



SUSTAINABILITY REPORT

TABLE OF CONTENTS

Sustainability at TF Bank	130
General disclosures	132
Environment	140
Social	141
Governance	146

SUSTAINABILITY REPORT

This is TF Bank's statutory Sustainability Report for the financial year 2025. The Report comprises the Parent company TF Bank AB (publ) org.no 556158-1041 including subsidiaries and branches (hereinafter to be referred as TF Bank and/or the Bank).

Disclaimer

This Sustainability Report (the "Report") has been prepared by TF Bank AB (publ) for applicable reporting and information purposes only and is intended to provide transparency regarding TF Bank's sustainability related activities, impacts, risks, and opportunities (IROs).

This Report may contain forward-looking statements, including statements regarding future sustainability objectives, targets, strategies, plans, expectations, or ambitions. Such statements are based on assumptions and assessments made at the time of preparation and are subject to risks, uncertainties, and changes in circumstances. Actual outcomes may differ materially from those expressed or implied in such statements.

Measurement approaches, calculation methods, and data sources used for data collection in this Report may evolve over time as regulatory requirements, best practices, and data availability develop. As a result, previously reported information may be updated or restated to improve accuracy and comparability.

The scope of disclosures in this Report reflects TF Bank's current reporting maturity, the principle of proportionality, and the availability of reliable data. The principle of proportionality means that the extent and level of detail of disclosures are aligned with the size, nature, and complexity of the Bank's operations, as well as the relevance and materiality of the information. Accordingly, TF Bank seeks to ensure that its reporting is appropriate and balanced, without going beyond what is necessary to meet regulatory requirements and stakeholder needs.

This Report has been prepared in accordance with applicable European Union legal acts and Swedish legislation. Certain disclosures are provided on a phased basis, considering transitional provisions and evolving regulatory guidance.



SUSTAINABILITY AT TF BANK

Our approach to sustainability

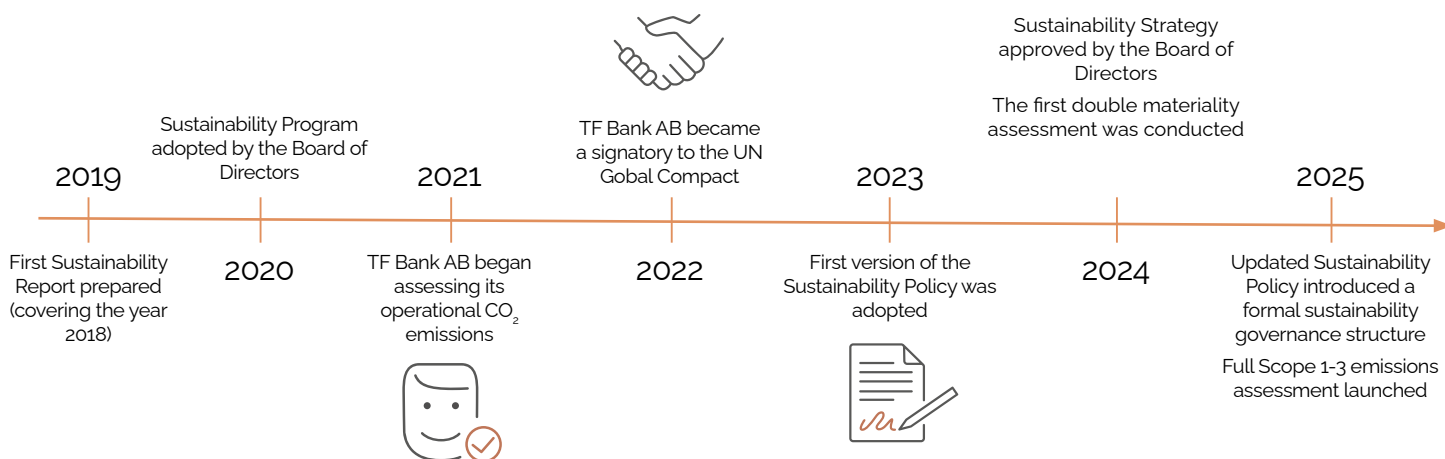
As part of our ongoing commitment to transparency and responsible business practices TF Bank has published sustainability-related information since 2019. Our objective is to contribute to financial inclusion by offering responsible lending solutions that support the everyday needs of our customers. In a well-functioning economy, responsible lending plays an important role by providing individuals with access to essential financial services in a secure, transparent, and sustainable manner. Our ambition is to ensure that all customers can access the products and services they need in a way that is fair, responsible, and aligned with long-term societal and regulatory expectations.

We integrate environmental, social, and governance (ESG) considerations into our business model, risk management processes, and decision-making to ensure that sustainability is embedded in our operations. This is achieved through responsible lending practices, transparent customer engagement, and a long-term perspective on value creation.

Over recent years, TF Bank has taken steps to strengthen its sustainability framework, with the aim of meeting evolving regulatory requirements and contributing positively to societal needs. We are committed to supporting the United Nations Sustainable Development Goals (UN SDGs). In 2022 we joined the United Nations (UN) Global Compact, a voluntary initiative that encourages businesses to align their operations and strategies with universal principles on human rights, labour, environment, and anti-corruption.

Based on our impact, stakeholder expectations, and applicable regulatory requirements, we have identified priority areas to guide our sustainability efforts and focus our actions where we can have the greatest effect.

The timeline below presents main sustainability related initiatives.



Based on our business model and sustainability priorities, we have identified a number of UN SDGs where TF Bank can have the greatest impact. The table below outlines our related focus areas.

