

Innovation our way

- stability and continuous adaption intertwined

4th December 2024



Handelsbanken - the safest Bank in Europe

Handelsbanken is the safest bank in Europe, and the fifth safest bank in the world, according to Global Finance Magazine's ranking 2024.



About the survey

Global Finance's World's 50 Safest Commercial Banks "is an annual ranking of the 50 safest commercial banks in the world. The list excludes banks that are majority owned by states or regions. The ranking is the result of an analysis of 500 banks around the world and is based on long-term ratings from Moody's, Standard & Poor's and Fitch.

Most innovative among the major banks in Sweden

For the fourth year, Handelsbanken is the most innovative bank among large banks in Sweden.

The Swedish Innovation Index is based on how customers experience companies' ability to innovate and how attractive these innovations are perceived. In addition to these factors, the company's offer, delivery, treatment and interaction area are valued.

About the survey:

The Swedish Innovation Index, SII, is a study in which researchers at CTF, the Center for Service Research at Karlstad University, let customers assess the degree of innovation in companies and organizations in the Swedish market.

The result is based on responses from 15,000 customers who ranked 75 companies and organizations within 10 industries based on their innovativeness and how attractive these innovations are perceived to be. The customers have valued the offer, delivery, reception and interactions. The measurement was made in the fall of 2022 and the results were published in June 2023. Read more about the study here: <https://www.kau.se/ctf/svenskt-innovationsindex-sii>



Some fundamentals...

- Innovation is an outcome
- Value is decided by those who receive it, not those delivering

The starting point

A man with glasses and a white t-shirt is kneeling and smiling as he helps a young girl with blonde hair wash a silver car. The girl is holding a grey hose nozzle and spraying water. They are outdoors in front of a house with a yellow door and a wooden deck.

**More satisfied
customers**

than the average of competitors every year since surveys
by SKI/EPRI started

Stability and continuous adaption via the world's lightbulb moment

1843 Ada Lovelace -
First-ever computer
algorithm

1876: Alexander
Graham Bell patents
the telephone.

1879: Thomas Edison
invents the first
commercially
viable incandescent
electric light bulb.

1901 The
first radio receiver
successfully received
a radio transmission.

1913 Ford Model T
assembly line in
production

Barbara Liskov - Invention
of CLU, a programming
language that helped lay
the foundation for the
object-oriented form of
programming

1980's IBMs Personal
computer and Apple
Lisa

Electrification

Mass production, assembly
line, electrical energy

Automation

Computers, electronics

1871 **Stockholms Handelsbank**



1885: Karl Benz invents
the first
practical automobile
powered by an internal
combustion engine.

1920 Emmy Noether - a
theorem that served as the
foundation of quantum physics

1944 Crace Hopper - to
translate written language
into computer code. Also
coining the words
"debugging" and "bug"



1971 Evelyn Berezin -
First word processor

Sources:
[Top Inventions From the '50s Through the '90s](#)
[Great 20th Century Inventions From 1900 to 1949](#)
[Inventions of the 19th Century](#)

Our Way at Handelsbanken - and the results

Lower costs
than our competitors

Objective

Better profitability than the average
of peer competitors in the Bank's
home markets

More satisfied customers
than our competitors

Examples of results

50⁺ successive
years

of having higher profitability than
the average for its competitors.

