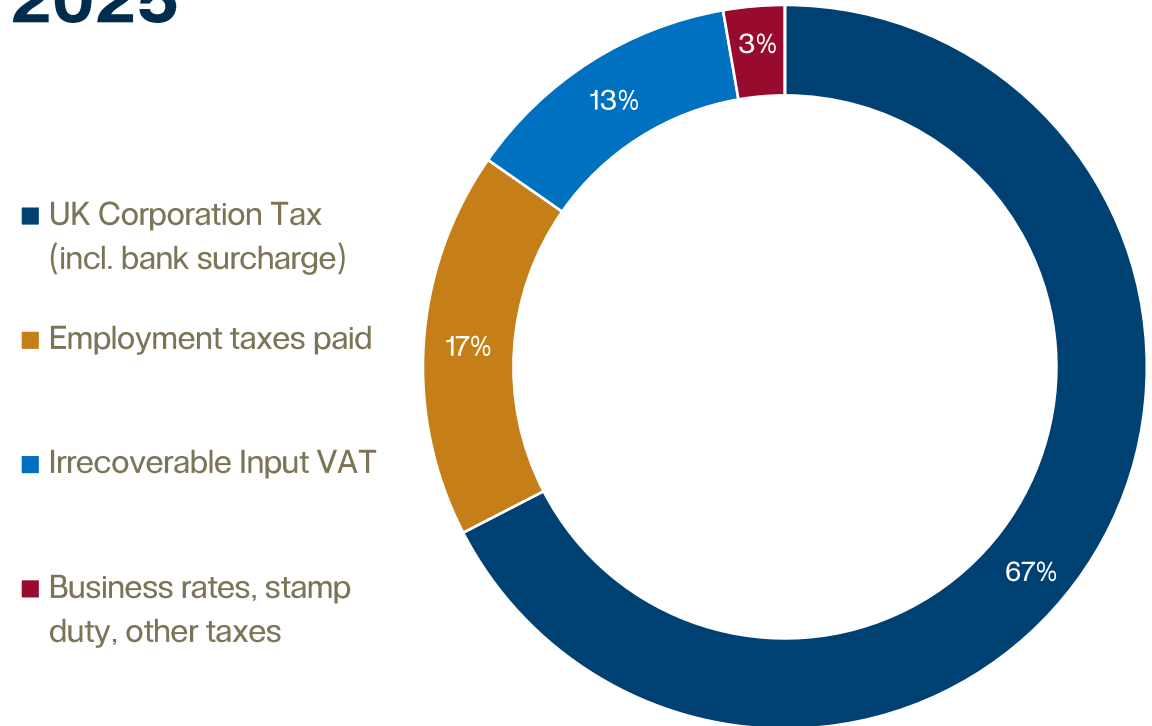
(HB plc and HWAM)

## 2024



**£194m tax paid**

## 2025



**£176m tax paid**

# UK taxes collected

'Taxes collected' are those that are generated by HB plc and HWAM's business operations, which are collected from employees' pay, customers, and third-party suppliers, before being paid to HMRC. In 2025, PAYE income tax and National Insurance contributions deducted from employee pay ('employment taxes collected') was by far the largest of these collected taxes.

## Employment taxes collected

HB plc and HWAM deduct income tax, employee National Insurance Contributions (NIC), and student loan payments from the remuneration paid to employees, before paying it over to HMRC. This tax collection process is known as 'PAYE' ('pay as you earn'), which also allows for credits to be claimed from HMRC for statutory sick pay and maternity pay. The amount reported is what was withheld from employees' pay in the calendar year in tax, NIC, and student loan repayments, to eventually be paid over to HMRC, less allowable deductions for statutory pay.

## Net VAT collected

HB plc and HWAM charge VAT to customers on supplies of certain goods and services. The VAT charged to customers, less an attributable portion of recoverable Input VAT, is usually paid over to HMRC as part of the quarterly VAT return process.

In 2025, HB plc recovered more Input VAT on UK purchases than it charged to customers, hence the negative figure reported here for 'net VAT collected' in 2025 – this was also the case for 2024. The amount reported is taken from the quarterly VAT returns for the calendar year.

