

Managing taxes – Handelsbanken's guidelines

1. Objective and applicability

These guidelines provide guidance for the management of tax-related matters in the Handelsbanken Group and must be applied by Handelsbanken AB and its subsidiaries.

2. Introduction

For Handelsbanken, managing taxes is one of the most important sustainability topics. Handelsbanken's Policy for sustainability includes a section concerning tax, which is the starting-point for work with tax-related matters in the Handelsbanken Group. The Bank's management of taxes must follow laws and regulations and the intention thereof, and be transparent and sustainable. High ethical standards must always be observed.

3. Regulatory compliance and transparency

Handelsbanken must account for, pay and report taxes based on international and local laws and regulations in the countries where it operates. This applies to both the Bank's own taxes as well as those reported and paid on behalf of employees and customers. The Bank also follows international recommendations such as the OECD Guidelines for Multinational Enterprises and the OECD Guidelines for Transfer Pricing.

The legislator's intention must be taken into account when complying with and applying local and international tax laws and regulations. The Bank must ensure that laws and regulations are complied with for both transactions that the Bank carried out within the framework of its own business operations as well as for the products and services that the Bank provides.

As part of its transparent actions in tax-related matters, the Bank must draw up a country-by-country report showing the Handelsbanken Group's earnings and tax in the countries where its operations are run.

In all contacts with tax authorities, communication must be open, constructive, and correct. Through the financial industry associations, Handelsbanken must participate in the work of creating just, sustainable and effective tax legislation.

4. Ethical standards and sustainability

Handelsbanken disassociates itself from tax evasion and must not complete or participate in transactions or provide products or services that may be called into question in the light of prevailing tax regulations or their intention. In practice, this means the following.

4.1.1 The Bank's own tax management

Internal and external transactions carried out by Handelsbanken within the framework of the Bank's own operations must always have a business purpose. The Bank must not carry out a transaction if the primary objective, or one of the primary objectives, is to obtain tax advantages in conflict with the intention of the tax regulations.

4.1.2 Products and services

The Bank must not provide products or services where the primary objective, or one of the primary objectives, is to obtain tax advantages in conflict with the intention of the tax regulations.

4.1.3 Customers

The Bank must not carry out or participate in transactions with customers, through granting credits or otherwise, which constitute a step in tax evasion. A fundamental rule is that the Bank must not carry out or participate in transactions on behalf of customers if the transaction does not have a business purpose. In addition, Handelsbanken must not carry out or participate in artificial transactions, where the primary objective, or one of the primary objectives, is to obtain tax advantages in conflict with the intention of the tax regulations. If there is doubt, the Bank must refrain from participating.

4.1.4 Suppliers and business partners

Handelsbanken encourages its suppliers and business partners to adhere to the same tax-management principles as the Bank in terms of compliance, transparency, ethical standards and sustainability.

4.1.5 Investments

Within Asset Management, Handelsbanken actively works to influence companies to adhere to the same tax-management principles as the Bank in terms of compliance, transparency, ethical standards and sustainability. This means that the companies' management of taxes constitutes a key element of the sustainability analysis that serves as the basis for Asset Management's investment decisions. In its current investments, Asset Management continuously monitors the companies' management of taxes and, depending on the situation, Asset Management may opt to exert influence through dialogue, or divestment decisions.

5. Tax advice

The Bank shall not provide tax advice in cases other than when special approval has been granted by the Group Tax Department. In other circumstances, customers must be referred to external advisors. Information about the tax implications of the Bank's products and services is not normally regarded as providing tax advice.