

Bonum Bank Plc

**BOARD OF DIRECTORS'
AND FINANCIAL
STATEMENTS REPORT**

1 January – 31 December 2025

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This document is a translation of the original Finnish version "Bonum Pankki Oyj:n toimintakertomus ja tilinpäätös 1.1-31.12.2025". In case of discrepancies, the Finnish version shall prevail.

BOARD OF DIRECTORS' REPORT 1 JANUARY – 31 DECEMBER 2025

BOARD OF DIRECTORS' REVIEW

Bonum Bank Plc (hereinafter "Bonum Bank") is part of the amalgamation of POP Banks and is responsible for providing 18 POP Banks with central credit institution services, obtaining external funding for the POP Bank Group, handling payment transactions, issuing payment cards to the customers of the POP Banks and providing centralised services for the Group.

In its external business operations, Bonum Bank offers services that are aligned with the Group's strategy and supplement the Group's overall offering. The Group's external business operations mainly consist of granting secured bond loans and unsecured consumer credits. The purpose of Bonum Bank's internal service production is to limit the Group's dependence on external service providers and enhance the overall cost structure of the entire Group.

As the central credit institution for the banks of the amalgamation, Bonum Bank issues certificates of deposit under its EUR 250 million certificate of deposit programme and accepts money market deposits. Bonum Bank coordinates interest derivatives as part of interest rate risk management of the POP Bank Group. Bonum Bank is also responsible for managing of the liquidity puffer (LCR portfolio) of the amalgamation.

In autumn 2025, Bonum Bank repaid a EUR 20 million bond and did not issue new bonds. In December, the bank held change negotiations to reorganise its administrative functions, resulting in the termination of two employment contracts.

Bonum Bank's Annual General Meeting was held in March 2025. The Annual General Meeting dealt with statutory matters and elected Jaakko Pulli, Hanna Linna, Kirsi Salo and Ilkka Lähteenmäki to the Board of Directors. Jaakko Pulli has served as Chair of the Board.

The result of the reviewing period was EUR 2,776 (784) thousand. At the end of the period Bonum Bank's balance was EUR 1,792,465 (2,050,510) thousand.

POP BANK GROUP AND AMALGAMATION OF POP BANKS

The POP Bank Group is a Finnish financial group that offers retail banking services for private customers and small and medium-sized enterprises. The POP Banks are cooperative banks owned by their member customers. The POP Banks' mission is to promote their customers' financial well-being and prosperity, as well as local success.

In its business operations, POP Bank Group utilises intangible assets, which are mainly licenses and information systems. In addition to intangible assets, the intangible resources relevant to POP Bank Group's business operations consist of the POP Pankki (POP Bank) brand, business model and good reputation, as well as skilled and professional personnel. These, combined with strategic partnerships, lay the foundation for successful business operations and are a key part of POP Bank Group's long-term growth strategy.

Structure of the POP Bank Group

The POP Bank Group consists of the POP Banks, POP Bank Centre coop and their controlled entities. The POP Banks are member credit institutions of POP Bank Centre coop. POP Bank Centre coop and its member credit institutions are mutually liable for their debts and liabilities in line with the Act on the Amalgamation of Deposit Banks. The POP Banks, POP Bank Centre coop and their controlled service companies constitute the Amalgamation of POP Banks.

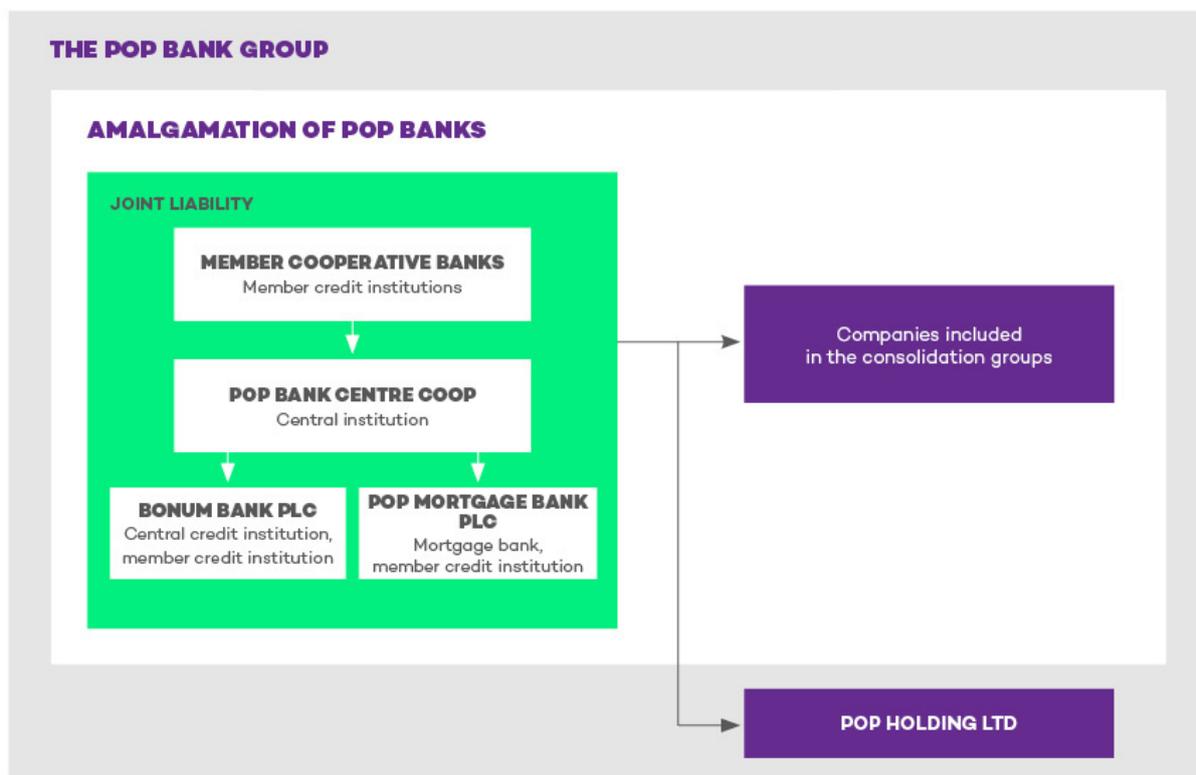
POP Bank Centre coop is the central institution of the Amalgamation of POP Banks and is responsible for steering and supervising the POP Bank Group. POP Bank Centre coop has two subsidiaries, Bonum Bank Plc and POP Mortgage Bank Plc, which are also its member credit institutions.

Bonum Bank Plc serves as the central credit institution of the POP Banks and acquires external funding for the Group by issuing unsecured bonds. Bonum Bank Plc is also responsible for the POP Banks' card business and the Group's payment transactions and centralised services, in addition to granting credit to retail customers. POP Mortgage Bank Plc is responsible for the Group's mortgage-backed funding, which it acquires by issuing covered bonds.

POP Bank Group also includes POP Holding Ltd owned by POP Banks and POP Bank Centre coop. POP Holding Ltd owns 30 per cent of Finnish P&C Insurance Ltd that belongs to LocalTapiola Group and uses the auxiliary business name of POP Insurance. POP Holding Ltd is not a member of the amalgamation of POP Banks and is not included in the scope of joint liability.

The following figure shows the structure of the POP Bank Group and the entities included in the amalgamation and covered by joint mutual responsibility. There were no changes in the Group's structure in 2025.

POP BANK GROUP STRUCTURE



OPERATING ENVIRONMENT

Global economic growth slowed in 2025 compared with the previous year. Regionally, growth was strongest in Asia, while growth in the euro area remained subdued. In the United States, however, economic growth decelerated year on year. Global growth continued to be weighed down by geopolitical tensions as the war in Ukraine continued, although tensions eased somewhat following the ceasefire reached in the conflict between Israel and Hamas.

