

Annual report

2025

The
Mobility
Bank

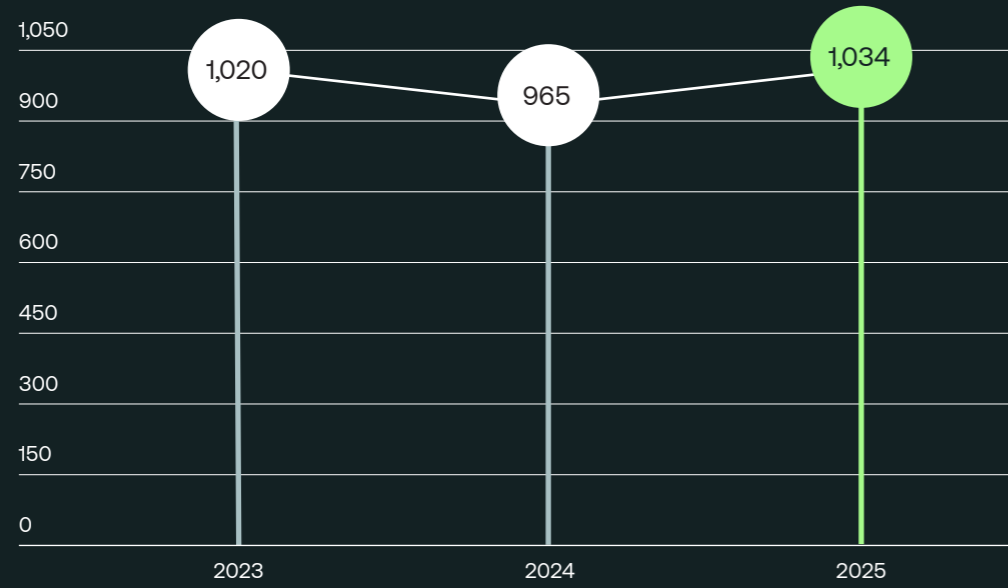
Ziklo

In the event of interpretation or differences between this annual report and the Swedish version, the latter will prevail.

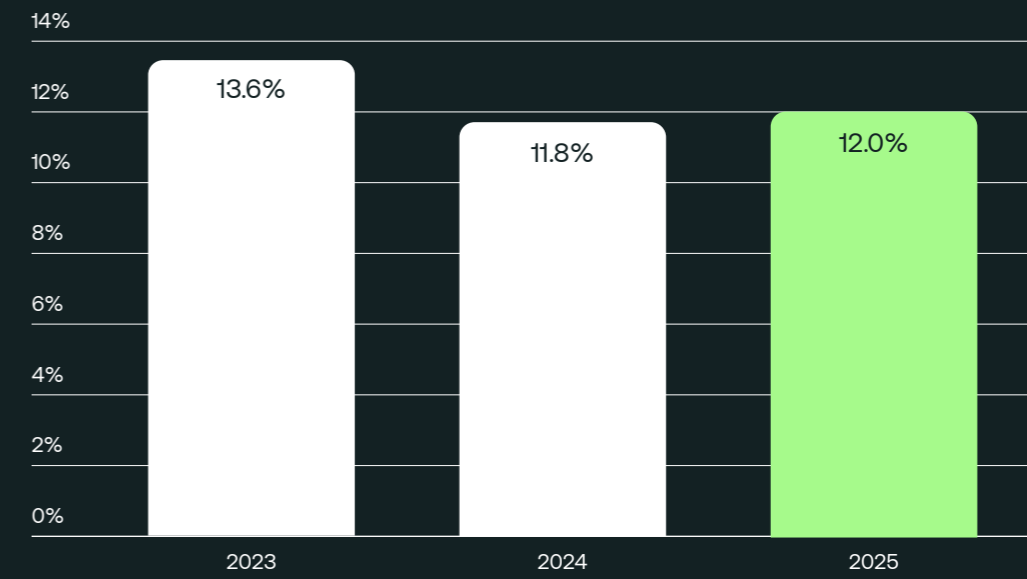
Summary

Jan-Dec

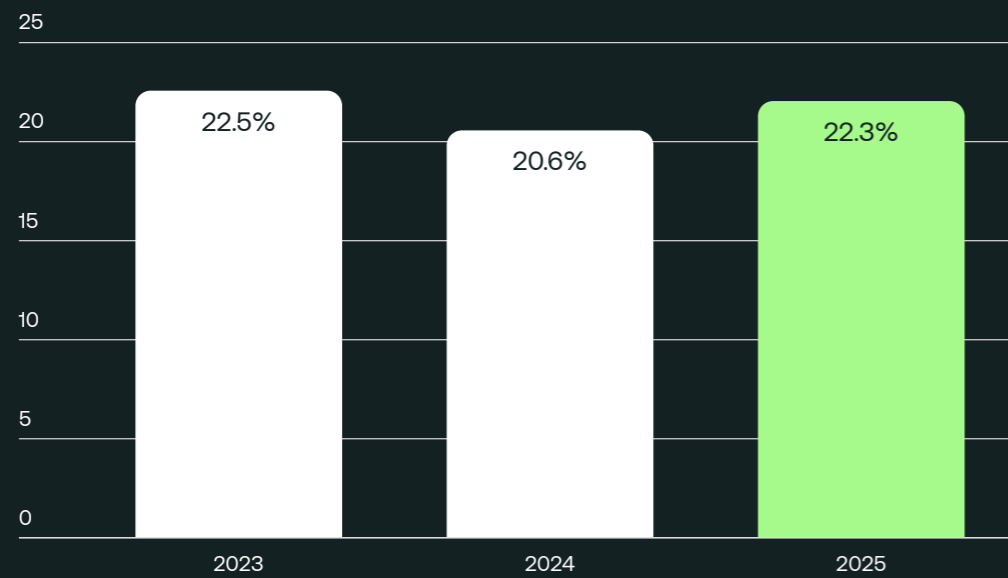
Operating profit, SEK million



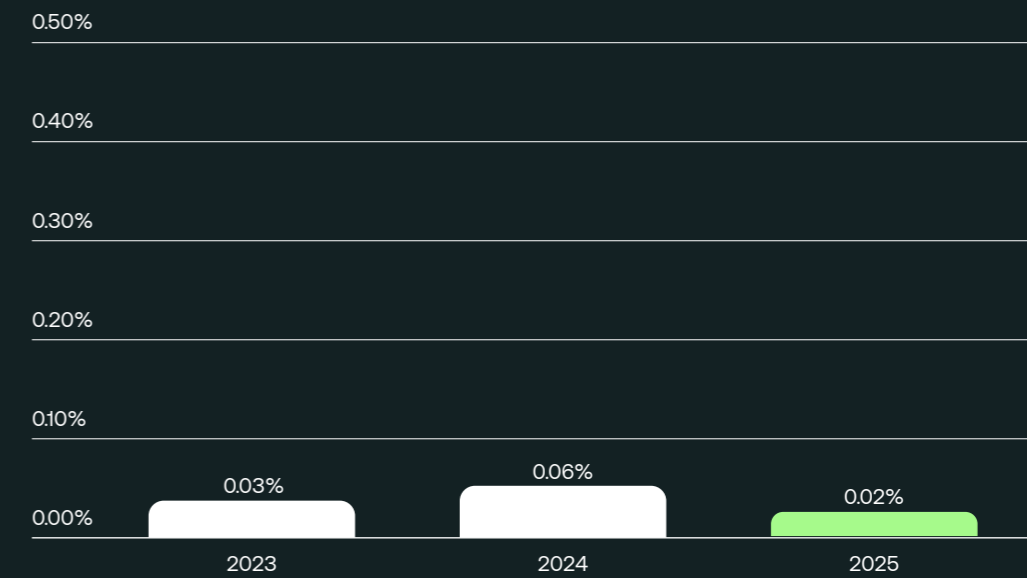
Return on equity



Common Equity Tier 1 capital ratio



Credit losses/lending



Jan–Dec 2025 in summary

Operating profit

SEK 1,034 million (965)

Return on equity

12.0% (11.8)

Lending as of 31 December

SEK 53.1 billion (49.0)

Credit losses / lending

0.02 % (0.06)

Common Equity Tier 1 capital ratio

22.3% (20.6)

Cost/Income ratio*

0.40 (0.43)

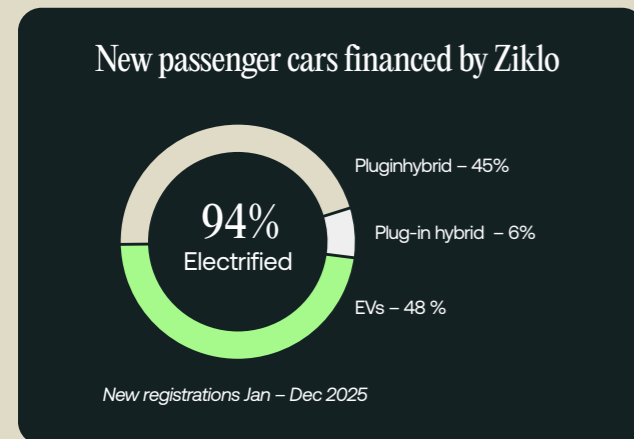
*Excluding residual value provision

Statement by the CEO

In a market characterised by weakening demand, geopolitical uncertainty, technological change, and continued transformation within the mobility sector, it's gratifying to note the highest profit in the history of the bank. Operating profit for the year totalled SEK 1,034 million (965) – an increase of 7% from the previous year – where the fourth quarter distinguished itself with an operating profit of SEK 246 million (167). The principal drivers behind 2025's higher profits are the implementation of a cost-saving programme, lower risk provisions and a slightly higher net interest income, which in turn was driven by the bank's continued lending growth.

Ziklo Bank, with its ownership shared equally between Volvo dealers and Volvo Personvagnar AB, has a unique role in the Swedish mobility industry. We continue to develop our offer to make mobility easier, smarter and more sustainable by working closely with our owners and partners. Total lending for 2025 increased to SEK 53.1 billion (49.0) in this successful business model, where all of the bank's business areas contributed toward growth.

The Cars segment enjoyed a year characterised by both renewal and expansion. In 2025, registrations of new passenger cars in Sweden increased by 1.3% to total 272,998 vehicles, where the proportion of rechargeable vehicles was 63%. The proportion at Ziklo was significantly higher – of the new passenger cars we financed no less than 94% were electrified, in line with our vision of accelerating the transition to sustainable mobility. Jointly, Volvo Cars and Polestar maintained their strong market position with 20.7% of new registrations. With two newly added models, Polestar increased its new registrations by just over 28% during the year. Mobility Sweden forecasts a rise of 280,000 registrations in the 2026 new car market, providing excellent conditions for continued growth in our financing business.



Of the new passenger cars financed by Ziklo Bank, a full 94% were electrified.

The bank's stronger focus on financing used vehicles has resulted in all-time high finance levels and business volumes. Our newly added business where we finance motorhomes and caravans grew significantly in 2025 to nearly SEK 0.9 billion, and nearly 50 new dealers joined as distribution partners during the year. In December, we launched a completely new digital customer journey together with Volvo Cars and Volvo dealerships for vehicle purchasing and financing online via the Volvo Cars website, further strengthening our position in modern mobility financing. Especially important

“A full 94% electrified, in line with our vision of accelerating the transition to sustainable mobility”

“Gratifying to note the highest profit in the history of the bank”



Joel Graffman

CEO
Ziklo Bank AB

in 2026, when Volvo Cars will launch the EX60 – a central model in the manufacturer's continued electrification journey. EX60 is expected to play an important part in the transition to fully electric vehicles in the major SUV segment, thus becoming an important driver for both the bank's financing business and reducing emissions. In line with the company's positive sales development in the market, business with Polestar developed well during the year due in part to a greater presence via new sales collaborations with a number of established dealerships. Total business volume in Cars is by far the bank's biggest, where lending grew by almost 9% to SEK 29.2 billion.

We succeeded in reaching the year's volume targets in Trucks, and despite a more challenging market position lending in the segment increased to SEK 6.6 billion. Due to the impact of high acquisition values, low fuel prices and the lack of long-term political incentives, the transition to electric transport solutions is proceeding more slowly than expected. This reinforces the need for consultation – a role we continue to perform with great responsibility and expertise.

Ziklo Fleet Services developed well during the year. The financing volume increased by 14% to SEK 15.4 billion and the number of agreements continued to grow driven by our ability to offer competitive end to end solutions for vehicle fleets both large and small. In 2025, the market for used EVs was characterised by falling prices, which impacted the bank's total disposal gains of SEK 266 million (378), of which business area Fleet has the largest proportion. At the same time, we note a clear change in customer behaviour where demand for used EVs is increasing and confidence in this option is gradually growing stronger. In order to stimulate demand further, consultation and expertise have been central features in customer meetings. This is also confirmed in the bank's second edition of the Mobility Report published during the autumn, where the Swedish perception of mobility clearly indicates areas where more guidance and information is needed.

With credit losses totalling SEK 12.7 million (27.9), the bank's credit risk profile is very low and significantly lower than the previous year. Furthermore, with a capital base totalling SEK 6.4 billion, the bank's buffer is extremely strong and far exceeds its regulatory requirement.

We look forward to 2026 with confidence. The Swedish economy is expected to pick up speed even if future geopolitical developments were to redraw the macro picture for both Sweden and the world. Swedish households are driving growth in line with lower inflation and stronger purchasing power. This creates excellent conditions for a growing market and a continued strong position for Ziklo Bank. It's especially gratifying that the bank's customer service was nominated once again to the top three in Sweden. Strong customer satisfaction forms a central, long-term part of our customer offer.

I would like to express my heartfelt thanks to our customers, partners and employees for a successful year. We're building tomorrow's sustainable, smart mobility together.

Sweden's Volvo dealerships in 2025

A COMPREHENSIVE SALES NETWORK

Sweden's Volvo dealers form a nationwide retail network that includes 36 privately owned dealerships and three listed dealerships with around 192 sales outlets and over 242 service workshops. Also, the general agent Volvo Car Sverige AB has participating interests in one sales companies. Stock exchange-listed Bilia AB owns the largest passenger car company, while AB Volvo owns the largest truck company. These listed companies account for a little over 40% of Volvo sales in Sweden's car and truck markets. In all, 25 owners and groups of owners are represented in the Volvo dealer network. Volvo dealer operations are divided into passenger car and truck operations. The majority of the companies, 22, only sell passenger cars, while 17 only sell trucks (HGVs >16 tonnes).

Volvo dealerships, 2025 in figures

Forecast Volvo dealership sales for 2025 totalled around SEK 61 billion with a total profit of around SEK 1.3 billion.

A broader business

Sweden's Volvo dealers have a broad product range on the vehicle market. This includes everything from the sale of passenger cars and delivery vehicles to HGVs and buses, and their associated aftermarkets. Thus the bank gains access to a large domestic market through the Volvo dealer network.

Ziklo Bank and Volvo dealers

One of the bank's assignments is to raise money for financing dealership loans and leases, i.e. support their business operations. Sweden's Volvo dealers work closely together with Ziklo Bank, and are market leaders in terms of vehicle-related services such as financing and payment solutions.

Volvo dealership credit ratings

Dealership credit ratings are among the indicators the bank follows when assessing payment ability from a long-term perspective. Volvo dealership creditworthiness is assessed for each individual legal entity. A significant majority of the 39 Volvo dealerships have the highest possible credit rating.

Year	AAA	AA	A	B	Number
2025	59%	36%	1%	1%	39
2024	68%	30%	0%	3%	40
2023	76%	22%	2%	-	46
2022	90%	8%	2%	-	50
2021	78%	20%	2%	-	55



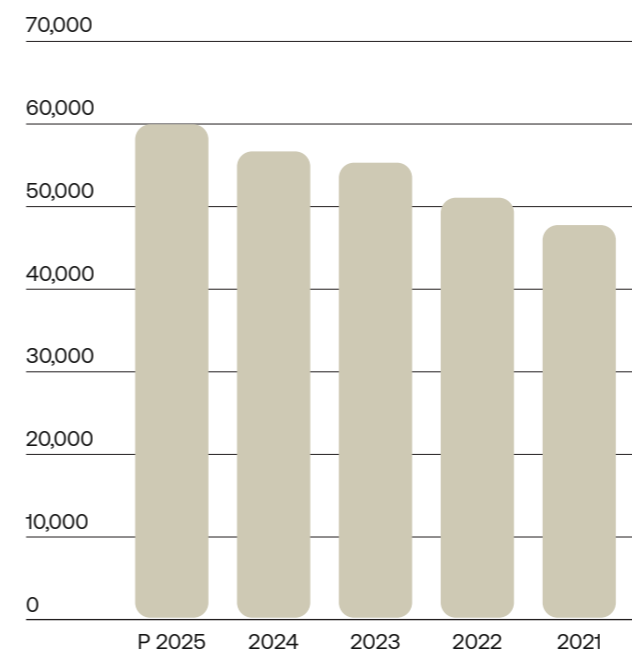
Volvo dealerships five-year summary

(amounts in SEK million)

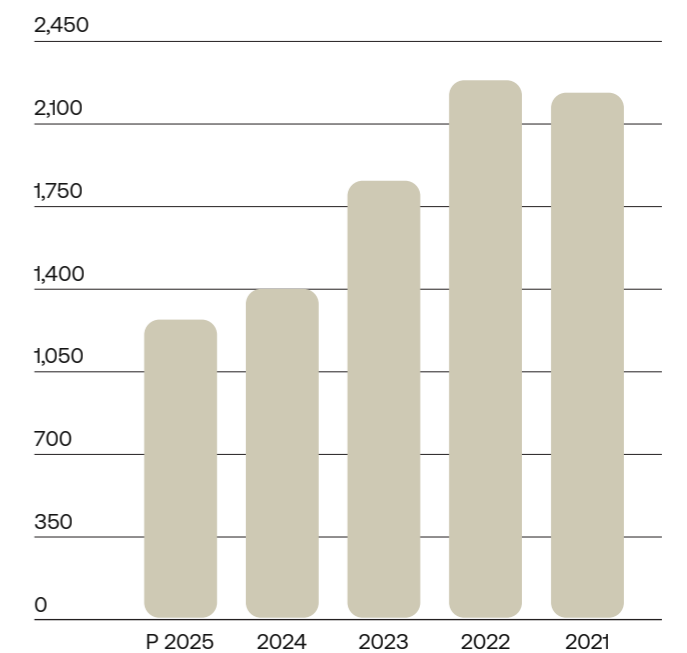
	Forecast				
	2025	2024	2023	2022	2021
Sales and profits					
Sales, Cars	52,657	48,937	46,607	44,006	41,024
Sales, Trucks	7,880	8,338	8,276	7,100	6,563
Profit after net financial income/expense, Cars	827	876	1,296	1,903	1,900
Profit after net financial income/expense, Trucks	447	527	536	398	370
Total sales	60,537	57,275	54,883	51,106	47,578
Total profit after net financial income/expense	1,274	1,402	1,832	2,302	2,270
Key ratios					
Equity/assets ratio (%), Cars	40	41	38	37	44
Equity/assets ratio (%), Trucks	44	43	46	41	46
Return on equity (%), Cars	26	8	21	33	41
Return on equity (%), Trucks	32	39	39	25	25

Note: The figures for 2025 are based on forecasts as the annual accounts were not available at the time of publication.

Volvo dealerships, Sales (SEK millions)



Volvo dealerships, Profit (SEK millions)



Directors' Report

The Board of Directors and Chief Executive Officer of Ziklo Bank AB (publ) (hereinafter 'the bank') hereby present their report on operations for 2025.

Group structure

The bank has its registered office in Gothenburg.

Volvofinans Leasing AB, Autofinans Nordic AB, CarPay Sverige AB and Volvofinans IT AB are wholly owned, dormant subsidiaries.

Under chapter 7, section 6a of the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, the bank does not prepare consolidated accounts as activities in subsidiaries are negligible.

Together with Volvo PV Fordonspark AB, Volvohandlarföreningen Ek för and Volvohandelns PV Försäljnings AB, which is also a general partner, the bank owns three limited partnerships, one of which sells on commission through the Swedish Volvo dealership network while the other two provide rental services to companies in Volvo Car Corporation.

Significant events during the financial year

An extraordinary shareholders meeting dated 11 July 2025 resolved to pay an additional dividend in the amount of SEK 191.5 million, which was paid out in July. The company observed the prudential rule (Chapter 17, Section 3, paragraphs 2 and 3 of the Swedish Companies Act). The additional dividend was deemed justifiable considering the demands that the nature, scope and risks of the business place on the amount of equity, liquidity and financial position in general.

As of January 1, 2025, the Swedish Central Bank may require interest-free deposits from Swedish banks and credit institutions. The aim is to strengthen the Central Bank's capital and finance its day-to-day operating costs. Ziklo Bank's interest-free borrowing totalled SEK 146.1 million. This amount was reported as of 31 October 2025 and is not included in the bank's liquidity reserve.

Information on risks and uncertainty factors

Information on risks and uncertainty factors can be found in Note 2.

Sustainability report

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, Ziklo Bank has chosen to draw up a sustainability report as part of its annual report. A definition of the statutory sustainability report can be found on page 26.

Volumes / lending

At year-end, there were 203,677 contracts (200,118) in the loan and lease portfolio, an increase of 1.8% from the previous year. The size of vehicle inventories is affected by the new vehicle market for Cars and Trucks in Sweden and sales of second-hand vehicles in the Swedish Volvo dealer network.

The table below shows the bank's market shares in the form of the inflow of contracts relative to new car sales (Volvo/Renault) and sales of used vehicles through the Volvo dealerships.

Penetration, %	2025	2024	2023	2022	2021
New cars	53	47	44	52	52
Used cars	46	41	39	41	40
New trucks	51	55	53	56	53

The figures for new trucks do not include sales through Volvo Truck Center, which is owned by AB Volvo.

The bank's lending, including leases, stood at SEK 53.1 billion (49.0) at year-end, an increase of 8.4% on the previous year. Lending consists mainly of leases, loans, contract credits, dealer inventory credits and credit card credits.

The table below shows the percentage distribution of lending compared with the previous year.

	2025		2024		Change, SEK billion
	SEK billion	%	SEK billion	%	
Sales financing					
– Passenger cars	44.6	84	40.3	82	4.3
– Trucks and Buses	6.6	12	6.5	13	0.1
Inventory credits	0.1	-	0.3	1	-0.2
Credit card credits	1.9	4	1.9	4	-
Total	53.1	100	49.0	100	4.1

Trucks accounted for SEK 6.6 billion (6.5) of lending, equivalent to 12% (13) of the total. Fleet accounted for SEK 15.4 billion (13.5) of lending or 29% (28) and Volvo Card for 4% (4) or SEK 1.9 billion (1.9). The remainder – SEK 29.2 billion (27.1) – is attributable to passenger car financing in business area Cars, which corresponds to 55% (55) of lending.

Credit card lending was a little lower compared to the previous year. Sales via the Volvo Card totalled SEK 16.7 billion (17.3), and during the year 35.3 million (34.1) card purchases were made.

The number of corporate customers for whom CarPay Fleet handles car administration increased during the year. In all, 59,155 cars (55,101) were managed in the programme at year-end.

Net sales through the Volvo Truck Card were slightly lower than the previous year, and in 2025 goods and services for a total of SEK 168 million (204) were purchased through 6,767 cards (7,523).

Profit

The bank's profit after credit losses was SEK 1,034.1 million (964.7), which is SEK 69.5 million or 7% higher year-over-year. Revenues from service and repair contracts increased by SEK 47.5 million, mainly due to an increase in the volume of operating leases driven by the acquisition of Care by Volvo Cars at the end of 2024. Disposal gains from the bank's sale of returned cars related to operating leases generated a surplus of SEK 266.1 million, which is SEK 111.5 million lower than in the previous year.

During the year, booked changes of accumulated impairment charges in respect of residual value positions on operating lease assets increased by SEK 28.5 million, which is SEK 47.9 million lower compared to the previous year. Overhead expenses, driven by the bank's cost-saving program, were SEK 86.0 million or 11% lower than the previous year.

Credit risks and credit losses

Of the bank's total lending for vehicle finance, 68% (68) relates to loans and leases that dealers have transferred or pledged, posting vehicles as collateral through right of repossession or ownership rights. The dealer bears the ultimate risk for these credit contracts if they are called in by the bank.

The bank can incur a loss on these contracts if all of the following events occur.

1. The customer ceases to pay.
2. The vehicle seller lacks the ability to pay.
3. The market value of the recovered vehicle is less than the outstanding contractual debt.

Inventory financing requiring 100% collateral accounts for 0.1% (0.6) of total lending and is secured through floating charges, the unencumbered portion of contract portfolios and sureties received.

The remaining financing, for which no collateral is provided by dealers, accounts for 32% (32), of which 28% (28) refers to sales finance and 4% (4) to credit card credits.

Receivables that are more than 90 days past due totalled SEK 375.2 million (313.4) and consisted of loans and leases of SEK 355.1 million (290.6), of which SEK 345.8 million (287.7) referred to contracts under which the bank has a right of recourse against Volvo dealers, and credit card receivables of SEK 20.0 million (22.8), constituting 1.1% (1.2) of total credit card lending.

The value of credit card receivables, SEK 1.9 billion (1.9), is stated after impairment. The provision represents 1.3% (1.6) of the value of the receivables. Risk exposure to private individuals is limited through a low average debt. At year-end, the average debt per active credit card was SEK 2,801 (2,772).

Funding

The bank's principal objectives for raising capital, as defined in its finance policy, are to:

- Secure the necessary loan funding.
- Make sure the bank is able to borrow on the best possible terms.
- Make sure fixed-rate terms on the bank's borrowings match those for lending as closely as possible.
- Make sure liquidity risk is minimised as much as possible.

The bank's financing facilities and borrowing arrangements and drawn portions on 31 December 2025 are shown in the table below.

Nominal amounts in SEK million	Limit	Drawn
Nordic commercial paper programme	8,000	945
MTN programme	25,000	21,860
Short-term financing facilities with banks	2,405	-
Long-term financing facilities with banks	3,907	2,407
	39,312	25,212
Public deposits	-	25,717
Total		50,930

Deposits in the bank's savings account increased by SEK 613 million in 2025, reaching a total balance of SEK 24.0 billion (23.4) at year-end. Total deposits including the credit balance for CarPay/Volvo Card and deposits from dealerships stood at SEK 25.7 billion (24.8) and accounted for 50% (53) of the bank's financing.

The bank's MTN programme provides an opportunity to issue both conventional and green bonds in SEK, NOK and EUR. In the program, shares with a value of SEK 7.0 billion and NOK 750 million were issued during the year, of which green bonds accounted for SEK 3.2 billion of the issued volume. Commercial papers relating to short-term borrowing were issued in the amount of SEK 2.5 billion during the year. Ziklo Bank's outstanding financing through its market loan programmes, MTN and commercial papers totalled a nominal SEK 22.8 billion (18.5), of which green bonds accounted for SEK 9.2 billion on 31 December 2025.

In addition to market borrowing and deposits, the bank also finances its activities through bank credits, which total SEK 2.4 billion (3.4). The proportion of financing from market loans programmes and the banking sector with remaining maturity of more than one year was 80% (81). In addition to the liquidity reserve, available and unutilised loan facilities totalled SEK 3.8 billion (3.8). The maturity structure for the bank's total financing on 31 December 2025 is shown in the table below.

	SEK million	%
Within 1 year	5,076	20
1–3 years	11,443	45
4–5 years	7,501	30
More than 5 years	1,193	5
	25,212	100
Non maturing:		
– Public deposits	25,717	
– Equity (incl. tax portion of untaxed reserves)	8,625	
Total	59,555	

Rating

The bank's international credit ratings from Moody's Investors Service are as follows:

- Short-term financing: P-2
- Long-term financing: A3
- Outlook: Negative

There was no change in the credit rating during the period. The outlook has changed from stable to negative as a result of a change in the outlook for Volvo Personvagnar AB, one of our part-owners. A detailed, up-to-date analysis from Moody's can be found on our website, under 'About us / Investor relations / Rating'.

Events after closing date

No significant events have occurred since closing date.

Outlook

Despite continuing uncertainty in the wider world, the bank has confidence in long-term developments. Developments in artificial intelligence are expected to contribute to a steady improvement in the customer experience, increased operational efficiency and continued development of the bank's offer in the area of mobility. With its long-term, stable ownership and a strong capital base, the bank has good conditions for the further development of its platforms and customer solutions in a responsible manner.

Corporate governance report

The bank's primary task is to actively support sales of products marketed by Volvo dealers in the Swedish market by providing product and sales financing with good profitability. Good corporate governance is about making sure, on behalf of shareholders, that the company is managed sustainably, responsibly and as efficiently as possible. As of 2017, the bank has chosen to voluntarily adhere to the Swedish Code of Corporate Governance (the Code) and, based on the prevailing circumstances, has resolved to choose a different solution than that recommended by the Code for the following situations:

Area	Deviation	Reason
Nomination Committee	The Chairman of the Board is the Chairman of the Nomination committee and the bank does not provide information on the website about how shareholders can submit proposals to the Nomination committee.	There are no minority shareholders, but there are two owners with 50% ownership each, both of whom prefer this solution.
Deputy members of the Board	The Articles of Association allow up to four deputies on the Board.	In view of the bank's focus, complexity and ownership, it has concluded that it would be beneficial to increase the Board of Directors with two deputies to represent each owner.
General meeting of shareholders	The bank has not set a deadline on when a request to address an issue needs to be submitted. Directors or employees of the company can act as keeper or examiner of the minutes at shareholders' meetings.	There are no minority owners. However, there are two owners with a 50% holding each, both of whom have stated that they do not wish to have such a deadline and that the keeper and examiner of the minutes should be elected via a majority vote at the general meeting, without restrictions.

SHAREHOLDERS

The bank was established in 1959 with 50% owned by the Swedish Volvo dealers through their holding company AB Volverkinvest, and 50% by Volvo Personvagnar AB. Share capital totals SEK 400 million, divided into 1,000,000 shares with a quota value of SEK 400. The Board of Directors currently has no authorisation from the AGM to approve the issue of new shares or buy back the company's own shares.

NOMINATION COMMITTEE

The bank must have a Nomination committee comprising at least three members. There must be a member representing each of the largest shareholders who wish to appoint one. Members of the Nomination committee must be independent in relation to the company and its management. At least one of the members of the Nomination committee must be independent in relation to the largest shareholder or group of shareholders in the company involved in the company's management. The Nomination committee's term of office extends until a new Nomination committee is appointed by the general meeting of shareholders.

If a member wishes to terminate his or her assignment during the term of office, the shareholder represented by that person may appoint a new member to the Nomination committee. The Chairman of the Nomination committee is appointed by members of the Nomination committee. Board members may serve on the Nomination committee.

The composition of the Nomination committee must be based on shareholder statistics as of the last banking day in November, along with other reliable shareholder information that the company has on that date.

If, during the Nomination committee's term of office, one or more of the shareholders who appointed members of the Nomination committee are no longer the largest shareholders in terms of voting rights, members appointed by those shareholders must make their seats available, and the shareholder(s) who have become the largest shareholders then have the right to appoint their representatives. Unless there are special reasons, no changes may be made to the composition of the Nomination committee if only marginal changes in votes have taken place or if the change occurs later than three months prior to the AGM. However, shareholders who are among the largest shareholders as a result of a more substantial change in the number of votes later than three months before the AGM are entitled to appoint a representative for co-option to the Nomination committee. Shareholders who have appointed a representative to the Nomination committee are entitled to dismiss such a member and appoint a new representative to the Nomination committee. Changes in the composition of the Nomination committee must be published as soon as they are made.

The Nomination committee must prepare proposals on the following items for presentation to the AGM for resolution:

- A. proposal for a Chairman for the AGM;
- B. proposal for Directors and Deputy Board members to serve on the Board;
- C. proposal for Chairman and Deputy Chairman of the Board;
- D. proposal on the fees and other remuneration for Board work performed by each Board member; also remuneration for committee work;
- E. where applicable, proposals for remuneration to the auditor and election of the auditor;
- F. forward information to the company so that it can fulfil its obligation to provide information;
- G. to the extent necessary, proposals for amendments to this instruction for the nomination committee.

The Nomination committee is responsible for testing the appropriateness of the proposed Board members so that they meet all regulations, both internal and external. When assessing the Board's evaluation and in its proposal of Board members, the Nomination committee must pay particular attention to the requirement for versatility and breadth of the Board and strive for gender balance. At the AGM, when the Board and auditor are elected, the Nomination committee must present and justify its proposals with consideration given to the composition of the Board.

The nomination must meet all of the obligations required of a Nomination committee. If necessary, the bank will cover reasonable costs of external consultants to assist the Nomination committee in performing its duties.

Prior to the 2026 Annual General Meeting, the Nomination committee consisted of Sten Brandt, representing AB Volverkinvest, Rosmarie Söderbom, representing Volvo Personvagnar AB, and the independent committee member Björn Ingemanson.

ANNUAL GENERAL MEETING

The general meeting of shareholders is the bank's highest decision-making body. The AGM must be held within six months of the end of the financial year to resolve on the adoption of the income statement and balance sheet, along with appropriation of the company's profit. The AGM also resolves on the composition of the bank's Board of Directors, remuneration to the Board and auditors and the election of the external auditor.

Notice to attend the AGM, and also any Extraordinary General Meeting, at which questions relating to an amendment of the Articles of Association will be discussed, must be issued no earlier than six weeks and no later than four weeks before the meeting. Notice to attend other AGMs must be given no earlier than six weeks and no later than two weeks before the meeting.

The 2025 AGM was held on Wednesday 4 June. The 2026 AGM will be held on Wednesday 25 March at the bank's offices in Gothenburg.

AUDITOR

The AGM appoints the bank's auditor as an independent auditor of the bank's financial statements and the administration of the Board of Directors and the CEO. Öhrlings PricewaterhouseCoopers AB

was re-elected at the 2025 Annual General Meeting with authorised public accountant Helena Kaiser de Carolis as auditor in charge. The auditor has participated in a Board meeting without the presence of the CEO or other members of the bank's management team.

Reporting to the owners takes place at a Board meeting in March, where the auditor presents his audit report.

BOARD OF DIRECTORS

The Board has the overall responsibility of managing the bank's affairs in the interest of both the bank and its shareholders. The Board's responsibilities also include:

- Discussing and making decisions on issues of significant importance and of an overall nature.
- Establishing and monitoring strategies and overall goals having considered the bank's long-term financial interests, the risks to which the bank is exposed or could be exposed and the capital required to cover the bank's risks.
- Continuously evaluating the bank's operational management and, if necessary, appointing or dismissing the CEO and approving significant assignments that the CEO has outside the bank.
- Keeping informed of the bank's development in order to assess its financial situation and financial position.
- Promoting a sustainability perspective for the operation.
- Ensuring that ethical guidelines are established for the conduct of the bank and that the external information is characterised by transparency, objectivity and high relevance for the groups targeted by such information.
- Annually reviewing and approving policies and guidelines relating to the bank's liquidity risk management.

According to the Articles of Association, the Board of Directors must comprise a minimum of five and a maximum of seven elected members with no more than four deputies. Deputies may state an opinion on all matters and have the right to vote when the ordinary Board member is not present. Board members must have sufficient insight and experience to participate in the management of the bank and otherwise be suitable for the task. The current Board consists of seven ordinary members and four deputies.

If the Chairman steps down during the term of office, he or she will be replaced by the vice chairman, otherwise the Board must elect a Chairman from among the members for the period until the end of the next general meeting.

DIVERSITY POLICY

The composition of the Board of Directors must be appropriate for the company's operations, its stage of development and other circumstances, and be characterised by diversity and breadth in terms of the AGM-elected members' skills, experience and background.

To meet these objectives, the bank strives to ensure a broad pool of characteristics and skills, and emphasises that diversity in terms of age, gender, geographic origin, education and professional background are important factors to consider when electing new Board members.

THE WORK OF THE BOARD

The work of the Board is led by the Chairman of the Board, and the work is governed by the rules of procedure under the provisions of the Swedish Companies Act. The rules of procedure and its annexes complement and support the application of the Companies Act and such other laws, regulations and recommendations as the bank is required to apply. The rules of procedure are reviewed annually and updated as required. The updated rules of procedure are submitted for adoption at the first meeting of the Board following the AGM or at another Board meeting if required.

The Board has appointed four committees to deal with issues in their respective fields. The work carried out in the committees is reported regularly to the Board, and must be seen as a way in which to streamline and intensify work in specific areas, without taking over the responsibilities of the Board per se. There is no specific allocation of responsibilities within the Board regarding other work, other than that allocated to the Chairman. Deputy Board members are expected to be present and participate in Board work.

Board work at Ziklo Bank is carried out in accordance with a structure, where four scheduled meetings are held each year, all preceded by meetings of the committees. Otherwise, the Board meets as necessary when summoned by the Chairman. A strategy meeting takes place each year, when more in-depth discussions are held to further develop the bank. The Board held six meetings in 2025. The work included a strategy conference, adoption of the budget for 2026, sustainability strategies, ongoing monitoring of earnings and position, and the management of strategy and development issues.

EVALUATION OF THE BOARD

An evaluation of the work of the Board is carried out annually aimed at developing the Board's working methods and efficiency. Board members respond to a questionnaire regarding such things as the composition of the Board, Board material contents and scope, presentations at meetings and the content and quality of the Board meetings. Particular attention is paid to the work done by the CEO and Chairman of the Board. The report is prepared and presented to the Board, and dealt with by the Nomination committee. The conclusions from the 2025 evaluation are that the composition of the Board regarding skills and experience is well balanced in relation to the diversity policy, as well as the current and future needs of the business.

BOARD COMMITTEES

The Board of Directors must appoint at least two members to serve on the Board's committees for credit, audit and risk, remuneration and IT. Prior to a scheduled Board meeting, and ongoing as necessary, the members of each committee meet to discuss and prepare current matters prior to a resolution by the Board. The committees report on issues discussed at the subsequent Board meeting. The members of the committees must hold open discussions, in which

different opinions are discussed constructively. The tasks of the various committees are described below.

- *The Credit committee* is a preparatory body which drafts matters for consideration and submits recommendations on credit decisions to the Board of Directors.
- *The Audit and Risk committee* is a preparatory body that monitors financial reporting, internal control, auditing and the risk management system. The Audit and Risk committee must stay informed of the audit, review and monitor the auditor's independence and impartiality and assist the Nomination committee in preparing proposals for the election of the auditors. Also, the committee must recommend to the Board any other services the bank should engage the auditors for.
- The Remuneration committee is responsible for preparing significant decisions on remuneration and for deciding on measures for monitoring the application of the bank's remuneration policy.
- The IT committee is a preparatory body that monitors IT security in the light of security requirements in the IT area. It is responsible for making recommendations to the Board on security issues.

REMUNERATION OF THE BOARD OF DIRECTORS

The remuneration of the Board and committees is proposed by the Nomination committee and is adopted by the general meeting of shareholders. Information on fees for 2025 is provided in Note 12.



Board of Directors



Björn Ingemanson

Chair

Born: 1958
Elected: 2024

Committee: Credit, Audit and Risk, Remuneration and IT committees

Education: M.Sc. in Business and Economics, Gothenburg School of Business, Economics and Law

Other significant assignments: Member of the board of the Swedish Exhibition & Congress Centre/Gothia Towers and Allgon AB.

Previous senior positions: Marketing Director Volvo Cars Japan, CEO AB Volvofinans, Head of European Operations Volvo Financial Services. CFO Volvo Trucks, Division Manager International Division Volvo Trucks and CEO Volvo Penta.

Relationship to the company and its management: Independent

Relationship to the bank's owners: Independent

Shareholding in the bank: –

Participation in Board meetings: 6/6

Participation in Credit committee meetings: 5/5

Participation in Audit and Risk committee meetings: 8/8

Participation in Remuneration committee meetings: 4/4

Participation in IT committee meetings: 4/4



Synnöve Trygg

Vice chair

Born: 1959
Elected: 2014

Committee: Credit, Audit and Risk, and IT committees

Education: MBA, Stockholm University

Other significant assignments: Member of the boards of SBAB Bank AB and AB Svenska Säkerställda obligationer, SCAB AB.

Previous senior positions: Member of the boards of Landshypotek Bank AB, Intrum Justitia AB, Trygg Hansa AB, MasterCard Europé, Diners Club International, Nordax Bank AB, Wrapp AB and Precise Biometrics AB. CEO at SEB Kort AB, Eurocard AB and Diners Club Nordic AB.

Relationship to the company and its management: Independent

Relationship to the bank's owners: Independent

Shareholding in the bank: –

Participation in Board meetings: 6/6

Participation in Credit committee meetings: 5/5

Participation in Audit and Risk committee meetings: 8/8

Participation in Remuneration committee meetings: –

Participation in IT committee meetings: 4/4



Per Avander

Member

Born: 1961
Elected: 2012

Committee: Credit, Audit and Risk and Remuneration committees

Education: High school economic studies

Other significant assignments: CEO, AB Bilia. Chairman of the boards of Bilia Personbilar AB, Bilia Personvogner AS, Bilia Personbil AS, Bilia Emond Holding in Luxembourg and Belgium, and Verstraeten Belgien. Also a member of the board of Svenskt Näringsliv.

Previous senior positions: Banker at Svenska Handelsbanken, Head of Sales at Scaniabilar and Head of Sales and Marketing Bilforum, Gothenburg and Värmlands Bil. CEO of Din Bil, Gothenburg and Stockholm. Regional Director Bilia Personbilar Stockholm, Deputy CEO Bilia Personbilar AB, Sweden, CEO Bilia Personbilar AB Sweden.

Relationship to the company and its management: Independent

Relationship to the bank's owners: Not independent

Shareholding in the bank: –

Participation in Board meetings: 6/6

Participation in Credit committee meetings: 5/5

Participation in Audit and Risk committee meetings: 8/8

Participation in Remuneration committee meetings: 4/4

Participation in IT committee meetings: –



Anna Wibring

Member

Born: 1980
Elected: 2022

Committee: Credit, Audit and Risk and Remuneration committees

Education: Master of Science in Engineering, Chalmers University of Technology. M.Sc. in Business and Economics, Gothenburg School of Business, Economics and Law.

Other significant assignments: Head of Risk & Assurance at the SKF Group.

Previous senior positions: Head of Governance, Risk & Compliance at Volvo Cars. VD Volvo Car Pension Management AB. CEO, VCG Investment Management AB.

Relationship to the company and its management: Independent

Relationship to the bank's owners: Not independent

Shareholding in the bank: –

Participation in Board meetings: 6/6

Participation in Credit committee meetings: 3/5

Participation in Audit and Risk committee meetings: 5/8

Participation in Remuneration committee meetings: 3/4

Participation in IT committee meetings: –

Board (cont.)



Ann Hellenius

Member

Born: 1974
Elected: 2017

Committee: Audit and Risk, and IT committees

Education: M.Sc. in Business and Economics, Linköping University, University of Bath

Other significant assignments: Managing Director Capgemini Invent Sweden, Denmark and Finland. Member of the boards of Synsam and HSB Affärsstöd.

Previous senior positions: CIO Scandic Hotels, CIO Bankgirot, CIO City of Stockholm, CEO and founder of Solvitur AB, Manager Ernst & Young Management Consulting, Strategy Consultant at Cambridge Strategic Management Group.

Relationship to the company and its management: Independent

Relationship to the bank's owners: Independent

Shareholding in the bank: –

Participation in Board meetings: 6/6

Participation in Credit committee meetings: –

Participation in Audit and Risk committee meetings: 4/8

Participation in Remuneration committee meetings: –

Participation in IT committee meetings: 4/4



Jessica Span

Member

Born: 1971
Elected: 2023

Committee: IT committee

Education: M.Sc. in Business and Economics, University West

Other significant assignments: Head of Customer Excellence at Volvo Cars, Chairman of the Board of Swedish Hertz and a member of the board of the World Childhood Foundation.

Previous senior positions: CEO of Volvo Car Sverige, CEO of Volvo Bil AB and sales director at Volvo Car Sverige.

Relationship to the company and its management: Independent

Relationship to the bank's owners: Not independent

Shareholding in the bank: –

Participation in Board meetings: 6/6

Participation in Credit committee meetings: –

Participation in Audit and Risk committee meetings: –

Participation in Remuneration committee meetings: –

Participation in IT committee meetings: 2/4



Björn Rentzhog

Member

Born: 1969
Elected: 2016

Committee: –

Education: M.Sc. in Business and Economics, Mid Sweden University, Östersund

Other significant assignments: CEO/President AB Persson Invest. Chairman of the boards of Bilbolaget Nord AB, Valbo Trä AB, Wist Last & Buss AB, Wist Last & Buss AS, Östersunds Lastbils-service AB, NHP Sverige AB, Intakt AB and a number of property companies. Member of the boards of AB Persson Invest, Persson Invest Skog AB, Billinorr, Persson & Co AB. JP Vind AB, Mullbergs Vindpark AB, Hocksjön Vind AB.

Previous senior positions: CEO and Controller at Wist Last & Buss AB, CFO at Samhall Midland AB and Auditor at Deloitte AB.

Relationship to the company and its management: Independent

Relationship to the bank's owners: Not independent

Shareholding in the bank: –

Participation in Board meetings: 6/6

Participation in Credit committee meetings: –

Participation in Audit and Risk committee meetings: –

Participation in Remuneration committee meetings: –

Participation in IT committee meetings: –



Karl Rudarp

Deputy

Born: 1982
Elected: 2025

Committee: –

Education: Master's degree in Information and Communication Technology, KTH Royal Institute of Technology. Bachelor's degree in Economics, Stockholm University.

Other significant assignments: Head of Volvo Cars Financial Services at Volvo Cars. Board member, SWE Automotive Solutions AB, UK Automotive Solutions and China Leasing Co.

Previous senior positions: Head of Risk, Volvo Cars Mobility and Financial Services. CRO, Skandiabanken. Head of Financial Risk, SBAB. Head of Credit Risk and Capital, SBAB. Head of Marketing – Nordic Baltic region, MasterCard.

Relationship to the company and its management: Independent

Relationship to the bank's owners: Not independent

Shareholding in the bank: –

Participation in Board meetings: 5/6

Participation in Credit committee meetings: –

Participation in Audit and Risk committee meetings: –

Participation in Remuneration committee meetings: –

Participation in IT committee meetings: –

Board (cont.)



Jonas Estéen

Deputy

Born: 1971
Elected: 2019

Committee: –

Education: M.Sc. in Business and Economics, Mid Sweden University, Östersund PhD student, Research Training Programme, Jönköping International Business School

Other significant assignments: Owner of Finnbäcken Invest AB, CEO and member of the boards of Bilkompaniet Dalarna AB and Bilkompaniet Gävleborg AB. Chairman of Vasaloppet, the Mora branch of Svenska Handelsbanken and Nils Olsson Dalahästar AB. Member of the board of AB Volverkinvest.

Previous senior positions: Chairman of Siljans Chark AB, member of the boards of Mora Hotell, Igrene AB (publ) and other small and medium-sized companies in Dalarna.

Relationship to the company and its management: Independent

Relationship to the bank's owners: Not independent

Shareholding in the bank: –

Participation in Board meetings: 5/6

Participation in Credit committee meetings: –

Participation in Audit and Risk committee meetings: –

Participation in Remuneration committee meetings: –

Participation in IT committee meetings: –



Johan Ahlberg

Deputy

Born: 1965
Elected: 2021

Committee: IT committee

Education: Technical college graduate, 4-year telecoms course, Sven Erikson College Borås. Military service I16 Halmstad. Volvo Business School IHM Gothenburg

Other significant assignments: CEO Johan Ahlberg Bil AB. Owner Johan Ahlberg Holding. Chairman of the boards of Volvohandlarnas Service AB, Volvohandlarföreningen ek. för., Volvohandlarnas Fordonsförening ek. för. and AB Volverkinvest. Member of the boards of Johan Ahlberg Holding, Johan Ahlberg Bil AB.

Previous senior positions: –

Relationship to the company and its management: Independent

Relationship to the bank's owners: Not independent

Shareholding in the bank: –

Participation in Board meetings: 6/6

Participation in Credit committee meetings: –

Participation in Audit and Risk committee meetings: –

Participation in Remuneration committee meetings: –

Participation in IT committee meetings: 3/4



Oscar Bertilsson Olsborg

Deputy

Born: 1977
Elected: 2024

Committee: –

Education: Master's degree, Gothenburg School of Business, Economics and Law

Other significant assignments: Head of Large Cars, Sales and Financial Services, Volvo Cars. Chairman of the board of Volvo Car Retail. Member of the board of World of Volvo.

Previous senior positions: Head of Commercial Operations Volvo Cars. CFO Volvo Cars Americas Region, CFO Volvo Cars China, Head of Retail Operations Volvo Cars, Head of Strategy and Operations Care By Volvo, Head of Product Strategy and Car program Finance Volvo Cars.

Relationship to the company and its management: Independent

Relationship to the bank's owners: Not independent

Shareholding in the bank: –

Participation in Board meetings: 5/6

Participation in Credit committee meetings: –

Participation in Audit and Risk committee meetings: –

Participation in Remuneration committee meetings: –

Participation in IT committee meetings: –



Joel Graffman

CEO of Ziklo Bank AB since 2024

Born: 1980

Education: Studies in Business Administration at Linnaeus University. SwedSec Licensering

Other significant assignments: Advisory Board Member, Hubins AB.

Previous senior positions: –

Shareholding in the bank: –

CEO and Management team

The CEO is responsible for the bank's ongoing management and performs this task in compliance with the applicable laws and regulations, the Articles of Association, the Board's rules of procedure, the Board's instructions for the CEO and other important instructions issued by the Board. At least once a year, the Board must carry out a special evaluation of the work performed by the CEO; no members of company management may participate in this evaluation.