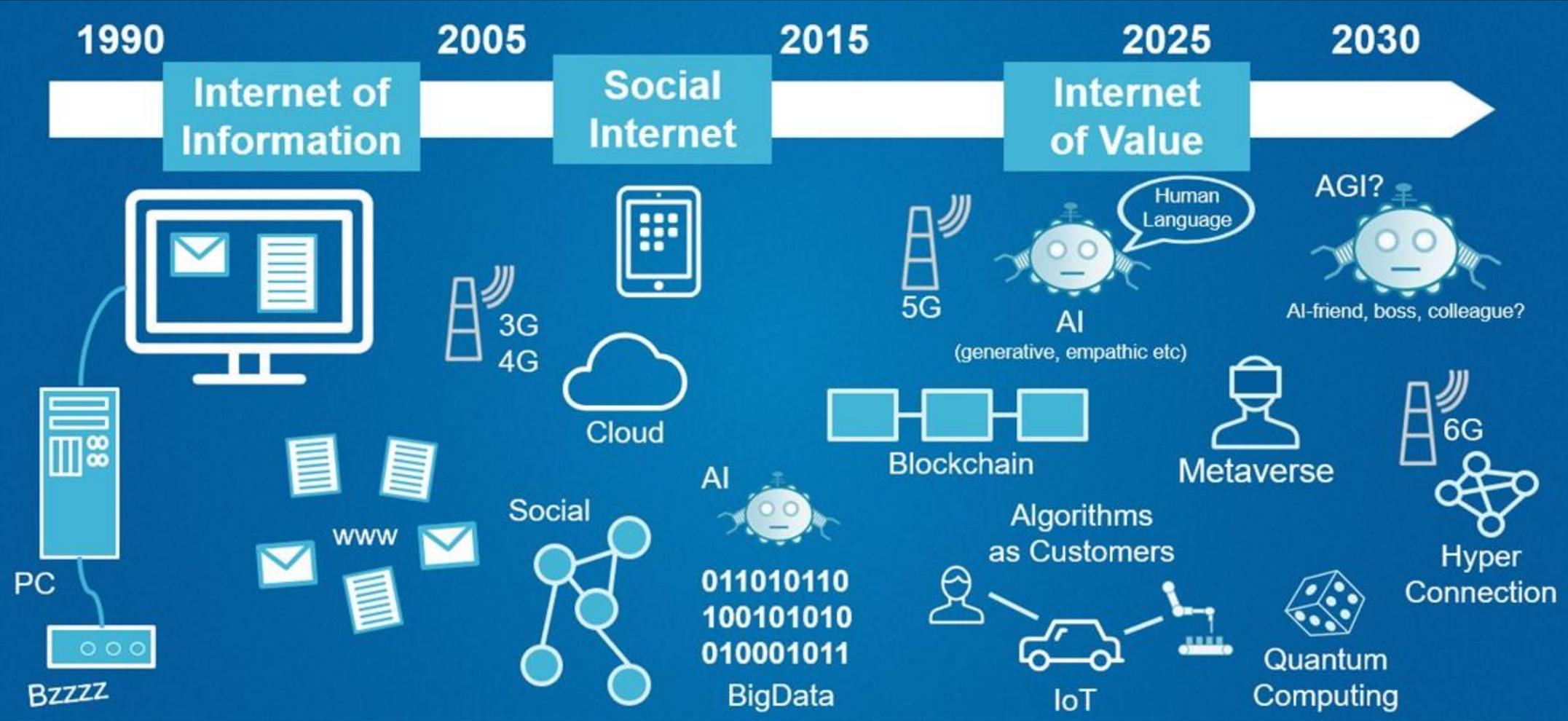
15 per cent

annual growth in equity per share
including dividends paid since 2007

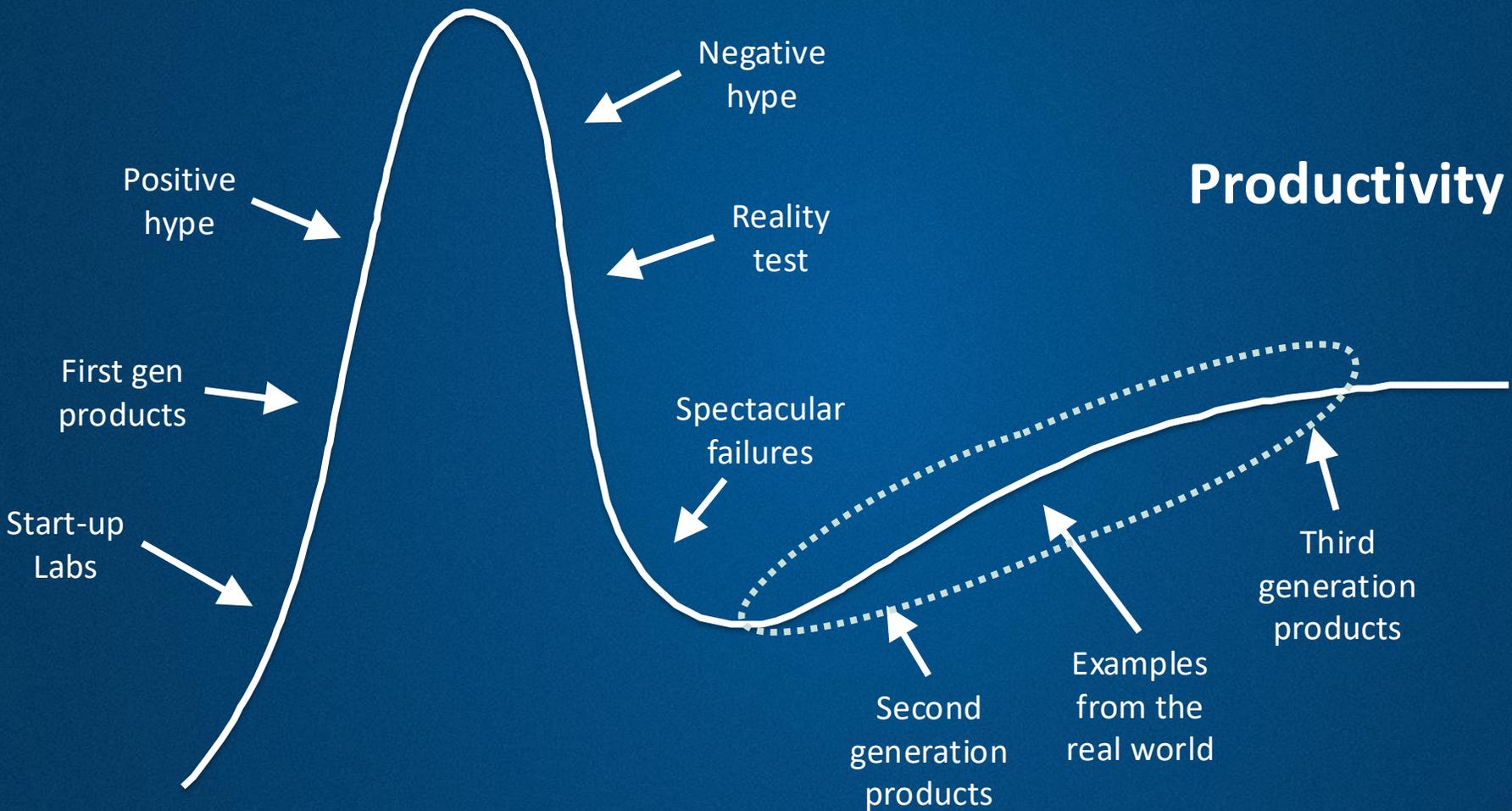
More satisfied
customers

than the average of competitors every year
since surveys by SKI/EPSI started

Everchanging surroundings



★ **Wow!**



UK: Recommended for our relationship-led banking

Handelsbanken has been named as the most recommended provider for relationship/account management for SMEs by the Competition and Markets Authority's Independent Service Quality Survey (February 2023)

81 % of the SMEs surveyed were extremely or very likely to recommend Handelsbanken

To find out more visit:

www.bva-bdrc.com/products/business-banking-service-quality/

Relationship/account management

We asked customers how likely they would be to recommend their provider's relationship/account management to other SMEs.

Ranking



Sweden's Small Enterprise Bank 2024

For the thirteenth consecutive year, Handelsbanken has been voted "Sweden's Small Enterprise Bank" in Finansbarometern's annual survey.

"It's extremely important to continue showing that care and attention to small companies. When the future is shrouded in uncertainty, you have to be able to listen and understand how to help your customers to withstand the challenges many of them will be facing."

Kristian Sundberg, Chief Executive of Eastbrook, which carries out the survey

Finans
Barometern 

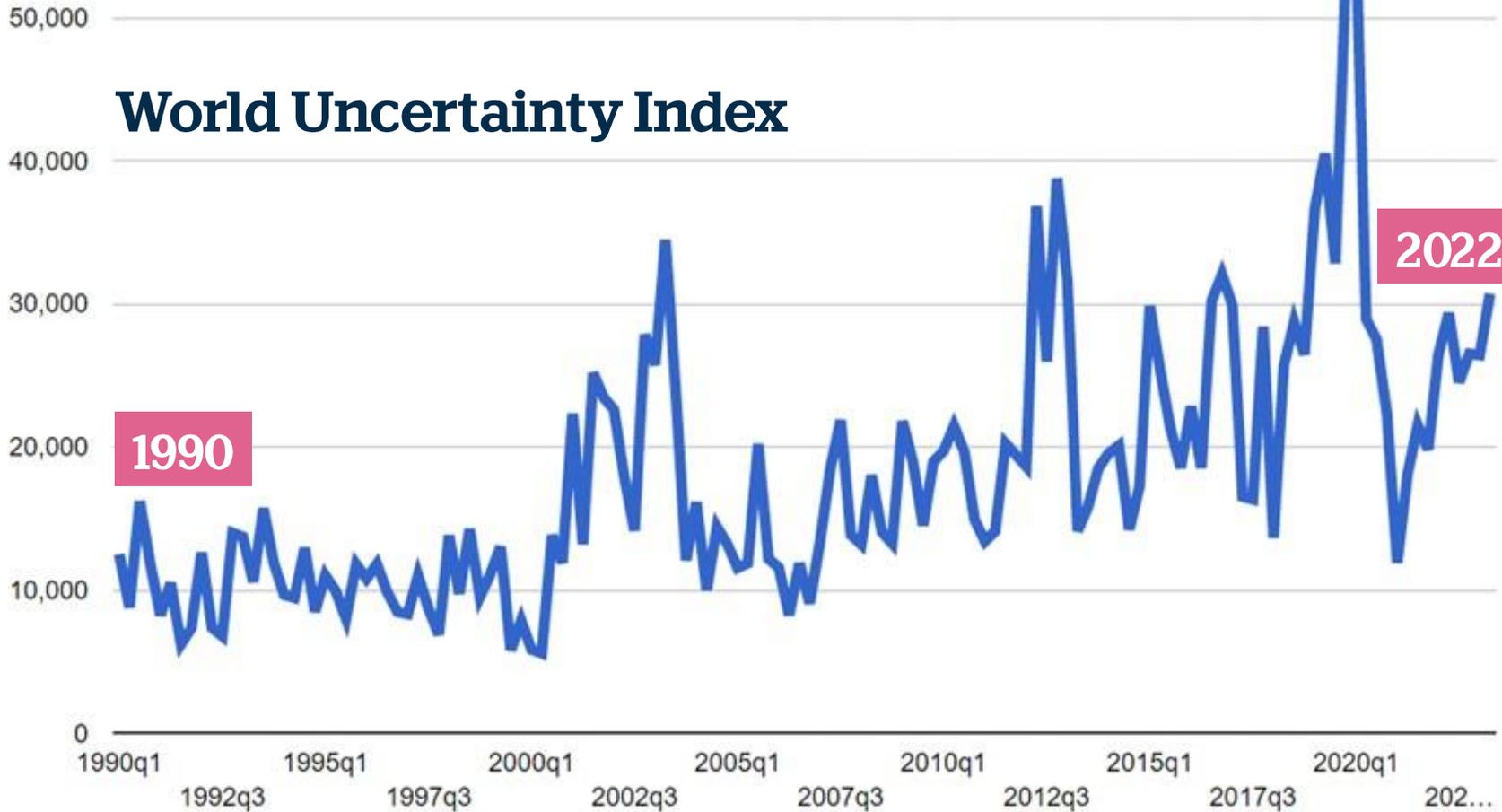
About the survey

Finansbarometern's survey is based on assessments from small enterprises with fewer than 10 employees, which rate their business's bank in a variety of areas, such as service and professional manner, price levels, digital services, range of products and services, and quality of advisory services.