Exports of goods to the United States picked up in the first half of the year as companies prepared for the introduction of tariffs. Towards the end of the year, growth in global trade slowed as a result of US trade policy, weakening the outlook for exports from the euro area and Finland to the United States. On the other hand, the trade agreement between the EU and the United States reduced trade policy uncertainty, and overall equity market performance in 2025 was positive. Rising global uncertainty also pushed the price of gold to record highs.

Economic growth in the euro area was slightly faster than in the previous year, but households remained largely cautious and saving levels remained elevated. The automotive industry, which is particularly important for the European economy, faced difficulties as households extended replacement cycles for cars, while lower-priced Chinese electric vehicles rapidly increased their market share. The outlook and order books for the defence industry improved as NATO member states were required to increase investment in maintaining and developing their defence capabilities.

Economic growth in Finland remained weak in 2025. Although household purchasing power improved as a result of tax and wage agreements, consumers were exceptionally cautious in their spending decisions. Cost-cutting measures aimed at halting the growth of public sector debt were felt by many in everyday life, and households were concerned about the ongoing deterioration

of public services. In addition, the rise in unemployment made households even more cautious. This was reflected in consumption behaviour and an increase in savings. Major purchases, such as homes or new cars, continued to be made less frequently than the long-term average.

Households were supported by low inflation and the continued decline in short-term interest rates at the beginning of the year. The European Central Bank cut its key interest rates four times in the first half of 2025, in steps of 0.25 percentage points. The decline in short-term Euribor rates ended in the summer at around 2 per cent. Towards the end of the year, the most common reference rate for mortgage loans, the 12-month Euribor, turned slightly upwards, ending the year at around 2.2 per cent. As in the previous year, mortgage loans were taken out at a moderate level, and the housing market was subdued. Prices of existing homes were generally on a downward trend, although increases in selling prices were observed in some areas.

The number of bankruptcies in Finland remained high in 2025, and unemployment continued to rise rapidly. The year was particularly challenging for sectors dependent on household consumption, such as restaurants, renovation services and specialised retail. The financial difficulties of the wellbeing services counties were reflected as a reduction in the purchase of care services from private providers. Challenges in the construction sector persisted, as sales of new homes remained weak and the number of new residential construction starts was at a low level.

Forestry benefited from strong domestic demand for timber, which was reflected in record-high stumpage earnings. Logging volumes remained high as industrial demand for timber increased and the availability of imported timber was limited. Producer prices in agriculture also rose, with both meat and milk prices increasing compared with the previous year. At the same time, prices of production inputs mostly declined, and the grain harvest was reasonably good.

FINANCIAL POSITION

Performance

Bonum Bank's profit for the financial year was EUR 2,776 thousand, whereas last year that was EUR 784 thousand. The profit for the financial year primarily consists of interest and commission income on central credit institution services provided for POP Banks, income from unsecured lending and profit on the card business and payments. The Bank's cost-to-income ratio was 78.3 per cent (84.2).

The bank's income statement items have developed as follows, compared with year 2024:

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Interest income	58,934	74,491
Interest expenses	-49,691	-64,257
Net interest income	9,243	10,233
Net commissions and fees	7,821	8,024
Net investment income	532	566
Other operating income	10,027	6,451
Total operating income	27,623	25,275
Personnel expenses	-8,182	-6,864
Other operating expenses	-13,150	-13,943
Depreciation and amortisation	-298	-473
Total operating expenses	-21,630	-21,279
Impairment losses on financial assets	-2,518	-3,018
Profit before taxes	3,475	978
Income tax expense	-699	-194
Profit for the period	2,776	784

Operating income totalled EUR 27,623 (25,275) thousand. This represents an increase of 9.3 per cent year-on-year. The decreased level of the net interest income was mainly due to decrease of interest income in central credit institution services.

Net commission income decreased 2.5 per cent from previous year to EUR 7,821 (8,024) thousand. Commission income consists mostly of income from the cards business and payment transmission fees.

Net investment income is on the same level as previous year EUR 532 (566) thousand. Net investment income consists of mainly net gains from foreign currency transactions and net income from derivatives. Other operating income

totalled to EUR 10,027 (6,451) thousand. The increase in other operating income is due to the growth of the Group's internal services and the increase in internal invoicing.

Operating expenses totalled at EUR 21,630 (21,279) thousand. Personnel expenses, that are composed of salary expenses and pension and other indirect employee expenses, increased to EUR 8,182 (6,864) thousand. The decrease in operating expenses comes mainly from one-off expenses related to selling consumer lending receivables. On 31 December 2025, the Bank had 124 (102) employees.

Depreciations and impairment losses on tangible and intangible assets were EUR 298 (473) thousand.

Impairment losses on financial assets decreased to EUR 2,526 (3,018) during the year. Active collection measures are being targeted at receivables recognised as credit losses.

Balance sheet

At the end of the year 2025, Bonum Bank's balance sheet stood at EUR 1,792,465 (2,050,510) thousand.

The amount of liquid assets decreased during the review period to EUR 375,583 (558,332) thousand. Loans and receivables from credit institutions were EUR 962,196 (1,020,697) thousand. This item includes the funding provided by Bonum Bank

to other member banks of the POP Bank Group. Loans and receivables from customers totalled to EUR 190,322 (197,579) thousand. This item includes the credit used on credit cards issued by Bonum Bank and other loan products issued by Bonum Bank to its customers.

Liabilities to credit institutions increased up to EUR 1,513,589 (1,759,867) thousand. This item includes deposits from the other member banks of the POP Bank Group and deposits from the other banks outside the Group. The amount of debt securities issued to the public was EUR 163,887 (184,706) thousand at the end of the review period.

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Assets		
Liquid assets	375,583	558,332
Loans and receivables from credit institutions	962,196	1,020,697
Loans and receivables from customers	190,322	197,579
Derivatives	18,064	22,395
Investment assets	215,566	218,689
Intangible assets	64	108
Property, plant and equipment	177	370
Other assets	30,471	31,992
Tax assets	23	347
Total assets	1,792,465	2,050,510
Liabilities		
Liabilities to credit institutions	1,513,589	1,759,867
Liabilities to customers	14,981	14,060
Derivatives	13,616	8,674
Debt securities issued to the public	163,887	184,706
Other liabilities	32,094	31,938
Tax liabilities	304	257
Total liabilities	1,738,471	1,999,503
Equity capital		
Share capital	10,000	10,000
Reserves	30,860	30,657
Retained earnings	13,135	10,350
Total equity capital	53,995	51,007
Total liabilities and equity capital	1,792,465	2,050,510

Key figures and the formulas of key figures

	31 Dec 2025	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2021
Cost-to-income -ratio, %	78.3	84.2	74.3	74.2	75.4
ROA, %	0.29	0.04	0.14	0.26	0.10
ROE, %	5.3	1.54	4.95	8.25	3.00
Common equity Tier 1 capital ratio (CET1)	20.3	20.3	19.4	20.0	21.8
Capital adequacy ratio (TC) %	20.3	20.3	19.4	20.0	21.8
Equity ratio, %	3.0	2.5	2.8	3.0	3.4

$$\text{Cost-to-income -ratio, \%} = \frac{\text{Total operating expenses}}{\text{Total operating income}} \times 100$$

$$\text{Return on assets (ROA), \%} = \frac{\text{Result for the period}}{\text{Balance sheet total (average of beginning and end of year)}} \times 100$$

$$\text{Return on equity (ROE), \%} = \frac{\text{Result for the period}}{\text{Equity (average of beginning and end of year)}} \times 100$$

$$\text{Capital adequacy ratio (TC), \%} = \frac{\text{Total capital (TC)}}{\text{Total minimum capital requirement}} \times 100$$

$$\text{Equity ratio, \%} = \frac{\text{Equity}}{\text{Balance sheet total}} \times 100$$

CREDIT RATING

In December 2025, S&P Global Ratings affirmed Bonum Bank's credit rating with a positive outlook. Bonum Bank's long-term investment grade credit rating is 'BBB' and its short-term credit rating is 'A2'. The long-term Resolution Counterparty Rating (RCR) is BBB+ and the short-term RCR is A2. The long-term funding credit rating is also affirmed by S&P Global Ratings.

