

Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Name	SHBC STE18
Identifier	ISIN Code: SE0006090445
Manufacturer	Svenska Handelsbanken AB (KID responsible), Svenska Handelsbanken AB (publ) (Handelsbanken) (issuer)
Contacting the manufacturer	Website: www.handelsbanken.se Call +46 8 701 10 00 for more information
Competent authority	Finansinspektionen
KID Production Date	18 June 2019, 23:21



You are about to purchase a product that is not simple and may be difficult to understand

What is this product?

Type	The product is in the form of a debt instrument.
Objectives	<p>To provide conditional interest payments in return for the risk of loss of capital and interest upon the occurrence of Credit Events in respect of Stena AB or any successor (the "Reference Entity").</p> <p>Reference Rate</p> <p>The return is also determined by reference to Swedish Krona 3 Month Stibor.</p> <p>How the return is determined:</p> <p>Interest Rate: Unless a Credit Event occurs, for each Interest Observation Date, the level of the Reference Rate plus 5.25%. In case any interest period is different (shorter or longer) than the other periods, the Reference Rate might be adjusted (further details may be found in the product's term).</p> <p>Credit Events: Credit Events relate to the credit risk of the Reference Entity during a specified period and include: Bankruptcy - including forms of insolvency and resolution processes, Failure to Pay - in respect of qualifying debt obligations, Government Intervention (only applicable if Reference Entity is a financial institution and not a US entity) and Restructuring (only applicable if Reference Entity is not a US entity).</p> <p>Credit Events are generally determined by a committee established by the International Swaps and Derivatives Association (ISDA®) and comprised of credit derivatives market participants (a "CDDC"). Such determinations are based on publicly available information. In the absence of such a determination, the Calculation Agent may determine whether a Credit Event has occurred, on the basis of appropriate supporting information (if any).</p> <p>The credit risk taken on a Reference Entity is indirect, so there is no direct investment in a Reference Entity and you will have no claim against it.</p> <ul style="list-style-type: none">• If no Credit Event occurs:<ul style="list-style-type: none">▪ Interest Amount on each Interest Payment Date: You will receive the Nominal Amount multiplied by the Interest Rate and adjusted to reflect the number of days in the relevant period relative to one year in accordance with the applicable day count fraction.▪ Redemption on the Scheduled Maturity Date: You will receive the Nominal Amount on the Scheduled Maturity Date, subject to a suspension as described below. <p>Payments may be suspended while a Credit Event is being considered. If it is ultimately determined no Credit Event occurred, suspended amounts will be payable but after a possible substantial delay and without interest on due amounts for the deferral periods.</p> <ul style="list-style-type: none">• If a Credit Event Occurs:<ul style="list-style-type: none">▪ Interest Amount: The product will cease paying interest and no interest will accrue from the last Interest Payment Date prior to the Credit Event.▪ Redemption Amount: A Credit Event will result in the redemption of the product (which may be after the Scheduled Maturity Date). You will receive a portion of your capital reflecting the price (the "Final Price") that dealers in the market for certain debt obligations of the Affected Reference Entity are prepared to pay for such obligations after the Credit Event. Such price will be expressed as a percentage (which is likely to be less than 100% and may be zero) and is generally determined by an auction organized by ISDA®. The product will redeem on the later of the Scheduled Maturity Date and as soon as possible following the determination of the Final Price ("Credit Event Redemption Date"), and on the Credit Event Redemption Date the product will redeem at the Final Price multiplied by the Nominal Amount. <p>In some cases the product may be settled in one or more parts in the case of any particular Restructuring Credit Events.</p> <p>The amount payable may be further reduced on account of costs incurred by the manufacturer in connection with the redemption of the product (including replacing the funding provided by the product) or of terminating or settling</p>

any transaction it entered into to hedge its obligations under the product.

Key Dates and Values

All determinations and observations will be made by the Calculation Agent. All dates may be subject to adjustment for non-business days and market disruption events.

- **Calculation Agent:** Handelsbanken
- **Issue Price:** 100%
- **Issue Date:** 10 July 2019
- **Scheduled Maturity Date:** 10 July 2024
- **Interest Observation Dates:** 10 October 2019 and quarterly thereafter up to the Scheduled Maturity Date (included)
- **Interest Payment Dates:** 10 October 2019 and quarterly thereafter up to the Scheduled Maturity Date (included)

Early redemption and adjustments

The terms of the product provide that if certain defined events occur (principally in relation to the product, any underlying, or the manufacturer of the product (which may include the discontinuation of the manufacturer's ability to carry out the necessary hedging transactions)), adjustments may be made to the terms of the product to account for the relevant event or the product may redeem early. The amount paid on any early redemption may be less than the amount originally invested.

