

**Agreement - Trading in financial instruments and currencies**

Kontorsnamn/Avdelning

Kontorsnummer

Handläggare

Telefon (inkl riktnummer)

**Customer data**

Name of natural person or legal entity		Civic registration no./Business organisation no.
Postal address (street, P.O. Box, etc.)		Contact person
Postcode	Town/City	Tel. no. (incl. area code)

**Agreement**

This Agreement is concluded between the undersigned customer (the "Customer") and Svenska Handelsbanken AB (publ) (the "Bank") concerning trading in financial instruments and currencies, in accordance with the terms and conditions set forth on this and the following pages, as well as the General terms and conditions for trading in financial instruments, the General terms and conditions for contracts on spot, options and forward contracts in foreign currencies, the General terms and conditions for trading and registering fund units applying from time to time and the Bank's principles for order execution (the "Agreement") applying from time to time, the current provisions of which the Customer has read and thus accepted. The Customer is also bound by the terms and conditions of the basis of the order, the terms and conditions of the contract notes prepared by the Bank, and rules adopted by the Bank, Swedish or foreign issuers, execution venues, clearing houses (CCP) or central securities depositories.

For trading with contracts on spot, options and forward contracts, instead of the above-mentioned General terms and conditions for trading in financial instruments, the General terms and conditions for contracts on spot, options and forward contracts in foreign currencies will apply, the current terms of which the Customer has read and thus accepted.

When executing orders relating to mutual fund units that are not traded on an execution venue, instead of the above-mentioned General terms and conditions for trading in financial instruments, that which is stated concerning sales and redemption in the regulations for the fund in question and the General terms and

conditions for trading and registering fund units will apply. In this regard, the cut-off times and other regulations for sale and redemption of units apply as other regulations stated in the fund regulations. The description of risk for mutual funds can be found in the prospectus and simplified prospectus of each mutual fund. The Customer's attention is drawn particularly to the fact that for holdings in nominee-registered funds, all dividends after deducted tax will be reinvested, regardless of whether the Customer has previously opted to have the dividend paid out.

The Customer is obliged to keep informed of, and comply with, the above-mentioned terms and regulations. The Bank's services under the Agreement are not offered to natural persons resident outside Sweden or legal entities domiciled outside Sweden, or to persons in other countries where the Bank is required to have taken registration measures or similar measures. The Customer and the Bank therefore agree that for such customers, the Bank can limit its undertakings under the Agreement and that the Bank is entitled to terminate the Agreement with immediate effect. If the Customer is not a Swedish citizen or resides outside Sweden, the rights and obligations of the Customer and the Bank under this agreement may be subject to restrictions pursuant to Swedish law or foreign law.

The Customer is aware that trading in accordance with this agreement is at the Customer's own risk, and that the responsibility regarding risk rests with the Customer. This agreement has been drawn up in two copies, of which the parties have taken one each.

The Bank has verified the identity of the Customer.

**Categorisation**

Under the Swedish Securities Market Act (2007:528), all customers that trade in financial instruments must be categorised in order to select the appropriate level of protection. There are different protection levels for different customers, depending on the customer's knowledge, experience and other circumstances. See also below under "Information on customer categories."

In accordance with the law, you, or your organisation, have been classified as:

A retail client                       A professional client                       An eligible counterparty

In addition all customers must be categorised under the European Market Infrastructure Regulation (EU 648/2012) (EMIR).

In accordance with the EMIR your company/undertaking has been classified as:

A non-financial counterparty under all of EMIR's clearing thresholds                       A financial counterparty under all of EMIR's clearing thresholds

A non-financial counterparty above one or more of EMIR's clearing thresholds                       A financial counterparty above one or more of EMIR's clearing thresholds

A multilateral development bank, a public sector entity owned by central government and have explicit guarantee arrangements provided by central government or European Financial Stability Facility and the European Stability Mechanism.

Should the Customer cross a clearing threshold or the Customer's counterparty category change for other reason, the Customer undertakes to contact the Bank without undue delay. For further information please see section EMIR below.

Separate categorisation according to SFTR (see section Securities financing transactions (i.e. usually securities lending or repos)) below: A Customer categorised as a non-financial counterparty (regardless of the fact that the Customer is over or under the clearing thresholds) is also categorised as:

A small or medium sized enterprise

Not a small or medium sized enterprise

For the purpose of this agreement a small or medium sized enterprise is an enterprise that meet two of the following thresholds: a balance sheet total below 20 MEUR, a net turnover below 40 MEUR or an average number of employees during the financial year below 250.

Should the Customer not meet the criteria to be categorised as a small or medium sized enterprise the Customer undertakes to contact the Bank without undue delay. For further information please see section Securities financing transactions (i.e. usually securities lending or repos) below.

### Signatures

Place, date	Place, date
Customer's signature	Bank's signature Svenska Handelsbanken AB (publ)
Name in block capitals	Name in block capitals

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The Customer is obliged to keep informed of, and comply with, the above-mentioned terms and regulations. The Bank's services under the Agreement are not offered to natural persons resident outside Sweden or legal entities domiciled outside Sweden, or to persons in other countries where the Bank is required to have taken registration measures or similar measures. The Customer and the Bank therefore agree that for such customers, the Bank can limit its undertakings under the Agreement and that the Bank is entitled to terminate the Agreement with immediate effect. If the Customer is not a Swedish citizen or resides outside Sweden, the rights and obligations of the Customer and the Bank under this agreement may be subject to restrictions pursuant to Swedish law or foreign law.

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Should the Customer cross a clearing threshold or the Customer's counterparty category change for other reason, the Customer undertakes to contact the Bank without undue delay. For further information please see section EMIR below.

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Should the Customer not meet the criteria to be categorised as a small or medium sized enterprise the Customer undertakes to contact the Bank without undue delay. For further information please see section Securities financing transactions (i.e. usually securities lending or repos) below.

### Signatures

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Name in block capitals	Name in block capitals

**Fees and taxes**

For trading and other services pursuant to these terms and conditions, fees and brokerage will be charged in accordance with the tariffs applied by the Bank at any time. Information about current prices and fees and how a customer pays these is available from the Bank's branches or on its website [www.handelsbanken.se](http://www.handelsbanken.se) in conjunction with information about the respective product/service. This also applies regarding information about compensation the Bank pays to or receives from a third party. Information on fees for the service in question and compensation to a third party is provided before a transaction in the product is carried out or the service is utilised. See also the "Information for customers who trade in financial instruments" section in the General Terms and Conditions. The Customer hereby approves that supplementary fees may also be charged according to the following. Special fees are charged for trading, clearing and custody of non-Swedish financial instruments, or for clearing of Swedish financial instruments. Special fees may be charged for transfers of financial instruments to other institutions, and for the conversion of financial instruments. Fees are also payable for the cancellation of orders and/or the invalidation of settlements by the Bank or market place in conjunction with unauthorised placing of orders or trading. The Bank may also charge the Customer other costs that are debited from the Bank by another party in conjunction with the Customer's trading, clearing, or custody of financial instruments.

The Customer shall be responsible for any such taxes and other costs that must be paid in accordance with Swedish or foreign law, regulations or decisions by Swedish or foreign public authorities, intergovernmental agreements, or the Bank's agreements with Swedish or foreign authorities, on account of orders that the Bank performs on behalf of the Customer under this Agreement. For order execution relating to units in mutual funds which are not traded on an execution venue, the fees and taxes set forth in the fund's simplified prospectus (or equivalent) shall apply instead. The Bank does not charge any fees when transferring mutual fund units. The institutions from which the funds are transferred may charge for the transfer.

**Payment and delivery**

Financial instruments, currency or liquid funds that the Bank has received on the Customer's account for onward transmission to the Customer (or the person appointed by the Customer) in connection with execution of the order shall be delivered or paid according to the Customer's instructions when the Customer has fulfilled its obligation to deliver or make payment according to the order in question. The Bank has the right, however, to retain the financial instruments, currency or liquid funds if the Bank has past due claims owing by the Customer, for example on account of another order that the Bank has carried out on the Customer's behalf. If, in error, the Bank should deliver financial instruments or currency or make payment of funds to the Customer (or the person appointed by the customer) which rightly should not have been placed at the Customer's disposal, the Customer must without delay ensure that the financial instruments, currency or the funds in question are returned to the Bank.

**Settlement of obligations**

In the event of either of the parties being declared bankrupt, or if company reconstruction should be ordered on behalf of either of the parties according to the law applying at any time, all outstanding obligations in connection with trading in financial instruments and currency between the parties shall be set off against each other by way of final settlement as at the date such event took place. Any claims due to a party after such final reconciliation shall be payable immediately.

**Tax domicile**

The Customer itself shall determine its tax domicile. For legal entities, this is normally the country in which the legal entity is registered or in which the company/board of directors has its registered office. For physical persons, it is normally the country/state whose laws prescribe a tax liability on the basis of primary residence, legal residence, or similar circumstance.

**Affirmation**

The Customer confirms that the information given on this form which is of importance for taxation, reporting, notices, the implementation of this agreement and legal requirements regarding the liability to supply information, etc. is correct, and undertakes to inform the Bank in writing without delay of any changes in this respect, e.g. emigration, or any change of name, address, telephone number, citizenship, tax domicile, or e-mail address. Upon request of the Bank, it is the duty of the Customer to provide the information, including written documents, which the Bank deems necessary to perform its obligations under this agreement, or pursuant to applicable EU Regulations, laws, other regulations, general principles of law, or regulations from an execution venue, central securities depository or central counterparty (CCP) (or the equivalent outside the EU).

**Pledges**

As collateral for all of the Customer's current and future obligations to the Bank in connection with orders under this Agreement or otherwise arising in connection with the Customer's transactions with financial instruments, the Customer hereby pledges to the Bank firstly, all of those financial instruments which from time to time are at the disposal of the Bank in connection with the order; secondly, all of the Customer's financial instruments which on behalf of the Customer are otherwise transferred or handed over to or acquired through the Bank; and thirdly, the Customer's claims that pertain to orders in accordance with this Agreement. The provisions of section 7 of the General terms and conditions for contracts on spot, options and forward contracts in foreign currencies apply to contracts on spot, options and forward contracts.

**Complaints and rescission**

The Customer must monitor that contract notes or equivalent reports are received and must examine these. The Customer shall immediately notify the Bank of any possible errors or omissions that may be apparent from contract notes, or that a contract note or equivalent report is missing, or in respect of any other errors or omissions in conjunction with execution of the order. Where the Customer wishes to rescind a purchase or sales order, such a request shall be expressly conveyed to the Bank at the same time as the error or omission was pointed out. However, for executed orders on commission submitted by a consumer in their capacity as a retail client, a request to cancel the order shall be submitted to the institution without delay, and a request for a different price shall be submitted to the institution within a reasonable period of time after the Customer realised or should have realised the circumstances on which the current request was based. Where a complaint or request for rescission, a different price or other action is not submitted within the period specified above, the Customer shall forfeit the right to demand compensation, rescind the order, or demand that the Bank take other action. Concerning contracts on spot, options and forward contracts, the provisions of sections 2, 13 and 14 of the General terms and conditions for contracts on spot, options and forward contracts in foreign currencies also apply.

**Appropriateness assessment and Order execution on the Customer's own initiative**

In certain cases, the Bank is obligated to carry out a so-called appropriateness assessment before executing a buy order on behalf of the Customer. The purpose of the obligation to carry out an appropriateness assessment is to verify that the investment the Customer wishes to make is suitable for the Customer based on the Customer's previous knowledge and experience of the financial instrument in question and to prevent the Customer from, for example, buying instruments that are riskier than the Customer intended or instruments that are otherwise not

suitable for the Customer. It is therefore in the Customer's interest to provide the Bank with complete and truthful answers to the questions asked by the institution. If the Customer does not provide the information necessary for the Bank to conduct an appropriateness assessment, the Bank shall provide information that the Bank in such case is also unable to determine whether the service or product is appropriate for the Customer.

When executing and/or transmitting orders at the initiative of the Customer concerning non-complex instruments as set forth in Chapter 9, Section 25 of the Swedish Securities Markets Act (2007:528) (in its wording from 3 January 2018) the Bank will not regularly assess whether the Customer has the knowledge or experience necessary to assess whether the service or financial instrument in question is appropriate for the Customer.

### Amendment to terms and conditions

Any amendments to the Agreement, or any raising of the Bank's fees, (according to the Agreement and price list applicable at any time) shall apply to the Customer two months after the Customer is deemed to have received the notice as specified below under the heading "Notices." Should the Customer not accept such an amendment, the Customer has the right within the aforementioned period to give notice to terminate the Agreement. Changes in the categorisation of the Customer may be announced in a manner and at a time specified by the Bank, and are then binding upon the Customer. As regards amendments to the Bank's principles for order execution, that which is specified in the principles applies.

### Termination

The Bank may give notice to terminate the Agreement in accordance with these general terms and conditions two months after the Customer is deemed to have received the notice as specified below under the heading "Notices."

The Customer may give notice to terminate the Agreement in the manner specified below under the heading "Notices" (i.e. by letter or verbally by visiting a branch) (as well as by e-mail following a special agreement) one month after the Bank is deemed to have received the notice, as specified in the same section.

Upon termination of the Agreement, the parties shall immediately settle their obligations in accordance with these provisions. The agreement shall apply, however, where relevant, until the parties have fulfilled all their obligations to their counterparty. In addition, the Bank and the Customer may each terminate the orders remaining unfulfilled according to these provisions with regard to a certain financial instrument on the same conditions as mentioned herein.

Notwithstanding the provisions of the previous paragraph, either party may terminate the Agreement with immediate effect if there has been a substantial breach of the Agreement by the counterparty. In this regard, every breach of the Agreement where restitution has been requested, but has not been made as soon as possible, shall be regarded as a substantial breach of the Agreement. It shall also be regarded as a substantial breach of the agreement if the customer does not provide the information requested by the Bank in order for it to achieve, in the Bank's assessment, adequate customer due diligence pursuant to the Swedish Act (2017:630) on Money Laundering and Terrorist Financing (Prevention). The Bank may also terminate the Agreement with immediate effect in the event that changes concerning the customer's tax domicile result in the Bank no longer being able to perform its obligations on behalf of the customer to effect measures with respect to taxes, or where the fulfilment of such obligations has been made materially more difficult. Concerning contracts on spot, options and forward contracts, the provisions of section 14, General terms and conditions for contracts on spot, options and forward contracts in foreign currencies also apply.

The Bank is entitled to terminate this Agreement and close the custody account without notifying the Custody Account Holder (i) if the Customer has not executed any transactions in financial instruments the preceding 24 months, and (ii) if the Customer or the Bank has terminated the Customer's other business relations or business relations in its entirety with the Bank, provided the Customer does not have any outstanding transactions or having any financial instrument in safe-keeping with the Bank.

### Notices

#### Notices from the Bank

The Bank sends a notice to the Customer via the Bank's internet service or by email to the address provided by the Customer in the Agreement or another email address, or via other electronic communication of which the Customer has given notice to the Bank, when the Bank deems such communication to be appropriate. A retail client may request that such information as the Bank is required to provide in accordance with Chapter 9 of the Securities Market Act (2007:528), such as information about the Bank and its services and the costs associated with the services, be provided free of charge also in paper form.

In cases where the Bank provides the Customer with information in paper form, this may be done by sending by registered post or normal post to the address at which the Customer is officially registered (or equivalent), or, if this is not possible, to the address stated in the Agreement. The Customer and the Bank can also agree for notices to be sent to a different address.

Notices sent by the Bank by registered letter or normal post shall be deemed to have been received by the Customer no later than five banking days after despatch if the letter has been sent to the address provided by the Customer.

Notices sent via the Bank's Online Banking service, e-mail or by other electronic communication shall be deemed to have been received by the Customer at the same time as transmission, if sent to the number or electronic address provided by the Customer. If the Customer receives such a notice at a time that is outside the Bank's normal office hours, the Customer shall be deemed to have received the notice at the start of the following banking day.

#### Notices to the Bank

The Customer can convey a notice to the Bank by visiting any of the Bank's branches or by sending a letter. Notices from the Customer to the Bank shall be sent to the branch specified in the Agreement or contract note/equivalent report, unless the Bank has requested that the reply be sent to a different address. The Customer may only send notices to the Bank by e-mail after making a special agreement with the Bank.

Notices from the Customer shall be regarded as having been received by the Bank on the banking day that they arrive at the aforementioned branch or address. In other cases too, the Bank shall be deemed to have received the notice from the Customer if the Customer can show that the notice was sent in a fit-for-purpose manner. In such cases, the Bank shall be deemed to have received the notice on the banking day that the Customer can show that the Bank should have received it.

For notices concerning complaints and rescission due to orders on commission that a consumer has placed in their capacity as a retail client, the notice can be made valid if the Customer can show that the notice was sent in a fit-for-purpose manner, even if it was delayed, distorted or did not arrive. However, if the Customer has reason to believe that the Bank did not receive the notice, or the notice was distorted, the Customer must resend the notice to the Bank.

### Limitation of liability

The Bank shall not be held liable for any loss resulting from a Swedish or foreign legal enactment, the intervention of a Swedish or foreign public authority, an act of war, a natural disaster, breakdowns or other disruptions in computer systems or telecommunications used during the execution of a certain service or other unusual or unpredictable circumstance over which the Bank has no influence and the consequences of which would have been impossible for the Bank to avert, despite all efforts.

The reservation in respect of strikes, blockades, boycotts and lockouts applies even if the Bank itself is subjected to or takes such measures.

The Bank is not liable to pay compensation for damage which arises as a result of other causes if the Bank has acted with normal care. The Bank is not liable for indirect damage. However, this limitation does not apply if the indirect damage has been caused by gross negligence. Nor does the limitation apply in the case of orders submitted by a consumer if the indirect damage has been caused by the Bank's negligence.

The Bank is not liable for damage caused by Swedish or foreign exchanges or execution venues, third parties operating custody accounts, central securities depositories, central counterparties (CCPs), or other parties which provide corresponding services or other parties retained by the Bank to perform services where the Bank has exercised due care in the retention of such parties or where the party was referred to the Bank by the Customer. The same applies to damage caused by the above-mentioned organisations or other parties commissioned by the Bank becoming insolvent. The Bank shall not be liable for damage incurred by the Customer or third party as a result of restrictions on the right of disposal which may be imposed upon the Bank regarding financial instruments.

Where the Bank is prevented, in whole or in part, from executing purchase or sales orders regarding financial instruments or in other respects from performing its obligations in accordance with these terms and conditions as a consequence of such events as are set forth in the first or second paragraph, the performance shall be postponed until the cause of the delay is removed. Where the Bank, as a consequence of such events, is prevented from making or receiving payment, neither the Bank nor the Customer shall be liable to pay interest.

The above shall apply unless otherwise prescribed in the Swedish Financial Instruments Accounts Act (1998:1479).

### Investor compensation and deposit guarantee

In the event of the Bank being declared bankrupt and where the Customer is not able to withdraw financial instruments deposited with the Bank, the Customer has the right to individual compensation in the amount prescribed in the Swedish Act on Investor Compensation Scheme (1999:158). As at 1 July 2009, this amount is a maximum of SEK 250,000. The above-stated compensation may also include funds which the Bank has received and for which the Bank is accountable. Not later than one year from the date of the insolvency order, a customer seeking compensation must submit a demand to the Swedish National Debt Office, which pays compensation following an assessment.

Each customer is entitled to compensation for the total funds on his or her account(s) with the Bank to a maximum amount equivalent to SEK 950,000. The National Debt Office pays the compensation within 7 working days of the day the Bank was declared bankrupt, or the Swedish Financial Supervisory Authority decided that the guarantee would become effective.

In addition to this amount, an account holder may by law, under certain circumstances, receive compensation for deposits attributable to certain defined events, such as the sale of private housing, severance payments, and insurance compensation. The maximum amount of compensation is SEK 5 million. A longer period of disbursement may then be the case.

Despite that which is specified above, the following account holders, or their non-Swedish equivalents, cannot receive compensation under the guarantee: banks, credit market companies, securities companies, insurance companies, reinsurance companies, mutual benefit societies, financial institutions according to the Swedish Banking and Financing Business Act, securities funds or alternative investment funds, pension funds, county councils, municipalities or other government agencies.

### Fact sheet

Pursuant to EU Regulation no. 1286/2014 on key information documents for Packaged Retail Investment and Insurance Products ("PRIIPs"), the Bank must provide key information documents free of charge to retail clients, to enable these customers to understand and compare the most important characteristics and risks of the PRIIPs. Fact sheets will be provided on the Bank's website [www.handelsbanken.se](http://www.handelsbanken.se) or via the customer's Online Banking service. The Customer consents to fact sheets being provided in this manner. The Customer can obtain paper copies of fact sheets free of charge by contacting one of the Bank's branches.

If a retail client contacts the Bank on their own initiative to carry out a transaction in a PRIIP via distance communication technology, the Bank may not be able to provide fact sheets before the transaction is carried out. In this case, the relevant fact sheet will be provided without undue delay after the transaction has been executed. The Customer is always able to postpone the execution of a transaction until the fact sheet has been received. If the Customer chooses to execute the transaction without having first received the fact sheet, the Customer consents to receive the fact sheet after the transaction has been executed.

### EMIR

Under EMIR several obligations are attached to the counterparty categorisation, such as clearing obligation and the obligation to undertake risk mitigating measures. It is important that you pay attention to those rules. Please find more information on the Bank's website [www.handelsbanken.se/en/personal/savings/emir](http://www.handelsbanken.se/en/personal/savings/emir).

Furthermore, according to EMIR it is mandatory to report all derivative contracts to a trade repository. If the Customer is categorised as a non-financial counterparty under all clearing thresholds it is the Bank's responsibility to report such OTC-derivatives contracts the Customer enters into with the Bank to a trade repository. This reporting obligation enters into force 18 June 2020 according to EMIR. The Bank will as of said date report at the time outstanding derivative contracts and thereafter contracts entered into with the Bank.

Notwithstanding the foregoing, the Customer has the right to report its leg of the derivatives contracts in question to a trade repository should it so choose. In case the Customer wish to conduct its own reporting the Customer needs to contact the Bank five banking days before the Customer begins its own reporting. If a Customer who previously has conducted its own reporting wants the Bank to conduct the reporting in its place the Customer shall contact its trade repository.

In case the Bank conducts the reporting the Customer is obligated to provide the Bank with all information necessary for the Bank's reporting. The Customer is responsible for the correctness of the information subsequently delivered and reported. The Bank has the right to use a third party in full or in parts to conduct reporting, provided the Bank has observed general standards of care in its selection of the third party.

When reporting in accordance with the previous paragraph the Bank will assume the following.

- The Customer has entered into the derivative transaction on its own behalf.
- The derivative transaction is not within an endowment insurance policy.
- The Customer has not appointed a separate beneficiary to the Transactions which must be named in the reporting.
- The derivative transaction is objectively measurable as reducing risks directly relating to the commercial or treasury financing activity of the Customer, as described in Article 10(3) of EMIR.
- The Bank is the Customer's clearing agent.

In case any of the items above is or no longer will be correct in general or for an individual Transaction the Customer is obliged to notify the Bank without undue delay

Financial counterparties is obligated under EMIR to report their derivatives contracts themselves – regardless if they are OTC, exchange traded or cleared – to trade repository.

Non-financial counterparties over a clearing threshold is also liable to report all of their OTC-derivatives contracts themselves to a trade repository.