SHAREHOLDINGS AND EQUITY

On 31 December 2025, Bonum Bank had 1,400,000 shares, all of them held by the POP Bank Centre coop. Bonum Bank holds no own shares.

At the end of the financial year, Bonum Bank's share capital was EUR 10,000 thousand (10,000). Equity totalled EUR 53,995 (51,007) thousand.

RISK AND CAPITAL ADEQUACY MANAGEMENT AND RISK POSITION

Principles and organisation of risk and capital management

The POP Bank Group's strategy outlines the Group's risk appetite. Business activities are carried out at a moderate risk level so that the risks can be managed in full. The purpose of Bonum Bank's risk management is to ensure that all risks are identified, measured and monitored and that they are proportionate to Bonum Bank's and the amalgamation's risk-bearing capacity and capital adequacy position. Risk management processes must be able to identify all significant risks of the business operations and assess, measure and monitor these regularly. The most significant risks associated with Bonum Bank's operations are credit risk, liquidity risk and interest rate risk.

As the central institution, POP Bank Centre coop supervises the sufficiency and functioning of the risk management systems at the level of the member credit institutions and the amalgamation and is liable for the Group's risk and capital adequacy management in accordance with section 17 of the Amalgamation Act. The central institution of the amalgamation issues binding instructions concerning risk and capital adequacy management, corporate governance and internal control to the member credit institutions to secure their solvency and capital adequacy. Furthermore, common business controlling thresholds have been established for the member institutions to ensure that the risks taken by an individual member institution are within acceptable limits set according to the Group's risk appetite.

Bonum Bank is the central credit institution and a member credit institution of the amalgamation of POP Banks. Bonum Bank's risk management's goal is to ensure that the bank complies with laws, decrees, instructions and regulations issued by the authorities, their own rules and the internal binding guidelines issued by the central institution of the amalgamation in its activities. In addition to central institution's independent functions, Bonum Bank has own separate risk control unit to monitor risk position and a compliance contact person.

The purpose of capital adequacy management is to ensure the sufficient amount, type and efficient use of the capital of the Bonum Bank. A sufficient level of capital covers the material risks arising from implementation of the bank's business plan in accordance with its strategy, and also secures the uninterrupted operation of the bank in the case of unexpected losses. The goal is pursued through a documented and systematic capital adequacy management process that is integrally linked to the strategy process, business planning and management at the level of the amalgamation.

The principles, organisation and internal control measures of amalgamation's risk and capital adequacy management are described in more detail in Note 4 to the POP Bank Group's financial statements. Copies of the financial statements of the POP Bank Group are available online at www.poppankki.fi or from the office of the POP Bank Centre coop, address Hevosenkenkä 3, 02600 Espoo, Finland.

The POP Bank Group submits the amalgamation's Pillar III disclosures, as required under the EU Capital Requirements Regulation, to the European Banking Authority (EBA), which publishes them in its centralised Pillar 3 data hub. A link to the service is published on the POP Bank Group's website.

Business risks

Credit risks

Bonum Bank's credit risk exposure decreased during the financial period. Balance sheet items exposed to credit risk totalled EUR 408,359 (418,712) thousand at the end of 2025. Bonum Bank's off-balance sheet credit commitments totalled EUR 204,734 (185,172) thousand, consisting mainly of unrestricted credit facilities related to card credit and the POP Banks' liquidity facilities. Bonum Bank's most significant credit risks are related to investment activities and unsecured credits.

At the end of the financial period, Bonum Bank's investment assets totalled EUR 215,566 (218,689) thousand. The investment asset items in the liquidity reserve include debt securities issued by

governments, municipalities, credit institutions and companies. Some of these debt securities are accepted as collateral by the ECB. The credit risk related to investment activities is managed mainly by limiting the creditworthiness of investments and distributing investment assets across sectors, counterparties and instrument classes.

The retail banking segment's loan portfolio decreased by 3.7 per cent during the financial period, amounting to EUR 190,322 (197,579) thousand. The decrease resulted mainly from a partial selling of a debt collection portfolio. Most of the lending was unsecured lending, which represented 58.5 per cent of the loan portfolio. Loans granted to private customers represented 87.8 (86.5) per cent of the loan portfolio.

Expected credit losses (ECL) on loans, receivables and off-balance sheet items decreased by EUR 2,497 thousand during the financial period, amounting to EUR 5,511 thousand. Expected credit losses in IFRS stage 3 decreased to EUR 3,892 (6,071) thousand. In 2025 write offs were in total EUR 5,015 (2,103) thousand. The development of the levels of ECL allowances and write offs were affected by the debt collection portfolio sales carried out during the year. Appropriate collection measures are applied to defaulted receivables in collection.

Credit risk monitoring in banking operations is based on the continuous monitoring of non-performing receivables, payment delays and forbearance, and on monitoring the quality of the loan portfolio. Monitoring the amount of expected credit losses is an important part of the credit risk management process. Foreseeable credit management problems are addressed as early as possible.

Liquidity risks

Bonum Bank as the central credit institution is responsible for fulfilling liquidity coverage requirements and liquidity risk management at the POP Bank Group level. Liquidity risks are prepared for by maintaining a sufficient liquidity reserve comprising of LCR eligible high-quality liquid assets, assets eligible as central bank collateral, and short-term bank receivables.

The POP Bank Group's liquidity position remained strong during the financial period. The liquidity requirement (Liquidity Coverage Ratio, LCR) for the amalgamation of POP Banks was 241.9 (315.1) per cent on 31 December 2025, with the minimum level being 100 per cent. At the end of the financial period, Bonum Bank had EUR 771.4 (955.0) million in LCR-eligible liquid assets before haircuts, of which 49.9 (59.5) per cent consisted of cash and receivables from the central bank and 48.0 (37.8) per cent consisted of highly liquid Tier 1 securities. In addition, the member credit institutions of the amalgamation had EUR 149.9 (154.1) million in unpledged securities outside the LCR portfolio.

The requirement for stable funding, NSFR, measures the maturity mismatch of assets and liabilities on the balance sheet and aims to ensure that the level of stable funding is sufficient to meet funding needs over a one-year period, thus preventing over-reliance on short-term wholesale funding. The consortium's NSFR ratio on 31 December 2025 was 136.5 (136.9) per cent.

Bonum Bank provides the member banks of the amalgamation with access to long-term wholesale funding, in addition to serving as an internal bank for member credit institutions. The planning of the bank's funding structure is based on liquidity and funding planning of the whole amalgamation as well as the strategic goals and limits set by the central institution.

At the end of the year, Bonum Bank had EUR 150 (170) million outstanding in an unsecured senior loan issued as part of its EUR 750 million bond programme. Of the bank's EUR 250 million certificate of deposit programme, EUR 14.0 (15.0) million was outstanding at the end of the review period.