UN SDG	How TF Bank contributes	TF Banks focus area
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Promotes employee physical, mental and social well-being by providing a healthy and supportive work environment. Applies responsible lending and customer protection practices to safeguard financial well-being.</p>	<ul style="list-style-type: none"> • Employee well-being • Responsible lending
 <p>5 GENDER EQUALITY</p>	<p>Ensures equal opportunities in employment, implements diversity policies, and fosters a safe and inclusive workplace culture.</p>	<ul style="list-style-type: none"> • Diversity and equality • Safe work environment • Competence development • Employee well-being
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Indirectly contributes through digital processes that reduce reliance on physical infrastructure and lower resource consumption.</p>	<ul style="list-style-type: none"> • Reduce own climate impact • Digital processes • Contribute to energy transition
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Applies fair employment practices, invests in employee competence development, and provides a healthy and developing workplace. Ensures responsible lending through a continuously tested and improved credit assessment process.</p>	<ul style="list-style-type: none"> • Responsible lending • Diversity and equality • Safe work environment • Competence development
 <p>10 REDUCED INEQUALITIES</p>	<p>Promotes financial inclusion by providing access to responsible financial services.</p>	<ul style="list-style-type: none"> • Access to financial service • Financial literacy promotion
 <p>13 CLIMATE ACTION</p>	<p>Works to reduce its own environmental footprint and integrates climate considerations into operations and services.</p>	<ul style="list-style-type: none"> • Reduce own climate impact • Digital processes • Contribute to energy transition
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Maintains strong corporate governance, high ethical standards, AML/CTF compliance, and adherence to regulatory requirements. Ensures high risk awareness and protection of customer data.</p>	<ul style="list-style-type: none"> • Anti-corruption • AML and prevention of terrorist financing • Data security and customer integrity • Sound corporate governance • Efficient risk management

GENERAL DISCLOSURES

The following section of this Sustainability Report presents all sustainability aspects required under the Swedish Annual Accounts Act—environment, social sustainability, employees, anti-corruption, and human rights—and describes our work and governance related to sustainability. This approach provides a clear and consistent structure for presenting sustainability matters and aligns with European best practices in corporate sustainability reporting. As of the date of preparation of this report, TF Bank is not obliged to comply fully with European Union legal acts; therefore, the report constitutes a voluntarily prepared disclosure.

Each disclosure requirement outlines the types of information expected in European sustainability reporting practices. Following this structure helps stakeholders navigate the Bank's sustainability information and understand its key IROs.

General Basis for Preparation of Sustainability Report and Disclosures in Relation to Specific Circumstances

This Sustainability Report has been prepared in accordance with the Swedish Annual Accounts Act. In preparing this Report, relevant European regulatory practices, broader European Union sustainability-related legal developments, as well as applicable industry standards, supervisory expectations and national regulatory guidance have been taken into account.

TF Bank aims to be as transparent as possible based on current reporting capabilities.

In 2024, TF Bank conducted its first Double Materiality Assessment (DMA) in line with European Union sustainability-related legal principles. The assessment identified material sustainability matters based on TF Bank's actual and potential impacts on the environment and society as well as sustainability-related risks and opportunities that may affect the Bank's financial position, performance, and future prospects.

Due to the current maturity of internal systems and data processes, the scope of disclosure is primarily focused on TF Bank's own operations. The Bank expects to gradually expand the scope of its assessments and disclosures over time.

For the 2025 Sustainability Report, the structure has been adjusted compared to previous reporting cycles to closer align with the sustainability reporting practices. The disclosures in the DMA and the performance indicators assessing TF Bank's IROs are based on the best available data at the time of reporting. However, TF Bank notes that certain measurement inaccuracies may occur due to differences in methodologies and data quality across the value chain.

Since initiating sustainability reporting, TF Bank has applied different calculation approaches for certain indicators. As additional and improved data becomes available, methodologies are continuously refined to enhance accuracy, reliability and comparability. Where necessary, historical data and calculations are reviewed and updated to improve consistency across reporting periods.

All sustainability information in this Report is disclosed within the limits of intellectual property protection and the safeguarding of commercially sensitive information. The Report has been prepared on a consolidated basis, with a scope of consolidation consistent with TF Bank Group's financial statements and covers the same reporting period, from 1 January to 31 December 2025. The Sustainability Report is approved by the Board of Directors and published on the TF Bank website www.tfbankgroup.com.

The Report applies the principle of proportionality, taking into account TF Bank's business model, size, geographic footprint, and risk profile. TF Bank aims to provide sustainability information that is relevant, reliable, and decision-useful, with the goal to progressively increase alignment with sustainability-related legal requirements over time.

The Sustainability Report comprises the following sections:

- General disclosures
- Environment
- Social matters
- Governance

The Role of the Administrative, Management and Supervisory Bodies

Sustainability at TF Bank is governed through clearly defined roles and responsibilities included in the Bank's governance framework.

The Board of Directors is responsible for setting the overall strategic direction for sustainability. The Board approves the Sustainability Policy, sustainability strategy, the Sustainability Report, and other key sustainability-related frameworks and documents.

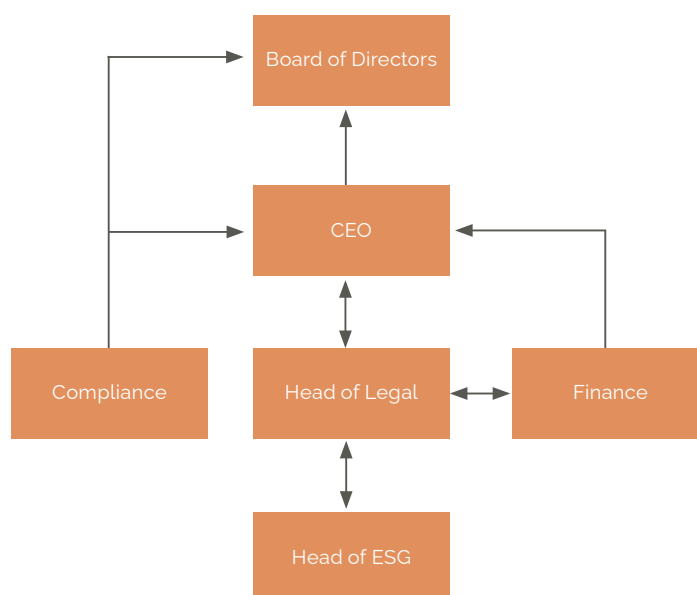
The Chief Executive Officer is responsible for implementing the sustainability strategy and translating the Board's strategic direction into operational plans. The CEO also ensures that progress and material developments are regularly reported to the Board.

Operational responsibility for sustainability is assigned to the Legal function. Sustainability activities are coordinated by the Head of ESG, who reports directly to the Head of Legal. The Compliance function oversees the implementation and effectiveness of sustainability management across the Bank, ensuring alignment with applicable regulatory requirements and internal policies. The Finance function supports sustainability reporting by preparing reporting materials based on sustainability-related data and disclosures.