Non-financial counterparties regardless of the fact that they are under or over a clearing threshold are liable to report their exchange traded derivatives contracts themselves to a trade repository.

If the Customer wants that the Bank reports such derivatives contract to a trade repository on the Customer's behalf the Bank may assist the Customer with such reporting (upon the Customer's request). This will be regulated by separate agreement.

All Customers in relation to derivative contracts are obligated to retain a valid LEI (legal Entity Identifier) at all times.

### **Securities financing transactions (i.e. usually securities lending or repos)**

According to Regulation (EU) No 2015/2365 on transparency of securities financing transactions and of reuse ("SFTR"), financial counterparties or a non-financial counterparties in relation to a transaction on securities financing (the "Transaction") must report the details of the Transaction, as well as any modification or termination of the same, and collateral, to a trade repository. This reporting obligation is phased in and enters into force at separate points of time for different types of market participants. For credit institutions and investment firms it enters into force 4 April 2020.

However, a small or medium sized enterprise is not obliged to report its transactions itself. In this case the Bank shall report the Transactions on behalf of both parties. When the Bank conducts the reporting the Customer is obligated to provide the Bank with all information necessary for the Bank's reporting. The Customer is responsible for the correctness of the information subsequently delivered and reported. The Bank has the right to use a third party in full or in parts to conduct reporting, provided the Bank has observed general standards of care in its selection of the third party.

When reporting in accordance with the previous paragraph the Bank will assume that the Customer has not appointed a separate beneficiary and furthermore that the Bank is the Customer's custody bank. In case the Customer has appointed a beneficiary or custody bank other than the Bank the Customer is obliged to notify the Bank without undue delay.

As stated above financial counterparties are obligated under SFTR to report their Transactions themselves to a trade repository. Likewise, non-financial counterparties that are not categorised as a small or medium sized enterprises are also liable to report their Transactions to a trade repository themselves. The reporting obligation for non-financial enterprises enters into force 11 January 2021.

If such a Customer wants that the Bank to report the Transactions the Customer has entered into with the Bank to a trade repository on the Customer's behalf the Bank may assist the Customer with such reporting (upon the Customer's request). This will be regulated by separate agreement.

All Customers in relation to transactions are obligated to retain a valid LEI (Legal Entity Identifier) at all times.

### **The Bank's request for the information required to achieve adequate customer due diligence**

The Bank is entitled to request that the Customer provide the information and data which, in the Bank's assessment, are necessary to achieve adequate customer due diligence pursuant to the Swedish Act (2017:630) on Money Laundering and Terrorist Financing (Prevention). The information must be provided within the time frame determined by the Bank.

### **Disclosure of information to third parties**

The Bank may, as a result of EU regulation Swedish or foreign legislation, regulations or decisions of public authorities and/or the Bank's agreements with Swedish or foreign authorities, the Bank's agreement with another institution to which the Bank transmits Customer's orders, trading rules, rules of an execution venue, central securities depository, or central counterparty (CCP), agreements or terms and conditions for certain financial instruments, be obliged to provide information to third parties concerning the Customer's relation with the Bank. Upon request of the Bank, it is the duty of the Customer to provide the information, including written documents, which the Bank deems necessary for the Bank to perform such obligations.

Such information, together with documents, may also relate to the Customer's underlying client if the Customer's order to the Bank pertained to an order on behalf of a client

### **Legal Entity Identifier**

A customer that is a legal entity or conducts business activities undertakes to obtain a special identification number, a Legal Entity Identifier (LEI), and to keep it up to date. The Customer also declares that it is aware that an active LEI is a condition for the Bank being obliged to carry out its obligations under the Agreement, and for the custody account holder being able to utilise their rights under or in conjunction with the Agreement.

The Customer authorises the Bank to obtain or update an LEI on the Customer's behalf. However, the Bank does not have an obligation to obtain or update an LEI on the Customer's behalf. The Customer shall compensate the Bank for the costs incurred by the Bank in connection with this.

**Applicable law and resolution of disputes**

This Agreement, the General terms and conditions for trading in financial instruments, General terms and conditions for contracts on spot, options and forward contracts in foreign currencies, General terms and conditions for trading and registration of mutual fund units, and the Bank's "Order execution, etc." shall be interpreted and applied according to Swedish law.

The Customer may also, in order to resolve a dispute out of court, submit a complaint with request for rectification directly to the Bank or report the dispute to be tried by the Swedish National Board for Consumer Complaints, which is a public body for alternative resolution of disputes, Box 174, 101 23 Stockholm, Sweden [www.arn.se](http://www.arn.se). A claim to the Board must be made in writing. Certain value and time limits must be met for the Board to try the case.

**Signing of the Agreement**

Signing (or approval) of the Agreement may be performed by both parties digitally in the manner to which the Bank refers the Customer. Should the Bank or the Customer so request signing may be performed physically by both parties. The Agreement shall be deemed signed (or approved) the date both parties have completed digital or physical signing (or approval) of the Agreement. In addition, the Agreement shall be in force in relation to the Bank (and between the parties) without the Bank's signature or electronic signing when the Customer has signed a physical copy of the Agreement or signed (or approved) the Agreement electronically and placed its first order with the Bank under the Agreement.

## Processing of personal data

### Controller, etc.

Svenska Handelsbanken AB (publ) (hereafter referred to as "the Bank") is - with the exception of the processing Handelsbanken Fonder is responsible for, see the following paragraph - responsible (a controller) for the processing of the personal data that you provide in conjunction with entering into this service, or that is otherwise registered in conjunction with this service.

Handelsbanken Fonder AB is responsible (a controller) for the processing of the personal data listed in the fund unit ownership register for a fund that is managed by Handelsbanken Fonder AB.

The stipulations presented in this section Processing of personal data regarding the Bank's processing of your personal data also apply to Handelsbanken Fonder AB's processing of your personal data (with the exception of the text under the heading "Basis for research and marketing, etc"). In the context of this section Processing of personal data, "the Bank" is therefore understood to also refer to Handelsbanken Fonder AB.

The information below that relates to you also applies to your guarantor, pledger, representative, trustee, or guardian.

## Purpose and legal basis

### Performance of contract

The basic purpose of the Bank's processing of personal data in conjunction with this service, and the legal basis for it, is to collect and check the personal data prior to making a decision on providing a service for you, and to fulfil the terms and conditions of our agreement.

### Legal obligations

The data is also processed so that the Bank can fulfil its legal obligations or decisions by authorities. An example of such processing is the Bank's processing of personal data to be compliant with the Swedish Accounting Act and the Anti-Money Laundering Act, as well as the reporting requirements of authorities such as the Swedish Tax Agency, the Swedish Police and the Swedish Enforcement Authority.

### Basis for analysis and marketing, etc.

The personal data is processed for marketing and customer research, which comprises background material for marketing, methods and business development, and risk management. Risk management also involves processing information about the borrower and credits to assess the quality of credits for capital adequacy purposes. Personal data may also be processed for use as background material for financial advisory services.

Personal data may be used for direct marketing, unless you have requested that this should be blocked.

Insofar as the Bank's actions are not conducted with the aim of fulfilling contractual terms and conditions, or required by law or the authorities, the legal basis for processing is generally that it is a legitimate interest for the Bank pursuant to the prevailing legislation.

## How long do we save personal data?

We save personal data as long as it is necessary in order to fulfil our contractual terms and conditions for the service, and otherwise as required by law or decisions by authorities.

## Your rights

You are entitled to receive information about the personal data about yourself that is being processed by the Bank, and to request the correction of erroneous or incomplete information.

## More information

Comprehensive information about the Bank's processing of personal data and your rights in conjunction with this processing is available at [www.handelsbanken.se](http://www.handelsbanken.se).

## If you have any questions

If you have any questions or comments on how the Bank processes your personal data, you are welcome to contact your branch office, or the Bank's Data Protection Officer at [dpo@handelsbanken.se](mailto:dpo@handelsbanken.se), or write to the following address:

Handelsbanken  
Data Protection Officer  
SE-106 70 Stockholm, Sweden

You are also always entitled to contact the Bank's Complaints Manager or the Swedish Data Protection Authority with any complaints concerning the processing of personal data.

**Information on customer categories****Retail client**

Customers in this category have the highest level of protection under the Securities Market Act. Among other things, this means that the Bank will inform a customer about the company and our services. The Bank will also provide information on the relevant financial instruments and the associated risks, as well as charges and other fees for trading in these instruments. When the Bank provides portfolio management or investment advisory services, the Bank will assess whether a service or an instrument is suitable for a customer, before the Bank provides the service or recommends the instrument. The Bank makes this assessment in the light of a customer's investment objectives and financial situation, as well as the customer's experience and knowledge of the service or transaction. In the case of services other than portfolio management or investment advice, the Bank will assess whether the service is appropriate for a customer in the light of the customer's knowledge and experience. However, where the service relates to order execution on a customer's initiative for non-complex financial instruments, e.g. market-listed shares, no such assessment is made. Under certain circumstances, retail clients may be moved to the professional client category. Being moved to the "professional client" category means a reduction in the level of protection.

**Professional client**

Professional clients are normally expected to possess sufficient knowledge to determine the information that they need to be able to make an investment decision. This means that a customer who is a professional client must request this information if the customer considers that this is necessary. In investment advisory services, no assessment is normally made of a customer's experience and knowledge, or of the customer's financial situation. In portfolio management, no assessment of experience and knowledge is carried out. In the case of other services, the Bank will not assess whether the service is appropriate for a customer in the light of the customer's knowledge and experience. Upon request, and if this is granted, customers who are professional clients may be moved to the retail client category, thereby raising their level of protection. In addition, upon request and if this is granted, professional clients may be moved to the eligible counterparties category, thereby reducing their level of protection.

**Eligible counterparty**

In the case of portfolio management and investment advisory services, an assessment will be made as to whether the service is appropriate for a customer in the light of the customer's investment objective. Upon request and if this is granted, eligible counterparties may be moved to the professional client category or the retail client category, thereby raising their level of protection.

## General terms and conditions for trading in financial instruments

### Definitions

In the General terms and conditions for trading in financial instruments, the following definitions are applied:

#### a) securities

a) financial instruments as defined in the Swedish Securities Market Act (2007:528), i.e. 1) transferable securities which can be traded on the capital markets, 2) money market instruments 3) units in collective investment undertakings (fund units) 4) financial derivative instruments, and 5) emission rights

and b) documents of value, meaning documents which cannot be traded on the capital markets, i.e. 1) shares or simple instruments of debt which, according to the definition set forth above, are not financial instruments, 2) guarantees as for own debt, 3) deeds of gift, 4) pledge instruments, or similar documents.

**b) contract note** a notification that an order/business transaction has been executed.

**c) regulated market** as defined in the Swedish Securities Markets Act (2007:528), i.e. a multilateral system within the EEA which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments - in regulatory terms, in the system and in accordance with its non-discretionary rules - in a way that results in a contract.

**d) trading venue** as defined in the Swedish Securities Market Act (2007:528), i.e. a regulated market, a multilateral trading facility (MTF) or an organised trading facility (OTF).

**e) execution venue** a marketplace, a systematic internaliser or a market maker within the EEA, or another person who provides liquidity within the EEA.

**f) trading facility** an MTF or an OTF.

**g) MTF** as defined in the Swedish Securities Markets Act (2007:528), a multilateral system within the EEA which brings together multiple third-party buying and selling interests in financial instruments - in the system and in accordance with its non-discretionary rules - in a way that results in a contract.

**g) OTF** as defined in the Swedish Securities Markets Act (2007:528), a multilateral system within the EEA which is not a regulated market or an MTF and where multiple third-party buying and selling interests in bonds, structured financial instruments, emission rights or derivatives can interact in the system in a way that results in a contract.

**i) systematic internaliser**, as defined in the Swedish Securities Market Act (2007:528), i.e. a securities institution which to an organised, frequent, systematic and material extent trades on its own account when it executes customer orders outside a regulated market or trading facility without utilising a multilateral system.

**j) multilateral system** as defined in the Swedish Securities Markets Act (2007:528), a system where multiple third-party buying and selling interests in financial instruments can interact in the system.

**k) custody of securities**, custody of physical securities as well as storage of dematerialised securities arising through registration in a custody account.

**l) third party operating custody account**, securities institution which by order of the Bank or another third party which operates a custody account stores securities in a custody account on behalf of customers.

**m) securities institution**, securities company, Swedish credit institution with permission to conduct securities operations or foreign companies conducting securities operations from a branch or by using tied agents established in Sweden, and foreign companies with permission to conduct operations equivalent to securities operations.

**n) central securities depository**, as defined in the Swedish Financial Instruments Act (1998:1479), that is the same as in article 2.1.1 in the regulation on central securities depositories, in its original wording. cc

**o) banking day** a day in Sweden which is not a Sunday or other public holiday or, with regard to the payment of instruments of debt, a day which is the equivalent of a public holiday (such equivalent days are, at present, Saturdays, Midsummer Eve, Christmas Eve and New Year's Eve).

**p) central counterparty (CCP)**, as defined in the European Parliament's and Council's regulation (EU) no. 648/2012 of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (Emir), i.e. a legal person that interposes itself between the counterparties to the contracts traded on one or more financial markets, becoming the buyer to every seller and the seller to every buyer.

## 1. The order, etc.

### General provisions

These General terms and conditions apply to orders for trading in financial instruments that the customer/customer submits to the Bank.

An order from the Customer regarding trading in financial instruments shall be submitted in the manner prescribed by the Bank. Such an order means an undertaking for the Bank to seek to enter into an agreement in accordance with the instructions provided by the Customer. The Bank is not obliged to accept an order concerning trading in financial instruments. The Bank does not provide a guarantee that a received order will result in a trade.

The Bank is permitted to refrain from accepting a received order if the Customer is late in meeting obligations which are the duty of the Customer with respect to the order pursuant to these General terms and conditions or if there is otherwise reasonable cause for this. The Bank can also refrain from accepting an order without providing reasons for this if the Bank suspects that execution of the order would breach legislation in force (for example, regarding market manipulation), applicable market rules, good practice in the securities market, if the Customer does not provide the information or documentation required in order for the Bank or Customer to be able to meet their obligations under this agreement or pursuant to applicable EU Regulations, laws, other regulations, general principles of law, or regulations from an execution venue, central securities depository or central counterparty (CCP) or where the Bank for any other reason considers that special reasons exist.

The Bank records and saves telephone calls and other electronic communications that may be assumed to lead to a transaction, for example, when the customer submits an order to the Bank for trading or instructions regarding the Customer's custody account and related accounts. Copies of recorded calls and saved electronic communications with the Customer will be available upon request for a period of five years. Upon request, the Customer is also entitled to be informed of recorded calls and saved electronic communications. The Bank is entitled to make a reasonable charge for this.

The Bank executes orders in accordance with good market practice. When executing orders for customers who are treated by the Bank as retail or professional clients, the Bank's special guidelines for order execution applying at any time will apply and also merging and splitting of orders. Upon request of the Customer, the Bank will provide the Customer with the applicable guidelines and terms and conditions referred to in this paragraph.

In addition, the applicable rules adopted by a Swedish or foreign issuer, execution venue, central counterparty (CCP) or central securities depository apply. These rules are provided by the institution concerned, issuer, trading venue, central counterparty (CCP) or central securities depository. At the request of the Customer, the Bank can provide details about where the information is available, e.g. website or contact details.

## Terms and conditions

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An order applies during the time period agreed between the Customer and the Bank. If no such agreement has been entered into, the order applies on the day it is received but no longer than the time on the same day that the Bank closes its trading in the type of financial instrument to which the order refers.

When the Bank has executed an order, the Bank provides information about the execution by means of a contract note or equivalent reporting.

If the order has been carried out by virtue of an agreement with the Bank, it is stated on the contract note or equivalent documentation that the order has been carried out on the Customer's own account, through an internal transaction or with the Bank as counterparty of the Customer. If the order is carried out through an agreement with another customer of the Bank (including a legal entity in the Bank's banking group) it is stated on the contract note or equivalent that the transaction has been carried out through a mutual contract or an internal transaction. What is said in this paragraph does not, however, apply if the order has been carried out within the framework of a trading system with anonymous trading and in competition.

Where, by special agreement with a customer, the Bank has prepared a contract note without having bought or sold the financial instruments on behalf of the Customer, this shall be stated on the contract note, for example, by stating that the Bank only assists in the exchange of proceeds and financial instruments.

Provisions regarding an issuer, execution venue, central counterparty (CCP), or central securities depository in these General terms and conditions shall also apply to corresponding or similar actors outside the EEA.

### Limit

The Bank is entitled to set a limit, limitation, regarding the size and scope of the orders the Bank undertakes to execute. The Bank is entitled to unilaterally and without prior notice increase or reduce the limit temporarily or until further notice.

The Customer undertakes not to place any orders exceeding the limit. However, the Bank has the right, but is not obligated to, execute a transaction even if the limit is exceeded. Should the customer place an order that exceeds the limit the Bank has the right to cancel the Customer's order.

Market data – waving the right to make third party claims and limitation of liability

Regarding a customer who access price information, so called market data, (Price information) through the Bank the following shall apply. All industrial and material rights (to such Price information) belong to the Bank, a third party supplier or other third party. The Customer undertakes not disseminate Price information in any way. Furthermore, the Customer undertakes not to make any claims (of any kind) to any third party supplier or other third party holding the industrial or immaterial rights to the Price information. The Customer acknowledges and confirms that this is a waiver of rights for the benefit of such a third party supplier or holder of industrial or immaterial rights of Price information and that they might claim this right in relation to the Customer and that such a third party supplier or holder of industrial or immaterial rights of Price information may take legal action, including claims for damages, should the Customer disseminate Price Information.

The Price information the Customer may access via the Bank is a service provided by the Bank to its customers. However, the Bank cannot warrant or represent that the Price information is accurate or timely at all times. The Customer acknowledges and confirms that the Price Information may be inaccurate or untimely and that the Customer itself is responsible to assess the Price information's accuracy and timeliness. However, the Bank is working with suppliers of Price information the Bank deems to be professional market participants.

The Bank cannot itself assess and check that the Price Information is accurate and timely. The Bank shall have no liability regarding inaccurate and untimely Price information and any damage, whether

direct or indirect damage, the Customer or a third party may assume.

### 2. Trade on commission etc.

For orders on commission, the Bank may carry out the order in its own name on behalf of the Customer (commission), with another customer of the Bank ("combination") or by the Bank itself acting as buyer or seller (referred to as acting as a principal, in Swedish called "självintråde").

### 3. Purchase orders

When the Customer (the "purchaser") has submitted orders for purchase of financial instruments, the following shall apply.

#### Payment

From the time of receipt of the purchase order, the Bank may reserve funds corresponding to the total settlement amount (including brokerage and fees) on an account which the purchaser holds with the Bank.

The purchaser shall pay to the Bank the total amount stated on the contract note at the latest by 08.00 (CET) on the morning of the settlement date. Where the order has been carried out in a currency other than Swedish kronor, the currency shall be specified in the contract note. In the case of currency exchange, the exchange rate applied by the Bank at any time is to be used.

As payment for the claim arising due to a purchase order, the Bank shall also be entitled to debit the account held by the purchaser with the Bank and specified by the purchaser for the total amount stated in the contract note. If no such account has been designated or if funds are lacking on the designated account, any other account which the purchaser holds with the Bank may be debited.

If the purchaser fails to fulfil his payment obligations to the Bank, the Bank shall be entitled to charge interest on its claim as stated below.

#### Transfer of financial instruments

Unless otherwise required by law, regulations of public authorities, special rules for the financial instrument in question, or a separate agreement with the purchaser, the financial instruments to which the order relates shall be transferred to the purchaser as follows:

- for instruments which shall be owner-registered at a central securities depository or the equivalent, or instruments which shall be recorded on a custody account or the equivalent with the Bank, by the Bank undertaking the necessary registration measures,
- for instruments which shall be recorded on a custody account or the equivalent with a third party custodian institution, by the purchaser instructing the third party concerning receipt of the instruments to which the order relates, and
- for instruments issued in document form, by surrender to the purchaser.

#### The Bank's right of pledge (lien)

The Bank shall have a lien over the purchased instruments as collateral for its claim against the purchaser on account of the order. The Bank shall be entitled to undertake the necessary measures in order to fulfil this lien. If the purchaser fails to fulfil his payment obligation to the Bank, the Bank may in such manner, and at such time as the Bank deems appropriate, sell the instrument(s) concerned or undertake other dispositions in order to settle the transaction. For such purpose, the Bank may sign on behalf of the purchaser and take any other necessary measures in connection with the settlement. In such a case, the Bank shall be entitled to retain the proceeds from funds received which are necessary for payment of the Bank's claim together with interest thereon, and, where applicable, compensation for the Bank's work, costs and exchange rate losses.

Where, through such sale or other dispositions, the proceeds are insufficient to cover the Bank's total claim, the purchaser shall be liable for the difference together with interest thereon. In such a case, the Bank is entitled to debit the account designated by the purchaser and held by the purchaser with the Bank. If no such account has been designated or if funds are lacking on the designated account, any other account which the purchaser holds with the Bank may be debited.

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That which is stated above shall in no way curtail the rights which the Bank may have under EU regulations, laws or other regulations.

### 4. Sales orders

When the Customer (the "seller") has submitted orders for sale of financial instruments, the following applies.

#### Transfer of financial instruments

Pursuant to the order, the Bank shall be afforded full rights of disposition in respect of the instruments to which the order relates.

If the instruments are owner-registered at a central securities depository or the equivalent through the Bank as the account operator, or registered on a custody account with the Bank, the Bank shall be entitled to undertake the necessary registration measures.

In other cases, the seller shall, concurrently with placement of the order, undertake such measures as are required in order for the Bank to have unrestricted right of disposition in respect of the instruments. In this respect, the seller shall

- for instruments registered in a custody account or the equivalent with third party custodian, immediately instruct the third party of prompt transfer to the Bank of the instruments to which the order relates
- in respect of instruments which are owner-registered at a central securities depository or the equivalent through another account-operating institution than the Bank, ensure that the Bank receives a power of attorney over the instruments or instruct the institution to perform a rapid transfer to the Bank of the instruments to which the order relates, and
- in respect of instruments which are issued in document form, surrender such documents to the Bank.

Where the Bank has not received full rights of disposition to the instruments concurrently with the order, the Bank is entitled to fulfil the agreement vis-à-vis the counterparty in the manner the Bank deems appropriate. The seller shall compensate the Bank for the cost of this together with interest thereon. Where the Bank must pay compensation and/or fees to a market participant in or outside of Sweden - for example a central securities depository (or participant of such), a central counterparty (CCP) (or clearing member of such) or execution venue (or member of such), another counterparty, or a securities institution - because delivery of financial instruments has not been made in time and this is not attributable to the Bank, the seller shall compensate the Bank for these costs together with interest thereon. Furthermore, the seller shall compensate the Bank for the Bank's work and costs and, where applicable, for exchange rate losses. The Bank may debit an account with the Bank as designated by the seller, in order to obtain payment of its claim on the seller. If no such account has been designated, or if funds are lacking in the designated account, any other account which the seller has with the Bank may be debited.

#### Payment

The seller will receive the net amount stated on the contract note from the Bank no later than 18.00 (CET) on the settlement date. Where the order has been carried out in a currency other than Swedish kronor, the currency shall be specified in the contract note. In the case of currency exchange, the exchange rate applied by the Bank at any time is to be used.