Market risks

The most significant market risk related to Bonum Bank's business operations is the interest rate risk associated with the banking book. The interest rate risk refers to the impact of changes in interest levels on the market value of balance sheet and off-balance-sheet items, or on net interest income. Banking book consists of loans and

deposits, wholesale funding and liquidity portfolio investments.

Bonum Bank's business operations do not include trading activities. On amalgamation level, any use of derivatives is limited to hedging interest rate risk in the banking book items. The Bank continued execution of derivative hedges during the financial year to hedge net interest income in member banks balance sheet.

Bonum Bank monitors the interest rate risk using the present value method and the dynamic income risk model on monthly basis. The present value method measures how changes in interest rates affect the constructed market value of the balance sheet. In the present value method, the market value of the balance sheet is calculated as the present value of the expected cash flows of individual balance sheet items.

The primary focus of the portfolio management is on LCR eligible instruments that insure the liquidity position. Interest rate sensitivity indicators are used to monitor the market value changes caused by changes in the interest rates and credit spreads of investment items in different interest rate scenarios. The income risk model predicts future net interest income and its changes in various market rate scenarios within a time frame of five years.

Operational risks

The objective of the management of operational risks is to identify essential operational risks in business operations and minimise their materialisation and impact. The objective is pursued through operational risk management processes, internal guidelines, process controls, continuous personnel training and internal control measures.

The most important operational risk management processes are operative risk self-assessment process, continuous evaluation of realized operative incidents and near-miss events and new product/service approval procedure. All these incorporate recognition and evaluation of essential risks in business processes and planning of procedures to mitigate the risk.

Capital adequacy

Bonum Bank's capital adequacy was at a good level at the end of 2025. Both capital adequacy ratio and core capital adequacy ratio were 20.3 (20.3) per cent. At the end of 2025, the bank's own funds totalled EUR 50,784 (49,582) thousand, consisting entirely of CET1 capital.

Bonum Bank's risk weighted assets slightly increased in 2025. The growth of risk weighted assets is expected to be moderate in 2026.

Bonum Bank's own funds consist of share capital, retained earnings and other non-restricted reserves. In line with the practice followed by the amalgamation, the bank does not include the profit for the financial year in its own funds. Based on permission from the Financial Supervisory Authority, the member credit institutions of the amalgamation are exempted, by a decision of the central institution, from the own funds requirement for intra-group items, and from the restrictions imposed on major counterparties concerning items between the central credit institution and the member banks.

The statutory minimum for capital adequacy ratio is 8 per cent and 4.5 per cent for CET1 capital. In addition to the minimum capital adequacy ratio, Bonum Bank is subject to fixed additional capital requirement, which is 2.5 per cent in accordance with the Act on Credit Institutions, and to the variable country-specific additional capital requirements for foreign exposures. All additional capital requirements have to be covered in full with tier 1 capital.

Bonum Bank's leverage ratio was 5.7 (4.7) per cent on 31 December 2025, as the required minimum level is 3 per cent. With special permission from the Financial Supervisory Authority, intra-amalgamation items are deducted from the amount of leverage exposure in the calculation of the leverage ratio.

The updated EU Capital Requirements Regulation No. 575/2013 (CCR3), which entered into force on 1 January 2025, had a slightly positive impact on the capital adequacy position."

Summary of capital adequacy

Bonum Bank Plc Summary of capital adequacy (EUR 1,000)	31 Dec 2025	31 Dec 2024
Own funds		
Common Equity Tier 1 capital before deductions	51,219	50,223
Deductions from Common Equity Tier 1 capital	-435	-641
Total Common Equity Tier 1 capital (CET1)	50,784	49,582
Tier 1 capital (T1 = CET1 + AT1)	50,784	49,582
Total capital (TC = T1 + T2)	50,784	49,582
Total risk weighted assets	250,469	244,616
of which credit risk	201,076	184,242
of which credit valuation adjustment risk (CVA)	4,146	13,647
of which market risk (exchange rate risk)	1,741	1,724
of which operational risk	43,507	45,002
Fixed capital conservation buffer according to Act on Credit institutions (2.5%)	6,262	6,115
Countercyclical capital buffer	357	62
CET1 Capital ratio (%)	20.3%	20.3%
T1 Capital ratio (%)	20.3%	20.3%
Total capital ratio (%)	20.3%	20.3%
Capital requirement		
Total capital	50,784	49,582
Capital requirement*	26,656	25,746
Capital buffer	24,127	23,835
Leverage ratio		
Tier 1 capital (T1)	50,784	49,582
Leverage ratio exposure	885,221	1,064,058
Leverage ratio, %	5.7%	4.7%

*The capital requirement comprises the minimum requirement of 8 %, the capital conservation buffer of 2.5 % and the country-specific countercyclical capital requirements of foreign exposures.

INTERNAL CONTROL

The purpose of the Bonum Bank's internal control is to ensure that the Bank, in a systematic and effective manner, works towards the goals and implements the procedures confirmed by senior management. Internal control aims to ensure that the organisation complies with regulations and manages risks comprehensively, and that its operations are efficient and reliable.

Internal control is implemented at all levels of the organisation. Internal control is implemented by the Board of Directors, the CEO and other management and personnel, as well as the risk management and compliance functions independently of business operations. As part of internal control, the amalgamation has implemented a whistle-blowing mechanism that enables the bank's employees to report, internally through an independent channel, suspected violations of rules and regulations concerning the financial market in the central institution or a member credit institution.

INTERNAL AUDIT

Within the amalgamation, POP Bank Centre coop is centrally responsible for the steering and organisation of internal audit in the bank centre, member credit institutions and other companies of the amalgamation. Bonum Bank's internal audit is based on the internal audit guidelines confirmed by the Board of Directors and the Supervisory Board of POP Bank Centre coop as well as on the audit plan approved by the Board of Directors of POP Bank Centre coop.

The purpose of internal audit is to assess the scope and sufficiency of the internal control of the Bank's operational organisation and to monitor and assess the functionality of risk management systems. Internal audit reports its observations primarily to the Bank's Board of Directors. After audits, the Bank's Board of Directors discusses the summaries prepared as a result of the

internal audit. Internal Audit reports of its activity and observations regularly to central institution's Supervisory Board, central institution's Board and CEO.

The internal audits conducted in the Bank during the year were carried out by the internal audit unit of the central institution.

BONUM BANK'S MANAGEMENT AND PERSONNEL

Bonum Bank's Annual General Meeting at March the 14th 2025 adopted the financial statements for 2024 and granted discharge from liability to the Bonum Bank's Board members and the CEO. The Board of Directors of Bonum Bank had four members. During the year, the Board has convened 18 times.

Regular board members were:

Jaakko Pulli, CEO
Chairman of the Board

Hanna Linna, CEO
Vice Chairman of the Board

Ilkka Lähteenmäki, Adjunct Professor
Member of the Board

Kirsi Salo, CEO
Member of the Board

Bonum Banks CEO is Pia Ali-Tolppa and CEO's deputy is Timo Hulkko.

On 31 December 2025, the Bank had 124 employees, of which 121 with permanent employment contract. Out of the total of 124 employees, 120 worked full-time. Employees' professional competence is maintained and developed in line with the bank's needs and changing operating environment, as well as with employees' individual competence requirements and changes therein.

AUDIT

The company's auditor was KPMG Oy Ab, authorized public accountants, with Henrik Snellman, authorised public accountant, as the principal auditor.

CORPORATE GOVERNANCE

The Bank's functions are controlled by its shareholder, which exercises its decision-making power at the General Meeting in accordance with the Finnish Limited Liability Companies Act and the Articles of Association. The Annual General Meeting decides on the distribution of the Bank's profit and elects the members of the Board of Directors.