Read more at: <http://www.eastbrooklab.se/finansbarometern/>

Handelsbanken

World Uncertainty Index



Risk

Known Probability
Objective
50% Heads 50% Tails

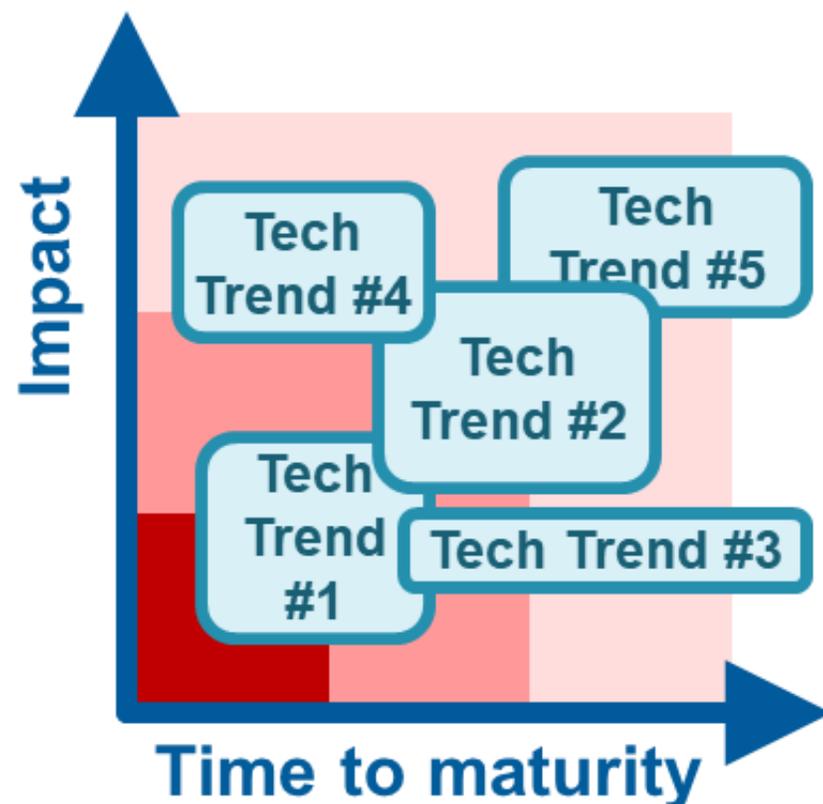
Uncertainty

Unknown Probability
Subjective
Early phase pandemic

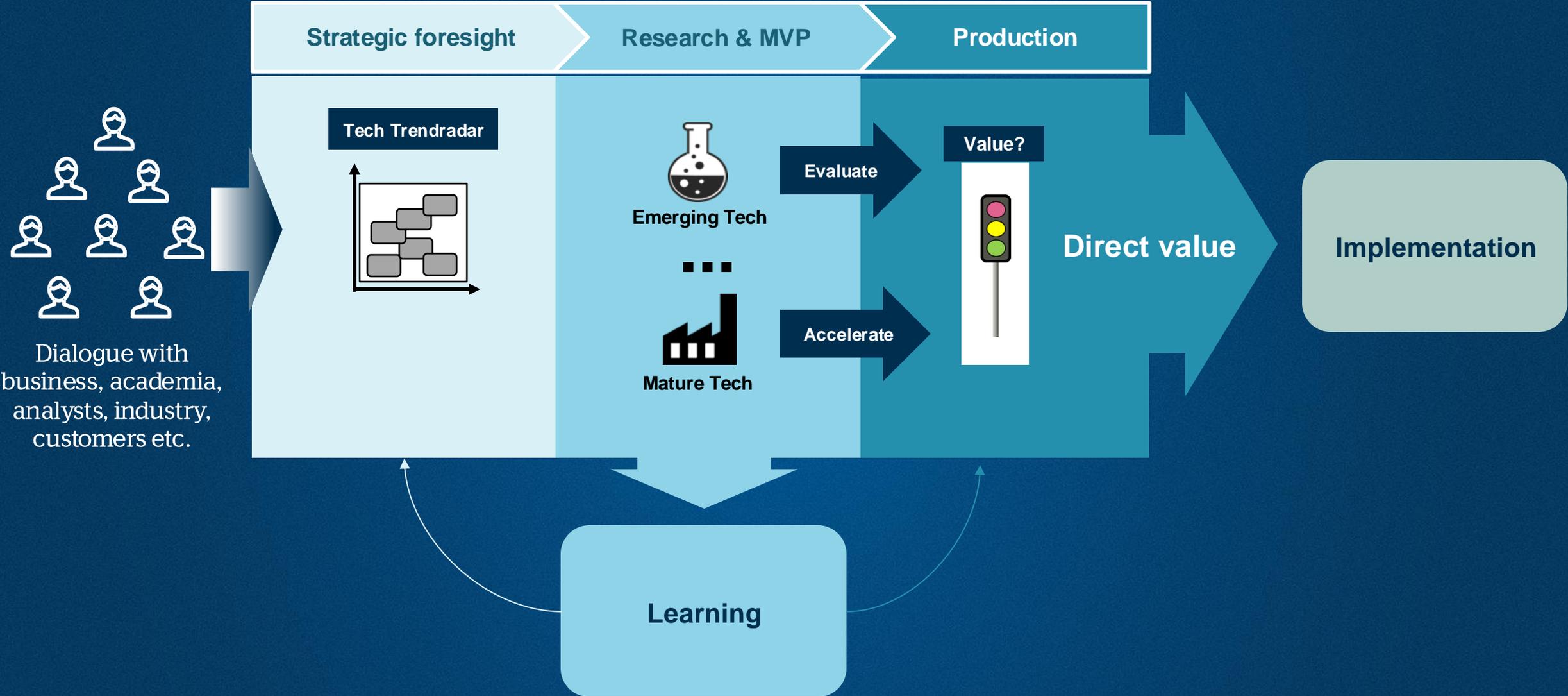
The WUI is computed by counting the percent of word “uncertain” (or its variant) in the Economist Intelligence Unit country reports.
Källa: <https://worlduncertaintyindex.com/>