Where the seller has not in due time undertaken the measures which are necessary in order for the Bank to obtain full rights of disposition to the instruments to which the order relates, the seller will receive payment no earlier than the second banking day after the time that the Bank obtains access to the instruments, but not before the stated settlement date. Where the seller has undertaken the necessary measures later than 12.00 CET on a banking day, the measures may be deemed to have occurred on the immediately following banking day.

### 5. Foreign-related transactions

Departures from the terms set out above regarding purchase and sales orders respectively may occur in connection with foreign-related transactions.

### 6. Fees and taxes etc

The Customer must pay brokerage commission and other fees as a consequence of the order in accordance with the price list applying at any time or in accordance with that which the Bank and the Customer have separately agreed.

The Customer is also responsible for necessary costs, fees and expenses which arise in connection with execution of the order and for taxes pursuant to Swedish or foreign legislation.

### 7. Penalty interest

If the Customer is late in meeting its obligations, the Bank is entitled to interest as follows

- for purchase orders, interest shall be calculated from the settlement date set out in the contract note, or from such later date on which the instruments became available to the purchaser, up to and including the date of actual payment.
- for sales orders, interest shall be calculated on the costs arising as a result of the Bank not receiving full rights of disposition from the day the cost arose, up to and including the date of actual payment.

The interest shall be calculated at an annual interest rate which by eight percentage points exceeds the one-week STIBOR funding rate (Stockholm Interbank Offered Rate), which is set two banking days before the first day of each such period. However, in respect of no day shall interest be payable at a rate below the reference interest rate set by Sveriges Riksbank according to Section 9 of the Swedish Interest Act (1975:635) prevailing at any time, plus eight percentage points.

### 8. The Customer's right to revoke orders

The Customer is entitled to revoke the order if the Customer has undertaken the necessary measures in conjunction with the order and the Bank has not within reasonable time of the transaction being completed

- in respect of purchase orders, undertaken the measures which are the duty of the Bank to provide the purchaser with the instruments covered by the order, or
- in respect of sales orders, made payment as a result of the order.

If in such cases, the Customer revokes an order, the Customer is released from any obligations as a result of this.

However, the Customer shall not be entitled to revoke a buy order without the consent of the Bank while a buy-in process is in progress

Revocation pursuant to this provision must be done in accordance with observation of applicable EU Regulations (e.g. the Market Abuse Regulation), law or other regulation.

### 9. Customer's disclosure requirement and provision of information to a third party

Upon request of the Bank, it is the duty of the Customer to provide the information, including written documents, which the Bank deems necessary for the Bank to perform such obligations pursuant to the Agreement or pursuant to applicable EU Regulations, laws, other regulations, general principles of law, agreement or regulations from execution venues, other institution to which the institution transmits the Customer's order central securities depositories or central counterparties (CCP).

Such information, together with documents, may also relate to the Customer's underlying client if the Customer's order to the Bank pertained to an order on behalf of a client.

The Customer understands and accepts that the institution may be required to disclose information regarding the Customer (or the Customer's client) to a third party due to orders associated with these General terms and conditions.

### 10. Clearing and settlement of executed orders

#### General provisions

The Bank must comply with an execution venue's rules for clearing and settlement of transactions which are conducted on the execution venue. Such rules may, inter alia, impose requirements regarding

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The Customer and the Bank are bound by the regulatory framework of the execution venue, the central counterparty (CCP), or the relevant central securities depository and EU Regulation (EU) 2018/1229 regarding settlement discipline.

### Buy-in, partial delivery or cash compensation

Pursuant to EU Regulation (EU) 2018/1229 on settlement discipline, where a securities transaction cannot be settled in its entirety, relevant parties - any clearing member, trading venue member, and counterparty in the individual securities transaction, respectively - shall execute buy-ins \*, settle the part of the securities transaction that can be settled, or pay cash compensation.

In such cases where a securities transaction cannot be performed and settled in full, such part of the securities transaction as can be settled by partial delivery will be performed and settled. In such cases, the party obligated to deliver securities shall be deemed to have partially performed the securities transaction and its delivery obligation with the delivered securities. The remainder of the securities transaction shall be settled (i) by means of buy-in and cash settlement and, in the case of a securities transaction governed by EU Regulation (EU) 909/2014 on improving securities settlement, in accordance with it and other applicable regulations, and (ii) otherwise as previously set out in these General terms and conditions or agreed between the parties, or in accordance with the rules or market practice of the central securities depository, central counterparty (CCP), or execution venue.

### Cash penalties for late payment or delivery

Pursuant to EU Regulation (EU) 909/2014 on improving securities settlement, a central securities depository shall charge or credit its participants (securities institutions) with cash penalties in the event of late settlement of securities transactions.

Cash penalties received by the Bank from a central securities depository may be distributed by the Bank to the customers concerned at such time and in such manner as the Bank deems practicable and appropriate, taking into consideration, inter alia, the interest of the Customer, the amount of the penalty, and the impact of the delay on the Customer. In this context, the Bank shall be entitled to take into consideration the costs of delayed deliveries, e.g. for buy-ins, securities borrowing, or previous cash penalties not passed on by the Bank.

As stated in section 6, Fees and taxes, etc., section 3, Buy orders, and section 4, Sales orders, the institution is entitled to pass on to the Customer such fees as are charged to the Bank in connection with buy and sell orders for the Customer's securities.

### Particular rules on exchange of information regarding executed transactions and their settlement

In article 2 and 3 of EU's regulation (EU) 2018/1229 there are specific rules on exchange of information concerning executed transactions and their settlement (the "Information rules"). These rules do not apply in case the Customer do not safe-keep its financial instruments with the Bank.

In case the Bank and the Customer use an electronic confirmation system and follow the time limits of the Information rules it is the Bank's understanding that both parties meet the requirements of the Information rules.

The Bank and the Customer (applies only to professional clients) agree that if the Customer leaves complete settlement instructions to the Bank before the Bank has executed the Customer's order exchange of transactional and settlement information in relation to the Information rules need not be done.

Otherwise the following shall apply.

A retail customer that is not safe-keeping its financial instruments with the Bank is required to provide the Bank with complete settlement instructions in good time before the Customer places an order with the Bank.

The Bank and the Customer (applies only to professional clients) undertake to follow the Information rules - when the exemptions described above do not apply.

Upon the Customer's request the Bank will provide information regarding the Information rules.

### 11. Annulment of orders and cancellation of trades

Bank is entitled to annul the Customer's orders or to cancel trades executed on behalf of the Customer to the extent that the order is annulled or the trade is cancelled by the relevant execution venue. The same applies in other cases where the Bank deems that annulment of an order or cancellation of a trade is necessary due to the fact that a manifest error has been committed by the Bank, a market counterparty, or by the Customer itself, if the Bank suspects that the Customer has acted in violation of applicable EU Regulations, law or other regulations, or where the Customer has otherwise acted in violation of sound practices on the securities market.

Where an order is annulled or a trade is cancelled, the Bank shall notify the Customer of this without unreasonable delay. Where, as a consequence of a suspension of trading, technical fault or similar, the execution venue has annulled all orders that are affected, the Bank will normally not inform the Customer

### 12. Complaints and rescission

The Customer must monitor that contract notes or equivalent reports are received and must examine these.

The Customer shall immediately notify the Bank of any possible errors or omissions that may be apparent from contract notes, or that a contract note or equivalent report is missing, or in respect of any other errors or omissions in conjunction with execution of the order.

Where the Customer wishes to rescind a purchase or sales order such a request shall be expressly conveyed to the Bank at the same time as the error or omission was pointed out. However, for executed orders on commission submitted by a consumer in their capacity of retail client, a request to cancel the order shall be submitted to the Bank without delay, and a request for a different price shall be submitted to the Bank within a reasonable period of time after the Customer realised or should have realised the circumstances on which the current request was based.

Where a complaint, request for rescission or request for a different price is not submitted within the time stated above, the Customer shall forfeit the right to demand compensation, rescind the executed order, or demand that the Bank adopt other measures.

### 13. Limitation of the Bank's liability etc.

The Bank is not liable for any loss resulting from a Swedish or foreign legal enactment, the intervention of a Swedish or foreign authority, an act of war, a strike, a blockade, a boycott, a lockout or any other similar circumstance. The reservation in respect of strikes, blockades, boycotts and lockouts applies even if the Bank itself is subjected to or takes such measures.

The Bank is not liable to pay compensation for damage which arises as a result of other causes if the Bank has acted with normal care.

The Bank is not liable for damage caused by Swedish or foreign execution venues, custody account institutions, central securities depositories, clearing organisations, or other parties which provide corresponding services or other parties retained by the Bank to perform services where the Bank has exercised due care in the retention of such parties or where the party was referred to the Bank by the Customer. The same applies to damage caused by the above-mentioned organisations or other parties commissioned by the Bank becoming insolvent. Nor shall the Bank be liable for damage incurred by the Customer or a third party as a result of restrictions on the right of disposal which may be imposed upon the Bank regarding financial instruments.

\* - The requirement that relevant parties complete the transaction by way of buy-in applies as from the entry into force of the provisions of EU Regulation (EU) 2018/1229 on settlement discipline. At the time of approval of this version of the general terms and conditions in January 2022, the relevant regulation is under review and the rules regarding buy-in have not yet entered into force.

The Bank is not liable for indirect damage. However, this limitation does not apply if the indirect damage has been caused by gross negligence. Nor does the limitation apply in case of orders submitted by a consumer if the indirect damage has been caused by the Bank's negligence.

In case of direct or indirect damage which has occurred for orders on commission in relation to a consumer, it is the responsibility of the Bank to show that the damage did not occur due to the Bank's negligence.

If a buy-in process in accordance with EU Regulation (EU) 2018/1229 on settlement discipline has been carried out but has not resulted in the intended delivery, the liability of the Bank is limited to the amount of the cash compensation received by the Bank.

Where, as a result of a circumstance as specified above in the first paragraph, an impediment exists for the Bank to either wholly or partially perform a purchase or sales order in respect of financial instruments, action can be delayed until such time as the impediment no longer exists. Where the Bank as a consequence of such events is prevented from making or receiving payment/delivery, neither the Bank nor the Customer shall be liable to pay interest.

The above shall apply unless otherwise prescribed in the Swedish Financial Instruments Accounts Act (1998:1479).

Further limitations regarding market data are set out in section 1.

### 14. Notices

#### Notices from the Bank

The Bank sends a notice to the Customer via the Bank's internet service or by email to the address provided by the Customer in the Agreement or another email address, or via other electronic communication of which the Customer has given notice to the Bank, when the Bank deems such communication to be appropriate. A retail client may request that such information as the Bank is required to provide in accordance with Chapter 9 of the Securities Market Act (2007:528), such as information about the Bank and its services and the costs associated with the services, be provided free of charge also in paper form.

In cases where the Bank provides the Customer with information in paper form, this may be done by sending by registered post or normal post to the address at which the Customer is officially registered (or equivalent), or, if this is not possible, to the address stated in the Agreement. The Customer and the Bank can also agree for notices to be sent to a different address.

Notices sent by the Bank by registered letter or regular post shall be deemed to have been received by the Customer no later than five banking days after despatch if the letter has been sent to the address stated above.

Notices by the Bank's Online Banking service, e-mail or by other electronic communication shall be deemed to have been received by the Customer at the same time as transmission, if sent to the number or electronic address provided by the Customer. If the Customer receives such a notice at a time that is outside the Bank's normal office hours in Sweden, the Customer shall be deemed to have received the notice at the start of the following banking day.

#### Notices to the Bank

The Customer can convey notices to the Bank by visiting any of the Bank's branches or by sending a letter. Letters to the Bank shall be sent to the address set out in the Agreement, unless the Bank has requested that replies be sent to another address. The Customer may only send notices to the Bank by e-mail after making a special agreement with the Bank.

Notices from the Customer shall be regarded as having been received by the Bank on the banking day that they arrive at the address that has been provided. In other cases too, the Bank shall be deemed to have received the notice from the Customer if the Customer can show that the message was sent in a fit-for-purpose manner. In such cases, the Bank shall be deemed to have received the notice on the banking day that the Customer can show that the Bank should have received it.

For notices concerning complaints and rescission due to orders on commission that a consumer has placed in their capacity as a retail customer according to the Bank's categorisation pursuant to the Swedish Securities Market Act (2007:528), the notice can be invoked if the Customer can show that it was sent in a fit-for-purpose manner, even it was delayed, distorted or did not arrive. However, if the Customer has reason to believe that the Bank did not receive the notice, or that the notice was distorted, the Customer must resend the notice to the Bank.

### 15. Changes to the General Terms and Conditions or charges

These General terms and conditions are changed in the manner set out in the Agreement.

### 16. Applicable law

These general terms and conditions and the Bank's special principles regarding order execution and aggregation and distribution of orders shall be interpreted and applied according to Swedish law.

## General terms and conditions for contracts on spot, options and forward contracts in foreign currencies

### General provisions

This document is a translation of the Swedish terms (Sw: Allmänna villkor för kontrakt om avista, option och termin i valuta), attached, and is for general information purposes only. Furthermore, customer shall note that "confirmations" (as defined herein) will only be sent in the Swedish language. Customer is advised that should there be any inconsistency or conflict between the English and Swedish versions of this document, the Swedish version shall prevail.

These general terms and conditions ("Terms") shall be applied to all contracts on foreign currency options and foreign currency forward and spot contracts ("Contracts") between the Bank and the Customer when the Customer has not signed a separate master agreement with the Bank regulating a foreign currency contracts between the Bank and the Customer. The term Contract includes various combinations of the mentioned types of foreign transactions and other types of Contracts agreed upon between the parties and according to the Confirmation related to foreign currency. That which is agreed when a Trade is concluded and in the Agreement and the Terms jointly comprise the terms and conditions for a Contract. Should the parties wish to depart from the Agreement and its Terms when concluding a Trade, a separate written agreement shall be entered into. Each Contract shall be documented in a Confirmation. All Trades shall be viewed as one single undertaking between the parties. In the event of deviation/contradiction between the contents of the Confirmation and the Agreement and its Terms, the provisions of the Confirmation shall take precedence.

The Bank retains the right to decide, on a case by case basis, whether to conclude a Trade (or not). In case the Bank decides not to conclude a Trade the Bank shall not be obliged to account for its decision.

These Terms shall apply to outstanding Contracts after the Customer has entered into a new Contract and a reference to the Terms is made in the Confirmation for the new Contract.

These Terms shall apply to outstanding Contracts after the Customer has entered into a new Contract and a reference to the Terms is made in the Confirmation for the new Contract.

## 1. Definitions

### American Banking Day (Amerikansk Bankdag)

All days except Saturdays, Sundays and days which the Securities Industry and Financial Markets Association (or a successor) recommends that its members' fixed income departments are closed for the whole day with regard to trading in US government instruments.

### American Option (Amerikansk Option)

Option according to which Exercise can take place throughout the Exercise Period of the Option, according to the Confirmation.

### Trades (Avslut)

An agreement for a Contract.

### Trade date (Avslutsdag)

The Banking day on which the parties conclude a Trade for a Contract.

### Agreement (Avtalet)

The agreement entered into between the parties regarding trading in financial instruments and currencies together with the pertaining general terms and conditions applicable at any time.

### Settlement ( Avveckling)

The method for settlement of Contracts is through Cash Settlement or Delivery of underlying Contracts – whichever is applicable in accordance with that which is specified in the Confirmation concerned.

### Banking Day (Bankdag)

An Applicable Banking Day, including a TARGET Day for payments in EUR and an American Banking Day for payments in USD, in addition to days on which banks in Stockholm are generally open for trading and payments in currencies.

### Confirmation (Bekräftelse)

A confirmation stating the specific conditions for the Trade (see section 2).

### Bermuda Option (Bermuda Option)

Option transaction according to which Exercise can only take place on specific dates, according to the Confirmation.

### European Option (Europeisk Option)

Option transaction according to which Exercise can only take place on the Expiration Date, according to the Confirmation.

### Expiration (Förfall)

The date specified as such in the Confirmation and the date upon which the Contract expires.

### Cash Settlement (kontantavräkning)

Performed by the Bank to determine the settlement amount to be paid on the Settlement Date. If the amount that is the result of a Cash Settlement is to be paid by the party concerned to the other party, the Cash Settlement is negative. If the amount is to be paid by the other party to the party concerned, the Cash Settlement is positive.

### Set-off (Kvittning)

Termination of all the rights and obligations related to a Trade through entering into an identical but opposite Contract.

### Delivery (Leverans)

Delivery as agreed between the parties and as stated in the Confirmation concerned or otherwise.

### Delivery Date (Leveransdag)

The date upon which either party shall make a Delivery as stated in the Confirmation concerned, or upon Exercise.

### Settlement Date (Likviddag)

The date on which payment or Delivery of currency shall be made by either of the parties as stated in the Confirmation concerned or upon Exercise, although if such a date is not a Banking Day or (if the payment shall be made in euros) a TARGET Day, the Settlement Date shall be the next following Banking Day or TARGET Day respectively.

### Exercise Period (Löptid)

The period from and including the Start Date until and including the Termination Date.

### Exercise (Lösen)

Exercise of rights according to an Option or fulfilment of a Forward Contract by Cash Settlement or Delivery of the underlying instrument, whichever is applicable.

### Exercise Date (Lösensdag)

Refers to the Banking Day during the Exercise Period when the Option contract is exercised.

### Exercise price (Lösenpris)

The price agreed for Contract used for settlement in the case of Cash Settlement or at Delivery in cases where the Option is exercised.

### Option (Optionskontrakt)

An agreement according to which the Buyer (holder) of the option, in return for payment of the Premium, is entitled to receive or pay an agreed currency or and according to which the counterparty (the Seller) is obliged to perform the opposite contract task, both of which would be in accordance with the Confirmation.

## Terms and conditions

Applying from 1 September 2022

### Premium (Premie)

Amount (fee) which, as specified in the Confirmation concerned, shall be paid by either party in a Contract.

### Premium Settlement Date (Premielikviddag)

Date upon which the Premium shall be paid as stated in the Confirmation concerned.

### Termination Date (Slutdag)

The day on which the Contract expires as stated in the Confirmation concerned.

### Start Date (Startdag)

The day on which the Contract starts, as stated in the Confirmation concerned.

### Collateral (Säkerheter)

See section 7.

### Target Day (Target-Dag)

Day on which TARGET2 is open for payments in euros.

### Forward Contract (Terminskontrakt)

Purchase/sale of a currency which is intended to be performed at a set point in time at a Forward Price stated in the Confirmation.

### Forward price (Terminspris)

The price that the buyer of the contract shall pay to the seller on the Settlement date, excluding any fees and taxes.

### Expiration Time (Tid för förfall)

A date specified as such in the Confirmation.

### Applicable Banking Day (Tillämplig Bankdag)

A Banking Day in the principal financial centre for the relevant currency, including the currency of the relevant Reference Rate.

### Issuer (Utfärdare)

The party who, in the case of Exercise, undertakes the obligation to sell (call option) or the obligation to buy (put option) the underlying value at the Exercise price.

## 2. Confirmations

The Trade between the Bank and the Customer may be verbal or in writing. Each Trade shall be confirmed by the Bank providing the Customer with a Confirmation regarding the Contract. The Bank is responsible for issuing and providing the Confirmation to the Customer as soon as possible after a Trade. It is the responsibility of the Customer to immediately bring any errors in the Confirmation received to the attention of the Bank, and in doing so, observe the procedure stated in the Confirmation. If the Contract is not confirmed within the time period specified in the Confirmation, the Customer is deemed to have accepted the terms of the Contract. The Bank reserves the right to decide by what means to provide the Customer the Confirmation for the Contract.

The parties are aware that a Contract with its specific conditions comes into being at the actual time the Trade is concluded, and not as a result of them exchanging the Confirmation.

## 3. Reporting

When the Bank has executed an order, the Bank provides information about the execution by means of a contract note/confirmation or equivalent reporting. Documentation is provided at the intervals specified in applicable legislation, unless otherwise agreed with the Customer.

## 4. Premium

The Premium shall be paid on the Premium Settlement Date by the holder to the issuer in the manner specified in the Confirmation. Should the holder, not later than the second Banking Day after such a reminder, fail to pay the Premium for the Option Contract, despite a reminder from the issuer about non-payment, the Contract is due for payment and the issuer is entitled to request compensation for costs that have arisen as a result thereof and to terminate the agreement in accordance with section 14.

## 5. Exercise procedure

Should the holder wish to request Exercise of an Option when the terms and conditions of the Contract so permit, this shall be done within the Exercise Period, with notification by telephone or telefax to the number specified in the Confirmation.

Option Contracts that are not Exercised by the Termination Date of the Contract lapse on the Termination Date due to Expiration.

Option Contracts that are set off through an opposite Contract are no longer in effect after Set-off is implemented.

## 6. Assignment of contracts

A Contract may not be assigned to a third party without the consent of the Bank. Should assignment take place without consent, the Bank is not obliged to perform its undertakings in accordance with the Confirmation and the Bank is entitled to immediately terminate the Contract in accordance with section 14. The Customer does not have the right to pledge rights or obligations in accordance with agreed Contracts to a third party without the consent of the Bank.

## 7. Collateral and pledging

The Bank may require the Customer to provide the Bank with collateral. The purpose of the collateral is to make it possible, in the event of non-performance on the part of the Customer, for the Bank to divest the relevant Contracts.

When concluding the Trade, the Bank determines whether collateral shall be provided and what shall constitute collateral, as well as how the Customer shall provide the Bank with such collateral to comply with the Bank's collateral requirements.

Moreover, at any time within the Exercise Period, the Bank may require the Customer to provide collateral acceptable to the Bank for all of the Customer's undertakings, in accordance with the agreed Contracts. In addition, the Bank has the right, if the Bank should deem the collateral provided for the Customer's obligations to no longer be satisfactory, or if the Bank deems there to be a risk that the Customer might not be able to fulfil its commitments in accordance with the Customer's undertakings, to request that the Customer provide additional collateral that the Bank deems satisfactory.

Collateral shall be provided on the Banking Day stipulated by the Bank. Should the Customer fail to meet the requirement for collateral within the period of time set by the Bank, the Bank has the right to take such trading measures that the Bank deems necessary to indemnify the Bank against damage. The Bank is entitled to compensation for the remaining claim on the Customer following the trading measures and also for all of the Bank's costs in connection with the trading measures. These amounts shall be immediately due for payment. Should the amount accrue to the Bank, the Bank has the right to immediately debit the Customer's account with the Bank by that amount and to realise secured collateral in order to receive final settlement of the amount. Should the amount instead accrue to the Customer, the surplus shall without delay be transferred to the Customer, as well as any surplus after realisation of the collateral provided.

The Customer undertakes to participate in such measures as are needed in order for the Bank to receive satisfactory collateral for the undertakings that the Customer has in accordance with the Contracts.

The Customer hereby pledges - regardless of what is stated in the preceding paragraph in this section - all claims against the Bank due to Contracts agreed at any given time, that are made under the Agreement as collateral for the commitments that the Customer has at any time to the Bank due to such Contracts.

## 8. Costs and penalty interest, etc.

A Customer who has concluded a Trade with the Bank in accordance with the Agreement is responsible for any costs that may arise for the Customer in connection with the Agreement, including taxes and other fees. The Bank is not responsible for, or in any other way obliged to pay, any tax, duty, cost, withholding tax or any other fee or encumbrances that may arise due to the Customer's ownership, transfer or exercise of Contracts.

Interest on overdue amounts shall be paid from and including the due date until the day that payment takes place, at the interest rate that the Bank applies from time to time.