## Withheld taxes on payments to suppliers and customers

HB plc and HWAM may have a duty to withhold taxes from compensation, interest, royalty, rental, and/or subcontractor payments made to customers, overseas lenders / landlords, and/or other third-party suppliers, and pay these over to HMRC. This does not include any withholding performed by third parties in relation to HWAM's Multi Asset Funds.

In 2025, HB plc withheld approx. £18k in tax on interest payments to customers.

| Taxes collected (HB plc and HWAM)                            | 2024<br>£'000  | 2025<br>£'000  |
|--|----------------|----------------|
| Employment taxes collected                                   | £65,445        | £65,666        |
| Net VAT collected, payable to/(from) HMRC                    | -£1,371        | -£866          |
| Withheld taxes on payments to suppliers (NRLS, CIS, Other)   | £0             | £0             |
| Withheld taxes on interest payments to customers and lenders | £15            | £18            |
| <b>Total taxes collected (GBP)</b>                           | <b>£64,089</b> | <b>£64,818</b> |

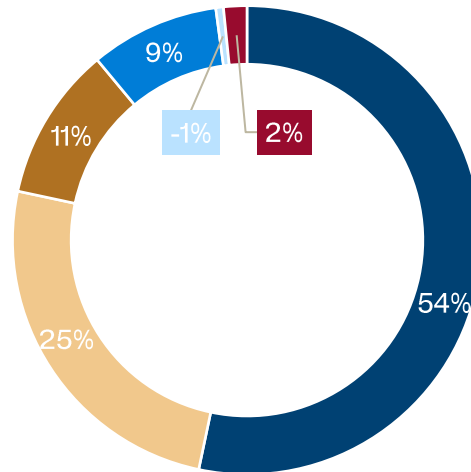
# Total tax contribution

(HB plc and HWAM, £GBP)

The 'total tax contribution' of HB plc and HWAM can be calculated by adding the 'total tax paid' and the 'total tax collected' by both entities for the calendar year. The two charts below provide a comparison between the 2024 and 2025 total tax contribution for HB plc and HWAM (combined) and displays a breakdown of the different taxes.

## 2024 Total Tax Contribution £'000

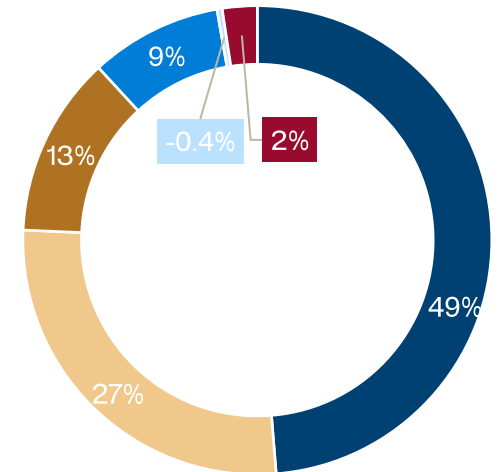
- UK Corporation Tax (includes bank surcharge): £139,298
- Employment taxes collected: £65,445
- Employment taxes paid: £27,739
- VAT paid (irrecoverable VAT): £23,266
- VAT collected (Net): -£1,371
- Other taxes collected/ withheld and paid: £4,200



**£258m tax collected and paid**

## 2025 Total Tax Contribution £'000

- UK Corporation Tax (includes bank surcharge): £118,645
- Employment taxes collected: £65,666
- Employment taxes paid: £30,375
- VAT paid (irrecoverable VAT): £22,126
- VAT collected (Net): -£866
- Other taxes collected/ withheld and paid: £5,849



**£241m tax collected and paid**

Handelsbanken is the trading name of Handelsbanken plc, which is incorporated in England and Wales with company number 11305395. Registered office: 25 Basinghall Street, London EC2V 5HA, UK. Handelsbanken plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register number 806852. Handelsbanken plc is a wholly-owned subsidiary of Svenska Handelsbanken AB (publ).

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# Handelsbanken