Strategic foresight for emerging technologies

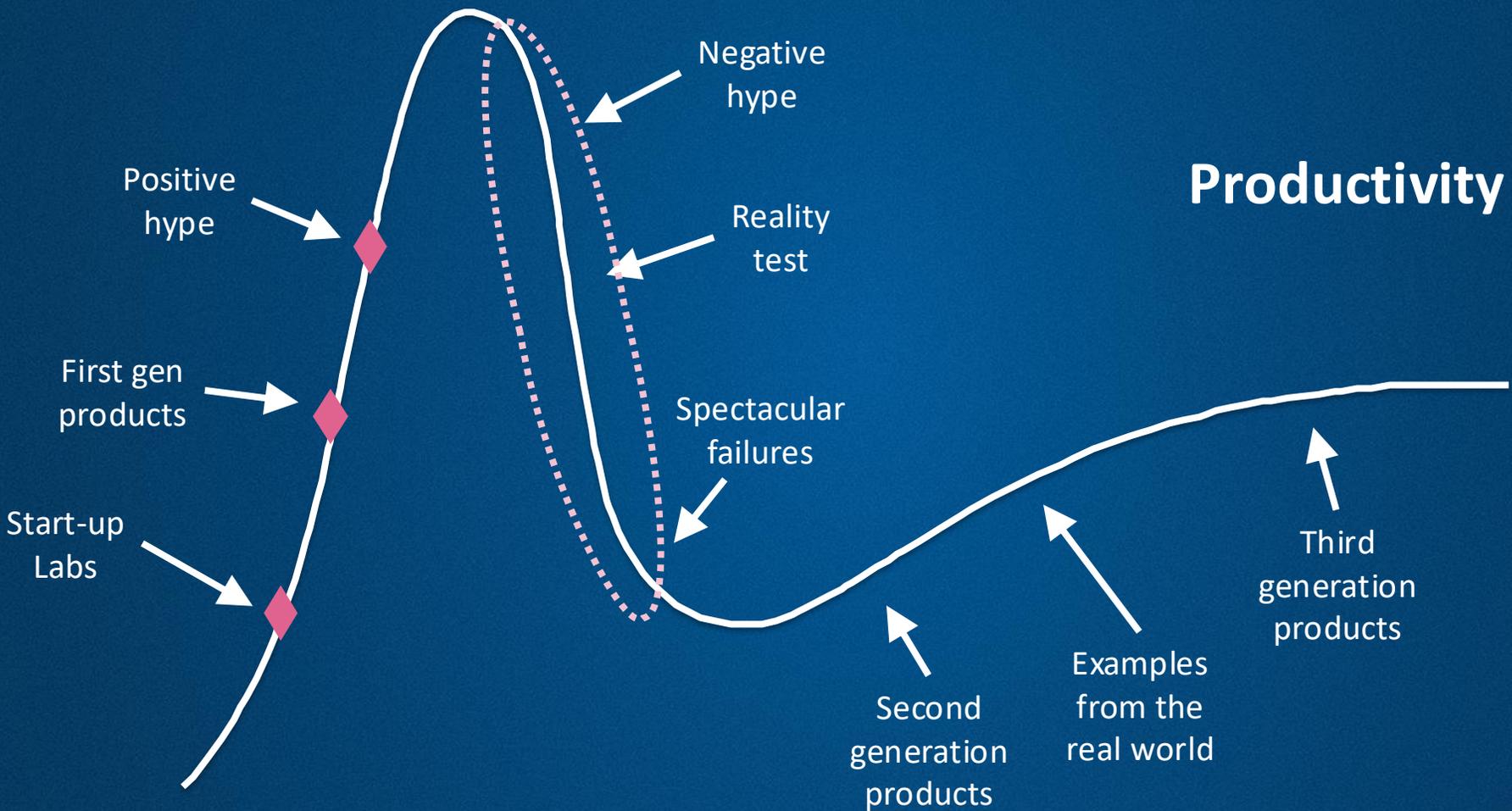
Tech Trend Radar



From insight to value



★ **Wow!**



Productivity

Positive hype

First gen products

Start-up Labs

Negative hype

Reality test

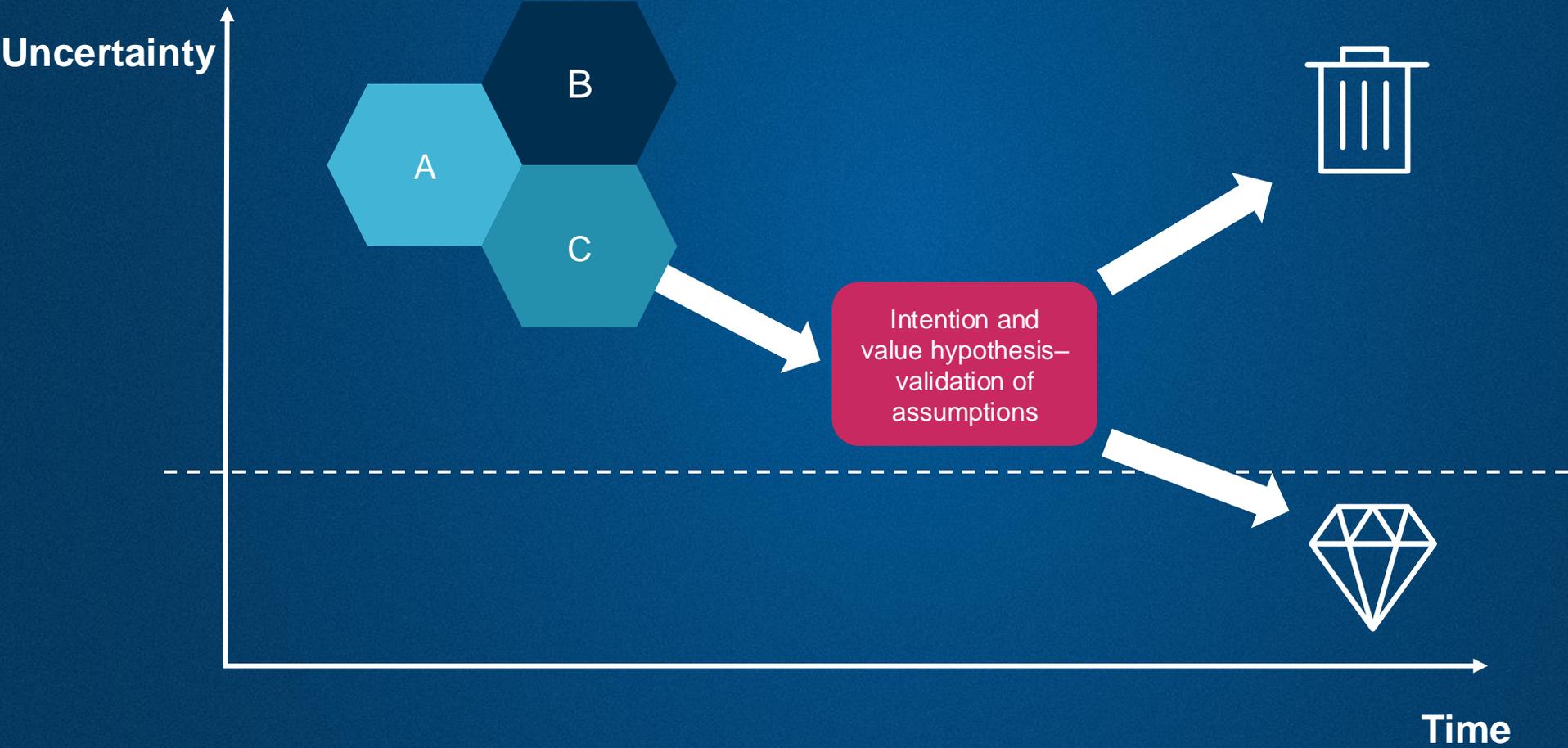
Spectacular failures

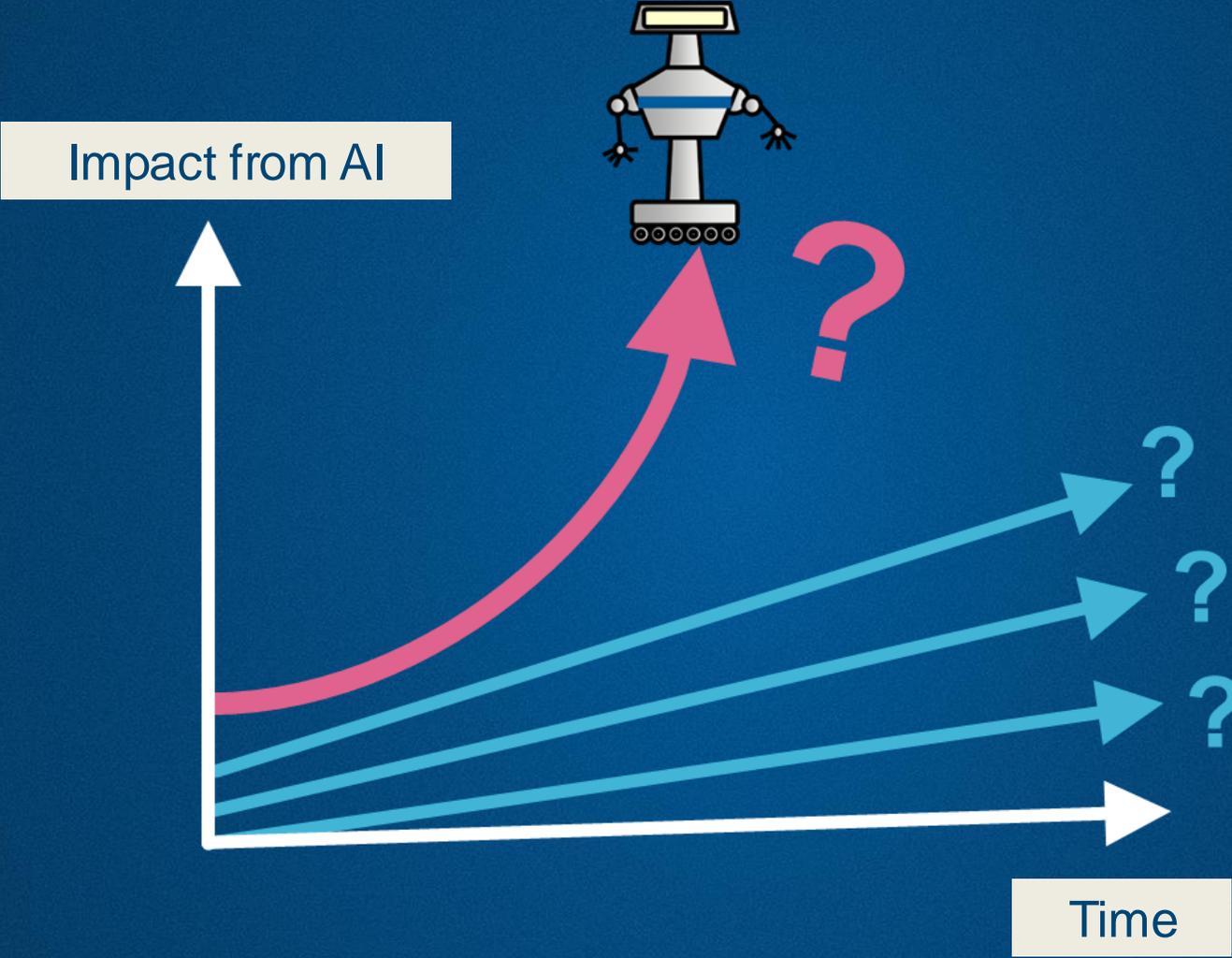
Second generation products

Examples from the real world

Third generation products

From uncertainty to knowledge and insight



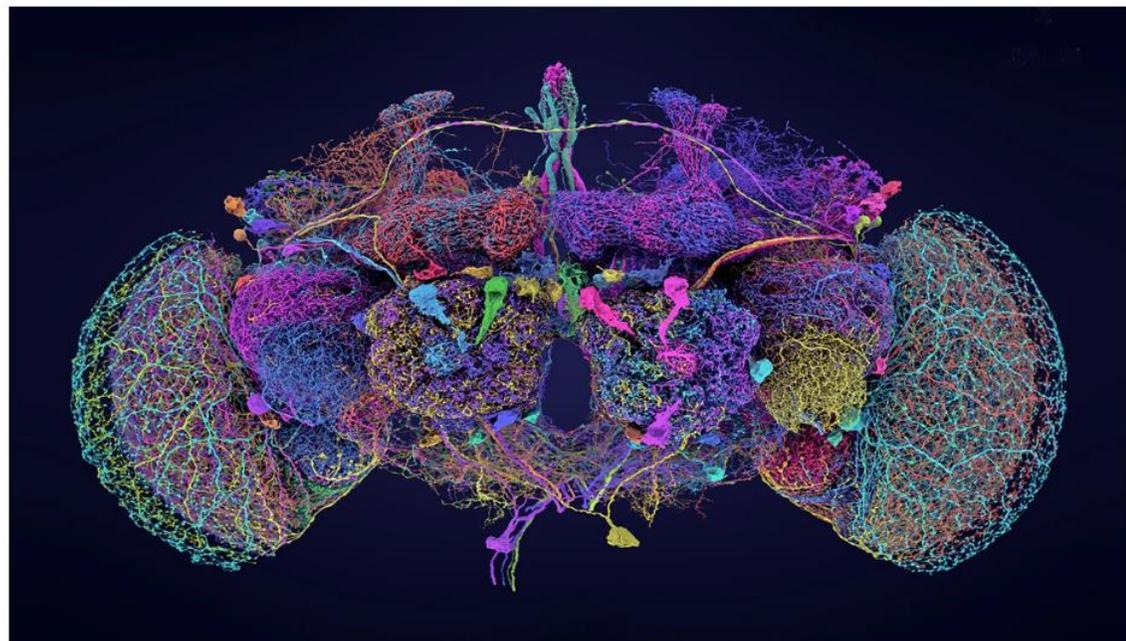


NEWS | 02 October 2024

Largest brain map ever reveals fruit fly's neurons in exquisite detail

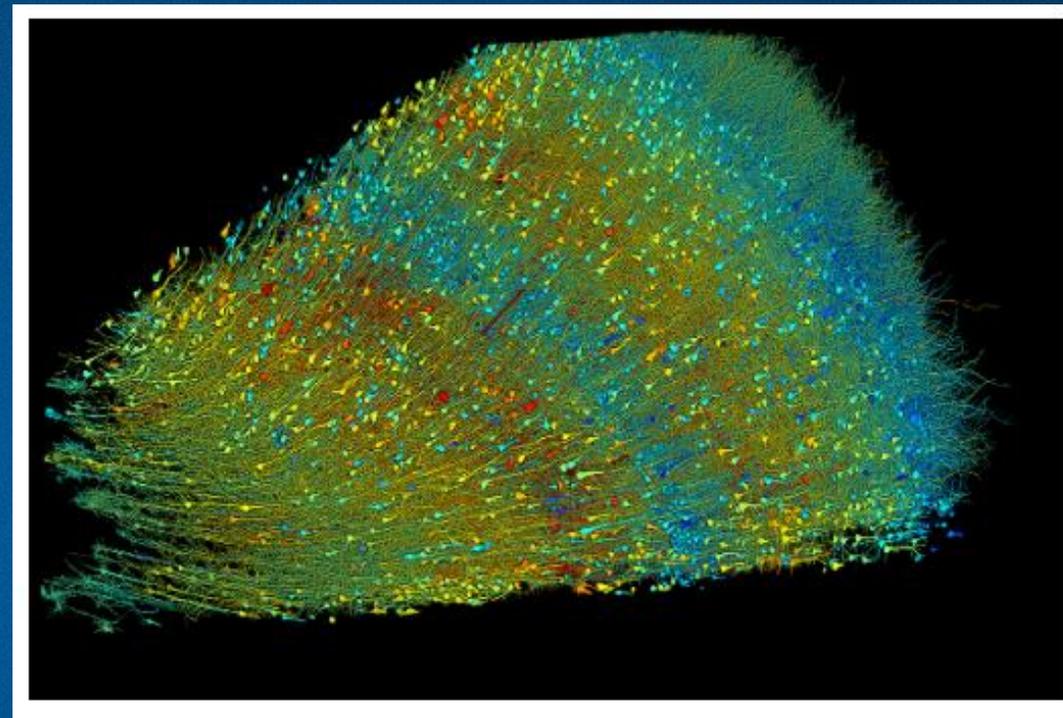
Wiring diagram lays out connections between nearly 140,000 neurons and reveals new types of nerve cell.