### 9. Amendment of Terms and Conditions, etc.

Should any of the provisions in the Terms be found to be or come to be invalid, the validity of the other provisions in the Terms shall not be affected.

The Bank is entitled to amend the Terms. Amendments to the Terms shall become binding upon the Customer 40 Banking Days after the Customer, in accordance with the Agreement, is deemed to have received the notice of the amendments. Such amendments shall only be binding upon the Customer with regard to Contracts that have been entered into after the date the notice is deemed to have been received by the Customer in accordance with the Agreement, unless the amendment or addition resulted from a change in a law, regulation, legal act, court judgement or a decision by a public authority. Amendments resulting from a change in a law, regulation, legal act, court judgement or a decision by a public authority may be binding on the Customer for a shorter period than the above-mentioned 40 days, until a date specified in the notification to the Customer. If an amendment of the Terms also includes outstanding Contracts, the Customer is entitled to close the outstanding Contracts or to terminate the Agreement in its entirety. If the Customer wishes to close the Contract or terminate the Agreement entirely, the Customer must notify the Bank of this within 5 Banking Days after the Customer, in accordance with the Agreement, is deemed to have received the notice of the amendments. If termination is made according to this section 9, the provisions of section 14 shall apply correspondingly, in which case the Bank shall make the required calculations.

### 10. Decrees from authorities

If the conditions for fulfilment of Contracts should no longer exist or change considerably due to measures or decrees from a Swedish or foreign governmental power, central Bank or public authority, or amended Swedish or foreign law or a Swedish or foreign court ruling that is applicable to the Bank, the Bank is entitled, unless the Bank chooses to amend the Terms in accordance with section 9, after notifying the Customer to this effect, to terminate all Contracts, or Contracts chosen by the Bank, on the day specified by the Bank in such notice. In the event of such termination, the stipulations of section 14, paragraph four shall also apply.

### 11. Special covenants

Should the Customer's financial position materially deteriorate, or should any circumstance occur that could influence the Customer's ability to fulfil its obligations in accordance with the Contracts, the Customer shall notify the Bank to this effect as soon as possible.

### 12. Settlement

In the event that payments in one and the same currency in two or more Contracts shall be paid on the same Settlement Date, settlement shall be made upon request of the Bank such that the party that has a claim of a lower total amount than the other party must pay to the latter an amount comprising the difference. Calculation shall be made in the manner decided by the Bank. The Bank shall present such request at the latest on the third Banking Day before the Settlement Date.

### 13. Confirmations, portfolio reconciliation and dispute resolution

The Bank provides the Customer with a portfolio summary once a year, or at a different interval in compliance with current law, concerning all of the Customer's outstanding Contracts and, where applicable, a summary of collateral pledged. In conjunction with every Trade regarding a new Contract, the Bank also provides the Customer with a Confirmation regarding the terms and conditions of the Contract (in accordance with section 2 above).

The Customer shall without delay examine documents received and as soon as possible draw the Bank's attention to any shortcomings or mistakes and, where applicable, inform the Bank of any objections to the stated values of listed Contracts and summaries of collateral pledged. Unless the Customer contacts the Bank within five Banking Days - or within any other period or according to any other

procedure specified in these Terms and Conditions or Confirmation - of the receipt of a document, the Customer, unless otherwise agreed between the parties, shall be deemed to have accepted the information and values stated by the Bank.

When errors and shortcomings have been pointed out, or objections have been presented by the Customer as detailed above, the parties will immediately commence discussions with the aim of reaching agreement on the relevant matter. If an agreement has not been reached within three Banking Days from the time the discussions commenced, the matter is, where applicable, to be referred to the respective superior manager.

If the parties have not reached agreement within five Banking Days from the time the discussions commenced, but neither of the parties has referred the issue to dispute resolution in accordance with the Agreement within a period of 30 days, and providing that it does not relate to valuation issues, the dispute is to be considered settled and the information stated by the Bank is to apply. The following applies in respect of unresolved disputes related to valuation issues.

If the Customer has queried the values stated by the bank, the bank must obtain quotes from at least two and no more than four independent and reputable financial institutions which are active in this business. If these valuations on the valuation date significantly deviate from the disputed valuations provided by the Bank, an average of these is to apply and the Bank is to incur the cost of the valuations. If the valuations do not deviate in the way stated, the Bank's valuations are to apply and the Customer is to incur the cost of the valuations.

### 14. Notice of termination, etc.

In addition to what is stated under the heading 'Notice of termination' in the Agreement, the following applies. However, if the Agreement is terminated, Contracts already entered into shall still remain in effect until such time as they are settled or have expired and the parties have in other respects fulfilled all their obligations towards each other in accordance with the Agreement and the Contracts entered into.

If one of the parties does not duly perform its undertakings in accordance with a Contract, or violates the provisions of the Agreement, and if the party has not rectified the situation within three Banking Days of receiving a written reminder to that effect, or if the party has suspended its payments, the other party is entitled to give notice to terminate all or certain Contracts and the Agreement with termination on the date (hereafter referred to as "Day of Termination") specified in the notice of termination.

The Bank also has the right to give notice to terminate all Contracts and the Agreement if the Customer does not fulfil any other agreement between the Bank and the Customer, or if the Bank deems that there is a risk that the Customer will not duly perform obligations in relation to the Bank and the Customer does not upon request provide collateral for fulfilment of its undertakings, or if the Bank deems that any collateral provided is not satisfactory. If a party is declared Bankrupt (or files for bankruptcy on the party's own behalf), all Contracts shall be automatically terminated as at the day on which such an event occurs, without any period of notice needing to be served.

When giving notice of termination and in the event of automatic termination under the second paragraph above, the Bank will settle the account by calculating the value of the Contract in accordance with current regulations and market practices for Contracts and the total of amounts due to the Bank or Customer respectively as at the Day of Termination. The party that then has a lower total amount than the other party shall pay to that party the difference between the amounts due to the respective party without delay. The amount thus calculated is immediately due for payment. Unless an error has been made, the Bank's calculation shall be binding upon the Customer. The settlement claim that may be paid to the terminating party in accordance with the preceding paragraph may be used for set-off purposes through settlement against all (including those that are not due) debts to the other party, other than those encompassed by the Agreement. Similarly, the terminating party shall also be entitled to set off from any claim due to the other party in accordance

with the settlement, debts that are not due for payment, claims against the counterparty due to other agreements and commitments other than those encompassed by the Agreement. The terminating party in accordance with the preceding paragraph refers to the party that gives notice, as stated above, to terminate the Agreement, or if the Agreement is automatically terminated in accordance with the second paragraph, the party that did not cause the Agreement to be automatically terminated. Provided that automatic termination does not take place as described above, notice of termination shall be given in writing to the other party and contain information regarding the grounds on which and the Day of Termination as at which (not later than the seventh Banking Day after such notice) the Contracts shall no longer to be in force.

## Allmänna villkor för kontrakt om avista, option och termin i valuta

### Allmänna bestämmelser

Dessa allmänna villkor (Villkoren) ska tillämpas på samtliga kontrakt om valutaoptioner, valutaterminer och avistaaffärer i valuta ("Kontrakt") mellan banken och kunden i de fall kunden inte tecknat ett särskilt ramavtal med banken som reglerar aktuellt Kontrakt. I Kontrakt ingår även olika kombinationer av nämnda valutatransaktionstyper och andra typer av Kontrakt som enligt överenskommelse mellan parterna och enligt aktuell Bekräftelse är hänförlig till valuta. Vad som avtalats vid Avslut och i Avtalet och Villkoren utgör gemensamt villkoren för ett ingånget Kontrakt. Önskar parterna, vid Avslut, avvika från Avtalet med Villkoren ska särskild skriftlig överenskommelse träffas. Varje Avslut ska dokumenteras i en Bekräftelse. Samtliga ingångna Avslut rörande Kontrakt ska ses som ett mellanhavande. Vid en eventuell avvikelse/motstridighet mellan Bekräftelsens innehåll och Avtalet med Villkoren gäller vad som framgår av Bekräftelsen.

Banken prövar fritt, i varje enskilt fall, om banken vill ingå Avslut. Om banken efter en sådan prövning finner att den inte vill ingå ett Kontrakt ska banken inte vara skyldig att redogöra för orsaken till detta.

Villkoren ska endast tillämpas på utestående Kontrakt först efter det att kunden ingått ett nytt Kontrakt och det hänvisats till Villkoren i Bekräftelsen för det nya Kontraktet.

### 1. Definitioner

#### Amerikansk Bankdag

Alla dagar utom lördagar, söndagar och dagar som The Securities Industry and Financial Markets Association (eller en efterträdare) rekommenderaratt medlemmarnas ränteavdelningar är stängda under hela dagen för syftet att handla med amerikanska statspapper.

#### Amerikansk Option

Optionskontrakt enligt vilket Lösen kan ske under hela optionens Löptid, i enlighet med aktuell Bekräftelse.

#### Avslut

Avtal om Kontrakt.

#### Avslutsdag

Bankdag då Avslut om Kontrakt ingås mellan parterna.

#### Avtalet

Det mellan parterna träffade avtalet om handel med finansiella instrument och valuta samt vid var tid tillhörande gällande allmänna villkor.

#### Avveckling

Metod för avveckling av Kontrakt genom Kontantavräkning eller Leverans av underliggande Kontrakt, vilket som är tillämpligt i enlighet med vad som specificerats i aktuell Bekräftelse.

#### Bankdag

En Tillämplig Bankdag, inklusive en TARGET-Dag för betalning i euro och Amerikansk Bankdag för betalning i USD, jämte dag då banker i Stockholm är allmänt öppna för handel och betalningar i valuta.

#### Bekräftelse

En bekräftelse som anger de för Avslutet specifika villkoren, se punkt 2.

#### Bermuda Option

Optionskontrakt enligt vilken Lösen kan ske endast på vissa dagar, i enlighet med aktuell Bekräftelse.

#### Europeisk Option

Optionskontrakt enligt vilket Lösen kan ske endast på Slutdagen, i enlighet med aktuell Bekräftelse.

#### Förfall

Datum specificerat som sådant i aktuell Bekräftelse och på vilket Kontrakt löper ut.

#### Kontantavräkning

Utförs av Banken för att bestämma likvid att betalas på Likviddagen. Om det belopp som är resultatet av en Kontantavräkning ska betalas av den berörda parten till den andra parten är Kontantavräkningen negativ. Om beloppet ska betalas av den andra parten till den berörda parten är Kontantavräkningen positiv.

#### Kvittning

Upphörande av alla de rättigheter och skyldigheter som följer av ett Avslut, genom Avslut av ett likalydande motstående Kontrakt.

#### Leverans

Leverans enligt överenskommelse mellan parterna och enligt uppgift i aktuell Bekräftelse.

#### Leveransdag

Dag då Leverans av visst slag skall fullgöras av part enligt uppgift i aktuell Bekräftelse eller vid Lösen.

#### Likviddag

Dag då betalning eller leverans av valuta skall utföras av part enligt uppgift i aktuell Bekräftelse eller vid Lösen, dock att om sådan dag inte är en Bankdag, eller (om betalnings ska utföras i Euro) TARGET-dag, skall Likviddag vara närmast påföljande Bankdag respektive TARGET-dag.

#### Löptid

Tiden från och med Startdag till och med Slutdag.

#### Lösen

Utnyttjande av rätt enligt Optionskontrakt eller fullgörande av Termskontrakt genom Kontantavräkning eller Leverans av underliggande vilket som är tillämpligt.

#### Lösensdag

Avser den Bankdag under Löptiden då Optionskontrakt utnyttjas för Lösen.

#### Lösenpris

Ett för Optionskontrakt avtalat pris vilket används för avräkning vid Kontantavräkning eller vid Leverans för det fall Lösen påkallas.

#### Optionskontrakt

Kontrakt enligt vilket Köparen (innehavaren) av optionsrätten, mot erläggande av Premie, äger rätt att erhålla eller betala valuta och enligt vilket motparten (Säljaren) är skyldig att utföra motstående prestation, båda i enlighet med aktuell Bekräftelse.

#### Premie

Belopp (avgift) som, enligt uppgift i aktuell Bekräftelse, skall erläggas av part i ett Optionstrakt.

#### Premielikviddag

Dag då Premie skall betalas enligt uppgift i aktuell Bekräftelse.

#### Slutdag

Bankdagen då Kontraktet löper ut enligt Bekräftelsen.

#### Startdag

Dag då Kontrakt börjar löpa enligt uppgift i aktuell Bekräftelse.

#### Säkerheter

Se punkt 7.

#### TARGET-Dag

Dag då TARGET2 är öppet för erläggande avbetalning i Euro.

#### Terminskontrakt

Kontrakt rörande köp/försäljning av valuta som avses fullgöras vid en bestämd tidpunkt mot ett i aktuell Bekräftelse angivet Terminspris.

## VILLKOR

Gäller från 1 juni 2022

### Terminspris

Pris specificerad som sådant i aktuell Bekräftelse och som ligger till grund för Avveckling;

### Tid för Förfall

Tid specificerad som sådan i aktuell Bekräftelse.

### Tillämplig Bankdag

En Bankdag i det principala finansiella centrumet för relevant valuta, inklusive valutan för den relevanta Referensräntan.

### Utfärdare

Part som ikläder sig skyldigheten att vid Lösen sälja (köption) respektive skyldigheten att köpa (säljoption) underliggande värde till Lösenpriset.

## 2. Bekräftelse

Avslut kan göras muntligen eller skriftligen mellan banken och kunden. Varje avslut ska bekräftas genom att Banken tillställer Kunden en Bekräftelse avseende Kontraktet. Banken ansvarar för att utfärda och tillställa Kunden Bekräftelsen så snart som möjligt efter avslut. Det åligger Kunden att omedelbart till Banken påtala eventuella brister i erhållen Bekräftelse och då iakttaga i Bekräftelsen angiven rutin. Om Kontrakt inte bekräftas inom den i bekräftelsen angivna tidsramen så anses Kunden acceptera de i Kontraktet angivna villkoren. Banken förbehåller sig rätten att bestämma sättet på vilket Kunden ska erhålla Bekräftelsen avseende Kontrakt.

Parterna är införstådda med att ett Kontrakt med sina specifika villkor kommit till stånd vid själva Avslutet och inte först i och med att Bekräftelsen utväxlats mellan dem.

## 3. Rapportering

När banken utfört ett uppdrag lämnar banken information om utförandet genom avräkningsnota/bekräftelse eller motsvarande redovisning. Redovisning lämnas i enlighet med i tillämplig lagstiftning fastslagen periodicitet, om inte annat överenskommit med kunden.

## 4. Premie

Premien ska på Premielikviddagen betalas av innehavaren till utfärdaren på det sätt som anges i Bekräftelsen. Underlåter innehavaren, trots påpekande av utfärdaren om bristande betalning av Premien för Optionskontraktet, att senast andra Bankdagen efter sådant påpekande betala Premien, är Kontraktet förfallet och utfärdaren har rätt att begära ersättning för uppkomna kostnader på grund av detta samt göra en uppsägning i enlighet med punkt 14.

## 5. Lösenförfarande

Önskar innehavaren begära Lösen på sina Optionskontrakt när villkoren för Kontraktet så tillåter ska detta ske under Löptiden och meddelas per telefon eller telefax till angivet nummer enligt Bekräftelsen.

De Optionskontrakt för vilka Lösen inte påkallats senast på Kontraktets Slutdag upphör på Slutdagen att gälla genom förfall.

Optionskontrakt som kvittas genom ett motstående Kontrakt, upphör att gälla efter genomförd Kvittning.

## 6. Överlåtelse av Kontrakt

Överlåtelse av Kontrakt till annan får inte ske utan bankens samtycke. Sker överlåtelse utan samtycke är banken inte skyldig att fullgöra sina åtaganden enligt Bekräftelsen och banken har rätt att omedelbart säga upp Kontraktet enligt punkt 14. Kunden har inte rätt att pantsätta sina rättigheter eller skyldigheter enligt ingångna Kontrakt till annan utan samtycke av banken.

## 7. Säkerheter och pantförskrivning

Banken får föreskriva att kunden ska ställa säkerhet till förmån för banken. Säkerheten syftar till att bereda banken möjlighet att vid bristande fullgörande från kundens sida avveckla de ifrågavarande Kontrakten.

Vid Avslutet fastställer banken om säkerhet ska ställas och vad som ska utgöra säkerhet samt hur kunden ska ställa säkerhet till banken för att uppfylla bankens säkerhetskrav.

Banken får vidare när som helst föreskriva att kunden under Löptiden, ska ställa säkerhet som banken kan acceptera, för kundens samtliga åtaganden enligt ingångna Kontrakt. Vidare har banken rätt att, om enligt bankens bedömning ställd säkerhet för kundens förpliktelser inte längre är betryggande eller om risk enligt banken föreligger att kunden inte ska kunna fullgöra sina förpliktelser enligt gjorda åtaganden, att begära att kunden ställer ytterligare säkerhet som av banken bedöms vara betryggande.

Ställande av säkerhet ska ske på den Bankdag som banken föreskriver. Skulle ställda säkerhetskrav inte uppfyllas av kunden inom den tid som banken föreskrivit får banken vidta de handelsåtgärder som enligt bankens uppfattning krävs för att hålla banken fri från skada. Banken har rätt till ersättning för den fordran som kvarstår på kunden efter handelsåtgärderna liksom för bankens samtliga kostnader i samband med handelsåtgärderna. Dessa belopp ska vara omedelbart förfallna till betalning. Ska beloppet tillfalla banken har banken rätt att omedelbart debitera kundens konto i banken med beloppet och realisera ställd säkerhet för att erhålla slutreglering av beloppet. Ska beloppet istället tillgodogöras kunden ska överskottet omgående överlämnas till kunden liksom eventuellt överskott efter realisation av ställd säkerhet.

Kunden åtar sig att medverka i de åtgärder som behövs för att banken ska erhålla en fullgod säkerhet för åtaganden som kunden har enligt Kontraktet.

Kunden pantförskriver härmed - oberoende av vad som angivits i föregående stycken i denna punkt - samtliga anspråk mot banken på grund av vid var tid ingångna Kontrakt som görs under Avtalet till säkerhet för de förpliktelser som kunden vid var tid har gentemot banken på grund av sådana Kontrakt.

## 8. Kostnader och dröjsmålsränta m m

Kund som träffat Avslut med banken enligt Avtalet, svarar för alla kostnader som kan uppstå för denne i samband med Avtalet, inklusive skatter och andra avgifter. Banken är inte ansvarig för eller på annat sätt skyldig att betala någon skatt, påлага, kostnad, källskatt eller annan avgift som kan uppstå på grund av kundens ägarskap, överföring eller utnyttjande av Kontrakt.

Dröjsmålsränta på förfallna belopp ska utgå från och med förfalldagen till den dag som betalning sker, enligt den räntesats som banken vid var tid tillämpar.

## 9. Ändring av Villkor m m

Skulle någon av bestämmelserna i Villkoren befinnas vara eller komma att bli ogiltiga, ska giltigheten av övriga bestämmelser i Villkoren inte påverkas av detta.

Banken har rätt att ändra Villkoren. Ändring av Villkoren ska ha verkan gentemot Kunden 40 Bankdagar efter det att kunden enligt Avtalet ska anses ha mottagit meddelande om ändring. Sådan ändring ska endast ha verkan gentemot kunden såvitt avser Kontrakt som ingåtts efter den dag meddelandet anses ha mottagits av kunden enligt punkt Avtalet, om inte ändringen eller tillägget föranleds av ändrad lag, förordning, rättsakt, domstols dom, myndighetsbeslut. Ändring som föranleds av ändrad lag, förordning, rättsakt, domstols dom, myndighetsbeslut kan ha verka mot kunden kortare tid än ovan angivna 40 Bankdagar på dag som anges i underrättelsen till kunden. Om ändring av Villkoren även omfattar utestående Kontrakt har Kunden rätt att stänga utestående Kontrakt eller säga upp Avtalet i sin helhet. Önskar Kunden stänga Kontrakt eller säga upp Avtalet i sin helhet ska Kunden meddela Banken det inom 5 Bankdagar efter det att Kunden enligt Avtalet ska anses ha mottagit meddelande om ändring. Sker uppsägning enligt denna punkt 9 ska bestämmelserna 14. äga motsvarande tillämpning, varvid banken ska utföra erforderliga beräkningar.

## 10. Myndighetspåbud

Om förutsättningarna för fullgörande av Kontrakt skulle bortfalla eller avsevärt förändras på grund av åtgärd eller påbud av svensk eller utländsk statsmakt, centralbank eller myndighet eller ändrad svensk eller utländsk lag eller svenskt eller utländskt domstolsavgörande som är tillämpligt på banken, har banken rätt, om banken inte väljer att ändra Villkoren enligt punkt 9, att efter meddelande till kunden säga upp samtliga eller av banken valda Kontrakt till upphörande på

dag som anges av banken i sådant meddelande. Vid sådan uppsägning ska punkt 14, fjärde stycket äga motsvarande tillämpning.

### 11. Särskilda utfästelser

Skulle kundens finansiella ställning väsentligen försämrats eller någon omständighet inträffa som kan påverka kundens möjlighet att fullgöra åtaganden enligt Kontraktet ska kunden snarast underrätta banken om detta.

### 12. Avräkning

För det fall betalningar i en och samma valuta enligt två eller flera Kontrakt ska betalas samma Likviddag ska på begäran av banken avräkning ske så att den part som har att fordra ett lägre sammanlagt belopp än den andra parten till den senare ska betala det belopp som utgör mellanskillnaden. Beräkning ska ske på det sätt banken bestämmer. Banken ska framställa en sådan begäran senast tredje Bankdagen före Likviddag.

### 13. Bekräftelser, portföljvinstämning och tvistelösning

Banken tillställer kunden en portföljsammanställning en gång om året, eller med annan frekvens som följer av gällande rätt, avseende samtliga med kunden utestående Kontrakt samt i förekommande fall en sammanställning över ställda säkerheter. I samband med varje Avslut om ett nytt Kontrakt tillställer banken även kunden en Bekräftelse avseende Kontraktets villkor (i enlighet med punkt 2 ovan).

Kunden ska utan dröjsmål granska mottagna dokument och snarast möjligt påtala fel och brister samt i förekommande fall invända mot av banken angivna värden rörande Kontrakten och lämnade sammanställningar över ställda säkerheter. Om inte kunden kontaktat banken inom fem Bankdagar - eller inom annan tid eller rutin som angetts i dessa Villkor eller Bekräftelsen - från mottagandet av en handling ska kunden, om annat inte särskilt överenskommits mellan parterna, anses ha accepterat av banken angivna uppgifter och värden.

Sedan fel och brister påtalats eller invändningar framställts av kunden enligt det föregående ska parterna omedelbart inleda samtal med varandra i syfte att komma överens i den aktuella frågan. Har en överenskommelse inte träffats inom tre Bankdagar från samtalens inledande ska frågan, i förekommande fall, hänskjutas till respektive överordnad chef.

Om parterna inte kommit överens inom fem Bankdagar från samtalens inledande men ingen av parterna inom 30 dagar från samtalens inledande hänskjutit frågan till tvistelösning i enlighet med detta avtal, ska tvisten såvitt avser andra frågor än värderingsfrågor anses bilagd och av banken angivna uppgifter gälla. Beträffande olöst tvist avseende värderingsfrågor gäller följande.