The Bank is represented by and directed by the Board of Directors. Operational decisions concerning the Bank's business operations and strategic issues are made by the Bank's Board of Directors. The work of the Board of Directors is based on the Bank's Articles of Association, decisions of the General Meeting and applicable legislation. The Bank's CEO manages the Bank's operational activities in accordance with the instructions provided by the Board of Directors.

The investigation of the independence of Board members and the CEO takes place in accordance with regulations issued by the Finnish Financial Supervisory Authority. Board members and the CEO shall provide an account of the entities in which they operate when they are elected to their office. In addition, Board members and the CEO shall provide an account of fitness and propriety according to the regulation by the Financial Supervisory Authority when they accept their duties.

Bonum Bank PLC's annual Corporate Governance statement is available at <https://www.poppankki.fi/en/investors/information-for-investors/bonum-bank/corporate-governance>

REMUNERATION

The Board of Directors of Bonum Bank is responsible for matters related to remuneration. Bonum

Bank does not have a remuneration committee appointed by the Board to manage its remuneration scheme. It has not been deemed necessary to establish a remuneration committee, considering the quality, scope and diversity of the bank's operations. Bonum Bank's Board of Directors monitors compliance with the remuneration scheme and assesses its functionality annually.

The central institution's internal audit function verifies at least once a year whether the remuneration scheme, as approved by the Board of Directors, has been complied with. The compensation of control functions' personnel is independent of the business area being supervised.

Relationship between remuneration and result

The remuneration scheme must be in line with the Bank's business strategy, goals, values and long-term interests and support the Bank's long-term benefit. It must also be consistent with and promote the Bank's sound and effective risk management and risk-bearing capacity. The remuneration scheme must also support good corporate governance.

Criteria used in the assessment of performance, risk-based changes to the amount of remuneration, postponement practices and payment criteria

At Bonum Bank, variable bonuses paid to an individual are not allowed to exceed EUR 100,000 over a one-year earnings period. The bank may decide not to pay any variable bonuses in full or in part if its financial position has become weaker to such an extent that, based on the Board's estimate, the payment of performance bonuses would be unreasonable, considering the bank's situation.

Severance pay or other compensation payable to an employee can be paid if employment terminates prematurely. The principles of Act on Credit Institutions chapter 8 are taken into account in payment, and the payment criteria are laid down so that compensation is not paid for failed performance.

Fixed and variable compensation

In the bank's remuneration scheme, variable bonuses may not exceed 100% of the fixed annual salary.

Key parameters and criteria applied in the specification of variable compensation and other fringe benefit

The Bank's variable compensation is subject to the following principles

1. The payment criteria for variable compensation will be determined and communicated to the recipients in advance. The Board may also reward employees for exceptional performance without such predetermined grounds with a bonus equaling no more than one month's salary.

2. The compensation must be based on an overall assessment of the performance of the recipient and the related function. Their performance must be evaluated over the long term.

3. When determining the bonus amounts, the risks known at the time of the assessment must be taken into account, as well as future risks, capital costs and the necessary solvency.

4. The compensation beneficiary may be entitled to variable compensation, which can be only paid if the compensation beneficiary has not violated the regulations, instructions or operating principles and procedures defined by the credit institutions, which generate obligations to the credit institution, or contributed to such action through their acts or failure to act. It must also be possible to not pay or to recover the variable compensation if the credit institution becomes aware of such action only after the compensation has been determined or paid.

5. The Bank may commit to unconditional payment of compensation (non-recoverable compensation) only for particularly weighty reasons and provided that the promised compensation only targets the first year of employment of the compensation beneficiary.

Aggregate information on compensation to the management and members of personnel who have a significant impact on the bank's risk profile

The Bank maintains a list of the following persons and the compensation paid to them:

6. CEO and members of the management team,
7. Other persons whose actions have a significant impact on the risk position of the central institution or amalgamation,
8. Persons who work in the risk control function, risk management tasks, compliance function or internal audit function,
9. Another person whose total amount of compensation is not significantly different from the total amount of compensation of the persons referred to in items 1 and 2.

Paid compensation

During the financial period, the Bank has paid variable compensation payments in total EUR 314 thousand. No start-up payments were paid during fiscal year. The Bank did not pay compensation of over EUR 1 million during the financial period.

KEY OUTSOURCED OPERATIONS

Bonum Bank's bank system is outsourced to Samlink Ltd. Bonum Bank's accounting is managed at Figure Taloushallinto Ltd., which POP Bank Group owns together with other customer banks of the company. Payment message handling at Bonum Bank is carried out through SWIFT Service Bureau provided by Tietoevry Oyj and SEPA Instant Payment Gateway and, excluding internal payments within the POP Bank Group. In addition, the Bank uses a platform service provided by a subsidiary of Google Inc. for customer data management and payment monitoring system provided by SAS Institute Oy. Some card business services are outsourced to Samlink Ltd., Nets Denmark A/S Finnish Branch, Intrum Justitia Ltd. and Evry Card Services Ltd.

DEPOSIT GUARANTEE

Bonum Bank is a member of the Deposit Guarantee Fund, which protects the deposits of customers to a maximum of EUR 100 thousand. The deposit banks that are members of the amalgamation of deposit banks are considered to be a single deposit bank in terms of deposit guarantee. Therefore, the deposit guarantee concerning a depositor's deposits in all member credit institutions of the amalgamation of POP Banks (POP Banks and Bonum Bank) totals EUR 100 thousand. Bonum Bank's operations focus on central credit institution services provided for the member banks of the amalgamation. Therefore, the Deposit Guarantee Fund is of minor significance.

SOCIAL RESPONSIBILITY

Bonum Bank operates as part of the POP Bank Group and supports the responsibility efforts of the local POP Banks. The POP Bank Group publishes a sustainability report as part of its management report. The POP Bank Group's management report and consolidated IFRS financial statements are published on the website at www.poppankki.fi.

Bonum Bank's offices in Espoo and Vaasa hold Green Office environmental management system certification by the WWF. The themes of the bank's programme include enhanced recycling and reduced energy consumption, as well as a reduction in emissions caused by mobility. The goals also include increasing environmental awareness across the bank's organisation and among partners through effective communication.

EVENTS AFTER THE CLOSING DATE

Bonum Bank's Board of Directors is not aware of any events having taken place after the closing date that would have a material impact on the information presented in the financial statements.

OUTLOOK FOR 2026

The Finnish economy has long been expected to turn toward growth, but despite positive signals, the turnaround has been delayed. Although exports have begun to recover, domestic consumption and investment remain at low levels, slowing overall economic development. Uncertainty surrounding the value of household assets has supported saving and pushed deposit levels to record highs. No significant change in the situation is expected until the housing market normalizes and economic growth accelerates. Geopolitical instability makes it difficult to predict global market developments, which in turn affects the outlook for Finland's economy.

Bonum Bank's general focus will be on increasing operational efficiency and improving profitability. Bonum Bank's personnel are involved in the POP Bank Group's core banking system reform project to a significant degree.

The full-year result of Bonum Bank for 2026 is expected to be positive.

BOARD OF DIRECTORS' PROPOSAL ON THE DISPOSAL OF THE RESULT FOR THE PERIOD

Bonum Bank's distributable funds were EUR 43,071 thousand. Bonum Banks Board of Directors proposes to the Annual General Meeting that the profit EUR 2,776 thousand for the period of be recognised in retained earnings.