The CEO is responsible for issuing notices to attend Board meetings. An agenda describing the nature and scope of each item is enclosed with the notice to attend the meeting. Board meeting materials are distributed about one week before the meeting and contain written documentation and comments on the matters to be addressed. In this way, Board members are apprised of the items to be covered and their scope, and are given the opportunity to prepare and set aside time for reading the background information. Minutes containing a brief description of discussions, measures and resolutions are taken at each meeting. Also, the CEO has to provide the Board with current and illustrative information about the bank's operations and development to allow the Board to make informed decisions.

The bank's management team consists of 9 people – the CEO, Deputy CEO, CIO, CFO, COOF, CRO, CMO, CCrO and the CPO. The group meets regularly to discuss strategy issues having to do with marketing, finance, business development and resource allocation. The management team is responsible for overall planning of the bank's operations.

Information on the bank's remuneration policy is provided in the Remuneration section.

Internal control over financial reporting

In managing money belonging to its customers, suppliers and business partners, the bank has specific responsibilities. Due to the large number of transactions, even minor errors can have significant financial consequences. The bank therefore focuses keenly on good internal control and on quality and security issues in all functions, routinely engaging personnel from all departments in this work.

Internal control can be divided into:

- Administrative controls – to promote efficiency and make sure the bank's resources are managed in accordance with the intentions of the Board and CEO.
- Accounting controls – to ensure correct and complete accounting.

To make sure the bank has effective risk management and good internal governance and controls, it works using a model with three lines of defence. The first line of defence comprises the operations within each area which, in addition to being responsible for their own operation, are responsible for carrying out risk workshops, reporting and managing risks and violations of regulations, and writing and implementing policies, instructions and guidelines adapted to the bank's operations. The first line of defence is also responsible for developing and following up control measures designed to ensure that operations are managed in compliance with applicable guidelines.

The second line of defence consists of the Risk Control and Compliance functions, which are tasked with carrying out independent risk and compliance reviews and supervising the first line of defence. The bank's Risk Control function is responsible for ongoing monitoring of risks and risk management and is tasked with making proposals for improvements to risk management procedures, risk policies, instructions and reports. The function is also responsible for the design, implementation, reliability and follow-up of the bank's internal risk classification system. Compliance is a support function that makes sure the bank operates in accordance with applicable laws, regulations and internal rules, as well as best practices and standards. The second line of defence also includes supporting tasks such as training, workshops and information, and providing advice to other departments.

The third line of defence is the internal audit, which carries out an annual independent review and supervision of the work of both the first and second lines of defence. The internal audit function, which operates independently of the operations and on behalf of the Board, is tasked with assisting the Board and management in objectively evaluating the bank's control systems, compliance with internal and external rules, and the efficacy of internal control. When errors and inadequacies have been identified, the internal audit must propose improvements and evaluate the efficiency and security of the business processes and help the organisation meet its goals. The function reports directly to the bank's Board of Directors. In 2025, the internal audit was carried out by Deloitte and covered anti-money laundering (AML), ICAAP and ILAAP processes as well as the deposit and remuneration systems.

Control environment

The internal control framework for financial reporting consists of the bank's directives, guidelines and instructions, together with a structure of responsibilities and authorities designed to suit the bank's organisation with the aim of creating and maintaining a satisfactory control environment. Principles for internal control are contained in the bank's IQ manual, and directives and guidelines for financial reporting are contained in the bank's various manuals.

The company culture that has been established and in which managers and employees work is fundamental to the control environment. The bank actively communicates with employees and informs them about its core values, as set forth in the bank's ethical guidelines policy. The entire organisation must be characterised by good morals, ethics and integrity.

Risk assessment

Risks related to financial reporting are assessed and monitored by the Board. The assessment of the risk of material misstatement in the financial statements is based on a number of criteria. For example, complex accounting policies may create a risk of incorrect financial reporting in respect of such items as are covered by the policies. The measurement of a certain asset or liability on the basis of different assessment criteria can also constitute a risk. The same applies to complex and/or changed business conditions.

Control activities

The Board and management team constitute the bank's top-level control bodies. Multiple control activities are applied in the bank's day-to-day business process to make sure any errors or deviations in financial reporting are prevented, detected and corrected. Control activities cover everything from the review of outcomes at management meetings to the reconciliation of specific accounts and analyses in ongoing financial reporting processes. The management team is tasked with making sure the bank's control activities for financial processes are appropriate and in line with the bank's guidelines and instructions. Management must also make sure authority structures are designed so as to prevent the same individual from performing an activity and then verifying the selfsame activity. Control activities in IT security and maintenance are another essential part of the bank's internal control over financial reporting.

Information & communication

Guidelines and instructions for financial reporting are updated and communicated by management on an ongoing basis.

Follow-up and monitoring

Responsibility for ongoing follow-up rests with the management team and accounts department. Furthermore, the Internal Audit, Risk Control and Compliance functions also follow up and monitor operations. The outcomes of evaluation activities are reported to management and the Board.

Sustainability Report

ESRS 2 – General information

BP-1 – GENERAL BASIS FOR THE PREPARATION OF THE SUSTAINABILITY STATEMENT

Ziklo Bank's sustainability report has been prepared in accordance with the Swedish Annual Accounts Act (ÅRL) and the Commission's Delegated Regulation (EU) 2023/2772 (ESRS), taking into account the revised ESRS drafts published by EFRAG in July and November 2025 (EFRAG, 2025). The bank reports in compliance with CSRD on a voluntary basis as it is not subject to the mandatory regulations. The report covers Ziklo Bank's operations and the relevant parts of the upstream and downstream value chain.

Ziklo Bank has applied ESRS 1 when preparing this year's sustainability report. Because the bank has increased the reporting scope compared to the previous year, only sub-para. f) of the regulations in ESRS 2 para. 5 has been applied. For 2024, the bank reported according to ESRS 2, E1 and E2. For 2025, reporting covers ESRS 2, E1, E2, S1, S4 and G1. This change is the result of the bank's double materiality analysis; the other regulations in ESRS 2 para. 5 are not applicable.

GOV-1 – THE ROLE OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Board bears ultimate responsibility for the bank's organisation and administration, which includes establishing sustainability strategies and performance goals and ensuring said goals are achieved. The Board ensures the integration of sustainability efforts into all of the bank's areas of operation, and that there are internal policy documents governing how the CEO, management functions and other employees must act. The CEO is responsible for day-to-day administration of sustainability work and implements the Board's guidelines and instructions in daily operations. The sustainability manager coordinates, supports and follows up the bank's sustainability work and reports to management, and also to the Board at least four times a year in conjunction with regular Board meetings, or more often as necessary. The sustainability manager is represented in the bank's management team. Senior executives must take the climate and sustainability factors into consideration in their decisions. The bank also has a sustainability forum where representatives from the various operational areas meet to exchange information about sustainability trends and market outlooks. The forum seeks to reach agreement on short- and long-term sustainability goals, follow up on them and achieve consensus on sustainability work in the organisation. The work of the forum is reported to the Board by the sustainability manager. The bank possesses expertise in sustainability issues through its sustainability department, which offers support to the operation and is able to make use of external expertise when necessary. Moreover, all of the bank's employees undergo annual sustainability training. In 2025, 91% (92) completed training.

The Board has seven members and four deputies; three board members are independent. Gender distribution is 64% men and 36% women. Employees are represented by trade union representatives. The bank strives to achieve an appropriate Board composition by taking diversity into account from multiple perspectives such as age, gender, geographical origin, education and professional background in order to ensure a broad range of capabilities and skills when adding new Board members. Sustainability skills also form part of the selection process in order to ensure the Board has the relevant knowledge for monitoring and taking decisions in sustainability issues. Sustainability skills are ensured through annual training, and

these skills are assessed in annual evaluations. The Board establishes sustainability goals in conjunction with the annual business plan, and monitors progress through reports from management and the sustainability manager. When making decisions on strategy, major transactions and risk management, material impacts, risks and opportunities are integrated into decision support documentation and risk strategy, including the management of any conflicting goals.

GOV-2 – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

The bank has no incentive schemes for members of its administrative, management and supervisory bodies.

GOV-3 – STATEMENT ON DUE DILIGENCE

Due diligence involves identifying, preventing, limiting and reporting on the management of both actual and potential adverse effects on humans and the environment.

KEY ELEMENTS OF DUE DILIGENCE	ITEMS IN THE SUSTAINABILITY STATEMENT	PAGE
a) Integrating due diligence into governance, strategy and business models	ESRS 2 GOV-1	27
	ESRS 2 GOV-2	27
	ESRS 2 SBM-1	28
	ESRS 2 SBM-3	32
B) Collaborating with concerned stakeholders in all main due diligence steps	ESRS 2 SBM-2	32
	ESRS 2 IRO-1	33
	ESRS S1-2	46
	ESRS S4-2	52
c) Identifying and assessing negative impacts	ESRS 2 IRO-1	33
	ESRS 2 SBM-3	32
d) Taking action to address negative impacts	ESRS E1-5	41
	ESRS E2-2	46
	ESRS S1-3	47
	ESRS S4-3	52
	ESRS G1-2	53
e) Following up and communicating how appropriate these initiatives are	ESRS E1-6	42
	ESRS E2-3	46
	ESRS S1-4	47
	ESRS S4-4	53
	ESRS G1-3	54

GOV-4 – RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

The Board has the overall responsibility for sustainability reporting while the sustainability manager coordinates consolidation and makes sure the double materiality analysis is performed according to CSRD. Risks in the reporting process and the risk of reporting errors have been identified, as have relevant control activities. The controls are linked to parts of the process and include:

- data quality
- calculation methodology and estimates
- accuracy in written material

Internal control of sustainability reporting is under construction and will remain under development during 2026.

See Note 2 for further information about the bank's overall risk management and internal controls.

SBM-1 – STRATEGY, BUSINESS MODEL AND VALUE CHAIN

Ziklo Bank is a Swedish bank that focuses on mobility and financial services. Since its founding more than 60 years ago, the bank has developed solutions that enable transport and travel for companies and private individuals alike. The bank's strategy is to accelerate the transition to tomorrow's mobility, and its overarching goal of reducing average CO2 emissions from financed vehicles by 30% by 2025, which is also in line with the Paris Agreement's goals, and by 70% by 2030, both with 2020 as the base year, which is in line with Sweden's climate goals. The bank achieved its goal for 2025 and is continuing to work toward achieving the next goal in 2030. The goals relate to the bank's financed vehicles, which are considered to be the most significant service offered by the bank and which includes all of the bank's customer groups. The bank's strategy also includes strong social and ethical responsibility. The bank must strive for good consumer protection with responsible products and services. All employees must enjoy good working conditions and a safe work environment. The operation must be run transparently with high standards of regulatory compliance, cyber security and financial crime prevention. New products are developed in which sustainability forms an integral part of the approval process. The bank has chosen to prioritise four global sustainability goals as especially relevant for the operation: Good health and well-being (SDG 3), Gender equality (SDG 5), Sustainable cities and communities (SDG 11) and Climate action (SDG 13). The bank's business strategies must contribute to these goals by promoting sustainable mobility, social inclusion and responsible governance.

In 2024, the bank changed its name to Ziklo Bank in a strategic initiative to strengthen its position in the transition. The name change enables broader collaborations and more partnerships. In the strategic move, priority will be given to innovation and guidance to support customers in the transition to more sustainable transport solutions.



The bank only operates in Sweden and has a business model that is unique for the industry, whereby vehicle dealers – following credit-worthiness assessment – sell and finance vehicles to the customer and then transfer the contract to Ziklo Bank with collateral in the item. The dealers bear the credit risk, while Ziklo Bank borrows on the market, thus providing the dealers with access to the financial markets. The bank finances the dealers' loans and leases. In addition to this, the bank offers direct financing where the customer signs a loan agreement or lease directly with the bank without the involvement of a dealer. The business model also includes card operations aimed at both private and corporate customers. In business area Fleet, the bank acts as an advisor to the customer regarding vehicle choices and the design of vehicle policies. The bank is not active in fossil fuel production, the chemical industry or other controversial sectors. For further information on Ziklo Bank's business model and segments, refer to the Directors' Report and Note 4.

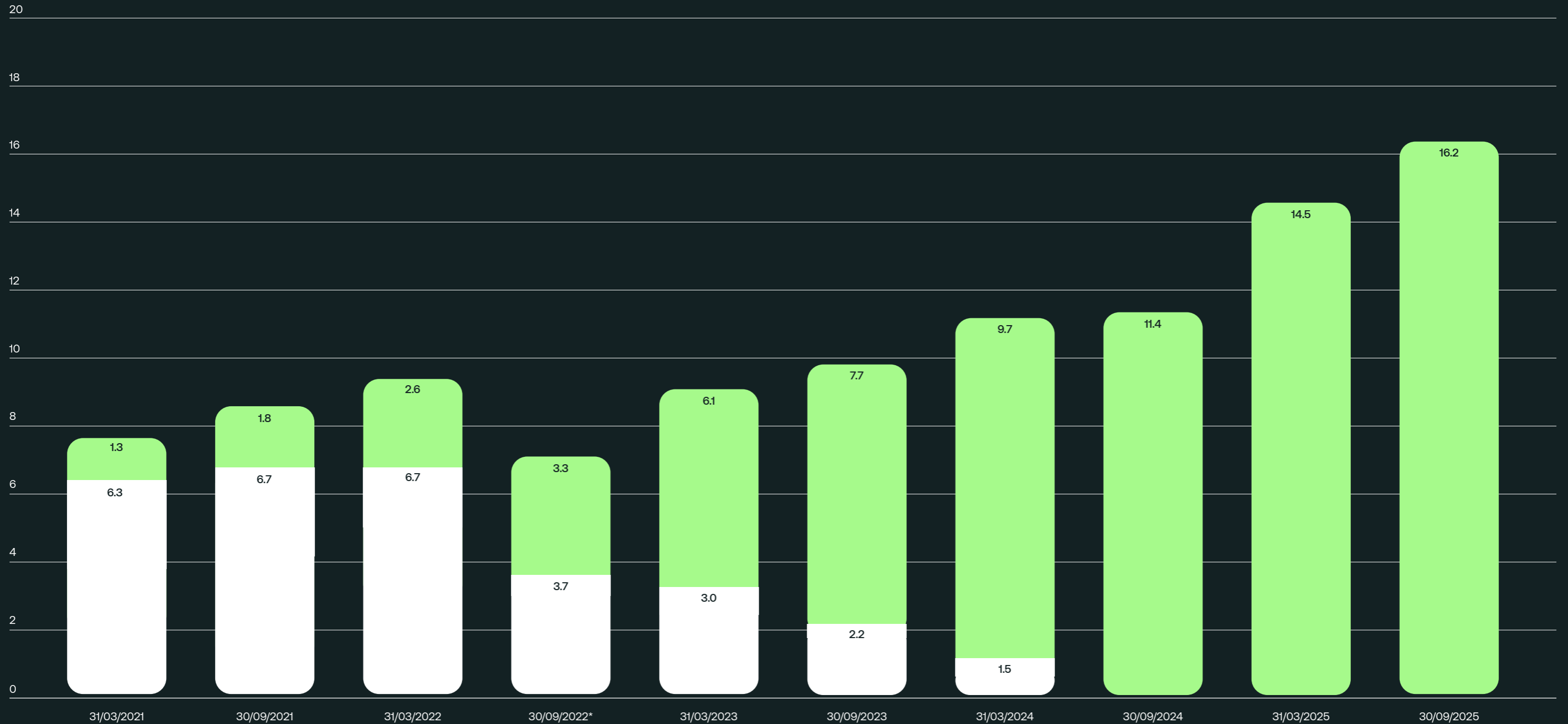
Ziklo Bank's value chain includes supporting activities in its own operation as well as upstream and downstream activities. Upstream activities include capital acquisition through customer deposits mainly through savings accounts, borrowing on the capital market, primarily through bonds from institutional investors, and the purchase of goods and services. Downstream activities include customer processing and financial products and services, where the bank acts both directly and indirectly. Direct influence is exerted through the mediation of credit cards, the provision of advice on vehicle purchases and policies in the Fleet business area, and direct vehicle financing. Indirect influence occurs when the bank finances loans and leases mediated by vehicle dealers, and also by supporting dealers in the mediation of the bank's card products to customers. The bank regards its borrowing from the general public and market financing as principal suppliers, its dealers as distribution channels, and the bank's customers as end-users. Supporting activities include regulatory compliance, employee commitment, risk management and IT infrastructure.



Ziklo Bank assets in accordance with the green bond framework (SEK billion)

■ PHEV ■ BEV

*Only vehicles with 0 grammes CO2 emissions may enter the portfolio from 1 April 2022.



The bank's green financing plays an important part, and is a major contributing factor, in the bank's vision and the transition to a fossil-free vehicle fleet. In 2025, Ziklo Bank maintained its proportion of green bonds in the overall outstanding bonds volume at 42% (43) or SEK 9.25 billion (7.75) as of 31 December. All of the hybrid car contracts in the bank's green lending portfolio have been phased out, and the portfolio has consisted exclusively of financed BEVs since April 2024. The bank issued five green bonds in 2025 for a value of SEK 3.15 billion, and great interest was shown by investors on all issue dates. In the beginning of June 2025, the bank pub-

lished the annual investor report on the green bonds outstanding as of 31 March. According to the report, the proportion of the green loan portfolio financed by green bonds, contributes to an annual CO2 reduction of 21,630 tonnes. This type of bond is in increasing demand on capital markets, especially among investors with green credentials. Because Ziklo Bank expects the green loan portfolio to continue growing in the years ahead, it will continue to enjoy good opportunities to issue further green bonds in the future.

In addition to green bonds, the bank has entered into sustainability-linked financing. The credit facility is linked to two of the bank's sustainability goals, namely reducing CO2 emissions in the financed fleet, and equal opportunities for all employees. The facility has a term of up to four years, and if the environmental and equal opportunities goals are met, there will be a positive impact on the cost of the facility for the bank.

SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS

The bank has established processes for ongoing dialogues with its principal stakeholders – customers, employees, value chain partners, investors and owners – to make sure their perspective is considered in the business model and strategic decisions. The dialogues take place through structured forums and communications channels tailored to the relevant stakeholder groups. See section S4-2 for details about the customer dialogues, and section S1-2 for dialogues with employees and employee representatives. Dialogues with partners and investors take place via strategy meetings, surveys and partner dialogues, while the Board is informed of stakeholder perspectives via regular reports and discussions during Board meetings. The double materiality analysis conducted in 2025 used insights from the 2023 stakeholder dialogue in which groups such as customers, employees, partners, owners and the Board took part in surveys. The assessment took viewpoints and feedback from these stakeholders into account.

SBM3 – INTERACTION BETWEEN MATERIAL IMPACTS, RISKS AND OPPORTUNITIES WITH STRATEGY AND THE BUSINESS MODEL, AS WELL AS FINANCIAL EFFECTS.

The bank's material impacts, risks and opportunities are presented in the table below. The table shows which sustainability topics and subtopics are deemed material on the basis of the double materiality analysis, and why. It also specifies where in the value chain each topic occurs; upstream (capital acquisition), own operations (the bank's direct activities) or downstream (customer processing, and financial products and services). The time horizon specifies the period during which the impact, risk or opportunity is expected to take effect.

ESRS	Topic	Impact, risk or opportunity	Value chain	Time horizon	Description
E1 – Climate change	Mitigation of climate changes	Negative impact (actual)	Downstream	Short-Long	Greenhouse gas emissions from financed vehicles contribute to the transport sector's climate impact, accounting for around one third of Sweden's total emissions. The bank is linked to this impact through the financing of vehicles.
		Positive impact (actual)	Downstream	Short-Long	By financing plug-in vehicles, the bank actively contributes to the transition to sustainable mobility and reduced emissions.
		Financial risk	Upstream, own operations	Short-Long	A rapid switch from fossil-fuelled vehicles to plug-in vehicles can increase residual value risk and render borrowing terms less favourable, impacting the bank's financial stability.
		Financial opportunities	Upstream, own operations	Short-Long	Increased demand for EVs and sustainable mobility creates revenue opportunities. A diversified portfolio and sustainable borrowing can also reduce funding costs.
E2 – Environmental-pollution	Pollution of air	Negative impact (actual)	Downstream	Short-Long	The automotive industry is one of the biggest sources of air pollution. The bank is linked to this impact through the financing of vehicles.
E2 – Environmental-pollution	Microplastics	Negative impact (actual)	Downstream	Short-Long	Tyre wear is a significant source of microplastic pollution. The bank is linked to this impact through the financing of vehicles.
S1 – Own workforce	Working conditions	Positive impact (actual)	Own operations	Short-Long	The bank ensures good working conditions, thereby promoting health, safety and employee commitment.
S4 – Consumers and end-users	Non-discrimination, access to goods and services	Positive impact (actual)	Downstream	Short-Long	The bank improves access to mobility through vehicle financing.
S4 – Consumers and end-users	Information-related risks	Financial risk	Own operations, downstream	Short-Long	Inadequacies in data protection and information security can lead to fines, sanctions and a loss of trust.
G1 – Business conduct	Corporate culture	Positive impact (actual)	Own operations	Short-Long	A strong corporate culture with clear governance structures promotes responsibility, transparency and employee commitment, thereby improving the bank's long-term sustainability efforts.
G1 – Entity specific	Financial crime prevention	Negative impact (potential)	Own operations, downstream	Short-Long	Inadequacies in processes for the prevention of money laundering and fraud may affect society and individuals negatively.
		Financial risk	Own operations, downstream	Short-Long	Inadequacies in processes for the prevention of money laundering and fraud can lead to fines, sanctions and a loss of trust.

To reduce the negative impact from greenhouse gas emissions in the financed fleet and to manage climate-related risks and opportunities, the bank is working to accelerate the transition to plug-in vehicles through product development and guidance. This is a central part of the bank's strategy. In the area of social issues, the bank focuses on establishing good working conditions and improving customer protection through information security, which is a strategic priority aimed at maintaining trust and competitiveness. In the area of corporate governance, the bank prioritises responsible governance processes and crime prevention measures in order to reduce regulatory compliance risks and ensure long-term stability.

Residual value risk is managed mainly through values set by the bank's residual value council, which consists of people from various positions and is largely independent from the business. The council makes use of forward-looking analyses, business intelligence, statistics and statistical models. It also uses the Board's guidelines for the limits within which residual values must remain. The risk is mitigated on an ongoing basis through e.g. deficit value or surplus value provisions in the portfolio. These are reported as expenses as they arise and dissolved upon disposals, which may have a positive or negative impact depending on market value. The effects can be found in the income statement items "Depreciation and impairment of tangible and intangible non-current assets" and in the balance sheet items "Tangible assets: lease items". Calculations currently show a surplus value in the portfolio. Residual value risk is regarded as a strategic risk, and the bank covers strategic risks with 5% under Pillar 1. A rapid future transition toward electrification could reduce the market value of fossil-fuelled vehicles, which would in turn increase the need for provisions and affect the capital requirement for strategic risk. The high proportion of EVs in the bank's portfolio enables the issue of green bonds with what is known as a greenium, involving interest rates one or two points lower than conventional bonds thanks to high demand from investors. The bank also gains access to a more diversified investor base, which is seen as positive. Currently, this improves the bank's financing ability and reduces borrowing costs. The effect is shown in the income statement items "Interest expenses". Any future changes in regulations or market expectations concerning fossil-fuelled vehicles could affect the bank's sustainability profile, thereby increasing borrowing costs and reducing access to a diversified investor base. In the case of risks linked to data protection, information security and processes for preventing money laundering and fraud, the current financial effects consist of day-to-day expenses for IT security and regulatory compliance, which can be found in the income statement item "General administrative expenses". No incidents occurred during the year leading to fines or damages. However, in the future, changed regulatory requirements and increased cyber threats may entail higher costs to achieve a good level of security and meet legal requirements. Quantitative information on financial effects is not provided as the effects cannot be identified individually.

The bank considers itself to be well prepared in the short term, but material risks may impact the business model over the longer term. Climate-related transition risks such as residual value risk and risks associated with borrowing costs have been stress tested in scenario analyses and are managed by rebalancing the portfolio with plug-in vehicles, and thus a greater proportion of green assets. Risks linked to information security and financial crime are managed through improved processes, regulatory compliance and internal control systems. These initiatives seek to safeguard long-term stability in different business environment scenarios.

IRO-1 – DESCRIPTION OF THE WORKING PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

A double materiality analysis was carried out to assess which material impacts, risks and opportunities exist. In the double materiality analysis, the bank applied inside-to-outside and outside-to-inside perspectives, in which it assessed which impact the operation has on society and the environment, and how external factors can affect the bank's business and financial position. The bank conducted its first double materiality analysis in 2024, and this was revised in 2025. The analysis will be developed and updated annually from now on. The assessment was carried out in four steps:

1. Understanding – the first step analysed the bank's business model and value chain to identify material stakeholders and potential sustainability aspects for further evaluation. Assumptions made were then validated in dialogues with internal and external expertise.
2. Identification – a systematic review was conducted in the second step to identify and describe sustainability aspects based on impact, risks and opportunities, and with regard to both positive and negative effects.
3. Assessment – the third step evaluated the identified sustainability aspects from an inside-to-outside perspective (material impact) and from an outside-to-inside perspective (financial materiality). The assessment included both positive and negative effects. The bank's current risk model for likelihood and consequences was applied, and the analysis was made covering the following time horizons: short (0–1 year), intermediate (1–5 years) and long (>5 years).
4. Determination – the outcome of the analysis was determined in the fourth step. A dialogue was held between management and internal expertise to validate assumptions and decide which sustainability issues are material and must therefore be included in the bank's sustainability reporting.

The bank uses external monitoring to identify changes that may impact it directly or indirectly. In addition to the double materiality analysis, strategic workshops are organised under the ILAAP process to assess sustainability-related risks. The bank was guided by the EU's Green Taxonomy when adjusting strategies and business decisions based on identified risks. The outcomes of the double materiality and scenario analyses are consistent with the bank's overall risk profile and management process. See Note 2 for further information on how the bank identifies, assesses and manages the impacts, risks and opportunities in its internal controls and risk management process.

IRO-2 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES, AND DISCLOSURE REQUIREMENTS INCLUDED IN THE SUSTAINABILITY REPORT

The previous year’s reporting was not based on a full materiality analysis. Thus the bank only included the general disclosure requirements according to ESRS 2 and the environmental-related standards E1 (Climate change) and E2 (Environmental pollution). Because of this, the previous year’s reporting is not directly comparable with this year’s report, which is based on a revised double materiality analysis that includes all identified material impacts, risks and opportunities.

Outcome of the double materiality analysis:

The chart below shows the outcome of the bank’s double materiality analysis.

Environmental issues:

- Climate change (E1) is material from both an impact and risk perspective. Negative impact arises through emissions from financed vehicles in the downstream chain, while positive effects can be found in the opportunity to promote the transition to sustainable mobility. Financial risks are associated with residual values and borrowing in own operations and the upstream chain, and there are opportunities in increased demand for sustainable transport solutions.
- Pollution (E2) has been identified as a negative impact associated with pollution to air and microplastics from financed vehicles in the downstream chain.

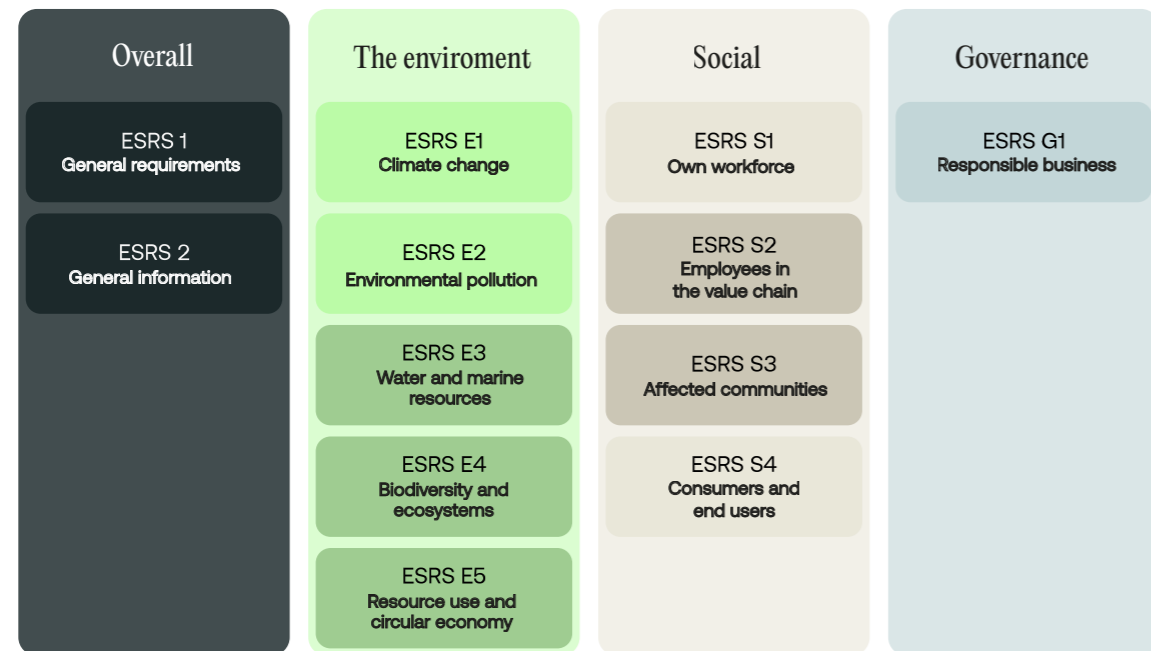
Social issues:

- Own workforce (S1) has been identified as a positive impact, linked to good working condition and a safe, healthy work environment in own operations.
- Consumers and end-users (S4) are material from both impact and risk perspectives. Positive impact arises from the facilitation of mobility in the downstream chain. Risks are linked to data protection, information security and customer relations in the own operation and the downstream chain.

Governance issues:

- Business conduct (G1) has been identified as a positive impact linked to a strong corporate culture and clear governance structures in the own operation, which promote responsibility, transparency and regulatory compliance.
- The prevention of financial crime (G1) is material from both impact and risk perspectives. Negative impact and risks are linked to inadequacies in processes for the prevention of money laundering and fraud in the own operation and the downstream chain.

Cross-sector standards



*E3 and S3 are not material according to the bank’s double materiality analysis

ESRS standard	Disclosure requirements	Full name of the disclosure requirement	Page
General information			
ESRS 2	BP-1	General basis for the preparation of the sustainability statement	27
ESRS 2	GOV-1	The role of administrative, management and supervisory bodies	27
ESRS 2	GOV-2	Integration of sustainability-related performance in incentive schemes	27
ESRS 2	GOV-3	Statement on due diligence	27
ESRS 2	GOV-4	Risk management and internal controls over sustainability reporting	27
ESRS 2	SBM-1	Strategy, business model and value chain	28
ESRS 2	SBM-2	Interests and views of stakeholders	32
ESRS 2	SBM-3	Interaction between material impacts, risks and opportunities with strategy and the business model, as well as financial effects	32
ESRS 2	IRO-1	Description of the working process to identify and assess material impacts, risks and opportunities	33
ESRS 2	IRO-2	Material impacts, risks and opportunities, and disclosure requirements included in the sustainability report	34
Environmental information			
ESRS E1	E1-1	Transition plan for climate change mitigation	40
ESRS E1	E1-2	Climate-related risks and scenario analysis	40
ESRS E1	E1-3	Resilience in relation to climate change	40
ESRS E1	E1-4	Policies related to climate change	41
ESRS E1	E1-5	Actions and resources related to climate change	41
ESRS E1	E1-6	Goals related to climate change	42
ESRS E1	E1-7	Energy use and energy mix	42
ESRS E1	E1-8	Gross Scopes 1, 2, and 3 and total GHG emissions	44
ESRS E1	E1-9	GHG removal and mitigation projects financed through carbon credits	45
ESRS E1	E1-10	Internal carbon dioxide pricing	45
ESRS E1	E1-11	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	45
ESRS E2	E2-1	Policies related to environmental pollution	46
ESRS E2	E2-2	Actions and resources related to environmental pollution	46
ESRS E2	E2-3	Goals related to environmental pollution	46
ESRS E2	E2-4	Pollution of air, water and soil	46
ESRS E2	E2-5	Substances of concern and substances of very high concern	46
Social responsibility information			
ESRS S1	S1-1	Policies related to own workforce	46
ESRS S1	S1-2	Dialogue with own workforce and workers’ representatives, availability of channels for raising needs or concerns, and approaches to remediation	46
ESRS S1	S1-3	Actions and resources related to own workforce	47
ESRS S1	S1-4	Goals related to own workforce	47
ESRS S1	S1-5	Information about the company’s employees	50
ESRS S1	S1-6	Information about workers in own workforce who are non-employees	51
ESRS S1	S1-7	Collective bargaining coverage and social dialogue	51
ESRS S1	S1-8	Diversity metrics	51
ESRS S1	S1-9	Adequate wages	51
ESRS S1	S1-10	Social protection	51
ESRS S1	S1-11	Persons with disabilities	51
ESRS S1	S1-12	Training and skills development metrics	51
ESRS S1	S1-13	Health and safety metrics	51
ESRS S1	S1-14	Work-life balance metrics	51
ESRS S1	S1-15	Compensation metrics	52
ESRS S1	S1-16	Incidents of discrimination and other human rights incidents	52
ESRS S4	S4-1	Policies related to consumers and end-users	52
ESRS S4	S4-2	Dialogue with consumers and end-users, availability of channels for raising needs or concerns, and approaches to remediation	52
ESRS S4	S4-3	Actions and resources related to consumers and end-users	52
ESRS S4	S4-4	Goals related to consumers and end-users	53

Corporate governance information			
ESRS G1	G1-1	Policies related to business conduct	53
ESRS G1	G1-2	Actions and resources related to business conduct	53
ESRS G1	G1-3	Goals related to business conduct	54
ESRS G1	G1-4	Incidents of corruption and bribery	54
ESRS G1	G1-5	Political influence and lobbying activities	54
ESRS G1	G1-6	Payment practices	54
Company-specific information – Prevention of financial crime			
ESRS G1	G1-1	Policies related to the prevention of financial crime	54
ESRS G1	G1-2	Actions and resources related to the prevention of financial crime	54
ESRS G1	G1-3	Goals related to the prevention of financial crime	55

POLICY DOCUMENT

Ziklo Bank’s policy documents describe processes and rules for managing identified material impact, risks and opportunities. All policies are resolved upon by the Board; they are reviewed annually and updated as necessary with regard to internal processes and the views of external stakeholders. The review makes sure that the documents maintain high quality, comply with internal and external regulations and follow Ziklo Bank’s internal processes. The documents are available on the bank’s intranet and the public policy documents are published on the Ziklo Bank website.

Policy document	Type	Public (Yes/No)	Description
Policy regarding risk strategy and risk appetite	Policy	No	Under this policy, the Board resolves on the bank’s overarching risk strategy and risk appetite. The risk strategy seeks to take low, controlled risks to achieve the bank’s business strategy, while risk appetite defines the highest risk the bank is prepared to accept to achieve its strategic goals.
Policy and framework for managing credit risk and concentration risk	Policy	No	Under this policy, credit-related concentration risk is defined as the risk of credit losses due to concentrations in lending e.g. toward individual counterparties, industries or geographical areas. It also sets out the requirements for sound, responsible lending at low risk, independent decision-making and consideration of the customer’s needs from a social and environmental perspective.
Policy and framework for managing residual value risk	Policy	No	Under this policy, the bank manages residual value risk in its own sales financing by guaranteeing a vehicle’s residual value after the contract period, where the risk level is set in relation to the transaction’s total earnings and within the established risk appetite framework. Risk appetite and the tolerance for residual value risk is determined on the basis of lease terms and normal mileage, and requires constant monitoring as well as measures if the risk exceeds the tolerance level.
Operational risk policy	Policy	No	Under this policy, the bank defines operational risk as the risk of losses resulting from inadequate or flawed internal processes, human error, system errors or external events. The policy also covers sustainability-related risks and states that risk management must be integrated into the operation, continuously monitored and reported to the Board.
Policy for compliance	Policy	No	Under this policy, the bank has an independent compliance function responsible for monitoring and controlling regulatory compliance in the bank’s licensed activity, and for identifying and managing the risk of inadequacies in this regard. The function reports regularly to the Board and CEO, provides internal advice and training and performs risk-based work focusing on areas where risk is deemed to be greatest.
Strategic risk policy	Policy	No	Under this policy, the bank defines strategic risk as the risk of losses resulting from changes in market conditions, unfavourable business decisions or inadequate adaptation to market changes. The policy also covers earnings risks, customer and competitor behaviour and sustainability related factors that can affect the bank’s strategic decisions or business conditions.
Reputational risk policy	Policy	No	Under this policy, the bank defines reputational risk as the risk of losses resulting from negative perceptions about the bank among customers, counterparties, shareholders, investors or authorities. The policy specifies the appetite and limits for reputational risk, requires risk levels to be constantly monitored and that measures be taken as necessary to minimise the risk.
Capital policy	Policy	No	Under this policy, the bank’s capital base must be consistent with the adopted risk strategy and constitute a buffer for unexpected losses. The Board and CEO bear ultimate responsibility for ensuring that the supply of capital meets requirements based on risk appetite, risk tolerance, risk strategy and applicable regulations.
Finance policy	Policy	No	Under this policy, the bank must ensure stable, long-term financing that supports its goals and risk strategy. The policy governs responsibility, reporting and the management of financial risks and specifies frameworks for liquidity and borrowing.
Anti-corruption policy	Policy	No	Under this policy, the bank must combat all forms of corruption and make sure confidence in the bank is maintained by following clear guidelines against bribery and improper influence. The policy covers all employees and contractors, and requires compliance with the bank’s approach to bribery and improper influence in day-to-day operations.
Policy for managing conflicts of interest	Policy	No	The policy specifies procedures for identifying, preventing and managing actual or potential conflicts of interest in the bank’s operations. It sets out requirements for a clear division of responsibilities, independent control actions and the documentation of conflicts, and also measures for ensuring that the interests of customers and other stakeholders are not negatively affected.
Ethics policy	Policy	No	The policy seeks to ensure high standards of ethics and conduct remain at the heart of the operation, so that the general public and authorities maintain their trust in the bank. All employees and relevant contractors must undergo annual training in the ethics policy, and incidents or uncertainties are reported according to internal instructions.

AML policy	Policy	No	Under this policy, the bank must ensure that all employees have sufficient information about regulations concerning money laundering and the financing of terrorism, and that there are effective procedures for discovering and managing suspect transactions. The policy also covers employee protection, and clear processes for risk assessment and reporting irregularities.
Policy for processing personal data	Policy	No	The policy seeks to ensure that all personal data processing in the bank takes place in accordance with the law and applicable data protection legislation such as GDPR and supplementary Swedish law. Under this policy, the bank has clear procedures for processing, reporting and protecting personal data, and for ensuring that responsibilities and reporting channels are established.
Data protection policy for customers	Policy	Yes	Under the data protection policy for customers, the bank processes personal data according to GDPR to enable the delivery of services and the fulfilment of agreements and legal obligations, and to ensure customer rights such as access, rectification, erasure, and the ability to object to processing.
Data protection policy for websites	Policy	Yes	Under the data protection policy for websites, customers can find information about how the bank processes their personal data when they visit the bank’s website. This data protection policy applies when customers visit the bank’s public web pages.
Complaints management policy	Policy	No	Under this policy, the bank takes customer complaints very seriously, regarding them as an opportunity to improve products and services. The policy follows Swedish Financial Supervisory Authority guidelines, ensuring clear complaints procedures and that there is a manager appointed to ensure correct and fair complaints processing.
Compensation policy	Policy	No	Compensation for bank employees is regulated through internal policies and policy documents that make sure compensation is market-based, transparent and consistent with the bank’s long-term goals and values. The policy covers both fixed and variable remuneration and has clear processes for evaluating and following up the compensation system.
Quality policy	Policy	No	Under this policy, the bank’s quality assurance work must be pursued energetically and continuously in order to ensure competitiveness in both the short and long terms. All process owners are responsible for assuring quality in their processes and must help employees meet established quality goals.
Policy for new or modified products and services	Policy	No	The policy regulates the process for approving new or significantly modified products, services and processes. It sets out requirements for risk analysis, consumer interests and regulatory compliance, and makes sure decisions are preceded by structured assessments of operational, legal and security aspects.
Sustainability policy	Policy	Yes	The purpose of the policy is to form the basis for sustainability efforts at the bank and to create a common approach to sustainability issues in the organisation. The policy is also used as the basis for sustainability reporting, and compliance with the policy is assessed on an ongoing basis.
Code of conduct	Frame-work	Yes	The code of conduct provides fundamental guidance as to how employees must act ethically and professionally in their daily work. It makes sure the operation is run in accordance with the bank’s values, internal policy documents and applicable legislation.
Code of conduct for suppliers and partners	Frame-work	Yes	Ziklo Bank’s supplier code of conduct requires partners to follow international standards for sustainability, human rights, anti-corruption and data protection. Suppliers and partners must also ensure compliance throughout the supply chain and report deviations through the whistleblower function.
Personnel manual	Manual	No	The manual brings together the personnel policy and personnel instructions, providing an aid for personnel and an overview of the responsibilities and powers in different managerial positions. It serves as an up-to-date information source for the policies and internal policy documents employees need for the performance of their duties.
Information security policy	Policy	No	The policy sets out the principles and responsibility for protecting the bank’s information assets and the ICT system. It sets out the requirements for confidentiality, privacy, accessibility and traceability, and governance according to ISO 27001 and DORA. The policy covers risk assessment, incident management and continuity planning in order to ensure digital resilience and data protection.
Purchasing instructions	In-struc-tion	No	The instruction regulates the bank’s purchases and procurements in order to ensure transparency, cost-effectiveness and sustainability. It sets out requirements for competitive tendering, risk assessment and due diligence, and makes sure suppliers comply with ethical and environmental standards. The instruction covers the division of responsibilities, documentation and the follow-up of all purchasing decisions.



At the end of the year, the bank donated SEK 100,000 to Reach for Change – a foundation that supports social entrepreneurs working to create a better world by developing sustainable solutions for vulnerable groups. We believe in the power of people to make a difference where it's needed most, and we're proud to help them in their efforts!

**REACH FOR
CHANGE**

Ziklo received a GOLD sustainability rating in the 2025 EcoVadis assessment.

In 2025, the bank once again received a gold rating in the EcoVadis sustainability assessment, putting the bank in the top 5% of all assessed companies worldwide. EcoVadis is the world leader in sustainability rankings for companies. They evaluate such aspects as the environment, social conditions, human rights, ethics and responsible sourcing. The assessment method is based on internationally adopted standards for sustainability reporting such as the Global Reporting Initiative (GRI), the UN Global Compact and ISO 26000.



Environmental information

ESRS E1 – Climate change

E1-1 – TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

Ziklo Bank's vision is to be the leading bank for tomorrow's mobility with a focus on climate-smart transportation and cost-effective solutions. The transition plan forms the core of the bank's strategy, ensuring that the business model is compatible with the Paris Agreement's 1.5° C ambition and the EU's climate goals. Emissions from road transportation account for around one third of Sweden's total emissions. As a leading player in vehicle financing, the bank plays an important part by contributing to the transition and reducing the climate impact in the transport sector. The bank has an overarching goal of reducing average CO2 emissions from vehicles in the financed fleet by 30% by 2025, which is also in line with the Paris Agreement's goals, and by 70% by 2030, both with 2020 as the base year, which is in line with Sweden's climate goals. The bank achieved its goal for 2025 and is continuing to work toward achieving the next goal in 2030.

The bank's contribution to the phasing out of fossil fuels is mainly indirect through its customers' motivation to limit climate change by replacing their ICE vehicles with EVs or by using renewable fuels. The bank has an important part to play for customers in the transition by providing training and acting as advisers when new vehicle policies are drawn up, and ensuring that the choice of vehicles is based on their climate impact.

The transition plan is addressed under the bank's regular budget as it forms part of the bank's overall strategy. The transition plan is in line with Ziklo Bank's business strategy, as approved by the Board of Directors, which seeks to meet the growing demand from existing and new customers for a simple, rapid transition to sustainable transportation.

The bank's greenhouse gas emissions in the vehicles covered by the operating leases are locked in for around 38 months (the average maturity of the vehicles), i.e. the time the vehicles remain on the bank's balance sheet. Assumptions were taken into account when the bank's overall CO2 emissions reduction targets for 2025 and 2030 were adopted.

The bank sees higher future earnings and lower financial risk by increasing the share of green assets in its portfolio. We constantly calculate and apply KPIs related to the switch to cleaner vehicles, and the bank is enjoying results from these efforts through a greater share of plug-in electric vehicles in all business areas.

E1-2 – CLIMATE-RELATED RISKS AND SCENARIO ANALYSIS

The bank has identified a number of climate-related risks, all of which are related to climate transition risks:

- Residual value risk
- Credit risk
- Borrowing

Also, the Bank has identified a number of physical risks resulting from climate change. They concern damage to property, reduced productivity or indirect consequences in the form of supply chain delays. These risks are associated with the latter part of the bank's value chain and in turn to their partners; were these risks to materialise, it could have an effect on the bank's value chain and indirectly impact the bank. In the bank's assessment, neither the assets nor the business operations are exposed to material impact by climate-related risks that could form the basis for major physical risks for the bank.

As previously mentioned, the bank has identified a number of transition risks that could affect it in the short, medium and long terms, such as how well the bank predicts future residual values, the effect of how well its partners are involved in the transition and lastly, by laws and regulations. The bank's business could be indirectly affected by transition events according to how well its partners are aware and active in advancing transition. The bank's core business is based on financing cars sold mainly through Sweden's Volvo dealers. Thus the extent to which Volvo dealers and Volvo Cars enable the sale and supply of EVs and hybrid vehicles is a dependent variable. While there are risks associated with the transition, the bank also sees opportunities in a market that is becoming ever more climate conscious. Financing the transition toward sustainable mobility is an opportunity ideally suited to the bank. This includes informing and guiding customers to make environmentally friendly, sustainable and economic decisions.

When performing the scenario analysis, the bank chose to use scenarios from the Network for Greening the Financial System (NGFS), which is a tool for assessing how climate-related risks can evolve over time, depending on various future external circumstances. Seven scenarios were studied in the analysis, three of which – Delayed Transition, NDCs and Fragmented World – were chosen to stress test the bank's most relevant climate-related risks: residual value risk, interest rate / liquidity risk and credit losses. The assessment covered both a one-year perspective and a five-year perspective. In all scenarios, the bank is relatively well prepared in the short-term. However, in the intermediate and long terms, all types of risk are able to seriously impact the bank's business model. Thus the bank must work to minimise residual risk, limit credit losses and secure borrowing with green assets at a maintained rating. These initiatives constitute part of the bank's strategic planning for the management of sustainability risks, and ensure resilience in any future sustainability-related changes.

E1-3 – RESILIENCE IN RELATION TO CLIMATE CHANGE

The bank has carried out a resilience analysis concerning its own operations and downstream and upstream parts of the value chain. No material physical or transition risks have been omitted.

The last resilience analysis was carried out in the autumn of 2025, based on previously implemented scenarios and double materiality analyses. Assumptions in the analyses made the bank part of the transition to a more low-carbon economy, as the bank's strategic focus includes financing sustainable mobility, primarily through EVs. The strategic direction is influenced by macroeconomic factors, political decisions such as subsidies for EVs and technological developments like better batteries and charging infrastructure.

All in all, the conclusion drawn from the resilience analysis is that the bank considers itself to be well prepared in the short term. In the longer term, the bank sees a number of factors that may affect resilience. These include the way the new-vehicle and used-vehicle markets develop, as well as borrowing opportunities. Based on the result, the bank continues to increase its penetration of the new car market and use green assets to secure borrowing at a maintained rating. It is also important to maintain a diversified portfolio in terms of power trains and vehicle brands. The bank is well-capitalised and financially sound even if the transitioning plans do not materialise in the way the bank has forecast.

E1-4 – POLICIES RELATED TO CLIMATE CHANGE

The bank has adopted a sustainability policy to address material impacts, risks and opportunities related to climate change mitigation and adaptation.

The bank has a code of conduct for suppliers and partners in addition to the sustainability policy. Ziklo Bank expects its partners to respect and comply with the bank's guidelines, as these go hand-in-hand with its values. The code of conduct describes the minimum level of responsibility all of the bank's partners are expected to comply with. The code of conduct addresses such things as permits and laws, carbon footprints, resources and efficiency, recycled materials and waste management.

The bank's policy document can be found on page 36.

