

# Guidelines for the Handelsbanken Group's environmental activities

Established by the Group Chief Executive on 8 June 2016

The Handelsbanken Group's Policy for sustainability makes it clear that an integrated approach to environmental considerations is essential to long-term value creation in the Group. Thus, structured environmental activities are a natural part of operations, with the Group taking responsibility for contributing to sustainable development in the long term and seeking to minimise its environmental impact. The Handelsbanken Group aims to be an environmentally sustainable company.

The purpose of these guidelines is to guide the Bank's environmental activities and to establish the basis for instructions for business operations with regard to environmental activities. The guidelines apply throughout the Handelsbanken Group, and pertain to all environmental impact, including environmental impact in business relations with customers, suppliers and other business partners.

## Background

The Handelsbanken Group supports international initiatives and guidelines with the common aim of encouraging and facilitating corporate sustainability. These principles and guidelines constitute an important basis for the Handelsbanken Group's environmental activities. The Handelsbanken Group's direct environmental work is co-ordinated centrally. Among other things, this entails the establishing and annual revision of relevant, measurable goals, shared by the whole Group, aimed at reducing the direct environmental impact, as well as measurement of, and reporting, on the environmental activities.

The Handelsbanken Group's decentralised organisational structure is at the heart of all practical environmental initiatives. All managers in the Handelsbanken Group have the primary responsibility for environmental initiatives at their respective units, and all employees have a responsibility for the environment as part of their duties. In the annual business planning, every unit must comply with, and plan to contribute to, the Group's environmental goals. The employees' competency regarding, and awareness of, the Bank's environmental impact is to be encouraged.

## General principles

The Group aims to actively work to minimise its direct environmental impact by constantly developing its environmental activities, taking into account developments in the community and in technology.

Handelsbanken must strive to minimise the negative environmental impact of its business decisions within credit granting, investment of customers' funds (e.g. in asset management) and purchasing, as well as encouraging and contributing to sustainable environmental development through its operations. This is to take place through long-term sustainable business decisions in which environmental concerns are part of the assessment. Prior to taking decisions regarding credit or investment of customers' funds, the environmental impact, where relevant, must be assessed and factored into the decisions. The basic principle is that credit is not to be granted/investments are not to be made in cases where the negative environmental impact is deemed to be too high. Support for such assessments is to be included in the instructions for business operations.

In all central procurements and purchases, the relevant environmental requirements are to be set; this will help to minimise the Handelsbanken Group's environmental impact. The basic principle is that goods and services that do not fulfil such requirements must not be purchased.

## Implementation

Application of, and compliance with, these guidelines is regulated in the policy documents for the Bank's various operations. It is the responsibility of every unit involved to ensure that the relevant policy documents are formulated so that these guidelines are applied and complied with in the unit's operations.

Handelsbanken must measure, report on and evaluate its environmental activities in accordance with the Group's rules, national legislation and voluntary international standards for reporting information. Reporting takes place annually in the Bank's Sustainability Report, and on a regular basis on the Bank's website. Handelsbanken reports its emissions data to CDP – the Carbon Disclosure Project.

**Relevant initiatives, voluntary guidelines and conventions:**

Handelsbanken supports international initiatives and guidelines with the common aim of encouraging and facilitating corporate sustainability. Such initiatives and guidelines, together with the relevant internationally agreed environmental conventions, constitute an important basis for the Handelsbanken Group's environmental activities. In the environmental area, the following initiatives and guidelines can be mentioned in particular:

- The UN Principles of Responsible Investment (PRI)
- The UN Environmental Programme Finance Initiative (UNEP FI)
- CDP
- The UN Global Compact, particularly principles 7, 8 and 9
- The OECD Guidelines for Multinational Enterprises, particularly Chapter VI
- The International Finance Corporation's (IFC) environmental standards

The principles of the following international conventions and agreements, etc. are incorporated in the above initiatives and guidelines:

- The Convention on Biological Diversity
- The Rio Declaration on Environment and Development
- The UN Framework Convention on Climate Change
  - The Kyoto Protocol
  - The Paris Agreement
- The Convention Concerning the Protection of the World Cultural and Natural Heritage (the UNESCO Convention)
- The Convention on Wetlands of International Importance, especially as Waterfowl Habitat (the Ramsar Convention)
- The UNECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (the Aarhus Convention)
- The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal
- The Convention on International Trade in Endangered Species of Wild Fauna and Flora (the Washington Convention)
- The International Convention on Civil Liability for Oil Pollution Damage
- The Convention on the Conservation of Migratory Species of Wild Animals (the Bonn Convention)