By Sara Reardon



Researchers have mapped nearly 140,000 neurons in the fruit-fly brain. This version shows the 50 largest. Credit: Tyler Sloan and Amy Sterling for FlyWire, Princeton University (ref. 1)

140.000
neurons
~55 million
synapses



Human brain ~100 billion neurons

1 sq mm ~20.000 neurons
~150 million synapses

[Largest brain map ever reveals fruit fly's neurons in exquisite detail](#)

[Unseen details of human brain structure revealed | National Institutes of Health \(NIH\)](#)

AI & Empathy

Tech: Can AI act empathic?

Human: Does the average human care if it is a human or AI acting empathic?

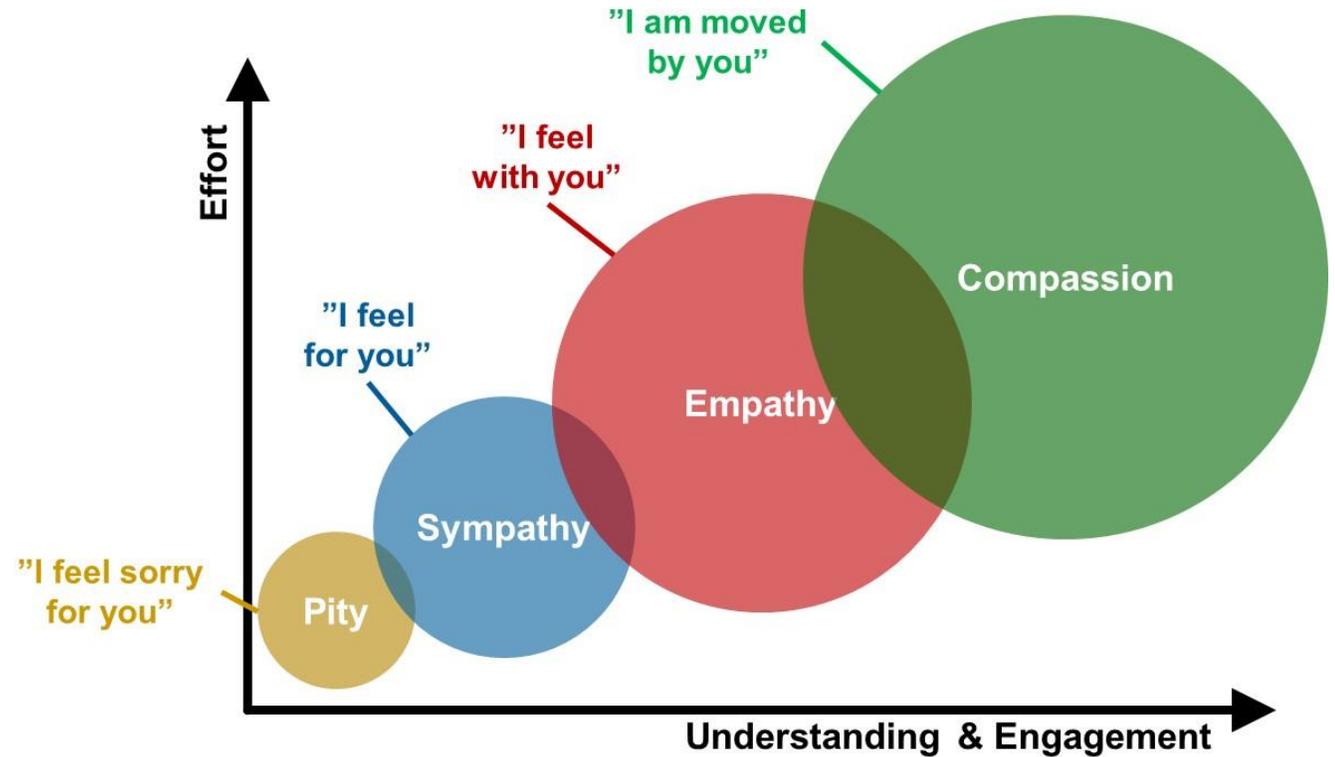
Tech: Can humans act empathic?