E1-5 – ACTIONS AND RESOURCES RELATED TO CLIMATE CHANGE

The following are some of the measures taken during the reporting year:

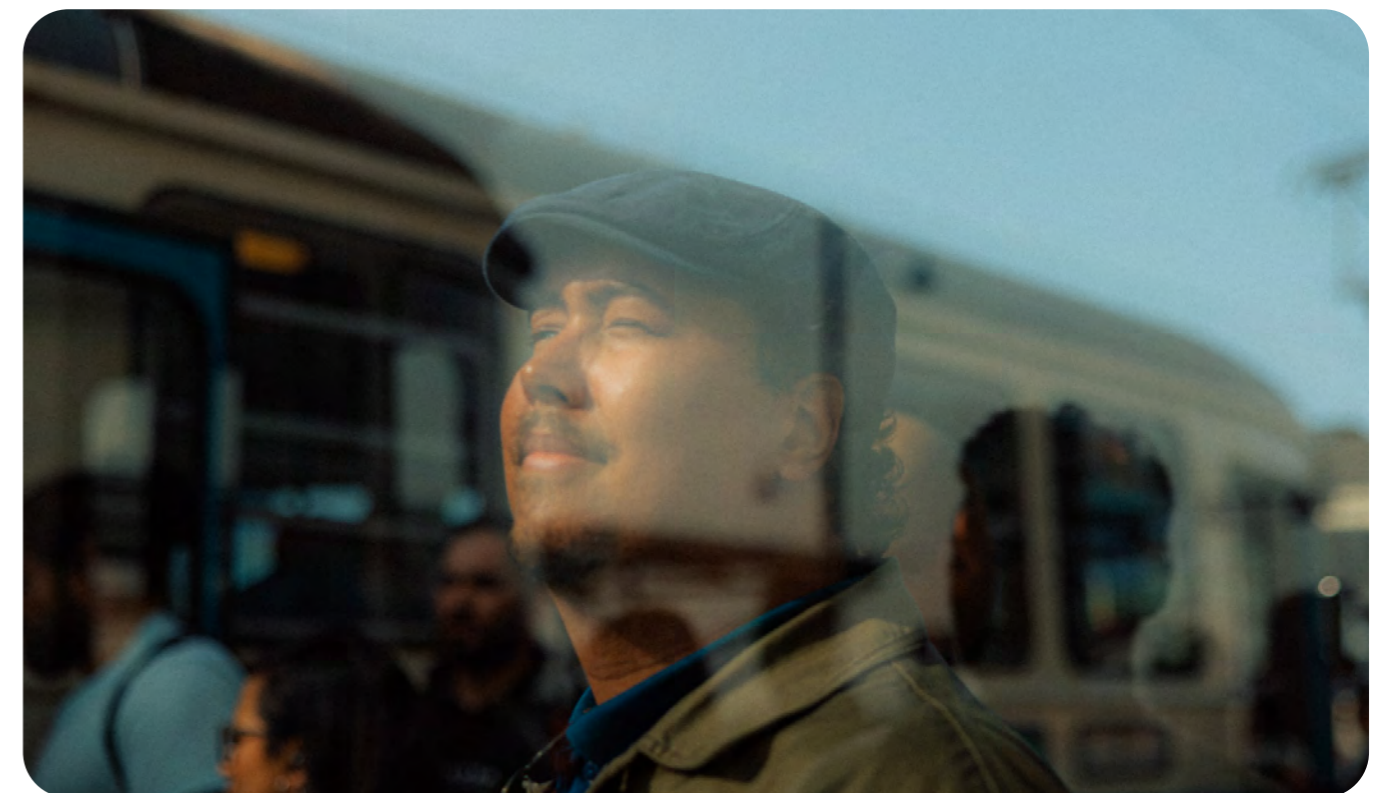
- Increasing the share of plug-in vehicles by providing customer guidance
- Training partners in the transition to fossil-free alternatives
- Promoting charging, at home as well as public
- During the year, a collaboration was begun with the electricity supplier Bixia, enabling the bank's private customers to sign contracts for 100% renewable electricity directly via the CarPay payment service.
- All employees have the opportunity to lease a staff bicycle, partly to encourage daily exercise and also to reduce the bank's total CO2 emissions and environmental impact.
- Supporting partner campaigns for EVs
- Enabling the redemption of CarPay vouchers for public transport and charging
- Participating in the public debate through media activities and the mobility report

Also, digital solutions in which CarPay is one part and e-billing and e-signing another, are under constant development. Sustainability is a factor when granting credit in the commercial business. The bank only uses renewable electricity labelled 'Good Environmental Choice', and energy-efficient lighting devices such as motion detectors and dimmers are installed in both offices. The purpose of the bank's internal company vehicle policy is to make sure such vehicles have zero emissions, or emissions so low that they fall within the bank's overall sustainability targets. Company vehicles will consist primarily of EVs or hybrids chosen from our partners' product ranges. The bank advocates travel-free meetings as far as possible and, when travelling on business, climate-smart options should be chosen whenever possible. The bank has internal guidelines that must be followed when selecting partners, and a purchasing policy for use during procurements to determine the manner and extent to which future suppliers are sustainable. There are requirements for working conditions, the environment, safety and quality.

All of the above actions help to reduce the bank's climate footprint in line with the bank's sustainability policy. They are centred on the bank's own operations and the upstream value chain and managed in different time frames. Work on increasing the proportion of plug-in vehicles by providing advice will continue in the years ahead as this action is assumed to have the greatest material impact on climate change mitigation and the phaseout of fossil fuels.

In the bank's opinion, the transition to a fossil-free-market will lead to increased revenues and an increase in net interest income without any increase in operating (OpEx) or capital (CapEx) expenses. The bank also feels that implementing the action plans will not require significant operating or capital expenditure (OpEx and CapEx) as the plans are considered to be part of the bank's business strategy.

The bank cannot separate the CO2 savings resulting from the above-mentioned measures, but reports them as a total item under Scope 3 (see table under E1-8).



E1-6 – GOALS RELATED TO CLIMATE CHANGE

Ziklo Bank aims to be a bank that actively supports customers and partners in the transition to lower climate impact and more sustainable business models. To this end, the bank has an overarching goal of reducing average CO2 emissions from vehicles in the financed fleet by 30% by 2025 (interim objective), which the bank has achieved, and by 70% by 2030, both with 2020 as the base year. To put this in concrete terms, the reduction is approximately 100,000 tonnes of CO2 from 2020 to 2025 and a further 130,000 tonnes from 2025 to 2030 (base year around 330,000 tonnes of CO2). The PCAF financing level has not been taken into account. The goals are based on emissions derived from Scope 3 and include the bank's financed CO2e emissions. This is in line with Ziklo Bank's sustainability policy, which states that the goal of sustainability work is to carry out long-term work for a sustainable society. The goal of reducing greenhouse gas emissions is science-based and consistent with limiting global warming to 1.5°C. In establishing these targets, the bank has used both internal and external sources in its qualitative and quantitative analyses. Among other things, scenarios from the Network for Greening the Financial System (NGFS) and the Swedish Environmental Protection Agency were applied. These analyses gave consideration and regard to external factors affecting the transition of the bank's vehicle fleet including changes in the sales volumes of dealers and the willingness of customers to make the green transition. In adopting a goal, the bank takes into account goals at both the national and EU levels.

The CO2 reduction target is relative and measured in grammes of CO2 per driven kilometre. The goal includes reducing the average CO2 emissions from vehicles in the financed fleet, i.e. it covers the bank's own operations and the upstream value chain.

In relation to its overall reduction target, the bank is aiming for 85% of new vehicles to be plug-ins in 2025. As of 31 December 2025, 94% of new passenger cars were plug-in vehicles.

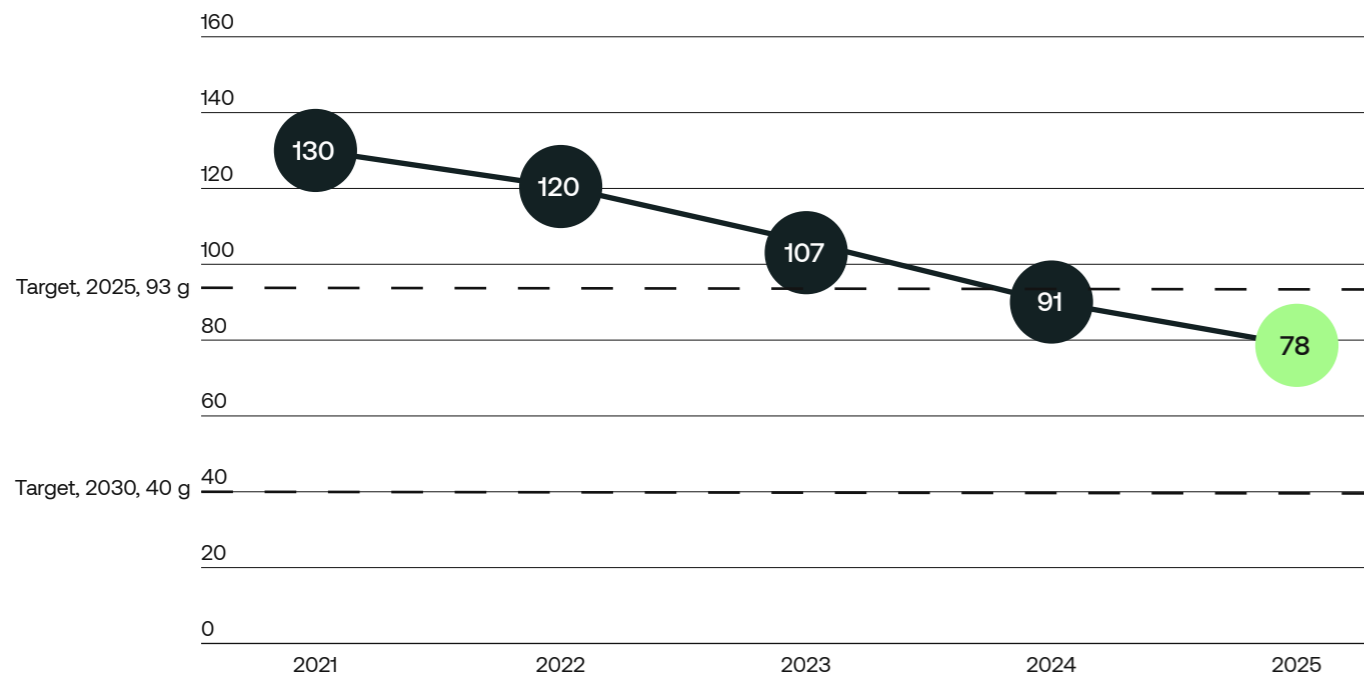
Since Ziklo Bank is digital and lacks bank offices and manufacturing, its own environmental impact is relatively small. The bank intends to continue reducing its current impact such as the consumption of paper and electricity as part of its sustainability goals.

E1-7 – ENERGY USE AND ENERGY MIX

The bank only uses renewable electricity labelled 'Good Environmental Choice'. In 2025, Scope 2 energy consumption totalled 150,922 kWh (146,225) and concerned electricity and heating purchased for the offices in Stockholm and Gothenburg.

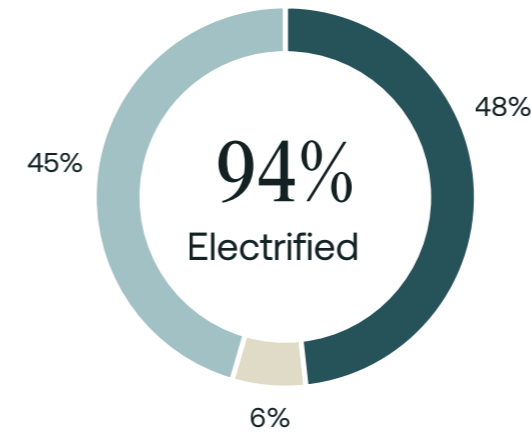
Energy use and energy mix	2025	2024
Consumption of purchased or acquired electricity, heating, steam and cooling from renewable sources (MWh)*	151	146

Average emissions in grammes CO2 per km



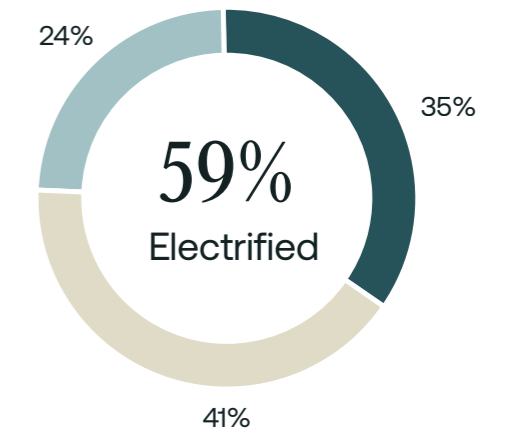
Ziklo Bank – Passenger cars

New inflow Ziklo Jan–Dec 2025



Total market – Passenger cars

New registrations Jan–Dec 2025 (excluding Ziklo)



■ PHEV ■ BEV ■ ICE



E1-8 – GROSS SCOPES 1, 2, AND 3 AND TOTAL GHG EMISSIONS

(tonnes CO ₂ e)	2025	2024	Change, %
Scope 1 greenhouse gas emissions			
Gross Scope 1 greenhouse gas emissions (tCO ₂ e)	62	78	-21
Share of Scope 1 greenhouse gas emissions from regulated emissions trading schemes (%)	-	-	-
Scope 2 greenhouse gas emissions			
Location-based greenhouse gas emissions Scope 2 (tCO ₂ e)	-	-	-
Market-based gross greenhouse gas emissions Scope 2 (tCO ₂ e)	1	1	-0
Significant Scope 3 greenhouse gas emissions			
Total indirect Scope 3 gross greenhouse gas emissions (tCO ₂ e)	173,992	190,110	-8
1 Purchased goods and services (tCO ₂ e)	517	N/A	-
2 Capital goods (tCO ₂ e)	-	-	-
3 Fuel- and energy-related activities (not included in Scopes 1 or 2) (tCO ₂ e)	-	-	-
4 Upstream transport and distribution (tCO ₂ e)	-	-	-
5 Waste generated in operations (tCO ₂ e)	4	4	-0
6 Business travel (tCO ₂ e)	2	2	-0
7 Personnel commuting (tCO ₂ e)	97	69	41
8 Upstream leased assets (tCO ₂ e)	11	11	-0
9 Downstream transportation (tCO ₂ e)	-	-	-
10 Processing of products sold (tCO ₂ e)	-	-	-
11 Use of products sold (tCO ₂ e)	-	-	-
12 Final processing of products sold (tCO ₂ e)	-	-	-
13 Downstream leased assets (tCO ₂ e)	-	-	-
14 Franchise agreement (tCO ₂ e)	-	-	-
15 Investments (tCO ₂ e)	173,361	190,024	-9
Total Scopes 1–3 greenhouse gas emissions			
Total Scopes 1–3 greenhouse gas emissions (plastics-based) (tCO ₂ e)	174,054	190,188	-8
Total Scopes 1–3 greenhouse gas emissions (market-based) (tCO ₂ e)	174,055	190,189	-8

Scope 1

The calculation of emissions from the bank's company vehicles is based on internal data. The number of driven kilometres for each vehicle was multiplied by the vehicle's specific fuel consumption per kilometre, and then by the relevant emission factor for the fuel concerned. The results were then added for the entire company vehicle fleet to provide the bank's total climate impact from company vehicles expressed in tonnes CO₂e.

The bank has nothing to report in respect of emission allowances trading as it does not conduct any such trade.

Scope 2

The calculation of emissions from the bank's electricity use is based on total electricity consumption (kWh) at its offices in Gothenburg and Stockholm. The total consumption is multiplied by the climate factor for GodEl (the bank's electricity supplier), and expressed in grams CO₂e per kWh.

The bank reports no location-based gross greenhouse gas emissions as all electricity purchase is supplied by GodEl and is market-based according to the supplier's guarantee of origin.

This year, the bank is including emissions from purchased heating for the first time. This means the comparative year is not directly comparable with this year's figures. The carbon footprint from the purchased heating is calculated by the property companies from which the bank leases office space, and the emission values are obtained from the relevant property company's climate report.

Scope 3

Ziklo Bank reports the categories in Scope 3 where emissions have been identified. The following categories have been excluded:

- Capital goods (Category 2)
- Fuel- and energy-related activities (Category 3)
- Upstream transport and distribution (Category 4)
- Downstream transport and distribution (Category 9)
- Processing of products sold (Category 10)
- Use of products sold (Category 11)
- End-of-life treatment of sold products (Category 12)
- Downstream leased assets (Category 13)
- Franchises (Category 14)

Purchased goods and services (Category 1)

The bank's carbon footprint from purchased goods and services derives mainly from IT services (e.g. cloud services, operation and support) and IT product (e.g. hardware and software licenses).

The carbon footprint from these goods and services originates from the bank's suppliers, who prepare and provide emissions data through e.g. climate reports. The bank uses this data as the basis for determining emissions.

The year 2024 is reported as N/A as the bank did not have access to complete and reliable climate data for this year.

Waste (Category 5)

The calculation of emissions from waste is based on data the bank receives from the property owners. The documentation is based on the total waste collected in the property divided by the rented floor space in square metres, which means the data has been standardised.

Business travel (Category 6)

The calculation of the carbon footprint from business travel is based on internal travel statistics and applied emission factors for the means of travel concerned (rail, air & ferry). Emissions from overnight hotel stays are also included for 2025, which means the year's values are not fully comparable with the previous year's.

Personnel commuting (Category 7)

Employee commuting data is collected via an annual survey. The total commuting distance is calculated based on the responses, and the average number of working days per year is taken into account. The response rate in 2025 was 61%. The sum of the results is then used to find the organisation's total workforce, taking into account absence such as sick leave, parental leave and unpaid leave, and the variable utilisation of consultants. The emissions are calculated by multiplying the total distance covered by each means of travel with the emission factor for the various means.

Upstream leased assets (Category 8)

The calculation of the carbon footprint from heating is based on data the bank receives from the property owners. The documentation is based on the heating consumed in the property divided by the rented floor space in square metres, which means the data has been standardised.

Investments (Category 15)

Ziklo Bank calculates emissions from financed vehicles in accordance with the standardised method developed by the Partnership for Carbon Accounting Financials (PCAF). The calculations are based primarily on vehicle-specific data, and secondarily on industry standard templates and official Swedish sources. A segment-based average mileage from Transport Analysis is used for all vehicle types. The emissions are then multiplied by the bank's financed share of the vehicle's total value (attribution factor).

Camper vans, buses and heavy trucks are assumed to be diesel-driven, with the exception of those vehicles that are fully battery-powered. The segment-typical consumption factors used for these categories are based on industry data and Transport Analysis statistics. The emissions are calculated by multiplying fuel consumption by mileage and the emissions factor for diesel. A uniform standard energy consumption value based on published heavy electric vehicle tests is used for electric trucks. The emissions are calculated by multiplying energy consumption by mileage and the emission factors for electricity.

The vehicle-specific WLTP-CO₂ value, which indicates emissions per km, is used for each light commercial vehicle or passenger car that is not electrically powered. The emissions are calculated by multiplying the WLTP value by the distance in kilometres.

Energy consumption according to technical specification data is used for fully electrically powered light commercial vehicles and passenger cars. When such data is lacking, the bank uses a portfolio average based on observed consumption values in its electric vehicle fleet. The emissions are calculated by multiplying energy consumption by mileage and the emission factors for electricity.

Tonnes CO ₂ e	2025	2024
Passenger cars 1) 2)	65,971	75,842
Light commercial vehicles 1) 2)	15,447	16,304
Camper vans	1,131	263
Trucks 1)	90,337	96,851
Buses	476	764
Total	173,361	190,024

1) In 2025, Ziklo Bank updated the method for calculating emissions from financed vehicles. Passenger cars and light commercial vehicles are now reported separately, and the mileage for heavy trucks is based on a weighted average for multiple heavy vehicle segments according to Transport Analysis. To ensure comparability, the figures for 2024 have been recalculated according to the updated segmentation and methodology.

2) In 2025, Ziklo Bank updated the method for calculating emissions from electric vehicles. Unlike 2024, when electric vehicles were accounted for using WLTP CO₂=0 g/km, the calculations for 2025 include indirect operating emissions. Thus the comparative figures are not fully comparable and the actual year-on-year emissions reduction is greater than the table indicates. Data from earlier years has not been recalculated due to limited data.

E1-9 – GHG REMOVAL AND MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS

The bank is currently not involved in any carbon capture projects. Nor is any operator in the value chain known by the bank to be involved in such projects. Because the bank does not purchase carbon credits, it has not achieved any carbon reduction or GHG removal by means of such credits.

E1-10 – INTERNAL CARBON PRICING

The bank does not currently apply any internal carbon pricing systems.

E1-11 – ANTICIPATED FINANCIAL EFFECTS THROUGH MATERIAL PHYSICAL AND TRANSITION RISKS AND POTENTIAL CLIMATE-RELATED OPPORTUNITIES

Within the framework of its double materiality analysis, the bank has not identified any significant physical climate-related risks in its own operation. The analysis covered impacts, risks and opportunities in the bank's operation.

Physical risks that can affect buildings, production facilities, dealers and supply chains could increase the price of vehicles, which could lead to a lower total market. This could in turn result in lower earnings for the bank, but because this risk is deemed to be very low, the physical risk is not considered to be material. Because no physical risks have been identified, the bank has not made any monetary estimation of expected financial effects, nor any estimation of the proportion of assets or revenues exposed to physical risks.

As previously communicated in E1-2, the bank has identified the following material transition risks: residual value risk, borrowing cost and credit risk. These risks are primarily linked to changes in demand for the various power trains, regulatory changes and developments in the capital market.

As of 31 December 2025, plug-in vehicles made up 54% of passenger cars in the bank's portfolio, with an estimated value of around SEK 33 billion, while fossil-fuelled vehicles accounted for the remainder (46%), with an estimated value of SEK 11 billion. This composition indicates a diversified portfolio as the bank has a significant proportion of plug-in vehicles, but the remaining exposure to fossil-fuelled vehicles continues to be appreciable. A well-diversified portfolio minimises risk in a time of economic political uncertainty. From a transition perspective, the bank is well-positioned as the proportion of plug-in vehicles is a little higher than the market average in Sweden.

The bank has used scenarios from the Network for Greening the Financial System (NGFS), which is a tool for assessing how climate-related risks can evolve over time, depending on various future external circumstances. The bank also selected three scenarios for stress testing its transition risks. The most critical scenario was Fragmented World where all types of risk – residual value risk, borrowing risk and credit risk – increase over time, and where the impact on earnings in a stressed scenario is estimated at around SEK 250 million on a five-year horizon.

ESRS E2 – Environmental pollution

E2-1 – POLICIES RELATED TO ENVIRONMENTAL POLLUTION

The bank has not adopted any individual policy regarding environmental pollution, but has a sustainability policy that to a certain extent addresses material impact, risks and opportunities related to the mitigation of, and adaptation to, environmental pollution.

In addition to the sustainability policy, the code of conduct for partners and suppliers helps limit environmental pollution in the bank's value chain.

The bank's policy document can be found on page 36.

E2-2 – ACTIONS AND RESOURCES RELATED TO ENVIRONMENTAL POLLUTION

The bank has identified environmental pollution as material due to the indirect impact from financed vehicles during the use phase.

There are currently no specific measures directly aimed at emissions of particulates and microplastics, but the bank is working to reduce exhaust gases by promoting the electrification of the vehicle fleet. This transition is also expected to have a positive effect on air pollution.

The bank has not set aside any special resources specifically for measures linked to particulates and microplastics; this area is managed by the sustainability department. The longer-term ambition is to supplement this work with methods for measuring and following up on pollution-related impacts.

E2-3 – GOALS RELATED TO ENVIRONMENTAL POLLUTION

The bank has not yet set quantitative environmental pollution targets due to the lack of established methods and reliable data. The ambition is to develop data collection to enable relevant targets to be set in the future. Meanwhile, the bank is indirectly contributing to reduced air pollution by increasing the share of plug-in vehicles in the portfolio, as reported under ESRS E1 (Climate change).

E2-4 – POLLUTION OF AIR, WATER AND SOIL

Within the scope of the bank's own operations, there are no releases of any of the pollutants listed in Annex II to Regulation (EU) No 2024/1244. The bank neither produces nor uses microplastics. However, the bank is aware that the vehicles it finances may contribute to the environmental pollution of water and soil by releasing microplastics from the tyres during vehicle use. While there are currently major uncertainties in the way this should be measured and reported, the bank aims to develop this ability moving forward.

The Bank estimates that no emissions to air, water or land are made other than the greenhouse gas emissions reported in accordance with ESRS E1. As a result, we only report qualitative information, and there are currently no processes or measurement methods related to the pollutants listed in Annex II to Regulation (EU) No 2024/1244.

E2-5 – SUBSTANCES OF CONCERN AND SUBSTANCES OF VERY HIGH CONCERN

Not applicable as the operation does not produce, import or use substances of concern or substances of very high concern.

Social responsibility information

ESRS S1 – Own workforce

S1-1 – POLICIES RELATED TO OWN WORKFORCE

The bank's work with personnel issues is governed by a framework of policies and guidelines covering the entire workforce and constitute the basis for managing significant issues related to working conditions. In addition to the sustainability policy and code of conduct, central documents include the personnel manual (with the personnel, equal opportunities and health & safety policies; instructions for systematic health & safety management, and procedures for whistleblowing and dealing with abusive discrimination) and a remuneration policy. The policy framework is described on page 36. The policies set out that the bank must ensure good working conditions, a safe and healthy work environment and promote gender equality and inclusion.

All employees are also covered by Swedish labour law, collective agreements and the Swedish Discrimination Act, which ensures fundamental rights such as secure employment, reasonable wages, working hours, social protection and the right to freedom of association, collective bargaining and protection against discrimination. Even though the policy documents do not specifically deal with human trafficking, forced labour or child labour as these areas are regulated by legislation and collective agreements, the bank explicitly disassociates itself from all forms of forced labour, child labour or other involuntary labour. The bank must also actively promote respect for human rights.

S1-2 – DIALOGUE WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES, AVAILABILITY OF CHANNELS FOR RAISING NEEDS OR CONCERNS, AND APPROACHES TO REMEDIATION

The bank has established procedures for contacts with employees and employee representatives in matters that relate to working conditions, with the aim of identifying important issues and ensuring participation. Regular collaborative dialogues are held in meetings between union representatives and safety representatives. The local trade union chapter participates in statutory co-determination consultations on e.g. managerial appointments, or changes in the organisation or work processes. One of the representatives is also the employee representative on the bank's Board, thereby ensuring employee perspectives are considered in the bank's highest decision-making forum. The safety representatives form part of the bank's Health & Safety committee, a collaborative body that deals with issues related to health and safety planning, occupational health care, the psychosocial work environment, and changes to the premises and working methods. The committee convenes at least twice a year, where one meeting is preceded by an internal health and safety inspection at the bank's premises.

In addition to these forums, the bank regularly communicates with its workforce via the intranet, informational videos and quarterly Town Hall meetings in which management provides information and answers questions. Employee perspectives are also identified in annual employee surveys and pulse checks. Annual employee performance reviews also provide each employee with the opportunity to discuss health and safety, their development needs and well-being at work with their line manager.

The bank offers multiple reporting channels to make sure needs, viewpoints and complaints are addressed. In the first instance, employees are encouraged to turn directly to their line manager or HR. Employees may also go through their union or health and safety representative, who can act on the employee's behalf in dialogues

with the employer and as channels for raising challenges and suggestions for improvement from the employee. Employees may also submit points of view anonymously in the annual employee survey and in pulse checks where responses are treated in confidence and the outcomes are used as the basis for improvements and setting priorities in the business plan. In the case of serious irregularities or violation of working conditions, there is a whistleblower function that enables anonymous reporting and which is managed by an external party. The efficacy of these channels is monitored through case analyses, response times and feedback. The survey results are also used to show the extent to which employees feel comfortable expressing their opinions, to confirm they know how to report misconduct, and that they feel their views are taken seriously.

When cases are reported or irregularities identified, the bank follows a redress process that involves investigating the nature and scope of the event, deciding on appropriate actions, and providing feedback to the parties concerned. Lessons learned from processed cases are used as the basis for training and integrated into improvement plans.

S1-3 – ACTIONS AND RESOURCES RELATED TO OWN WORKFORCE

The bank actively promotes good working conditions and contributes to a sustainable work environment through initiatives that strengthen commitment, health, equality and leadership. The bank's work on working conditions contributes to the UN goals for good health and well-being (SDG 3), and gender equality (SDG 5).

In order to foster commitment, the bank strives to provide a work environment in which employees feel motivated, involved and enjoy opportunities to influence their development. Personal development discussions that include individual development contracts linking the employee's targets to the operation's overall goals, are held annually. Skills enhancement is prioritised through regular mandatory training in areas such as banking, risks, security and sustainability. Regular activities such as social gatherings and teaching workshops in the form of breakfast lectures are arranged to boost the sense of community and well-being and held at the office. In 2025, the breakfast lectures covered such themes as ageing and working life, sustainable mobility, mental health, AI and digitisation, personal finances, family law and trends for a sustainable life. In order to follow up and develop commitment initiatives further, regular pulse checks and employee surveys are carried out.

The bank works energetically to provide a safe, secure work environment that is free from the risk of ill health. The bank strives to create a workplace that is physically, mentally and socially healthy through systematic health and safety management. Systematic health and safety work is conducted on an ongoing basis throughout the year through the Safety committee, internal controls and risk monitoring. Health and safety work is carried out through annual safety rounds at the bank's two offices. The rounds include evacuation routes, fire prevention, CPR competence and access to first-aid supplies and defibrillators. The bank offers a wide range of health-promoting activities including wellness allowance, occupational health care, ergonomic support, massages and computer eyewear. In order to promote physical activity and everyday exercise, the bank encourages employees to use the wellness allowance in e.g. regular informational mailshots with tips and offers about health activities. Participation in activities such as overland ski relay races and the opportunity to lease a staff bicycle promote exercise. Flexible working methods such as flexitime, remote working and a reduction in working hours promote a good work-life balance. The bank constantly monitors overtime, holiday uptake and sick leave as part of its preventive work against ill health. Health checks are provided on a regular basis. The bank is a certified Proactive Workplace and collaborates with Ljung & Sjöberg AB to prevent abuse-related risks through education and access to support when needed.

The bank rejects all forms of discrimination and harassment. The bank's work with equality and inclusion seeks to create an inclusive workplace in which all employees feel safe, secure and respected, and enjoy equal opportunities for development. The bank works with guidelines for equality and transparency in recruiting, annual pay surveys and training in an inclusive meeting culture. Recruitment processes are regularly reviewed to prevent bias and ensure objective assessments. The bank supplements the pay survey and enhances pay transparency by rendering pay criteria visible and informing employees of the principles behind pay determination. Sanitary towels are provided free of charge at the offices. Equality and inclusion are also permanent features in personal development discussions and leadership training, ensuring these issues are integrated into both individual development plans and leadership development.

The bank's leadership must help foster commitment, a sense of security and personal development. Conditions in which employees can grow in their roles and help the bank achieve its goals are created through trust-based, coaching leadership. Leadership is strengthened through ongoing leadership forums, annual conferences and training. Leadership training is carried out four times a year and supplemented by the exchange of experiences in small groups. Introductions for new employee are structured and take place four times a year to ensure a safe start and a good understanding of the bank's values. In order to support long-term skills supply and create development opportunities, the bank identifies key roles and potential replacements and follows up internal skills development needs.

All of the measures are carried out under the bank's regular business planning and HR budget without the need for any special allocation of resources. The efforts help the bank achieve its goals for 2025 and strengthen working conditions in line with the double materiality analysis.

S1-4 – GOALS RELATED TO OWN WORKFORCE

Because Ziklo Bank strives to be a workplace whose employees flourish, develop and enjoy well-being, it has set clear goals for commitment, health, the work environment, equality and leadership. The goals apply to calendar year 2025 and were formulated in consultation with HR, the sustainability forum and management. The views of employees and their representatives influenced priorities. The goals are integrated into the business plan and followed up through employee surveys, business dialogues and ongoing reporting to management and the Board. The results are compared with outcomes from earlier baseline years.

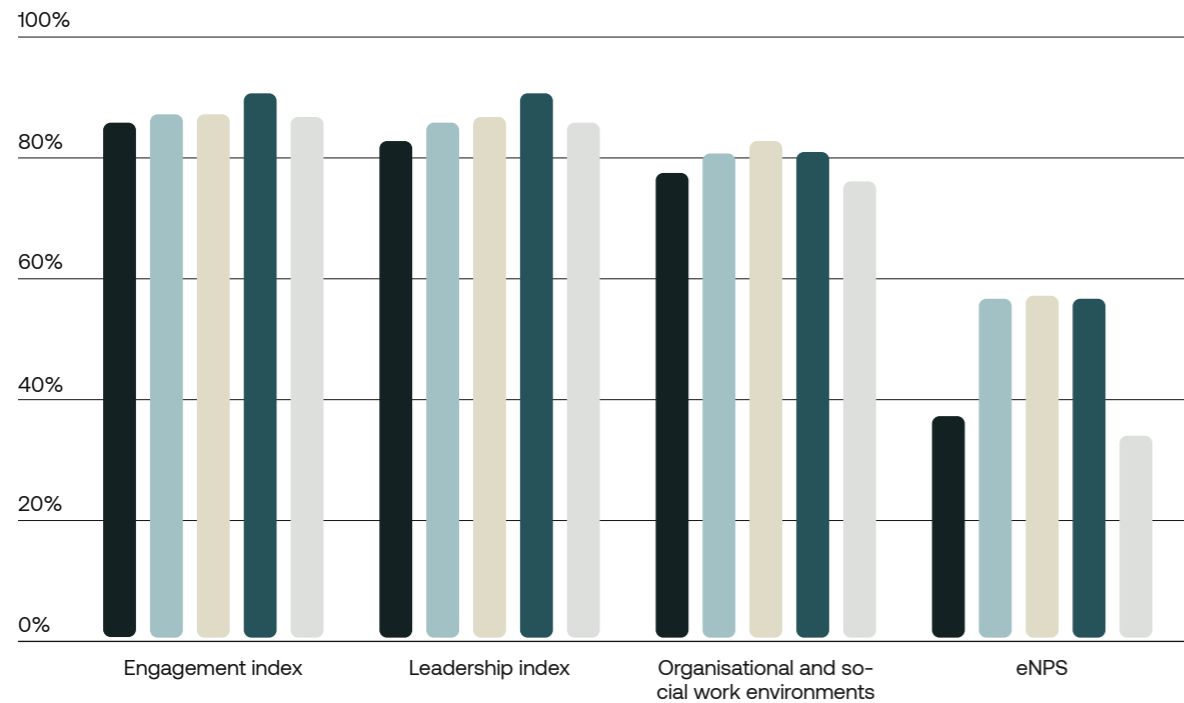
The bank aims to achieve an Employee Net Promoter Score (eNPS) of at least 60. The eNPS is a central measure of employee commitment and loyalty, and reflects how attractive the bank is as an employer. The score shows that employees are happy at work, motivated and willing to recommend the workplace to others – a crucial factor for retaining skills and attracting new talent in a competitive industry. In addition to the eNPS goal, the bank follows up the engagement index and the organisation and social work environment every year. The response rate in this year's employee survey was 92% (94), which is better than benchmark. The survey shows continued high levels of engagement for the organisational and social work environment. The score of 56 (57) is far above benchmark (the value ranges from -100 to +100) and is a testament to the bank's success as an employer.

The bank also aims to maintain an attendance level of 97.5%. Attendance is defined as the percentage of employees who did not take sick leave during the year. High attendance is a sign of a healthy work environment where employees enjoy well-being and contribute to productivity. Attendance in 2025 totalled 97.1% (97.5). In promoting health and well-being, the bank's goal is for at least 70% of employees to make use of at least 80% of the wellness allowance. This is a tangible way of encouraging physical exercise and implementing preventive health care. The proportion of employees who met the target in 2025 was 61% (59). The bank will also retain its Proactive Workplace certificate. The certification means the bank works systematically and proactively to prevent abuse-related risks in working life to foster a safe, inclusive, health-promoting work environment. For the third year running, the bank met the requirements for certification as a Proactive Workplace (2023, 2024 and 2025).

Because the bank must have an inclusive work environment where all employees enjoy the same opportunities regardless of gender, its goal is for the proportion of employees who resonate with this to exceed the industry average and at a minimum maintain the previous year's level. Moreover, the bank annually follows up on indicators such as the perception of being able to freely express an opinion in one's team and the freedom from abusive discrimination. In this year's employee survey, 96% (96) responded that they were not subject to victimisation (harassment, discrimination or sexual harassment) at work during the year, while 93% (87) affirmed that they can freely express their opinion in the team. When asked "Does the bank provide the same opportunities for all employees regardless of gender", 91% (87) responded positively, which is better than the finance industry benchmark 89% (84).

The bank's goal is for the leadership index to reach at least 85 in order to strengthen leadership. The leadership index is based on questions about trust, support, feedback and development opportunities. A high leadership index is crucial for creating commitment and a sustainable work environment, and reflects the quality of internal leadership. In this year's employee survey, the leadership index totalled 89 (86).

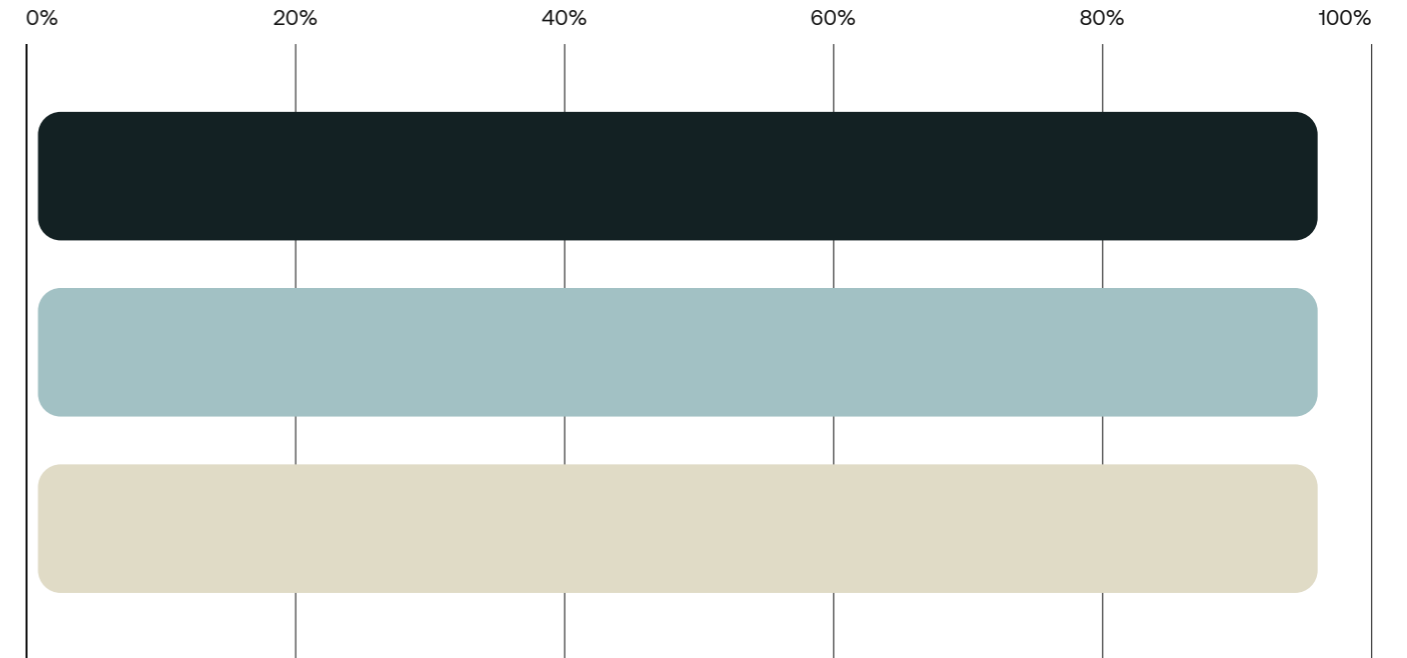
2022 2023 2024 2025 BM



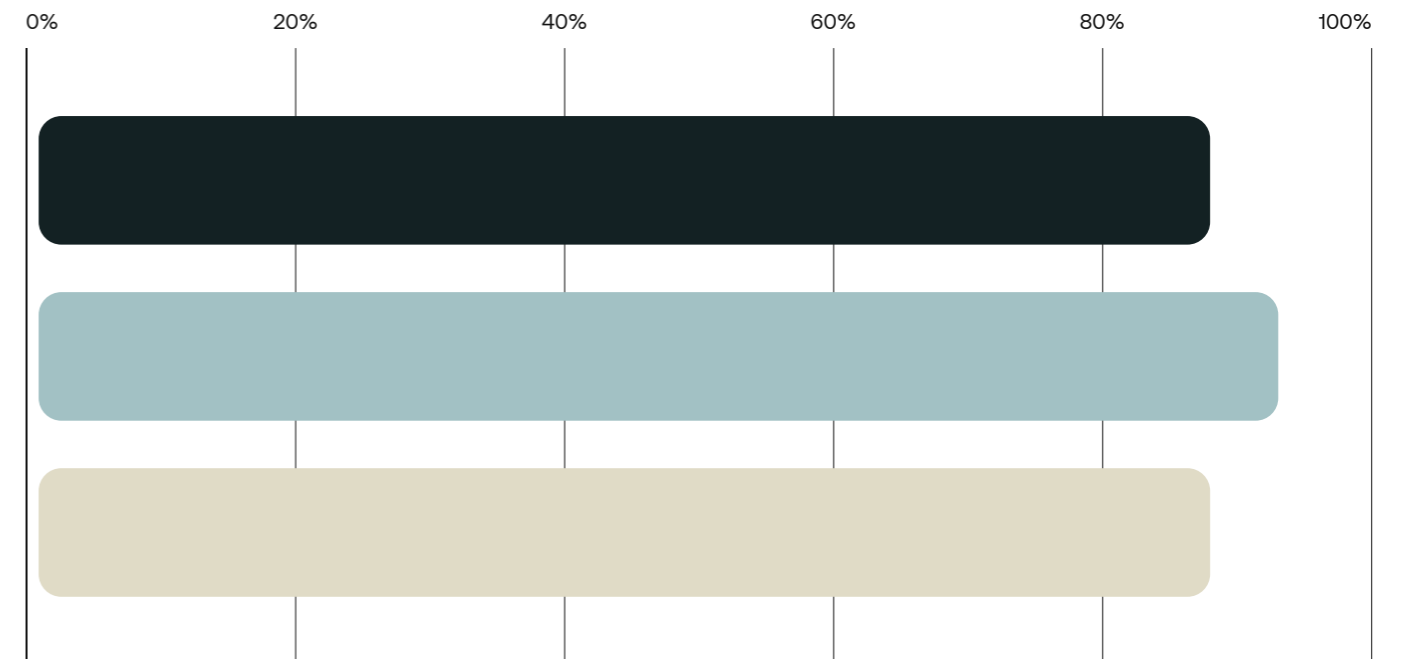
BM = Benchmark, which is based on the outcomes from just over 600,000 responses from more than 250 organisations (Nordic and international)

eNPS = Attractive employer (employee net promoter score), based on the employee survey

Employees who responded that they have not been subjected to victimisation (harassment, discrimination or sexual harassment) at work in the past 12 months.



Employees who responded that they were free to express their opinions in their teams.



2024 2025 BM, financial services and insurance

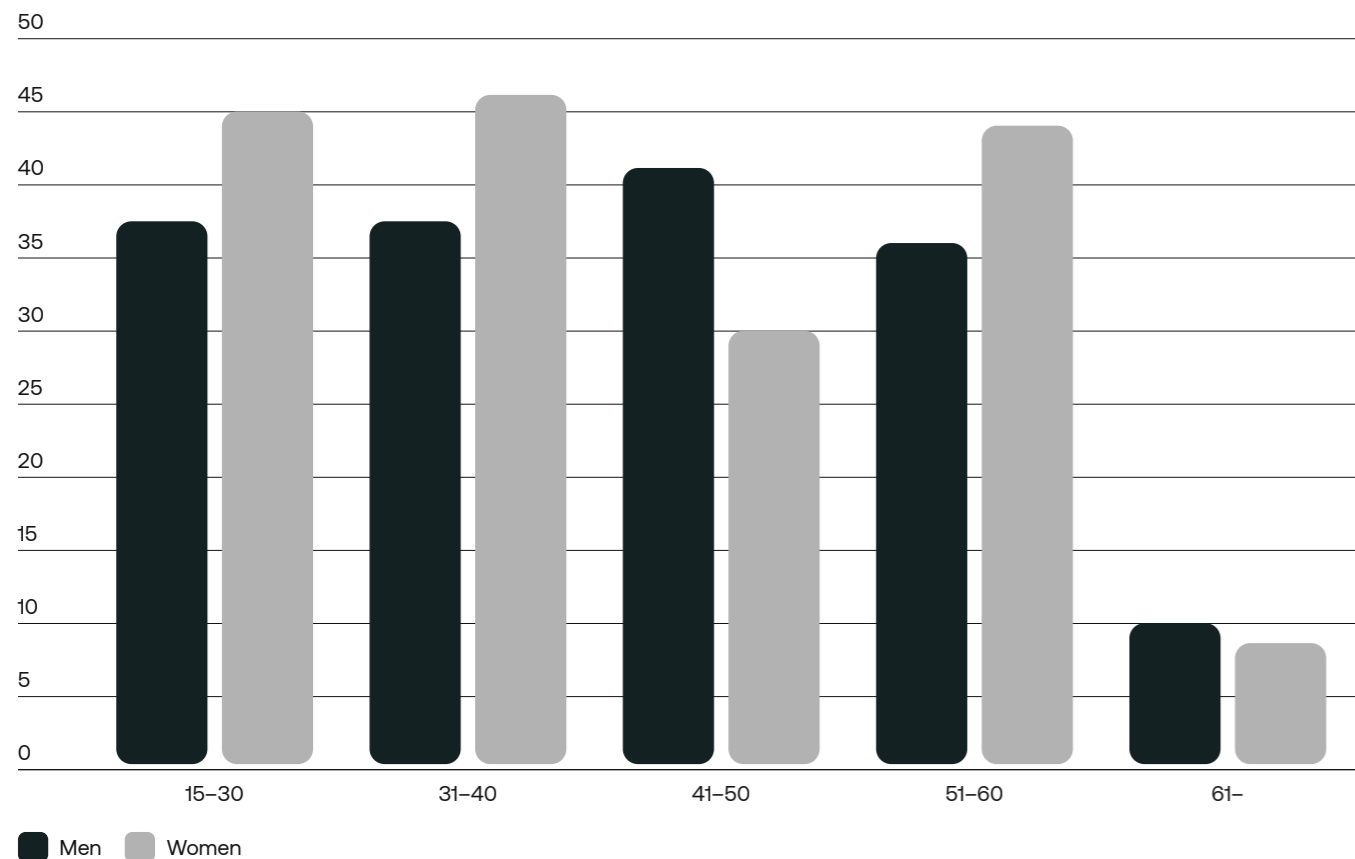
S1-5 – INFORMATION ABOUT THE COMPANY’S EMPLOYEES

Number of employees per gender	31/12/2025
Gender*	Number of employees (number of persons)
Men	169
Women	179
Other	-
Not shown	-
Total employees	348

*Gender is measured on the basis of legal gender: male or female.

The above table shows the final value for 2025 expressed as the number of persons. Because the bank only operates in Sweden, country distribution is not relevant. At year-end 2025, the bank had 348 (324) employees, of whom 273 (262) were based in Gothenburg. The remainder were employed by our office in Stockholm.

Age distribution 2025



Number of employees by type of employment*

31/12/2025	Women	Men	Other	Data lacking	Total
Number of employees	179	169	-	-	348
Number of permanent employees	171	163	-	-	334
Number of temporary employees	3	1	-	-	4
Number of hourly employees	5	5	-	-	10

*Gender is measured on the basis of legal gender: male or female.

Permanent employees are defined as those with open-ended employment contracts, including probationary employment. Temporary employees are defined as those with fixed-term contracts and with monthly salaries. Hourly employees include those who are paid hourly on fixed-term contracts, which means they are employed based on the bank’s needs, and that working hours may vary.

Personnel turnover	31/12/2025
Number of people who left during the year	14
Personnel turnover	4.29

The calculation of the number of employees who left during the year and personnel turnover only includes permanent employees, including probationary employment.

S1-6 – INFORMATION ABOUT WORKERS IN OWN WORKFORCE WHO ARE NON-EMPLOYEES

Workers in own workforce who are non-employees	31/12/2025
Total number of non-employees	119

The majority of workers in the own workforce who are non-employees consist of consultants who work at Ziklo Bank to various extents, primarily within Tech and to a certain extent in Customer Service. The information in the table shows the final 2025 value expressed as the number of persons.

S1-7 – COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

	31/12/2025
Number of employees, Sweden	348
Number of employees covered by collective agreements in Sweden	348
Percentage of employees covered by collective agreements in Sweden (%)	100
Number of employees represented at company level by employee representatives in Sweden	348
Percentage of employees represented at company level by employee representatives in Sweden (%)	100

All employees are covered by the collective agreements, and the bank operates only in Sweden.

S1-8 – DIVERSITY METRICS

31/12/2025*	Number	Per cent
Men	5	56
Women	4	44
Other	-	-
Not shown	-	-
Total (in the management group)	9	100

*Gender is measured on the basis of legal gender: male or female.

The table above shows gender distribution in the management group, expressed as the number of persons at the end of 2025.

S1-9 – ADEQUATE WAGES

All employees are covered by collective agreements that ensure pay above the statutory minimum level. All employees are considered to have adequate pay. Pay surveys are conducted to minimise unjustified pay differences between e.g. genders. The bank is also working to manage future pay transparency directives.

S1-10 – SOCIAL PROTECTION

All employees are covered by social protection under Swedish law (the Swedish Social Security system – The Social Insurance Code) which provides protection in case of illness, unemployment, occupational injury and parental leave. Because all employees are also covered by collective agreements that provide supplementary benefits such as sick pay and parental pay in addition to statutory protection, no unprotected employment has been identified.

S1-11 – PERSONS WITH DISABILITIES

The bank does not collect disability data and therefore cannot account for the proportion of employees with disabilities. However, all employees are covered by Swedish legislation ensuring equal rights and protection against discrimination, primarily through the Discrimination Act and the Work Environment Act. These laws require employers to prevent discrimination and make reasonable adaptation arrangements to accommodate people with disabilities. The bank explicitly disassociates itself from all forms of discrimination and works for an inclusive work environment in accordance with these regulations.

S1-12 – TRAINING AND SKILLS DEVELOPMENT METRICS

All employees have an annual performance review that forms part of the bank’s skills and career development. In this year’s pulse metric (May), 96% of employees responded Yes to the question about whether they had had a performance review within the last 12 months.