Om kunden har ifrågasatt av banken angivna värden, ska banken inhämta värdeutlåtanden (quotes) från minst två och högst fyra på området oberoende och välrenommerade finansiella institutioner. Om dessa värden per värderingsdagen i väsentlig mån avviker från av banken angivna omtvistade värden, ska ett genomsnitt av dessa gälla och banken ska stå kostnaden för värderingarna. Om värdena inte avviker på angivet sätt ska bankens värderingar gälla och kunden i stället stå kostnaderna.

### 14. Uppsägning m m

Utöver vad som anges under rubriken Uppsägning i Avtalet ovan gäller följande. Sågs Avtalet upp gäller det dock alltfjämt för redan ingångna Kontrakt till dess att de avvecklats eller förfallit samt parterna i övrigt fullgjort samtliga sina åtaganden gentemot varandra enligt Avtalet och ingångna Kontrakt.

Fullgör part inte i behörig ordning sina förpliktelser enligt ett Kontrakt eller bryter mot bestämmelser i Avtalet och har parten inte vidtagit rättelse senast tre Bankdagar efter mottagandet av skriftlig erinran därom eller har part inställt sina betalningar har den andra parten rätt att säga upp samtliga eller vissa Kontrakt och Avtalet till upphörande vid tidpunkt (nedan kallad "Upphörandedagen") som anges i uppsägningen.

Banken har även rätt att säga upp samtliga Kontrakt och Avtalet om kunden inte fullgör annat avtal mellan banken och kunden eller om det enligt bankens bedömning, föreligger risk att kunden inte kommer att i behörig ordning fullgöra någon förpliktelse gentemot banken och kunden inte vid anfordran ställer säkerhet för förpliktelsens fullgörande, eller om eventuell ställd säkerhet, enligt bankens bedömning, inte längre är betryggande. Om part försätts i konkurs (eller ansöker om konkurs för egen del) ska samtliga Kontrakt upphöra automatiskt per den dag sådan händelse inträffar utan att uppsägning behöver ske.

Vid uppsägning och vid automatiskt upphörande enligt andra stycket ovan vidtar banken avräkning och beräknar värdet av Kontrakt enligt gällande regler och marknadspraxis för Kontrakt och summan av banken respektive kunden tillkommande belopp per upphörandedagen. Därefter ska den part som har att fordra ett lägre sammanlagt belopp än den andra parten omgående till denne betala skillnaden mellan respektive part tillkommande belopp. Det framräknade beloppet är omedelbart förfallet till betalning. Bankens beräkning ska om något fel inte föreligger vara bindande för kunden. Avräkningsfordran som kan tillkomma den uppsägande parten enligt föregående stycke kan användas kvittningsvis av denne genom avräkning mot samtliga, även icke förfallna, skulder till den andra parten än sådana som omfattas av Avtalet. På motsvarande sätt ska den uppsägande parten ha rätt att från den eventuella fordran som tillkommer den andra parten enligt verkställd avräkning kvittningsvis avräkna, även icke förfallna, fordringar på motparten på grund av andra avtal och förbindelser än de som omfattas av Avtalet. Med uppsägande part enligt föregående stycke avses den av parterna som enligt ovan säger upp Avtalet till upphörande eller, om Avtalet upphör automatiskt enligt andra stycket, den av parterna som inte föranlett att Avtalet automatiskt upphört. Uppsägning ska, om automatiskt upphörande utan uppsägning inte sker enligt ovan, ske genom skriftligt meddelande till motparten och innehålla uppgift om på vilken grund och per vilken upphörandedag (som ska infalla senast sjunde Bankdagen efter sådant meddelande) Kontrakt ska upphöra att gälla.

## General terms and conditions for trading and registration of mutual fund units

These terms and conditions apply for trading and registration of fund units.

### 1. Nominee-registration

Nominee-registration is performed for units in mutual funds, special funds and corresponding foreign mutual funds which are not managed by fund management companies in the Handelsbanken Group (external funds) and which the Bank at any time can decide to be nominee-registered and which the Customer has assigned to the custody of the Bank. Such orders are submitted by signing "Application to transfer mutual funds" or through acquisition, via the Bank, of such fund units. Nominee-registration is also possible for fund units managed by fund management companies in the Handelsbanken Group and which the Bank at any time decides to be nominee-registered and which the Customer has assigned to the custody of the Bank. The above-mentioned fund units are jointly referred to as Fund units.

The Customer's holdings of Fund units may be nominee-registered by the Bank. In this case, the units will be registered in the name of the Bank on behalf of the Customer. The Customer's Fund units may be registered together with units of other Customers in the same fund. Instead of registering the recorded Fund units as above, the Bank may record the Customer's Fund units with another nominee, e. g. another securities institution in Sweden or abroad. Such an institution is appointed by the Bank at its sole discretion while observing the Bank's obligations pursuant to EU Regulations, laws and other regulations and this nominee-registering institution may in turn engage another third party for custody of the Customer's fund units. Custody by this institution is normally done in the name of the Bank on behalf of Customers. In such cases, the Customer's fund units can be registered together with those of other holders of fund units, for example in an omnibus account. The Bank may also instruct another nominee-registering institution to allow itself to be registered in place of the Bank in respect of the Customer's fund units. In special cases, the Bank may also allow the Customer's fund units to be included in a document held jointly by several owners.

In case of custody with another nominee-registering institution abroad (within or outside the EEA), the Customer's fund units are subject to applicable national law, which may involve that the Customer's rights regarding these fund units may vary compared to what would be the case with custody in Sweden.

In the case of custody of the Customer's fund units in an omnibus account with another nominee-registering institution, the Customer's rights are subject to applicable national law. When the Customer's fund units are in custody together with other Customers' fund units and if there were to be a deficit so the total holdings in the omnibus account do not correspond to all Customers' correct holdings, the deficit is settled by the owners in accordance with law or the nominee-registering institution's market practice. This may mean that the holders do not get their entire holdings back but that the deficit is allocated between the holders in relation to the size of each of their holdings.

The extent to which the Customer has a legally protected right of separation in the event of the Bank or the nominee-registering institution being declared bankrupt or being affected by other action with equivalent legal consequences may vary and is dependent upon applicable national legislation.

In Sweden, legally protected separation rights exist on condition that the fund units are kept separate from the nominee-registering institution's or the Bank's own fund units. In the case of custody with a nominee-registering institution outside Sweden, it may also, as a consequence of applicable local legislation, be impossible to identify Customers' fund units separately from the nominee-registering institution's or the Bank's own fund units. In such a situation there is a risk that the Customer's fund units in the event of bankruptcy, or another action with equivalent legal consequences, could be considered to be included in the assets of the nominee-registering institution or the Bank.

The nominee-registering securities institution may have collateral in or the right of set-off regarding the Customer's fund units and associated claims. In such a case, the Customer's fund units may be utilised for such rights.

### 2. Asset management

The Bank's undertaking regarding the nominee-registered Fund units is to hold the units in custody, provide reports regarding the holdings and inform the Customer in case of merger or closing of funds and assist him/her with the requested related actions.

For nominee-registered Fund units, all dividends after deducted tax will be reinvested regardless of whether the Customer has previously requested dividend payment.

When dividend is reinvested directly in the fund, there is a certain period of time between the record day of the fund in question and the Bank's settlement day. The Customer bears the risk of any changes in the exchange rate and/or unit price.

### 3. Direct registration

The Bank may directly register the Customer's holdings of fund units which are managed by a fund management company within the Handelsbanken Group and which are nominee-registered, in the register of unit-holders for the respective fund.

### 4. Order execution, etc.

The Bank purchases and sells Fund units on behalf of the Customer by order of the Customer. When performing such orders, the Bank's guidelines for order execution and order processing apply.

In addition to this Agreement, the trading is subject to the terms applying at any time for trading the Fund units in question, the regulations of the fund management company (or equivalent) and any other securities institution's regulations for such fund trading. It is the responsibility of the Customer to keep informed of the contents of and comply with the mentioned terms. For currency exchange, the exchange rate used is that applied by the Bank or the securities institution at any time.

The Customer is responsible for the required funds being available when purchasing Fund units. The Bank may fully or partly refrain from taking measures if the required funds are not in the stated account, or if the required credit limit for the measure is lacking, or if the Bank is not provided with the information required for the measure.

The cut-off times for trading stated in the fact sheet for the fund do not apply to trading in external funds.

If the Bank in an individual case has reserved the right to choose a measure in a separate notice to the Customer, and the latter has not given other instructions within the response time stated in the notice, the Bank may, at its own initiative and at its own discretion, choose to take any of the mentioned measures on behalf of the Customer or to refrain from taking the measure stated in the notice. The customer is bound by a measure that the Bank takes or refrains from taking in the same way as if the Customer had ordered the measure to be taken.

The Customer is aware that his/her rights regarding foreign Fund units may vary depending on the jurisdiction applicable to these units. The Customer is also aware that the Bank, regarding foreign Fund units, may apply different cut-off times in relation to the Customer than those applied in the country where a measure is to be carried out.

### 5. Fund information

By approving these terms, the Customer waives the right to information which the fund management company must send to its fund Customers according to the Swedish Mutual Funds Act or equivalent foreign legislation and which the Bank is not obliged to pass on to the Customer according to current regulatory requirements. The Bank will provide the Customer with such information upon special request from the Customer.

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**6. Pledges**

The Customer pledges all Fund units in external funds as collateral for the Customer's undertakings to the Bank. In addition to the Bank's right to realise this pledge for the Bank's claims on the Customer, the Bank also has a right of set-off regarding these Fund units.

Yield on pledged collateral and other rights based on the pledged collateral are also covered by the pledge and constitute pledged collateral.

The Bank's undertaking in its capacity as pledgeholder is no more extensive than the Bank has assumed in its capacity as nominee and as stated in these terms.

If the Customer does not meet his/her obligations pursuant to these terms or otherwise arising in connection with the Customer's transactions with Fund units in external funds the Bank may utilise the pledge as the Bank deems appropriate. In this respect, the Bank shall proceed with care and, where possible, and if in the opinion of the Bank it can be accomplished without disadvantage to the Bank, notify the Customer to this effect in advance. The Bank can decide in what order the collateral provided shall be utilised.

When applying that which is stated above, pledged Fund units in external funds may be sold by other means than redemption by the fund management company.

The Bank is authorised to sign the Customer's name, either on its own or via an agent appointed by the Bank, when required to carry out sale of pledge or otherwise safeguard or exercise the Bank's right as regards pledged property.

If the Customer has pledged nominee-registered Fund units to another party, the Bank may, regardless of the Customer's objections, release/transfer the Fund units to the pledgeholder or another party following instructions from the pledgeholder. Reports of such release/transfer shall be sent to the Customer.

The Customer may not pledge to any other party than the Bank or otherwise dispose of pledged Fund units without the Bank's consent in each individual case. Such consent is normally granted unless the Customer has obligations to the Bank covered by the above pledge.

Section 7 below applies to pledges as stated above of Fund units belonging to a Customer represented by a guardian/trustee/administrator pursuant to the Swedish Parental Code. Fund units deposited in custody accounts with the Bank which are the property of persons represented by guardians/trustees/administrators may only be pledged with the consent of the chief guardian.

**7. Special provisions for management subject to a chief guardian, etc.**

In addition to these terms, the regulations of the Swedish Parental Code apply to Customers represented by guardians/trustees/administrators.

When an agreement is made regarding the application of these regulations, the Bank must provide a report to the representative/-s indicating the Fund units held by the Customer. The Fund units may only be assigned, pledged or otherwise transferred from the Customer following the consent of the chief guardian. When the consent of the chief guardian is required according to these provisions or to meet legal requirements, it must be in writing and normally be presented to the Bank at the latest in connection with an order or notification to the Bank. The Bank sends an annual statement to the Customer's representative.

These provisions shall apply until the day of the revocation of the supervision by the chief guardian, either because the Customer attains the age of majority, or when the supervision of the chief guardian is for any other reason revoked and the Bank has received the decision of the chief guardian in respect thereof. Thereafter the Agreement - Trading in financial instruments, including these General terms and conditions for trading and registration of fund units, shall apply without limitation. The Bank is obliged to notify the chief guardian if the Agreement is terminated by the Bank or the representative at any other time than stated herein.

**8. Reports**

Reports are provided at the intervals stipulated in applicable legislation, unless otherwise agreed with the Customer. When buying or selling fund units, except for purchases related to regular savings, the Bank sends a contract note. Information about purchases related to regular savings is available from the Bank.

**9. Amendment of terms and conditions**

In addition to what is stated above regarding amendment of terms and conditions, the following applies.

Should the Customer not accept such an amendment, the Customer has the right to terminate the assignment for the Bank to nominee-register the Customer's holdings of Fund units. In case of termination and if the Customer does not instruct the Bank to transfer the Fund units to another party, the Bank may register the Customer's holdings directly in the list of unit-holders for the fund in question.

**10. Termination and suspension of access to mutual fund holdings****A. General**

In addition to that which applies between the Customer and the Bank under these general terms and conditions for trading in and registration of mutual fund units, the Agreement otherwise, and any other agreement signed by the Customer for safe custody/registration of their mutual fund units, hereafter referred to as the "terms and conditions", the following applies to nominee-registered or directly registered mutual fund units, hereafter referred to as the "mutual fund holding".

Despite that which is stated in the Agreement under Termination, concerning a party's right to terminate an order that has not been executed, a request for sale or redemption may only be withdrawn by the Customer if the fund management company permits this.

**B. Suspension of access to the mutual fund holding**

The Bank is entitled to immediately suspend the Customer's ability to freely dispose of the mutual fund holding, with the exception of selling the holding and depositing the cash proceeds on an account with the Bank if:

- a the Customer has materially failed to observe the terms and conditions or other instructions or agreements that may apply to the mutual fund trading or mutual fund holding,
- b there is reasonable cause to assume that the Customer will not fulfil its payment obligations towards the Bank,
- c the Customer has been dishonest towards the Bank,
- d there is suspicion of money laundering or terrorist financing, or there is a risk that, by providing trading or custody, the Bank will in some way facilitate, support or assist in such crime,
- e in the assessment of the Bank, there is suspicion that the mutual fund holding or mutual fund trading will be used for or in connection with criminal activity, or in other respects in breach of current legislation, or in a manner which may cause damage to the Bank or another party,
- f the Bank, in its assessment, does not have adequate customer due diligence pursuant to the Swedish Act (2017:630) on Money Laundering and Terrorist Financing (Prevention).

If, in the Bank's assessment, it is practically possible and appropriate, the Customer is to be informed in advance of the Bank's decision to suspend the customer's access to the mutual fund holding. In other cases, the Customer is to be informed after the event.

**C. Termination of the Agreement in special cases**

With immediate effect, the Bank is entitled to terminate in writing the Agreement and any agreement regarding custody of the mutual fund units if:

1. the Customer has used the trading in mutual fund units, or the account/custody account for safe custody of fund units, for illegal purposes,

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2. the Customer provided incorrect information when the Agreement was entered into, and if correct information had been provided, the Customer would not have been permitted to enter into the Agreement and commence trading in mutual fund units,
3. in the Bank's assessment, if it is not sufficient to suspend the Customer's ability to dispose freely of its mutual fund holding, and any of the points in section 10. B. a), c) and f) above is applicable,
4. changes concerning the Customer's fiscal domicile have occurred, which result in the Bank no longer being able to perform its obligations on behalf of the Customer to effect measures with respect to taxes, or where the fulfilment of such obligations has been made materially more difficult.

If the Bank terminates the Agreement and any custody agreement that has been signed in accordance with this section 10.C., the Bank is entitled to sell (redeem) the Customer's mutual fund holdings at a time of the Bank's choosing. If possible, the Bank will a) deposit the amount from the sale of the mutual fund holding on an account that the Customer has with the Bank, or b) disburse the amount to the customer in accordance with the payment procedure applied by the Bank or in accordance with the Customer's instructions, if the Bank finds this to be practically possible and appropriate.

When selling (redeeming) the mutual fund holding, the Bank shall proceed with general standards of care. However, the Bank is not liable for any value growth that the mutual fund holding may have had after the sale, or for any capital gains tax or capital taxation (or other tax consequences).

## Summary of Handelsbanken's order execution principles

I confirm that I have received and accept this order execution principles.

I also accept that:

- my orders, and parts of orders, may be executed outside a regulated marketplace, multilateral trading facility (MTF) or organised trading facility (OTF).
- my orders relating to securities that are admitted to trading on a regulated market or traded on a regulated market, MTF or OTF that cannot be executed immediately due to prevailing market conditions are not immediately made public.

### 1. Introduction

This summary provides information on how Svenska Handelsbanken AB (publ) (the "Bank") seeks to obtain the best possible results for its customers on a continuous basis when the Bank executes or transmits customer orders in financial instruments, pursuant to the requirements stipulated in EU directive 2014/65/EU on markets in financial instruments ("MiFID II") and associated regulatory requirements.

The information herein is a summary of the Bank's order execution principles. The principles include a general section with information relating to the Bank's approach to best execution, supplemented by appendices that provide additional details regarding the Bank's considerations within each asset class. The order execution principles applying at any time is available on the Bank's website online and at the branches of the Bank.

### 2. What is best execution?

Best execution is the requirement of investment firms, such as the Bank, to take all sufficient steps to obtain the best possible results for their customers on a continuous basis when executing orders on behalf of their customers; this requirement also applies when the Bank transmits customer orders to other legal entities. To ensure best execution, a number of "execution factors" must be considered to determine their relative importance based on the characteristics of the customers, type of financial instrument and the markets in which the Bank operates. The execution factors to be considered are: price, cost, speed, likelihood that the order will result in a transaction and that the transaction can be settled, size, and any other considerations deemed to be relevant to the order execution.

The Bank shall establish and implement effective arrangements and principles to comply with the above requirements. This requirement does not mean that the Bank must obtain the best possible result for customers on any given occasion. Instead, the Bank needs to monitor how its systems, procedures and order execution principles work in practice.

The Bank must publish two reports concerning best execution: a quarterly report on the quality of the execution (only "execution venues", such as when the Bank is a "systematic internaliser, market maker or other liquidity provider) and to at least annually publish top five execution venues/brokers in terms of trading volume (all investment firms).

In addition to the rules on best execution, firms must always respect the overarching obligation to act honestly, fairly and professionally in accordance with the best interests of the customers.

### 3. Scope of the Bank's best execution requirements

- Investment firms:** Svenska Handelsbanken AB (publ) (i.e. the Bank)
- Customer types** These principles apply to both retail and professional clients. The customers have received formal notice from the Bank informing them of their client categorization. Unless stated otherwise, these principles apply in the same way irrespective of whether the Customer is a retail client or a professional client. Note that the principles do not apply to eligible counterparties; consequently, the Bank will not owe best execution in transactions entered into with eligible counterparties, unless the Bank agrees otherwise. Nevertheless, the Bank will still act honestly, fairly and professionally and communicate in a manner that is fair, clear

and not misleading taking into account the nature of the eligible counterparty and of its business.

- Investment services:** Best execution requirements apply to the following investment services (and combinations thereof) by the Bank:
  - Execution of orders on behalf of customers.** This is for instance the case where the Bank is a member/trading participant of a trading venue and executes orders in its own name on behalf of a customer. Other examples include where the Bank buys or sells units in investment funds on behalf of a customer directly from the fund management company and when the Bank accepts subscription form from a customer to buy shares in an issue of new shares.
  - Reception and transmission of orders.** In such cases the Bank receives the customer order and transmits it to another firm for execution, such as where the Bank is not a member of the trading venue where the instrument is traded. This also includes bringing together two or more investors, thereby bringing about a transaction between those investors where applicable. Note that the concept of "execution of orders" or similar in the principles also applies to acceptance and transmission of orders, unless otherwise stated, or the meaning is obvious given the context.
  - Dealing on own account/Principal trading.** The best execution obligations also apply when the Bank deals on its own account and the Customer is placing a legitimate reliance on the Bank to protect its interests in relation to the execution of a transaction. In order to determine whether customers are placing legitimate reliance on the investment firm, the European Commission has presented a four-fold test, also referred to as the "legitimate reliance test". In accordance therewith, in order to determine whether the Bank owes best execution obligations to the Customer when trading on own account, the Bank assesses the following:
    - which party initiates the transaction;
    - whether there is a market convention to 'shop around';
    - the relative levels of price transparency within a market; and
    - the information provided by the Bank and any agreement reached.

#### Retail clients

In order to act in the best interests of its , the Bank applies best execution to all transactions on behalf of retail clients, unless otherwise specified.

#### Professional clients

When professional clients request fixed or indicative price quotations, the presumption is that there is no legitimate reliance. These are generally the Bank's prices, based on the Bank's standard risk parameters, rather than necessarily being representative of the best prices in the market. Given the nature of the services and of the markets, characterized by negotiation with sophisticated counterparties with good market visibility and often alternative trading options available to them, and the Bank's capacity as principal (and therefore counterparty) in the resulting transactions, the Bank has determined that the best execution rules do not apply to the majority of transactions entered into with this type of

customers. However, the Bank will consider whether there are any such situations where customers may nevertheless be placing such legitimate reliance on the Bank, and where after a consideration of all the relevant factors it is concluded that customers are in fact placing legitimate reliance on the Bank, these principles will be applied to relevant quotes requested by customers.

**Products scope:** Rules on best execution apply to execution of customer orders in financial instruments. An exhaustive list of financial instruments can be found in appendix 1 to the principles, covering transferable securities, money market instruments, units in collective investment undertakings, various types of derivatives and emission rights, irrespective of whether or not they are listed.

Note that certain transactions in foreign currency are not considered to be financial instruments as defined above. Nevertheless, the Bank will strive to apply the same requirements with regard to currency transactions.

Transactions not covered by the principles include loan agreements and deposits, which are not considered to be financial instruments. Please note that, whether or not these principles apply to the relevant product, the Bank is committed to acting honestly, fairly and professionally in accordance with the best interests of its customers in relation to all of its business.

Given differences in market structure or the structure of financial instruments, it is difficult to identify and apply a uniform standard and procedure for best execution that would be valid and effective for all classes of financial instruments. The obligations are therefore applied in a manner that takes into account the different circumstances associated with the execution of orders related to that particular type of financial instruments (see the appendices to the order execution principles).

#### 4. Specific instructions

If the Customer provides a specific instruction, on a general basis or for a specific order, such instruction will have precedence over what is stated in this document and the Bank will follow the instruction so far as is reasonably possible when executing the transaction. Where the Customer's instruction relates to only part of the order, the Bank will continue to apply the order execution principles on the portions of the order that are not covered by the specific instruction. Examples of such instructions include requests to execute the order on a specific execution venue, use of a specific algorithm/order type, or to execute an order during a specific time frame.

By following the Customer's specific instruction the Bank will have satisfied the obligation to provide best execution in the relevant aspect. **A specific instruction may thus mean that the Bank will not be able to take the measures described in this document to obtain the best possible result** with respect to the portion of the transaction that is covered by the Customer's specific instruction.

#### 5. Execution factors, execution criteria and relative importance

The execution factors to be considered when executing orders are:

price, costs, speed of execution, likelihood that the order will result in a transaction and that the transaction can be settled, size, nature and any other considerations that the Bank deems to be of importance for the order execution.

##### Retail clients

When dealing with or executing an order on behalf of a retail client, the provision of best execution will be determined in terms of the "total consideration", representing the price of the financial instrument and the costs related to execution (when and if they are passed on and debited to the Customer), which shall include all expenses incurred by the Customer which are directly related to the execution of the order (including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order).