Although TF Bank has established a clear governance framework for sustainability, effective and comprehensive implementation requires active engagement across the organisation. All departments contribute to sustainability management through the integration of sustainability considerations into their respective areas of responsibility. This includes continuous training and the timely collection and reporting of relevant data. The governing bodies collectively possess experience relevant to TF Bank business model, regulatory environment and geographic footprint. Sustainability-related expertise is supported through internal functions, access to external specialists and ongoing training initiatives.

TF Bank continuously reviews and develops its sustainability governance framework to ensure alignment with evolving regulatory requirements and emerging best practices under applicable legal acts.

TF Bank's Sustainability Governance



Information Provided to the Bank's Governing Bodies and Sustainability Matters Under Their Oversight

Sustainability matters are addressed by the Board of Directors and Executive Management as part of strategic decision-making. In 2024, the Board of Directors was presented with the results of TF Bank's first DMA, which identified material sustainability IROs.

Based on the DMA findings, the Board confirmed TF Bank's sustainability strategy and sustainability priority areas. In 2025, the Board approved an updated Sustainability Policy, reflecting the adopted strategy and clarifying governance responsibilities and implementation principles. In the same year, TF Bank also conducted a review and update of the DMA, evaluating progress in addressing previously identified gaps and emerging sustainability matters.

The Board and Executive Management receive regular updates on sustainability matters through structured reporting, including information on regulatory developments relevant to sustainability, implementation progress of the sustainability strategy and material sustainability-related risks and opportunities.

Integration of Sustainability-related Performance in Incentive Schemes

TF Bank has adopted a Remuneration Policy designed to ensure a sound, balanced and differentiated remuneration structure that reflects business needs, market conditions and regulatory requirements. The remuneration framework promotes compliance, risk awareness and long-term value creation.

Performance-related remuneration for employees and management is based on a combination of financial performance, risk management, compliance and behavioural criteria. Sustainability-related considerations are currently reflected indirectly through requirements related to responsible business conduct, compliance with internal policies, and adherence to regulatory obligations.

At present, TF Bank does not apply explicit sustainability or climate-related performance targets in variable remuneration or incentive schemes. Individual performance targets and detailed remuneration criteria are considered confidential by the Bank and are therefore not publicly disclosed.

TF Bank regularly reviews its remuneration framework to ensure alignment with evolving regulatory requirements, sound governance practices and the gradual integration of sustainability considerations into incentive schemes.

Risk Management and Internal Controls over Sustainability Reporting

TF Bank's risk management framework covers sustainability-related risks, which are managed and controlled through the Bank's established structures, processes and internal control mechanisms. The Bank applies the three lines of defense model, with the Board of Directors holding ultimate responsibility for internal controls and overseeing the accuracy and completeness of sustainability-related information.

Sustainability related reporting risks, including data availability, data quality and methodological consistency, are assessed using TF Bank's standard risk assessment and prioritisation methodology. Identified risks are addressed through established reporting procedures, second line review, and ongoing improvements to sustainability data processes.

As reflected in the Credit policy, TF Bank recognises that ESG factors may impact credit risk. These factors are considered, where relevant, within the Bank's credit risk management framework. The identification of sustainability-related risks is informed, among other inputs, by the results of TF Bank's DMA, which identifies material sustainability IROs relevant to TF Bank's activities.

Findings related to sustainability reporting risks are periodically reported to Executive Management and the Board of Directors through existing governance reporting channels, ensuring oversight and informed decision-making.

Strategy, Business Model and Value Chain

Sustainability Strategy

TF Bank's Sustainability strategy, approved in 2024, aligns with the Bank's strategic time horizons to guide sustainability efforts. Detailed implementation measures are still under development.

Time Horizon	Strategic Focus
Short-Term (0-3 Years)	Strengthen ESG-related policies, enhance data protection, and initiate low-carbon transition projects
Medium-Term (4-10 Years)	Deepen ESG integration into operations, transition logistics and operations to low-carbon solutions
Long-Term (11-30 Years)	Follow regulatory targets to achieve net-zero emissions by 2050, expand stakeholder collaborations, and create lasting positive environmental and social impacts

Business model

TF Bank is a fast-growing provider of credit and payment services operating in 14 European countries. Through a proprietary IT infrastructure, TF Bank develops simple and flexible payment and financing solutions for millions of customers. Since its foundation in 1987, TF Bank has consistently combined growth with profitability, and following the stock market listing in 2016, this development has continued with a strong focus on scalability and automation.

Lending and/or deposit activities are conducted in the Nordics, the Baltic countries, Poland, Germany, Austria, Spain, Ireland, the Netherlands and Italy through subsidiary, branch, or cross-border banking with the support of the Swedish banking license. The business is divided into three segments: Credit Cards, Ecommerce Solutions and Consumer Lending. The target group for all services is creditworthy individuals, and the loan amounts are relatively small with short repayment terms.

Sources of financing

TF Bank's primary source of funding is deposits from the public. Deposits stem only from the household sector, which are protected under a government deposit guarantee scheme.

Economic value creation

TF Bank generates economic value for its key stakeholders according to the table below:

Stakeholder	Economic Value
Customers	Interest payments
Employees	Salaries and benefits
Suppliers and business partners	Purchases
Shareholders	Dividends
Society	Taxes and fees

As a bank, employer, and listed company, TF Bank is committed to addressing sustainability topics most relevant to its business model, stakeholders, and regulatory environment.

Responsible lending

Responsible lending is central to TF Bank's business model, ensuring long term value creation and safeguarding customer trust. The table below presents selected key performance indicators that TF Bank monitors in relation to responsible lending.

KPIs	2025	2024
Loan loss ratio (%)	4.5	4.3
Income from late payments (%)	4.4	5.2
Number of loan applications	12,421,002	11,409,505
- Of which denied	6,522,346	5,809,566
Average loan amount (SEK)	15,826	15,194
Share of markets with local customer service (%)	75	75

In 2025, TF Bank continued to demonstrate its commitment to responsible lending while managing a growing volume of loan applications. The Bank received over 12.4 million loan applications, an increase compared with 11.4 million in 2024, reflecting an increasing demand for TF Bank's services. At the same time, the number of declined applications also increased, indicating a selective and careful credit assessment process to ensure responsible lending practices are maintained.