All employees undergo obligatory training in key areas such as AML, banking secrecy, GDPR, information security and phishing; ethics and conflicts of interest, AI, sustainability, and substance abuse and drugs in the workplace. The mandatory training lasts about 3 hours. In 2025, the total training time for these courses was 477 hours. Based on a workforce of 348 employees, this corresponds to about 1.4 hours per employee per year. The average value is affected, inter alia, by the fact that only training hours for active employees are registered. Sick leave, unpaid leave and parental leave mean fewer completed hours during the year, thereby lowering the annual average. Some mandatory training courses are not held every year for all employees, which impacts the outcome further. In addition to this, many employees take part in training courses that are not registered centrally.

S1-13 – HEALTH AND SAFETY METRICS

	31/12/2025
Percentage of own workforce covered by the occupational health & safety management system	100%
Number of deaths caused by work-related injuries and work-related ill-health	0
Number of recordable work-related accidents	1
Total number of hours worked for employees	687,134
Frequency of recordable work-related accidents	1.46

Hours worked are based on Social Insurance Agency working hours of 2,080 hours per full-time position multiplied by the number of employees (permanent and temporary) per month and totalled for the year. The data is used for calculating the frequency of recordable work-related accidents.

S1-14 – WORK-LIFE BALANCE METRICS

All employees are entitled to family-related leave in accordance with Swedish legislation and collective agreements. This percentage is thus 100%.

S1-15 – REMUNERATION METRICS

	31/12/2025
Gender pay gap*	25
Annual total compensation ratio**	7

*The gender pay gap is based on average gross hourly pay including benefits and adjusted for employment rate and length of service expressed as a percentage of the average gross hourly pay for men.

**The annual total compensation ratio is based on total annual compensation including benefits for the highest-paid individual in relation to the median value for all employees, excluding the highest-paid individual.

The difference in average pay between men and women is mainly due to the different occupational categories with different levels of pay in which men and women work.

S1-16 – INCIDENTS OF DISCRIMINATION AND OTHER HUMAN RIGHTS INCIDENTS

	31/12/2025
Number of reported incidents of discrimination	0
Number of human rights incidents identified (excluding those reported in the above)	0
Total amount of fines, sanction fees and damages for incidents	0

No incidents related to discrimination or human rights were reported in 2025.

ESRS S4 – Consumers and end-users**S4-1 – POLICIES RELATED TO CONSUMERS AND END-USERS**

The bank's work with consumer issues is governed by a framework of policies and guidelines covering all consumers and end-users. The framework forms the basis for the management of material issues linked to social inclusion through the access to mobility and information-related risks. In addition to the sustainability policy and code of conduct, key documents include the ethics policy, the policy for new or modified products and services, the quality policy, credit policy, complaints management policy, the information security policy, and the policy for processing personal data. The policy framework is described on page 36. The policy sets out that the bank must ensure fair treatment and responsible lending, take consumer interests into account when developing products, maintain high customer satisfaction and protect customer data through robust information security.

S4-2 – DIALOGUE WITH CONSUMERS AND END-USERS, AVAILABILITY OF CHANNELS FOR RAISING NEEDS OR CONCERNS, AND APPROACHES TO REMEDIATION

The bank has established procedures for contacts with consumers, corporate customers and end-users in order to identify customer perspectives. The dialogues take place through multiple channels including customer service by telephone, email, secure messages, the dealer network and regular customer surveys. The bank also uses digital channels such as the CarPay app, the bank's website and social media to disseminate information and receive comments. Insights from customer dialogues are used as a basis for improvements and product development. Especially vulnerable groups such

as persons with disabilities are taken into account through requirements for digital accessibility and fair creditworthiness assessments.

The bank has an established complaints mechanism that enables customers to put forward their complaints. In the first instance, customer service is contacted by telephone, email, letter or secure message. If the case is not resolved in the first instance, it is handled by the complaints manager in accordance with a formal process. If the customer is not satisfied with the bank's decision, the case is passed to external bodies such as the National Board for Consumer Disputes (ARN), the Swedish Consumers' Banking and Finance Bureau or the courts. Privacy-related issues are handled by the data protection officer (DPO), and in serious personal data incidents, the individuals concerned are informed and given the opportunity to exercise their rights. If necessary, the case may be referred to the Swedish Authority for Privacy Protection (IMY). The bank also provides a whistleblower function that enables serious wrongdoing to be reported anonymously. The efficacy of the channels is monitored on an ongoing basis by analysing response times, case statuses and regular reporting.

If the bank causes or contributes to negative impact, the complaints process or the DPO are used to remedy any harm. The process involves case reception, investigations, decisions, feedback and documentation. If necessary, cases are referred to external bodies such as ARN, IMY or the courts. Lessons learned from processed cases are used as the basis for training and integrated into improvement plans.

S4-3 – ACTIONS AND RESOURCES RELATED TO CONSUMERS AND END-USERS

The bank actively promotes access to mobility and maintains high standards of data protection and information security by targeted measures in financing and product development, and systematic security management efforts.

As a leading player in vehicle financing in Sweden, the bank plays a crucial part in enabling mobility and creating access to transport solutions that make everyday life and working life easier. The bank develops financing solutions that reach broad customer groups and bolster greater mobility through collaboration with vehicle dealers and OEM partners. The work supports the transition to plug-in vehicles, and helps reduce climate impact and promote sustainable mobility. Products and services are designed to be transparent and fair, with clear information about terms and costs. The bank conducts sound, responsible, low-risk lending, that takes the customer's needs into account. The NPAP process is applied on an ongoing basis to make sure new and modified products and services are designed taking consumer interests into account, including risk and sustainability assessments.

The bank bears a great responsibility to protect the sensitive information it processes. The work is governed by current legislation including the GDPR and a management system based on established information security principles. The focus is on ensuring the confidentiality, accuracy and accessibility of all information. To achieve this, the bank works constantly to develop security solutions and processes that prevent, detect and manage risks. The bank seeks to create a secure, resilient information and IT environment to protect data belonging to the business and its employees, partners and customers. All employees undergo regular training in information security and data protection, and external parties that process data are subject to corresponding requirements.

The work is carried out in the bank's regular operations and financed through the existing budget and governance process, without any additional special resources. All of these initiatives help the bank achieve its goals for 2025 and promote social inclusion by

providing access to mobility and reliable protection against information-related risks, in line with the double materiality analysis.

S4-4 – GOALS RELATED TO CONSUMERS AND END-USERS

The bank's goal is to provide responsible financing solutions that enhance access to mobility while ensuring strong customer data protection. To achieve this, the bank has established targets for data protection, information security and customer satisfaction. The targets apply for the calendar year 2025; consumer and end-user perspectives were taken into account through customer surveys and complaints management. The targets are integrated into the business plan and followed up through surveys, KPIs and ongoing reporting to management and the Board. The results are compared with outcomes from earlier baseline years.

The bank's information security work is regularly audited by an external party. In the last audit, the bank reached level 4, which is in line with the information security target and ISO27001. The bank must not have any confirmed information security incidents involving unauthorised access to customer data or other confidential information that has an actual impact on confidentiality, accuracy or accessibility. During the year, 0 (0) such incidents were reported.

GDPR and information security training are both mandatory for all employees, and training material is distributed continuously according to a set training plan. The goal is to ensure everyone allocated training completes it, but because training is also allocated to people on extended leave, the completion rate never reaches a full 100%. In 2025, 82% (86) completed GDPR training and 93% (90) completed information security training.

The bank must achieve a customer satisfaction index (CSI) of at least 90. CSI is a crucial quality metric that reflects how customers experience the bank's services; this year's CSI was 94 (92).

Corporate governance information

ESRS G1 – Business conduct**G1-1 – POLICIES RELATED TO BUSINESS CONDUCT**

The bank's work with business conduct is governed by a framework of policies and guidelines and forms the basis for the management of material matters. In addition to the sustainability policy and code of conduct, key documents include the ethics policy, anti-corruption policy with supplementary anti-bribery guidelines, the policy for managing conflicts of interest and instructions for reporting irregularities. The policy framework is described on page 36. The policies set out that the bank must conduct its business ethically and transparently, counteract corruption and improper influence, manage conflicts of interest and make sure suspected irregularities are reported and investigated.

Anti-bribery guidelines also identify roles considered to be particularly vulnerable to bribery and corruption, primarily those with external contacts and decision-making authority in procurement, purchasing, lending and management. The bank has identified the following positions as especially vulnerable: senior managers, the CFO, credit manager, group managers in IT, head of market communications, sales managers and purchasing managers.

The instructions for reporting irregularities provide for anonymity and statutory protection against retaliation.

G1-2 – ACTIONS AND RESOURCES RELATED TO BUSINESS CONDUCT

The bank operates in an industry that relies heavily on trust and which demands high standards of ethics, transparency and regulatory compliance. To maintain this trust, the bank conducts responsible, systematic corporate governance under a strong corporate culture based on professionalism, responsibility and clear guidelines. Ziklo Bank seeks to actively contribute to sustainable society by being a credible, responsible employer, business partner and stakeholder.

In order to maintain and strengthen corporate culture, all employees, including management, undergo obligatory annual training on ethics and conflicts of interest. The training also includes modules on corruption, gifts, conflicts of interest and whistleblowing, and is included in the induction package for new employees. In order to minimise the risk of non-compliance with banking rules and regulations, the bank's Compliance department conducts regular overviews, and policy documents related to business ethics and compliance are updated annually.

The bank has purchasing instructions that make sure procurements and purchases are conducted responsibly and transparently. Social and environmental criteria, including requirements for working conditions, the environment, security and quality, are considered when suppliers are selected. All suppliers and partners must comply with the bank's code of conduct, which sets minimum levels of responsibility in areas such as ethics, working conditions, human rights, the climate and the environment. The code of conduct must be signed before an agreement can be concluded. Before an agreement is concluded, due diligence covering financial, legal and ethical aspects must be completed, and in the case of critical agreements, a risk analysis must also be performed. Supplier monitoring is carried out on an ongoing basis through regular meetings, updated risk assessments, self-evaluation surveys and documentation in internal systems. All employees, including those working with purchasing and procurements, undergo annual internal sustainability training. The bank does not permit any form of price collaboration, cartel formation or abuse of market dominance, and it supports free and fair competition in tenders, offers, contracts and purchases in all aspects of its operations.

In addition to requirements for suppliers, the bank is actively engaged in preventing corruption and countering all forms of undue influence, including bribery and corruption. The work is guided by the Swedish Anti-Corruption Institute's Code to Prevent Corruption in Business and includes clear rules for gifts, entertainment and benefits, and precautionary criteria and a list of permissible and prohibited benefits. The bank conducts annual risk analysis to identify corruption risks, assess consequences and analyse any inadequacies in the handling processes. Based on the analysis, measures are developed to strengthen the control environment. Suspicions of corruption or bribery must be reported, and this can be done anonymously via the bank's whistleblower function, which is managed by an external party. Incidents are handled in accordance with internal instructions, and violations can lead to disciplinary action such as a warning, termination or police report.

These measures are implemented under the bank's regular governance and control processes and financed through the existing budget, without any special allocation of resources. These measures allow the bank to reduce the risk of irregularities and strengthens its role as a reliable, sustainable player.

G1-3 – GOALS RELATED TO BUSINESS CONDUCT

The bank seeks to maintain a strong corporate culture and to run its business in a sound, ethical and responsible manner. Because no whistleblower cases may be critical or material, serious incidents must be prevented. Zero (0) whistleblower incidents were reported in 2025.

The mandatory training in ethics and conflicts of interest is carried out according to an established training plan. The goal is to ensure everyone allocated training completes it, but because training is also allocated to people on extended leave, the completion rate never reaches a full 100%. In 2025, 94% (95) completed training.

Regarding supplier responsibility, all new key suppliers must sign the bank's code of conduct before concluding agreements, and key suppliers critically important for the business and its operation must undergo annual evaluation according to the bank's policy. In 2025, 100% (100) of new key suppliers signed the bank's code of conduct and 100% (100) of key suppliers critically important to the business were evaluated.

The targets apply to the calendar year 2025 and are followed up through KPIs and ongoing reporting to management and the Board. The results are compared with outcomes from earlier baseline years.

G1-4 – INCIDENTS OF CORRUPTION AND BRIBERY

During the reporting year, the bank has had 0 (0) confirmed cases of corruption or bribery. There were no convictions and no fines were imposed.

G1-5 – POLITICAL INFLUENCE AND LOBBYING ACTIVITIES

In line with its values and strategic goals, the bank conducts certain lobbying activities aimed at promoting sustainable mobility and the green transition. Influence is exercised through participation in public forums and industry initiatives. The bank made no political contributions, financial or otherwise, directly or indirectly, during the reporting period. However, during the year, the bank took part in the following activities for the purpose of influencing relevant issues and contributing to sustainable development:

Almedalen week: The bank took part in a number of seminars and panel discussions on such things as sustainable transport and a sustainable transition. During these activities, dialogues were held with politicians, the authorities and civil society on issues pertaining to sustainability.

DI Mobility Day: The bank took part in discussions about tomorrow's mobility and the financing of sustainable infrastructure. The purpose was to highlight the bank's role in the green transition and to promote collaboration between the public and private sectors.

Op-ed: 'Step on the gas to speed up transition': The bank co-authored an op-ed in Dagens industri (a Swedish business daily) aimed at making the case for Sweden's need to accelerate the green industrial transition. The article highlighted obstacles such as slow permitting processes, inadequate electricity infrastructure and unclear ground rules, and it encouraged the government to act more robustly to enable investments in green technology and thereby strengthen Sweden's competitiveness.

Freeport days: The bank took part in a panel discussion on EVs and sustainable mobility. The focus was on puncturing myths about EVs and discussing how more people can gain access to them. The goal was to identify obstacles and solutions for a wider electrification of the vehicle fleet.

eCarExpo: The bank took part in eCarExpo in Stockholm to

demonstrate that EVs are often more economical than fossil-fuelled vehicles. The bank presented an analysis showing that despite higher purchase prices, EVs often have lower overall costs due to cheaper operation and maintenance. The aim was to reduce uncertainty concerning the EV economy and help consumers make better decisions. The bank's presence was part of the drive toward sustainable mobility and consumer understanding.

Mobility Report: This year's edition of the Mobility Report published annually by the bank shows that EV technology is working, the infrastructure is in place, and that experience of EVs is growing. Yet the transition is spasmodic; while companies drive developments, the private market is held back by myths and uncertainty. Making use of extensive data and analyses, the report shows where Sweden stands right now, and what is needed for electrification to be faster, more widespread and more fair.

The bank appointed a new member to the Board of Directors during the current reporting period. The member has not held a comparable position with any authority, including supervisory authorities, during the two years preceding the appointment.

G1-6 – PAYMENT PRACTICES

Invoices are paid on the due date according to agreed payment terms. The bank has zero outstanding legal proceedings relating to late payments.

ESRS G1 – Prevention of financial crime**G1-1 – POLICIES RELATED TO THE PREVENTION OF FINANCIAL CRIME**

The bank's work with the prevention of financial crime is governed by a framework of policies and guidelines that form the basis for the management of material matters. In addition to the sustainability policy and code of conduct, key documents include the AML policy with its associated guidelines, and ethics policy. The policy framework is described on page 36. The policies set out that the bank must prevent money laundering and fraud, specify the purpose and requirements for a risk-based approach, and require that suspected irregularities be reported.

G1-2 – ACTIONS AND RESOURCES RELATED TO THE PREVENTION OF FINANCIAL CRIME

The bank engages actively in the prevention of financial crime such as money laundering and financing of terrorism. The bank is also actively involved in efforts to prevent its services from being used to enable fraud. The work is governed by a proportionate, risk-based approach and includes customer due diligence, screening using relevant lists and the constant supervision of transactions. Deviations are handled promptly and reported to the competent authorities. All employees and the bank's partners undergo regular training aimed at enhancing awareness and skills in this area. The bank takes part in industry collaborations and initiatives to prevent financial crime, including information campaigns such as Scamaware! and the Swedish Bankers' Association's joint initiative against fraud. These efforts help raise awareness in society. The bank also collaborates with authorities to prevent new forms of financial crime.

This work is implemented under the bank's regular governance and control processes and financed through the existing budget, without the need for any special allocation of resources. All of these initiatives help achieve the bank's 2025 targets and promote its work preventing financial crime, in line with the double materiality analysis.

G1-3 – GOALS RELATED TO THE PREVENTION OF FINANCIAL CRIME

The bank's goal is to ensure robust protection against financial crime and maintain confidence in the business. The work is followed up through key performance indicators that cover e.g. the proportion of high-risk customers, time taken for reporting to the Financial Intelligence Unit, the investigation of transaction alarms and checks of PEP, RCA and sanction lists. Given the internal nature of these data, detailed objectives are not published. The bank must however ensure a high level of completion in the mandatory AML training. The goal is to ensure everyone allocated training completes it, but because training is also allocated to people on extended leave, the completion rate never reaches a full 100%. In 2025, 96% (95) completed training.



Remunerations

Under Swedish Financial Supervisory Authority regulations, the bank is required to publish information on its remuneration policy and its application at a minimum annually and no later than in conjunction with the publication of the annual report.

PREPARATION AND ADOPTION

The bank's Board has appointed a Remuneration committee from among its members that is tasked with preparing important remuneration decisions and proposing measures for monitoring the application of the current remuneration policy. The Board has appointed Björn Ingemansson as Chairman of the Board, and Per Avander and Anna Wibring as members of the Remuneration committee.

An independent control function participates in the process of assessing and evaluating the bank's remuneration system. The control function reports the results of its review to the Board.

RISK ANALYSIS

A risk analysis must be conducted before any resolution can be passed on the adoption of a remuneration policy or on other material changes to the bank's remuneration system. The risk analysis must identify and consider any risks associated with the bank's remuneration policy and remuneration system that could have an adverse effect on the bank's future earnings and financial position. Based on the risk analysis, the bank must identify those employees whose duties have a material effect on the company's risk profile.

SCOPE

The remuneration policy covers all employees of Ziklo Bank AB and is gender neutral.

REMUNERATION MODEL

Remuneration and other terms of employment must be competitive to make sure the bank is able to attract and retain skilled employees able to help with the company's long-term value growth. Remunerations paid by the bank must promote effective risk management and discourage excessive risk-taking. The bank may also decide to reclaim all or part of the variable remuneration paid if it is subsequently shown that the employee, profit centre or bank failed to meet the performance criteria. The bank may also opt not to pay variable remuneration if the bank's financial position deteriorates significantly.

FIXED REMUNERATION

Employees must be offered fixed remuneration that is competitive and has a clear link to responsibility, performance, initiative and collaboration skills. Remuneration must be individual and differentiated. Fixed remunerations are reviewed annually. Pension schemes are payable according to legislation, collective bargaining and by agreement with the bank. The employee may receive the customary benefits as described in the Ziklo Bank personnel manual.

VARIABLE REMUNERATION

In exceptional cases, employees may receive variable remuneration in addition to fixed remuneration.

As a general rule, no variable remuneration is payable to members of the bank's management team. Nor as a rule is it payable to employees who make decisions on credits/limits or who work in the control functions Compliance or Risk control.

Variable remuneration is only paid out to the employee insofar as it is warranted with regard to the company's financial situation and justifiable according to the performance of the company, the business unit concerned and the employee. It must also be possible to cancel the variable remuneration in its entirety for the same reasons.

The Board resolves on the matter following a proposal from the Remuneration committee concerning payment of variable remuneration after the case is reviewed by the CEO, Chief People Officer and Chief Risk Officer. The payment of variable remuneration is contingent upon the bank's having made a profit.

DEFERRED REMUNERATION

In the case of employees in positions that have a material effect on the company's risk profile and who may receive variable remuneration, 50% of the variable remuneration must be withheld until three years after the performance period, provided that said remuneration totals at least SEK 100,000. The bank may pay out deferred remuneration once per year evenly distributed across the period over which the remuneration was deferred. The first payment may not be made until one year after the variable remuneration was resolved upon. Variable remuneration is only paid out to the employee insofar as it is warranted with regard to the company's financial situation and justifiable according to the performance of the company, the business unit concerned and the employee. It must also be possible to cancel the variable remuneration in its entirety for the same reasons.

EXPENSED AMOUNTS

The total amounts of remuneration expensed during the financial year are presented by employee category in the table below.

Employee category*	Fixed remuneration, SEK million	Variable remuneration, SEK million	No. of people w/ fixed remuneration	No. of people w/ variable remuneration
Executive management	21.6	–	9	–
Other employees, incl. miscellaneous employees who can influence the bank's risk level**	181.1	0.6	332	7
Total	202.7	0.6	341	7

*The 'Executive management' category consists of the CEO and other members of company management who report directly to the Board or CEO. The category 'Miscellaneous employees who can influence the bank's risk level' comprises people that have been defined as employees whose duties have a material effect on the company's risk profile.

**In accordance with the regulations and general recommendations of the Swedish Financial Supervisory Authority, quantitative information is not provided for employee categories with few individuals. Quantitative information for the 'miscellaneous employees' category is therefore provided together with the 'Other employees' category.

Expensed remunerations for the financial year totalled SEK 203.3 million. Variable remunerations consist entirely of cash. No remuneration is deferred and no variable remuneration has been promised.

No amounts related to severance pay were expensed during the year. No further promises of severance pay or of guaranteed variable remuneration in connection with recruitment have been made.

Appropriation of profits

The bank's Annual General Meeting has at its disposal available profits as per the balance sheet amounting to a total of SEK 1,534 million. The Board proposes a dividend of SEK 616 million to the AGM, corresponding to 75% of the operating profit after standard rate tax for 2025.

Amounts in SEK thousand	2025
Retained earnings	713,632
Profit for the year	820,376
At the disposal of the AGM	1,534,008
The Board proposes that the amount be allocated as follows:	
A dividend of SEK 615.84 per share will be paid to shareholders	615,835
Carried forward	917,173
Total	1,534,008

Capital base

Under the regulations governing capital adequacy and large exposures, institutions are required at all times to maintain a minimum capital base equal to the sum of the capital requirements for credit risks, credit value adjustment risks, market risks and operational risks, in addition to the calculated capital requirement for additional risks identified in the operations in accordance with the bank's internal capital adequacy assessment process. Following the proposed appropriation of profits, the bank will have a capital base of SEK 6,401 million (6,580) and a minimum capital requirement of SEK 2,298 million (2,552). A specification of the items is presented in the section Risk and capital management.

The Board's assessment is that the bank's equity, as reported in the annual accounts, is adequate in relation to the scope and risk of the operations.

For further information about the bank's earnings and position, see the following income statement, balance sheet and cash flow statement.

Five-year summary

Amounts in SEK million

	2025	2024	2023	2022	2021
Condensed income statement					
Interest income	1,111	1,357	1,295	709	544
Lease income	7,789	7,219	7,262	6,365	6,159
Interest expenses	-1,316	-1,676	-1,392	-455	-281
Dividends received	0	0	0	0	0
Commission income	475	452	421	389	350
Commission expenses	-269	-227	-190	-156	-140
Net result from financial transactions	-14	-8	-28	32	10
Other operating income	439	516	436	312	259
Total income	8,215	7,633	7,804	7,196	6,901
General administrative expenses	-658	-713	-608	-496	-448
Other operating expenses*	-6,510	-5,932	-6,163	-5,902	-5,784
Credit losses, net	-13	-24	-13	-23	-11
Total expenses	-7,181	-6,669	-6,784	-6,421	-6,243
Operating profit	1,034	965	1,020	775	658
Profit for the year	820	-	-	1,335	423

*Including depreciation of tangible non-current assets and amortisation of intangible non-current assets

	2025	2024	2023	2022	2021
Condensed balance sheet					
Treasury bills eligible as collateral etc.	2,406	1,684	1,831	1,239	1,586
Lending to credit institutions	3,635	2,660	1,854	1,988	2,234
Loans and advances to the public	19,692	17,796	16,375	16,437	16,872
Bonds and other interest-bearing securities	2,134	2,419	2,211	2,495	1,453
Shares and participations in associates and other companies	31	28	22	21	18
Intangible non-current assets	24	41	64	19	19
Tangible assets	33,567	31,281	26,120	23,431	21,803
Other assets	1,464	2,150	1,315	1,290	1,127
Total assets	62,953	58,060	49,792	46,920	45,112
Borrowing	50,802	46,622	39,139	36,835	35,956
Other liabilities	3,526	3,250	3,027	2,923	2,345
Subordinated liabilities	-	-	-	400	400
Untaxed reserves	6,662	6,662	5,698	4,680	5,533
Equity	1,963	1,526	1,928	2,082	878
Total liabilities and equity	62,953	58,060	47,792	46,920	45,112

	2025	2024	2023	2022	2021
Key ratios					
Return on equity, %	12.05	11.78	13.60	12.69	11.75
Deposits / Lending, %	48.42	50.53	57.39	57.81	56.36
Profit / Risk-weighted assets, %	3.60	3.02	3.72	3.19	2.96
Return on total assets, %	1.36	1.42	1.84	1.34	1.17
Total capital ratio, %	22.28	20.63	22.55	24.59	23.08
Common Equity Tier 1 capital ratio, %	22.28	20.63	22.55	22.94	21.28
Interest income / av. lending, %	2.14	2.37	2.79	2.09	1.72
Credit losses / av. lending, %	0.02	0.06	0.03	0.06	0.01
Cost/Income ratio	0.42	0.47	0.44	0.45	0.44
Cost/Income ratio excluding residual value provision	0.40	0.43	0.38	0.40	0.41
Liquidity coverage ratio, %	253	242	252	210	225
Net Stable Funding Ratio (NSFR), %	120	120	119	118	116
Leverage ratio, %	10.5	11.9	12.8	12.2	10.8
Average number of employees	320	302	281	257	249

Definitions for alternative key ratios and key ratios according to Swedish rules on capital adequacy can be found at:
<https://www.Ziklo.com/om-oss/investerarrelationer/finansiella-rapporter/>



Income statement

Amounts in SEK thousand

1 January – 31 December	Note	2025	2024
Operating income			
Interest income	5	1,110,903	1,357,096
of which income calculated using the effective interest method		(1,113,441)	(1,339,627)
Lease income	6	7,789,038	7,218,542
Interest expenses	5	-1,316,286	-1,675,910
Dividends received	7	77	86
Commission income	8	474,511	452,474
Commission expenses	9	-268,605	-227,360
Net result from financial transactions	10	-13,589	-7,548
Other operating income	11	438,558	516,083
Total operating income		8,214,607	7,633,462
Operating expenses			
General administrative expenses	12	-657,999	-713,034
Depreciation and impairment of tangible and intangible non-current assets	13	-6,475,621	-5,868,984
Other operating expenses	14	-34,194	-62,780
Total expenses before credit losses		-7,167,814	-6,644,798
Profit before credit losses		1,046,792	988,663
Credit losses, net	15	-12,632	-24,650
Impairments/Reversals of financial fixed assets, net	15	-14	662
Operating profit		1,034,147	964,676
Appropriations	16	-	-964,039
Tax on profit for the year		-213,771	-638
Profit for the year*		820,376	-

*Profit for the year is the same as comprehensive income for the year.

Balance sheet

Assets	Note	31/12/2025	31/12/2024
Treasury bills eligible as collateral etc.	18	2,406,354	1,684,154
Lending to credit institutions	19	3,634,523	2,660,161
Loans and advances to the public	20	19,691,640	17,795,682
Bonds and other interest-bearing securities	21	2,134,383	2,419,068
Shares and participations in associates and other companies	22	24,024	21,386
Shares and participations in Group companies	23	6,742	6,742
Intangible non-current assets	24	23,599	41,451
Tangible assets: inventory	25	2,239	2,450
Tangible assets: lease items	25	33,425,939	31,244,548
Tangible current assets	25	138,840	33,639
Other assets	26.27	1,355,048	2,062,428
Prepaid expenses and accrued income	28	109,839	88,173
Total assets		62,953,171	58,059,881
Liabilities and equity			
Liabilities to credit institutions	29	2,407,143	3,402,381
Deposits and borrowing from the public	30	25,717,335	24,779,095
Securities issued	29	22,678,137	18,441,029
Other liabilities	27.31	1,708,710	1,500,558
Accrued expenses and deferred income	32	1,816,790	1,749,162
Total liabilities		54,328,114	49,872,224
Untaxed reserves	33	6,661,700	6,661,700
Equity	34		
Restricted equity:			
Share capital, (1,000,000 shares, quota value of SEK 400)		400,000	400,000
Statutory reserve		20,000	20,000
Development fund		9,349	10,101
Non-restricted equity:			
Retained earnings		713,632	1,095,856
Profit for the year		820,376	-
Total equity		1,963,357	1,525,957
Total liabilities and equity		62,953,171	58,059,881

Change in equity

Amounts in SEK thousand

	Restricted equity			Non-restricted equity	Total equity
	Share capital	Statutory reserve	Development fund	Retained earnings incl. profit for the year	
Opening equity, 1 January 2024	400,000	20,000	15,568	1,492,879	1,928,447
Profit for the year	-	-	-	-	-
Capitalisation of development expenditures	-	-	2,547	-2,547	-
Dissolution resulting from development expenditure depreciations for the year	-	-	-8,014	8,014	-
Total change before transactions with shareholders	400,000	20,000	10,101	1,498,346	1,928,447
Dividend	-	-	-	-402,490	-402,490
Closing equity, 31 December 2024	400,000	20,000	10,101	1,095,856	1,525,957
Opening equity, 1 January 2025	400,000	20,000	10,101	1,095,856	1,525,957
Profit for the year	-	-	-	820,376	820,376
Capitalisation of development expenditures	-	-	5,015	-5,015	-
Dissolution resulting from development expenditure depreciations for the year	-	-	-5,767	5,767	-
Total change before transactions with shareholders	400,000	20,000	9,349	1,916,984	2,346,333
Dividend	-	-	-	-382,976	-382,976
Closing equity, 31 December 2025	400,000	20,000	9,349	1,534,008	1,963,357

Cash flow statement

Amounts in SEK thousand

	2025	2024
Operating profit	1,034,147	964,676
Adjustment for items not included in cash flow		
Unrealised portion of net result from financial transactions	-12,313	-6,992
Depreciations, amortisation, impairments	6,475,621	5,869,020
Credit losses	12,632	24,649
Paid/refunded (-/+) tax	22,956	-25,681
Changes to assets and liabilities in operating activities		
Treasury bills eligible as collateral	-722,200	146,838
Loans and advances to the public	-1,908,758	-1,445,162
Disposal of tangible assets	7,880,300	6,392,651
Acquisition of tangible assets	-16,619,437	-17,397,327
Bonds and other interest-bearing securities	284,665	-208,444
Deposits and borrowing from the public	938,239	410,148
Liabilities to credit institutions	-995,238	2,107,143
Other assets	449,156	-810,089
Securities issued	4,237,108	4,965,982
Other liabilities	288,094	230,274
Cash flow from operating activities	1,364,992	1,217,686
Investing activities		
Capitalised development expenditures	-5,016	-2,547
Investments in shares and participations	-3,110	-9,628
Disposal/redemption of shares and participations	472	3,118
Cash flow from investing activities	-7,654	-9,057
Financing activities		
Dividends paid	-382,976	-402,490
Cash flow from financing activities	-382,976	-402,490
Cash flow for the year		
Cash and cash equivalents at beginning of year	2,660,161	1,854,022
Cash flow from operating activities	1,364,992	1,217,686
Cash flow from investing activities	-7,654	-9,057
Cash flow from financing activities	-382,976	-402,490
Cash and cash equivalents at year-end; see Note 40	3,634,523	2,660,161



Notes

Notes

Notes to the income statement and balance sheet. Unless otherwise specified, amounts are stated in SEK thousand. Ziklo Bank AB, hereinafter 'the bank', operates in the Swedish market.

NOTE 1. Information about the bank

The annual report was submitted on 31 December 2025 and refers to Ziklo Bank AB ('the bank'), a Swedish-registered credit institution based in Gothenburg. The address of the head office is Bohusgatan 15, Box 198, SE-401 23 Gothenburg, Sweden.

The bank is 50% owned by the Swedish Volvo dealerships through the holding company AB Volverkinvest and 50% owned by Volvo Personvagnar AB. The bank conducts sales finance and credit card operations.

Under chapter 7, section 6a of the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, the bank does not prepare consolidated accounts as activities in subsidiaries are negligible.

NOTE 2. Risk and capital management

BACKGROUND

Ziklo Bank AB (publ), Company registration number 556069-0967, is subject to EU Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 29 June 2013 on prudential requirements for credit institutions and investment firms.

The regulations have been incorporated into Swedish law, with the addition of a large number of regulations and general recommendations issued by the Swedish Financial Supervisory Authority (FSA).

This annual report provides the information required under the aforementioned laws and regulations.

In the spring of 2011, the FSA approved the bank's IRB application for permission to use the internal ratings-based (IRB) approach for calculating capital requirements for credit risk for the retail portfolio and non-credit obligation assets exposures. Three years later, in the spring of 2014, the FSA approved the bank's application for permission to also apply internal models for the bank's corporate exposures. The bank has been granted a permanent exemption to use the standardised approach for exposures to the Swedish State, the Swedish National Bank and Swedish municipalities as well as for the exposure categories sovereign and institutional exposures and portfolios that are insignificant in size, including equity exposures.

RISK MANAGEMENT

Various types of risk arise from the bank's operations, such as credit risks, interest risks, liquidity risks and operational risks. For the purpose of limiting and controlling risk-taking in the business, the company's Board, which is ultimately responsible for internal controls in the company, has adopted policies and instructions for the granting of credit and other operations. Overall responsibility for the company's risk management resides with the bank's Board. In a specific instruction that applies under certain frameworks, the board has delegated responsibility to various other functions, which

in turn report regularly to the Board. The bank's risk management seeks to identify and analyse the risks that arise in the course of its operations, and to define appropriate limits for such risks and make sure the required internal controls are in place. The risks are monitored and regular checks made to ensure limits are not exceeded. Risk policies and risk management systems are reviewed regularly to make sure they are correct and reflect current market conditions as well as the products and services offered. The bank creates the basis for good risk control through training and clear processes, making sure each employee understands his or her role and responsibility.

The bank has a central function for independent risk control that reports directly to the CEO. The risk control function is tasked with analysing changes in the risks and, where necessary, proposing changes to policies and processes. The function is responsible for the design, implementation, reliability and monitoring of the bank's risk classification system.

RISK STRATEGY

The bank's risk strategy and risk appetite have to:

- serve as policy instruments for achieving the company's strategic objectives
- take account of the bank's unique business model in the Swedish Volvo system
- take account of the bank's desire to be perceived as the 'Mobility Bank'
- be appropriate for the bank's various business areas, i.e. Cars, Fleet and Trucks
- be systematic, structured and characterise the entire organisation

The bank has identified the following risk categories as the most significant for meeting the bank's strategic objectives:

- Credit risk
- Operational risk (including ICT-related risk)
- Concentration risk (credit risk)
- Interest rate risk
- Counterparty risk
- Liquidity risks
- Reputational risk
- Strategic risk
- Residual value risk
- Sustainability-related risk

The bank's overall risk strategy is based on continuous analysis of the various risk factors to which it is exposed through its activities. These risks can be broadly divided into:

- risks that the bank is willing to accept, as they can contribute to higher returns or goal achievement
- risks that the bank seeks to minimise, as they cannot be expected to contribute to higher returns or goal achievement

The first category includes credit risk, concentration risk (credit risk) and residual value risk, which the bank seeks to optimise within the risk appetite defined by the Board for the achievement of its strategic objectives.

Operational risk, interest rate risk, counterparty risk, reputational risk, liquidity risk, strategic risk and sustainability-related risk belong to the second category, for which the bank has little risk appetite. Operational risk includes compliance risks such as money laundering,

legal risks and ICT risk, including third-party ICT risk. The costs of managing these risks must be proportionate to the direct or indirect loss that could occur were the risk to materialise.

The bank's risk strategy is an important part of its business strategy. The bank's position as a mobility bank split into the different business areas in the Swedish Volvo system goes hand-in-hand with the optimum management of credit risk and residual value risk, as these benefit owners, customers and partners while defending the bank's position and its role in the system. Similarly, the low appetite for other risks is only natural, as they do not contribute to higher goal achievement but rather risk lower goal achievement, bearing in mind the role the bank plays in the Swedish Volvo system. Thus the bank follows its strategic target for return on equity as a measure of risk appetite.

All risks must be managed both preventively and reactively through good risk management in the first line of defence as well as through good risk control in the second line of defence. The risk control function is responsible for ensuring that all risks are monitored and controlled regularly and that they remain within the defined risk appetite.

The bank's risk management must be characterised by preventive measures designed to prevent or limit risks and any harm. In the products and services offered by the bank, the associated risks must be weighed against the expected return, as far as financially justifiable. The bank must use and integrate the results of its internal capital and liquidity adequacy assessment processes (ICAAP and ILAAP) to achieve good profitability while maintaining an acceptable level of risk. Important business decisions must consider the potential consequences from a risk and capital perspective.

RISK APPETITE

The bank's overall measures of risk appetite are made up of capital ratios and return on equity. The bank's Common Equity Tier 1 capital ratio must total at least 14.0%, and the target for the total capital ratio is 18.5%.

Credit risk

Credit risk refers to the risk deemed to exist at any given time through the failure by the bank's counterparties, for whatever reason, to fulfil their contractual obligations in respect of payment. Such contracts may refer to various forms of monetary loans, leases, guarantees, investments or derivatives contracts.

The Board has overall responsibility for the bank's credit risk exposure. In a specific instruction that applies under certain frameworks, the board has delegated responsibility to various executives.

The bank's lending is characterised by the highest standards of ethics, quality and control. Although credit risk is a major risk exposure, the bank's credit losses have been very small in relation to the outstanding loan volume.

Credit risk is assessed using the credit assessment tool VF Score. VF Score is a proprietary internal risk classification tool where externally provided financial information, along with internal credit information about the customer, is processed through scorecards and regulations developed in-house to generate a risk classification of the customer. Based on the scorecard and regulations, the tool produces a credit recommendation that is either: approve, review or reject. A credit decision is then made based on the recommendation and other information known about the customer, i.e. credit is

either approved or rejected by a loan officer with the right to grant credit under the instructions of the unit concerned.

The granting of credit where the bank assumes a direct counterparty risk mainly comprises fleet finance, through finance or operating leases, for Swedish enterprises. Because the focus is on credit quality, the bank only concludes contracts with financially stable companies, following a thorough credit assessment. Credit customers must be of such high quality that credit losses can be kept at a low level. Credit volume may never be achieved at the cost of credit quality. The bank also has its own proprietary scorecard and regulations in VF Score for the assessment of major companies.

The bank's procedures for monitoring past-due payments and unsettled receivables seek to minimise credit losses by the early detection of payment problems among borrowers with the subsequent rapid management of demand cases. Overdue debts are monitored e.g. with the help of specific demand processes which automatically monitor outstanding debts and issue reminders when a demand measure needs to be taken.

CREDITS WITH DEFERMENTS OR RENEGOTIATED CONDITIONS

Contracts are sometimes renegotiated with customers, which may e.g. involve amortisation-free payments for a limited period. In conjunction with the renegotiation of an agreement, an assessment is made of the customer's long-term ability to pay. The assessment includes both the customer's financial situation and a valuation of the financed asset. As of 31 December 2025, the total amount of principal regarding credits under forbearance measures was SEK 93.5 million (94.6).

There are no contracts for which the principal has been written down or remission of interest agreed with the borrower.

QUANTIFYING CREDIT RISKS

The bank's own estimates of risk parameters are quantified under the bank's internal ratings-based (IRB) system. These risk estimates are used for granting credit, capital adequacy and risk management. The IRB method is based on three different risk parameters: probability of default (PD), loss given default (LGD) and exposure at default (EAD). A conversion factor (CF) is also estimated for calculating EAD for off-balance sheet exposures.

Statistical scoring models have been used for retail exposures (private individuals and SMEs) since January 2007, while the expert-based model introduced in late 2007 for corporate exposures (companies with sales of more than SEK 500 million or exposures with the bank of more than SEK 8 million) was replaced by a statistical model on 1 May 2023.

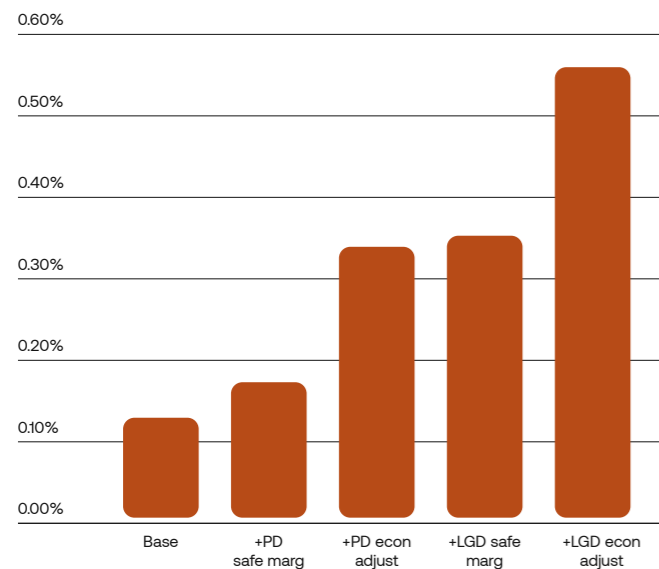
Default risk for retail exposures is estimated individually for each exposure using statistical risk models, which form part of the bank's risk modelling techniques. Based on the individual risk estimate, each exposure is assigned to a risk category in the PD dimension. A risk category consists of a number of exposures with similar risk profiles and risk levels, that have undergone a standardised risk process. The bank refers to this process as risk classification.

Product categories are used in the LGD and EAD risk dimensions. As regards the LGD dimension, there is an underlying risk category structure for certain products based, for example, on the loan-to-value ratio. An estimate is made of the potential loss in the financing portfolio for each end customer, even though the bank has concluded a recourse agreement with each dealer. Under the recourse agreement, the dealer takes over receivables for which payment is

more than 180 days overdue. Largely due to this business model, the bank has incurred negligible credit losses in these portfolios.

For each risk category or product category a risk estimate is calculated that describes the average risk for the category. The risk estimates for the risk category include a safety margin that is designed to take account of uncertainty in the data, data quality and data access. The risk estimates for the risk category are adjusted to reflect economic conditions. PD must reflect the business cycle average while LGD/CF must reflect a period of low economic activity. The bank defines the period from the early 1990s onwards as a full business cycle. The method used by the bank to adjust risk estimates in the PD dimension to changes in economic conditions is designed to keep PD in each IRB sub-portfolio at a constant level. This means the adjustment factor changes over time, with the limitation that it is never permitted to fall below 1. The crisis years in the early 1990s are used as a benchmark for an adverse economic environment. The bank refers to this process as risk category estimation. All of the bank's models meet the regulatory requirement of at least five years of outcome data. In its risk category estimation the bank has made very conservative assumptions and applied wide safety margins for its basic estimates as well as estimates that have been adjusted for economic conditions. This is to make sure estimates used in determining capital requirements do not result in the underestimation of the credit risk.

The following chart provides an overview of how expected loss (EL) for the bank's retail exposures is affected by the adjustments that are made in the PD and LGD dimensions. The chart shows that the final estimate is more than 100% larger than the basic estimate.



COMPARISON WITH EXTERNAL RATING INSTITUTIONS

The relationship between the rating made by an external credit rating agency (Standard & Poor's) and the bank's own risk categories in the PD dimension are presented in the table below. The comparison is indicative only and is not intended to represent any fixed relationship between the bank's internal risk categories and Standard & Poor's rating.

Internal risk category	Indicative rating according to Standard & Poor's
1	AAA to A
2	BBB
3	BB
4-6	B
7	CCC/C
Default	D

AVERAGE RISK WEIGHTING PER EXPOSURE CATEGORY

Retail exposures

The table below shows the average risk weighting by risk category for retail exposures ('Other' sub-group). The table shows reported exposures for each risk category (balance excl. limit) as well as the exposure amount, taking account of the conversion factor (CF).

Risk category	Exposure memorandum item	Exposure amount	Risk-weighted amount	Risk weighting in %
1	6,318,945	9,719,596	869,367	8.94%
2	6,057,783	9,542,278	1,246,318	13.06%
3-4	8,135,084	9,225,418	1,627,955	17.65%
5-6	3,783,986	3,917,176	1,294,916	33.06%
7	709,456	730,630	393,939	53.92%
Defaulted	183,401	183,401	190,579	103.91%
Total	25,188,656	33,318,498	5,623,075	16.88%

Excluding the effect of credit risk protection, the total for all retail exposure amounts is SEK 34.8 billion rather than SEK 32.8 billion, as shown in the table. In the higher amount, CF was calculated at 100% while the lower amount is based on a CF of 87.0% for private customers and 84.5% for corporate customers.

Corporate exposures

The table below shows the average risk weighting by risk category for corporate exposures, using the basic internal method.

Risk category	Exposure memorandum item	Exposure amount	Risk-weighted amount	Risk weighting in %
1	5,977,693	6,059,258	1,599,479	26.40%
2	4,658,110	4,669,709	2,035,289	43.58%
3-4	3,857,668	3,866,472	2,074,402	53.65%
5-6	980,491	980,491	870,695	88.80%
7	138,234	138,234	158,715	114.82%
Defaulted	189,442	189,442	0	0.00%
Total	15,801,638	15,903,606	6,738,580	42.37%

Excluding the effect of credit risk protection, the total for all corporate exposure amounts is SEK 16.2 billion rather than SEK 15.4 billion,

as shown above. The higher amount includes certain off-balance sheet commitments.

Validation

One of the most important elements of internal risk classification is validation of the system. Validation is carried out at least once a year, and responsibility for the validation process and implementation resides with the risk control function.

The validation process must include a documented qualitative analysis and assessment of the design and use of the risk classification system. A quantitative validation is conducted into the accuracy of the models and measures are taken to make sure no systematic deviations occur. Validation results and conclusions are reported to the Board.

The table below shows predictions and outcomes (EL and LGD are exposure-weighted averages while PD is quantity-weighted for retail exposures and counterparty-weighted for corporate exposures). The significant difference between predictions and outcomes is due to the conservative assumptions used by the bank in developing the model.

Exposure category	EL		PD		LGD	
	Prediction	Actual	Prediction	Actual	Prediction	Actual
Retail Other, %	0.55	0.34	0.88	0.34	32	14
Corporate, %	0.66	0.68	1.72	0.68	30	N/A*

*Prescribed values for LGD are used for corporate exposures (basic internal method).

Additional uses of the risk classification system

The risk classification system forms an integral part of governance, the credit process, risk management and internal capital allocation. The bank also uses the system for impairments and risk-adjusted pricing.

EXPECTED CREDIT LOSSES (ECL)

Similarities and differences between IRB and ECL

In general, the estimates of PD, LGD and CF used for ECL are adjusted to the forward-looking macro economy while estimates used for capital requirement calculation / IRB are adjusted to reflect economic decline and are subject to safety margins.

The common denominator for PD is that the same models are used for ECL and IRB to allocate a risk category and a PIT PD. The PD that will be used for ECL is adjusted to the current macro economy, while the PDs used for IRB are first adjusted to a long-term average value that includes years of economic decline and is then subject to safety margins for various data gaps.

In the case of LGDs, the LGDs used for ECL reflect reported losses while the LGDs used for IRB must regard the economic loss, which means that indirect costs must be included in LGDs used for IRB but not in LGDs used for ECL. In the case of financing products, the bank has a right of recourse for transferred contracts, which means the dealer bears the credit risk, and for such contracts a very small standard LGD is used in the ECL calculation. In the context of IRB, the bank cannot refer to the right of recourse in LGD modelling, but must calculate the loss that arises as regards the cash flow from

the end customer, i.e. the borrower or lessee, or with the recovery and sale of vehicles belonging to a failed contract.

The table below shows the LGD intervals and PD funds if the credits are in stage 1.

Product	LGD (%)	Mean PD (%)
Open credits	54-71	0.42
Interest-bearing securities	27-49	0.03
Own financing agreements	11-14	0.78
Financial agreements transferred	<1*	1.42

*Transferred financing agreements are those where dealers and not Ziklo Bank bear the credit risk. LGD values when calculating expected credit losses for such agreements are therefore low.

The bank's ECL model calculates expected losses as the product of the parameters PD, LGD and EAD, i.e. the probability of default, the loss rate at default and the exposure at default. The bank's exposures are divided into the sub-portfolios of large companies, retail and securities. Different models are used for PD, LGD and EAD depending on the sub-portfolio. Any anticipated loss is discounted at the effective interest rate at the time of the provision. To adapt ECL to forward-looking macroeconomics, PD is adjusted by a factor and weights calculated based on unemployment forecasts by the National Institute of Economic Research or GDP change, depending on the portfolio. Risk category jumps and indicators of payment difficulties are used together with the 30-day late payment rule in IFRS 9 to determine whether an exposure presents a significant increase in credit risk (SICR). If an exposure has a significant increase in credit risk, ECL is calculated on a horizon that is the expected remaining life of the contract, which is arrived at by extrapolating PD and discounting adapted to the more distant horizon. In the case of exposures falling due, ECL is calculated on the horizon of the expected remaining lifetime. The definition of the default is in line with CRR EU 575/2013, Article 178.

Model change

No model changes were carried out in 2025.

The macroeconomic variables used for forward-looking purposes and scenario construction were updated on 30 June 2024. Based on correlation analyses between historical default rates and macroeconomic variables, the unemployment forecast was replaced by a change in forecast GDP as a macroeconomic variable for the portfolio for large companies. No changes were made for retail exposures and securities. As before, unemployment forecasts are used in this case. In addition to this, a minor change was made in the method used for adjusting PD to forward-looking macroeconomics.

In 2023, work was undertaken to align the IRB models as far as possible with the ECL models instead of having separate PD models for IRB and ECL, as was the case earlier. The PD values used for ECL are obtained from a model into which the values of different risk drivers are entered and a PIT PD is the output. This PIT PD is then adjusted to the forward-looking macro economy by multiplying it with a factor whose value depends on the current unemployment forecast.