BONUM BANK PLC'S FINANCIAL STATEMENTS 31 DECEMBER 2025 (IFRS)

INCOME STATEMENT

(EUR 1,000)	Note	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Interest income		58,934	74,491
Interest expenses		-49,691	-64,257
Net interest income	3	9,243	10,233
Net commissions and fees	4	7,821	8,024
Net investment income	5	532	566
Other operating income	6	10,027	6,451
Total operating income		27,623	25,275
Personnel expenses	7	-8,182	-6,864
Other operating expenses	8	-13,150	-13,943
Depreciation and amortisation	9	-298	-473
Total operating expenses		-21,630	-21,279
Impairment losses on financial assets	14	-2,518	-3,018
Profit before taxes		3,475	978
Income tax expense	10	-699	-194
Profit for the period		2,776	784

STATEMENT OF OTHER COMPREHENSIVE INCOME

(EUR 1,000)	Note	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Profit for the financial period		2,776	784
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Net changes in fair value of equity instruments	26	133	211
Capital gains and losses for equity instruments	26	9	23
Deferred taxes	21	-27	-47
Total		115	187
Items that may be reclassified to profit or loss			
Movement in fair value reserve for liability instruments		121	586
Deferred taxes	26	-24	-117
Total		97	469
Other comprehensive income items total		212	656
Comprehensive income for the financial year		2,988	1,440

BALANCE SHEET

(EUR 1,000)	Note	31 Dec 2025	31 Dec 2024
Assets			
Liquid assets		375,583	558,332
Loans and receivables from credit institutions	12,16	962,196	1,020,697
Loans and receivables from customers	12,16	190,322	197,579
Derivatives	13,23,27	18,064	22,395
Investment assets	12,17	215,566	218,689
Intangible assets	18	64	108
Property, plant and equipment	18	177	370
Other assets	20	30,471	31,992
Tax assets	21	23	347
Total assets		1,792,465	2,050,510
Liabilities			
Liabilities to credit institutions	12,13,22	1,513,589	1,759,867
Liabilities to customers	12,13,22	14,981	14,060
Derivatives	13,23,27	13,616	8,674
Debt securities issued to the public	24	163,887	184,706
Other liabilities	25	32,094	31,938
Tax liabilities	21	304	257
Total liabilities		1,738,471	1,999,503
Equity capital			
Share capital		10,000	10,000
Reserves		30,860	30,657
Retained earnings		13,135	10,350
Total equity capital	26	53,995	51,007
Total liabilities and equity capital		1,792,465	2,050,510

STATEMENT OF CHANGES IN EQUITY

(EUR 1,000)	Note	Share capital	Fair value reserve	Other reserves	Retained earnings	Total equity
Balance 1 Jan 2025		10,000	657	30,000	10,350	51,007
Comprehensive income for the financial year						
Profit for the financial year	26	-	-	-	2,776	2,776
Other comprehensive income	21,26	-	203	-	9	212
Total comprehensive income for the financial year			203		2,785	2,988
Balance 31 Dec 2025		10,000	860	30,000	13,135	53,995

(EUR 1,000)	Note	Share capital	Fair value reserve	Other reserves	Retained earnings	Total equity
Balance 1 Jan 2024		10,000	1	30,000	10,543	50,543
Comprehensive income for the financial year						
Profit for the financial year	26	-	-	-	784	784
Other comprehensive income	21,26	-	656	-	-	656
Total comprehensive income for the financial year		-	656	-	784	1,440
Investment in the unrestricted equity fund	26				-1,000	-1,000
Other changes	26	-	-	-	23	23
Balance 31 Dec 2025		10,000	657	30,000	10,350	51,007

CASH FLOW STATEMENT

(EUR 1,000)	Note	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Cash flow from operating activities			
Profit for the financial year		2,776	784
Adjustments to profit for the financial year		3,345	2,667
Increase (-) or decrease (+) in operating assets		-13,782	-122,324
Loans and receivables from credit institutions	16	-23,389	-164,591
Loans and receivables from customers	16	4,700	-7,173
Investment assets	17	3,385	42,123
Other assets	20	1,521	7,317
Increase (+) or decrease (-) in operating liabilities		-235,379	299,007
Liabilities to credit institutions	22	-236,719	329,165
Liabilities to customers	22	920	-19,375
Other liabilities	25	419	-10,782
Income tax paid		-380	-445
Total cash flow from operating activities		-243,420	179,690
Cash flow from investing activities			
Investments in shares and other equity, decreases		9	23
Purchase of PPE and intangible assets		-60	-5
Total cash flow from investing activities		-51	18
Cash flow from financing activities			
Payment of lease liabilities	30	-253	-281
Debt securities issued, increase	24	13,781	86,968
Debt securities issued, decrease	24	-34,695	-185,526
Total cash flow from financing activities		-21,168	-98,839
Change in cash and cash equivalents			
Cash and cash equivalents at period-start		968,626	888,758
Cash and cash equivalents at the end of the period		703,987	968,626
Net change in cash and cash equivalents		-264,639	79,868
Cash and cash equivalents			
Liquid assets	15	375,583	558,332
Receivables from credit institutions payable on demand	16	328,404	410,294
Total		703,987	968,626

(EUR 1,000)	Note	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Additional information of the cash flow statement			
Interest received		59,938	77,677
Interest paid		51,595	66,468
Dividends received		9	8
Adjustments to result for the financial year			
Non-cash items and other adjustments			
Change in deferred taxes		6	12
Net changes in fair value		-287	-372
Income taxes		693	182
Impairment losses on receivables		2,518	3,216
Depreciation		298	473
Other		116	-844
Adjustments to profit for the financial year		3,345	2,667

The error in 2024 formula in cash flow from operating activities has been corrected.

NOTES

NOTE 1 ACCOUNTING POLICIES

General

Bonum Bank Plc and POP Bank Group

Bonum Bank Plc (hereinafter 'Bonum Bank') is a subsidiary wholly owned by POP Bank Centre coop and a member credit institution in the amalgamation of POP Banks, acting as the central credit institution for the member banks of the POP Bank Centre coop (POP Banks). Bonum Bank takes care of POP Banks' payment transfer accounts and transfers payment transactions between the customers of POP Banks and other banks, makes the minimum reserve deposits for POP Banks in the Bank of Finland, receives deposits for POP Banks and grants credits to POP Banks that they need to ensure their liquidity. In addition, Bonum Bank manages the liquidity of the amalgamation of POP Banks and operates in the financing wholesale market by issuing unsecured senior bonds. Bonum Bank's duties also include operations related to Visa cards of POP Banks' customers. Bonum Bank's registered office is Espoo. Copy of Bonum Bank's financial statements are available from its office at Hevosenkentä 3, FI-02600 Espoo, and online at <https://www.poppankki.fi/en/investors/financial-reports>

Bonum Bank belongs to the POP Bank Group. The POP Bank Group consists of the amalgamation of POP Banks and companies over which it has control. The Group is engaged in banking business. The central institution for the amalgamation of POP Banks is POP Bank Centre coop. Its members consist of Bonum Bank and 18 co-operative banks and POP Mortgage Bank Plc. The amalgamation of POP Banks is an economic entity specified in the Act on the Amalgamation of Deposit Banks, the members of which are jointly liable for each other's debts and commitments.

The central institution of POP Banks has prepared the POP Bank Group's consolidated financial statements in accordance with the Act on the Amalgamation of Deposit Banks. Copies of the financial statements of the POP Bank Group are available online at www.poppankki.fi or from the office of the central institution, address Hevosenkentä 3, 02600 Espoo, Finland. POP Bank Group will present information concerning risks specified in the EU Capital Requirements Regulation (EU 2019/876) (CRR) in a separate Pillar III report.

Basis of preparation of financial statements

Bonum Bank's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) approved in the EU and the related Interpretations (IFRIC) effective as of December 31, 2025. The applicable Finnish accounting and corporate legislation and regulatory requirements have also been taken into account when preparing the notes to the financial statements.