For orders from retail clients, speed, likelihood of execution and settlement, the size and nature of the order, the impact on the market and other implicit transaction costs are given precedence over the immediate price and cost considerations only insofar as they are instrumental in delivering the best possible result in terms of total consideration.

##### Professional clients

To achieve best execution when executing an order on behalf of a professional client, the relative importance of the execution factors will be determined based on a number of execution criteria, namely the characteristics of:

- the Customer, including classification and experience;
- the order, including any strategies or specific instructions, the size of the order and the likely market impact;
- the financial instruments, including liquidity, trading patterns and transparency that apply for the specific financial instrument; and
- the execution venue, market or counterparty to which the order can be directed.

Normally, the Bank will assign price as the most significant factor when executing an order on behalf of a professional client. However, there may be circumstances where the main execution factor may vary and other factors are more important than price; for example, for execution involving illiquid securities or large orders, the likelihood of execution and market impact become more important.

#### 6. Methods for execution

To obtain the best possible result, the Bank is able to execute an order by using one or a combination of the methods described in this document for the execution.

- Orders executed **directly** on one or more regulated markets, MTFs or OTFs (execution venues) may be carried out when the Bank executes the order directly on a trading venue or - where Handelsbanken is not a member or trading participant - through a third party.
- Orders which are executed outside a regulated market, MTF or OTF may be done by one order being matched against another customer's order; by executing the order with a systematic internaliser ("SI", i.e. an investment firm which on an organised, frequent, systematic and substantial basis deals on its own account when executing customer orders outside a regulated market, MTF or OTF) (which includes the Bank's own SI); executed in some other manner on the Bank's own account (e.g. by the Bank quoting the price); or by executing the order with a third party investment firm (broker), unless the Customer has instructed the Bank that the order must not be executed outside a regulated market, MTF or OTF. By consenting to this document, the Customer also consents to such execution outside a regulated market, MTF or OTF.

A transaction is deemed to be executed on a trading venue if it is executed through the execution venue's system or under its rules. Consequently a transaction does not have to be executed in a trading venue's order book to be considered as executed on a trading venue; transactions negotiated outside the order book but reported to the execution venue in accordance with its rules are included.

It is important that there is a so-called trading obligation for certain types of instruments in the EU and EEA. For example, usually shares that are admitted for trading on a regulated market or which are traded on an execution venue must be traded on regulated markets, MTF or with an SI. See the order execution principles for more information.

For certain financial instruments that are traded on instrument several execution venues, the Bank uses a "Smart Order Router" (SOR) to optimise order processing. The SOR may split the original order into several smaller orders to allow customer orders to be executed in accordance with the order execution principles.

The Bank will not discriminate between execution venues, but will take decisions based on consideration of the execution factors and execution criteria concerning the execution venue's characteristics, such as its clearing schemes, circuit breakers, scheduled auctions or other relevant considerations. These factors will generally be secondary to the general execution factors listed above.

#### 7. Order execution

The Bank will normally handle orders in financial instruments by:

- promptly placing the order - either directly or through a third party - with the execution venue(s) that the Bank considers

provide(s) the best execution, after which the order, if it is not executed promptly in its entirety, may be sent to one or more other execution venues

- aggregating the order with other orders and thereafter sending the order to the execution venues that the Bank considers provide the best execution,
- executing the order in several separate transactions on one of the execution venues
- executing the order on the Bank's own account or by matching it against another customer's order at a price corresponding to the market price, with the price on the most liquid external execution venue being used to determine the reference price or the equivalent.

As regards orders in respect of securities admitted to trading on a regulated market or traded on a regulated market, MTF or OTF, where the Customer has stated a minimum price for sale or a maximum purchase limit which does not correspond to prevailing market terms and which is therefore not executed by the Bank without delay, by accepting this document, the Customer accepts that the Bank will not make these public immediately.

In some circumstances, the Bank may quote indicative or fixed prices directly to the Customer. An agreement is then reached between the parties, either when the Customer accepts a fixed price specified by the Bank or, in the case of an indicative price, when the Bank has confirmed the price to the Customer and the Customer has approved the price. In these situations an agreement is made between two parties. In relation to professional clients and quote driven markets the Bank has determined, based on the legitimate reliance test, that in most transactions with such customers the Bank does not execute the order on behalf of the Customer and best execution is not applicable. The Bank will consider whether there are any situations in which customers nevertheless legitimately rely on the Bank. If, following consideration of all relevant factors, the conclusion is that customers actually do legitimately rely on the Bank, the principles will be applied to the relevant price quotations. For retail clients, the Bank ensures best execution.

The Bank shall, at a customer's request, be able demonstrate to the Customer that the Bank has executed the Customer's order in accordance with the Bank's execution principles, and to competent authorities its compliance with the best execution requirements.

## 8. Execution venues principally used by the Bank for order execution

The Bank participates in trading on various regulated markets and other execution venues. The Bank regularly evaluates (at least once a year and whenever major changes occur) the execution venues to be used for order execution.

For a list of the execution venues principally used by the Bank, please see [www.handelsbanken.com](http://www.handelsbanken.com) or contact any of the Bank's branch offices. This list of execution venues is not exhaustive, but includes those venues that enable the Bank to consistently obtain the best possible result for the execution of customer orders.

In order to execute transactions in instruments which are traded on execution venues where the Bank does not participate in trading, the Bank will transmit the order to a trading participant (broker) with direct access to these execution venues. The selection of such collaboration partners is done through a continuous evaluation of the ability of the company in question to offer best execution.

## 9. Order execution regarding fund units which are not admitted to trading on a regulated market or MTF (Multilateral Trading Facility).

The Bank will execute orders in respect of fund units by transmitting the order to the relevant fund management company (or equivalent) or by transmitting the order to another securities institution which in turn will send the order to the fund management company for execution in accordance with the fund regulations (or equivalent).

## 10. Portfolio management

When the Bank provides discretionary portfolio management and at the same time executes orders received or decisions to trade with respect to the Customer portfolio, this will be done in accordance with the Bank's order execution principles applying at any time.

## 11. Processing trades, aggregation and allocation of orders

The Bank will execute customer orders quickly, efficiently and fairly and executed orders shall be registered and allocated promptly and accurately. Comparable orders will be executed promptly and in chronological order of their receipt, unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the Customer require otherwise.

The Bank may not aggregate one customer's order with other customers' orders and/or with transactions for the Bank's own account unless it is unlikely that the aggregation will work overall to the disadvantage of any customer whose order is included. The aggregation may be disadvantageous in respect of an individual order.

An aggregated order which is executed in its entirety is allocated at the average price. If an aggregated order is only partly executed, the part that has been executed will be equally allocated at the average price. If the Bank aggregates a customer order with a transaction for own account and the aggregated order is only partially executed, the Bank shall allocate the related trades to the Customer in priority to the Bank, unless the Bank is able to demonstrate on reasonable grounds that without the combination it would not have been able to carry out the order on such advantageous terms, or at all, in which case the Bank is entitled to allocate the transaction for own account proportionally, in accordance with its established allocation principles. Allocation of the relevant transactions may not take place in a manner that is detrimental to the Customer.

## 12. Disruptions in the market or trading systems

In the case of disruptions in the market or in the Bank's own systems due to, for example, interruptions or insufficient availability of technical systems, it may, in the opinion of the Bank, be impossible or inappropriate to execute orders according to the methods described in this document. The Bank will then take all reasonable steps to execute the orders on the best terms possible for the Customer.

## 13. Amendments

The Bank will regularly review and, if so required, update the order execution principles as well as this document. Such amendments will be available on the Bank's website [www.handelsbanken.com](http://www.handelsbanken.com) or at the Bank's branch offices. Customers with whom the Bank has an ongoing client relationship shall be notified of any material changes to their order execution principles or arrangements. The amendments are effective from when they are published on the website.

## 14. Obligation to report

Within the EU, there is an obligation for banks, other investment firms and marketplaces etc. to report to the local supervisory authority if they detect orders or transactions that can be assumed to constitute or have a connection with insider crime or market manipulation. For example, orders and/or transactions where the Customer trades with itself (makes buy/sell orders in the same security) may be reported. Transactions of this type may constitute undue market manipulation. For more information, please see Regulation no. 596/2014 on market abuse (MAR), and Directive 2014/57/EU on criminal sanctions market abuse (CS MAD) of 3 July 2016.

## 15. Monitoring and review

The Bank will review the arrangements and principles at least once a year, or whenever a material change occurs that affects the Bank's ability to continue to obtain the best possible result for its customers.

If a customer makes a reasonable and proportionate request for information about the Bank's principles or arrangements and how the Bank is reviewing them, the Bank shall respond in a clear and timely manner.

### Information for customers who trade in financial instruments

Before starting to carry out transactions in financial instruments with Handelsbanken, you should be acquainted with the following:

#### Contact details

Svenska Handelsbanken AB (publ)  
Blasieholmstorg 11  
106 70 Stockholm  
+46 8 701 1000  
Corporate identity no: 502007-7862  
[www.handelsbanken.com](http://www.handelsbanken.com)

#### Business operations

Handelsbanken is a full-service bank which also provides all services pursuant to securities market legislation.

#### Licence and supervision

Svenska Handelsbanken AB has a licence granted by the Swedish Financial Supervisory Authority (Finansinspektionen) to carry on securities business in accordance with the Swedish Securities Market Act (2007:528) and is under the supervision of the Swedish Financial Supervisory Authority. The address of the Swedish Financial Supervisory Authority is Box 7821, SE-103 97 Stockholm, Sweden, and the telephone number is +46 8 40898000.

#### Management of conflicts of interest

Handelsbanken's Board has adopted a policy for the management of conflicts of interest which is to be applied within the Handelsbanken Group. Below is a summary of this policy. The policy is available in its entirety at [handelsbanken.se/ireng](http://handelsbanken.se/ireng).

Conflicts of interest are a natural part of a business operation, which means that these types of conflicts may arise within the Group's operations. Conflicts of interest can arise between the customers of Handelsbanken, and between Handelsbanken or Handelsbanken's customers on the one hand, and on the other hand Handelsbanken's (other) customers, shareholders, members of the Board and executive officers, as well as other personnel, important suppliers and business partners, and other closely related parties (such as companies within the Group).

A conflict of interest that can give rise to one or more customers' interests being adversely affected may arise, for example, in situations where Handelsbanken, its employees, contractors or associated companies

- are likely to make a financial gain, or avoid a financial loss, at the expense of the Customer, e.g. by trading on own account in securities, utilising information regarding customers' forthcoming trade flows,
- may have an interest in the outcome of a service provided to the Customer or of a transaction carried out on behalf of the Customer, which is distinct from the Customer's interest in that outcome, e.g. selling a certain investment product to the Customer may result in a higher internal payment than a different product, which would suit the Customer better,
- may have a financial or other incentive to favour the interests of a different customer or customer group rather than the interests of the Customer in question, for example by giving a certain customer more preferential rates in exchange for future or continued business links, services or investments, to the detriment of another customer or customer group.
- pursue the same type of business as the Customer, or
- receive or will receive from a person other than the Customer an inducement in relation to a service provided to the Customer, in the form of monies, goods or services, other than the standard fee or commission for that service or activity.

#### General information on management of conflicts of interest

The responsible unit head handles conflicts of interest primarily by making sure that procedures are applied and measures taken that prevent the Customers' interests being negatively affected. It is the responsibility of every head of unit within the Group to continuously

identify potential conflicts of interest in the unit's operations and to draw attention to and manage conflicts of interest that may give rise to one or more customers' interests being adversely affected as a result of the Group's operations. If a conflict of interest is identified, the head of the unit responsible must first ensure that the Customer's interests are not adversely affected. If this is not possible, the Customer must be informed of the conflict of interest in such a manner that enables the Customer to understand and save the information and thereby take a decision regarding Handelsbanken's service or product in the light of the identified conflict of interest. If an identified conflict of interest cannot be avoided, the responsible unit head must also follow up the conflict of interest regularly, with the aim of bringing it to an end.

#### Examples of conflicts of interest that occur at Handelsbanken, and the management of these

The list below sets out the conflicts of interest that are central to the Handelsbanken Group's operations and shows how they are managed.

#### Is likely to make a financial gain, or avoid a financial loss, at the expense of the Customer

##### Research operations - the Bank's position

Research could favour Handelsbanken's positions/operations but put certain customers at a disadvantage.

- The research documentation must always include information on conflicts of interest.
- Internal rules regulate independence, information management, contradictory information, checks, etc.

##### Corporate Finance assignments

Conflicts of interest with other operations, for example through the Customer being included in the Bank's research coverage, or receiving investment advisory services, or its financial instruments being included in the Bank's mutual funds, or Handelsbanken being a lender to the Customer and thus having an interest in the outcome of the business.

- Corporate Finance's operations are surrounded by Chinese walls.
- Credit decisions are taken and investment advisory services are provided in accordance with internal rules based on the Customer's interests and requirements.

##### Advice in conjunction with investments and asset management

Proposals could be made, or asset management could take place, based on what is most profitable for Handelsbanken, instead of what is best for the Customer.

- Recommendations given as part of investment advisory services, insurance mediation or asset management must always be suitable for the Customer
- The advice is documented and checked
- The Customer is informed about the conflict of interest

#### Has an interest in the outcome of a service provided to the Customer, or of a transaction carried out on behalf of the Customer, which is distinct from the Customer's interest in that outcome

##### Reimbursement to the employee

Internal reimbursement systems could affect how duties are carried out and could mean that the Bank's interests are favoured, rather than the Customer's.

- This is managed by the stipulation that recommendations in conjunction with investment advisory services and insurance mediation must always be appropriate for the Customer
- The remuneration policy and remuneration system, which take account of conflicts of interest

- Advice is documented

#### Additional assignments and questions of impartiality

Employees and other persons who exercise ownership control, have board assignments, exercise ownership in companies with operations in competition with the Bank, etc. could have interests that conflict with those of the Customer, which may lead to situations where impartiality is threatened.

- It is prohibited for employees and other relevant persons to:
  - manage matters for Handelsbanken in cases where the employee or a closely related person may have a conflict of interests with Handelsbanken
  - participate in other business activities on behalf of themselves or a third party without the consent of their line manager and the HR department
  - take on assignments outside their employment/assignment without the consent of their line manager and the HR department
- Credit instructions and rules on credits to certain employees and closely related parties

#### Proprietary trading (i.e. trading on own account)

A trader could receive reimbursement, which would mean that Handelsbanken's interests in trading in financial instruments would be given a higher priority than the Customer's interests.

- Rules for best order execution and rules for management of customer orders, as well as rules for proprietary trading
- The remuneration policy and remuneration system take account of conflicts of interest

#### Insider information

A unit within Handelsbanken receives insider information that prevents Handelsbanken or the fund management company from acting in the best interests of the Customer or the unit holders in all situations.

- Clear regulations for Chinese walls and the initiating of logs

#### Has a financial reason or other incentive to favour the interest of another customer or group of customers over the interests of the Customer

#### Customers with conflicting interests

An employee could receive information on different customers' conflicting interests, for example in conjunction with company acquisitions. A branch or a region could need to manage customers that are competitors.

- In corporate finance assignments, conflicts of interest are managed with rules on Chinese walls and logs

There is a risk that the employee will put the interests of one customer before the interests of another.

- Duty of confidentiality applies to all customer relationships

#### Order management

Favouring one customer over another customer in conjunction with order management, execution, or the allocation of securities in market transactions.

- Internal rules on best execution and execution of portfolio transactions
- Front running is regulated in the rules on market manipulation

#### Receives or will receive from a person other than the Customer an inducement in relation to a service provided to the Customer, in the form of monies, goods or services, other than the standard commission or fee for the service or activity in question.

#### Gifts or other gains

An employee receiving - or expecting to receive - gifts may entail a conflict of interests in, for example, the selection of a counterparty when placing orders.

- Rules for incentives and the receiving of gifts, the policy for ethical standards, and regular evaluation of counterparties in accordance with the established criteria

#### Conflicts of interest relating to intra-Group business

#### Outsourcing agreements

When evaluating an intra-Group outsourcing agreement, the outsourcing party may need expert assistance to evaluate the agreement. If this assistance were sought from a Group function, then in practice, the outsourcing party would be seeking help from the engaged party.

- The outsourcing company must always have the requisite competency to evaluate outsourcing agreements.
- If there is a need for specialist competency, this support must be sought from an independent party, if there is a risk of a conflict of interests.

#### Work of the Board

A member of an internal board could have another assignment at Handelsbanken which would mean that he/she had an interest that conflicted with their duty of loyalty to the subsidiary.

A suitability assessment, including an assessment of any conflicts of interest, is carried out before a new member is appointed, or when an existing member is given different operational assignments.

#### Conflicts of interest relating to stakeholders other than customers

#### Suppliers

An employee receives gifts or is invited to a corporate hospitality event by a supplier, with the aim of persuading the employee to enter into an agreement that is unfavourable to Handelsbanken.

- To avoid incurring obligations to suppliers, employees must observe rules regarding receiving and giving gifts and corporate hospitality
- Ethical rules include provisions on the giving and taking of bribes. All corporate hospitality must be characterised by

#### Inducements

In conjunction with services relating to financial instruments, the Bank may, under certain circumstances, pay or receive inducements, i.e. fees and commission from parties other than the Customer. Inducements may be both monetary and non-monetary benefits. If inducements are paid to or received from a third party, it is required that the payment must aim to improve the quality of the service, and the payment must not prevent the Bank from safeguarding the Customer's interests. The Customer must be informed about such remuneration that the Bank receives.

When the Bank provides portfolio management services, the Bank may only receive or keep compensation or benefits in conjunction with such services from anyone other than the Customer provided that minor non-monetary benefits are involved and that the Customer is informed to this effect.

Minor non-monetary benefits may consist of any of the following:

- Information or documentation about a financial instrument or an investment service that is general in character.
- Written material produced by a third party that is an issuer to market a new issue.
- Participation at conferences and seminars regarding a specific instrument or investment service
- Corporate hospitality up to a reasonable amount.

The Bank receives remuneration for the mutual funds managed by fund management companies outside the Handelsbanken Group (external funds) and which the Bank sells. The remuneration is received from the company that manages the fund or from a securities institution that sells the external company's funds. The remuneration is an amount calculated as a percentage of the management fee.

The Customer pays only the management fee to the fund management company according to the percentage stated in the fact sheet for the fund in question. The remuneration received by the Bank will not entail any further cost to the Customer.

## Terms and conditions

Applying from 1 September 2022

### Management of complaints

All verbal and written complaints must in the first place be processed by your branch. More information about how the Bank manages customer complaints, etc. is available on the Bank's website [www.handelsbanken.com](http://www.handelsbanken.com).

### Language

The language used in documentation and in contacts between the Bank and customers is Swedish and, where necessary, English.

### Sound recording, etc.

The Bank records and saves telephone calls and other electronic communications that may be assumed to lead to a transaction, for example, when the Customer submits an order to the Bank for trading or instructions regarding the Customer's custody account and related accounts. Copies of recorded calls and saved electronic communications with the Customer will be available upon request for a period of five years. Upon request, the Customer is also entitled to be informed of recorded calls and saved electronic communications. The Bank is entitled to make a reasonable charge for this.

### Taxation

The ownership of and yield on a financial instrument may be subject to taxation. The tax rates and other tax regulations depend on several factors, such as your individual circumstances, the financial instrument in question and the type of savings. The regulations may also change during the period a financial instrument is held. You should consult a professional advisor concerning the taxation consequences of trading in and holding a financial instrument.

### Legal Entity Identifier

A Legal Entity Identifier (LEI) is a global identification code for companies and other organisations which has been introduced on the initiative of the G20 countries. According to EU legislation, legal entities must have an LEI in order to be able to make a securities transaction. If they do not have this code, the Bank is not permitted to undertake the transaction for the Customer.

Banks and investment firms will thus request that companies, associations, foundations, and in certain cases sole traders etc. have an LEI in order to perform securities transactions.

In order to perform derivative transactions, this requirement has already been introduced. To perform other securities transactions, it will be introduced from 3 January 2018.

A customer who needs to acquire an LEI can contact any of the suppliers which can be found in the market. Using this link you will find approved institutions for the global LEI system [http://www.lei.org/publications/gls/lou\\_20131003\\_2.pdf](http://www.lei.org/publications/gls/lou_20131003_2.pdf).

An annual fee is charged when an LEI is acquired. For trading in derivatives, an annual renewal fee must also be paid. The size of this fee is details on every supplier's price list.

More information about the requirement for an LEI can be found on the Bank's website or the website of the Swedish Financial Supervisory Authority [www.fi.se](http://www.fi.se).

### Leverage instruments etc.

The Bank must inform customers when a holding in a leverage instrument or when contingent liability transactions decrease by a certain percentage.

The Customer and the Bank agree that the calculation of the percentage reduction which will initiate the dispatch of information to the Customer is to be done in a particular way, with respect to an individual instrument, type of instrument, the entire portfolio or the method which the Bank considers to be suitable at any particular time, having given regard to a number of factors, including the interests of the Customer. If so requested by the Customer, the Bank must inform the Customer about the calculation method involved.

## Information regarding characteristics and risks in respect of financial instruments

As a Customer, you must understand, among other things, the following:

- **investments or other positions in financial instruments take place at your own risk and it is therefore important that you understand the characteristics and risks of the financial instruments before investing in them;**
- **you, as the Customer, must personally understand the investment firm's general terms and conditions for trading in financial instruments and, where applicable, information contained in any prospectus as well as other information regarding the relevant financial instrument, its characteristics, and its risks;**
- **when trading in financial instruments, it is important that you check all reporting in respect of your transactions and holdings, and give notice of any errors immediately;**
- **it is important to continually monitor changes in the value of holdings and positions in financial instruments;**
- **you, as the Customer, must personally initiate the measures which are necessary to reduce the risk of losses.**

### 1. Risks associated with financial instruments

#### 1.1 General information regarding risks

Investments in financial instruments are associated with financial risk, which is described in this information document. As a Customer, you are personally responsible for the risk in your investments and must therefore personally read and thus acquire knowledge about the general terms and conditions, information documents, prospectuses or suchlike, which apply to trading in such instruments and regarding the characteristics of the instruments and their risks. You can obtain this information from the investment firm you have retained. You must also continually monitor your investments in such instruments. This applies even if you obtained investment advice at the time of investment. If you manage your investments personally and if proven necessary, it is your responsibility to be prepared to take prompt action, for example by reviewing your investments and assessing whether there is a reason to sell instruments that are performing negatively.

Financial instruments are classified as either non-complex financial instruments (usually shares and investment funds, for example) and complex financial instruments (usually derivative instruments, for example). The classification illustrates, among other things, that the instruments are associated with different levels of risk and it may also be more difficult to understand the risks associated with complex financial instruments. When trading in financial instruments, it is also important to take into consideration the risk which may be entailed in trading with financial instruments on a trading venue other than a regulated market, where the requirements which are imposed are generally lower.

Financial instruments can provide returns in the form of dividends or interest. In addition, the market price of the instrument may increase or decrease in relation to the price when the investment was made. In the description below, the word "investment" also includes any short positions (negative exposures) which are taken in the instrument; compare, for example, the provisions regarding short selling in section 4 below. The total return is the sum of dividends or interest and price changes on the instrument.