The model change does not only apply to PD, but also LGD and CF, and will take place in two stages where the first stage mainly concerns PD. The reason for splitting the change into two stages is that the IRB remodelling takes place in two stages where the PD models are approved by FSA, while the models for LGD and CF are still being developed. When the updated IRB models for LGD and CF are approved, they will also be used for ECL.

Credit lending broken down by credit rating and value of collateral

The table below shows the bank's gross and net credit lending by credit rating in order to create an understanding of the bank's credit risk concentrations. This information is then followed by a further table also showing the bank's collateral per financial instrument.

CREDIT LENDING BY CREDIT RATING OF FINANCIAL ASSETS AND LOAN COMMITMENTS

31/12/2025	Stage 1	Stage 2	Stage 3 (not purchased or issued credit impaired)	Total
Treasury bills eligible as collateral etc.				
AAA to AA	2,406,700	-	-	2,406,700
Loss provisions	346	-	-	346
Total carrying amount	2,406,354	-	-	2,406,354
Loans and advances to the public				
Low risk	8,826,324	17,782	-	8,844,106
Normal risk	7,056,788	35,734	-	7,092,522
Heightened risk	2,224,311	45,074	-	2,269,385
High risk	459,234	869,965	-	1,329,199
Defaulted	-	-	186,395	186,395
Loss provisions	5,585	11,607	12,775	29,967
Total carrying amount	18,561,072	956,948	173,620	19,691,640
Bonds and other interest-bearing securities				
AAA to AA	1,411,005	-	-	1,411,005
A+ to A-	723,511	-	-	723,511
Loss provisions	133	-	-	133
Total carrying amount	2,134,383	-	-	2,134,383
Tangible assets: lease items				
Low risk	20,570,983	32,730	-	20,603,713
Normal risk	8,808,151	66,589	-	8,874,740
Heightened risk	2,436,439	38,826	-	2,475,265
High risk	588,015	1,029,482	-	1,617,497
Defaulted	-	-	232,390	232,390
Loss provisions	4,019	2,259	2,975	9,253
Total carrying amount	32,399,569	1,165,368	229,415	33,794,352
Other financial assets				
Low risk	381,354	44,711	-	426,065
Normal risk	88,216	8,616	-	96,832
Heightened risk	8,660	1,051	-	9,711
High risk	785	5,952	-	6,737
Defaulted	-	-	3,717	3,717
Loss provisions	162	84	745	991
Total carrying amount	478,853	60,246	2,972	542,071
Total gross carrying amount for financial assets appraised at amortised cost	55,990,476	2,196,512	422,502	58,609,490
Total loss provisions	10,245	13,950	16,495	40,690
Total carrying amount	55,980,231	2,182,562	406,007	58,568,800

31/12/2024	Stage 1	Stage 2	Stage 3 (not purchased or issued credit impaired)	Total
Treasury bills eligible as collateral etc.				
AAA to AA	1,684,486	-	-	1,684,486
Loss provisions	332	-	-	332
Total carrying amount	1,684,154	-	-	1,684,154
Loans and advances to the public				
Low risk	7,993,096	32,514	-	8,025,610
Normal risk	6,439,584	42,487	-	6,482,071
Heightened risk	1,871,388	40,975	-	1,912,363
High risk	412,270	821,467	-	1,233,737
Defaulted	-	-	176,394	176,394
Loss provisions	5,823	15,417	13,253	34,493
Total carrying amount	16,710,515	922,026	163,141	17,795,682
Bonds and other interest-bearing securities				
AAA to AA	1,455,112	-	-	1,455,112
A+ to A-	787,893	46,846	-	834,739
Withdrawn rating	129,351	-	-	129,351
Loss provisions	123	11	-	134
Total carrying amount	2,372,233	46,835	-	2,419,068
Tangible assets: lease items				
Low risk	17,580,176	160,170	-	17,740,346
Normal risk	9,492,747	77,068	-	9,569,815
Heightened risk	2,447,043	54,617	-	2,501,660
High risk	746,179	812,384	-	1,558,563
Defaulted	-	-	216,696	216,696
Loss provisions	5,534	944	2,761	9,239
Total carrying amount	30,260,611	1,103,295	213,935	31,577,841
Other financial assets				
Low risk	332,411	154,567	-	486,978
Normal risk	105,683	7,289	-	112,972
Heightened risk	13,250	1,245	-	14,495
High risk	670	3,420	-	4,090
Defaulted	-	-	3,361	3,361
Loss provisions	277	83	2,631	2,941
Total carrying amount	451,787	166,438	730	618,955
Total gross carrying amount for financial assets appraised at amortised cost	51,491,339	2,255,049	396,451	54,142,839
Total loss provisions	12,039	16,455	18,645	47,139
Total carrying amount	51,479,300	2,238,594	377,806	54,095,700

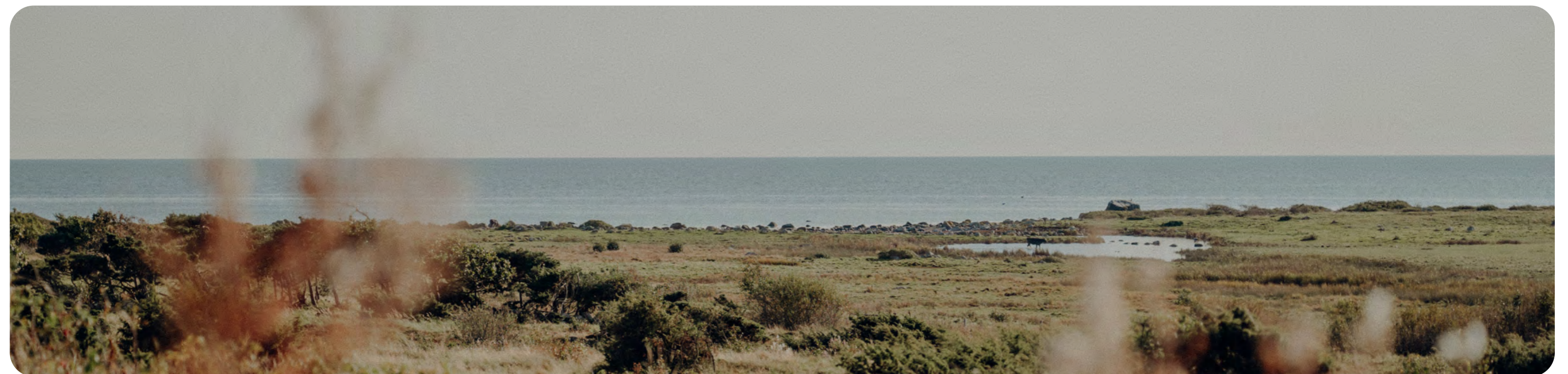
MAXIMUM EXPOSURE TO CREDIT RISK AND VALUE OF COLLATERAL FOR ASSETS THAT ARE SUBJECT TO LOSS PROVISIONS IN ACCORDANCE WITH IFRS 9

Credit exposure, gross and net, 31/12/2025 SEK thousand	Credit risk exposure (before impairment loss)	Loss provisions	Carrying amount	Value of securities
Treasury bills eligible as collateral etc.				
AAA to AA	2,406,700	-346	2,406,354	-
Total	2,406,700	-346	2,406,354	-
Loans and advances to the public				
Lending against collateral of:				
Vehicles	19,721,606	-29,966	19,691,640	17,712,362
Total	19,721,606	-29,966	19,691,640	17,712,362
Bonds and other interest-bearing securities				
AAA till A-	2,134,516	-133	2,134,383	-
Total	2,134,516	-133	2,134,383	-
Tangible assets: lease items				
Lending	33,803,605	-9,253	33,794,352	22,089,124
Total	33,803,605	-9,253	33,794,352	22,089,124
Other assets				
Accounts receivable	543,062	-991	542,071	-
Total	543,062	-991	542,071	-
Issued loan commitments	10,040	-	-	-
Total credit risk exposure	58,619,529	-40,689	58,568,800	39,801,486

Credit exposure, gross and net, 31/12/2024	Credit risk exposure (before impairment loss)	Loss provisions	Carrying amount	Value of securities
Treasury bills eligible as collateral etc.				
AAA to AA	1,684,486	-332	1,684,154	-
Total	1,684,486	-332	1,684,154	-
Loans and advances to the public				
Lending against collateral of:				
Vehicles	17,830,175	-34,493	17,795,682	15,514,994
Total	17,830,175	-34,493	17,795,682	15,514,994
Bonds and other interest-bearing securities				
AAA till A-	2,289,851	-134	2,289,717	-
Withdrawn rating	129,351	-	129,351	-
Total	2,419,202	-134	2,419,068	-
Tangible assets: lease items				
Lending	31,587,080	-9,239	31,577,841	20,373,735
Total	31,587,080	-9,239	31,577,841	20,373,735
Other assets				
Accounts receivable	621,896	-2,941	618,955	-
Total	621,896	-2,941	618,955	-
Issued loan commitments	10,035	-	-	-
Total credit risk exposure	54,152,874	-47,139	54,095,700	35,888,728

The bank's collateral for loans and advances to the public consists of transferred car and truck loans, and when lending for lease items it consists of transferred car and truck leases, where there are recourse agreements with dealers. On 31 December 2025, the bank had no financial instruments for which the loss provision had been reported as zero due to collateral received.

For maximum exposure to credit risk for financial assets that are not subject to loss provision, including derivatives and related collateral, see Note 36.



Future regulations

Basel IV: The regulations will be implemented at different times; with regard to models etc., the new IRB rules came into force on 1 January 2022. A capital floor of 72.5% will be phased in over a five-year period, 2025–2030. Basel IV includes: Changes to the existing standardised approach, revised IRB regulations, capital floor, market risk (new capital requirement rules), operational risk (new capital requirement method), replaced by the EU Banking Package. The new proposals for changed IRB rules are aimed, among other things, at reducing complexity, improving comparability and managing differences in capital requirements. The Basel Committee has limited, inter alia, the IRB approach for bank exposures, large companies and equity exposures. It also wants to limit the use of IRB for special lending exposures and certain counterparty risk and introduce floors for PD, LGD and CF. In the long term, the rules impose limits as to how low a risk weight a bank may use when calculating its capital requirements. Because the requirements will be introduced gradually, it will take time before they reach full effect.

As for the bank, it is difficult to predict precisely where the new capital ratio will end up after 2025, as the bank has applied for new LGD and CF models that still remain to be approved by the FSA. The bank package has opened up for some relief in capital requirements calculations. The bank introduced a number of voluntary changes in 2025. This means the bank will use fair values as maturity when calculating the weight for risk in its corporate financing portfolio, and that it will begin using the vehicles as acceptable collateral in the same portfolio. This resulted in a lower risk-weighted amount for the bank's corporate exposures.

The effect of the new standardised approach and other changes will not affect the bank's capital requirements until 2028 with the gradual phasing-in of the capital floor. The Board is informed as to how the upcoming Basel framework will affect the bank's future capital situation.

CRD 6 concerns supervisory powers, sanctions, third-country branches, the environment, social responsibility and governance risks and ensures compliance with requirements to include ESG-related risks in the governance and risk management of banks under EU law.

EU Member States will have to incorporate the requirements of CRD6 into national law, and apply them by 11 January 2026. The key components of CRD6 are:

- Supervisory powers and sanctions: Stronger supervisory powers for regulators to impose sanctions and corrective measures.
- Third country branches: More stringent requirements for third-country banks seeking to operate in the EU, to ensure their compliance with EU standards.
- ESG risks: To be included in the banks' short, medium and long term processes for the internally assessed capital requirement. The supervisory authority may require banks to reduce risks related to the EU's overall sustainability goals. Also, it introduces the ability for the supervisory authority to review a bank's

alignment with the EU's overall sustainability goals; see below for further information about climate-related risks.

CLIMATE-RELATED RISKS

With the exception of liquidity-related investments, Ziklo has no exposure in anything other than vehicles. The vehicle market is undergoing major transformation and the bank notes accelerated growth in electric vehicles. At the same time, existing and future exposures are rapidly and profoundly impacted by shifting global events and changes in legal requirements. In addition to the above comments on capital adequacy related to ESG, the bank closely monitors developments in e.g. Bonus Malus / EV premiums (where the bonus component was abolished on 8 November 2022), the EU taxonomy with its associated Disclosure Regulation, and FSA requirements. The bank also has work in progress concerning the CSRD. The bank is reducing the risk linked to borrowing and rating by issuing green bonds, which is made possible through the rapid growth in the proportion of electric vehicles in its stock. Volvo and Polestar are well positioned in the growth of electric vehicles, not to say market leaders. The bank addresses climate-related risks under sustainability-related risks, and under strategic risks. Among other things, strategic risk assesses the effect of regulatory requirements, reduced residual values, a smaller vehicle market, increased fuel prices and reduced vehicle use. The ESG will also be more clearly added to the bank's various stressed scenarios, all of which are tested at a minimum annually.

TOTAL AMOUNT OF ALL EXPOSURES INCLUDING WITH REGARD TO CREDIT RISK PROTECTION

As shown in the table above, the bank has a total credit risk exposure of SEK 69,915 million (64,530), excluding the effect of credit risk protection. The bank's recourse agreements with the dealerships significantly reduce credit risk. The right of recourse is in the amount of SEK 35,625 million (32,677). The bank also has collateral for customer loans and receivables in the form of guarantees of SEK 130 million (129), floating charges of SEK 246 million (257), property mortgages of SEK 3 million (3) and pledged loans and leases of SEK 677 million (592).

The bank's total credit risk exposure, including the effect of credit risk protection, is thus SEK 33,235 million (30,872).

The bank does not use credit risk protection to reduce its capital requirement.

RECONCILIATION TO CARRYING AMOUNTS IN THE BALANCE SHEET

The table below shows a reconciliation of carrying amounts of assets in the balance sheet to the amounts of exposures for credit risk excluding the effect of credit risk protection shown in the preceding table.

	2025	2024
Total assets according to the balance sheet	62,953,171	58,059,881
Additional items		
Total impairments	446,006	423,951
Undrawn limits, accounts receivable	9,785,524	9,816,833
Undrawn limits, lending to Volvo dealerships	254,920	217,975
Margin for counterparty risks in derivatives	49,654	27,033
Outgoing items		
Non credit-obligation assets exposure*	-3,550,276	-3,974,139
Intangible non-current assets	-23,599	-41,451
Total	69,915,400	64,530,085

*Adjustment of the carrying amount of lease items which do not give rise to any exposure in capital adequacy reporting.



TOTAL EXPOSURE BY EXPOSURE CATEGORY FOR CREDIT RISK

2025	Gross exposure amount	Average for the period	Q1	Q2	Q3	Q4
Exposure category according to standard method						
Exposures to central governments or central banks and institutions	266,361	233,354	81,022	147,714	438,318	266,361
Exposures to provincial or regional government bodies or local authorities	2,454,054	2,169,510	1,960,368	1,957,300	2,306,318	2,454,054
Exposures to public sector	25,803	19,793	16,065	17,834	19,470	25,803
Exposures to institutions	3,731,553	3,792,755	3,593,687	3,996,233	3,849,547	3,731,553
Exposures to companies	1,185,458	1,148,845	1,033,785	1,013,519	1,362,619	1,185,458
Exposures to retail	1,559,991	1,308,973	983,536	1,288,708	1,403,657	1,559,991
Exposures falling due	3,367	3,385	3,371	3,857	2,946	3,367
Exposures in the form of covered bonds	1,411,005	1,435,797	1,531,720	1,529,129	1,271,333	1,411,005
Equity exposures	30,766	24,249	22,274	21,802	22,153	30,766
Other items	32,934	35,250	33,308	36,732	38,027	32,934
Total	10,701,293	10,171,911	9,259,136	10,012,828	10,714,388	10,701,293
Exposure category according to IRB						
Exposures to companies	16,223,699	15,860,014	15,447,663	15,933,474	15,835,218	16,223,699
Exposures to retail*	34,785,096	33,847,263	33,009,785	33,535,987	34,058,183	34,785,096
Non credit-obligation assets exposure	8,205,311	8,118,820	7,715,947	8,348,737	8,205,284	8,205,311
Total according to IRB	59,214,106	57,826,096	56,173,395	57,818,198	58,098,685	59,214,106
Total exposure	69,915,400	67,998,007	65,432,531	67,831,026	68,813,073	69,915,400

*The bank has retail exposures in the subgroups Small and medium-sized enterprises and Other retail exposures.

2024	Gross exposure amount	Average for the period	Q1	Q2	Q3	Q4
Exposure category according to standard method						
Exposures to central governments or central banks and institutions	852,693	306,278	70,726	165,055	136,639	852,693
Exposures to provincial or regional government bodies or local authorities	1,862,202	1,853,994	1,797,435	1,890,036	1,866,305	1,862,202
Exposures to public sector	16,689	17,012	14,777	18,303	18,280	16,689
Exposures to institutions	2,805,045	2,841,811	1,995,860	2,328,100	4,238,241	2,805,045
Exposures to companies	1,157,068	1,194,729	966,875	1,366,585	1,288,389	1,157,068
Exposures to retail	854,961	693,448	590,843	621,023	706,964	854,961
Exposures falling due	10,318	8,241	8,318	7,557	6,772	10,318
Exposures in the form of covered bonds	1,455,112	1,472,369	1,388,089	1,587,686	1,458,587	1,455,112
Equity exposures	28,128	21,327	19,413	18,884	18,884	28,128
Other items	28,003	26,381	25,433	25,667	26,420	28,003
Total	9,070,219	8,435,590	6,877,769	8,028,896	9,765,481	9,070,219
Exposure category according to IRB						
Exposures to companies	15,425,736	14,640,122	14,466,238	14,311,291	14,357,223	15,425,736
Exposures to retail*	32,755,505	31,670,332	30,923,771	31,505,829	31,496,223	32,755,505
Non credit-obligation assets exposure	7,278,625	6,229,523	5,735,095	5,927,168	5,977,205	7,278,625
Total according to IRB	55,459,866	52,539,977	51,125,104	51,744,288	51,830,651	55,459,866
Total exposure	64,530,085	60,975,567	58,002,873	59,773,184	61,596,132	64,530,085

*The bank has retail exposures in the subgroups Small and medium-sized enterprises and Other retail exposures.

Counterparty risk

Counterparty risk arises when Ziklo Bank enters into a derivative agreement with a counterparty and refers to the risk that the counterparty will be unable to fulfil its contractual obligations. The bank enters into derivative agreements solely for the purpose of eliminating interest rate risk and foreign exchange risk in interest-bearing loans and borrowings. Counterparty risk arises when the bank's interest rate risk is hedged using derivatives. The counterparty risk that arises is the residual risk of the market value less collateral received for derivative agreements in force. The bank's derivatives currently consist of interest rate swap and exchange rate swap agreements.

The bank's financial policy specifies limits for counterparty risk, which are monitored continuously. In cases where counterparty risk exceeds the limit for a specified counterparty as a result of market movements, no new deals may be concluded with said counterparty. A spread of different counterparties is desirable.

Financial derivatives are only entered into under ISDA agreements with associated VM-CSA (agreements on the exchange of collateral in cash form) with banks that have a rating equivalent to at least A1/A+ according to Moody's / Standard & Poor's rating scales. In the event of a split rating, the lower rating applies. To limit counterparty risk, close-out netting is applied as part of the ISDA agreements with all derivative counterparties. In close-out netting, the positive and negative values of all derivatives with the same counterparty are offset in the event of default. The supplementary agreement VM-CSA to the ISDA agreement means the parties mutually pledge to provide collateral in the form of liquid assets for the counterparty's surplus value in outstanding derivative instruments. The agreement also gives the party receiving collateral the right in turn to dispose of collateral received. Under the VM-CSA agreement, a minimum transfer amount (MTA) is negotiated, i.e. the exposure allowed without exchanging collateral. The bank has an MTA of SEK 4 million with all counterparties.

At year-end, the nominal amount for the bank's outstanding derivative contracts totalled SEK 7,453 million (7,615). The size of the counterparty risk is affected by the market value and fluctuates with changes in market interest rates. The market value of swaps is determined using discounted cash flows. The discount rates are based on official market rates. On 31 December 2025, the bank's compensation (positive market values) for counterparty risk in interest rate and exchange rate swaps was SEK 11.8 million (30.5). Net counterparty exposure after the exchange of collateral totalled SEK 6.2 million (5.2); the bank had also pledged assets in the amount of SEK 127 million (39.9) and received collateral totalling SEK 9.7 million (35.8). For further information about financial assets and liabilities offset or subject to netting agreements, refer to Note 36.

For the purposes of capital adequacy, the bank uses the original exposure method (OEM) when calculating counterparty risk. The bank has a permit from the Swedish Financial Supervisory Authority to apply netting for derivative exposures against one and the same counterparty.

Concentration risk

The bank's definition of concentration risk refers to:

- Large exposures to customers or groups of connected customers.
- Large exposures to groups of counterparties where the probability of default is connected to factors such as industries, geographical areas, etc.
- Concentration in a certain type of collateral, e.g. a certain marque.

The bank's portfolio is not very diversified, as it consists largely of different forms of vehicle finance, creating a concentration risk with vehicles as collateral; moreover the bank's activities are concentrated to the Swedish market.

The 30 biggest customers account for 10.5% (10.8) of total lending.

The sector in which the bank has the single largest amount of lending is legal, financial, scientific and technological activities, which makes up 9.4% of total lending.

The bank uses a system which enables it to easily obtain an overview of its overall counterparty exposure.

Market risk

INTEREST RATE RISK IN THE BANKING BOOK

The bank defines interest rate risk as the current and future risk that net interest income and/or the economic value of the bank's assets and liabilities will deteriorate due to an unfavourable development of market interest rates. The bank is only exposed to interest rate risk within the bank's interest-bearing assets and liabilities in the banking book (i.e. the lending portfolio, the liquidity reserve and the bank's borrowings), since it does not have a trading book.

The bank calculates interest rate risk in accordance with the FSA's memorandum for the assessment of Pillar 2 capital (FSA no. 24-4186). Interest rate risk in the banking book consists of three risk components: gap risk, option risk and basis risk.

The bank endeavours to minimise interest rate risk by matching fixed-rate terms of borrowings with those of loans. In cases where the bank borrows at long fixed-rate terms, interest rate swaps are used to hedge the resulting interest rate risk. Fixed-rate loans accounted for SEK 1.6 billion, or 3%, of total lending on 31 December 2025. Swaps are also used in cases where loans are issued at fixed rates, which occur to a minor extent, with such loans accounting for 7% (8.5) of total lending at year-end. The absolute majority of the bank's lending and borrowing have short fixed-rate contractual terms, usually up to 3 months. The bank's financial policy stipulates the allowable level of interest rate risk; the policy is updated as necessary and decided by the Board. Interest rate risk is reported to the Board on an ongoing basis.

Gap risk is calculated as the change in the economic value (equity) at different yield curve movements, where a parallel displacement of the yield curve of minus 200 basis points has the greatest impact of SEK 47 million (42.3).

Cases in which customers wish to redeem fixed-rate loans prematurely, and where the bank has removed the option to claim early redemption fees in lending products to private individuals, create an interest rate risk exposure, or option risk. The bank monitors such lending exposure on a monthly basis and makes ongoing provisions to the bank's interest rate option reserve. It is assumed that 20% of the average credit volume for the year will be redeemed when 12 months of the original average maturity of the portfolio has passed, with a 1.5 percentage point decline in interest. Reservable funds are provided by risk coverage in the interests margin. As of 31 December 2025, the interest rate option reserve totalled SEK 3.4 million (1.7).

Basis risk in the banking book arises from an interest rate risk perspective when positions with similar interest rate fixing dates are reset against different interest rate indices on the asset and liability sides. Interest rate indices include IBOR rates (STIBOR, NIBOR, etc.) with different

maturities. Ziklo Bank's variable-rate lending and borrowing have mainly 3-month STIBOR as the reference rate. Following changes in guidelines for the calculation of basis risk (FSA, ref. 24-4186), which means STIBOR 3 months is no longer excluded from the calculation, the basis risk has increased. The bank's basis spread risk on 31 December 2025 totalled SEK 64.9 million (0.2).

Also, Ziklo Bank's interest rate risk is calculated in accordance with the EBA's supervisory outlier test for interest rate risk arising from non-trading book activities (EBA/RTS/2022/10). Among other things, these guidelines require the bank to allocate a major portion of the non-fixed savings accounts from the shortest fixed interest term (one day) to longer maturities (up to six years), where the allocation is indicated by the bank's own behaviour modelling with regard to instructions and guidelines.

After a full interest term allocation of the bank's interest-sensitive assets and liabilities, the change in economic value is calculated by stressing each time-pocket's net position by six different yield curve movements. The scenario with the greatest negative impact on the economic value has a parallel shift of the entire interest rate curve by minus 200 basis points. In this scenario, interest rate risk as an effect on the economic value totalled SEK 13.5 million on 31 December 2025, equivalent to 0.58% of Common Equity Tier 1 capital.

When calculating interest rate risk expressed as the effect on the bank's net interest income, said net interest income is compared in a base scenario in which there is a parallel displacement of the yield curve by 200 basis points up and down. The volumes of assets and liabilities in the two scenarios are static, i.e. a maturing loan is rolled forward with the same maturity and interest margin but with a new basic market interest rate within a time horizon of one year. In the stressed net interest income, all positions are rolled forward with the new stressed interest rate level. The difference in net interest income between the base scenario and a stressed scenario constitutes the interest rate risk. The interest rate calculated as an effect on net interest income in the case of a parallel displacement of the yield curve of minus 200 basis points, totalled SEK 292.5 million (189.9) on 31 December 2025, equivalent to 4.57% (2.89) of Common Equity Tier 1 capital. The increase in interest rate risk is attributable to the EBA's methodology based on the assumption of an interest rate floor. This means stressed flows from savings accounts decrease less than flows on the asset side in cases where stress, as a percentage, exceeds the savings rate.

In addition to the regulatory calculations above, the bank calculates net interest income risk based on a non-dynamic net interest income during a 12-month period from an interest rate shock resulting in a parallel downward shift in the yield curve of 100 basis points. All non-fixed deposits including savings accounts are given a maturity of one day in this calculation. Thus the interest rate risk on 31 December 2025 was SEK 109.2 million (90.4), representing 1.7% (1.4) of the capital base.

CREDIT SPREAD RISK IN THE BANKING BOOK

Ziklo Bank defines credit spread risk as the risk of a reduction in the market value of its holdings of transferable instruments in the liquidity portfolio as a result of a change in the credit spread of the securities. Since the bank has no trading book, exposure to credit spread risk only exists within the bank's liquidity portfolio, which consists of commercial papers, covered bonds and municipal bonds. However, credit spread risk in the liquidity portfolio is very limited as the bank follows conservative rules of conduct regarding the creditworthiness of issuers, the maturity of securities and the ownership structure.

The bank measures credit spread risk in compliance with EBA guidelines (EBA/GL/2022/14), where the securities that could be affected are monitored by means of quarterly measurement and reporting. The bank has used the standard method proposed by the Swedish FSA (FSA ref. 24-4186) for the calculation of capital surcharges for credit spread risk. The method applies a stress test based on a table with a predefined standard premium for spreads based on the security's issuer category and the issuer's creditworthiness. The bank's credit spread risk is low; on 31 December 2025, the volume in the liquidity portfolio totalled SEK 4.5 billion (4.1) and a credit spread risk was SEK 36.8 million (34.2).



FIXED INTEREST TERMS FOR THE GROUP'S INTEREST-BEARING ASSETS AND LIABILITIES

31/12/2025 SEK million Assets	O/N	O/N ≤ 1M	1M ≤ 3M	3M ≤ 6M	6M ≤ 9M	9 ≤ 1Y	1Y ≤ 1.5Y	1.5Y ≤ 2Y	2Y ≤ 3Y	3Y ≤ 4Y	4Y ≤ 5Y	5Y ≤ 6Y	> 6Y	Not inter- est-bearing	Total
Treasury bills eligible as collateral	151	915	1,340												2,406
Lending to credit institutions		3,635													3,635
Lending*	95	49,860	133	317	125	392	0	1,315	751	105	20	1	2		53,116
Bonds and other interest-bearing securities		822	1,313												2,135
Shares and participations in associates and other companies														24	24
Shares and participations in Group companies														7	7
Intangible non-current assets														24	24
Tangible assets: inventory														2	2
Other assets														1,494	1,494
Prepaid expenses and accrued income														110	110
Total assets	246	55,232	2,786	317	125	392	0	1,315	751	105	20	1	2	1,661	62,953
Liabilities and equity															
Liabilities to credit institutions		-100	-2,307												-2,407
Deposits and borrowing from the public	-25,717														-25,717
Securities issued		-7,296	-13,872	-300		-100	-600		-155	-355					-22,678
Other liabilities														-1,709	-1,709
Accrued expenses and deferred income														-1,817	-1,817
Subordinated liabilities															
Untaxed reserves														-6,662	-6,662
Equity														-1,963	-1,963
Total liabilities and equity	-25,717	-7,396	-16,179	-300		-100	-600		-155	-355				-12,151	-62,953
Derivative instruments		494	1,880	-436	-8	-58	-7	-1,081	-486	-439					-141
Net assets and liabilities	-25,471	48,330	-11,513	-419	117	234	-607	234	110	-689	20	1	2	-10,490	-141
Cumulative exposure	-25,471	22,859	11,346	10,927	11,044	11,278	10,671	10,905	11,015	10,326	10,346	10,347	10,349	-141	

*Consists of Loans and advances to the public and Tangible assets: lease items.

31/12/2024, SEK million Assets	O/N	O/N ≤ 1M	1M ≤ 3M	3M ≤ 6M	6M ≤ 9M	9 ≤ 1Y	1Y ≤ 1.5Y	1.5Y ≤ 2Y	2Y ≤ 3Y	3Y ≤ 4Y	4Y ≤ 5Y	5Y ≤ 6Y	> 6Y	Not inter- est-bearing	Total
Treasury bills eligible as collateral		563	1,321												1,884
Lending to credit institutions		2,660													2,660
Lending*	93	44,881	164	191	107	580	-	1,373	1,256	241	152	2	1		49,040
Bonds and other interest-bearing securities		551	1,669												2,220
Shares and participations in associates and other companies														21	21
Shares and participations in Group companies														7	7
Intangible non-current assets														41	41
Tangible assets: inventory														2	2
Other assets														2,096	2,096
Prepaid expenses and accrued income														88	88
Total assets	93	48,655	3,154	191	107	580	-	1,373	1,256	241	152	2	1	2,256	58,060
Liabilities and equity															
Liabilities to credit institutions		-100	-3,302												-3,402
Deposits and borrowing from the public	-24,779														-24,779
Securities issued		-5,272	-10,857	-500	-	-250	-353	-103	-603	-153	-353	-	-		-18,441
Other liabilities														-1,501	-1,501
Accrued expenses and deferred income														-1,749	-1,749
Subordinated liabilities															
Untaxed reserves														-6,662	-6,662
Equity														-1,526	-1,526
Total liabilities and equity	-24,779	-5,372	-14,159	-500	-	-250	-353	-103	-603	-153	-353	-	-	-11,438	-58,060
Derivative instruments		-293	1,427	388	-68	193	-304	-	-1,878	-17	-81	-	-		-47
Net assets and liabilities	-24,686	43,576	-9,578	79	39	522	-657	1,271	-1,224	71	-282	2	1	-9,181	-46
Cumulative exposure	-24,686	18,890	9,313	9,391	9,430	9,953	9,269	10,567	9,342	9,414	9,132	9,134	9,135	-46	

*Consists of Loans and advances to the public and Tangible assets: lease items.

Foreign exchange risk

Foreign exchange risk arises in cases where the bank chooses to borrow or lend money in currencies other than Swedish kronor. Under the finance policy, no foreign exchange risk may exist. When borrowing in foreign currency, the bank enters into cross-currency interest rate swaps to eliminate the foreign exchange risk. Effective elimination of the foreign exchange risk is achieved by making sure the terms, nominal amounts and interest payment dates of the agreements match the terms of the bank's foreign currency financing. However, there may be an effect on earnings during the term due to differences in the valuation methods used for the hedged item and hedging derivative. The bank had exchange rate swap agreements with a nominal value of SEK 2,150 million (1,400) as of 31 December 2025. No lending in other currencies exists. The bank's currency exposure amount at year-end was SEK 0 (0). For carrying amounts of assets and liabilities in foreign currency, see Notes 27 (Derivatives – Assets and Liabilities) and 29 (Liabilities to credit institutions and securities issued).

Residual value risk

This refers to the risk that the residual value on a vehicle guaranteed by the bank on the final day of the lease is higher than the actual market value, and the bank thereby sustains a loss. Guaranteed residual values amounted to SEK 12,124 million (11,723), which includes both own and transferred contracts. As of 31 December 2025, operating leases in the Fleet and Cars segments directly guaranteed by the bank had a carrying amount of SEK 11,920 million (12,497) before impairment. The guaranteed residual value of these contracts amounted to SEK 9,188 million (9,084).

As of 31 December 2025, the bank reported an impairment loss of SEK 405.3 million (376.8) due to the residual value risk, under depreciations, amortisation and impairments of tangible assets. The recoverable value for those vehicles where the impairment has been made during the year or a reversal has taken place during the year consists of its value in use and as of 31 December 2025 totalled SEK 6.3 billion (6.3).

In 2025, the bank carried out impairments totalling SEK 28.5 million (76.4) related to residual value risk, mainly due to the bank's increased residual value positions in operating leases. See also Notes 4, 13 and 25 for information on the bank's residual risk.

EQUITY RISK IN OTHER OPERATIONS

The shareholding in unlisted shares is valued at cost using the cost method.

Balance sheet value	2025	2024
Associates and other companies	24,024	21,386
Group companies	6,742	6,742
Total	30,766	28,128
Fair value		
Associates and other companies	24,024	21,386
Group companies	6,789	6,789
Total	30,813	28,175
Unrealised gains or losses		
Associates and other companies	12,753	13,768
Group companies	-	-
Total	12,753	13,768

Operational risks

Operational risk refers to the risk of loss due to:

- Inappropriate or failed internal processes
- Human error
- Defective systems
- External events

This area covers legal risks, disruptions within the payment area, project risks, ICT risk, ICT third-party risk, ICT concentration risk, cyber risk, model risk and compliance risks, e.g. money laundering, the financing of terrorism and other financial crime.

Operational risks have been divided into the following areas: internal irregularities, external crime, employment conditions and work environment, business conditions, disruptions and interruptions in operations and systems, transaction management and process control, technology and employees/organisation.

Operational risks exist in all of the bank's activities and in its interaction with external parties, including outsourced operations. The bank arranges regular risk identification and self-assessment workshops with key individuals in the company to identify operational risks. All identified operational risks are categorised according to probability and effect. The management of operational risks is governed by the operational risk policy.

The objective is to eliminate or prevent, limit and/or compensate for the risk of damage through a deliberate, organised approach involving the use of policies and processes for managing operational risks. The management of operational risk is an ongoing process involving the use of tools such as self-assessments and incident reporting to capture incidents that have occurred, and to identify, monitor and address ongoing operational risks in accordance with the process below.

Ziklo Bank's Board of Directors and management have overall responsibility for operational risk and for creating a high level of risk awareness in Volvofinans. The departments are primarily responsible for managing operational risks in their own areas of activity. All employees also have a duty to protect the assets managed by the bank from harm, abuse or loss.

Incidents are reported in a case management system. The Risk Control unit is responsible for collating all reported incidents and for monitoring and controlling operational risks. It is also responsible for compiling information on operational risks and reporting to the CEO and Board of Directors (using incident reports, KRIs and risk reports) and for following up risk limitation measures from self-assessments, and for monitoring changes in the operations that may lead to a change in exposure to operational risk.

Pension risks

The bank's pension plans are secured through an insurance policy with Alecta. In view of the provisions on retirement pensions and family pensions in the ITP 2 supplementary pension plan, the bank's pension plan is considered a multi-employer defined benefit pension plan. However, under UFR 10 there is no basis for recognising an ITP 2 plan that is funded through an insurance policy with Alecta as a defined benefit plan, and it must therefore be accounted for as a defined contribution plan in accordance with IAS 19. The bank's obligations in respect of defined contribution plans are expensed in the income statement. Pension premiums for 2025 amounted to SEK 27,933 (25,641), of which KSEK 13,260 (12,949) refers to Alecta ITP 2 pensions.

In the traffic light method used by the FSA for pension risk in Pillar 2 baseline requirements, assets and liabilities are measured at fair value. Fair value is determined using market valuations of assets

while liabilities are measured using best estimates of retirement benefit obligations. The company is then exposed to a number of stress scenarios defined by the FSA.

Liquidity risks

Liquidity risk is the risk that the bank will be unable to fulfil its payment obligations at maturity without a significant increase in the cost of funding or, in the worst case, is unable to fulfil its obligations at all.

Liquidity risk arises when maturities on lending and borrowing differ. When loans have longer maturities than borrowings, multiple rounds of refinancing are required. If the need for refinancing on any individual day becomes significant, or if the capital market becomes illiquid, it could result in a lack of liquidity.

Liquidity risk is managed in accordance with the bank's financial policy. The policy describes financial risks, including liquidity risk, and specifies permissible liquidity risk. In addition to the financial policy, the bank has established a framework for management of liquidity risk, which is a policy document containing guidelines, instructions and strategies for the management of liquidity risk. The bank's liquidity and financing strategy and its contingency plan constitute central parts of the aforementioned document. The framework is revised on an ongoing basis and submitted for approval by the Board annually. The bank's treasurer is responsible for keeping the document up to date. The financial policy documents are fundamental to the activities of the treasury, but are available to all employees. Liquidity risk stress tests are performed in conjunction with the bank's ICAAP and ILAAP processes and on several occasions during the course of the year.

Operational activities for managing liquidity risk are performed in the bank's treasury, where the bank's liquidity position is monitored on a day-to-day basis. Analysis and internal reporting of maturity structure and funding requirements are performed on an ongoing basis, with the aim of ensuring a strong liquidity position and minimising impact in the event of liquidity problems. The bank's net cash outflows are also reported to make sure the bank's risk tolerance is not exceeded and that accumulated cash flows remain within defined limits. Reports on liquidity risk are compiled by the bank's finance department in close collaboration with the treasury and reported to the FSA on a monthly and quarterly basis.

The bank's liquidity coverage ratio (LCR), as calculated in accordance with Article 415 of the EU's Capital Requirements Regulation (CRR), was 253% (242) at year-end. LCR is a short-term liquidity ratio and forms part of the bank's liquidity risk reporting to the regulators. The bank's net stable funding ratio (NSFR) at year-end was 120% (120).

To create flexibility in its borrowing and ensure its ability to manage periods of difficult refinancing conditions, the bank maintains a liquidity reserve. At year-end this reserve amounted to SEK 8.0 billion (6.8). The reserve, whose composition is regulated by the financial policy, must consist of high-quality liquid interest-bearing securities and demand deposits with banks in Swedish kronor. The securities portion had a nominal amount of SEK 4.5 billion (57%) while deposits with other banks totalled SEK 3.5 billion (43%). The size of the liquidity reserve must be sufficient to ensure the ability to continue operations unimpeded in the event of serious liquidity strains, with no injection of new external funding, for a period of at least three months using only the funds available in the reserve. Furthermore, the bank's liquidity reserve must always be at a minimum of 10% in relation to lending and as of 31 December 2025, this ratio was 15% (14).

Liquidity reserve	31/12/2025	31/12/2024
Amounts in SEK million, securities at market value		
Balances with other banks	3,491	2,660
Securities issued by the state		
Securities issued to municipalities and other public bodies	2,406	1,813
Other covered bonds	1,411	1,455
Securities issued by non-financial companies	724	835
Total	8,031	6,763

Of the bank's total liquidity reserve of SEK 8,031 million, SEK 7,308 million was accounted for by securities and deposits with other banks which qualify as liquidity reserve under the Swedish Financial Supervisory Authority's regulations (FFFS 2010:7) on management of liquidity risk.

The bank's credit facilities constitute a significant complement to the liquidity reserve. These back-up facilities are mostly agreed with the bank's core banks. The back-up facilities are not normally used and totalled SEK 3.8 billion (3.8) at year-end. Facilities with an option to demand same-day payment total SEK 1.9 billion; otherwise payment is made 2–3 business days after the demand. The agreements do not contain any material adverse change (MAC) clauses or financial covenants that could prevent the bank from drawing on the facilities.

Other liquidity-creating facilities	31/12/2025	31/12/2024
Undrawn limits, SEK million		
Overdraft facilities with credit institutions	155	155
Credit facilities with credit institutions	3,750	3,750
Total	3,905	3,905

Under the bank's financial policy, all short-term borrowings (<1 year) and 20% of deposits must be covered by credit facilities and the liquidity reserve. The bank also strives to diversify its sources of borrowing, with regard to both the forms of borrowing and geographical markets. To achieve an appropriate distribution of loan maturities, the amount falling due in any individual calendar week is limited. The proportion of long-term borrowing in the form of market borrowing and bank credits must be at least 60%. On 31 December 2025 it was 80% (81).

In order to reduce the proportion of market borrowing, and thus also the refinancing risk, Ziklo Bank offers savings accounts aimed at private individuals. The majority of the bank's savings account customers are customers with whom the bank has an existing relationship, i.e. customers that have previously used Ziklo Bank's other services or have held a savings account for 12 months or more. These customers accounted for 94% (94) of the savings account volume at year-end. Although the savings account has no fixed term, its deposit volume has been very stable over time, as it is spread across a large number of depositors. The bank's savings account is covered by the government's deposit guarantee scheme.

LIQUIDITY EXPOSURES – CONTRACTUAL REMAINING TERM (NOMINAL AMOUNTS)

The interest flows in the table below are based, in case of variable-rate loans and borrowings, on the interest rate on the closing date.

SEK million	To be paid on demand	Within 3 months	Longer than 3 months but no more than 1 year	Longer than 1 year but no more than 3 years	Longer than 3 years but no more than 5 years	Longer than 5 years	Total
2025							
Financial assets							
Treasury bills eligible as collateral	-	144	642	1,718	-	-	2,474
Lending to credit institutions	3,491	-	144	-	-	-	3,635
Loans and advances to the public	-	4,859	9,909	16,845	5,126	2,239	38,978
Bonds and other interest-bearing securities	-	834	517	823	-	-	2,174
Tangible assets: lease items	-	1,536	6,642	9,950	272	14	18,414
Other assets, derivatives	-	-2	22	27	9	-	56
Total	3,491	7,341	17,876	29,363	5,407	2,253	65,731
Financial liabilities							
Liabilities to credit institutions	-	41	258	1,734	376	145	2,554
Deposits and borrowing from the public	25,441	199	80	-	-	-	25,720
Securities issued	-	2,385	3,133	10,640	7,483	1,074	24,715
Other liabilities, derivatives	-	-6	-20	32	51	-	57
Subordinated liabilities	-	-	-	-	-	-	-
Total	25,441	2,619	3,451	12,406	7,910	1,219	53,046
Cash flow, net	-21,950	4,722	14,425	16,957	-2,503	1,034	
Unutilised credit facilities	1,905	3,250	2,750	-	-	-	
Liquidity gap	-20,045	7,972	17,175	16,957	-2,503	1,034	

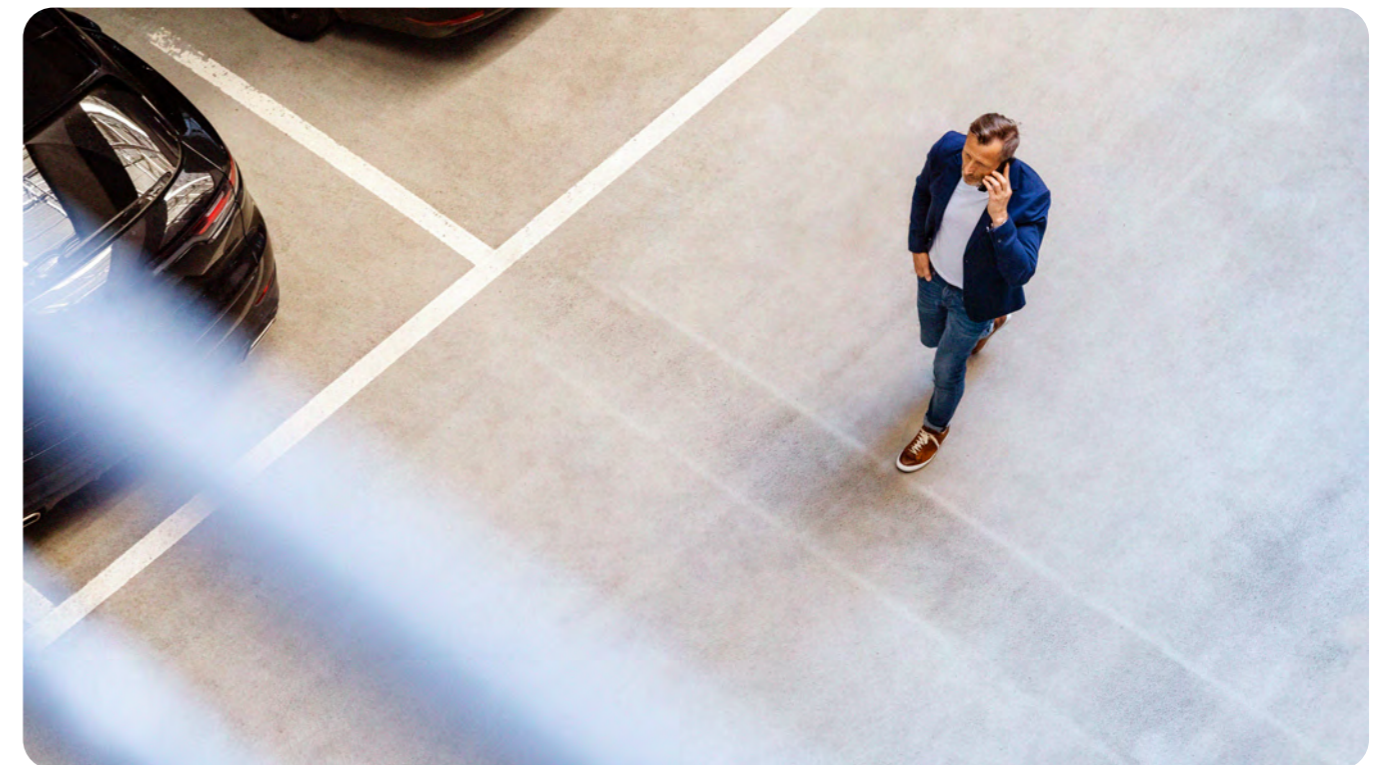
SEK million	To be paid on demand	Within 3 months	Longer than 3 months but no more than 1 year	Longer than 1 year but no more than 3 years	Longer than 3 years but no more than 5 years	Longer than 5 years	Total
2024							
Financial assets							
Treasury bills eligible as collateral	-	270	130	1,356	-	-	1,756
Lending to credit institutions	2,660	-	-	-	-	-	2,660
Loans and advances to the public	-	5,001	8,839	15,327	4,580	1,454	35,201
Bonds and other interest-bearing securities	-	951	778	740	-	-	2,469
Tangible assets: lease items	-	1,407	6,213	9,962	476	23	18,081
Other assets, derivatives	-	-6	26	37	12	-	69
Total	2,660	7,623	15,986	27,422	5,068	1,477	60,236
Financial liabilities							
Liabilities to credit institutions	-	354	154	2,433	491	297	3,729
Deposits and borrowing from the public	24,494	288	-	-	-	-	24,782
Securities issued	-	1,810	2,558	9,858	5,920	-	20,146
Other liabilities, derivatives	-	-4	-9	-50	22	-	-41
Subordinated liabilities	-	-	-	-	-	-	-
Total	24,494	2,448	2,703	12,241	6,433	297	48,616
Cash flow, net	-21,834	5,175	13,283	15,181	-1,365	1,180	
Unutilised credit facilities	1,905	3,250	2,750	-	-	-	
Liquidity gap	-19,929	8,425	16,033	15,181	-1,365	1,180	

MATURITY ANALYSIS OF LIABILITIES INCLUDING DERIVATIVES (NOMINAL AMOUNTS)

The interest flows in the table below are based, in the case of variable-rate loans and borrowings, on the interest rates which the market is forecasting on the balance sheet date for the various future interest payment dates. Derivatives in the table below are reported with a net outflow.

SEK million	Within 3 months	Longer than 3 months but no more than 1 year	Longer than 1 years but no more than 3 years	Longer than 3 years but no more than 5 years	Longer than 5 years	Total
2025						
Liabilities to credit institutions	-41	-261	-1,744	-382	-146	-2,574
Securities issued	-2,385	-3,133	-10,640	-7,483	-1,074	-24,715
Other liabilities, derivatives	-194	-60	-32	-51	-	-337
Other assets, derivatives	-2	22	24	8	-	52
Subordinated liabilities	-	-	-	-	-	-
Total	-2,622	-3,432	-12,392	-7,908	-1,220	-27,574

SEK million	Within 3 months	Longer than 3 months but no more than 1 year	Longer than 1 years but no more than 3 years	Longer than 3 years but no more than 5 years	Longer than 5 years	Total
2024						
Liabilities to credit institutions	-354	-147	-2,423	-491	-298	-3,713
Securities issued	-1,810	-2,534	-9,804	-5,910	-	-20,058
Other liabilities, derivatives	-285	8	36	-32	-	-273
Other assets, derivatives	-6	24	37	11	-	66
Subordinated liabilities	-	-	-	-	-	-
Total	-2,455	-2,649	-12,154	-6,422	-298	-23,978



Strategic risks

The bank's definition of strategic risk is the risk of loss due to changes in market conditions and unfavourable business decisions, inappropriate adaptation of decisions or a failure to respond to changes in the market. The definition of strategic risk includes earnings, customer and competitor behaviour, changes to laws and regulations and economic conditions.