Figures in the notes are rounded, whereby the sum total of individual figures may deviate from the sum total presented in the calculations and tables. Assets and liabilities denominated in currencies other than euro have been translated into euro at the exchange rate of the balance sheet date. Exchange rate differences resulting from measurement have been recognised in net investment income in the income statement.

Bonum Bank has no subsidiaries or associated companies.

Accounting policies requiring management's judgement and uncertainty factors affecting estimates

The application of the IFRS requires the management to make estimates and assumptions concerning the future that affect the amounts of items presented in financial statement calculations, as well as the information provided in the notes. The management's key estimates concern the future and key uncertainties related to the values on the balance sheet date. Such key estimates are related to fair value measurement in particular, as well as the impairment of financial assets and intangible assets. The management's estimates and assumptions are based on the best view at the balance sheet date, which may differ from the actual result.

Determining fair value

The management must assess whether the markets for financial instruments are active or not. Furthermore, the management must assess whether an individual financial instrument is subject to active trading and whether the price information obtained from the market is a reliable indication of the instrument's fair value. When the fair value of financial instruments is determined using a valuation technique, the management's judgement is needed in the choice of the valuation technique to be applied. Insofar as there is no market input available for the techniques, management must evaluate how other data can be used for the valuation.

Impairment

Calculation of the expected credit losses includes parameters requiring management's consideration. Management has to determine the method of taking macroeconomic information into consideration in the calculations, the principles of evaluating significant increases in the credit risk, the assessment of loss in default and the credit conversion factors applied to credit cards.

The policies on impairment of financial assets have been presented in detail in chapter Impairment of financial assets.

The amount recoverable from intangible assets is determined in the impairment assessment on the basis of the use value or fair value of the asset. Impairment testing requires management's judgement and assessment of the recoverable amount of the asset in question, as well as the interest rate used for discounting. In addition, management's judgement is required for the evaluation of intangible assets under development.

Changes in accounting policies

Adoption of new ifrs standards, amendments to standards and interpretations

No new IFRS standards were adopted during the financial year in Bonum Bank's financial statements.

Adoption of new ifrs standards, amendments to standards and interpretations in future financial years

The standard amendments approved for application in the financial year beginning 1 January 2026 are not estimated to have an impact on Bonum Bank's financial statements.

Bonum Bank intends to adopt IFRS 18 Presentation and Disclosures standard for the financial year commencing 1 January 2027, if the standard has been approved for application in the EU. The Standard shall be applied in periods beginning on or after 1 January 2027, but its earlier application is permitted. IFRS 18 supersedes IAS 1 Presentation of Financial Statements. The adoption of the standard will have an impact on the presentation of Bonum Bank's financial statements. Bonum Bank will assess the impact of the standard during the financial year 2025.

Other standard amendments to be adopted later are not expected to have a material impact on Bonum Bank's financial statements.

Financial instruments

Classification and recognition

Financial assets are classified on initial recognition into following measurement categories based on the business model followed in their management and the debt instruments' cash flow characteristics:

- Financial assets at amortised cost
- Financial assets at value through other comprehensive income
- Financial assets recognized at fair value through profit and loss.

In accordance with the IFRS 9 Financial instruments, Financial liabilities are classified on initial recognition into following measurement categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss

On initial recognition, all financial assets and financial liabilities are recognised at fair value. Transaction costs from other financial instruments are included in the acquisition cost.

Purchases and sales of financial instruments are recognised on the settlement date. Loans granted are recognised in the balance sheet on the date when the customer draws down the loan. Instruments issued are recognised in the balance sheet on the date when the customer makes the subscription.

Financial assets and financial liabilities are offset in the balance sheet if Bonum Bank currently has a legally enforceable right of set-off in the normal course of business and in the event of default, insolvency or bankruptcy, and it has the intention and ability to settle the asset and liability on a net basis. Bonum Bank has not offset the financial assets and financial liabilities on the balance sheet.

A financial asset is derecognised when the contractual rights to the cash flows from the finan-

cial asset expire, or when the rights have been transferred to another party so that substantially all the risks and rewards of ownership of the financial asset are transferred. In addition, an agreement included in financial assets is derecognised on the balance sheet if the rights to cash flows that are based on the agreement are transferred to another party or if the agreement includes an obligation to pay the cash flows in question to one or several recipients. If a consideration is received, but all the risks and rewards of ownership of the transferred asset are substantially retained, the transferred asset is recognised in its entirety and a financial liability is recognised for the consideration received.

Impaired financial assets are derecognised when no further payments are expected and the actual final loss can be determined. In connection to derecognition, the previously recognised expected credit loss is cancelled and the final credit loss is recognised. Payments on derecognised receivables received later are recognised in the income statement as an adjustment of impairment losses.

Financial liabilities are derecognised when the related obligations have been fulfilled and they have been extinguished. An exchange of a debt instrument with substantially different terms or substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Business models for managing financial assets and measurement

According to IFRS 9, an entity's business model refers to how an entity manages its financial assets in order to generate cash flows. That is, entity's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The business model is determined at a level that reflects how financial asset groups are managed together to achieve a particular business objective.

In Bonum Bank, financial assets are managed according to three business models:

1. Financial assets held (objective to collect cash flows)
2. Combination of financial assets held and sold (objective to collect cash flows and sale)
3. Other long-term investments

Financial assets held -business model includes loans and receivables and debt instruments held to maturity, which pass the SPPI-test (Solely Payments of Principal and Interest) for their cash flow characteristics. In the SPPI test it is determined whether the asset's contractual cash flows are solely payments of principal and interest on the principal amount outstanding.

Combination-business model includes debt instruments with contractual cash flows being solely payments of principal and interest, held to maturity or close to maturity or sold for example to reach the targets of the investment strategy.

Other long-term investments -business model includes shares and other instruments, whose cash flows do not consist solely on payments of principal and interest.

Bonum Bank does not actively trade financial assets. The purpose of Bonum Bank's investment activities is to invest liquidity surplus with long-term objective and to maintain investment portfolio for liquidity purposes.

Financial assets measured at amortised cost

Financial assets measured at amortised cost includes loans and receivables and the debt instruments, which are, according to the investment policy, intended to be held to maturity with terms of regular payments of interest and principal either in part or entirety (SPPI-test). In addition, liquid assets, in which the liquidity does not have to be tested by regular sales, may be classified to this measurement class.

Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income includes debt instruments, which are, according to the investment policy, intended to be held in order to collect contractual cash flows or sold, if necessary, for reaching the objectives of the business model (combination-business model). Classification requires, that the contractual terms of the instrument include regular payments of interest and principal either in part or in entirety (SPPI-test).

Among other things, investments which can be sold to cover liquidity needs, for example, and liquid assets which have to be tested on regular sales in order to demonstrate the liquidity of those assets are classified to this measurement class.

Changes in financial instrument's fair value is recognised in items of other comprehensive income. The increase and decrease of expected credit losses are recognised in the income statement and in items of other comprehensive income. Profit and loss from foreign currencies are also recognised in other comprehensive income. When sold, the change in fair value as well as the profit and loss from foreign currencies are recognised from other comprehensive income to net investment income in the income statement and expected credit loss in impairment losses on financial assets in the income statement.

Financial assets measured at fair value through profit or loss

Financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. Financial assets measured at fair value through profit or loss include shares and participations and debt instruments, which do not meet the SPPI-test. An exception is made with regards to shares which are measured at fair value through other comprehensive income.

Bonum Bank does not have financial assets held for trading purposes or financial assets measured at fair value through profit or loss. Derivative contracts used for hedging are measured at fair value through profit or loss.