Of course, the investor endeavours to attain a total return which is positive, i.e. that the investment provides a profit, preferably as high as possible. However, there is also a risk that the total return will be negative, i.e. that there will be a loss on the investment. The risk of loss varies depending on the instrument. Ordinarily, the possibility of making a profit on an investment in a financial instrument is tied to the risk of loss. Generally, the longer you hold the investment, the greater the potential for gain or risk of loss, but for some instruments

there is a recommended holding period which may affect how long it is appropriate for you to hold the investment. In an investment context, the word risk is sometimes used as an expression for both the risk of loss and the possibility of making a profit. However, in the discussion below, the word "risk" is used solely to designate the risk of loss. There are various ways to invest which reduce the risk. Customarily, it is regarded as better not to invest in only one or a small number of financial instruments but, instead, to invest in a number of different financial instruments. These instruments should thus offer risk diversification and not aggregate risks which can be triggered simultaneously. Spreading the investments to foreign markets also normally reduces the risk in the total portfolio, even if there is a currency risk associated in trading with foreign financial instruments.

#### 1.2. Different types of risk concepts, etc.

There are a great number of concepts associated with risk, as well as other factors you should take into consideration and weigh in connection with the risk assessment which you, as a Customer, should undertake before you invest in a financial instrument, as well as continuously during the course of the holding. The following is a short description of some of the most common risk concepts.

**Company-specific risk** – the risk that a specific company will perform worse than expected or will suffer an adverse event and the value of financial instruments which are related to the company can thereby decline.

**Industry-specific risk** – the risk that a particular industry will perform worse than expected or will suffer an adverse event and the value of financial instruments which are related to companies in the industry can thereby decline.

**Sustainability risk** - the risk that an environmental, social, or governance event or circumstance, if it were to occur, would have an actual or potential material adverse effect on the value of an investment. Examples of sustainability risk include the consequences of environmental degradation, (e.g. a ban requiring operations to be converted or wound up, reduced demand, difficulty in obtaining financing, or physical risk such as resource depletion and natural disasters), the consequences of violations of human rights, workers' rights, and gender equality, as well as corruption and bribery, and the consequences of poor corporate governance. This means that environmental, social, or governance-related events arising, for example, from a company's own operations and those occurring independently of the operations of the company may pose a sustainability risk to the company.

**Leverage risk** – the structure of a derivative instrument which entails that there is a risk that changes in the price of the underlying asset will have a larger adverse impact on the price of the derivative instrument.

**Credit risk** – the risk that an issuer or a counterparty, for example, will be unable to make payment. The inability of an issuer or counterparty to pay may result in bankruptcy or company re-organisation with judicial composition (Sw. *offentligt ackord*) (reduction of the amount of claims). Banks, other credit institutions, and investment firms may, instead, be subject to resolution. This means that the state can assume control over the institution and its losses could be dealt with by writing down the holdings of its shareholders and creditors and/or, for creditors, converting their claims into shareholding (so-called debt write down or bail-in).

**Price risk** – the risk that the price of a financial instrument will decline.

**Legal risk** – the risk that applicable laws and rules are unclear or may be changed.

**Liquidity risk** – the risk that you cannot sell or buy a financial instrument at a specific desired time.

**Market risk** – the risk that the market as a whole, or certain parts where you as a Customer have your investment, e.g. the Swedish stock market, will decline.

**Price volatility risk** – the risk that significant fluctuations in the price of the financial instrument can have an adverse impact on the investment.

**Interest rate risk** – the risk that the financial instrument in which you invested declines in value due to changes in the market interest rate.

**Tax risk** – the risk that tax rules and/or tax rates are uncertain or may be changed.

**Currency risk** – the risk that a foreign currency to which a holding is related (for example fund units in a fund which invests in US securities quoted in USD) will be weakened.

## 2. Financial instruments

### 2.1. Funds and fund units

A fund is a portfolio of different financial instruments, e.g. shares and bonds. The fund is owned jointly by all those who save in the fund - the unitholders - and is managed by a fund management company or an AIF manager. The unitholders in the fund obtain the number of units in the fund which corresponds to the percentage of invested capital in relation to the total capital of the fund. It is important for you as a Customer to find out what investment rules apply to a fund in which you wish to invest. This is set forth in the fund's full prospectus and Key Investor Information Document (KIID). Each and every fund management company and AIF manager who manages special funds is obligated to take the initiative to offer potential investors the KIID which relates to the fund. The KIID also shows the fund's risk/return profile, where the relationship between risk and potential return on the fund is stated in the form of a scale of 1 to 7, where 7 means the highest potential return but also the highest risk for you as an investor. See also section 1.2 above.

Different types of funds are governed by different regulatory frameworks:

**Securities funds** are those funds which meet the requirements of the so-called UCITS directive, including, among other things, in respect of investment provisions and risk diversification. Both Swedish and foreign securities funds (which have been authorised in their home country within the EEA) may, following notification to a competent authority, be sold and marketed without restriction in all EEA countries.

**Alternative investment funds (AIFs)** are funds that have less restrictive investment rules since the manager can invest in more types of assets and use different investment strategies, free of the requirements of the UCITS Directive regarding, for example, risk diversification. The person who manages an AIF is called an AIF manager and must comply with the rules set out in the AIFM Directive. If you intend to invest in an AIF, it is particularly important for you, as a Customer, to find out which investment rules the AIF will follow. This is set forth in the fund's full prospectus and KIID. Alternative investment funds may not be marketed and sold freely to retail customers outside Sweden.

**Swedish special funds** are a type of AIF. They comply, in part, with the requirements of the UCITS Directive regarding, among other things, investment rules and risk diversification, but have been granted authorisation to deviate from the rules of the UCITS Directive in one or more ways. If you intend to invest in a Swedish special fund, it is particularly important for you, as a Customer, to find out which investment rules the Swedish special fund will follow. This is set forth in the fund's full prospectus and KIID. Special funds may not be marketed or sold freely to retail clients outside of Sweden.

You can buy or redeem shares in different types of funds in different ways:

The units in a fund can be bought and redeemed, either through investment firms which distribute units in the fund or directly with the fund management company. Some funds are traded on a daily or monthly basis, while other funds may have pre-determined dates on

which the fund is "open" for purchases and redemptions and thus regular trading is not always possible. A fund management company may, in certain exceptional cases, close or postpone trading in a fund's units. This means that if you have placed an order to buy or redeem units, the order will not be executed until trading in the fund has resumed. In order to close a fund to trading, there must be "special circumstances" or "special reasons", such as the unsatisfactory functioning of a market that causes liquidity problems for a fund. A fund management company's ability to close a fund to trading must be set out in the fund's fund rules.

The present value of the units is calculated regularly by the fund management company and is based on the price performance of the financial instruments which are included in the fund. The capital which has been invested in a fund may either increase or decrease in value and thus it is not certain that you, as an investor, will get back the entire invested capital. For funds with a base currency other than SEK, there is also a currency risk in connection with trading fund units.

Trading in an **ETF (Exchange Traded Fund)** is different from that for a regular fund. Units in ETFs are traded on the stock exchange in the same way as shares. However, in some cases they can also be purchased and redeemed directly from the fund management company.

Different funds have different investment focuses. "Investment focus" means the type of financial instruments in which the fund invests. The following is a brief description of some of the most common types of investment focuses for funds. In addition to these, there are also funds that invest in specific sectors, markets, and regions.

**Equity funds** invest all or substantially all of their capital in shares or share-related financial instruments. The management of the fund is based on an analysis of expectations of future market performance. Investing in an equity fund, which has invested in a number of different shares, reduces the company-specific risk for the investor compared to the risk for the shareholder who invests directly in one or a few shares. Moreover, the unitholders do not personally need to select, buy, sell, or monitor the shares or carry out other management work in this respect.

**Fixed income funds** invest all or substantially all of their capital in bonds or interest-bearing instruments. The principle for fixed income funds is the same as for equity funds – investments are made in different interest-bearing instruments in order for the fund to have diversified risk, and the management of the fund takes place following the analysis of anticipated future interest rates.

In **mixed funds**, the capital can be invested in shares, fixed-income instruments, and other funds.

In **index funds**, the fund's capital is not actively managed, but is instead invested in financial instruments that follow the composition of a specific index.

In a **fund-of-funds**, the capital is invested in other funds. A fund of funds can be seen as an alternative to personally choosing several different funds in which to invest. An investor can thus achieve the risk diversification that can be associated with a well-composed personal fund portfolio. There are funds of funds with different investment focuses and risk levels.

**Hedge funds** are AIFs with very free investment rules, which can allow the manager to invest in several types of assets and use virtually any investment strategy. To hedge means to protect. Even if hedging is intended to protect against unexpected changes in the market, a hedge fund can be a high risk fund, since hedge funds are often heavily leveraged. However, there are significant differences between various hedge funds and there are also low risk hedge funds. The idea behind hedge funds is that investors should be able to get returns whether markets go up or down. The investment focus may range from shares, currency and interest-bearing instruments to different arbitrage strategies (speculation in changes of, for example, interest rates and/or currencies). Hedge funds often use derivative instruments for the purpose of increasing or decreasing the risk in

the fund. Short selling is also a common element. Read more about derivative instruments in section 2.13 and about short selling in section 4.

For more information regarding funds, see the Swedish Investment Funds Association's website, [www.fondbolagen.se](http://www.fondbolagen.se)

## 2.2. Shares

### Shares and limited companies

Shares in a limited company entitle the owner to a percentage of the company's share capital. If the company is profitable, the company customarily pays dividends on the shares. Shares also confer voting rights at the general meeting, which is the highest decision-making body of the company. The more shares held by the owner, the greater the owner's percentage of the capital, dividends, and voting interests. Depending on the class of shares to which the shares belong, the voting rights may vary. Limited companies can be either private or public. Only public companies may allow the shares to be traded on a trading venue.

### Share price

The price of a share is affected primarily by supply and demand for the share in question, which in turn (at least in the long-term), is governed by the company's prospects. A share is valued primarily on the basis of the market's analyses and assessments of the company's possibilities for future profits. Future external trends in terms of economic activity, technology, legislation, competition, and so forth, determine the demand for the company's products or services and are therefore of fundamental significance to the price performance of the company's shares.

The current interest rate situation also plays a significant role in pricing. If the market interest rates rise, interest-bearing financial instruments which are issued at the same time provide a better yield. Normally, the price of shares which are regularly traded, as well as the prices for pre-existing interest-bearing instruments, then declines. The reason is that the increased yield on newly issued interest-bearing instruments is relatively better than the returns on shares as well as on the already issued interest-bearing instruments. Moreover, share prices are adversely affected by an increase in the interest rate on the company's debt when the market interest rates go up, which reduces the scope for profit making in the company.

Other circumstances directly related to the company, such as changes in the company's management and organisation, production disruptions, and so forth, may also have an adverse impact on the company. In the worst case, a limited company can perform so poorly that it must be placed into bankruptcy. The share capital, i.e. the capital invested by the shareholders, is the first capital which is then used to pay the company's debts. This usually leads to the shares in the company becoming worthless.

The rates on certain major foreign regulated markets or trading venues can also have an impact on rates in Sweden since, among other things, a number of Swedish companies are also listed on foreign markets and price adjustment takes place between the markets. The price of shares of companies in the same industry sector are often affected by price changes for other companies in the same sector. This impact could also apply to companies in different countries.

Market participants have varying needs in respect of investing cash (liquid funds) or obtaining liquid funds. Moreover, they often have different opinions on how the price should perform. These circumstances, which also include how the company is valued, contribute to the existence of both buyers and sellers. On the other hand, if investors have a uniform opinion regarding the price performance, they will either want to buy - and then buying pressure will arise from the presence of multiple buyers - or they will want to sell, and thus there will be selling pressure due to multiple sellers. The price rises when there is buying pressure and drops when there is selling pressure.

Turnover of a share, i.e. how much of a specific share is bought and sold, in turn affects the share price. When there is high turnover, the difference - also known as the spread - between the price buyers

are willing to pay (the bid price) and the price sellers are demanding (the ask price) is reduced. A share with high turnover, where large amounts can be turned over without a major impact on the price, have good liquidity and is therefore easy to buy or sell. Companies listed on the regulated markets often have higher liquidity. Over the course of a day or over longer periods, different shares can show different movement in their prices (volatility), i.e. increases and decreases, as well as the size of the changes in price.

The prices at which the shares are traded (transaction price), such as the highest/lowest/most recently paid prices during the day, as well as the final quoted bid/ask prices, as well as information regarding traded volume are published in, among other things, most major daily newspapers and on various websites which are prepared by markets, investment firms, and media companies. How current the quotation information is may vary depending on the way in which it is published.

### Different classes of shares

There can be different classes of shares in a company, usually class A and class B shares with different voting rights. Class A shares ordinarily confer one vote, while class B shares confer a limited voting right, most often one-tenth of a vote. The difference in voting power is a result, among other things, of the desire to protect the influence over the company of the founders or owners by giving them stronger voting rights in the event of owner diversification. New shares which are issued may then have a lower voting value than the original class A shares and be designated with B, C, D, and so forth.

### Initial public offerings, privatisation, and buyouts

An Initial Public Offering (IPO) means that shares of a company are listed for the first time on the stock market, i.e. taken up for trading on a regulated market or another trading venue. The general public is then offered the opportunity to subscribe for (buy) shares in the company. This usually involves an existing company which was not previously traded on a regulated market or other trading venue, and the owners have taken the decision to expand the circle of owners and facilitate trading in the company's shares.

The market introduction of a state-owned company is called privatisation.

As a rule, a buyout takes the form of one or more investors offering the shareholders of a company the opportunity to sell their shares on certain terms and conditions. If the buyer obtains 90% or more of the shares in the company being bought out, the buyer may demand compulsory purchase of remaining shares from the shareholders who did not accept the buyout offer. In conjunction with compulsory purchase following a takeover offer, the purchase price must be equal to the consideration offered in the buyout offer, unless special reasons justify otherwise.

### Share issues

A limited company that wishes to expand its operations often requires additional share capital. The company acquires this by issuing new shares through a new share issue. Usually, the old shareholders acquire subscription rights which grant priority to subscribe for shares in a new share issue. The number of shares which may be subscribed for is normally proportionate to the number of shares already held by the shareholder. The subscriber must pay a certain price (issue price) for the newly issued shares, which is usually lower than the market price. As soon as the subscription rights - which ordinarily have a certain market value - are detached from the shares, the price of the shares usually drops. At the same time, the number of shares increases for those shareholders who have subscribed. The shareholders who have not subscribed may sell their subscription rights on the market where the shares are traded during the subscription period, which ordinarily lasts for several weeks. After the subscription period, the subscription rights lapse and thereupon become unusable and worthless.

A limited company can also conduct a so-called private placement, which is executed like a new share issue but is directed to only a certain group of investors. Limited companies can also issue new shares in a so-called non-cash issue in order to acquire other companies, business operations, or assets in a form other than

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cash. Both private placements and non-cash issues result in dilution of the percentage of votes in the company and the company's share capital for existing shareholders, but the number of shares held and the market value of the invested capital is normally not affected.

If the assets or the cash reserves of a limited company have increased greatly in value, the company may transfer part of the value to its share capital through a so-called bonus issue. In a bonus issue, consideration is taken of the number of shares already held by each shareholder. The number of new shares which arise through the bonus issue is set in relation to the number of shares already held by each shareholder. The shareholder acquires more shares through the bonus issue, but the shareholder's percentage of the company's increased share capital remains unchanged. The price of the shares declines when there is a bonus issue, but the shareholder retains an unchanged market value on their invested capital by virtue of the increase in the number of shares. The company may also conduct a bonus issue in another manner, namely by writing up the quotient value of the shares. After a write-up, the shareholder has an unchanged number of shares and unchanged market value on their invested capital.

### Quotient value, share splits, and reverse share splits

A share's quotient value is the percentage of the company's share capital represented by each share. A share's quotient value is obtained by dividing the share capital by the total number of shares. Sometimes, companies want to change the quotient value, for example because the share price has increased dramatically. By breaking each share down into two or more shares by means of a so-called split, the quotient value is reduced and, at the same time, the price of the shares decreases. However, following a share split, the capital of the shareholders remains unchanged but it is broken down over more shares which have a lower quotient value and a lower price per share.

Conversely, a consolidation of shares (reverse share split) is undertaken if the share price has declined dramatically. In such case, two or more shares are consolidated into a single share. However, following a reverse share split, the shareholders still have the same capital but it is broken down over fewer shares which have a higher quotient value and a higher price per share.

### Special Purpose Acquisition Companies (SPAC)

Special Purpose Acquisition Companies (SPACs) are shell companies listed on a trading venue with the intention of acquiring an income-producing business, such as another company, in the future. SPACs are often backed by people with solid experience and knowledge of the financial sector. The expertise of this company management is intended to attract investors to invest capital in the SPAC so that the management can make income-generating company acquisitions in the future. Consequently, anyone investing capital in a SPAC does so without knowing what kind of operations the SPAC will conduct in the future.

The life cycle of a SPAC is usually divided into three phases:

1. The first step is an IPO where investors are offered the opportunity to subscribe for shares in the empty SPAC which is to be listed.
2. The second step is when the listed SPAC looks for a target company to acquire.
3. The third and final step is the acquisition of the target company, which is usually carried out through a merger.

The different phases of the SPAC are associated with different levels of risk. In general, the first two phases are associated with the highest risk. This is because the investment at this stage is purely speculative - the investor does not know with certainty what the company's business activities will be, nor can the investor undertake any concrete analyses of what the company's future revenues and costs might be. In addition, the investor is exposed to acquisition-related risks as they do not know when the prospective acquisition will take place (or even if it will take place at all). SPACs sometimes aim to complete an acquisition within, for example, 36 months of the IPO, but the SPAC cannot guarantee this. There is therefore a risk that the empty SPAC will be forced into liquidation and delisted from the trading venue without even successfully making an acquisition.

However, if the SPAC finds a suitable target company and succeeds in acquiring it, the risk profile of the SPAC transitions to that of an ordinary listed company.

### 2.3. Index bonds/share index bonds

Index bonds/share index bonds are bonds whose yield depend on, for example, a share index instead of interest rates. If the index shows growth, the yield follows. If the index has a negative outcome, there may be no yield. Index bonds are also often referred to as capital protected products. This term means that irrespective of whether there is any yield on the product, the nominal amount is repaid, which is customarily the investment amount, less any premium paid on the date of maturity. In this way, index bonds have a limited risk of loss when compared with, e.g., shares and fund units. The risk entailed in investment in a share index bond can be defined as the alternative yield, i.e. the yield the investor would have received on the invested amount if they had invested the capital elsewhere (in addition to any premium and costs paid). Note, however, that the capital protection does not apply if the issuer is declared bankrupt or becomes subject to company re-organisation with judicial composition (Sw. offentlig ackord) (reduction of the amount of the claim).

Index bonds may have various names, such as share index bonds, SPAX, equity bonds, basket credit products, basket interest products, basket currency products, and so forth, depending on the nature of the underlying asset which determines the yield on the bond.

### 2.4. Depositary receipts

A Swedish depositary receipt is a certificate evidencing the right to foreign shares which the issuer of the receipt has custody of/holds on the holder's behalf. A depositary receipt is traded on a regulated market or trading venue in the same way as shares, and ordinarily the price performance follows the price performance on the foreign market where the share is traded. In addition to the general risks associated with trading in shares or other types of participating interests, possible currency risks should also be taken into consideration.

### 2.5. Convertible instruments

Convertible instruments (convertible loans or convertibles) are interest-bearing securities (loans to the issuer of the convertible instrument) which, within a specific time period, can be exchanged for shares. The yield on the convertible instruments, i.e. coupon interest, is customarily higher than the dividend on the exchanged shares. The convertible price is expressed as a percentage of the nominal value of the convertible instrument.

### 2.6. Reverse convertibles

Reverse convertibles fall somewhere between a fixed-income investment and an investment in shares. The reverse convertible is tied to one or more underlying shares or indices. This investment pays interest i.e. a fixed, guaranteed return. If the underlying shares or the index increase in value, the invested amount is repaid plus the fixed return. If the underlying shares or index should fall, however, there is a risk that instead of the invested amount, in addition to a predetermined yield, the holder can receive one or more shares which are included in the reverse convertible, or an equivalent payment in cash.

### 2.7. Share options and share index options

There are different types of share options. Call options give the holder a right, within a certain time period, to buy already-issued shares at a pre-determined price. Put options do the opposite – they give the holder a right, within a certain time period, to sell shares at a pre-determined price. Each acquired option corresponds to one issued option. The risk for the party who acquires an option is that it will diminish in value or become worthless on the exercise date unless risk mitigation measures are taken. In the latter case, the premium paid at the time the option was acquired is entirely lost. The issuer of an option runs a risk that may be unlimited in certain cases unless risk mitigation measures are taken. The price of the option is affected by the price of the corresponding underlying share index, but usually with greater price deviations and impact on the price than these.

The most extensive trading in share options takes place on the regulated markets. Trading in share index options also takes place there. These index options provide for a profit or loss directly in cash (cash settlement) based on the performance of the underlying index. See also section 2.13 on derivative instruments.

#### 2.8. Forward commitments for shares and share indices

A forward commitment entails that the parties have entered into a mutually binding agreement regarding the buying or selling of an underlying asset at a pre-agreed price and on delivery or other performance (e.g. cash settlement) of the agreement on a date stated in the agreement (maturity date). No premium is paid since the parties have corresponding obligations under the agreement.

There are two main types of forward commitments, and they are known as futures and forwards. The difference between a future and a forward is in the settlement process, i.e. when a party to a contract receives payment or pays, depending on whether the position has generated a profit or a loss. In respect of a future, a daily settlement is made in the form of regular payments between buyer and seller based on the day-by-day change in value of the underlying asset. In the case of a forward, settlement does not take place until the maturity date of the instrument. See also section 2.13 on derivative instruments.

#### 2.9. Warrants

Trading also takes place in certain call and put options with longer terms; in Sweden these are usually called warrants. Warrants may be exercised to buy or sell underlying shares or, in other cases, to pay cash if the price of an underlying share develops properly in relation to the warrant's exercise price. Subscription warrants in respect of shares may be exercised for subscription for corresponding newly issued shares within a specified time period. See also section 2.13 on derivative instruments.

#### 2.10. Leverage certificates

Leverage certificates, which are often just called certificates, are often a combination of, e.g., a call and a put option and depend on an underlying asset, for example a share, an index, or a commodity. A certificate has no nominal value. A leverage certificate should not be confused with, for example, commercial paper, which is a type of promissory note which an undertaking can issue in connection with the undertaking borrowing money on the capital market.

Leverage certificates are characterised by the fact that relatively small price changes in an underlying asset can lead to significant changes in the value of the holder's investment. These changes in value may inure to the investor's benefit, but may also be to the investor's detriment. Holders should be particularly aware that a leverage certificate can decline in value and even ultimately become worthless. All or part of the amount invested may then be lost. Corresponding reasoning may, in many cases, also apply to options and warrants. See also section 2.13 on derivative instruments.

### 3. Cryptoassets and financial instruments with cryptoassets as underlying assets

There is no generally accepted definition of cryptoassets (or cryptocurrencies). In simple terms, however, they can be described as a digital asset that can be transferred and stored electronically using distributed ledger technology (e.g. blockchain) or similar technology. Cryptoassets can vary significantly in price. It is possible to acquire and own cryptoassets personally, and thus directly benefit, or suffer, from the ups and downs of the assets. However, investors often choose instead to acquire financial instruments with the cryptoasset as the underlying asset.