The primary objective of risk management is to make sure the bank is aware of its strategic position and enable it to prepare itself at an early stage for a slowing market and increased or new competition. The bank works pro-actively to assess its strategic position and takes early action to prepare itself for changes in the market and competitive environment. Risk identification and self-assessment workshops with senior executives are held frequently with the aim of identifying strategic risks. The bank also has well developed strategies for how the organisation should work with customers and address competition.

Sustainability risks

Because the bank's operations are affected by a number of different fields and stakeholders, sustainability-related risks can affect every area of the bank. Sustainability-related risk consists in turn of other risks such as strategic risk, credit risk, residual value risk and interest rate risk.

The bank manages ESG risks when granting credit to companies, works internally with well-being for personnel, and takes action against financial crime etc. In addition to this, the bank has a number of strategic risks that are managed on an ongoing basis and for which there is capital adequacy. The strategic risks include legal risks, risks associated with customer behaviour, transformational risks and revenue risks. Also, the bank has chosen to maintain a capital buffer consisting of Common Equity Tier 1 capital (5% minimum capital requirement under Pillar 1) in capital adequacy. For further information concerning the bank's sustainability work, refer to the sustainability report.

Reputational risks

Reputational risk refers to the risk of loss due to a negative perception of the bank by customers, counterparties, shareholders, investors and regulators. The objective of risk management is to make sure the bank is perceived as highly transparent by all stakeholders and that these stakeholders have a favourable perception of the bank.

Reputational risks are the most difficult to protect against. The bank has taken measures to make sure this risk is managed to the greatest possible extent. Risk identification and self-assessment workshops with senior executives are held on an ongoing basis. Over the course of the year (at least quarterly), the bank meets with other banks and with investors to identify any negative signals. Press releases and information on the website are natural elements of the bank's disclosure of information, and it strives to be seen as highly transparent by all stakeholders. The bank has a department responsible for its PR and communication. The department is tasked with ensuring communication plans are in place for identified reputation scenarios. Only the CEO or a person appointed by the CEO may speak to the press.

Ziklo Bank must maintain a high level of IT, system and card security.

The bank has internal procedures for handling complaints such as clear reporting paths and a complaints officer.

Capital adequacy analysis

The determination of the bank's statutory capital requirement is made under the Swedish Special Supervision of Credit Institutions and Investment Firms Act (2014:968) and the EU's Capital Requirements Regulation and Directive (CRD IV/CRR), which has been incorporated into Swedish law, with further definitions and detailed guidelines issued by the Swedish Financial Supervisory Authority.

All Pillar 3 requirements are met in this annual report together with a separate Pillar 3 appendix.

The introduction of IFRS 9 has only had a marginal effect on the bank's capital adequacy. The IRB deficit is affected by the same amount as the bank's higher credit risk provision. The bank has decided that it will not opt for Regulation (EU) 2017/2395 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 as regards transitional arrangements for mitigating the impact of the introduction of IFRS 9. The reason for this is that the effect on the bank's capital adequacy is marginal.

As far as the bank is concerned, the rules help to strengthen the bank's resilience to financial losses and thus protect the bank's customers. Under the rules, the bank's capital base (equity and any debentures raised, etc.) must comfortably cover the prescribed minimum capital requirement, which consists of the capital requirements for credit risks, creditworthiness adjustment risks, market risks and operational risks, as well as the calculated capital requirement for further identified risks in the operations in accordance with the bank's internal capital adequacy assessment process.

The bank has an adopted plan for the size of its capital base over the next few years (in accordance with ILAAP), which is based on risk profile, identified risks with regard to probability and economic impact, stress tests and scenario analysis, expected expansion of lending and financing opportunities, as well as new legislation, the actions of competitors and other changes in external factors.

The review of the long-term plan is an integral part of the bank's internal capital adequacy assessment process. The plan is followed up continuously and an annual documented review is conducted to make sure the risks have been duly taken into account and reflect the bank's actual risk profile and capital needs. Any changes or additions to policy or strategy documents adopted by the Board are always reported in a similar way to important credit decisions and investments, and current and future capital requirements.

There are no ongoing or anticipated material or legal impediments to the rapid transfer of funds from the capital base or repayment of liabilities between the parent company and subsidiaries.

The countercyclical buffer was reduced to 0.0% as of as of 16 March 2020 for preventive purposes due to Covid-19 but was raised to 1% on 29 September 2022. It was raised to 2.0% from June 2023.

Under its review and evaluation process, the Financial Supervisory Authority may decide on a specific capital base requirement and a gross leverage ratio requirement. The bank has not yet received an assessment from the FSA regarding specific Pillar 2 guidance for capital requirements or leverage ratio.

Statutory capital requirements are summarised as follows, with specifications in the following sections.

EU KM1 – KEY METRICS TEMPLATE

Available capital base (amount)	31/12/2025	30/09/2025	30/06/2025	31/03/2025	31/12/2024
Common Equity Tier 1 (CET1) capital	6,400,981	6,399,358	6,590,454	6,585,242	6,579,663
Tier 1 capital	6,400,981	6,399,358	6,590,454	6,585,242	6,579,663
Total capital	6,400,981	6,399,358	6,590,454	6,585,242	6,579,663
Risk-weighted exposure amounts					
Total risk-weighted exposure amount	28,723,512	28,306,611	28,301,583	26,842,423	31,895,521
Capital ratio (as a percentage of the risk-weighted exposure amount)					
Common Equity Tier 1 capital ratio (%)	22.3	22.6	23.3	24.5	20.6
Tier 1 capital ratio (%)	22.3	22.6	23.3	24.5	20.6
Total capital ratio (%)	22.3	22.6	23.3	24.5	20.6
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of the risk-weighted amount of exposure)					
Additional capital base requirements to address risks other than the risk of excessive leverage (%)					
of which: to be made up of CET1 capital (percentage points)					
of which: to be made up of Tier 1 capital (percentage points)					
Total SREP capital base requirements (%)	8.0	8.0	8.0	8.0	8.0
Combined buffer requirement and overall capital requirement (as a percentage of the risk-weighted amount of exposure)					
Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
Conservation buffer due to macro-prudential or systemic risks identified at the level of a Member State (%)					
Institution-specific countercyclical capital buffer (%)	2.0	2.0	2.0	2.0	2.0
Systemic risk buffer (%)					
Buffer for global systemically important institutions (%)					
Buffer for other systemically important institutions (%)					
Combined buffer requirement (%)	4.5	4.5	4.5	4.5	4.5
Overall capital requirements (%)	12.5	12.5	12.5	12.5	12.5
Available Common Equity Tier 1 capital after meeting the total capital base requirement for SREP (%)	14.3	14.6	15.3	16.5	12.6
Leverage ratio					
Total exposure measure	60,996,495	59,853,565	58,927,005	56,400,110	55,451,023
Leverage ratio (%)	10.5	10.7	11.2	11.7	11.9
Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
Liquidity coverage ratio					
Total high-quality liquid assets (weighted value – average)*	3,286,959	3,213,021	3,140,221	3,095,791	3,027,868
Cash outflows – Total weighted value*	5,032,396	5,158,284	5,158,979	5,159,300	4,982,851
Cash inflows – Total weighted value*	5,286,291	5,164,341	5,014,704	4,910,819	4,652,917
Total net cash outflows (adjusted value)	1,258,099	1,289,571	1,289,745	1,289,825	1,245,713
Liquidity coverage ratio (%)	263	254	248	245	248
Net stable funding ratio					
Total available stable funding	52,809,068	51,399,073	51,915,488	49,946,157	49,163,382
Total required stable funding	43,932,509	42,880,004	42,277,739	41,100,901	40,874,702
Net stable funding ratio (%)	120	120	123	122	120

*Calculated as the simple average of end-of-the-month observations over the past 12 months.

CAPITAL BASE

(Including the Board's proposed allocation of profits)

	31/12/2025	31/12/2024
Common Equity Tier 1 capital Instruments and reserves		
Capital instruments and the related share premium accounts	400,000	400,000
Retained earnings	713,632	904,368
Accumulated other comprehensive income (and other reserves)	5,318,739	5,319,490
Common Equity Tier 1 capital before regulatory adjustments	6,432,370	6,623,859
Common Equity Tier 1 capital: regulatory adjustments		
Additional value adjustments	-220	-141
Intangible assets	-23,599	-41,451
Other regulatory adjustments	-7,569	-2,603
Total regulatory adjustments to Common Equity Tier 1 capital	-31,389	-44,196
Common Equity Tier 1 (CET1) capital	6,400,981	6,579,663
Tier 1 capital contribution: Instrument		
Tier 1 capital (Tier 1 capital = Common Equity Tier 1 capital + Tier 1 capital contribution)	6,400,981	6,579,663
Tier 2 capital	-	-
Total capital (Common Equity Tier 1 capital + Tier 2 capital)	6,400,981	6,579,663
Total risk-weighted assets	28,723,512	31,895,521



CAPITAL REQUIREMENT AND RISK-WEIGHTED EXPOSURE AMOUNT

	31/12/2025			31/12/2024		
	Capital requirement	Risk-weighted exposure amount	Average risk weighting	Capital requirement	Risk-weighted exposure amount	Average risk weighting
Credit risk STD						
Exposures to states and central banks	-	-	0.0%	-	-	0.0%
Exposures to municipalities, and comparable home-owners associations and authorities	-	-	0.0%	-	-	0.0%
Exposures to administrative bodies, non-commercial companies and religious communities	401	5,010	20.0%	258	3,231	20.0%
Exposures to institutions	59,864	748,300	20.1%	44,869	560,867	20.0%
Corporate exposures	74,182	927,270	79.7%	76,333	954,160	83.9%
Retail exposures	87,709	1,096,367	70.8%	45,279	565,992	67.2%
Exposures in default	365	4,558	147.4%	821	10,265	144.4%
Covered bonds	11,287	141,090	10.0%	11,640	145,501	10.0%
Equity exposures	2,461	30,766	100.0%	2,250	28,128	100.0%
Other items	2,635	32,934	100.0%	2,240	28,003	100.0%
Total capital requirements for credit risks according to the standardised method	238,903	2,986,294	28.0%	183,692	2,296,146	25.4%
Credit risk according to IRB						
Corporate exposures	539,086	6,738,580	42.4%	898,802	11,235,020	74.7%
Retail exposures	449,846	5,623,075	16.9%	448,594	5,607,426	17.9%
Non credit-obligation assets exposure	656,425	8,205,311	100.0%	582,290	7,278,625	100.0%
Total capital requirements for credit risks according to the IRB	1,645,357	20,566,966	35.8%	1,929,686	24,121,070	45.0%
Total	1,884,261	23,553,260	34.6%	2,113,377	26,417,217	42.2%
Operational risk according to the basic indicator approach	215,210	2,690,123	-	244,711	3,058,888	-
Credit value adjustment (CVA)	6,349	79,360	-	5,102	63,777	-
Additional risk exposure amounts according to Article 3 CRR	192,062	2,400,770	-	188,451	2,355,640	-
Total minimum capital requirement and risk-weighted exposure amount	2,297,881	28,723,512	-	2,551,642	31,895,521	-

The bank meets the minimum capital base requirement, which is a capital base of at least the total minimum capital requirement, and has a capital base which exceeds initial capital (the capital that was required when the company received a licence to provide financing services).

CAPITAL ADEQUACY

	31/12/2025	31/12/2024
Risk-weighted assets (RWA)	28,723,512	31,895,521
Available capital in relation to RWA		
Common Equity Tier 1 capital ratio, %*	22.28%	20.63%
Tier 1 capital ratio, %	22.28%	20.63%
Total capital ratio, %**	22.28%	20.63%
Common Equity Tier 1 capital ratio available for use as a buffer	4,103,100	4,028,021

*Common Equity Tier 1 capital in relation to risk-weighted exposure amount.

**Capital base in relation to risk-weighted exposure amount.

CAPITAL AND BUFFER REQUIREMENTS

	31/12/2025			31/12/2024		
	Common Equity Tier 1 Capital requirement	Tier 1 Capital requirement	Total capital base requirement	Common Equity Tier 1 Capital requirement	Tier 1 Capital requirement	Total capital base requirement
Per cent						
Minimum capital requirement	4.5	6	8	4.5	6	8
Capital conservation buffer	2.5	2.5	2.5	2.5	2.5	2.5
Countercyclical buffer	2	2	2	2	2	2
Total	9	10.5	12.5	9	10.5	12.5
Amount						
Minimum capital requirement	1,292,558	1,723,411	2,297,881	1,435,298	1,913,731	2,551,642
Capital conservation buffer	718,088	718,088	718,088	797,388	797,388	797,388
Countercyclical buffer	574,470	574,470	574,470	637,910	637,910	637,910
Total capital requirement	2,585,116	3,015,969	3,590,439	2,870,597	3,349,030	3,986,940

CAPITAL REQUIREMENT, CAPITAL BUFFERS AND INTERNALLY ASSESSED CAPITAL REQUIREMENT

31/12/2025	Capital requirement	Capital requirement / REA	Of which CET1 requirements / REA
Credit risk	1,884,261	6.6%	3.7%
Operational risk	215,210	0.7%	0.4%
CVA risk	6,349	0.0%	0.0%
Additional risk exposure amounts according to Article 3 CRR	192,062	0.7%	0.4%
Capital base requirement in Pillar 1 excluding buffer requirement	2,297,881	8.0%	4.5%
Concentration risk	267,777	0.9%	0.5%
Strategic risk	114,894	0.4%	0.2%
Market risk	149,003	0.6%	0.3%
Addition for internally assessed capital requirement in Pillar 2	531,674	1.9%	1.0%
Capital conservation buffer	718,088	2.5%	2.5%
Countercyclical capital buffer	574,470	2.0%	2.0%
Buffer requirement	1,292,558	4.5%	4.5%
Capital requirements	4,122,113	14.4%	10.0%
Capital base	6,400,981	22.28%	22.28%
Capital surplus	2,278,868	7.93%	10.0%
			Of which CET1 requirements / REA
31/12/2024	Capital requirement	Capital requirement / REA	Of which CET1 requirements / REA
Credit risk	2,113,377	6.63%	3.73%
Operational risk	244,711	0.77%	0.43%
CVA risk	5,102	0.02%	0.01%
Additional risk exposure amounts according to Article 3 CRR	188,451	0.59%	0.33%
Capital base requirement in Pillar 1 excluding buffer requirement	2,551,642	8.00%	4.50%
Concentration risk	360,714	1.13%	0.64%
Strategic risk	127,582	0.40%	0.23%
Market risk	124,597	0.39%	0.22%
Addition for internally assessed capital requirement in Pillar 2	612,894	1.92%	1.08%
Capital conservation buffer	797,388	2.50%	2.50%
Countercyclical capital buffer	637,910	2.00%	2.00%
Buffer requirement	1,435,298	4.50%	4.50%
Capital requirements	4,599,834	14.42%	10.08%
Capital base	6,579,663	20.63%	20.63%
Capital surplus	1,979,829	6.21%	10.08%

The internal capital evaluation on 31 December 2025 resulted in an internal capital requirement of SEK 2,830 million (3,165). If the combined buffer requirement is included, the bank's capital requirement totals SEK 4,122 million (4,600). Therefore the capital surplus, calculated on the internal capital requirement including the buffer requirement, totals SEK 2,279 million (1,980).

LEVERAGE RATIO

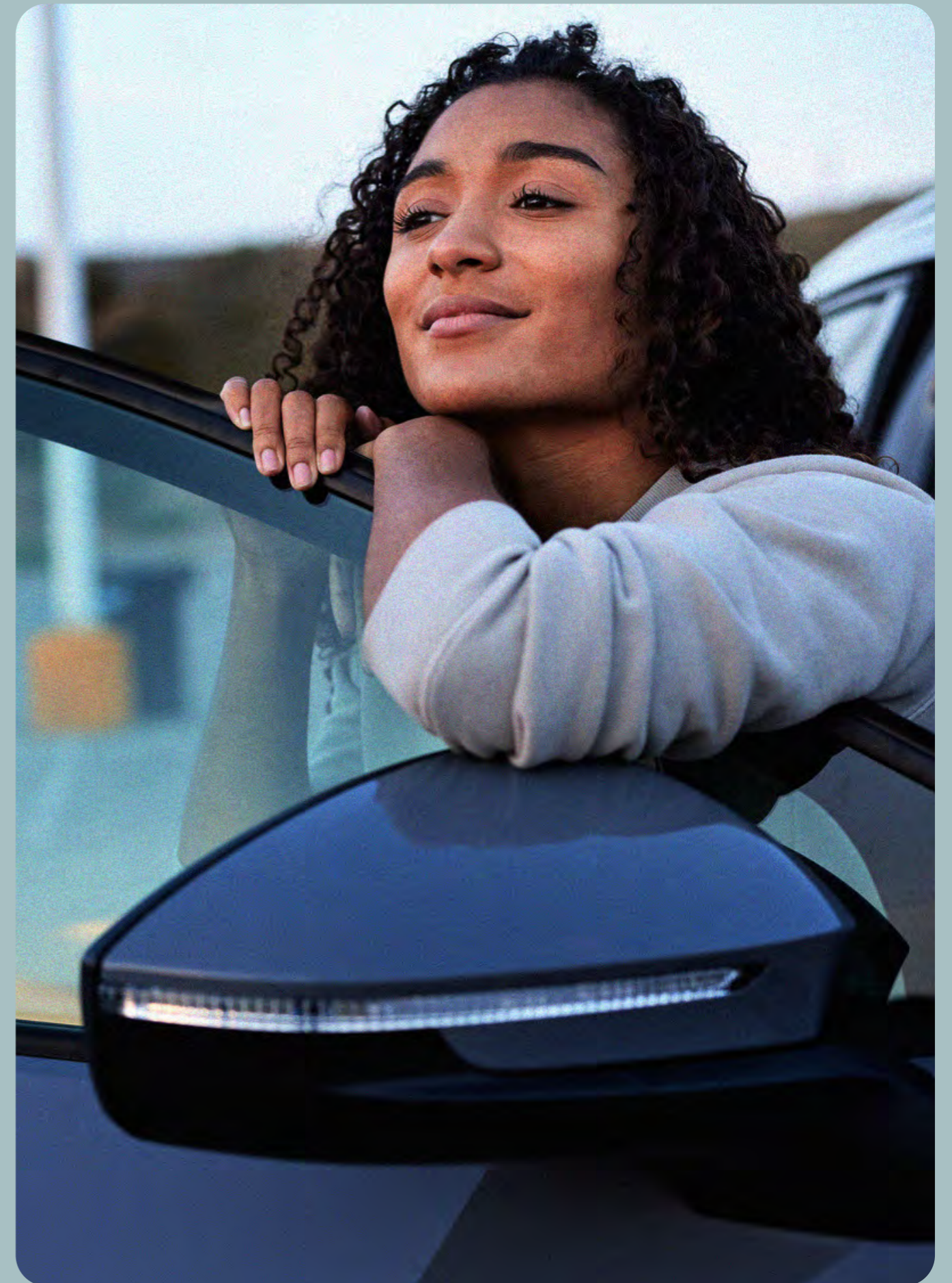
	31/12/2025	31/12/2024
Tier 1 capital	6,400,981	6,579,663
Total assets according to public financial statements	62,953,171	58,059,881
Adjustments for financial derivative instruments	99,200	90,093
Adjustments for off-balance sheet items (i.e. conversion to credit equivalents for off-balance sheet exposures)	1,076,829	1,019,384
Other adjustments	-3,132,705	-3,718,336
Exposure measurement	60,996,495	55,451,023
Leverage ratio, %	10.49	11.87

CAPITAL MANAGEMENT

The bank's strategies and methods for assessing and maintaining its capital base requirement are determined by its risk management. The bank's risk management seeks to identify and analyse the risks that arise in the course of its operations, and to define appropriate limits for such risks and make sure the required controls are in place. The risks are monitored and regular checks made to ensure limits are not exceeded. The bank has an integrated function for independent risk control that reports directly to the CEO and is tasked with analysing changes in risks and proposing amendments to policies and processes where required.

To assess whether the internal capital is adequate to serve as a basis for current and future activities and to ensure that the capital is of the right size and composition, the bank has its own internal capital adequacy assessment process. The process is a tool that makes sure the bank clearly and correctly identifies, measures and manages all risks to which it is exposed, and makes an assessment of its internal capital requirement in relation to this. This also includes making sure the bank has risk management systems and appropriate governing and control functions in place. The internal capital adequacy assessment process is performed at least once a year.

The ICAAP process is based on the risk identification and self-assessment workshops that are held with key individuals in the company. The risks are quantified using the method the bank deems to be appropriate for each type of risk. An assessment is made for each type of risk with regard to whether additional capital is required to cover the specific risk type. The assessment is based on Pillar 1 capital requirements and additional capital is added where necessary for other risks. The internal capital adequacy assessment is then stress-tested to ensure that the bank's capital level can be maintained also in stressed scenarios. The stressed scenarios are forward-looking and based on a three-year business plan. The Board of Directors and management consider the bank's risk management to be satisfactory and that its risk management system is appropriate and consistent with its existing strategies.



NOTE 3. Accounting policies

3.1 Judgements and estimates in the financial statements	95
3.2 Changes in accounting policies	95
3.2.1 Application of new IFRS and future regulations	95
3.3 Subsidiaries and associates	95
3.4 Foreign currency	95
3.5 Interest income and expenses and dividend	95
3.6 Classification of leases and recognition of lease income	96
3.7 Commission and fee income	96
3.7.1 Commissions and fees that are included in the effective interest rate	96
3.7.2 Commissions and fees that accrue as performance commitments are fulfilled	96
3.7.3 Commissions and fees earned when a specific service is performed	96
3.8 Commission expenses	96
3.8.1 Commissions and fees that are included in the effective interest rate	96
3.9 Financial instruments	96
3.9.1 Classification and measurement	97
3.10 Credit losses and impairment related to credit risk	97
3.10.1 Impairment of financial assets	97
3.10.1.1 Recognition of expected credit losses – loans and advances to the public and loan commitments issued	98
3.10.1.2 Recognition of expected credit losses – interest-bearing liabilities	99
3.10.1.3 Recognition of expected credit losses – loans and advances to credit institutions	99
3.10.1.4 Recognition of expected credit losses – lease items	99
3.10.1.5 Recognition of expected credit losses – accounts receivable	100
3.10.1.6 Presentation and recognition of credit losses in the balance sheet and income statement	100
3.10.1.7 Recognition of actual credit losses	100
3.11 Tangible assets	100
3.12 Tangible current assets	100
3.13 Intangible non-current assets	100
3.14 Impairment of tangible and intangible non-current assets and participations in subsidiaries and associated companies	100
3.14.1 Impairment testing	100
3.14.2 Reversal of impairment losses	101
3.15 Fund for development expenditures	101
3.16 Retirement benefits through insurance	101
3.17 Group contributions and Appropriations	101
3.18 Derivatives and hedge accounting	101

The bank's annual report has been prepared in accordance with the Annual Accounts for Credit Institutions and Investment Firms Act (1995:1559), the Regulations and General Recommendations of the Swedish Financial Supervisory Authority on Annual Accounts of Credit Institutions and Investment Firms (FFFS 2008:25) in accordance with the amending regulation in FFFS 2009:11 and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board. The bank applies IFRS with certain limitations contained in Swedish statutes, i.e. the standards adopted for application subject to the limitations contained in RFR 2 and FFFS 2008:25. This means that all IFRS and interpretations adopted by the EU have been applied insofar as this is possible subject to the Swedish Annual Accounts Act and with regard to the relationship between accounting and taxation. The annual report was approved for publication by the Board of Directors on 19 March 2026. The income statement and balance sheet will be submitted for adoption at the Annual General Meeting on 25 March 2026.

Unless otherwise indicated, the accounting policies described below have been applied consistently for all periods presented in the financial statements. The financial statements are presented in Swedish kronor, and unless otherwise indicated, all figures are rounded to the nearest thousand.

3.1 Judgements and estimates in the financial statements

Preparation of the financial statements in compliance with IFRS requires the bank's management to make assessments, estimations, and assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, revenues, and expenses. These estimations and assumptions are based on historical experience and a number of other factors deemed reasonable under current circumstances. The outcomes of these estimates and assumptions are then used as the basis of the carrying amounts of assets and liabilities not otherwise clearly provided by other sources.

Primarily, the bank made the following critical assessments when applying significant accounting policies:

- Choice of method for calculating expected credit losses; see also section 3.10
- Whether the bank has assumed significant risks and benefits from the seller on acquisition of receivables and agreements.

Actual outcomes may deviate from the estimations made in this report. Areas in which uncertainty about estimates may exist are:

- Estimations of expected residual values for lease items; see also sections 3.11 and 3.14
- The actual outcome of credit losses may deviate from the anticipated outcome.

Estimates and assumptions are reviewed regularly. Changes in estimates are reported in the period during which a change is made if the change affects only that particular period, or in the period during which the change is made and future periods if the change affects both the current and future periods.

3.2 Changes in accounting policies

Amendments to IFRS during 2025 had no material effect on the bank's financial statements.

3.2.1 APPLICATION OF NEW IFRS AND FUTURE REGULATIONS**IFRS 18 – Presentation and disclosures in financial statements**

On 9 April 2024, the IASB published a new standard, IFRS 18 – Presentation and disclosures in financial statements, which replaces IAS 1 – Presentation of financial statements. Given that IFRS 18 is adopted by the EU, and that the effective date proposed by the IASB is not changed, the standard will be applied from the beginning of the 2027 financial year. IFRS 18 entails new requirements for presentation and disclosures in financial statements with a particular focus on the income statement and disclosures concerning management performance measures. The standard is not expected to entail any financial effects for the bank as IFRS 18 focuses on presentation and disclosures in the financial statements.

3.3 Subsidiaries and associates

The bank accounts for participations in subsidiaries and associates using the cost method. Profit from associated companies is reported under Other operating income.

3.4 Foreign currency

The bank's reporting currency, which is also its functional currency, is the Swedish krona. Transactions in foreign currency are translated to Swedish kronor using the exchange rate on the transaction date. Monetary assets and liabilities in foreign currency are translated to Swedish kronor at the closing rate.

Foreign exchange differences arising on translation are recognised under Net result from financial transactions in the income statement.

3.5 Interest income and expenses and dividend

Interest income on receivables and interest expense on liabilities are calculated using the effective interest method. The effective interest rate is the interest rate at which the present value of all estimated future incoming and outgoing payments during the expected fixed-rate term is equal to the carrying amount of the receivable or liability. Interest income and interest expense includes, where applicable, accrued fees received that are included in the effective interest rate, transaction costs and any discounts, premiums and other differences between the original value of the receivable or liability and the amount settled at maturity.

Interest income from financial assets valued at amortised cost are recognised on an 'of which' line.

Interest income is recognised on the basis of the net value of the assets in stage 3 and the gross carrying amount (i.e. excluding loss provisions) for assets in stages 1–2.

Interest income and interest expense presented in the income statement consist of:

- Interest on financial assets and liabilities measured at amortised cost using the effective interest method.
- Interest on derivatives for which hedge accounting is not applied and which is measured at fair value through profit or loss.
- Interest paid and accrued on derivatives that are hedging instruments and for which hedge accounting is applied.
- Interest on financial assets measured at fair value.

Negative interest income is reported as interest expense and positive interest expense is reported as interest income.

Dividends from shares and participations are reported in the item Dividends received when the right to receive payment is determined.

Interest paid and accrued is recognised as interest income for interest rate derivatives that hedge financial assets, and as a part of interest expense for interest rate derivatives that hedge financial liabilities. Unrealised changes in the value of derivatives are reported in the item Net result from financial transactions; see Note 10.

3.6 Classification of leases and recognition of lease income

The bank reports its financial leases according to the regulations that apply for operating leases. All leases in which the bank is the lessor are thus accounted for under the rules for operating leases, which means that assets for which a lease has been concluded are recognised in the same line of the balance sheet as the corresponding lease assets owned by the bank. In the ‘Lease income’ item in the balance sheet, lease income is recognised on a gross basis, i.e. before depreciation according to plan.

‘Net lease income from finance leases that are accounted for as operating leases’ (see also Note 6) includes depreciation according to plan over the term of the lease and is recognised using the annuity method (see also basis of depreciation). Accordingly, these contracts give rise to a higher net income at the beginning of the contract term and a lower net income at the end of the contract term. Net lease income from leases that constitute operating leases based on their economic substance includes depreciation according to plan allocated over the term of the lease and is recognised on a straight-line basis (see also basis of depreciation). This means net income is held constant over the term of the contract.

In all of the bank’s leases with customers, the customer has a contractual right to early settlement. If the contractual interest rate is higher than the current interest rate, the customer must pay an amount to cover the difference. Because of this, the agreements are cancellable. However, monthly or quarterly interest already charged is not cancellable. See Note 32

When the bank makes disclosures about credit risk in Note 2, these disclosures about financial leasing receivables are however made based on the leases’ financial content. Furthermore, the bank reports expected credit losses for finance leases in the same way as for lending (see also 3.10).

3.7 Commission and fee income

The bank’s commissions and revenues consist primarily of remunerations for services rendered in credit cards, lending and leasing operations. The most common payment terms are 30 days. The bank’s various fees and commission income are reported as follows:

3.7.1 COMMISSIONS AND FEES THAT ARE INCLUDED IN THE EFFECTIVE INTEREST RATE

Commissions and fees that are an integral part of the effective interest rate are recognised for all financial instruments measured at amortised cost as part of the cost of the related asset, which is allocated to accounting periods using the effective interest method and is thus accounted for as interest income and not as commission income. These commissions and fees comprise mainly fees for the provision of credit facilities or other types of loan commitments in cases where it is likely that the credit facility will be drawn.

3.7.2 COMMISSIONS AND FEES THAT ACCRUE AS PERFORMANCE COMMITMENTS ARE FULFILLED

Commissions and fees relating to financial services performed on an ongoing basis, and where the services (performance commitments) are achieved gradually, are reported and allocated as income over the period during which the service is provided and the performance commitment is fulfilled. These services and fees relate primarily to fees for credit facilities or other types of loan promise where it is not likely that the facility will be used, as well as to fees and commissions for the provision of financial guarantees.

3.7.3 COMMISSIONS AND FEES EARNED WHEN A SPECIFIC SERVICE IS PERFORMED

These commissions and fees are generally related to a specific transaction and are recognised as income immediately. These fees and commissions include various types of notification fees, and debit and credit card fees.

3.8 Commission expenses

Commission expenses are transaction-dependent and directly related to transactions whose revenues are recognised as commission income. This item comprises fees for services received to the extent that they are not classified as interest, e.g. clearing and bank giro expenses, custodial fees and fees paid to Upplysningscentralen, a business and credit reference agency. Transaction costs that are taken into account in calculating the effective interest rate are not recognised here.

3.8.1 COMMISSIONS AND FEES THAT ARE INCLUDED IN THE EFFECTIVE INTEREST RATE

Commissions and fees that are an integral part of the effective interest rate are recognised for all financial instruments measured at amortised cost as part of the cost of the related liability, which is allocated to accounting periods using the effective interest method and is thus accounted for as interest expense and not as commission expense. These commissions and fees consist mainly of loan arrangement fees and fees for the provision of credit facilities or other types of loan commitments in cases where it is likely that the credit facility will be drawn.

3.9 Financial instruments

A financial asset or financial liability is recognised in the balance sheet when the bank becomes a party to the contractual terms of the instrument. A financial asset is derecognised when the rights under the contract are realised, expire or when the bank loses control over them. The same applies to a portion of a financial asset. A financial liability is derecognised when the obligation under the contract is discharged or otherwise extinguished. The same applies to a portion of a financial liability. A financial asset and financial liability are offset in the balance sheet only when there exists a legal right to offset the amounts and there is an intention to settle the items on a net basis or to simultaneously realise the asset and settle the liability.

Acquisitions and sales of financial assets are recognised on the transaction date, which is the date on which the bank undertakes to acquire or sell the asset. Loan commitments are not recognised in the balance sheet. Loans are recognised in the balance sheet upon payment of the loan amount to the borrower. An impairment loss on a loan commitment is recognised if the commitment is irrevocable and is made to a borrower for which a need for impairment has been identified even before the loan is paid out or when the lending rate does not cover the bank’s borrowing costs for funding the loan.

3.9.1 CLASSIFICATION AND MEASUREMENT

Financial instruments are recognised initially at the fair value of the instrument plus transaction costs, except for derivatives classified as financial assets or liabilities at fair value, which are recognised at fair value less transaction costs.

The company’s financial assets and liabilities are categorised as described in Note 36.

Financial assets and liabilities are measured at amortised cost

Apart from derivatives and the bank’s shareholding in VISA, all financial assets are valued at amortised cost. The assets are considered to be held in the context of a business model whose objective is to hold financial assets for the purpose of collecting contractual cash flows and that the contractual provisions for those assets give rise, at certain times, to cash flows that are only payments of principal and interest on the amount of the outstanding principal. Amortised cost is determined on the basis of the effective interest calculated at the time of acquisition. Provisions for expected credit losses are made for assets in this measurement category. Apart from derivatives, all financial liabilities are measured at amortised cost.

Financial assets and liabilities are recognised at fair value via the income statement

All derivatives and the bank’s shareholding in VISA are classified as equity instruments and are measured initially and on a continual basis at fair value in the balance sheet. If hedge accounting is not applied, the changes in value are recognised in the income statement and derivatives are categorised as measured at fair value, even in cases where they hedge risk financially but where hedge accounting is not applied. If hedge accounting is applied, the changes in value of the derivative and the hedged item are reported in the manner described in the Derivatives and hedge accounting section.

Measurement of financial instruments at fair value

Fair values for financial assets and liabilities traded on an active market are based on quoted prices. The company uses other measurement techniques for other financial instruments. The bank uses observable data as far as possible. Financial instruments where trade is not frequent and fair value is therefore less objective, require the bank to make assessments to a varying extent depending on liquidity, concentrations, uncertainties regarding market factors, price assumptions and other risks affecting a specific instrument. For a description of the methods applied in fair value measurement of financial instruments, see Note 36.

3.10 Credit losses and impairment related to credit risk

The bank’s credit portfolio consists mainly of vehicle finance. Total lending in respect of vehicle finance mainly comprises loans and leases that have been transferred or pledged to the bank by the vehicle seller, with collateral in the form of vehicles through right of repossession or ownership rights. Under a recourse agreement with the dealer, the dealer bears the ultimate credit risk for these credit contracts if required by the bank.

A loss is incurred by the bank as a result of these contracts in the following circumstances:

- The customer ceases to pay.
- The vehicle seller lacks the ability to pay.
- The market value of the recovered vehicle is less than the outstanding contractual debt.

In addition to vehicle financing, the bank’s lending to the public consists of payment card credit and other loan receivables. Loans and advances to credit institutions with bank deposits and investments in interest-bearing securities in the form of housing and municipal bonds and commercial papers. On each reporting occasion, the bank considers whether there is objective evidence indicating a need to impair a receivable.

3.10.1 IMPAIRMENT OF FINANCIAL ASSETS

The accounting policies mean that expected credit losses are reported for loans and advances to the public and other items on the balance sheet that are recorded at amortised cost. In addition, loss provisions on off-balance sheet exposures to submitted loan commitments are also recognised, e.g. unused card credits. In the initial accounts, a loss provision is reported based on what can be statistically expected for the next 12 months (stage 1). Where a significant increase in credit risk has occurred, the loss provision is instead calculated for the entire remaining expected term (stage 2 or, if the exposure is regarded as a credit impairment, stage 3). The bank makes no assumptions concerning early redemption, as maturity is presumed to be the contractual term. The provision for credit losses is measured according to a model of expected credit losses and reflects a probability-weighted amount determined by evaluating a range of possible outcomes, while taking into account reasonable and verifiable information accessible on the reporting date. Credit loss provisions are measured on the basis of whether or not a significant increase has occurred in credit risk compared with the initial recognition of an instrument.

- Stage 1 covers financial instruments where no significant increase in credit risk has occurred since the initial recognition and the counterparties covered by the bank’s policy for low credit risk at the time of reporting.
- Stage 2 covers financial instruments where a significant increase in credit risk has occurred since the initial recognition but where, at the time of reporting, there is no objective evidence that the receivable is doubtful.
- Stage 3 covers financial instruments where objective evidence has been identified that the receivable is doubtful.

For financial instruments under stage 1, the provision corresponds to the credit loss expected to occur within 12 months, while for the financial instruments in stage 2, where a significant increase in credit risk has been identified, as well as doubtful receivables in stage 3, the provision corresponds to the expected credit losses for the remaining term of the financial instrument. The expected credit losses for the remaining term of the financial instrument represent losses from all default incidents possible during the remaining term of the financial instrument. The credit losses expected to occur within 12 months represent the part of the expected credit losses for the remaining term of the financial instruments that are due to default incidents within 12 months of the reporting date.

3.10.1.1 RECOGNITION OF EXPECTED CREDIT LOSSES – LOANS AND ADVANCES TO THE PUBLIC AND LOAN COMMITMENTS ISSUED

The bank's loans and advances to the public consist mainly of card credits and vehicle loans reported at amortised cost.

Determination of a significant increase in credit risk

A credit that has been the subject of a significant increase in credit risk is no longer included in stage 1 but rather in stage 2 (provided that it is not credit-impaired). The bank considers whether a significant increase in credit risk has occurred by using a combination of individual and collective information, and reflects the increase in credit risk at the individual instrument level. The quantitative method used to assess increased credit risk consists of a forward-looking estimate of each individual risk of exposure to default. The method is based on the bank's system for classifying credit risk. The scale of rating classes goes from 1 (indicating the best risk class) to 8 (indicating the worst risk class). Depending on the initial rating of the loan, movement along a certain number of stages on this rating scale is required in the direction of a poorer rating in order for the credit risk to be considered to have increased significantly. The worse the initial rating, the fewer stages the rating needs to deteriorate before a significant increase in credit risk is considered to have arisen. When the borrower has overdue unpaid amounts older than 30 days, these exposures are always considered to be exposures with a significant increase in credit risk. If, at a later stage, the internal rating has improved to a sufficient extent, such that a significant increase in credit risk is no longer considered to apply when compared with the initial recognition, the credit will be reverted from stage 2 to stage 1.

The table below shows the risk category migrations that lead to the relegation of contracts from stage 1 to stage 2.

PD model (retail and SMEs)	
Initial risk category	New risk category
1	6
2	6
3	6
4	6
5	6
6	7

In addition to risk category jumps, there are also a number of qualitative criteria for increasing credit risk. These were:

- Debtor deceased
- Debtor emigrated
- Bankruptcy or liquidation
- Receivables sold to an external partner
- Overdraft
- Reminders
- Invoices or agreements moved to debt recovery
- Forbearance measures
- Non-performing exposures

Credit-impaired loans

As in accordance with previous principles, loss provisions are recognised for the remaining term of credit-impaired exposures (previously termed doubtful loans) once one or more events that have a negative effect on estimated future cash flow for the financial asset have occurred (stage 3). A loan is considered to be credit-impaired based on the same criteria as those used under previous principles for the definition of a doubtful loan, i.e. where payments are more than 90 days late or there is other evidence in the form of observable information of the following events:

- Significant financial difficulty of the debtor.
- A default or delinquency in interest or principal payments, or other breach of contract.
- The granting by the lender, for economic or legal reasons relating to the borrower's financial difficulty, of a concession that the lender would not otherwise consider.
- A growing likelihood that the borrower will enter bankruptcy or other financial reorganisation.

Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group.

Concessions granted by the bank due to a borrower's financial difficulty can also constitute objective evidence that the loan is impaired. If a loan previously deemed credit-impaired is no longer so deemed, a transfer will be made either to stage 2 (if there is a significant increase in credit risk compared with when the loan was granted) or to stage 1.

Measurement of expected credit losses

Expected credit losses are calculated for each individual credit exposure as the discounted product of the probability of default (PD), credit exposure in the event of default (EAD) and loss in the event of default (LGD).

The bank's definition of default is close to the regulatory definition of default as it is used in managing credit risk. This means that an exposure to a specified counterparty must be regarded as defaulted if any of the following criteria are met:

1. The bank considers it likely that the counterparty will not be able to meet its obligations to the institution unless the institution realises possible collateral or takes similar measures.

2. The counterparty is more than 90 days late with a payment in respect of anything other than a trivial amount.

PD corresponds to the probability of a borrower defaulting at a given point during the remaining term of the financial asset. To help with assessing the probability of default, the bank has created a number of different PD models based on the inclusion of a number of different business areas, different types of counterparties and different products, etc. in the bank's portfolio. For commitments within the balance sheet, the EAD is, in principle, the gross value of the exposure without regard to provisions. For off-balance sheet commitments, the EAD is calculated by using a conversion factor (CF) to multiply the unused amount that the counterparty is able to use under the terms of the contract. The CF is the measure of the proportion of the unused limit expected to be used in the event of default. The EAD thus becomes the sum of the current commitment and expected utilisation of the remaining limit. The LGD corresponds to the expected credit loss on a defaulted credit exposure, taking into account the characteristics of the counterparty and the product type. Expected credit losses are determined by calculating the PD, LGD and EAD for each future month up to the end of the expected term of a credit exposure. These three parameters are multiplied and adjusted by the probability of survival or the likelihood that the credit exposure has not been prepaid or defaulted for a previous month. In this way, the monthly expected credit losses are calculated, which are then discounted back to the reporting date with the original effective interest rate and totalled. Totalling the monthly expected credit losses up to the end of the expected term gives the expected credit losses for the remaining term of the asset, and the sum of the credit losses expected to occur within 12 months gives the expected credit losses for the next 12 months.

When calculating the expected credit losses, the bank takes into account three scenarios (a base scenario, a positive scenario and a negative scenario) based on macroeconomic variables. The base scenario is based on the National Institute of Economic Research forecasts. The scenarios for the portfolio for large companies is based on changes in the forecast GDP, while unemployment continues to be used as a macroeconomic variable for retail exposures and other corporate portfolios. The negative scenario is designed as a stress scenario, and the positive scenario as one with a more favourable development than the base scenario. The extent to which GDP change and unemployment deviate in the negative and positive scenarios is determined with the aid of standard deviations based on historical deviations between realised outcomes and forecasts. The negative scenario is weighted at 70%, the base scenario at 15% and the positive scenario at 15%.

The term of an instrument is relevant both to the assessment of a significantly increased credit risk, which takes into account changes in the probability of default for the remaining term, and the measurement of expected credit losses for the remaining term of the asset. Generally, the expected term is limited to the maximum contractual period during which the bank is exposed to a credit risk. All contractual terms are taken into account when determining the expected term, including repayment, extension and transfer options that are binding on the bank. The only exception to this general principle applies to certain revolving credits, such as credit cards, where the expected term is estimated based on the period in which the bank is exposed to credit risk and where credit losses cannot be mitigated by risk management measures. The length of this 'behav-

oural' term is determined using product-specific historical data and extends up to 2 years.

For a sensitivity analysis for expected credit losses, see Note 15.

Modifications

As of 31 December 2025, the bank had no loans with a significant modification. Hence, the bank reports no impairments due to modifications in the note Loans and advances to the public.

3.10.1.2 RECOGNITION OF EXPECTED CREDIT LOSSES – INTEREST-BEARING SECURITIES

The bank also recognises loss provisions on interest-bearing securities that are recognised at amortised cost. The bank's basic methodology for calculating loss provisions for interest-bearing securities is the same as for loans and advances to the public. However, the sources of information on the parameters used (PD, LGD and EAD) differ. In the case of PD, it is derived from the external rating of the securities and the externally available information from the rating agencies Moody's and Standard and Poor's about the risk of default that this rating is associated with. The bank has chosen to determine the LGD factor based on statistics from Moody's, where the factor is the average of the last five years' reported loss rates. In the initial accounts, the statistically expected loss is reported over the next 12 months (stage 1). A significant increase in credit risk is subsequently considered to have taken place when there has been a deterioration in the external rating, and credit losses are then recognised for the remaining term (stage 2). A deterioration in the external rating is considered to take place when the initial rating is changed from investment grade to non-investment grade. If, at a later stage, the external rating has improved to a sufficient extent, such that a significant increase in credit risk is no longer considered to apply when compared with the initial recognition, the security will be reverted to stage 1. The bank considers that financial assets on instruments with counterparties that are States and financial institutions and which have a low credit risk on the reporting date (with investment grade rating or better) are not considered to have been subject to a significantly increased credit risk. The bank uses the same criteria to assess whether an interest-bearing security is credit-impaired as for loans and advances to the public.

3.10.1.3 RECOGNITION OF EXPECTED CREDIT LOSSES – LOANS AND ADVANCES TO CREDIT INSTITUTIONS

Loans and advances to credit institutions are also within the scope of accounting for expected credit losses. Since all lending to credit institutions is refundable on demand, the bank has assessed that the assets have a very low risk of default; there is therefore no impairment for expected credit losses for loans and advances to credit institutions.

3.10.1.4 RECOGNITION OF EXPECTED CREDIT LOSSES – LEASE ITEMS

The bank also recognises impairments for lease items, which in the balance sheet are recognised as tangible assets. Lease items in the balance sheet include both the residual value of the lease (non credit-obligation assets exposure) and future rents (customer exposure). The calculation of credit losses is based on customer exposure value. An impairment test according to IAS 36 (see also section 3.14) is carried out for contracts where the bank guarantees the residual value, and for contracts where the dealer guarantees residual value, the dealer bears the risk under a recourse agreement. The bank's basic methodology for calculating loss provisions for the lease items is the same as for loans and advances to the public. For the PD parameter, the internal source systems are the data source, where the variables included in the calculation differ between card

credits and vehicle financing. As with card credits, the LGD factor is based on the bank's internal historical data.

3.10.1.5 RECOGNITION OF EXPECTED CREDIT LOSSES – ACCOUNTS RECEIVABLE

The bank also reports loss provisions on accounts receivable reported under other assets.

The bank's basic methodology for calculating loss provisions for trade receivables is the same as for loans and advances to the public.

3.10.1.6 PRESENTATION AND RECOGNITION OF CREDIT LOSSES IN THE BALANCE SHEET AND INCOME STATEMENT

For financial assets valued at amortised cost, provisions for credit losses are presented in the balance sheet as a decrease in the gross carrying amount of the asset. Loan commitments are an off-balance sheet component. In cases where a financial instrument consists of two components, one loan and one loan commitment, such as a revolving overdraft facility, the bank reports the credit loss provision for the loan and loan commitment combined.

Changes in loss provisions are recognised in the income statement on the Net credit losses line, except the lease items that are recognised under operating expenses and impairments on lease assets.

A write-off reduces the gross carrying amount of the financial asset. Credit losses and write-offs are presented in the income statement as credit losses. Write-offs are made when the amount of the loss is considered finally established; they are reported under credit losses and represent the amount prior to the utilisation of the previously made provision. Repayments of write-offs and recoveries of provisions are recognised in credit losses.

3.10.1.7 RECOGNITION OF ACTUAL CREDIT LOSSES

Receivables classified as credit-impaired are written off from the balance sheet when the credit loss is considered realised, which occurs when the administrator has submitted an estimate of the distribution of assets in a bankruptcy, a composition with creditors has been agreed or the debt has otherwise been remitted, or if the loan is sold to an external party.

Once written off, the receivables are no longer recognised in the balance sheet. Recovery of previously written off loans is recognised as a reduction of credit losses in the net credit losses line in the income statement.

The bank wrote off no financial assets during the reporting period that were subject to compliance measures.

3.11 Tangible assets

The bank's financial assets consist mainly of owned lease items.

All leases for assets where the bank is the lessor are accounted for under the rules for operating leases, which means that assets for which a lease has been concluded (regardless of whether it is a finance or operating lease) are recognised in the same line of the balance sheet as the corresponding assets owned by the bank. See also section 3.6.

Finance leases that are accounted for as operating leases are depreciated using the annuity method while all operating leases are depreciated on a straight-line basis. The estimated useful lives of lease items are in accordance with the lease terms of 1–6 years, and are written down to the estimated residual value. The applied depreciation methods and useful lives of assets are reviewed at each year-end; the residual value of assets is reviewed each month.

3.12. Tangible current assets

The bank's tangible current assets consist of vehicles the bank has previously leased under operating leases and which have been returned by the lessee at the end of the lease term. These vehicles are in turn intended for divestment.

The vehicles are valued at the lower of costs and net realisable value. Cost is the amount that corresponds to the carrying amount at the end of the lease with a direct downward adjustment of said carrying value in the case of e.g. verified damage. Net realisable value is determined based on the assessed sales value. The assessed sales value is obtained from an external supplier.

3.13 Intangible non-current assets

The bank's intangible assets consist of development expenditures in respect of software. Development expenditure that has been capitalised in the balance sheet is recognised at cost less accumulated amortisation and any impairment. See also section 3.15 Fund for development expenditures.

Amortisation is recognised in the income statement on a straight-line basis over the expected useful life of the intangible asset. Expected useful lives are reviewed at least annually. Amortisable intangible non-current assets are amortised from the date when they become available for use. The estimated useful lives are: software 3–5 years.

3.14 Impairment of tangible and intangible non-current assets and participations in subsidiaries and associated companies

3.14.1 IMPAIRMENT TESTING

The carrying amounts of the bank's assets are tested for impairment at the balance sheet date to determine any indication of a need to recognise impairment. If there is such an indication, the recoverable amount of the asset is calculated in accordance with IAS 36.

The bank conducts assessment of the assets used in operating leases concerning the need to recognise impairment on an ongoing basis. The bank conducts impairment tests for each individual lease asset. Impairment occurs if the carrying amount is higher than the recoverable amount, which is the higher of fair value less selling expenses or value-in-use. Value-in-use is determined as the present value of the remaining rents and the present value of the anticipated residual value. The basic data for the expected residual value is obtained from an external supplier, which, in combination with the bank's own assessment, forms the basis for impairment testing.