Human: Do humans choose to?

?

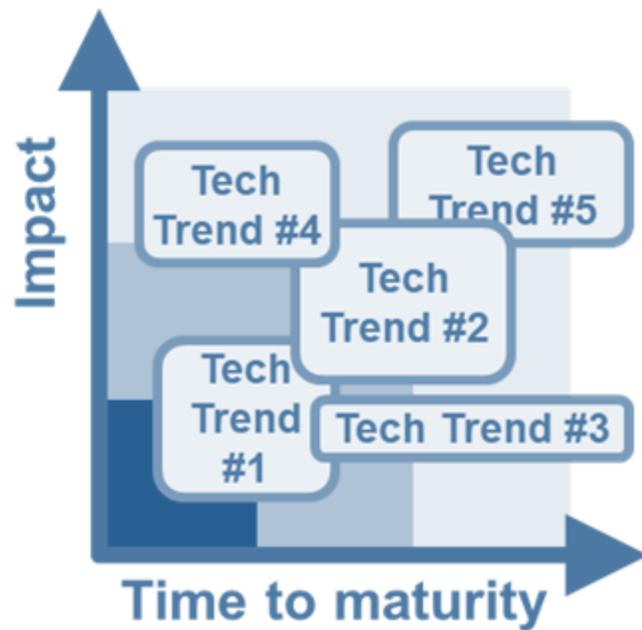
Expectations?
Values?
Time? Will?
Corporate culture?



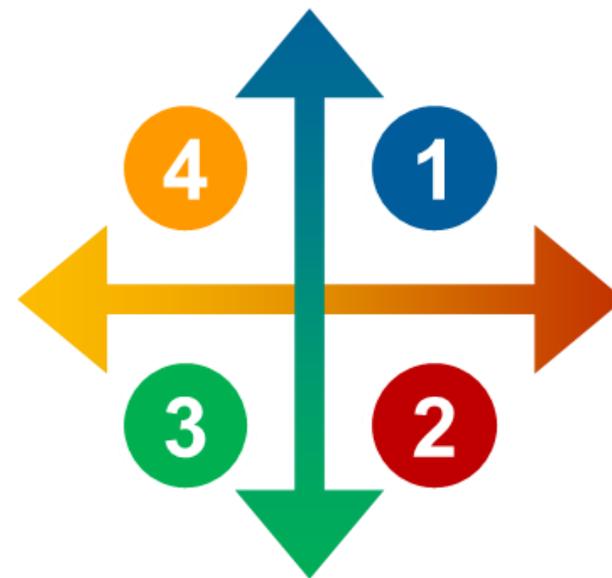
Source: [Artificial Empathy: Is It Still Empathy?](#)

Strategic foresight

Trend Radar



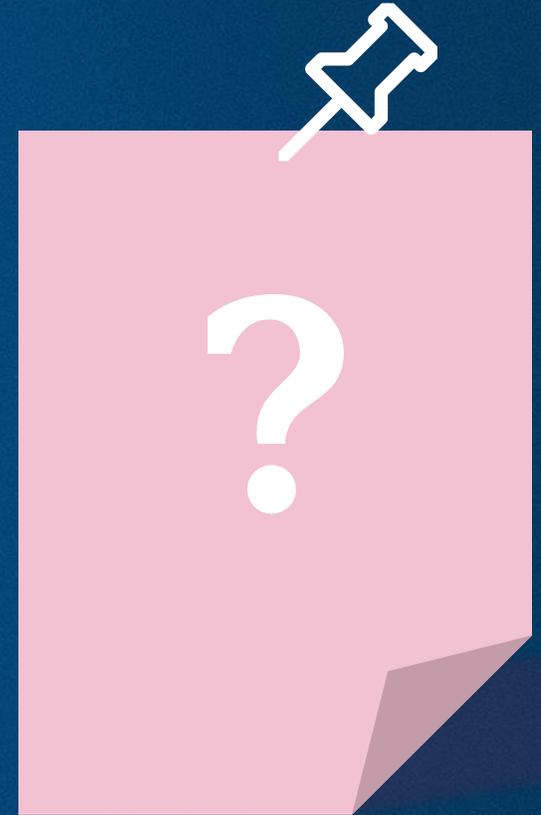
Scenarios



What is the name of *your* focal issue?

“Their names are What and Why and When
And How and Where and Who.”

