



LF Bank

Remuneration – Q4 2025

Innehåll

Remuneration	4
EU REMA - Remuneration policy.....	4
EU REM1 - Remuneration awarded for the financial year	6
EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)	7
EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff).....	8

Not applicable disclosure requirements

EU REM3 - Deferred remuneration

EU REM4 - Remuneration of 1 million EUR or more per year

Remuneration

EU REMA - Remuneration policy

Disclosure according points (a) to (f), (j) and (k) of Article 450(1) and Article 450(2) in EU Regulation No 575/2013

Information relating to the bodies that oversee remuneration. Disclosures shall include:

- **Name, composition and mandate of the main body (management body or remuneration committee as applicable) overseeing the remuneration policy and the number of meetings held by that main body during the financial year.**
- **External consultants whose advice has been sought, the body by which they were commissioned, and in which areas of the remuneration framework.**
- **A description of the scope of the institution's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to subsidiaries and branches located in third countries.**
- **A description of the staff or categories of staff whose professional activities have a material impact on institutions' risk profile.**

The Board of Directors decides on remuneration to employees who are part of the executive management and employees who have overall responsibility for one of the Company's control functions. The Board of Directors appoints within itself a remuneration committee with the task of preparing questions regarding remuneration for these persons, prior to the Board's decision on this. The Remuneration Committee meets at least once a year at the annual salary audit and thereafter if necessary.

No external consultants have been sought for advice at any point.

Länsförsäkringar AB (below LFAB) is the parent company of a group for which there is a group-wide remuneration policy covering all employees. All subsidiaries within the Group then decide to apply the remuneration policy and in addition, Länsförsäkringar Bank AB regulates specific remuneration questions, such as variable remuneration to employees, in their own remuneration policy. Länsförsäkringar Bank, together with the subsidiaries Länsförsäkringar Hypotek AB, LF Finans AB and Länsförsäkringar Fondförvaltning AB, constitutes a consolidated situation for Länsförsäkringar Bank Group.

The employees whose professional activities have a material impact on the institution's risk profile are identified on an annual basis and updated in the event of changes, this for decision by the board of that company within the Bank Group. The criteria for identification are in accordance with current regulations. It is relevant to mention that Länsförsäkringar Bank is a private limited company which does not conduct business with professional financial advice and has limited operations with corporate customers, which limits the number of identified staff.

Information relating to the design and structure of the remuneration system for identified staff. Disclosures shall include:

- **An overview of the key features and objectives of remuneration policy, and information about the decision-making process used for determining the remuneration policy and the role of the relevant stakeholders.**
- **Information on the criteria used for performance measurement and ex ante and ex post risk adjustment.**
- **Whether the management body or the remuneration committee where established reviewed the institution's remuneration policy during the past year, and if so, an overview of any changes that were made, the reasons for those changes and their impact on remuneration.**
- **Information of how the institution ensures that staff in internal control functions are remunerated independently of the businesses they oversee.**
- **Policies and criteria applied for the award of guaranteed variable remuneration and severance payments.**

The starting point for the group-wide remuneration model is that it will contribute to creating good conditions for the LFAB Group to carry out its assignment from the owners satisfactorily. The remuneration model shall be consistent with the LFAB Group's long-term interests, business strategy, objectives and values and aims to promote sound and effective risk management and responsible business practices and counteract excessive risk-taking and the emergence of conflicts of

interest in relation to the companies' customers, unitholders and other stakeholders.

Länsförsäkringar Bank has, according to the same principles and criteria, created a company-specific Remuneration Policy that complements the group-wide to regulate variable remuneration to employees, as decided by the Board of Directors.

The performance assessment shall be carried out in a multi-annual perspective to ensure that the assessment is based on long-term sustainable results and that the business cycle and business risks are taken into account when the performance-based remuneration is paid.

The Board of Directors appoints within itself a remuneration committee with the task of ensuring executive pay is according to policy as well as governing the overall remuneration policy. The remuneration committee performs an annual review of the remuneration policy. This year the policy was reviewed and approved with some changes.

The employees that are part of the independent control functions are hired and paid in our Group company Länsförsäkringar AB which ensures that they have an independent remuneration to the businesses they oversee.

Länsförsäkringar Bank AB do not have any guaranteed variable pay. In exceptional cases, severance pay, in addition to what follows from collective agreements, may be paid. The severance pay shall be proportionate and constitute appropriate compensation for the early termination of the employment contract, be proportionate to the performance of the employee and not reward unhealthy risk-taking. Severance in excess of what is stipulated in the collective agreement is not paid to employees whose duties have a significant impact on the company's risk profile.

Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures shall include an overview of the key risks, their measurement and how these measures affect remuneration.

The remuneration policy is reviewed and established at least once a year. Proposals for changes to the remuneration policy are prepared by HR, after which the policy is referred, among other internal responsible departments, ex. Risk Management and Compliance before a decision. After preparation in the remuneration committee, the remuneration policy is decided by the Board of Directors. A risk analysis forms part of the basis for decision-making. The risk analysis aims to assess whether the compensation scheme adequately takes into account all types of risks. The risk analysis is carried out by Risk Management (internal independent control function).

The ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) CRD.

In general, variable remuneration shall be designed in such a way as to promote responsible business practices and not promote the emergence of conflicts of interest. The variable remuneration shall be gender neutral and shall only be a complement to the fixed remuneration, therefore to a maximum amount of 20 per cent of the employee's total remuneration. In 2025, no one got more than 20 per cent in variable pay in relation to the fixed remuneration (ratio).

Description of the ways in which the institution seeks to link performance during a performance measurement period with levels of remuneration. Disclosures shall include:

- **An overview of main performance criteria and metrics for institution, business lines and individuals.**
- **An overview of how amounts of individual variable remuneration are linked to institution-wide and individual performance.**
- **Information on the criteria used to determine the balance between different types of instruments awarded including shares, equivalent ownership interest, options and other instruments.**
- **Information of the measures the institution will implement to adjust variable remuneration in the event that performance metrics are weak, including the institution's criteria for determining "weak" performance metrics.**

The basis of the remuneration model consists of fixed remuneration, in the form of fixed cash monthly salary. However, employees of Länsförsäkringar Bank AB who are also employed by a county based insurance company (Länsbolag), concurrent employees, may in some cases also receive a certain proportion of

variable remuneration, according to what follows from the county based insurance company's compensation system. Their remuneration policies have to follow the remuneration policies of Länsförsäkringar Bank AB and Länsförsäkringar AB .

When the county insurance company is to assess the result that forms the basis for calculating variable remuneration, this shall mainly be based on risk-adjusted profit measures where both current and future risks must be taken into account. If the county insurance company uses subjective assessments for adjusting results based on risk, the considerations on which the adjustment is based shall be well balanced and documented.

The performance assessment shall be carried out in a multi-annual perspective to ensure that the assessment is based on long-term sustainable results and that the business cycle and business risks are taken into account when the performance-based remuneration is paid.

Variable remuneration shall, where applicable, be a supplement to the fixed remuneration. There shall be a balance between fixed and variable remuneration, where the variable remuneration may not exceed the fixed remuneration. In order to achieve an appropriate balance between fixed and variable remuneration, the variable component may not exceed 20 per cent of the employee's total remuneration. This is regulated by the remuneration policy in Länsförsäkringar Bank AB. Further details and criteria is defined by each county insurance company.

There is no variable pay in financial instruments directly, since we are a private limited company which do not share any holdings.

If the county insurance company have a criteria or parameter for performance assessment, it should always be carried out in a multi-annual perspective which will affect the outcome if standards decided by the company are not met.

Description of the ways in which the institution seeks to adjust remuneration to take account of longterm performance. Disclosures shall include:

- **An overview of the institution's policy on deferral, payout in instrument, retention periods and vesting of variable remuneration including where it is different among staff or categories of staff.**
- **Information of the institution' criteria for ex-post adjustments (malus during deferral and clawback after vesting, if permitted by national law).**
- **Where applicable, shareholding requirements that may be imposed on identified staff.**

Länsförsäkringar Bank AB do not have any of the following types of remuneration: deferral, payout in instrument, retention periods and vesting of variable remuneration.

Länsförsäkringar Bank AB do not have any deferrals or clawbacks.

Länsförsäkringar Bank AB is a private limited company which do not share any holdings.

The description of the main parameters and rationale for any variable components scheme and any other non-cash benefit in accordance with point (f) of Article 450(1) CRR. Disclosures shall include:

- **Information on the specific performance indicators used to determine the variable components of remuneration and the criteria used to determine the balance between different types of instruments awarded, including shares, equivalent ownership interests, share-linked instruments, equivalent non-cash instruments, options and other instruments.**

When assessing the employee's performance, both financial and non-financial criteria shall be taken into account. The performance and risk measurement process for employees involved in credit granting shall include appropriate credit quality measures that are in line with the credit risk appetite decided. There is no variable pay in financial instruments directly, since we are a private limited company which do not share any holdings.

Upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management.

The total compensation of each member of the management group is reported on a monthly basis to the tax authorities as part of the tax declaration process. Individual remuneration is part of the public domain.

Information on whether the institution benefits from a derogation laid down in Article 94(3) CRD in accordance with point (k) of Article 450(1) CRR.

- **For the purposes of this point, institutions that benefit from such a derogation shall indicate whether this is on the basis of point (a) and/or point (b) of Article 94(3) CRD. They shall also indicate for which of the remuneration principles they apply the derogation(s), the number of staff members that benefit from the derogation(s) and their total remuneration, split into fixed and variable remuneration.**

Information on whether the institution benefits from a derogation laid down in Article 94(3) CRD in accordance with point (k) of Article 450(1) CRR.

We do not benefit from such a derogation mentioned in point (a) and/or point (b) of Article 94(3) CRD.

Large institutions shall disclose the quantitative information on the remuneration of their collective management body, differentiating between executive and non-executive members in accordance with Article 450(2) CRR.

Quantitative information on the remuneration of our collective management body (REM 1 & REM 5), differentiating between executive and non-executive, is published in the mentioned tables at the same point in time as this disclosure. Executive members refer to "MB Management function" and non-executive refer to "MB Supervisory function".

EU REM1 - Remuneration awarded for the financial year

Disclosure according to point (h)(i)-(ii) of Article 450(1) in EU Regulation No 575/2013

SEK m		a	b	c	d	
		MB Supervisory function	MB Management function	Other senior management	Other identified staff	
	1	Number of identified staff	11	2	15	2053
	2	Total fixed remuneration	4	10	40	714
	3	Of which: cash-based	4	10	40	714
	4	(Not applicable in the EU)				
Fixed remuneration	EU-4a	Of which: shares or equivalent ownership interests				
	5	Of which: share-linked instruments or equivalent non-cash instruments				
	EU-5x	Of which: other instruments				
	6	(Not applicable in the EU)				
	7	Of which: other forms				
	8	(Not applicable in the EU)				
	9	Number of identified staff				995
	10	Total variable remuneration				65
	11	Of which: cash-based				51
	12	Of which: deferred				
Variable remuneration	EU-13a	Of which: shares or equivalent ownership interests				
	EU-14a	Of which: deferred				
	EU-13b	Of which: share-linked instruments or equivalent non-cash instruments				
	EU-14b	Of which: deferred				
	EU-14x	Of which: other instruments				
	EU-14y	Of which: deferred				
	15	Of which: other forms				
	16	Of which: deferred				
	17	Total remuneration	4	10	40	779

EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

Disclosure according to point (h)(v) to (vii) of Article 450(1) in EU Regulation No 575/2013

SEK m		a	b	c	d
		MB Supervisory function	MB Management function	Other senior management	Other identified staff
	Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff				134
2	Guaranteed variable remuneration awards -Total amount				4
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap				
	Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff				
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount				
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff				
7	Severance payments awarded during the financial year - Total amount				
8	Of which paid during the financial year				
9	Of which deferred				
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap				
11	Of which highest payment that has been awarded to a single person				

EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

Disclosure according to point (g) of Article 450(1) in EU Regulation No 575/2013

SEK m		Management body remuneration			Business areas						
		a MB Supervisory function	b MB Management function	c Total MB	d Investment banking	e Retail banking	f Asset management	g Corporate functions	h Independent internal control functions	i All other	j Total
1	Total number of identified staff										2068
2	Of which: members of the MB	11	2	13							
3	Of which: other senior management							11	4		
4	Of which: other identified staff					1492	12	195		354	
5	Total remuneration of identified staff	4	10	14		507	24	85	6	197	
6	Of which: variable remuneration					42		7		16	
7	Of which: fixed remuneration	4	10	14		465	24	78	6	181	

This report constitutes LF Bank's Pillar 3 disclosures and has been prepared in accordance with the requirements set out in Part Eight of Regulation (EU) No 575/2013 (CRR), the Commission Implementing Regulation (EU) 2024/3172 regarding public disclosure. The disclosures have been compiled in accordance with LF's internal policies, procedures, systems and controls for Pillar 3 reporting.

Martin Rydin
CFO LF Bank

Markus Gustafsson
CRO LF Bank

25 March 2026