3.14.2 REVERSAL OF IMPAIRMENT LOSSES

An impairment loss is reversed if there is an indication that the impairment loss may no longer exist and there has been a change

in the assumptions on which the calculation of the recoverable amount was based. As an additional limit, the reversal may never exceed the value of the carrying amount should no impairment ever have taken place.

Reversals of impairment losses are recognised as depreciation and impairment of tangible assets in the income statement.

3.15 Fund for development expenditures

The capitalised amount of self-generated development costs is transferred from unrestricted equity to the fund for development expenditures (development fund) under restricted equity. The fund will decrease in line with depreciation/amortisation or impairment of expenditure.

3.16 Retirement benefits through insurance

The bank's pension plans for collectively negotiated occupational pensions are secured through an insurance policy with Alecta. The pension plan for the bank's employees is considered to be a multi-employer defined benefit pension plan. However, the bank has made the assessment that UFR 10 Financial reporting of the ITP 2 pension plan funded through Insurance with Alecta, also applies to the bank's pension plan. Because the bank lacks sufficient information to recognise these pension plans under IAS 19, it recognises the plans as defined contribution plans in accordance with UFR 10. The bank's obligations in respect of contributions to defined contribution plans are expensed in the balance sheet as they are earned through the employees' performance of services for the bank over a period.

3.17 Group contributions and Appropriations

Group contributions are recognised in accordance with the alternative rule in RFR 2, and both paid and received Group contributions are recognised as appropriations.

Appropriations comprise provisions to, and withdrawals from, untaxed reserves. Untaxed reserves are recognised inclusive of deferred tax liability.

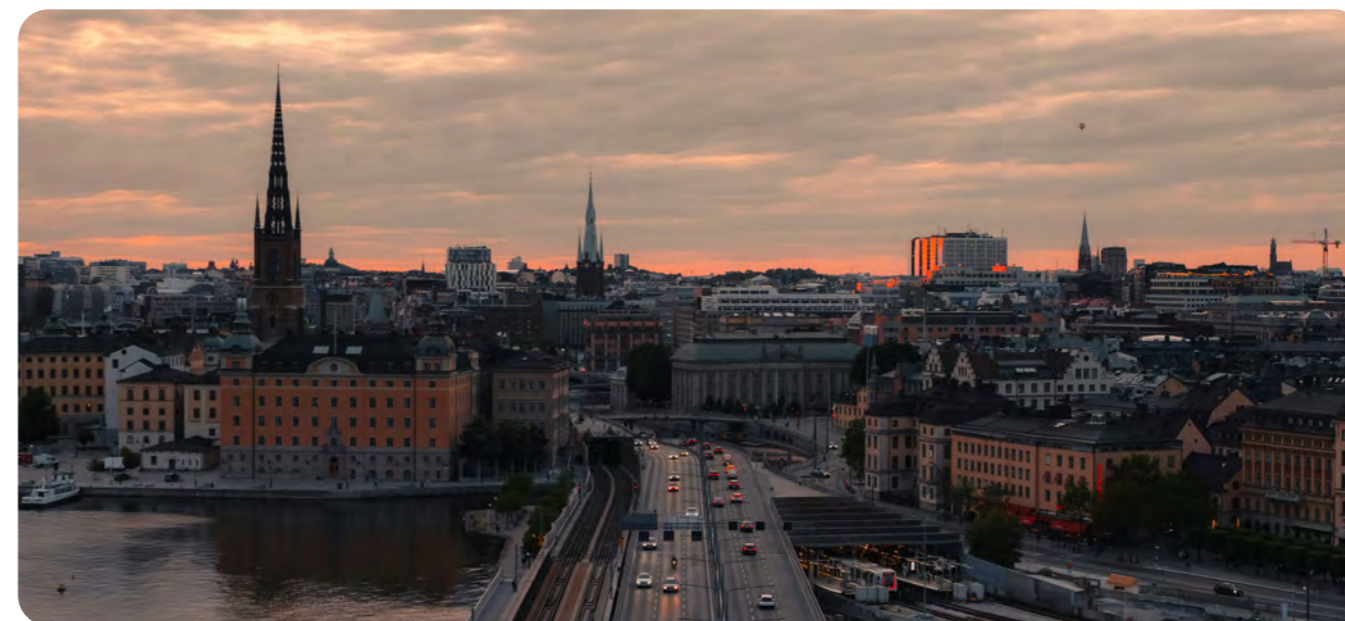
3.18 Derivatives and hedge accounting

Derivatives are used to hedge the risks of financial interest and foreign exchange risks to which the bank is exposed. The derivatives used by the bank are interest rate swaps to manage interest rates and interest exchange rate swaps to hedge the bank's exposure to currency fluctuations; see the sections Currency risk and Market risk.

The bank has chosen to continue applying the hedge accounting rules in IAS 39. Hedge instruments consist of interest rate swaps when hedging interest rate risks. The hedged items consist of fixed-rate borrowing, and the hedged risk is the risk of change in the fair value as a result of interest rate fluctuations. Hedge accounting is only applied to hedge relationships where the bank feels that non-hedge accounting would entail a materially misleading effect on profit or loss.

For other economic hedges in which the impact on earnings of not applying hedge accounting is deemed to be limited, hedge accounting is not applied in view of the additional administrative work involved in using hedge accounting.

The bank has a non-dynamic hedging strategy. When a hedging instrument is used to hedge a fair value, the derivative is recognised at fair value in the balance sheet and the hedged asset/liability is also recognised at fair value in respect of the hedged risk. The change in value of the derivative is recognised in the income statement together with the change in value of the hedged item in the income statement under the item Net result from financial items at fair value. Unrealised changes in value of the hedging instruments are recorded in the Net result from financial transactions and interest coupons (both accrued and paid) among interest income. The source of inefficiencies is any difference in the discount curves between the hedging instrument and the hedged item; see Note 27.



NOTE 4. SEGMENT REPORTING

The bank's operations are divided into operating segments based on the business areas that the bank's chief operating decision-maker monitors.

Operations are organised such that management monitors profit, returns and cash flows generated by the various services. Internal reporting is structured to allow management to monitor the performance of all services.

It is on the basis of this reporting that the bank has identified the segments Cars, Trucks and Fleet.

All operating income derives from external customers and all of the bank's operations take place in Sweden.

The tables below show segment reports at the aggregate level.

Income statement	2025	2024	Change
Net interest income and net leasing*	1,160,325	1,137,159	23,166
Dividends received	77	86	-9
Commission income	474,511	452,474	22,037
Commission expenses	-268,605	-227,360	-41,245
Net result from financial transactions	-13,589	-7,548	-6,041
Service, repair and tyre agreements	134,922	87,399	47,523
Disposals, operating lease items	266,109	377,609	-111,501
Other income	37,527	51,074	-13,547
Operating income	1,791,277	1,870,892	-79,615
Overhead expenses**	-715,967	-801,956	85,989
Credit losses	-17,932	-16,579	-1,353
Credit risk provision, change	5,273	-11,314	16,587
Residual value reserve, change	-28,504	-76,367	47,863
Operating profit	1,034,147	964,676	69,471

*Including depreciation of lease items.

**Including depreciations of tangible and intangible non-current assets excluding depreciation and impairment of lease items.

Lending	31/12/2025	31/12/2024	Change
Car loans, Truck loans etc.	17,699,599	15,499,414	2,200,184
Contract credits	11,088	9,547	1,541
Credit card credits	1,883,792	1,932,601	-48,809
Inventory credits	53,614	300,584	-246,971
Promissory note loans	43,548	53,535	-9,987
Lease items	33,425,939	31,244,548	2,181,392
Lending	53,117,580	49,040,230	4,077,350
Product Information	31/12/2025	31/12/2024	Change
Number of transferred loans and leases	198,703	194,544	4,159
of which loans	93,478	88,740	4,738
of which leases	105,225	105,804	-579
	31/12/2025	31/12/2024	Change
Average amount per contract loan and leasing	257	240	17
of which loans	189	175	15
of which leases	318	295	22

Cars

The Cars segment consists of three businesses: Retail Cars, OEM and Payments, all of which are aimed at consumers and small companies.

Passenger cars, light trucks and other products that are sold and used by our partners, often in package solutions comprising insurance, service agreements and credit cards, are financed by Retail Cars. The close collaboration with Volvo Cars and Volvo dealers can be found e.g. in Retail Cars under the Volvofinans brand. At the end of Q4, and in collaboration with Volvo Cars, Volvia and the Swedish Volvo dealerships, we launched a new way for customers to purchase vehicles directly online via the Volvo Cars website in a fully digitised customer journey. This is another step toward making sustainable mobility more accessible and convenient. Other marques are also financed under the Ziklo brand, and during the spring of 2024 the bank extended its offer further to begin financing camper vans and caravans, to which almost 50 dealers have joined as partners. OEM, original equipment manufacturer, includes financing of EVs from Polestar. The manufacturer now has three models available on the market, which the business is financing. Polestar is also increasing its availability through several Retail Partners in Volvo dealerships, who also cooperate with Ziklo Bank.

New passenger car registrations in Sweden totalled 272,998 for the full year 2025, which is 1.3% more compared to 2024. Companies accounted for 63% of newly registered vehicles and the share of plug-in vehicles was 63%, compared to 58% in 2024. Volvo's and Polestar's share of new car registrations totalled 20.7%. The industry organisation Mobility Sweden forecasts 280,000 new passenger car registrations for 2026. While sales of used vehicles are at the same level as the previous year, the bank increased financing volumes for used vehicles and achieved all-time highs in volume and penetration. In all, the Swedish dealerships sold just over 384,000 used cars during the full year, according to the industry association Vroom.

The Payments business offers card payments and digital payment methods aimed at creating convenient solutions for all mobility requirements. Using CarPay, the bank's customers can pay for their workshop visits and fuel stops in Volvo dealerships directly in the app while following and managing their financing agreements. Bonus checks can be redeemed in Volvo dealerships, when charging EVs, and on public transit and trains. On the partner side, we offer a point-of-sale system with card redemption, terminals and several different payment options, in addition to the loyalty programme. The business also provides a subscription service where various customer subscriptions for service agreements, tyre changes, car washes and other aftermarket services can be created and paid for using the bank's E-checkout. The digital customer journey for vehicle financing is under constant development, and together with digital payment solutions, the bank focuses intensely on living up to our customer promise of flexible, simple and smarter payments.

	2025	2024	Change
Net interest income and net leasing*	839,139	808,127	31,013
Dividends received	77	86	-9
Commission income	311,035	298,739	12,296
Commission expenses	-256,330	-218,691	-37,639
Net result from financial transactions	-11,519	-5,501	-6,018
Service, repair and tyre agreements	50,582	-	50,582
Disposals, operating lease items	67,320	61,410	5,910
Other income	31,754	41,148	-9,395
Operating income	1,032,059	985,318	46,741
Overhead expenses**	-485,092	-545,671	60,580
Credit losses	-17,787	-16,121	-1,666
Credit risk provision, change	6,022	-9,319	15,341
Residual value reserve, change	18,376	-52,748	71,124
Operating profit	553,578	361,459	192,119

*Including depreciation of lease items.

**Including depreciations of tangible and intangible non-current assets excluding depreciation and impairment of lease items.

Product information, loans and leasing	31/12/2025	31/12/2024	Change
Number of contracts	146,555	146,242	313
Total volume, SEK million	29,769	27,396	2,374
of which transferred, %	99.3	99.2	0.1
of which pledged, %	0.7	0.8	-0.1
of which loans, %	43.1	38.8	4.3
of which leases, %	56.9	61.2	-4.3
Private leasing as a proportion of total leases, %	33.3	34.6	-1.3
Product information, cards	2025	2024	Change
Number of unique active accounts	513,408	534,282	-20,874
Average number of active accounts	353,635	362,508	-8,873
Total volume, SEK million	1,879	1,927	-48
Average number of credit customers	61,351	67,537	-6,186
Total sales, card accounts, SEK million	16,729	17,284	-555
of which fuel, %	22.0	25.3	-3.3
of which workshop, %	12.9	12.5	0.4
of which retail store, %	0.8	0.8	0.0
of which car wash, %	1.1	0.9	0.2
of which sales outside Volvo dealers, %	60.7	54.1	6.6
of which other (incl. vehicle loans and insurance), %	2.5	6.3	-3.8

Trucks

The Trucks segment offers loans and lease financing for new and used trucks, and financing for trailers, superstructures and other equipment.

The bank's financing level for new vehicles in recent years has stabilised at around 54%. The financing level for battery-powered trucks, used trucks and trailers totalled around 60%. The bank's financing products and service offering is under constant development in close collaboration with Volvo trucks and the Swedish Volvo dealerships with the aim of strengthening, refining and modernising our joint customer offering.

The fourth quarter made a significant contribution to business area Trucks by enabling it to achieve the year's volume target despite Volvo Trucks' low market share in 2025. Persistently low fuel prices combined with high acquisition values continue to present a significant obstacle for the transition to electric haulage solutions. Moreover, customers say that the lack of long-term political initiative and a more accessible administration of support measures are causing further delays to the implementation of their own transition plans.

	2025	2024	Change
Net interest income and net leasing*	95,420	113,959	-18,539
Commission income	4,812	4,879	-67
Commission expenses	-1,004	-1,190	187
Net result from financial transactions	-687	-1,181	494
Other income	1,077	2,577	-1,499
Operating income	99,619	119,043	-19,424
Overhead expenses**	-36,462	-45,844	9,382
Credit losses	-	-	-
Credit risk provision, change	-1,001	8	-1,008
Operating profit	62,156	73,207	-11,051

Product information, loans and leasing	31/12/2025	31/12/2024	Change
Number of contracts	7,684	7,779	-95
Total volume, SEK million	7,089	6,890	199
of which transferred, %	92.9	93.9	-1.1
of which pledged, %	7.1	6.1	1.1
of which loans, %	75.0	76.8	-1.8
of which leases, %	25.0	23.2	1.8
Operating leases as a proportion of total leases, %	19.3	21.7	-2.4

* Including depreciation and impairment of lease items.

**Including depreciations of tangible and intangible non-current assets excluding depreciation and impairment of lease items.

Fleet

Ziklo Fleet Services offers administration and financing for corporate vehicle fleets through operating and financial leasing, or a combination of both.

Whether a customer needs just one or several hundred vehicles, we can help with a simple, flexible overall solution based on the customer's specific needs. We attach great importance to our advisory role in our customers' green transition and how they can best adapt to new and future regulations.

In terms of sales, the business area enjoyed one of its strongest years. The number of agreements in Q4 increased by 1.7% and newly concluded agreements were evenly distributed during the year between operating and financial leasing. Our focus on fostering long-term customer relationships continues to enable us to maintain and grow our market-leading position.

During the year, the market for used vehicles, especially EVs, fluctuated. However, we note a stabilisation during the latter part of the year which is reflected in disposal gains from returned operating lease vehicles.

	2025	2024	Change
Net interest income and net leasing*	225,766	215,073	10,693
Commission income	158,664	148,856	9,808
Commission expenses	-11,271	-7,478	-3,792
Net result from financial transactions	-1,383	-866	-517
Service, repair and tyre agreements	84,340	87,399	-3,059
Disposals, operating lease items	198,788	316,199	-117,411
Other income	4,696	7,349	-2,653
Operating income	659,600	766,531	-106,931
Overhead expenses**	-194,413	-210,441	16,027
Credit losses	-145	-459	313
Credit risk provision, change	251	-2,003	2,255
Residual value reserve, change	-46,879	-23,619	-23,261
Operating profit	418,413	530,010	-111,597

Product Information	31/12/2025	31/12/2024	Change
Number of financing contracts	46,187	42,495	3,692
Number of administered contracts	59,155	55,101	4,054
Total volume, SEK million	15,412	13,495	1,918
of which operating leases, %	66.0	70.0	-4
of which financial leases, %	34.0	30.0	4

*Including depreciation of lease items.

**Including depreciations of tangible and intangible non-current assets excluding depreciation and impairment of lease items.

Income statement

NOTE 5. Net interest income

Interest income	2025	2024
Lending to credit institutions*	56,753	94,922
Loans and advances to the public	949,000	1,097,204
Interest-bearing securities	101,532	163,215
Other interest income	3,618	1,755
Total	1,110,903	1,357,096
of which interest income assets measured at amortised cost	1,113,441	1,339,627
*Of which cost of funds on interest-free loans to the Swedish Central Bank	458	-
Interest expenses		
Liabilities to credit institutions	-93,511	-63,422
Deposits and borrowing from the public	-504,205	-835,358
Expense for deposit guarantee	-24,647	-25,105
Investments in interest-bearing securities	-	-
Issued interest-bearing securities	-541,178	-563,100
Derivatives	-120,688	-153,376
Other interest expenses	-32,057	-35,548
Total	-1,316,286	-1,675,910
Of which interest expenses from financial assets measured at amortised cost	-	-
Total net interest income	-205,383	-318,814

NOTE 6. Lease income and accumulated net interest income

All leases are reported as operating leases in the balance sheet (even if the lease is a finance lease based on the substance of the contract) and the (gross) income from these contracts is recognised as lease income.

Net lease income	2025	2024
Income from contracts recognised as operating leases	7,789,038	7,218,542
Depreciation according to plan for contracts recognised as operating leases	-6,423,330	-5,762,570
Net lease income from contracts recognised as operating leases	1,365,708	1,455,972
Accumulated net interest income		
Lease income from finance leases (recognised as operating leases in the balance sheet)	3,810,111	3,393,145
Depreciations according to plan for finance leases (recognised as operating leases in the balance sheet)	-3,142,057	-2,708,752
Net lease income from finance leases*	668,054	684,393
Interest income	1,110,903	1,357,096
Interest expenses	-1,316,286	-1,675,910
Combined net interest income**	462,671	365,579
Total leasing and net interest income		
Net lease income from contracts recognised as operating leases	1,365,708	1,455,972
Net interest income in accordance with Note 5	-205,383	-318,814
Total leasing and net interest income	1,160,325	1,137,158
Interest margin***, %	0.92	0.65
Average lending rate, %	4.33	5.61
Average deposit rate (incl. cost for deposit guarantee scheme), %	2.18	3.62

*Finance leases recognised as operating leases, net.

**Combined net interest income is affected partly by interest expenses for financing operating leases and partly by the building-up of a liquidity reserve by the bank.

***Total interest income as a percentage of average total assets less total interest expense as a percentage of average total assets excluding average equity and untaxed reserves.

NOTE 7. Dividends received

	2025	2024
Shares and participations*	77	86
Total	77	86

*Cash dividend Visa Sweden förening ek. för.

NOTE 8. Commission income

	2025	2024
Commission income Credit card	222,747	212,644
Commission income, loans and leases	251,764	239,830
Total	474,511	452,474

NOTE 9. Commission expenses

	2025	2024
Payment processing commissions	-5,282	-5,639
Sales commission	-182,587	-156,467
Other commissions	-80,736	-65,254
Total	-268,605	-227,360

NOTE 10. Net result from financial transactions***GAIN/LOSS BY MEASUREMENT CATEGORY INCLUDING EXCHANGE RATE CHANGES**

	2025	2024
Change in the fair value of derivative assets intended for risk management, not hedge accounting	49,809	45,087
Change in the fair value of derivative liabilities for risk management purposes, not hedge accounting	-62,635	-55,804
Financial liabilities at amortised cost**	-1,276	-556
Realised and unrealised changes in fair value in respect of shares and participations	70	3,653
Change in fair value of derivatives that are hedging instruments in a fair value hedge	5,447	25,230
Change in fair value of hedged item attributable to the hedged risk in a fair value hedge	-5,004	-25,157
Total	-13,589	-7,548

*Financial assets valued at amortised cost totalled 0.

**Also includes realised premium or discount on repurchase of debt.

NOTE 11. Other operating income

	2025	2024
Capital gains on the sale of tangible assets	435	1,314
Revenues, service and repair contracts	134,922	87,399
Disposals, operating lease items	266,109	377,609
Of which sales revenue	(2,467,804)	(2,169,039)
Of which cost of goods sold	(-2,201,695)	(-1,791,430)
Income from associated companies	8,543	5,975
Reversal of opening VAT following review	28,254	43,130
Other operating income	295	656
Total	438,558	516,083

NOTE 12. General administrative expenses

	2025	2024
Salaries and fees	-203,242	-195,109
Social security contributions	-66,481	-63,761
Cost of pension premiums*	-27,862	-25,627
Payroll tax	-6,777	-6,220
Other personnel costs	-7,959	-7,533
Total personnel costs	-312,320	-298,250
Rents and other costs for premises	-22,529	-23,176
IT costs	-270,217	-336,605
Consulting services	-23,825	-20,827
Contract personnel	-4,105	-7,175
Audit	-2,399	-2,906
Postage and phones	-5,213	-5,489
Other	-17,391	-18,606
Total other general administrative expenses	-345,679	-414,784
Total general administrative expenses	-657,999	-713,034

*Total pension premiums were KSEK 27,933 (25,641), of which KSEK 13,260 (12,949) refers to Alecta ITP 2 pensions. Of the bank's pension costs, KSEK 5,124 (3,960) refer to the bank's senior executives 9 (7) people. The bank has no outstanding pension obligations. Costs for the financial year related to pension-based compensation for defined-contribution pensions totalled 29% (33).

Expected fees in the next reporting period for ITP 2 insurance policies with Alecta are KSEK 9,186 (8,844). The bank's share of the total contributions to the plan and the bank's share of the total number of active members of the plan are 0.04% and 0.04% respectively. The collective funding ratio is defined as the market value of Alecta's assets as a percentage of its commitments to policyholders calculated using Alecta's actuarial methods and assumptions, which do not comply with IAS 19. Normally, the collective funding ratio is permitted to vary within a range of 125–175%. If Alecta's collective funding ratio falls below 125% or exceeds 175%, measures must be taken to enable the ratio to return to the normal range. Measures that can be taken in the event of a low collective funding ratio include raising the agreed price for new subscriptions and expanding the existing benefits. A high collective funding ratio can be addressed by reducing premiums. At year-end 2025, Alecta's surplus in the form of the collective funding ratio was 167% (162).



BREAKDOWN OF SALARIES AND OTHER REMUNERATION BY SENIOR EXECUTIVES AND OTHER EMPLOYEES, AND SOCIAL SECURITY CONTRIBUTIONS

	2025			2024		
	Senior executives (20 people)	Other employees	Total	Senior executives (18 people)	Other employees	Total
Salaries and other remunerations	-21,602	-181,640	-203,242	-15,665	-179,454	195,109
of which variable remuneration	(-)	(-584)	(-584)	(-)	(-121)	(-121)
Total	-21,602	-181,640	-203,242	-15,665	-179,454	-195,109
Social security contributions	-11,998	-89,121	-101,119	-8,925	-86,683	-95,608
of which pension costs	(-5,124)	(-29,515)	(-34,639)	(-3,960)	(-27,887)	(-31,847)

SALARIES AND FEES

Members of the Board receive fixed fees as resolved by the AGM. The remuneration payable to the CEO is decided by the Board based on a proposal from the Remuneration committee. The remuneration payable to other senior executives is decided by the CEO. The remuneration to the CEO and other senior executives consists of basic salary, other benefits and pension. The term 'other senior executives' refers to the 8 people who, together with the CEO, make up company management.

The contractual retirement age is 66 years. In case of termination of the CEO's employment contract on the part of the bank, the CEO is entitled to pay for 6 months and up to an additional maximum of 6 months. The latter consists of the difference between the fixed monthly Ziklo Bank salary and the lower income during the period concerned gained through employment or other gainful activities. The Remuneration committee consists of the Chairman of the Board and two additional Board members. Variable remuneration is not paid to members of the bank's management team, employees who make decisions on credits/limits or in the compliance and internal audit control functions.


SALARIES AND REMUNERATION OF SENIOR EXECUTIVES

	Basic salary / fee	Variable remuneration	Other benefits	Pension costs	Total
2025					
Chairman of the Board	-1,031	-	-	-	-1,031
Vice chairman of the Board	-704	-	-	-	-704
Members of the Board (9 people)	-2,075	-	-	-	-2,075
CEO	-3,656	-	-185	-1,150	-4,991
Other senior executives (8 people)	-14,137	-	-805	-3,973	-18,915
Total	-21,603	-	-990	-5,123	-27,716
2024					
Chairman of the Board	-971	-	-	-	-971
Vice chairman of the Board	-697	-	-	-	-697
Members of the Board (9 people)	-2,064	-	-	-	-2,064
CEO	-2,934	-	-210	-1,006	-4,150
Other senior executives (6 people)	-8,989	-	-605	-2,953	-12,547
Total	-16,655	-	-815	-3,959	-20,429

REMUNERATIONS TO THE BOARD OF DIRECTORS

Name	Position (2025/2024)	2025	2024
Urmas Kruusval – June 2024	Chair	-	-480
Björn Ingemanson July 2024 –	Chair	-1,031	-491
Synnöve Trygg	Vice chairman	-704	-697
Ann Hellenius	Member	-400	-314
Per Avander	Member	-400	-400
Björn Rentzhog	Member	-200	-200
Jonas Estéen	Deputy	-100	-100
Johan Ekdahl – June 2025	Member	-200	-400
Johan Ahlberg	Deputy	-150	-150
Anna Wibring	Member / Deputy	-150	-100
Jessica Span	Member	-300	-250
Oscar Bertilsson Olsborg	Deputy	-125	100
Karl Rudarp July 2025 –	Deputy	-50	-
Total		-3,810	-3,682

Loans to senior executives	2025	2024
Senior executives' loans in the company	13	33
CEO and Deputy CEO	79	126
Board members and Deputy Board members	-	-
Total	92	159

Loans to senior executives total KSEK 92 (159). Interest for these executives totals KSEK 5 (9). The terms and conditions of loans to senior executives are the same as for the bank's other employees.

PERSONNEL INFORMATION

	2025			2024		
	Men	Women	Total	Men	Women	Total
Average number of employees	165	155	320	144	158	302
Gender distribution in management						
CEO	1	-	1	1	-	1
Board of Directors	7	4	11	7	4	11
Other senior executives	4	4	8	4	2	6
Number	12	8	20	12	6	18

AUDITORS' FEES AND EXPENSES

	2025	2024
PwC		
Audit assignment	-2,399	-2,460
Audit services in addition to audit assignment	-	-345
Tax advice	-	-
Other services	-	-322
Total	-2,399	-3,127
KPMG		
Audit assignment	-	-
Audit services in addition to audit assignment	-	-101
Tax advice	-	-
Other services	-	-
Total	-	-101
Total	-2,399	-3,228

NOTE 13. Depreciation and impairment of tangible and intangible non-current assets

	2025	2024
Depreciations according to plan	-6,447,103	-5,788,711
Reversed impairment charges during the year	172,192	143,995
Impairment charges	-200,709	-224,268
Total	-6,475,621	-5,868,984
Depreciations according to plan		
Inventory	-907	-1,028
Lease items	-6,423,330	-5,762,570
Intangible non-current assets	-22,867	-25,114
Total	-6,447,103	-5,788,711
Impairment charges, net		
Impairment charges / Reversals; lease item credit risk	-14	-3,906
Impairment charges / Reversals; lease item residual value risk	-28,504	-76,367
Intangible non-current assets	-	-
Total	-28,518	-80,273

The increased impairment charges during the year in respect of residual value risk are explained by the bank's increased residual value positions in operational leasing. The discount rate consists of the consumer interest on the individual asset. For 2025, this means an interest spread between 1.6%–7.5% (1.6%–7.6%). For further information on the bank's residual risk, see Note 2, residual risk section, and Note 4.

NOTE 14. Other operating expenses

	2025	2024
Fees to central organisations	-4,967	-6,386
Insurance costs	-2,784	-2,747
Marketing costs	-23,980	-59,555
Other operating expenses	-2,464	5,908
Total	-34,194	-62,780



NOTE 15. Credit losses, net

Credit losses	31/12/2025	31/12/2024
Loans at amortised cost (incl. unused part of limit)		
Provisions – stage 1	5,747	6,049
Provisions – stage 2	11,690	15,500
Provisions – stage 3	10,586	11,774
Total reserve	28,023	33,323
	2025 Jan–Dec	2024 Jan–Dec
Loans at amortised cost (incl. unused part of limit)		
Change in provisions – stage 1	302	-652
Change in provisions – stage 2	3,810	234
Change in provisions – stage 3	1,188	-7,652
Total change in provisions	5,300	-8,070
Write-off, confirmed credit losses	-19,140	-17,834
Recoveries of previously confirmed credit losses	-1,550	1,714
Total	-17,590	-16,120
Credit losses, net*	-12,290	-24,190

*Should be read together with the line 'Total actual customer losses for lease items' further down the Note, and compared with the income statement and the Credit losses line.

Credit losses	31/12/2025	31/12/2024
Lease assets		
Provisions – stage 1	4,019	5,535
Provisions – stage 2	2,259	944
Provisions – stage 3	2,975	2,761
Total reserve	9,253	9,240
	2025 Jan–Dec	2024 Jan–Dec
Lease assets		
Change in provisions – stage 1	1,516	-2,221
Change in provisions – stage 2	-1,315	-302
Change in provisions – stage 3	-214	-1,383
Total change in provisions**	-13	-3,906
Write-off, confirmed credit losses	-342	-459
Recoveries of previously confirmed credit losses	-	-
Total***	-342	-459
Credit losses, net	-355	-4,365

**Refer to the Income statement and the line 'Depreciation and impairment of tangible and intangible non-current assets'. Note 13 refers to the line 'Impairment charges / Reversals; lease item credit risk'.

***Should be read together with the line 'Credit losses, net loans at amortised cost' in the note's first table for comparison with the income statement and the line 'Credit losses'.

Credit losses	31/12/2025	31/12/2024
Financial fixed assets		
Provisions – stage 1	480	455
Provisions – stage 2	-	11
Provisions – stage 3	-	-
Total reserve	480	466
	2025 Jan–Dec	2024 Jan–Dec
Financial fixed assets		
Change in provisions – stage 1	-25	673
Change in provisions – stage 2	11	-11
Change in provisions – stage 3	-	-
Total change in provisions	-14	662
Credit losses, net****	-14	662

****See Income statement and the line 'Impairments/Reversals of financial fixed assets, net'.

Credit losses	31/12/2025	31/12/2024
Total assets		
Provisions – stage 1	10,246	12,039
Provisions – stage 2	13,949	16,455
Provisions – stage 3	13,561	14,535
Total reserve	37,756	43,029
	2025 Jan–Dec	2024 Jan–Dec
Total assets		
Change in provisions – stage 1	1,793	-2,200
Change in provisions – stage 2	2,506	-79
Change in provisions – stage 3	974	-9,035
Total change in provisions	5,273	-11,314
Write-off, confirmed credit losses	-19,482	-18,293
Recoveries of previously confirmed credit losses	1,550	1,714
Total	-17,932	-16,579
Credit losses, net	-12,659	-27,893

SENSITIVITY ANALYSIS OF THE BANK'S ECL MODEL

The table below shows how the provision would be affected on 31 December 2025 in the case of a PD increase..

	Expected credit loss (percentage difference)
Current provision, SEK million	37.8
Percentage difference in expected credit loss were PD to increase by 20%	11.2%

NOTE 16. Appropriations

	2025	2024
Accelerated depreciations/reversals	-	-964,039
Total	-	-964,039

NOTE 17. Tax on profit for the year

	2025	2024
Current tax expense		
Tax expense for the year	-213,757	-572
Adjustment of tax attributable to previous years	-14	-66
Total reported tax expense	-213,771	-638

Reconciliation of effective tax	2025		2024	
Profit before income tax		1,034,147		638
Tax at applicable tax rate	-20.6%	-213,034	-20.6%	-118
Adjustment of tax attributable to previous years	0%	-14	-10.3%	-66
Non-deductible expenses	-0.2%	-1,578	-122.0%	-779
Non-taxable income	0.1%	856	50.9%	325
Reported effective tax	-20.7%	-213,771	-102.1%	-638





Balance sheet

NOTE 18. Treasury bills eligible as collateral etc.

	Carrying amount 31/12/2025	Carrying amount 31/12/2024
Securities issued by the state	-	-
Securities issued to municipalities and other public bodies	2,406,354	1,684,154
Total	2,406,354	1,684,154
Positive difference due to carrying amounts exceeding nominal values	12,354	13,154
Total	12,354	13,154

All assets in the balance sheet item are included in stage 1 when calculating expected credit losses, which means no significant increase in credit risk has taken place and that the loss provisions is calculated based on the anticipated losses for the coming 12 months. The accumulated loss provisions for expected credit losses reported in the income statement, and which reduces the carrying amount of the balance sheet item, totals KSEK 346.

NOTE 19. Lending to credit institutions

	31/12/2025	31/12/2024
Outstanding receivables in Swedish currency, gross	3,634,523	2,660,161
Of which interest-free loans to the Swedish Central Bank	143,851	-
of which to Swedish commercial banks	3,490,663	2,660,160
of which payable on demand	3,490,673	2,660,161

The credit quality of loans and advances to credit institutions is very high. The item consists of deposits with major Nordic banks, which had ratings of Aa2–A3 on Moody's scale on the balance sheet date.

Because receivables from credit institutions are payable on demand, expected credit losses are negligible, and no loss provision for expected credit losses is reported.

NOTE 20. Loans and advances to the public

The bank's total lending including lease items is SEK 53.1 billion (49.0). The stated values are reduced by impairment for credit risk for each credit. For lending to the public, the values are KSEK 29,966 (34,493) lower than the gross values of the receivables. See also Notes 21, 25 and 26.

The bank's loans and advances to the public consist of card credits, vehicle loans, hire purchase credits and dealer inventory credits. Recognised loss provisions include loss provisions for loan commitments (undrawn card limits and undrawn limits when lending to Volvo dealers). Total loan commitments stood at SEK 10.0 billion (10.0).

	31/12/2025	31/12/2024
Outstanding receivables in Swedish currency, gross	19,721,606	17,830,175
Impairment for credit losses	-29,966	-34,493
Carrying amount, net	19,691,640	17,795,682

CHANGES IN GROSS CARRYING AMOUNT AND LOSS PROVISIONS

31/12/2025	Not credit impaired		Credit impaired	Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount				
Gross carrying amount as of 1 January 2025	16,716,338	937,443	176,394	17,830,175
Financial assets for new agreements in force at year-end*	8,318,863	241,842	46,547	8,607,252
Financial assets for closed agreements in force at beginning of year**	-3,184,881	-199,780	-56,306	-3,440,967
<i>Net changes within the stage***</i>				
In stage 1	-2,998,536			-2,998,536
In stage 2		-60,896		-60,896
In stage 3			-12,532	-12,532
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	-285,127			-285,127
From and to stage 2 (to and from stages 1 and 3)		49,945		49,945
From and to stage 3 (to and from stages 1 and 2)			32,292	32,292
Gross carrying amount as of 31 December 2025	18,566,657	968,554	186,395	19,721,606
Loss provisions				
Loss provisions as of 1 January 2025	-1,963	-12,447	-11,130	-25,540
Financial assets for new agreements in force at year-end	-449	-562	-1,245	-2,256
Financial assets for closed agreements in force at beginning of year	302	5,384	6,758	12,444
<i>Net changes within the stage***</i>				
In stage 1	276			276
In stage 2		-726		-726
In stage 3			-188	-188
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	-307			-307
From and to stage 2 (to and from stages 1 and 3)		-324		-324
From and to stage 3 (to and from stages 1 and 2)			-3,953	-3,953
Change in interest reserves			-736	-736
Loss provisions as of 31 December 2025	-2,141	-8,675	-10,494	-21,310
Opening balance as of 1 January 2025	16,714,375	924,996	165,264	17,804,635
Closing balance as of 31 December 2025	18,564,516	959,879	175,901	19,700,296
Unutilised limits (off-balance)				
Unutilised limits as of 1 January 2025	9,852,750	174,520	7,538	10,034,808
Financial assets for new agreements in force at year-end*	434,805	8,181	311	443,297
Financial assets for closed agreements in force at beginning of year	-382,473	-22,633	-3,390	-408,496
<i>Net changes within the stage***</i>				
In stage 1	-35,201			-35,201
In stage 2		1,842		1,842
In stage 3			1,298	1,298
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	28,412			28,412
From and to stage 2 (to and from stages 1 and 3)		-27,395		-27,395
From and to stage 3 (to and from stages 1 and 2)			1,879	1,879
Unutilised limits as of 31 December 2025	9,898,293	134,515	7,636	10,040,444
Loss provisions for unutilised limits (off-balance)				
Loss provisions as of 1 January 2025	-3,860	-2,970	-2,123	-8,953
Financial assets for new agreements in force at year-end	-188	-46	-52	-286
Financial assets for closed agreements in force at beginning of year	9	0	37	46
<i>Net changes within the stage***</i>				
In stage 1	374			374
In stage 2		-131		-131
In stage 3			143	143
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	221			221
From and to stage 2 (to and from stages 1 and 3)		216		216
From and to stage 3 (to and from stages 1 and 2)			-285	-285
Loss provisions as of 31 December 2025	-3,444	-2,931	-2,280	-8,655
Opening balance as of 1 January 2025	9,848,890	171,550	5,415	10,025,855
Closing balance as of 31 December 2025	9,894,849	131,584	5,356	10,031,789

31/12/2024	Not credit impaired		Credit impaired	Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount				
Gross carrying amount as of 1 January 2024	15,432,938	863,070	104,257	16,400,265
Financial assets for new agreements in force at year-end*	7,244,802	245,771	53,681	7,544,254
Financial assets for closed agreements in force at beginning of year**	-2,990,547	-205,253	-41,353	-3,237,153
<i>Net changes within the stage***</i>				
In stage 1	-2,648,774			-2,648,774
In stage 2		-56,027		-56,027
In stage 3			-10,630	-10,630
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	-322,081			-322,081
From and to stage 2 (to and from stages 1 and 3)		-89,862		-89,862
From and to stage 3 (to and from stages 1 and 2)			70,439	70,439
Gross carrying amount as of 31 December 2024	16,716,338	937,443	176,394	17,830,175
Loss provisions				
Loss provisions as of 1 January 2024	-2,934	-13,952	-3,767	-20,653
Financial assets for new agreements in force at year-end	-350	-482	-640	-1,472
Financial assets for closed agreements in force at beginning of year	257	6,004	2,707	8,968
<i>Net changes within the stage***</i>				
In stage 1	-228			-228
In stage 2		-2,964		-2,964
In stage 3			108	108
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	1,292			1,292
From and to stage 2 (to and from stages 1 and 3)		-1,053		-1,053
From and to stage 3 (to and from stages 1 and 2)			-8,175	-8,175
Change in interest reserves			-1,363	-1,363
Loss provisions as of 31 December 2024	-1,963	-12,447	-11,130	-25,540
Opening balance as of 1 January 2024	15,430,004	849,118	100,490	16,379,612
Closing balance as of 31 December 2024	16,714,375	924,996	165,264	17,804,635
Unutilised limits (off-balance)				
Unutilised limits as of 1 January 2024	10,040,192	206,996	2,187	10,249,375
Financial assets for new agreements in force at year-end*	455,677	10,930	240	466,847
Financial assets for closed agreements in force at beginning of year	-491,279	-23,886	-899	-516,064
<i>Net changes within the stage***</i>				
In stage 1	-158,623			-158,623
In stage 2		1,210		1,210
In stage 3			-9	-9
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	6,782			6,782
From and to stage 2 (to and from stages 1 and 3)		-20,729		-20,729
From and to stage 3 (to and from stages 1 and 2)			6,019	6,019
Unutilised limits as of 31 December 2024	9,852,749	174,521	7,538	10,034,808
Loss provisions for unutilised limits (off-balance)				
Loss provisions as of 1 January 2024	-2,306	-1,724	-528	-4,558
Financial assets for new agreements in force at year-end	-176	-78	-66	-320
Financial assets for closed agreements in force at beginning of year	11	-	29	40
<i>Net changes within the stage***</i>				
In stage 1	-226			-226
In stage 2		-347		-347
In stage 3			-22	-22
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	-1,163			-1,163
From and to stage 2 (to and from stages 1 and 3)		-822		-822
From and to stage 3 (to and from stages 1 and 2)			-1,536	-1,536
Loss provisions as of 31 December 2024	-3,860	-2,971	-2,123	-8,954
Opening balance as of 1 January 2024	10,037,886	205,272	1,659	10,244,817
Closing balance as of 31 December 2024	9,848,889	171,550	5,415	10,025,854

Notes

*Vehicle loans, card credits, hire purchase credits and dealer inventory credits signed during the year. The gross value shown in the table is the gross carrying amount at the end of the first contract month.

**Vehicle loans, card credits, hire purchase credits and dealer inventory credits signed before the beginning of the year and ended during the year. The gross carrying amount shown in the table during the month in which the contract ends. The amounts refer to the paid-up contract or contract ended due to confirmed credit losses.

***Net changes in the stage include the following types of changes: for vehicle loans, this heading will cover changes in the loss provision due to a change in credit risk during the year but which have not led to a change in the stage covered in the section 'Transfers between stages' below. For card credits, the same type of change as for vehicle loans is covered in this section. Also, changes in ECL due to an increase or decrease in utilised credit limits are also covered for card credits (contracts) already signed at the beginning of the year. The amounts also include changes in the gross carrying amount arising during the period before a contract is ended. As with card credits, changes due to a change in credit risk and change in the undrawn limit are covered.

****Transfers between stages include vehicle loans, card credits, hire purchase agreements and inventory credits that were part of a different stage in the CB than in the OB. Changes in the loss provision also includes changes in the loss provision for undrawn limits.

In 2025, gross lending to the public increased by approx SEK 1,891 million (1,430). It consists of newly concluded contracts with a value of SEK 8.6 billion (7.5). Paid-up contracts or those removed for some other reason (e.g. confirmed credit losses) have caused the value to fall by SEK 3.4 billion (3.2). The gross value of contracts in force at the beginning of the year and at year-end fell by SEK 3.3 billion (2.9). The greatest change in the gross amount occurred in Stage 1. Loss provisions for credit risk fell by SEK 4.5 million (-9.3), primarily due to fewer defaults. The bank's interest reserve increased by SEK 0.7 million (1.4) during the year.

GROSS CARRYING AMOUNT AND LOSS PROVISIONS – BY INDUSTRY

	31/12/2025			31/12/2024		
	Gross carrying amount	Loss provisions	Net carrying amount	Gross carrying amount	Loss provisions	Net carrying amount
Loans and advances to the public						
Private customers	13,969,434	-25,740	13,943,694	11,815,515	-30,600	11,784,915
Business customers						
Transport	4,092,741	-1,497	4,091,244	4,211,225	-683	4,210,542
Construction	437,089	-235	436,854	441,637	-302	441,335
Trade	106,644	-133	106,511	829,767	-1,543	828,224
Other lending to businesses	1,115,698	-2,361	1,113,337	532,031	-1,365	530,666
Total loans and advances to the public	19,721,606	-29,966	19,691,640	17,830,175	-34,493	17,795,682

NOTE 21. Bonds and other interest-bearing securities

	Carrying amount 31/12/2025	Carrying amount 31/12/2024
Issued by Swedish borrowers		
House mortgage institution	1,410,872	1,454,978
Non-financial companies	723,511	834,739
Securities issued by municipalities	-	129,351
Total	2,134,383	2,419,068
Positive difference due to carrying amounts exceeding nominal values	9,383	14,068
Total	9,383	14,068

All assets in the balance sheet item are included in stage 1 when calculating expected credit losses, which means no significant increase in credit risk has taken place and that the loss provisions is calculated based on the anticipated losses for the coming 12 months. The accumulated loss provisions for expected credit losses reported in the income statement, and which reduces the carrying amount of the balance sheet item, totals KSEK 133.

Notes

NOTE 22. Shares and participations in associates and other companies

	31/12/2025	31/12/2024
Securities		
Carrying amount 1 January	21,386	14,876
Settlement of shares in limited partnerships in previous years	-5,975	-3,626
Unrealised change in value, shares in VISA Inc	70	3,653
Disposal of shares in VISA Inc	-	-
Share in limited partnership earnings for the year	8,543	5,975
Carrying amount, 31 December	24,024	21,386

	Profit	Equity	Proportion of equity	Carrying amount
2025				
Visa Inc C	-	-	-	10,341
Volvohandelns PV Försäljnings AB*, Co. Reg. No 556430-4748, Gothenburg	6,633	57,310	18,912	1,000
Volvohandelns PV Försäljnings KB, Co. Reg. No 916839-7009, Gothenburg	16,762	58,989	6,343	6,343
VCC Tjänstebilar KB, Co. Reg. No 969673-1950, Gothenburg	16,220	28,307	5,055	5,055
VCC Försäljnings KB, Co. Reg. No 969712-0153, Gothenburg	1,191	5,644	1,285	1,285
Total	40,807	150,251	31,596	24,024
2024				
Visa Inc C	-	-	-	10,271
Volvohandelns PV Försäljnings AB*, Co. Reg. No 556430-4748, Gothenburg	4,567	50,677	16,723	1,000
Volvohandelns PV Försäljnings KB, Co. Reg. No 916839-7009, Gothenburg	19,265	56,676	6,969	6,969
VCC Tjänstebilar KB, Co. Reg. No 969673-1950, Gothenburg	3,404	14,640	1,851	1,851
VCC Försäljnings KB, Co. Reg. No 969712-0153, Gothenburg	1,231	5,377	1,295	1,295
Total	28,468	127,370	26,839	21,386

*Volvohandelns PV Försäljnings AB is a general partner in all limited partnerships.

The bank owns 33% of Volvohandelns PV Försäljnings AB, 25% of Volvohandelns PV Försäljnings KB, 25% of VCC Tjänstebilar KB and 25% of VCC Försäljnings KB. At the AGM, each person entitled to vote has the right to vote the full number of shares he or she represents.

In 2025, profits of the limited partnerships were settled with the partners.

NOTE 23. Shares and participations in Group companies

Autofinans Nordic AB, CarPay Sverige AB, Volvofinans Leasing AB and Volvofinans IT AB are wholly owned dormant subsidiaries.

	Co. Reg. No.	Registered office	Earnings in 2025
Unlisted securities			
CarPay Sverige AB	556268-7052	Gothenburg	-
Volvofinans IT AB	556004-3621	Gothenburg	-
Volvofinans Leasing AB	556037-5734	Gothenburg	-
Autofinans Nordic AB	556094-7284	Gothenburg	-

Shares in wholly owned Group companies	Number of shares	Nom value	2025	2024
CarPay Sverige AB	2,000	200	240	240
Volvofinans IT AB	400	200	242	242
Volvofinans Leasing AB	10,000	1,000	1,200	1,200
Autofinans Nordic AB	50,000	5,000	5,060	5,060
Total book value of shareholdings			6,742	6,742

NOTE 24. Intangible non-current assets

Accumulated costs	Development expenditure	Acquired technology assets	Total
Opening balance 01/01/2024	129,456	51,300	180,756
Purchases for the year	2,547	-	2,547
Closing balance 31/12/2024	132,003	51,300	183,303
Opening balance 01/01/2025	132,003	51,300	183,303
Purchases for the year	5,016	-	5,016
Closing balance 31/12/2025	137,018	51,300	188,318
Accumulated depreciations and impairments			
Opening balance 01/01/2024	-113,887	-2,850	-116,737
Depreciations for the year	-8,014	-17,100	-25,114
Impairment charges	-	-	-
Closing balance 31/12/2024	-121,901	-19,950	-141,851
Opening balance 01/01/2025	-121,901	-19,950	-141,851
Depreciations for the year	-5,767	-17,100	-22,867
Impairment charges	-	-	-
Closing balance 31/12/2025	-127,669	-37,050	-164,719
Carrying amounts			
31/12/2024	10,101	31,350	41,451
31/12/2025	9,349	14,250	23,599

NOTE 25. Tangible assets, inventory and lease items

	Inventory	Lease items	Total
Cost			
Opening balance 01/01/2024	22,297	37,484,837	37,507,134
Acquisitions	1,332	17,395,883	17,397,215
Disposals	-	-13,013,680	-13,013,680
Retirements	-	-	-
Closing balance 31/12/2024	23,629	41,867,040	41,890,669
Opening balance 01/01/2025	23,629	41,867,040	41,890,669
Acquisitions	696	16,618,740	16,619,436
Disposals	-	-13,650,008	-13,650,008
Retirements	-	-	-
Closing balance 31/12/2025	24,325	44,835,772	44,860,097
Depreciations			
Opening balance 01/01/2024	-20,116	-11,092,226	-11,112,342
Depreciations for the year	-1,028	-5,762,570	-5,763,598
Disposals	-	6,618,356	6,618,356
Retirements	-35	-	-35
Closing balance 31/12/2024	-21,179	-10,236,440	-10,257,619
Opening balance 01/01/2025	-21,179	-10,236,440	-10,257,619
Depreciations for the year	-907	-6,423,330	-6,424,237
Disposals	-	5,664,506	5,664,506
Retirements	-	-	-
Closing balance 31/12/2025	-22,086	-10,995,264	-11,017,350
Impairment charges			
Opening balance 01/01/2024	-	-305,779	-305,779
Reversed impairment charges during the year	-	143,995	143,995
Impairment for the year	-	-224,268	-224,268
Closing balance 31/12/2024	-	-386,052	-386,052
Opening balance 01/01/2025	-	-386,052	-386,052
Reversed impairment charges during the year	-	172,192	172,192
Impairment for the year	-	-200,709	-200,709
Closing balance 31/12/2025	-	-414,569	-414,569
of which impairment for residual value risk	-	-405,316	-405,316
Carrying amounts			
01/01/2024	2,181	26,086,832	26,089,013
31/12/2024	2,450	31,244,548	31,246,998
01/01/2025	2,450	31,244,548	31,246,998
31/12/2025	2,239	33,425,939	33,428,178

See also Notes 2, 4 and 13 for further disclosures regarding impairment for residual risk.