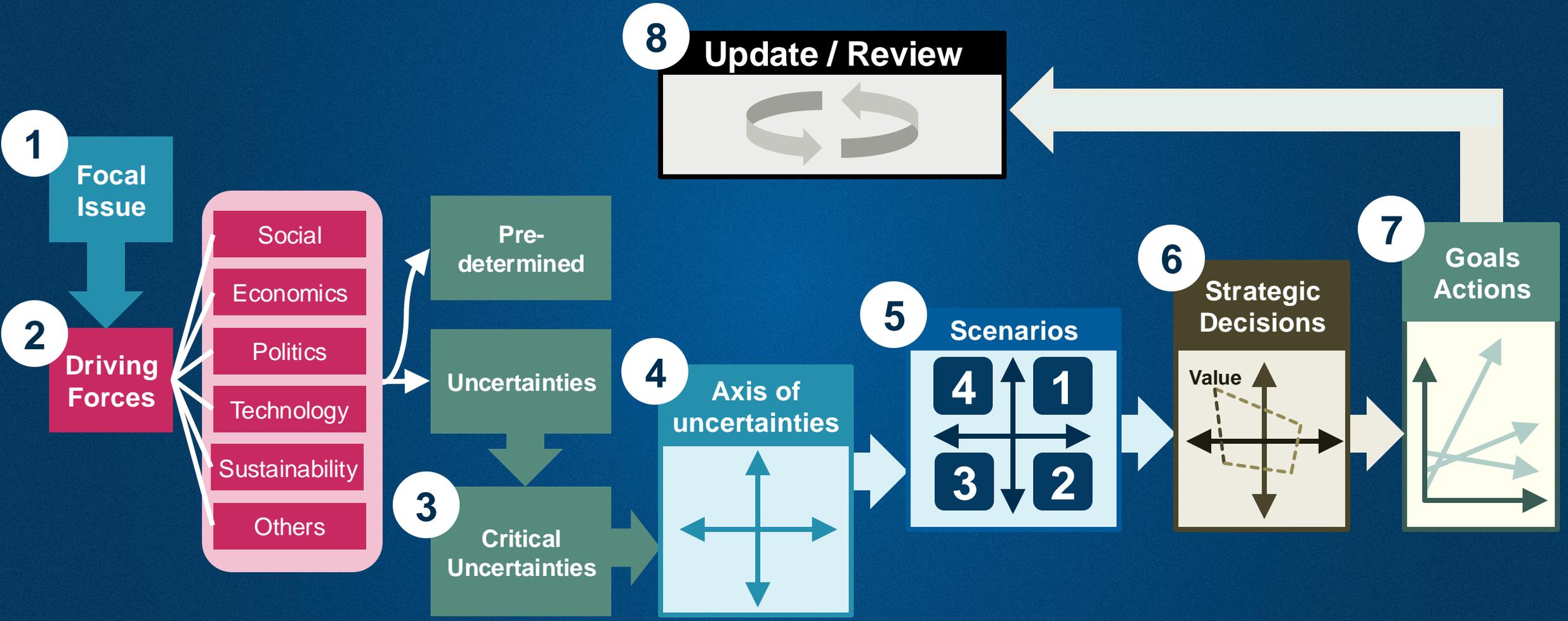
- Rudyard Kipling



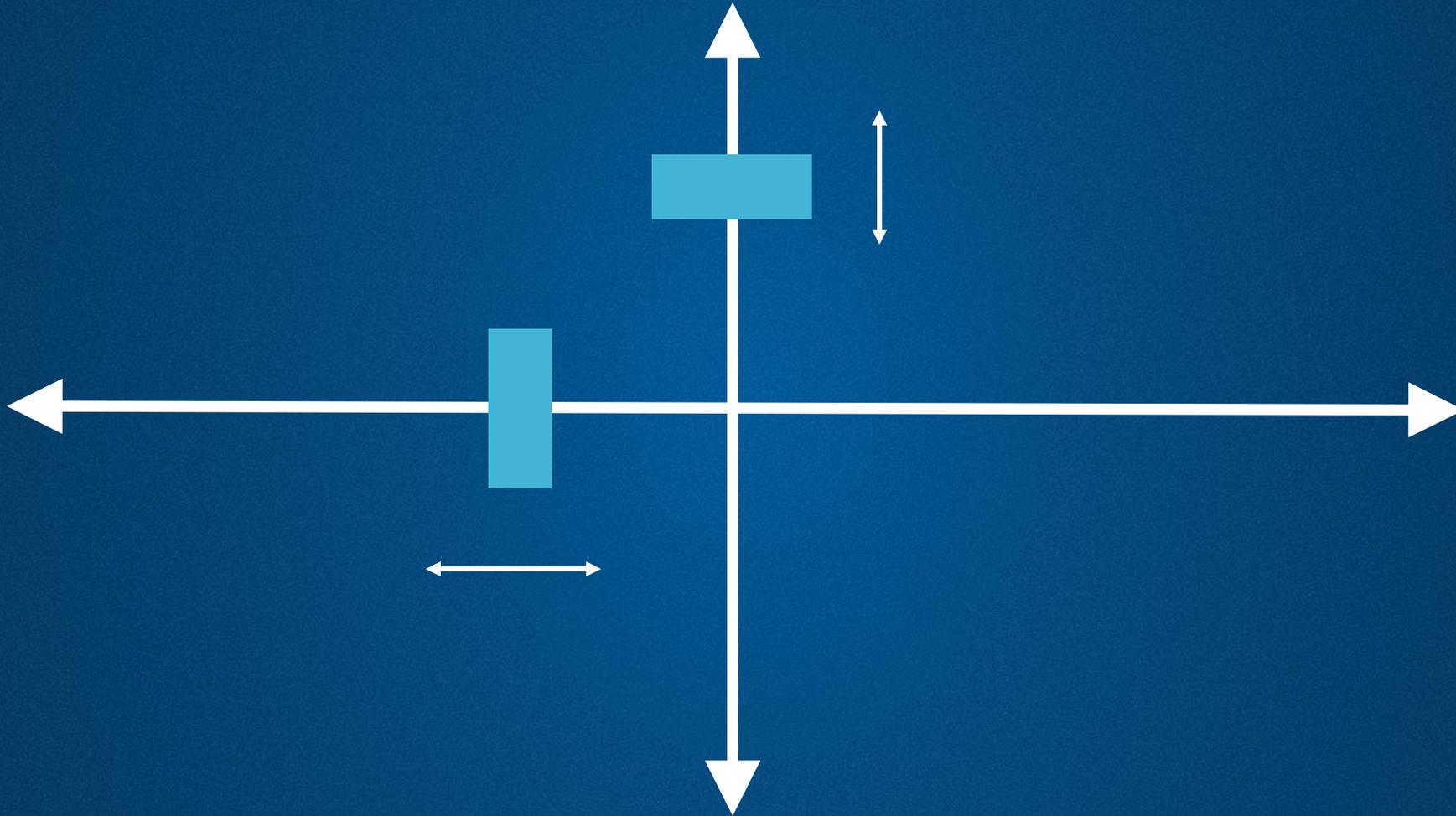
What might affect the answers?