The net loan loss ratio increased slightly to 4.5 % from 4.3 % in 2024, reflecting the growth of the loan portfolio in the Credit Cards segment, which carries a higher loan loss ratio compared with the Bank's other segments. Revenue from late payments decreased to 4.4 % from 5.2 % in 2024, reflecting improvements in repayment behaviour and proactive debt management. The average loan amount increased modestly to SEK 15,826, compared with SEK 15,194 in the previous year.

The share of markets with local customer service remained stable at 75 %, demonstrating TF Bank's continued commitment to accessibility and responsiveness across its operating regions. Overall, the indicators illustrate the Bank's focus on balancing growth with prudent credit assessment, risk management, and the ongoing pursuit of responsible lending.

Value chain

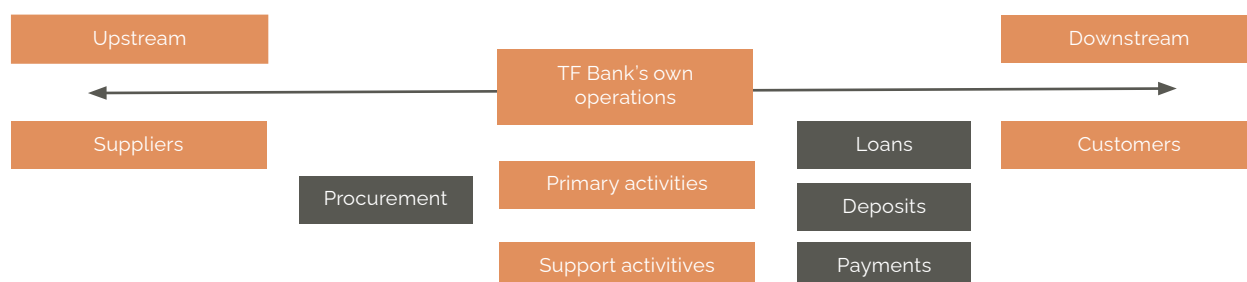
The diagram below illustrates the core elements of TF Bank's value chain.

Support activities (back-office functions) ensure the smooth functioning of the Bank by leveraging internal resources and external service providers to maintain systems, deliver projects and safeguard technological continuity, system stability and regulatory compliance.

Primary activities (front-office functions) represent the Bank's core services and products provided to customers and merchants. These activities rely on support functions and, where relevant, external service providers to ensure efficient and secure operations.

Together, support and primary activities enable TF Bank to deliver appropriate, secure and reliable financial products and services to downstream stakeholders, including customers and merchants.

TF Bank's value chain



Operating across multiple European markets, TF Bank relies on employees working across different countries to support both primary and support activities. This structure creates a multicultural workforce that reflects the international scope of the Bank's operations and the diversity of its customer base.

Interests and Views of Stakeholders

TF Bank engages with a broad range of stakeholders whose interests are directly linked to TF Bank business model, value chain and sustainability IROs. Stakeholders are identified and categorised based on their position in the value chain, and their relevance to TF Bank operations, regulatory obligations and long-term strategy.

TF Bank's stakeholders are grouped into upstream and downstream categories:

Upstream stakeholders support the development and delivery of TF Bank products and services:

- Employees - all personnel within TF Bank
- Suppliers and business partners - providers of administrative, financial, legal, logistics, marketing, operational and IT services, as well as brokers. Engagement with these stakeholders is managed through partnership, service and other contractual agreements.

Downstream stakeholders are recipients or users of TF Bank products and services:

- Customers - private individuals with a loans, credit cards or deposit agreements with TF Bank, as well as those using the Bank's payment services
- Merchants - entities with commercial agreements with TF Bank
- Shareholders - individuals or entities that invest in TF Bank and have a financial interest in its performance

Stakeholder engagement is conducted through both formal and informal channels including:

- Employee surveys, internal communication and dialogue with management
- Ongoing cooperation and contractual follow-up with suppliers, partners and merchants
- Customer and merchant interaction via service channels, complaints handling, and feedback mechanisms

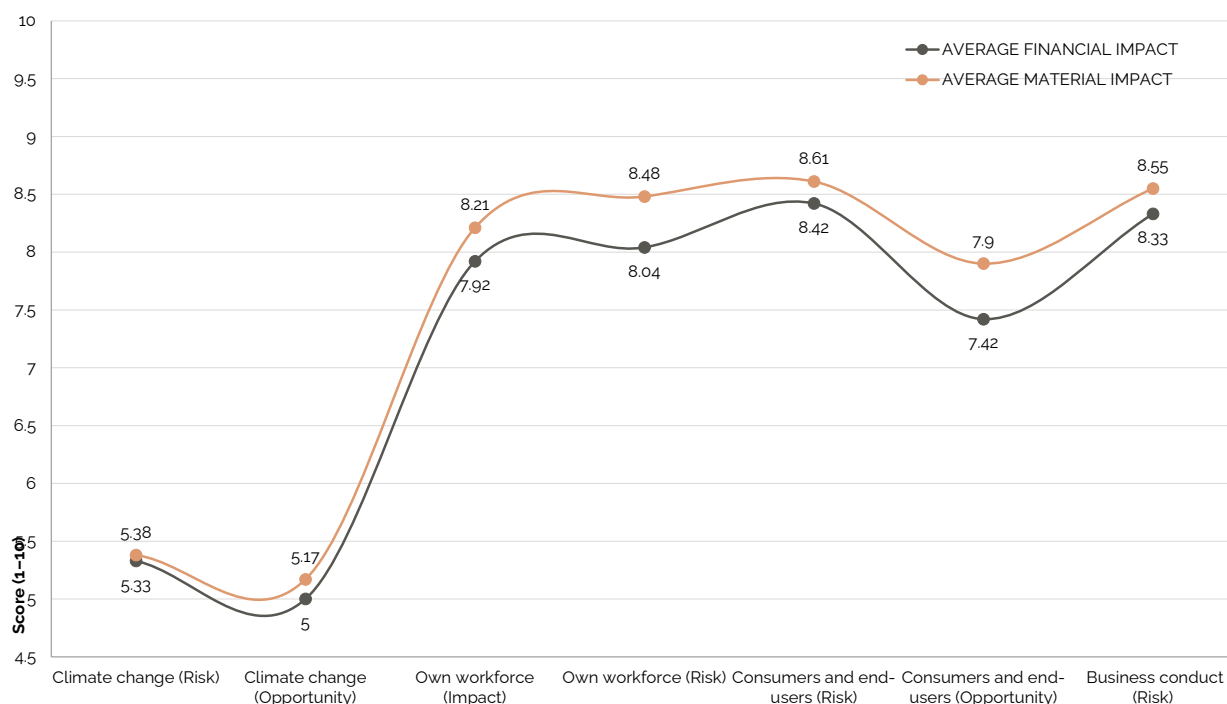
In TF Bank's DMA sustainability-related IROs across operations, value chain and stakeholder relationships are identified and assessed. Impact materiality (effect of TF Bank on people and the environment) and financial materiality (effects of sustainability matters on TF Bank's financial position, performance and future prospects) were considered.