Irrespective of the form of the investor's exposure to the cryptoasset, the investment is risky for several reasons. These include risks associated with the transparency of the cryptoasset, its volatility and valuation, and a lack of consumer protection. This means that instruments that have cryptocurrency as an underlying asset must be traded with great caution. These instruments, mainly certificates and so-called tracker certificates, are complex in their own right and have an additional dimension of complexity when the underlying asset itself is difficult to value and understand. See also section 2.13 on derivative instruments.

### 4. Fixed income instruments

An interest-bearing financial instrument is a claim against the issuer of a loan. The yield normally takes the form of interest. There are different types of fixed income instruments, depending on which issuer issued the instrument, the security which the issuer may have pledged for the loan, the term until the date of repayment, and the form for payment of interest. One common type of interest-bearing financial instrument is a bond. Bonds can be issued by, for example, a company (corporate bonds), a state (government bonds), or a municipality (municipal bonds), instead of another type of debt financing. Bonds are negotiable debt instruments that certify that the holder has lent money to the issuer of the bond. There are different types of bonds and it is important that you, as an investor, understand the type of bond you will be investing in and the risks involved in the investment. See below for different types of fixed income instruments and risks.

The risk in a fixed income instrument consists in part of the change in price (price risk) which can arise during the term due to changes in market interest rates, and in part that the issuer will not be able to make interest payments or repay the loan (credit risk). Loans where sufficient security for repayment has been pledged are typically seen as less risky than unsecured loans. In purely general terms, one can say that the risk of loss on fixed income instruments is lower than that for shares. A fixed income instrument issued by an issuer with a high credit rating can thus be a good alternative for someone who wishes to minimise the risk that their savings will diminish in value and may be preferable for short-term savings. Even in conjunction with long-term savings, where there can be no risk to the principal, e.g. for pension commitments, elements of fixed income investments are very common. The downside of a fixed income investment is that, as a rule, it yields a low increase in value. Examples of fixed income investments are savings accounts, private bonds, and fixed income funds.

The prices are established on an on-going basis on both short-term instruments (less than one year), e.g. treasury bills, and on instruments with longer terms, e.g. bonds. This takes place on the money and bond markets. The market interest rates are affected by analyses and assessments made by the Swedish Riksbank and other major institutional market participants regarding the short-term and long-term development of a number of economic factors, such as inflation, economic growth, interest trends in Sweden and abroad, and so forth. The Riksbank also takes so-called monetary policy operations for the purpose of controlling the development of market interest rates so that inflation remains within established targets. The financial instruments which are traded on the money and bond markets (e.g. government bonds, treasury bills, and housing bonds) are often traded in very large posts (multimillion amounts).

One form of fixed income instrument is a discount security, where the instrument is sold at a discount. When sold, the price of the instrument is calculated by discounting the loan amount, including calculated interest, to present value. The present value or the rate is lower than the amount which is received at the time of repayment (nominal amount). Bank certificates and treasury bills are examples of discount securities, as are bonds structured as so-called zero-coupon bonds.

There may also be instruments and other forms of savings where the interest is protected against inflation and the investment therefore gives a fixed actual rate of interest.

If market interest rates go up, the price of the previously issued fixed income financial instruments will fall if they carry a fixed rate of interest, since new loans can be issued at an interest rate which follows the current market interest rate and thus provide higher rate of interest than the issued instrument. Conversely, the rate on issued instruments rises when market interest rates go down.

Loans issued by states and municipalities are deemed to be risk-free in respect of repayment, which thus applies to government and municipal bonds. Issuers other than the state and municipalities may sometimes, when issuing bonds, provide security in the form of other financial instruments or other property (pledge of property or collateral).

There are also other fixed income instruments which entail a higher risk than bonds if the issuer encounters difficulties in repaying the loan, e.g. subordinated debentures, since in such case the loan is not repaid until all other creditors have been paid. Contingent convertibles, known as cocos, are another type of complex product with risks that can be very difficult to understand. Basically, they are bonds that can be written down, i.e. lose all or part of their value, or be converted into shares, if certain pre-determined events occur.

One form of fixed income instrument is the secured bond. These are associated with a special right of priority pursuant to special legislation. The purpose of the regulations regarding secured bonds is that an investor will obtain full payment pursuant to an agreed timetable even if the issuer of the bond is placed into bankruptcy, provided that the property which secures the bond is sufficiently valuable.

### 5. Derivative instruments

A derivative instrument is a financial instrument whose value depends on another underlying asset. Derivative instruments can be, for example, options, forward commitments, warrants, swaps, or contracts for difference (CFD). There are different types of underlying assets, e.g. shares, bonds, commodities, and currency. Derivative instruments may be used, for example, to provide protection against an unwanted change in the price of the underlying asset or to achieve a profit or return with a smaller capital investment than would be required to make a similar trade directly in the underlying asset.

The market price of a derivative instrument depends on the market price of the underlying asset. One circumstance in particular is that the price performance of the derivative instrument is usually stronger than the price performance of the underlying asset. The price effect is called the leverage effect and can lead to greater profit on the capital invested than what would have been the case had the investment been made directly in the underlying asset. However, the leverage effect may just as easily lead to greater losses on the derivative instrument when compared with the change in value of the underlying asset, where the price performance in respect of the underlying asset is different than expected. The leverage effect, i.e. the fact that the magnitude of a price change of the derivative instrument is greater than a price change of the underlying asset, varies depending on the structure of the derivative instrument and the way it is used. Accordingly, significant requirements are imposed on monitoring price performance for the derivative instrument and on the underlying asset. It is in the investor's best interest to be prepared to act quickly, often during the course of a day, if the investment in a derivative instrument develops unfavourably. In making its risk assessment, it is also important for the investor to consider the possibility that settling a position/holding may be more difficult in the event of negative price changes.

For further information on derivative instruments, see information on trading in options, future commitments, and other derivative instruments.

### 6. Trading in financial instruments

Trading in financial instruments takes place mainly in an organised form on a trading venue. Trading takes place through the investment firms which participate in trading on the trading venue. As a Customer, you must ordinarily contact such an investment firm in order to buy or sell financial instruments. For more information on where your investment firm executes your orders, see the current best execution policy.

Trading on regulated markets, trading platforms, and other trading venues comprises a secondary market for financial instruments which have already been issued by a company. If a secondary market functions well - i.e. if it is easy to find buyers and sellers, and bid and ask prices, and the transaction prices (prices paid) from completed transactions are regularly quoted - companies also have an advantage in that it becomes easier to issue new instruments when necessary and thereby acquire more capital for the company's operations. The market on which purchases/subscriptions of newly issued instruments takes place is known as the primary market.

### 7. Trading venues and other execution venues

The term trading venues refers to regulated markets and the two forms of trading platforms: MTFs and OTFs. In addition, customers' trading may take place via an investment firm that acts as a systematic internaliser, market maker or other person providing liquidity.

#### 7.1 Regulated market

Various types of financial instruments are traded on a regulated market. In respect of financial instruments issued by limited companies, only instruments issued by public limited companies can be listed and traded on a regulated market. Significant requirements are imposed on such companies, among other things in respect of the company's size, operating history, diversification of ownership, and public reporting of the company's finances and operations.

There are currently two regulated markets in Sweden: Nasdaq OMX Stockholm AB ("Stockholm Stock Exchange") and Nordic Growth Market NGM AB ("NGM").

#### 7.2 MTF

An MTF can be described as a trading system which is organised and provided by a stock exchange or an investment firm. Typically, the financial instruments traded on a trading platform are subject to lower requirements, for example in the form of provision of information and operating history, when compared with financial instruments which are traded on a regulated market.

There are currently three MTFs in Sweden: Spotlight, First North and Nordic MTF.

#### 7.3 OTF

An OTF is similar to an MTF in many ways. However, only financial instruments that are not shares or share-related securities, such as bonds and derivative instruments, can be traded on an OTF. In addition, the OTF may have less restrictive trading rules, including order matching, than those of regulated markets and MTFs.

#### 7.4 Systematic internaliser, market maker, or other person providing liquidity

A systematic internaliser (SI) is an investment firm which, in an organised, frequent, and systematic manner, trades on its own behalf by means of executing customer orders outside of a regulated market or a trading platform. A systematic internaliser is obligated to publish market rate offers, i.e. bid and ask prices for liquid financial instruments which are traded on a trading venue and for which the systematic internaliser conducts systematic internal trade.

Trading can also take place through an investment firm without a systematic internaliser, specifically against the institution's own stock or with another of the institution's customers. In such a case, the institution in question is a market maker or other liquidity provider.

#### 7.5 Trading and quotation lists

In respect of shares, trading venues generally divide the shares into various lists which are published, for example on the trading venue's website, in daily newspapers, and in other media. The list on which a company's shares are traded may be determined by the company's market capitalisation, e.g. the Stockholm Stock Exchange's Large, Mid and Small caps. The most traded shares may also be placed on a separate list. Certain investment firms also publish their own lists of financial instruments which are traded via the institution, prices at which the instruments are traded, and so forth. Shares on lists with higher requirements and high turnover are normally deemed to entail a lower risk than shares on other lists.

Information regarding prices and other matters in respect of both shares and other types of financial instruments, for example fund units, options, and bonds, are also regularly published via, for example, the trading venues' websites, in daily newspapers, and in other media.

### 8. Short selling

Short selling occurs when a party who has borrowed financial instruments and simultaneously committed to return instruments of the same type to the lender at a later date, sells the borrowed instruments. At the time of the sale, the borrower relies on the fact that at the time of return, they will be able to acquire the instruments

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on the market at a lower price than that at which the borrowed instruments were sold. Should the price instead increase, a loss is incurred, which may be significant in the event of a significant price increase.

Unlike in some parts of the world, naked short selling is, in principle, prohibited in the EU. Naked short selling means that at the time of the short sale, the seller has not borrowed the security or ensured that it can be borrowed.

### 9. Borrowing

It is possible to hypothecate financial instruments. To do so, however, you need an approved credit assessment and a credit agreement. This means that the borrower borrows money with the financial instruments as collateral (pledge). Using the borrowed money, the borrower can invest more money in financial instruments than they would have been able to without the loan.

Investing borrowed money in financial instruments means that you not only have the possibility of higher returns, you also expose yourself to greater risk. This increased risk works similarly to that in connection with the trading of financial instruments with built-in leverage (see, for example, section 2.10 on leverage certificates).

If you have financed an investment with borrowed money and the investment subsequently falls sharply in value, this may result in the lender itself selling the securities you pledged as collateral for the loan and you may also need to inject additional cash to cover the collateral shortfall.

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Additional general information regarding various types of financial instruments and trading in financial instruments, as well as suggestions for additional literature in the area, are also available on the Consumers' Banking and Finance Bureau's website, [www.konsumenternas.se](http://www.konsumenternas.se) and on SwedSec's website, [www.swedsec.se](http://www.swedsec.se).

Information on individual financial instruments and their issuers is available in published prospectuses, which can easily be found at the relevant trading venue's webpage or on the concerned company's webpage.

## Information on trading in options, forward commitments, and other derivative instruments

As a Customer, you must understand, among other things, the following:

- investments or other positions in derivative instruments take place at your own risk and it is therefore important that you understand the characteristics and risks of the derivative instruments before investing in them;
- you, as the Customer, must personally understand the information about the relevant derivative instrument and its characteristics and risks, as well as the investment firm's general terms and conditions for trading in financial instruments;
- when trading in financial instruments, it is important that you check all reporting in respect of your transactions, holdings, and positions, as well as to give notice of any errors immediately;
- it is important to continually monitor changes in the value of holdings and positions in relevant instruments and be prepared to act quickly;
- you, as the Customer, must satisfy agreed requirements for collateral within agreed parameters;
- you, as the Customer, must personally initiate the measures which are necessary to reduce the risk of losses.

### 1. General information on trading and risks in derivative instruments

Trading in derivative instruments can be described as trading in or transferring risks. For example, a person who anticipates a price decline can buy put options that increase in value if the market goes down. In order to reduce or avoid the risk of a price decline, the buyer pays a premium, i.e. the cost of the option. Derivative instruments are classified as so-called complex financial instruments. Complex financial instruments may be associated with a higher risk level than that for non-complex financial instruments, and it may also be more difficult to understand the risks associated with complex financial instruments.

Trading in derivative instruments is associated with specific risks and this information document provides an overall view of these risks. As a Customer, you are personally responsible for the risks in your investments and must therefore personally read and acquire knowledge regarding any terms and conditions, information documents, prospectuses or suchlike, which apply to trading in such instruments and regarding the characteristics of the instruments and their associated risks. You can obtain this information from the investment firm you have retained. You must also continually monitor your investments (positions) in such instruments. This applies even if you obtained investment advice at the time of investment. You can obtain information for this monitoring (price data, etc.) from, for example, the websites of trading venues, daily newspapers, other media, and the investment firm you have retained. If you manage your investments personally and if necessary, it is your responsibility to be prepared to take prompt action, for example by reviewing your investments and assessing whether there is reason to take action such as lodging additional collateral or closing out your investments in derivative contracts (settling or closing your positions).

There are both standardised and non-standardised derivative contracts. Trading in standardised derivatives takes place on a trading venue, and the trading venue also determines the terms and conditions of the standardised derivative contracts. The trading venue's product descriptions contain information detailing the terms and conditions for such derivatives, including, for example, the underlying assets, maturity, and strike price. Non-standard derivatives can be traded on a trading venue or over the counter (OTC), i.e. directly between buyer and seller.

For further information on trading in financial instruments in general, various risk concepts, and reasoning in respect of risks, see also **Information regarding characteristics and risks in respect of financial instruments.**

### 2. Characteristics of derivative instruments

Trading in derivatives requires special expertise. It is therefore important that anyone who intends to trade in derivative instruments is aware of the following characteristics of such instruments.

Due to the structure of a derivative instrument, the price performance of the underlying asset may have an impact on the rate or price of the derivative instrument. This price effect is often stronger in relation to the investment (premium paid) than the change in value of the underlying asset. This effect on the price is, consequently, called the leverage effect, and it may lead to greater losses on the derivative instrument when compared with the change in value of the underlying asset, where the price performance in respect of the underlying asset is different than expected. The leverage effect can also lead to greater profit on the capital invested than would have been the case had the investment been made directly in the underlying asset. The leverage effect varies, depending on the structure of the derivative instrument and the way in which it is used. Accordingly, significant requirements are imposed on monitoring price performance for the derivative instrument and on the underlying asset. As an investor, you should be prepared to act quickly, often during the course of a day, if the investment in a derivative instrument develops unfavourably. In making your risk assessment, it is also important for you to consider the possibility that settling a position/holding may be more difficult in the event of negative price performance. Examples of leveraged financial instruments are certificates and warrants.

A party who assumes an obligation by issuing an option or entering into a forward commitment is required, from the outset, to lodge collateral for their undertaking. As the price of the underlying asset moves up or down, and thus the value of the derivative instrument increases or decreases, the collateral requirement shifts as well. Additional collateral in the form of a margin call may therefore be required. The leverage effect thus also applies to the collateral requirement, which can change rapidly and significantly. If you, the Customer, do not provide sufficient collateral, the counterparty or the investment firm may have reserved the right to terminate the investment (close the position) without contacting you, the Customer, in order to minimise the loss. As the Customer, you should therefore closely monitor price performance while also bearing in mind the collateral requirement in order to avoid an involuntary closing of the position.

The time to maturity for derivative instruments can vary from a very short time up to several years. Some derivatives are known as open-ended and have no fixed maturity date. Price changes are often greatest for instruments with short maturities. For example, the price of an option generally falls more rapidly towards the end of its term due to a decrease in the so-called time value. As the Customer, you should therefore also carefully monitor the maturity of the derivative instruments.

### 3. Use of derivative instruments

Derivative instruments are a form of agreement (contract) where the agreement itself is traded on the capital market. The derivative instrument is linked to an underlying asset or an underlying value. This asset or value may be a financial instrument, some other asset with financial value, such as currency or commodities, or some form of measure of value, such as an index. Derivative instruments may be used, for example, to hedge against an unwanted change in the price of the underlying asset. They can also be used to achieve a profit or re-turn with a smaller capital investment than would be required to make a similar trade directly in the underlying asset. Derivative instruments can also be used for other purposes. The use of derivative instruments is based on a certain expectation of how the price of the underlying asset will perform over a certain period of

time. Before trading in derivative instruments, it is therefore important that you, as the Customer, ensure that you understand the purpose of the derivative instrument in question and your expectations for price performance of the underlying asset and, based on this, select the right derivative instrument or combination of such instruments.

## 4. Various types of derivative instruments

### 4.1. Options

An option is a contract under which one party (the issuer of an option contract) undertakes to buy or sell the underlying asset from or to the other party (the holder of the contract) at a pre-determined price (the strike price). There are different types of options. Call options give the holder a right, within a certain time period, to buy the underlying asset, for example already-issued shares, at a pre-determined price. Put options do the opposite – they give the holder a right, within a certain time period, to sell the underlying assets at a pre-determined price. Each acquired option corresponds to one issued option. Depending on the type of option, the contract can be exercised either at any time during the term (American option) or only on the maturity date (European option). The holder pays consideration (premium) to the issuer and obtains a right to use the contract but has no obligation to do so. The issuer, on the other hand, is obligated to honour the contract if the holder so requests (exercises the option). The performance in value of the option is normally determined by the performance in value of the underlying asset.

The risk for the party acquiring the option is that the option will diminish in value or be worthless on the maturity date unless risk mitigation measures are taken. If the option expires worthless, the premium paid for the option at the time of acquisition is entirely lost. The issuer of an option runs a risk that may be unlimited in certain cases unless risk mitigation measures are taken. The price of the option is affected by the price of the corresponding underlying asset in the same or opposite direction, but usually with greater price deviations and impact on the price than for the asset.

Examples of different types of options are share options, share index options, interest rate options, and currency options. The most extensive trading in share options takes place on trading venues. Trading in share index options also takes place there. These index options provide for a profit or loss directly in cash (cash settlement) based on the performance of the underlying index.

### 4.2. Forward commitments

A forward commitment entails that the parties have entered into a mutually binding agreement regarding the buying or selling of an underlying asset at a pre-agreed price and on de-livery or other performance (e.g. cash settlement) of the agreement on a date stated in the agreement (maturity date). No premium is paid since both parties have corresponding obligations under the agreement.

There are two main types of forward commitments: futures and forwards. The difference between a future and a forward is in the settlement process, i.e. when a party to a contract receives payment or pays, depending on whether the position has generated a profit or a loss. In respect of a future, a daily settlement is made in the form of regular payments between buyer and seller based on the day-by-day change in value of the underlying asset. In the case of a forward, settlement does not take place until the maturity date of the instrument.

Examples of different types of forward commitments are share futures, share index futures, commodity futures, and currency futures.

### 4.3. Swap agreements

Under a swap agreement, the parties agree to make payments to each other on an ongoing basis, e.g. based on fixed or variable interest rates (interest rate swap), or to swap some form of property with each other at a certain time, e.g. different types of currencies (currency swap), shares (share swap), or commodities (commodity swap).

### 4.4. Warrants

Trading also takes place in certain call and put options with longer terms; in Sweden these are usually called warrants. Warrants also differ from options and forward commitments in that they are issued by an issuer, usually a bank or investment firm, and traded on trading venues. Warrants can be exercised to buy or sell an underlying asset, but in practice they are used to participate in the performance of the warrant without the underlying asset being bought or sold. If the value of the warrant has performed positively, the holder can exercise the warrant on the maturity date and receive only a cash settlement corresponding to the increase in the price of the warrant.

Warrants should not be confused with subscription warrants. Subscription warrants can be exercised within a certain period of time to subscribe for corresponding newly issued securities.

### 4.5. Certificates

A certificate is a security that is admitted to trading on a trading venue and whose value, like other derivative instruments, is linked to the value of an underlying asset. They are usually structured so that they consist of a bond component and a derivative component, which provide exposure against the underlying asset. The underlying asset can be, for example, a single stock, a commodity, an interest rate, currency, an index or a basket of traditional assets.

Certificates may be structured so that there are limits on how much they can yield or how much they can decline in value. They can also be structured so that the certificates provide returns in a market without major price fluctuations.

Certificates sometimes have a so-called price drop protection, which allows the underlying asset to fall in value before a loss occurs.

Something which distinguishes certificates from certain other types of securities is that the underlying asset may be a more alternative type of asset, which may otherwise be difficult to invest in or gain exposure to through other types of financial instruments. Such alternative assets can be, for example, cryptoassets and special indices that have no direct financial link (e.g. ESG indices).

### 4.6. Leverage certificates

Some certificates, called leverage certificates or bull & bear certificates, have a built-in constant daily leverage. The leverage can vary in size between different leverage certificates and it can sometimes be very high. In some leverage certificates, the leverage can reach a factor of 20, which means that a change in the price of the underlying asset causes a change in the price of the leverage certificate that is 20 times greater. As the Customer, you should be aware that the spread, i.e. the difference between the buy and sell price, for leverage certificates can be significant.

A leverage certificate usually contains derivative elements, where the certificate may be structured to include elements such as a swap, a forward commitment, and/or a call or put option. The performance of the leverage certificate is also usually dependent on an underlying asset, such as a share, an index, or a commodity.

### 4.7. Autocalls

Autocalls are a type of instrument structured to provide the possibility of a return in a side-ways market (a market without large price fluctuations) or in a moderately declining market. Investment in an autocall may entail a significant risk of losing a large part or all of the nominal amount. Autocalls are usually offered with a conditional capital protection down to a certain level, known as a barrier. This protection ceases if the barrier is breached.

### 4.8. Trackers

A tracker is a product admitted to trading on a trading venue that tracks the change in value of an underlying asset's price movements. The underlying asset can be, for example, a stock, a share index, a commodity, a currency, or a combination of different underlying assets. Trackers usually have no fixed maturity date. This is known as being open-ended, and means that they run until the issuer chooses to delist the security. Trackers can generate the opportunity for returns in either rising markets or falling markets.

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**4.9 Credit-linked certificates/fixed income certificates**

A credit-linked certificate (which can also be called a fixed income certificate) is a certificate linked to the credit risk of, for example, a company, a basket of companies, or a credit index. A credit-linked certificate's yield is dependent on the coupon level, the underlying credit risk, and credit events. A credit event can be, among other things, a delay in payments or the company being placed into company re-organisation or bankruptcy. If a credit event occurs, the amount paid to the holder is reduced on the maturity date of the credit-linked certificate. If enough credit events occur, the nominal value of the credit-linked certificate may be lost entirely. If a credit-linked certificate has price drop protection, this protection is the number of credit events that can occur in the underlying credit basket before a loss occurs.

**4.10 Combined derivative instruments**

Derivative instruments may be combined in certain ways to create an exposure in order to achieve a certain financial result in relation to the expected price performance of the underlying asset.

When trading in combined products, it is important to understand the different components of the product and how they interact. In some cases, the interaction of the components may pose a higher risk than each component alone. A more detailed description of the different components of a given product and the way in which they interact can be obtained from, among other sources, the issuer or the investment firm.

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Additional general information regarding various types of financial instruments and trading in financial instruments, as well as suggestions for additional literature in the area, are also available on the Consumers' Banking and Finance Bureau's website, [www.konsumenternas.se](http://www.konsumenternas.se) and on SwedSec's website, [www.swedsec.se](http://www.swedsec.se).

Information on individual financial instruments and their issuers is available in published prospectuses, which can easily be found on the website of the relevant trading venue and the concerned company's website.