Notes

The table below presents changes in the gross carrying amount and provisions for losses in respect of lease assets subject to impairment testing according to IFRS 9 (own company cars excluded).

GROSS CARRYING AMOUNT AND LOSS PROVISIONS

31/12/2025	Not credit impaired		Credit impaired	Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount				
Gross carrying amount as of 1 January 2025	30,266,145	1,104,239	216,696	31,587,080
Financial assets for new agreements in force at year-end*	15,170,373	509,946	54,075	15,734,394
Financial assets for closed agreements in force at beginning of year**	-8,982,099	-345,553	-69,562	-9,397,214
<i>Net changes within the stage***</i>				
In stage 1	-3,835,987			-3,835,987
In stage 2		-40,249		-40,249
In stage 3			-22,193	-22,193
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	-214,842			-214,842
From and to stage 2 (to and from stages 1 and 3)		-60,757		-60,757
From and to stage 3 (to and from stages 1 and 2)			53,373	53,373
Gross carrying amount as of 31 December 2025	32,403,590	1,167,626	232,389	33,803,605
Loss provisions				
Loss provisions as of 1 January 2025	-5,534	-944	-2,761	-9,239
Financial assets for new agreements in force at year-end	-1,947	-927	-213	-3,087
Financial assets for closed agreements in force at beginning of year	1,410	214	450	2,074
<i>Net changes within the stage***</i>				
In stage 1	1,784			1,784
In stage 2		77		77
In stage 3			230	230
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	268			268
From and to stage 2 (to and from stages 1 and 3)		-679		-679
From and to stage 3 (to and from stages 1 and 2)			-681	-681
Loss provisions as of 31 December 2025	-4,019	-2,259	-2,975	-9,253
Opening balance as of 1 January 2025	30,260,611	1,103,295	213,935	31,577,841
Closing balance as of 31 December 2025	32,399,571	1,165,367	229,414	33,794,352

Notes

31/12/2024	Not credit impaired		Credit impaired	Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount				
Gross carrying amount as of 1 January 2024	25,183,292	949,536	220,325	26,353,153
Financial assets for new agreements in force at year-end*	16,109,056	570,671	30,748	16,710,475
Financial assets for closed agreements in force at beginning of year**	-7,562,792	-274,701	-65,193	-7,902,686
<i>Net changes within the stage***</i>				
In stage 1	-3,318,057			-3,318,057
In stage 2		-41,940		-41,940
In stage 3			-19,166	-19,166
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	-145,354			-145,354
From and to stage 2 (to and from stages 1 and 3)		-99,327		-99,327
From and to stage 3 (to and from stages 1 and 2)			49,982	49,982
Gross carrying amount as of 31 December 2024	30,266,145	1,104,239	216,696	31,587,080
Loss provisions				
Loss provisions as of 1 January 2024	-3,291	-664	-1,378	-5,333
Financial assets for new agreements in force at year-end	-3,468	-482	-635	-4,585
Financial assets for closed agreements in force at beginning of year	795	208	297	1,300
<i>Net changes within the stage***</i>				
In stage 1	381			381
In stage 2		80		80
In stage 3			166	166
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	49			49
From and to stage 2 (to and from stages 1 and 3)		-86		-86
From and to stage 3 (to and from stages 1 and 2)			-1,211	-1,211
Loss provisions as of 31 December 2024	-5,334	-944	-2,761	-9,239
Opening balance as of 1 January 2024	25,180,001	948,872	218,947	26,347,820
Closing balance as of 31 December 2024	30,260,611	1,103,295	213,935	31,577,841

*Leasing credits signed during the year. The gross value shown in the table is the gross carrying amount at the end of the first contract month.

**Leases taken out before the start of the year and terminated during the year. The gross carrying amount shown in the table during the month in which the contract ends. The amounts refer to the paid-up contract or contract ended due to confirmed credit losses.

***Net changes in the stage include the following types of changes: for lease credits, this heading will cover changes in the loss provision due to a change in credit risk during the year but which have not led to a change in the stage covered in the section 'Transfers between stages' below. The amounts also include changes in the gross carrying amount arising during the period before a contract is ended.

****Transfers between stages include leases that were part of a different stage in the CB than in the OB.

During the year, leasing credit to the public increased by approx SEK 2,217 million (5,234). It consists of newly concluded contracts with a value of SEK 15.7 billion (16.7). Paid-up contracts or those removed for some other reason (e.g. confirmed credit losses) have caused the value to fall by SEK 9.4 billion (7.9). The gross value of contracts in force at the beginning of the year and at year-end fell by SEK 4.1 billion (3.6). The loss provisions during the year increased by SEK 0.01 million (3.9), due primarily to increased lending.

The gross carrying amount in the balance sheet includes both the residual value of the lease (non credit-obligation assets exposure) and future rents (customer exposure). For accounting policies, refer to section 3.10.14 for credit risk provision and section 3.14 for impairment testing of tangible assets. For information on the bank's guaranteed residual value, see Note 2 Risk and capital management, in the section on residual value risk.

GROSS CARRYING AMOUNT AND LOSS PROVISIONS – BY INDUSTRY

	31/12/2025			31/12/2024		
	Gross carrying amount	Loss provisions	Net carrying amount	Gross carrying amount	Loss provisions	Net carrying amount
Leasing loans						
Private customers	5,918,058	-1,068	5,916,990	6,112,113	-737	6,111,376
Business customers						
Legal, financial, scientific and technological activities	5,747,784	-2,322	5,745,462	5,614,411	-1,090	5,613,321
Manufacturing	4,331,685	-374	4,331,311	4,027,060	-937	4,026,123
Trade	3,294,343	-1,694	3,292,649	5,310,350	-2,872	5,307,478
Other lending to businesses	14,511,735	-3,795	14,507,940	10,523,146	-3,603	10,519,543
Total lending leasing assets	33,803,605	-9,253	33,794,352	31,587,080	-9,239	31,577,841



TANGIBLE CURRENT ASSETS

	Current assets
Cost	
Opening balance 01/01/2024	31,095
Acquisitions	524,891
Disposals	-520,047
Retirements	-
Closing balance 31/12/2024	35,939
Opening balance 01/01/2025	35,939
Acquisitions	1,167,018
Disposals	-1,054,450
Retirements	-
Closing balance 31/12/2025	148,507
Impairment charges	
Opening balance 01/01/2024	-242
Reversed impairment charges during the year	7,926
Impairment for the year	-9,983
Closing balance 31/12/2024	-2,300
Opening balance 01/01/2025	-2,300
Reversed impairment charges during the year	41,541
Impairment for the year	-48,908
Closing balance 31/12/2025	-9,667
Carrying amount	
01/01/2024	30,853
31/12/2024	33,639
01/01/2025	33,639
31/12/2025	138,840

NOTE 26. Other assets

	31/12/2025	31/12/2024
Positive value of derivative instruments	49,545	63,060
Current tax assets	95,381	826,954
Accounts receivable	933,340	993,342
of which non-cancellable lease income	(784,637)	(734,369)
Other assets	276,782	179,072
Total	1,355,048	2,062,428

Trade receivables are offset for customer fleet agreements with a credit risk provision of KSEK 655 (692) and an interest provision of KSEK 336 (2,248).

CHANGES IN GROSS CARRYING AMOUNT AND LOSS PROVISIONS – ACCOUNTS RECEIVABLE IN FLEET ADMINISTRATION

31/12/2025	Not credit impaired		Credit impaired	Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount				
Gross carrying amount as of 1 January 2025	452,013	166,521	3,361	621,895
Financial assets for new agreements in force at year-end*	41,169	913	1,640	43,722
Financial assets for closed agreements in force at beginning of year**	-21,001	-1,483	-437	-22,921
<i>Net changes within the stage***</i>				
In stage 1	10,951			10,951
In stage 2		-111,002		-111,002
In stage 3			-344	-344
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	-4,117			-4,117
From and to stage 2 (to and from stages 1 and 3)		5,381		5,381
From and to stage 3 (to and from stages 1 and 2)			-503	-503
Gross carrying amount as of 31 December 2025	479,015	60,330	3,717	543,062
Loss provisions				
Loss provisions as of 1 January 2025	-227	-83	-2,631	-2,941
Financial assets for new agreements in force at year-end	-24	-1	-152	-177
Financial assets for closed agreements in force at beginning of year	25	15	27	67
<i>Net changes within the stage***</i>				
In stage 1	55			55
In stage 2		-17		-17
In stage 3			38	38
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	9			9
From and to stage 2 (to and from stages 1 and 3)		2		2
From and to stage 3 (to and from stages 1 and 2)			61	61
Change in interest reserves	-	-	1,912	1,912
Loss provisions as of 31 December 2025	-162	-84	-745	-991
Opening balance as of 1 January 2025	451,786	166,438	730	618,954
Closing balance as of 31 December 2025	478,853	60,246	2,972	542,071

*Trade receivables within Fleet administration taken out during the year. The gross value shown in the table is the gross carrying amount at the end of the first contract month.

**Trade receivables within Fleet administration taken out before the start of the year and terminated during the year. The gross carrying amount shown in the table during the month in which the contract ends. The amounts refer to the paid-up contract or contract ended due to confirmed credit losses.

***Net changes in the stage include the following types of changes: for trade receivables in Fleet administration, this heading will cover changes in the loss provision due to a change in credit risk during the year but which have not led to a change in the stage covered in the section 'Transfers between stages' below. The amounts also include changes in the gross carrying amount arising during the period before a contract is ended. As with card credits, changes due to a change in credit risk are reported.

****Transfers between stages include trade receivables in Fleet administration that were part of another stage in the CB than in the OB.

During the year, gross lending related to trade receivables mainly in Fleet administration decreased by approx SEK 78.8 million (47.7). It consists of newly concluded contracts with a value of SEK 43.7 million (37.2). Paid-up contracts or those removed for some other reason (e.g. confirmed credit losses) have caused the value to fall by SEK 22.9 million (24.8). The gross value of contracts in force at the beginning of the year and at year-end decreased by SEK 99.6 million (-35.2). The loss provisions during the year increased by SEK 1,950 million (-2,400), due primarily to a decrease in defaults and receivables.

31/12/2024	Not credit impaired		Credit impaired	Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount				
Gross carrying amount as of 1 January 2024	429,143	142,556	2,524	574,223
Financial assets for new agreements in force at year-end*	33,980	2,770	442	37,192
Financial assets for closed agreements in force at beginning of year**	-21,342	-1,482	-1,931	-24,755
<i>Net changes within the stage***</i>				
In stage 1	8,541			8,541
In stage 2		25,943		25,943
In stage 3			-131	-131
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	1,692			1,692
From and to stage 2 (to and from stages 1 and 3)		-3,266		-3,266
From and to stage 3 (to and from stages 1 and 2)			2,457	2,457
Gross carrying amount as of 31 December 2024	452,014	166,521	3,361	621,896
Loss provisions				
Loss provisions as of 1 January 2024	-174	-55	-312	-541
Financial assets for new agreements in force at year-end	-34	-9	-23	-66
Financial assets for closed agreements in force at beginning of year	12	2	238	252
<i>Net changes within the stage***</i>				
In stage 1	-33			-33
In stage 2		7		7
In stage 3			16	16
<i>Transfers between stages****</i>				
From and to stage 1 (to and from stages 2 and 3)	2			2
From and to stage 2 (to and from stages 1 and 3)		-28		-28
From and to stage 3 (to and from stages 1 and 2)			-303	-303
Change in interest reserves	-	-	-2,247	-2,247
Loss provisions as of 31 December 2024	-227	-83	-2,631	-2,941
Opening balance as of 1 January 2024	428,969	142,501	2,212	573,682
Closing balance as of 31 December 2024	451,787	166,438	730	618,955

GROSS CARRYING AMOUNT AND LOSS PROVISIONS – BY INDUSTRY

	31/12/2025			31/12/2024		
	Gross carrying amount	Loss provisions	Net carrying amount	Gross carrying amount	Loss provisions	Net carrying amount
Other assets						
Private customers	2,454	-27	2,427	1,276	-9	1,267
Business customers						
Legal, financial, scientific and technological activities	167,380	-142	167,238	144,316	-70	144,246
Manufacturing	114,055	-24	114,031	231,777	-126	231,651
Trade	62,526	-183	62,343	57,547	-240	57,307
Other lending to businesses	196,647	-615	196,032	186,979	-2,496	184,484
Total lending, other assets	543,062	-991	542,071	621,896	-2,941	618,955

NOTE 27. Derivatives – assets and liabilities

The bank's derivatives are entered into directly with the counterparty. They are not cleared through a standardised marketplace. Accrued interest on derivatives is recognised in prepaid expenses and accrued income and accrued expenses and deferred income. This note presents that portion of the market value which arises from future changes in market interest rates. The total value of derivative assets including accrued interest is SEK 49.5 million (63.1) and the value of derivative liabilities including accrued interest is SEK 160.5 million (68.0).

2025	Up to 1 year (nominal amount)	1–5 years (nominal amount)	> 5 years (nominal amount)	Total (nominal amount)	Assets (positive market values)	Liabilities (negative market values)
Derivatives where hedge accounting is not applied						
Interest-rate related contracts						
Swaps	674,375	3,118,000	-	3,792,375	1,339	-11,331
Currency-related contracts						
Swaps (NOK)	-	2,150,000	-	2,150,000	-	-149,216
Total	674,375	5,268,000	-	5,942,375	1,339	-160,547
Derivatives where hedge accounting is applied (fair value hedging)						
Interest-rate related contracts						
Swaps	450,000	1,100,000	-	1,550,000	48,206	-
Currency-related contracts						
Swaps (NOK)	-	-	-	-	-	-
Total	450,000	1,100,000	-	1,550,000	48,206	-
Total	1,124,375	6,368,000	-	7,492,375	49,545	-160,547
Currency break down						
SEK	1,124,375	4,218,000	-	5,342,375	49,545	-11,331
NOK	-	2,150,000	-	2,150,000	-	-149,216
Total	1,124,375	6,368,000	-	7,492,375	49,545	-160,547



2024	Up to 1 year (nominal amount)	1–5 years (nominal amount)	> 5 years (nominal amount)	Total (nominal amount)	Assets (positive market values)	Liabilities (negative market values)
Derivatives where hedge accounting is not applied						
Interest-rate related contracts						
Swaps	178,361	3,837,375	-	4,015,736	10,876	-8,913
Currency-related contracts						
Swaps (NOK)	-	1,400,000	-	1,400,000	-	-50,264
Total	178,361	5,237,375	-	5,415,736	10,876	-59,176
Derivatives where hedge accounting is applied (fair value hedging)						
Interest-rate related contracts						
Swaps	650,000	1,550,000	-	2,200,000	52,184	-8,812
Currency-related contracts						
Swaps (NOK)	-	-	-	-	-	-
Total	650,000	1,550,000	-	2,200,000	52,184	-8,812
Total	828,361	6,787,375	-	7,615,736	63,060	-67,989
Currency break down						
SEK	828,361	5,387,375	-	6,215,736	63,060	-17,725
NOK	-	1,400,000	-	1,400,000	-	-50,264
Total	828,361	6,787,375	-	7,615,736	63,060	-67,989

HEDGING INSTRUMENTS IN HEDGE ACCOUNTING, NOMINAL AMOUNTS AND CARRYING AMOUNTS

Hedging instruments and effectiveness of hedging	Nominal amount	Carrying amount		Line in the balance sheet where the hedging instrument is included	Changes in fair value used to measure hedge inefficiencies for the period
		Assets	Liabilities		
Interest-rate related contracts					
Derivatives, positive values	1,550,000	48,206	-	Other assets	-687
Derivatives, negative values	-	-	-	Other liabilities	-
Total	1,550,000	48,206	-		-687

Inefficiencies total KSEK 318 in the income statement in the item Net result from financial transactions.

UNDERLYING RISK EXPOSURES HEDGED, CARRYING AMOUNT AND FAIR VALUE ADJUSTMENT AMOUNTS

Hedged items	Carrying amount Liabilities	Accumulated adjustment amount of fair value hedging on the hedged item Liabilities	Change in value used to measure the ineffectiveness of hedging instruments for the period	Accumulated adjustment amount of fair value hedging where hedge accounting is no longer applied
Securities issued	1,568,489	-18,489	1,004	-

The bank has no discontinued hedging relationships where the hedged item is still recognised in the balance sheet.

HEDGE INEFFECTIVENESS RECOGNISED IN 2025 INCOME STATEMENT, FAIR VALUE HEDGING OF INTEREST RATE RISK

Fair value hedging	Hedge ineffectiveness recognised in income statement	Line in income statement containing recognised hedge ineffectiveness
Interest rate risk		
Securities issued	1,004	Net result from financial transactions
Hedging instruments		
Interest rate swaps	-687	Net result from financial transactions

Hedge instruments consist of interest rate swaps when hedging interest rate risks. The hedged items consist of fixed-rate borrowing, and the hedged risk is the risk of change in the fair value as a result of swap rate fluctuations. The hedging ratio is 1:1 as the hedged risk and the characteristics of the hedging instrument are identical. Hedging effectively protects the intended risk in the hedged items at transaction level, with an effectiveness range of 80–125%. The bank evaluates effectiveness using the dollar offset method based on accumulated changes in fair value. There is only exposure to Stibor in the case of derivatives where hedge accounting is used. See also Note 3, Derivatives and hedge accounting, as well as the Market risk section in Note 2.

NOTE 28. Prepaid expenses and accrued income

	31/12/2025	31/12/2024
Prepaid expenses	50,818	34,871
Accrued interest income	9,173	9,781
Other accrued income	49,848	43,521
Total	109,839	88,173

NOTE 29. Liabilities to credit institutions and issued securities

Securities issued by Ziklo Bank consist not only of bonds at variable interest rates in SEK, but bonds with fixed interest rates in SEK or variable interest rates in NOK also occur to a lesser extent. In cases where bonds are issued in another currency or at a fixed rate, currency risk and interest rate risk are eliminated by currency swaps and interest rate swaps.

CURRENCY BREAK DOWN

2025	SEK	NOK	Total
Liabilities to credit institutions	2,407,143	-	2,407,143
Securities issued	20,709,474	1,968,663	22,678,137
of which MTN FRN	(18,200,608)	(1,968,663)	(20,169,271)
of which MTN Fixed	(1,568,480)	(-)	(1,568,480)
of which bank certificates	(940,377)	(-)	(940,377)
Total	23,116,617	1,968,663	25,085,279
2024	SEK	NOK	Total
Liabilities to credit institutions	3,402,381	-	3,402,381
Securities issued	17,081,475	1,359,553	18,441,029
of which MTN FRN	(14,295,671)	(1,359,553)	(15,655,224)
of which MTN Fixed	(2,213,485)	(-)	(2,213,485)
of which bank certificates	(572,320)	(-)	(572,320)
Total	20,483,856	1,359,553	21,843,410

For a breakdown by maturity, see the section Risk and capital management. For terms and conditions of issued securities, see the bank's website under Financing programmes.

NOTE 30. Deposits and borrowing from the public

All deposits and borrowings are in SEK.

DEPOSITS FROM THE PUBLIC

Deposits by customer category	31/12/2025	31/12/2024
Public sector	58	44
Private sector	1,424	1,597
Retail sector	24,330,814	23,731,256
of which self-employed	(4,724,473)	(4,568,990)
Other	28	68
Total deposits	24,332,324	23,732,965

BORROWING FROM THE PUBLIC

Borrowing by customer category	31/12/2025	31/12/2024
Private sector	1,385,009	1,046,130
Other	0	0
Total borrowing	1,385,009	1,046,130
of which Group companies	(6,789)	(6,789)
of which associated companies	(64,675)	(68,339)
Total deposits and borrowing from the public	25,717,333	24,779,095

NOTE 31. Other liabilities

	31/12/2025	31/12/2024
Negative value of derivative instruments	160,547	67,989
Trade accounts payable	756,843	763,706
Liability to customer	35,110	38,755
Other liabilities	756,210	630,108
Total	1,708,710	1,500,558

NOTE 32. Accrued expenses and deferred income

	31/12/2025	31/12/2024
Accrued interest expenses	106,022	120,460
Other accrued expenses	163,631	152,457
Deferred income	1,547,138	1,476,245
Total	1,816,790	1,749,162

NOTE 33. Untaxed reserves

	31/12/2025	31/12/2024
Accelerated depreciations		
Opening balance, 1 January	6,661,700	5,697,661
Change for the year	-	964,039
Closing balance, 31 December	6,661,700	6,661,700

NOTE 34. Equity

For a specification of changes in equity, refer to the statement of changes in equity.

DIVIDEND

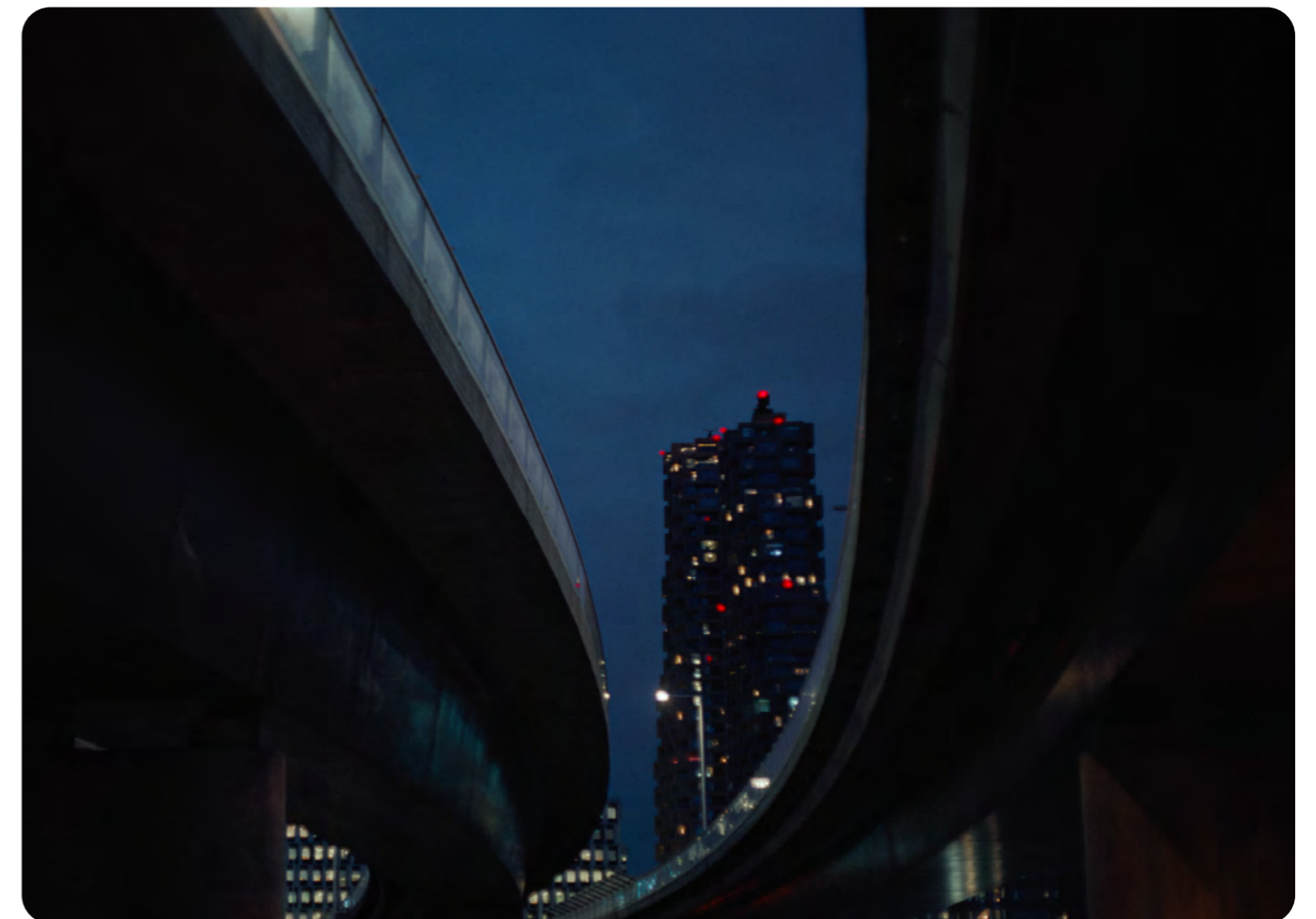
The dividend reported during the year totals KSEK 382,976, equivalent to SEK 382.98 per share. The proposed dividend is for a total of KSEK 615,835, equivalent to SEK 615.84 per share.

RETAINED EARNINGS

Retained earnings in the bank comprise non-restricted equity for the year after payment of any dividend. Retained earnings and profit for the year make up non-restricted equity, i.e. the amount available for distribution to the shareholders

NOTE 35. Commitments

	31/12/2025	31/12/2024
Delivery bonds	-	-
Liquidity management assignments	-	-
Letters of credit	10,040,444	10,034,809
Unutilised part of approved overdrafts	-	-
Onward lending of borrowed securities	-	-
Total	10,040,444	10,034,809



NOTE 36. Carrying amount of financial instruments by category and disclosures about fair value

Methods for determining fair value.

Derivatives are reported under other assets or other liabilities. Because the derivative instruments have no quoted price on an active market (Level 1), the bank uses a discounted cash flow analysis to determine the fair value of the instruments in accordance with IFRS 13. When discounting, only observable market data is used (Level 2).

Under IFRS 13 Fair value measurement, treasury bills eligible as collateral, other eligible securities, bonds and other interest-bearing securities are measured at fair value with prices quoted on an active market (Level 1) and also at market value using observable market data (Level 2).

Shares and participations in other companies have been marked to market using observable market data (Level 2).

Lending to the public has been calculated by discounting the contractual cash flows using a discount rate based on a current lending spread (Level 3) to determine fair value according to IFRS 13.

Issued securities have been calculated based on current borrowing spreads (Level 2) to determine fair value according to IFRS 13. Liabilities to credit institutions have been calculated on the basis of estimated borrowing spreads (Level 3). Deposits and borrowings from the general public are calculated by estimating borrowing spreads (Level 3); the carrying amount is considered to be a good approximation of fair value due to the short remaining term.

Other categories belong to Level 3. The carrying amounts of these assets and liabilities provide a good approximation of fair value due to their short remaining maturity.

Fair values are categorised into levels in a fair value hierarchy based on the use of input data in the following measurement techniques:

Level 1 – according to quoted price on an active market for identical instruments.

Level 2 – from directly or indirectly observable market data not included in Level 1. This category includes instruments whose value is based on quoted prices on active markets for similar instruments; quoted prices for identical or similar instruments traded on non-active markets, or other valuation techniques where all material input data is directly and indirectly observable on the market.

Level 3 – from input data not observable on the market. This category includes all instruments where the valuation technique comprises inputs that are not based on observable data and where such data has a material impact on valuation.

Assets 2025	Level 1	Level 2	Level 3	Total Fair value	Total Carrying amount
Treasury bills eligible as collateral etc.	2,406,434	-	-	2,406,434	2,406,354
Lending to credit institutions	-	-	3,634,523	3,634,523	3,634,523
Loans and advances to the public	-	-	20,238,082	20,238,082	19,691,640
Bonds and other interest-bearing securities	1,411,443	723,511	-	2,134,954	2,134,383
Shares and participations in other companies*	-	10,341	-	10,341	10,341
Other assets*	-	49,545	1,305,503	1,355,048	1,355,048
Prepaid expenses and accrued income	-	-	109,839	109,839	109,839
Total	3,817,876	783,397	25,287,947	29,889,220	29,342,127

Liabilities 2025	Level 1	Level 2	Level 3	Total Fair value	Total Carrying amount
Liabilities to credit institutions	-	-	2,450,127	2,450,127	2,407,143
Deposits and borrowing from the public	-	-	25,717,395	25,717,395	25,717,335
Securities issued	-	22,825,359	-	22,825,359	22,678,137
Other liabilities*	-	160,547	1,548,163	1,708,710	1,708,710
Accrued expenses and deferred income	-	-	1,816,790	1,816,790	1,816,790
Total	-	22,985,906	31,532,475	54,518,381	54,328,114

Assets 2024	Level 1	Level 2	Level 3	Total Fair value	Total Carrying amount
Treasury bills eligible as collateral etc.	1,683,114	-	-	1,683,114	1,684,166
Lending to credit institutions	-	-	2,660,161	2,660,161	2,660,161
Loans and advances to the public	-	-	18,240,444	18,240,444	17,795,682
Bonds and other interest-bearing securities	1,584,462	834,740	-	2,419,201	2,419,056
Shares and participations in other companies*	-	10,271	-	10,271	10,271
Other assets*	-	63,060	1,999,368	2,062,428	2,062,428
Prepaid expenses and accrued income	-	-	88,173	88,173	88,173
Total	3,267,576	908,071	22,988,146	27,163,793	26,719,937

Liabilities 2024	Level 1	Level 2	Level 3	Total Fair value	Total Carrying amount
Liabilities to credit institutions	-	-	3,479,670	3,479,670	3,402,381
Deposits and borrowing from the public	-	-	24,779,024	24,779,024	24,779,095
Securities issued	-	18,574,909	-	18,574,909	18,441,029
Other liabilities*	-	67,989	1,432,569	1,500,558	1,500,558
Accrued expenses and deferred income	-	-	1,749,162	1,749,162	1,749,162
Total	-	18,642,897	31,440,425	50,083,323	49,872,224

*The financial instruments measured at fair value in the balance sheet by the bank are derivative instruments, and shares and participations in other companies.

FINANCIAL INSTRUMENTS THAT ARE OFFSET IN THE BALANCE SHEET OR COVERED BY NETTING AGREEMENTS

Ziklo Bank concludes derivative contracts under the International Swaps and Derivatives Association (ISDA) master agreement. No amounts have been offset in the balance sheet. In the case of derivative agreements concluded, Ziklo Bank receives and provides collateral in the form of bank balances in accordance with the standard conditions of the ISDA Credit Support Annex. Assets for derivative agreements amount to SEK 49.5 million and liabilities to SEK 160.5 million. Securities in the amount of SEK 9.7 million were received and assets of SEK 126.8 million were pledged as of 31 December 2025.

FINANCIAL ASSETS AND LIABILITIES OFFSET OR SUBJECT TO NETTING AGREEMENTS

	31/12/2025				31/12/2024			
	Gross amount	Framework netting agreement	Collateral received (-) / provided (+)	Net amount	Gross amount	Framework netting agreement	Collateral received (-) / provided (+)	Net amount
Assets								
Derivatives	49,545	-160,547	-9,700	-120,702	63,060	-67,989	-35,790	-40,718
Liabilities								
Derivatives	-160,547	160,547	126,800	126,800	-67,989	67,989	39,920	39,920
Total	-111,002		117,100	6,098	-4,928		4,130	-798

CARRYING AMOUNTS PER CATEGORY

Assets 31/12/2025	Financial assets measured at amortised cost	Derivatives in hedge accounting	Other assets	Fair value via the income statement (mandatory)	Total	Fair value
Treasury bills eligible as collateral etc.	2,406,354	-	-	-	2,406,354	2,406,434
Lending to credit institutions	3,634,523	-	-	-	3,634,523	3,634,523
Loans and advances to the public	19,691,640	-	-	-	19,691,640	20,238,082
Bonds and other interest-bearing securities	2,134,383	-	-	-	2,134,383	2,134,954
Shares and participations in other companies	-	-	-	10,341	10,341	10,341
Shares and participations in associated companies	-	-	13,683	-	13,683	-
Shares and participations in Group companies	-	-	6,742	-	6,742	-
Intangible non-current assets	-	-	23,599	-	23,599	-
Tangible assets: inventory	-	-	2,239	-	2,239	-
Tangible assets: lease items	-	-	33,425,939	-	33,425,939	-
Tangible current assets	-	-	138,840	-	138,840	-
Other assets	933,340	48,206	372,163	1,339	1,355,048	1,355,048
Prepaid expenses and accrued income	109,839	-	-	-	109,839	109,839
Total assets	28,910,079	48,206	33,983,207	11,679	62,953,171	

Liabilities 31/12/2025	Non-financial liabilities	Derivatives in hedge accounting	Other financial liabilities	Fair value via the income statement (mandatory)	Total	Fair value
Liabilities to credit institutions	-	-	2,407,143	-	2,407,143	2,450,127
Deposits and borrowing from the public	-	-	25,717,335	-	25,717,335	25,717,395
Securities issued	-	-	22,678,137	-	22,678,137	22,825,359
Other liabilities	756,210	-	791,953	160,547	1,708,710	1,708,710
Accrued expenses and deferred income	1,710,768	-	106,022	-	1,816,790	1,816,790
Total liabilities	2,466,978	-	51,700,589	160,547	54,328,114	

Assets 31/12/2024	Financial assets measured at amortised cost	Derivatives in hedge accounting	Other assets	Fair value via the income statement (mandatory)	Total	Fair value
Treasury bills eligible as collateral etc.	1,684,166	-	-	-	1,684,166	1,683,114
Lending to credit institutions	2,660,161	-	-	-	2,660,161	2,660,161
Loans and advances to the public	17,795,682	-	-	-	17,795,682	18,240,444
Bonds and other interest-bearing securities	2,419,056	-	-	-	2,419,056	2,419,201
Shares and participations in other companies	-	-	-	10,271	10,271	10,271
Shares and participations in associated companies	-	-	11,115	-	11,115	-
Shares and participations in Group companies	-	-	6,742	-	6,742	-
Intangible non-current assets	-	-	41,451	-	41,451	-
Tangible assets: inventory	-	-	2,450	-	2,450	-
Tangible assets: lease items	-	-	31,244,548	-	31,244,548	-
Other assets	-	-	33,639	-	33,639	-
Tangible current assets	993,342	52,184	1,006,026	10,876	2,062,428	2,062,428
Prepaid expenses and accrued income	88,173	-	-	-	88,173	88,173
Total assets	25,640,580	52,184	32,345,970	21,147	58,059,881	

Liabilities 31/12/2024	Non-financial liabilities	Derivatives in hedge accounting	Other financial liabilities*	Fair value via the income statement (mandatory)	Total	Fair value
Liabilities to credit institutions	-	-	3,402,381	-	3,402,381	3,479,670
Deposits and borrowing from the public	-	-	24,779,095	-	24,779,095	24,779,024
Securities issued	-	-	18,441,029	-	18,441,029	18,574,909
Other liabilities	630,109	8,812	802,460	59,176	1,500,558	1,500,558
Accrued expenses and deferred income	1,628,702	-	120,460	-	1,749,162	1,749,162
Total liabilities	2,258,810	8,812	47,545,425	59,176	49,872,224	

NOTE 37. Operating leases**OPERATING LEASES WHERE THE BANK IS THE LESSEE**

Expensed charges for operating leases total:

	2025	2024
Leasing costs for the year	22,480	22,645
Of which minimum lease charges	21,340	21,518
Of which variable charges	1,139	1,127

Future non-cancellable lease payments are as follows:

	2025	2024
Within 1 year	21,553	23,834
Between 1–3 years	44,614	50,756

Operating leases are mainly attributable to normal agreements for business with respect to office premises and office equipment costs.

NOTE 38. Events after the end of the year

No significant events have occurred since year-end.

NOTE 39. Related parties

The bank is 50% owned by the Swedish Volvo dealers through their holding company AB Volverkinvest, and 50% by Volvo Personvagnar AB. Both companies are classified as other related companies.

The bank has participations in four companies classified as associates, see Note 22. The Group also includes wholly-owned and dormant subsidiaries: Volvofinans Leasing AB, Autofinans Nordic AB, CarPay Sverige AB and Volvofinans IT AB; see Note 23.

	Group companies		Associates		Other related companies	
	2025	2024	2025	2024	2025	2024
Balance sheet						
Assets	6,742	6,742	46,774	51,577	1,926,502	1,870,108
Liabilities	6,789	6,789	69,234	71,545	534,836	419,023
Income statement						
Interest income	-	-	3,476	5,153	196	204
Lease income	-	-	-	-	440,139	359,754
Interest expenses	-	-	-1,051	-1,482	-6,613	-11,667
Commission income	-	-	3,098	3,109	18,851	13,762
Other operating income	-	-	8,543	5,975	-	-
Total	-	-	14,066	12,756	452,573	362,054

NOTE 40. Specification to cash flow statement

	2025	2024
The following components are included in cash equivalents:		
Lending to credit institutions	3,634,523	2,660,161
Total	3,634,523	2,660,161

	31/12/2025	31/12/2024
Interest paid and dividends received included in cash flow from operating activities:		
Dividends received	77	86
Interest received	1,101,729	1,347,315
Interest paid	1,210,264	1,555,450

Cash and cash equivalents included in the cash flow statement are defined in accordance with IAS 7 and they do not correspond to that which the bank regards as liquidity.





Board of Directors, auditors and senior executives

BOARD OF DIRECTORS

Björn Ingemanson
Chairman of the Board

Synnöve Trygg
Vice chairman of the Board

Per Avander
CEO, AB Bilia

Anna Wibring
Head of Risk & Assurance, SKF Group

Ann Hellenius
Managing Director,
SweDFi Capgemini Invent

Björn Rentzhog
CEO/President, AB Persson Invest

Jessica Span
Head of Customer Excellence, Volvo Cars

BOARD DEPUTIES

Johan Ahlberg
CEO Johan Ahlberg Bil AB

Oscar Bertilsson Olsborg
Head of Large Cars, Sales & Financial
Services, Volvo Cars

Jonas Estéen
Owner Finnbacken Invest AB,
CEO Bilkompaniet Dalarna AB

Karl Rudarp
Head of Strategy & Analytics,
Volvo Cars Financial Services

SENIOR EXECUTIVES

Joel Graffman
CEO

Johan Linder
COOF

Linda Pedersen
CPO

Andreas Bondesson
Deputy CEO, COO

Marianne Moberg
CIO

Frida Eliasson
CMO

Håkan Isaksson
CFO

Gunnar Ekeröth
CRO

Elvira Braune
CCrO

AUDITOR

Helena Kaiser de Carolis
Authorised Public Accountant
Auditor-in-charge

Johan Brobäck
Authorised Public Accountant



Signatures of the Board of Directors

The Board of Directors and CEO hereby assure that the annual report has been prepared in accordance with generally accepted accounting policies in Sweden.

The Board of Directors and the CEO hereby certify that the annual report has been prepared in accordance with the Swedish Financial Supervisory Authority's regulations and general advice (FFFS 2008:25) and RFR 2 Accounting for legal entities.

The annual report gives a true and fair view of the bank's financial position and results. The Directors' Report gives a true and fair overview of the development of the bank's business, position and results, and describes significant risks and uncertainties faced by the bank. The bank's risk management is appropriate and satisfactory.

The annual report was approved on 19 March 2026.

Gothenburg 19 March 2026

Björn Ingemanson
Chairman of the Board

Synnöve Trygg
Vice chairman of the Board

Per Avander
Board member

Anna Wibring
Board member

Ann Hellenius
Board member

Jessica Span
Board member

Björn Rentzhog
Board member

Joel Graffman
CEO

Our auditor's report was submitted on 19 March 2026

Öhrlings PricewaterhouseCoopers AB

Helena Kaiser de Carolis
Authorised Public Accountant
Auditor-in-charge

Johan Brobäck
Authorised Public Accountant

Auditor's report

To the Annual General Meeting of Ziklo Bank AB, Co. Reg. no. 556069-0967

Report on the financial statements

Opinion

We have audited the financial statements of Ziklo Bank AB for 2025 with the exception of the corporate governance report and the sustainability report on pages 14–25 and 26–55 respectively. The company's financial statements are included on pages 12–151 of this document.

In our opinion, the financial statements have been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and fairly present, in all material respects, the financial position of Ziklo Bank AB as of 31 December 2025, and its financial performance and cash flows for the year in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies. Our opinion does not cover the corporate governance report on pages 14–25 or the sustainability report on pages 26–55. The Directors' Report is consistent with the annual report's other parts.

We therefore recommend that the Annual General Meeting adopt the income statement and balance sheet for Ziklo Bank AB.

Our opinion on these financial statements is consistent with the content in the supplementary report as submitted to the company's Audit committee in accordance with Article 11 of Regulation (EU) No 537/2014.

Basis for our opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under these standards are further described in the section Auditor's responsibilities. We are independent in relation to Ziklo Bank AB in accordance with good auditing practice in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This means that, based on our best knowledge and beliefs, no prohibited services as defined in Article 5(1) of Regulation (EU) No 537/2014 have been provided to the audited company, its parent or its controlling companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters which, in our professional judgement, were of most significance in the audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereof, and we do not provide a separate opinion on these matters.

Key audit matter

Residual value risk – impairment of lease assets

The book value of the company's operating leases, which are guaranteed by Ziklo Bank AB, stood at SEK 12,124 million (11,723) as of 31 December 2025, corresponding to approx 19.3% of the company's total assets. The company recognised impairment losses of SEK 405.3 million (SEK 376.8 million).

The bank makes ongoing assessments as to whether there is a need to recognise impairment of the assets used in operating leases.

Impairment occurs if the carrying amount is higher than the assessed recoverable amount, which is the higher of fair value less selling expenses and value-in-use.

Value-in-use is determined through the present value of the remaining rents and the present value of the expected residual value. An assessment of the expected residual value is also obtained from an external supplier, which is then analysed against the bank's own assessment of the expected residual value.

This is regarded as a key audit matter as the calculation of the recoverable amount includes significant judgements of the expected residual value for each operating lease.

For a further description, see Accounting policies in Note 3.14 and other related disclosures on impairment in Notes 2 and 25 for detailed disclosures and a description of the matter.

How our audit considered the key audit matter

We have carried out a number of audit measures regarding impairments of lease assets.

We have conducted a review of the bank's processes and controls for the impairment of assets as applied to operating leases.

We have reviewed and assessed the model for the impairment of lease assets. We also tested the completeness and accuracy of inputs to the model and tested the accuracy of calculations of the recoverable amount.

We also studied the bank's analysis of the need to recognise impairment and challenged it.

Furthermore, we checked that the analysis and the impairment amount in respect of residual value risk have been reported to the Board and approved in accordance with the bank's internal instructions.

We have also tested the disclosures presented in the annual report and assessed whether the scope of the information is sufficient to comply with the disclosure requirements of IFRS Accounting Standards.

Credit provisions for loans and advances to the public

The bank's loans and advances to the public mainly consist of credit card and vehicle loans, with the item totalling SEK 19,692 million (17,796) as of 31 December 2025, which corresponds to approx 31% of the bank's total assets.

The bank's provision for expected credit losses amounts to SEK 30 million (SEK 34.5 million). The bank accounts for expected credit losses in accordance with IFRS 9.

The model for provisions for expected credit losses is based on a collective assessment basis in which the credit exposures are divided into three stages based on assessed credit risk.

The provision model is based on complex calculations and material assumptions and assessments for calculating expected credit losses. The model uses assumptions concerning the definition of a significant increase in credit risk, the identification of credit-impaired loans, and the measurement of expected credit losses. These complicated calculations are made for each individual credit exposure.

This is regarded as a key audit matter because it involves complex calculations and significant assumptions and assessments in order to establish the size of the provision for expected credit losses.

For a further description, see Accounting policies in Notes 3.10, 20 and 25 for detailed disclosures and a description of this key audit matter.

We have carried out a number of audit measures regarding expected credit losses.

We have conducted process reviews to identify essential systems, applications and controls used in the provision of expected credit losses.

We have tested the IT environment for essential systems and applications used in provisions for expected credit losses. Our review included testing the design and effectiveness of input data controls.

We have reviewed material assumptions and assessments to obtain audit evidence as to whether the bank's calculation of expected credit losses is accurate and in accordance with our expectations.

We have assessed the reasonableness of the assumptions used by Ziklo Bank to determine macroeconomic factors. This included analyses in comparison to other independent sources and our own professional judgement.

We have tested details in several areas, including individual credits against underlying contracts and we have checked calculations for a selection of lending.

Furthermore, we have checked that the bank's calculation of provisions or expected credit losses have been reported to the Board and approved in accordance with the bank's internal instructions.

We have also checked the completeness and accuracy of disclosures presented in the annual report and assessed whether the scope of the information is sufficient to comply with the disclosure requirements of IFRS accounting standards.

Information other than the financial statements

This document also contains information other than that in the financial statements, and which can be found on pages 1–11 and page 156. The other information also includes the remuneration report we received prior to the date of this audit report and the sustainability report set out on pages 26–55.

The Board of Directors and the CEO are responsible for this other information.

Our opinion on the financial statements does not cover this information and we do not express an opinion verifying this other information. In connection with our audit of the financial statements, it is our responsibility to read the information described above and identify whether the information is materially inconsistent with the financial statements. In this review we also take into account the knowledge we have obtained in the audit and assess whether the information otherwise appears to contain material misstatements.

If, based on the work carried out with respect to this information, we conclude that there is a material misstatement in the other information, we are required to report this. We have nothing to report in this respect.

The Board of Directors' and Chief Executive Officer's responsibility

The Board of Directors and CEO are responsible for the preparation and fair presentation of the financial statements in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies. The Board of Directors and CEO are also responsible for such internal control as they determine to be necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, the Board of Directors and CEO are responsible for assessment of the company's ability to continue as a going concern. They disclose, where appropriate, information on conditions that may affect the ability to continue as a going concern and to use the going concern basis of accounting. However, the going concern basis of accounting is not used if the Board of Directors and CEO intend to liquidate the company, discontinue operations or do not have a realistic alternative to either of these actions.

Among other things, the Board's Audit committee must monitor the company's financial reporting without prejudice to the Board's responsibilities and tasks in other respects.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) and generally accepted auditing standards in Sweden will always detect a material misstatement if such exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibility for the audit of the annual accounts can be found on the Swedish Supervisory Authority's website, www.revisorsinspektionen.se/revisornsansvar. This description is part of the audit report.

Report on other statutory and regulatory requirements

Auditor's review of management and the proposed appropriation of the company's profit or loss

Opinion

In addition to our audit of the financial statements, we audited the Board of Directors' and Chief Executive Officer's administration of Ziklo Bank AB for 2025 and the proposed appropriation of the company's profit or loss.

We recommend to the Annual General Meeting that the profit be appropriated as proposed in the Directors' Report and that the members of the Board and the Chief Executive Officer be discharged from liability for the financial year.

Basis for our opinion

We have conducted our audit in accordance with generally accepted auditing standards in Sweden. Our responsibility in this regard is described in greater detail in the section Auditor's responsibilities. We are independent in relation to Ziklo Bank AB in accordance with good auditing practice in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The Board of Directors' and Chief Executive Officer's responsibility

The Board of Directors is responsible for the proposed appropriation of the company's profit or loss. Dividend proposals include an assessment of whether the dividend is justifiable considering the demands that the nature, scope and risks of the company's operations place on the amount of equity and the company's consolidation requirements, liquidity and financial position in general.

The Board is responsible for the organisation of the company and the management of its affairs. Among other things, this includes continuously assessing the company's financial position and making sure the company's organisation is designed such that controls of accounting records, asset management and the company's financial circumstances in general are performed satisfactorily. The CEO must take charge of the day-to-day management in accordance with the Board's guidelines and directives, including taking the necessary measures to make sure the company's accounting records are complete according to law and that asset management is conducted satisfactorily.

Auditor's responsibilities

Our objective for the management audit, and thereby our statement on discharge from liability, is to obtain audit evidence to enable us to determine with reasonable assurance whether any member of the Board or the CEO has, in any material respect:

- taken any action or been guilty of any negligence that may result in a claim for compensation being brought against the company, or
- in any other way acted in contravention of the Swedish Companies Act, the Swedish Banking and Financing Business Act, the Swedish Annual Accounts Act for Credit Institutions and Securities Companies or the Articles of Association.

Our objective for the audit of the proposed appropriation of the company's profit or loss, and thereby our opinion on this matter, is to determine with reasonable assurance whether the proposal is consistent with the Swedish Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions which may result in a claim for compensation being brought against the company, or that a proposal for appropriation of the company's profit or loss is inconsistent with the Swedish Companies Act.

A further description of our responsibility for the management audit can be found on the Swedish Supervisory Authority's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the audit report.

Auditor's review of the corporate governance report

The Board of Directors is responsible for the corporate governance report on pages 14–25 and for ensuring that it has been prepared in accordance with the Swedish Annual Accounts Act.

Our review has been carried out in accordance with FAR's statement RevR 16 Auditors' review of the corporate governance report. This means our review of the corporate governance report has a different aim and is significantly narrower in scope than the aim and scope of an audit in accordance with the International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides sufficient grounds for our opinion.

A corporate governance report has been prepared. Disclosures in accordance with Chapter 6, Section 6 (2), items 2–6 of the Swedish Annual Accounts Act and Chapter 7, Section 31 (2) of the same Act are consistent with the other parts of the annual accounts and are in compliance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies.

Auditor's opinion on the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report for 2025 on pages 26–55 and for ensuring that it has been prepared in compliance with the Swedish Annual Accounts Act and in accordance with the old wording that applied before 1 July 2024.

We conducted our review in accordance with FAR's statement RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our review of the statutory sustainability report has a different aim and is significantly narrower in scope than the aim and scope of an audit in accordance with the International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides sufficient grounds for our opinion.

A sustainability report has been prepared.

Öhrlings PricewaterhouseCoopers AB, SE 113 97 Stockholm, Sweden, was appointed by Ziklo Bank AB's auditor by the Annual General Meeting of 4 June 2025, and it has been the company's auditor since 4 June 2024.

Stockholm 19 March 2026
Öhrlings PricewaterhouseCoopers AB

Helena Kaiser de Carolis
Authorised Public Accountant
Auditor-in-charge

Johan Brobäck
Authorised Public Accountant

Sweden's mobility bank

For more than 60 years we have financed vehicles in Sweden under the name Volvofinans, making it easier for millions of people to freely travel. We have now assumed the name Ziklo, and we aim to accelerate the transition toward tomorrow's mobility and help more people and companies make smarter choices. Because mobility must be easy, flexible and sustainable.