List of identified IROs:

Section	IRO type	IRO description
Environment	R	Climate-related physical and transition risks may reduce customers' ability to repay loans, negatively affecting the Bank's credit risk profile.
Environment	O	Integrating climate-related risks into credit risk management may improve portfolio resilience and risk awareness.
Social matters	I	Inadequate working conditions, including physical office conditions and organisational culture, may negatively affect employee wellbeing.
Social matters	R	High employee turnover may increase operational, recruitment and training costs for the Bank.
Social matters	R	Data protection breaches may result in regulatory fines and negatively affect customers' personal data rights.
Social matters	O	Responsible lending practices may strengthen customer trust and long-term customer relationships.
Governance	R	Corruption or unethical conduct may lead to regulatory sanctions, financial losses and reputational damage.

Identified IROs were evaluated using a structured scoring process, incorporating stakeholder input collected through surveys of both internal stakeholders and external stakeholders. Based on the DMA results, the identified IROs were ranked according to their financial and impact significance as follows:

Double Materiality Matrix



The DMA results indicate that TF Bank's sustainability profile is primarily driven by governance and ethical conduct, responsible lending, data protection and workforce-related matters, rather than by direct environmental impacts. This reflects the nature of TF Bank business model, which is focused on financial services and has a limited direct environmental footprint.

Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model

TF Bank has identified and assessed its IROs through DMA. The assessment considers both material impacts on society and the environment, and material impacts on TF Bank financial position, performance and future prospects. The results provide the foundation for integrating sustainability into TF Bank strategy, governance and risk management.

Based on these assessment, the following material matters have been prioritised as those with the strongest interaction with TF Bank's strategy, business model and long term value creation.

- Corruption and unethical conduct.*
Corruption and unethical conduct were identified as a material risk with high impact and financial significance. Stakeholders clearly perceive that even a single serious incident could have a disproportionate negative effect on TF Bank reputation, regulatory standing and financial performance.
- Own workforce.*
Workforce-related matters were identified as both a material impact and a material risk. Stakeholders view employees as one of TF Bank key assets and expect not only legal compliance, but also effective implementation of employee rights related to working conditions, equal treatment, health and safety, social dialogue and privacy. The results indicate that employee wellbeing and turnover have a direct financial effect to the organisation.
- Consumers and end-users.*
Consumer-related matters were identified as both a material risk and a material opportunity. Data protection breaches were assessed as a material risk, with high impact and financial significance. This highlights data protection as a core element of customer trust. Responsible lending and access to clear information were identified as a material opportunity, with high impact significance but medium financial significance. Stakeholders primarily associate responsible lending with trust, fairness and long-term customer relationships.

- *Climate change.*

Climate-related IROs were assessed as having low impact and low financial significance from the stakeholder perspective. These results reflect stakeholder perception rather than the TF Bank long-term exposure to climate-related financial and regulatory risks.

The identified IROs are closely connected to TF Bank digital, consumer-focused banking model and are addressed through policies, controls and strategic initiatives. High-priority topics are managed through governance structures and risk management processes, while medium and lower priority topics are incorporated into ongoing monitoring and continuous improvement initiatives. The relevance of IROs is regularly reviewed to reflect changes in regulation, stakeholder expectations and business activities.

Description of the Processes to Identify and Assess Material Impacts, Risks and Opportunities

TF Bank applies a structured DMA process to identify and assess sustainability-related IROs. DMA is designed to become an ongoing process, iterative process, fully integrated into TF Bank's risk management framework and strategic planning.

The DMA began with the identification of topics relevant to TF Bank business model, operations, value chain, stakeholder context and regulatory environment. This assessment was supported by stakeholder engagement activities. Internal and external stakeholders were consulted through surveys to assess the significance of identified topics using a 10-point scale for both material (impact) and financial perspectives. Stakeholder groups included employees, management and customers.

Survey responses were aggregated to calculate average scores for Material Impact and Financial Impact. Pre-defined thresholds were applied to classify topics as having high, medium or low significance. The findings were analysed to prioritise sustainability topics and to support materiality conclusions. Stakeholder engagement and internal expert input were integrated throughout the process to validate findings. Topics that met the materiality thresholds were designated as material and formed the basis for sustainability disclosures, strategic priorities, policies, actions, and targets.

Sustainability Disclosure Requirements Covered by the Report

The findings of DMA were mapped to the relevant sustainability topics. Based on the assessment, TF Bank's Sustainability Report focuses on the following material sustainability areas:

- Environment – Climate change
- Social matters – Own workforce
- Social matters – Consumers and end-users
- Governance – Business conduct

These topics reflect the areas where TF Bank has identified the most significant sustainability-related IROs and demonstrate the integration of sustainability considerations into the Bank's strategy, business model, governance arrangements, and risk profile.

Other sustainability-related topics were considered as part of the DMA but were not identified as material at this stage and are therefore not subject to detailed disclosure in this Report.

TF Bank applies a phased approach to the development of its sustainability reporting, with the scope of disclosures, methodologies, and data quality being further enhanced over time. Topics currently assessed as not material are continuously monitored and may be reassessed in future reports in response to regulatory developments, stakeholder expectations and changes in TF Bank's activities.

The selected material topics are discussed in detail in the ESG sections of this report, highlighting TF Bank's approach to managing and integrating sustainability risks and opportunities into its operations and long-term strategy.

ENVIRONMENT

Climate change

TF Bank's Sustainability Policy provides an overarching framework for TF Bank's environmental and climate-related initiatives, including commitments to reducing emissions, improving resource efficiency and promoting sustainable operations. The Policy ensures compliance with applicable legal and regulatory disclosure requirements.