Returns may depend on determinations of credit events by a CDDC and a recovery price by ISDA auction. The return of capital may be reduced, suspended, delayed or may be zero following a credit event.

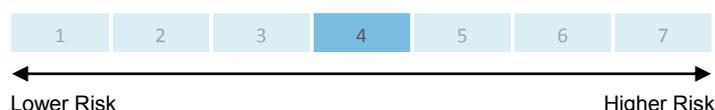
Intended retail investor

This product is primarily intended for investors who:

- are looking for income, and are expecting the underlying to perform in a way that generates a favourable return;
- are willing and able to bear a total loss of their investment, and accept the credit risk of the issuer;
- are willing to accept a level of risk that is compatible with the summary risk indicator shown below;
- have the ability to make an informed investment decision through sufficient knowledge and understanding of the product and its specific risks and rewards, potentially resulting from experience of investing in and/or holding a number of similar products providing a similar market exposure or relevant training activities;
- have a minimum investment horizon consistent with the maturity date of the product.

What are the risks and what could I get in return?

Summary Risk Indicator



 The risk indicator assumes you keep the product until 10 July 2024. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because Handelsbanken is not able to pay you. We have classified this product as 4 out of 7, which is a medium risk class. This classification takes into consideration two elements: 1) the market risk - that rates the potential losses from future performance at a medium level; and 2) the credit risk which estimates that poor market conditions are very unlikely to impact the capacity of Handelsbanken to pay you. This product does not include any protection from future market performance so you could lose some or all of your investment. If Handelsbanken is not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios

Investment SEK 100,000

Scenarios		1 year	3 years	5 years (Recommended holding period)
Stress scenario	What you might get back after costs	SEK 83,255	SEK 60,045	SEK 42,737
	Average return each year	-16.72%	-15.64%	-15.63%
Unfavourable scenario	What you might get back after costs	SEK 97,437	SEK 101,966	SEK 62,836
	Average return each year	-2.56%	0.65%	-8.87%
Moderate scenario	What you might get back after costs	SEK 104,214	SEK 113,551	SEK 124,938
	Average return each year	4.21%	4.33%	4.55%
Favourable scenario	What you might get back after costs	SEK 105,707	SEK 116,159	SEK 126,264
	Average return each year	5.70%	5.12%	4.77%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest SEK 100,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. This product cannot be easily cashed in. This means it is difficult to estimate how much you would get back if you cash in before maturity. You will either be unable to cash in early or you will have to pay high costs or make a large loss if you do so.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures

do not take into account your personal tax situation, which may also affect how much you get back.

What happens if Handelsbanken is unable to pay out?

This product is not protected by any investor compensation or guarantee scheme. If Handelsbanken is unable to make a payment and/or is in default, you may lose some or all of your invested amount and any payment may be delayed.

What are the Costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for 3 different holding periods. They include potential early exit penalties. The figures assume you invest SEK 100,000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment SEK 100,000			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at the end of the recommended holding period
Total costs	SEK 0.00	SEK 0.00	SEK 0.00
Impact on return (RIY) per year	0.00%	0.00%	0.00%

Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- The meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.00%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.00%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00%	Not applicable
	Carried interests	0.00%	Not applicable

How long should I hold it and can I take my money out early?

Recommended holding period: 5 years

The product is designed to be held until the end of the recommended holding period.

The recommended holding period is selected to correspond with the maturity date of the product. Please note that you may not be able to sell the product prior to the maturity date. If you are able to sell the investment at an earlier date, you may incur costs and may lose part or all of your investment. The manufacturer is under no obligation to make a secondary market in the product, but may choose to re-purchase the products early on a case-by-case basis. Further information is available upon request.

How can I complain?

If you have a complaint, please contact at firsthand the person at the company that has handled your case to present your view. If you have opinions regarding the product you should contact your branch office or Handelsbanken central complaints department which is reached at: klagomal@handelsbanken.se or Handelsbanken, Klagomålsansvarig, 106 70 Stockholm, Sweden.

Other relevant information

Associated base prospectus and relating final terms, as published on <http://www.handelsbanken.se> or as obtained per request.