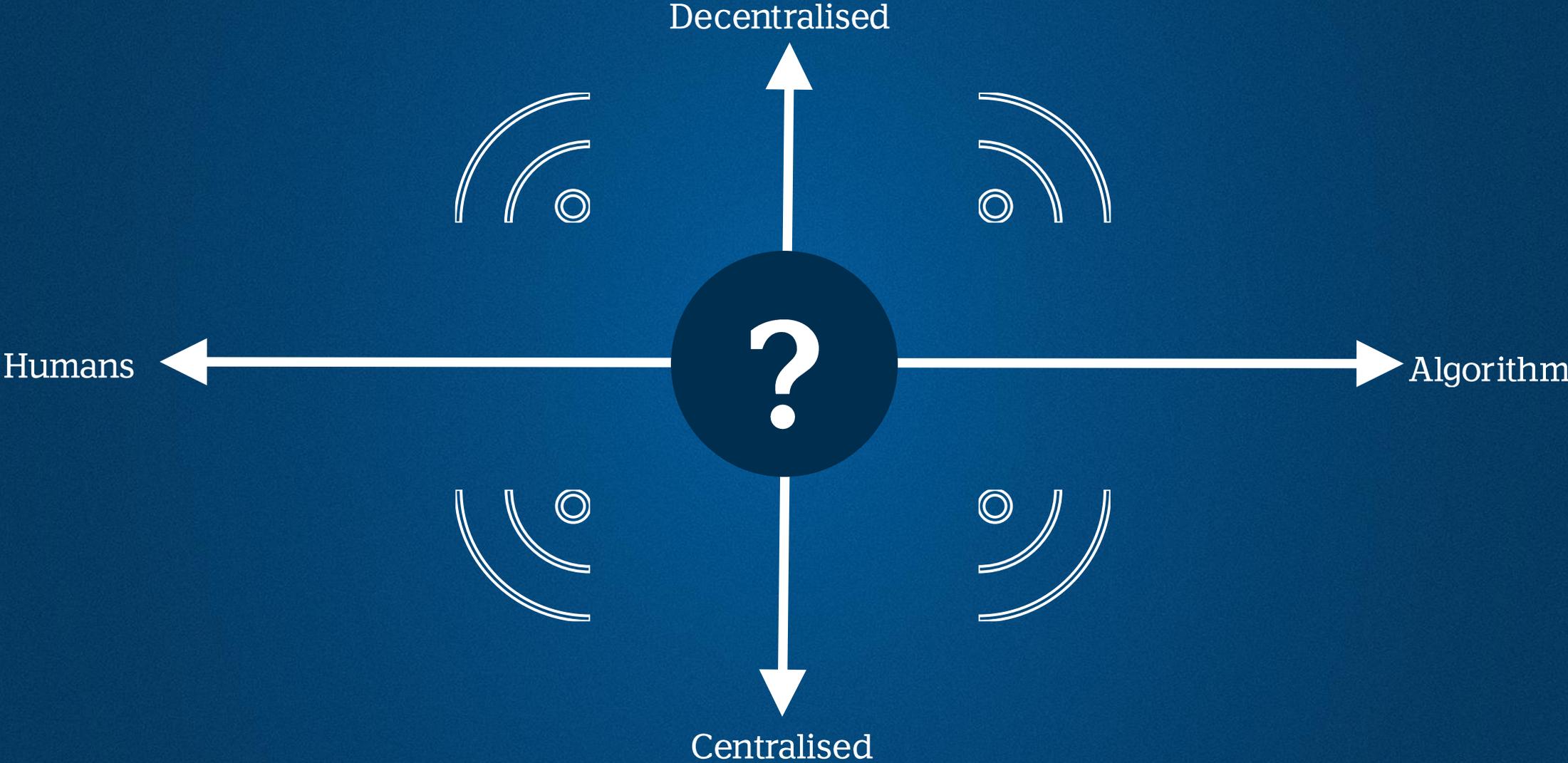
Our scenario analysis model



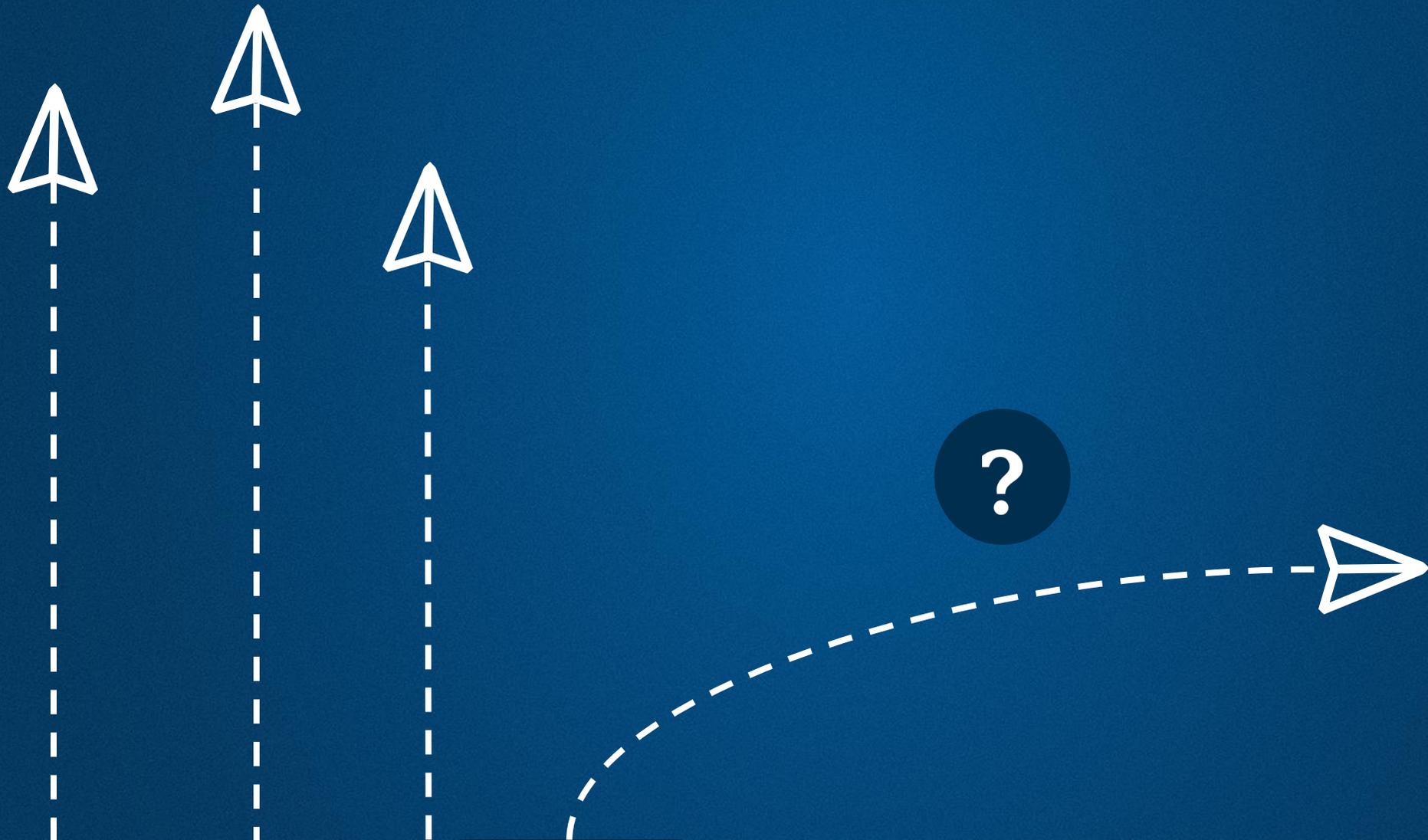
Axis of uncertainties - making plausible scenarios visible



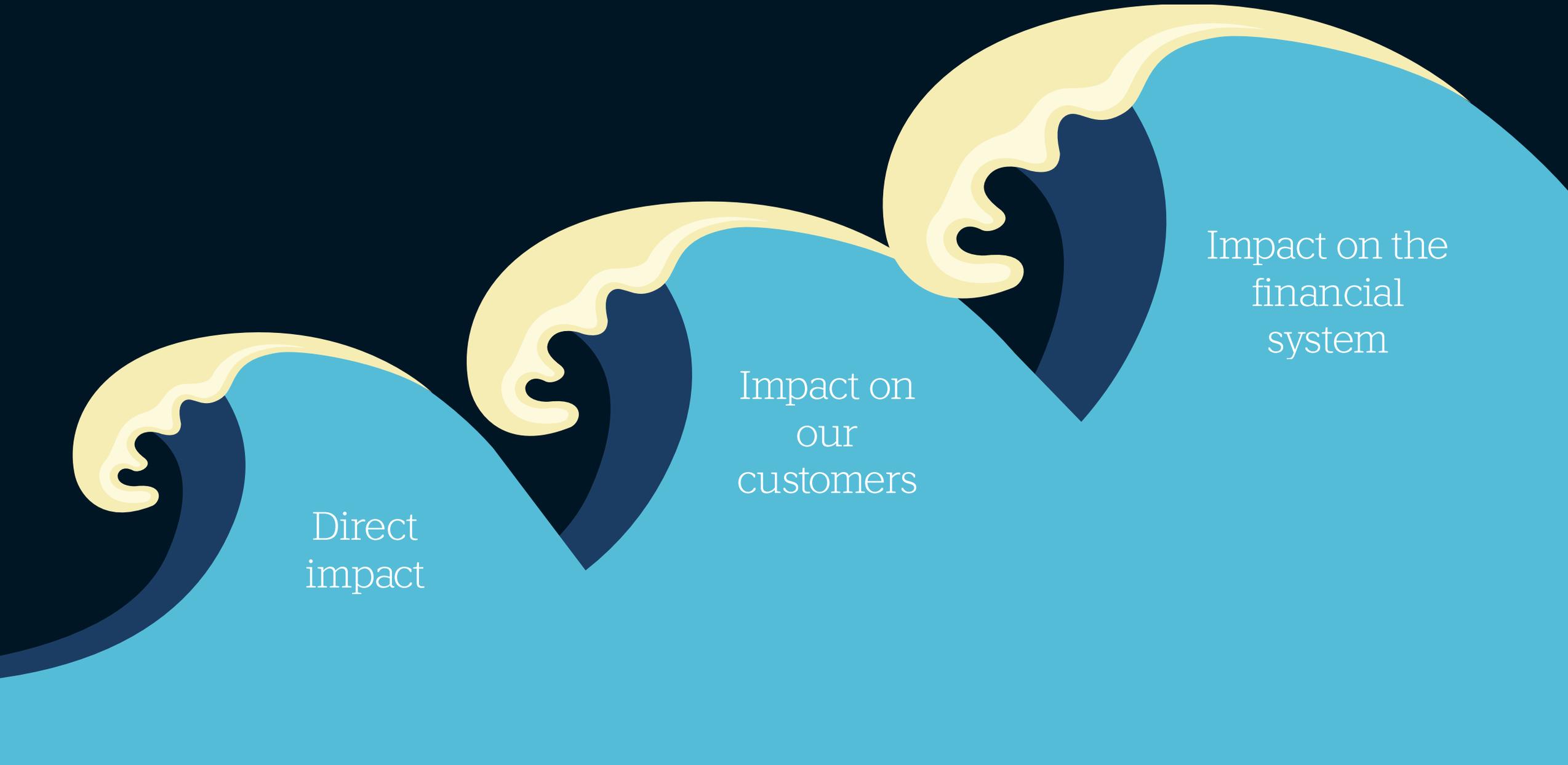
Choose and place your trip wires



Scenarios to prepare - not predict



Trends do not only affect the bank



Direct
impact

Impact on
our
customers

Impact on the
financial
system

Handelsbanken