TF Bank maintains transparency in calculating its carbon footprint, collaborating with external consultants and following the Greenhouse Gas (GHG) Protocol reporting standards, including the Corporate Accounting and Reporting Standard (2004) and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).

Emissions are classified into three scopes:

- Scope 1 – Direct GHG emissions from sources that are owned or controlled by TF Bank.
- Scope 2 – Indirect GHG emissions from the generation of purchased electricity, heating, cooling, or other energy carriers consumed by TF Bank.
- Scope 3 – all other indirect emissions across the value chain, both upstream and downstream

TF Bank's indirect environmental impact primarily arises from Scope 3 emissions, particularly those associated with suppliers' energy use. TF Bank employs a cloud-based server solution that is considered more secure and more energy-efficient than operating its own servers. The data centre used is powered entirely by renewable electricity and is environmentally certified under ISO 14001.

KPIs - Climate change	2025	2024
Climate impact (t CO ₂ e)	6,316.4	4,648.8
Climate impact per employee (t CO ₂ e / FTE)	12.92	11.15
Climate impact per net sales (t CO ₂ e / MSEK)	2.17	1.91
Climate impact per office space (t CO ₂ e / m ²)	1.00	0.82
Energy consumption per office space (kWh / m ²)	157.06	119.17

A full Scope 1-3 assessment was conducted for 2025 and 2024. As shown in the table above, there was an overall increase in emissions year-on-year from 4,648.8 t CO₂e in 2024 to 6,316.4 t CO₂e in 2025. This increase is primarily driven by the expansion of TF Bank's operations during 2025, including offices in more countries, growth in the number of employees, and the resulting rise in commuting-related emissions. Increased office space consumption and business travel also contributed to the upward trend, reflecting the Bank's international footprint and continued organisational growth.

While TF Bank prioritises video conferencing across all offices to reduce travel-related emissions and facilitate collaboration, business travel remains necessary in certain cases to support customer relationships, operational coordination, and regulatory compliance across multiple countries.

TF Bank applies standard environmental practices across its offices, including structured recycling procedures, responsible waste handling, and the use of environmentally certified and eco-labelled office supplies wherever feasible. These measures form part of the Bank's commitment to maintaining responsible day-to-day operations and reducing operational environmental impacts.

While office-related environmental impacts remain limited in scale, TF Bank seeks to contribute to reduced emissions in its value chain. Within the Ecommerce Solutions segment, digital optimisation tools such as Avarda Return Optimiser support partners in lowering return rates and associated transport emissions.

TF Bank also considers it essential that its suppliers maintain high ethical standards and act responsibly. To support this, the Bank has adopted a Code of Conduct for Suppliers. Suppliers are required either to formally approve the Code or demonstrate that they have an equivalent internal code of conduct in place.

At this stage, TF Bank has not yet established a formal, quantified CO₂ emissions reduction plan with defined targets. However, the Bank continuously monitors emissions across Scopes 1-3 and is actively strengthening its carbon accounting practices by refining data collection processes, improving calculation methodologies, and enhancing internal reporting structures. This work supports the environmental time horizon and strategic focus outlined earlier in the report. In the short term, efforts concentrate on strengthening ESG-related policies and initiating low-carbon transition measures while improving emissions data quality. Over the medium to long term, enhanced measurement and monitoring will provide the foundation for deeper ESG integration, operational transition initiatives, and alignment with evolving regulatory expectations, including longer-term net-zero ambitions.

SOCIAL MATTERS

Own workforce

Well-being, Diversity and Equality

TF Bank recognises that social responsibility is fundamental to building trust, ensuring long-term value creation and maintaining a sustainable banking business. TF Bank's social approach focuses on employees, customers, and society, and is embedded in its governance framework, internal policies and daily operations.

TF Bank strives to provide all employees with a safe, healthy and inspiring work environment – physically, mentally and socially. Employees are treated with respect and dignity in accordance with the TF Bank business principles and Code of Conduct. Diversity in terms of backgrounds, experiences and perspectives is recognised as a key driver of innovation, resilience and long-term business success. Flexible working arrangements and employee benefits further support work-life balance and overall well-being.

As shown in the table below, TF Bank maintains a balanced gender distribution, with women representing 49 % of employees in 2025. Female representation is also present at both Board and Executive Management levels, supporting organisational diversity. The number of employees grew by approximately 13 % during the year, while employee turnover decreased from 25 % to 16 %, indicating a more stable employee base and suggesting that TF Bank continues to offer an attractive and safe working environment.

Attractive employer

KPIs	2025	2024
Number of employees	471	417
- Of which women	231	223
- Share of women (%)	49	53
Share of female members of Board of Directors and executive management (%)	29	21
- In Board of Directors (%)	17	17
- In operational management (%)	38	25
Number of nationalities in Board of Directors	1	1
Average age of employees	35	35
Sick absence (%)	4	3
Staff turnover rate (%)	16	25
Number of part-time employed students	18	16

As a pan-European organisation operating across multiple countries, TF Bank brings together employees with diverse cultural, linguistic and professional backgrounds. This diversity strengthens collaboration and broadens perspectives, while also requiring a workplace culture based on tolerance, mutual respect and the ability to adapt to different ways of working.

Average number of employees by country is shown in the table below:

	2025			2024		
	Women	Men	Total	Women	Men	Total
Sweden	61	88	149	58	74	132
Poland	70	69	139	66	59	125
Norway	19	20	39	22	16	38
Finland	17	14	31	18	12	30
Estonia	24	6	30	23	6	29
Lithuania	15	5	20	15	3	18
Latvia	11	8	19	11	6	17
Germany	6	9	15	7	7	14
Spain	6	17	23	3	10	13
United Kingdom	2	3	5	0	1	1
Austria	1	0	1	0	0	0
Total	232	239	471	223	194	417

TF Bank is committed to equal rights, obligations and opportunities for all employees, with a particular focus on:

- equal pay and conditions for equal work
- non-discrimination in recruitment, employment and career development
- gender balance across roles and management levels
- reconciliation of work and parenthood through flexible and hybrid working arrangements

Recruitment and career development decisions are based on competence, experience and role requirements. Inclusive employment practices are promoted in the organisation, including opportunities for part-time work in several markets as well as supporting students and individuals entering the workforce.

Safe and Healthy Work Environment

TF Bank aims to ensure a safe and supportive work environment, both physically and psychosocially. Workplaces are designed with ergonomics, health and safety in mind, and in regards legal requirements. TF Bank continuously assesses work environment risks and improvement opportunities to ensure that employees feel safe, supported and have the conditions necessary to perform at their best.

Competence Development and Training

Competence development is a key enabler of employee engagement and business performance. All employees are offered opportunities for training and professional development through:

- mandatory and role-specific training (e.g. AML/CTF, information security, data protection);
- leadership and management development programmes; and
- individual development plans agreed during annual performance and development reviews.

These processes ensure that employees understand their role, contribute meaningfully to the TF Bank values and are supported in their professional growth.

TF Bank has an integrated training system that enables employees to complete mandatory and developmental training at a time that best suits their schedules. TF Bank aims to provide training that is directly relevant to employees' roles, supports effective execution of their responsibilities and contributes to the achievement of organisational goals, while also encouraging sustainable practices both within and beyond the workplace.

During the year TF Bank achieved high completion rates across essential training modules, demonstrating strong employee engagement and commitment to continuous learning:

Training module	Completion rate (%)
ESG Training	96
Personal Data Privacy Training: Basics	93
Anti Bribery and Corruption	91
Artificial Intelligence (AI) Basics	90
How to Work Smarter with AI	83
Personal Data Privacy Training: Data Breaches	78
Security Awareness	72
Artificial Intelligence (AI) – EU AI Act	63
ICT & Security Incident Management	52

These results reflect TF Bank's ongoing ambition to develop digital and ethical competencies, particularly in areas critical to responsible banking, such as data protection, cybersecurity, anti-corruption and the integration of sustainability matters. The high level of participation in AI-related areas also highlights TF Bank's focus on preparing employees for the secure and compliant use of new technologies, including the regulatory requirements arising from the EU AI Act.

Employee Engagement

TF Bank conducts regular employee surveys to measure engagement, satisfaction and organisational climate. Survey results are discussed at executive management level and used to identify improvement actions related to leadership, communication and collaboration. The high participation rate demonstrates that employees are actively involved and maintain a strong relationship with the organisation.

Employee engagement Survey results	2025	2024
Participation rate, %	85	83

Collective Bargaining and Employee Representation

Collective bargaining rights are respected in accordance with applicable national legislation. In the Nordic countries and Spain, employee terms and conditions are covered by collective bargaining agreements where required by law.

In other markets, collective bargaining arrangements are not legally mandated or are less commonly applied. In these cases, employment conditions are governed by national labour laws, individual employment contracts and internal policies. TF Bank respects employees' freedom of association and their right to representation in line with local legal requirements.

Human Rights

TF Bank respects internationally recognised human rights in all markets where it operates. TF Bank supports the UN Universal Declaration of Human Rights and related conventions and has been a signatory to the UN Global Compact since 2023.

Human rights considerations are integrated into employment practices, labour conditions, supplier and partner relationships, and customer interactions. Potential risks are assessed through internal processes and in cooperation with suppliers, supported by the Code of Conduct for Suppliers. Respect for human dignity, fair labour conditions and ethical conduct is fundamental to all TF Bank operations.

Within the reporting period, no human rights incidents were recorded. Five employee complaints were submitted through the internal reporting system to the responsible TF Bank HR department and were handled in accordance with established procedures.

Social Partnerships

TF Bank contributes to society through selected social partnerships and community initiatives aligned with its values. The Bank cooperates with organisations such as PlayOnside, supporting displaced children and youth through education and sports initiatives. PlayOnside operates in Mae Sot, Thailand, where it empowers refugee and migrant children from Myanmar through football-based education programmes, reaching approximately 700 children from 22 schools.

The current partnership with PlayOnside will expire at the end of 2025. Following the partnership's conclusion, TF Bank will evaluate future social engagement opportunities to ensure that upcoming partnerships continue to align with the Bank's values, strategic priorities, and commitment to creating positive social impact.

Employee Involvement

In 2025, TF Bank implemented several initiatives that combined sustainability, employee engagement, and community support. These included:

- A global walking challenge promoting health and good well-being
- The reuse of IT equipment through donations to organisations supporting children and families
- A Christmas donation initiatives where employees selected diverse non-profits addressing animal welfare, healthcare, and emotional support for children

Customers and End Users

TF Bank places strong emphasis on customer protection, data security and transparent communication. As a digital bank, trust, information security and responsible conduct are essential to the business. Key focus areas include:

- protection of customer data and privacy in accordance with GDPR and applicable national regulations
- information security and cyber resilience, including compliance with DORA
- clear, accurate and accessible customer information
- responsible lending and fair treatment of customers

TF Bank applies responsible lending principles to ensure that credit products are suitable for customers' needs and proportionate to their ability to repay. Credit is granted only when there is a well-founded assessment that the customer can meet their financial obligations over the term of the agreement. To prevent excessive indebtedness, TF Bank conducts creditworthiness assessments before entering into any credit agreement. Assessments are based on sufficient, reliable, and verifiable information. Lending practices are designed to support customers' long-term financial stability and to avoid unsustainable debt burdens. Creditworthiness assessments are proportionate to the type, amount, and risk of the credit and combine automated decision-making with manual controls where appropriate. This approach supports efficient processing while ensuring accuracy, fairness, and compliance with applicable regulatory requirements. Customers are provided with clear, transparent, and understandable information to enable informed decision-making.

TF Bank continuously monitors credit performance to identify early signs of financial difficulty. Where risks arise, customers are contacted proactively and offered guidance, support and, where appropriate, flexible repayment solutions or restructuring. Specially trained customer support staff engage with customers at an early stage to minimise financial strain and support sustainable repayment outcomes.

Transparency is a core principle throughout the customer journey. Customers receive clear and understandable information on credit terms, costs, fees, risks and consequences of non-payment. Marketing, onboarding and contractual communications are designed to be fair, clear and not misleading, enabling informed decision-making. Risk warnings, APRs and repayment examples are disclosed in line with regulatory requirements, and accessible customer service is available throughout the lending process.

TF Bank pays particular attention to vulnerable customers and provides support in accordance with internal policies. Accessibility requirements for key consumer products and services are followed to ensure inclusion of customers with disabilities.

Marketing of consumer credit and related products is conducted responsibly and in line with applicable laws and ethical standards. Marketing materials are designed to support informed choices and avoid misleading claims or exploitation of customers' financial situations.

TF Bank continuously works to improve service quality, customer experience and product design, with the aim of building long-term trust and supporting responsible financial inclusion.

RESPONSIBLE LENDING AT TF BANK

Responsible lending at TF Bank begins with the Board of Directors holding ultimate responsibility for managing credit risk. Credit risk is the Bank's most significant risk and is closely monitored across all lending activities. The Board establishes the credit policy, which sets the framework for all lending, and receives regular updates on portfolio performance. A dedicated credit committee tracks risk developments, implements necessary adjustments, proposes policy updates and ensures that exposures remain within defined limits, including concentration risks across counterparties, industries and regions. This structured oversight ensures a well-diversified loan portfolio with a balanced risk profile while supporting sustainable growth.

Within this framework, Jana Reimal, an Underwriter at TF Bank, plays a key role in translating policy into practical, responsible lending decisions.

– My role is to evaluate a customer's financial behaviour and overall standard of living based on the information they provide. When the assessment confirms the customer's ability to borrow responsibly, the application is approved with the aim of establishing a stable and manageable repayment plan. The goal is not only to approve loans but to ensure they are sustainable for the customer and the Bank.

Each application is assessed against the Bank's risk appetite, using a consistent methodology and verified data. Detailed creditworthiness assessments consider the customer's financial position, repayment capacity, creditworthiness assessment models, external information and past history with the Bank. Internal limits are strictly monitored to avoid excessive exposure and maintain portfolio diversification.

– We document and review information for every customer without exception. We rely on registered data, bank statements and official sources to guide our decisions, not assumptions or verbal assurances. This reduces uncertainty and improves the accuracy of our assessments.

Monitoring a customer's ability to repay is central to responsible lending. The Bank's tools and systems support consistent and reliable underwriting. Underwriters pay close attention to the customer's existing obligations and financial patterns, identifying potential repayment difficulties early. Tools such as secure identification programs, creditworthiness assessment models, and internal databases support these assessments, making the process consistent and thorough.

The Bank also has safeguards to prevent over-lending. Only one application can be submitted at a time, and if there are signs that a customer's financial stability could weaken, underwriters will refuse the application or offer refinancing.

– In borderline cases, we request additional documentation or, if necessary, suggest a smaller loan so that the customer retains a financial buffer.

Collaboration across departments strengthens this process further. Credit risk, compliance, and analytics teams provide broader insights, helping underwriters identify early warning signs and make well-informed decisions.

Looking forward, the core principles of responsible underwriting will remain unchanged: careful evaluation, thorough monitoring, and reliance on verified data.

– It is essential to assess not just the number of a customer's obligations, but also the quality of their creditors. Whenever doubts arise, it is always better to request additional documentation.

Through this disciplined approach, TF Bank ensures that underwriting is robust, fair, and fully aligned with its commitment to responsible lending, safeguarding both the Bank and its customers over the long term.

Jana Reimal
Underwriter, Estonia

GOVERNANCE

Business Conduct and Governance

TF Bank is committed to high standards of business ethics, integrity and responsible conduct across all operations. TF Bank governance practices are designed to support regulatory compliance, effective risk management and long-term value creation, while maintaining trust among customers, employees, suppliers and other stakeholders.

TF Bank corporate culture is founded on its Code of Conduct, which applies to all employees, management and members of the Board. The Code sets clear expectations regarding ethical behaviour, compliance with laws and regulations, prevention of conflicts of interest, equal treatment and respect for human rights.

Based on the DMA, business ethics, anti-corruption, prevention of money laundering and terrorist financing, and information security have been identified as material governance topics. TF Bank applies a zero-tolerance approach to corruption and bribery. Anti-corruption, anti-bribery and anti-financial crime measures are embedded in TF Bank governance and risk management systems and include:

- Risk-based anti-money laundering (AML) and counter-terrorist financing (CTF) controls
- Strict Know Your Customer (KYC) procedures during onboarding and throughout the customer relationship
- Continuous transaction monitoring and reporting of suspicious activities to relevant authorities
- Mandatory and regularly updated training for employees in relevant roles

These measures aim to prevent, detect and address financial crime risks and are continuously enhanced to reflect regulatory changes and emerging risks.

TF Bank has an independent whistleblower function available to employees and external stakeholders. Suspected breaches of the Code of Conduct, violations of internal or external regulations, or concerns related to corruption, money laundering or terrorist financing can be reported anonymously. Reports are handled confidentially and in accordance with applicable whistleblower protection legislation.

TF Bank expects suppliers and business partners to comply with high ethical, legal and sustainability standards. These expectations are set out in the Code of Conduct for Suppliers, covering areas such as anti-corruption, AML, data protection, human rights and environmental responsibility. Suppliers are expected to adhere to TF Bank's Code of Conduct or demonstrate that they apply equivalent standards.

Information security and data protection are critical to TF Bank's digital business model. The Board of Directors has approved IT, information security and privacy policies aligned with GDPR, DORA and other applicable regulations. Controls include access management, encryption, incident response procedures, business continuity and disaster recovery planning, and mandatory employee training. Compliance is monitored through internal controls and independent internal audit.

Governance oversight is exercised through the Bank's three-lines-of-defence model, internal controls and independent internal audit. During the reporting period, TF Bank did not record incidents of corruption, bribery or serious breaches of business conduct that had a significant impact on TF Bank or its stakeholders.

The table below reflects that the operational governance indicators remained stable within reporting period, with an increase in customer complaints and reported GDPR breaches compared to 2024, no whistleblowing reports, and a higher amount of taxes paid, reflecting TF Bank's expanding operations. These developments should also be understood in the context of growing business volumes, an increasing customer base and TF Bank's broader international footprint.

KPIs	2025	2024
Number of customer complaints	517	452
Number of reported GDPR breaches	10	7
Number of reports to whistle-blower function	0	0
Tax payments (SEK thousand)	268,960	219,828

AUDITOR'S OPINION REGARDING THE STATUTORY SUSTAINABILITY REPORT

To the Annual General Meeting of TF Bank AB (publ), corporate identity number 556158-1041.

The Board of Directors is responsible for the sustainability report on pages 128-146, and that it is prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024.

Our examination has been conducted in accordance with FAR's standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Stockholm 20 March 2026
Öhrlings PricewaterhouseCoopers AB (PWC)

Frida Main
Authorised Public Accountant