Equity instrument assets measured at fair value through other comprehensive income

Bonum Bank has adopted the exception in IFRS 9, according to which changes in fair value of investments in shares may be recognised in other comprehensive income. The exception is adopted to investments in shares regarded strategic to Bonum Bank's business operations.

Changes in fair value are recognised in other comprehensive income. In case such an investment is subsequently sold, the result of the sale is recognised in equity. The election can be made only at initial recognition and it is irrevocable.

Financial liabilities measured at amortised cost

Bonum Bank's financial liabilities are measured at amortised cost according to the effective interest rate method. Financial liabilities measured at amortised cost includes deposits and debt securities issued to the public, liabilities to credit institutions as well as other financial liabilities. Bonum Bank has no financial liabilities measured at fair value through profit or loss.

Financial liabilities measured at fair value

Derivative contracts used for hedging are measured at fair value through profit or loss. Bonum Bank has no other financial liabilities measured at fair value through profit or loss.

Determining fair value

Fair value is the price that would be attained if the asset was sold or would be paid to transfer the liability from one market party to another in a standard business transaction taking place on a valuation day.

The fair value of a financial instrument is determined on the basis of prices quoted in an active market or, where no active market exists, using standard valuation techniques. A market is considered as active if price quotes are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis. Current bid price is used as the quoted market price of financial assets.

If the market has a well-established valuation technique for a financial instrument for which there is no direct market price available, the fair value is based on the commonly used valuation model and on the market quotations of the input data used in the model.

If there is no well-established valuation technique in the market, fair value is determined based on a specific valuation model created for the product in question. The valuation models are based on widely used measuring techniques, incorporating all the factors that market participants would consider when setting a price. The valuation prices used include market transaction prices, the discounted cash flow method, as well as the fair value of another substantially similar instrument at the reporting date. The valuation methods take into account an estimate of the credit risk, applicable discount rates, early repayment options, and other such factors that may impact reliable determination of the fair value of the financial instrument.

The fair values of financial instruments are divided into three hierarchical levels depending on how the fair value is defined:

- Quoted fair values in active markets for identical assets or liabilities (Level 1)
- Fair values that are determined using other input data than the quoted prices at Level 1, which are observable for the assets or liabilities either directly (e.g. prices) or indirectly (e.g. derived from prices) (Level 2)
- Fair values determined by the input data, which is essentially not based on the observable market data (Level 3).

The fair value hierarchy level into which an item measured at fair value is fully classified is determined by the input data, which is at the lowest level and is significant in respect to the whole item. The significance of the input data is evaluated considering the whole item, which is valued at fair value.

Derivative contracts and hedge accounting

Bonum Bank centrally coordinates hedging of interest rate risk with derivatives for the POP Bank amalgamation.

Bank hedges its interest rate risk against changes in fair value, primarily using interest rate swaps. Hedge accounting is applied for fair value hedging. Derivative contracts are not made for trading purposes. All derivative contracts are recognised and measured at fair value through profit or loss. The positive fair values of derivative contracts are presented as assets under Derivatives and negative fair values as liabilities under Derivatives. The hedging relationship between the hedging derivative contract and the hedged instrument and the objectives of risk management are documented before hedge accounting is applied. If there is a high correlation between the change in the value of the hedging derivative and the hedged instrument, the hedging is considered effective.

Bonum Bank applies IFRS 9 Financial Instruments to hedge accounting for all hedging relationships. The hedged instrument of fair value hedging is fixed-rate deposits. Bonum Bank manages the interest rate options used for the cash flow hedging and interest SWAPs used for fair value hedging of the POP Bank Group member banks. The non hedging derivatives in Bonum Banks' balance sheet are hedging derivatives for the POP Bank amalgamation.

The positive fair values of derivative contracts are presented as assets under Derivatives and negative fair values as liabilities under Derivatives. All derivative contracts are recognised and measured at fair value through profit and loss. Changes in the value of derivatives in hedge accounting

are recorded in the income statement under Net income from Hedge accounting. The interest on hedging derivative contracts is recorded on a net basis, with the interest on derivatives hedging liabilities presented under interest expenses. The interest on derivative contracts is presented on the balance sheet as a net amount under either other assets or other liabilities, depending on the interest payment position at each reporting date.

The hedging relationship between the hedging derivative contract and the hedged instrument and the objectives of risk management are documented before hedge accounting is applied. If there is a high correlation between the change in the value of the hedging derivative and the hedged instrument, the hedging is considered effective.

Impairment of financial assets

A loss allowance on financial assets measured at amortized cost or fair value through other comprehensive income and off-balance sheet credit commitments is recognized on the basis of expected credit losses. The expected credit loss of a financial instrument is determined as the difference between the contractual cash flows that the entity is entitled to receive under the contract and the cash flows expected to be received by the entity at the original effective interest rate at the time of reporting.

To determine expected credit losses, financial instruments are classified in stages from 1 to 3. Stage 1 represents financial instruments whose credit risk has not increased significantly since the initial recognition. Expected credit losses are determined for such financial instruments based on expected loan losses for 12 months. Stage 2 represents financial instruments whose credit risk has increased significantly after the initial recognition on the basis of qualitative or quantitative criteria and, for stage 3, financial instruments whose counterparty has been declared as default. Expected credit losses are determined for financial instruments classified in Stage 2 and 3 based on the expected credit losses over the entire life of the instrument.

Calculating expected credit losses in Bonum Bank is based on three main segments:

- Private customers
- Corporate customers
- Investment portfolio

The calculation of expected credit losses is based on the probability of default (PD), the loss ratio (LGD, loss given default) and the exposure at default (EAD) for each contract on main segments.

The probability of default (PD) is measured by the historical credit rating model. The credit rating models are defined for the three main segments described above. Credit rating models constructed using statistical methods are used to estimate the PD of private and corporate customers.

Loss given default (LGD) refers to the expected portion of the loan loss on the remaining capital if the counterparty is classified as default. The parameters for calculating loss shares in the POP Bank Group are determined on the basis of expert estimates. Industry-specific LGD data from the Finnish market have been used to determine LGD values.

The exposure at default (EAD) is calculated for each loan and off-balance sheet item separately on the basis of repayments under the terms of the contract, with the exception of contracts without maturity whose lifecycle is determined on the basis of expert judgment. In the EAD calculation of off-balance sheet items, CCF coefficients shall be applied in accordance with the standardised credit risk standard for the credit risk calculation, with the exception of card credits for which a CCF value has been determined on the basis of expert judgment.

Estimated credit losses are estimated using future information available with reasonable ease. For the purpose of calculating expected credit losses, the POP Bank Group has developed a model based on three macroeconomic scenarios and related implementation probabilities to cor-

rect the parameters used in the calculation when estimating expected credit losses. The macroeconomic scenarios are based on the projected growth rate of Finland's Gross Domestic Product over the next three years.

In the measurement of expected credit losses, a transition will be made from the recognition of expected credit losses over 12 months to the recognition of expected credit losses throughout the lifetime of the contract as the credit risk increases significantly after the initial recognition, after which the contract is transferred from stage 1 to stage 2. The credit risk is considered to have increased significantly, when forbearance measures to the contract have been made less than 12 months ago, contract has been overdue for more than 30 days, or another qualitative risk factor has been identified in the customer's situation such as a significant change in the customer's business that is not yet reflected in the payment delay. In addition, the credit risk is considered significantly increased if the counterparty credit rating has deteriorated significantly. The threshold value determined by expert estimation of significant impairment is based on the change in PD value between the time of reporting and the time of the contract origination.

Bonum Bank applies the definition of default in accordance with Article 178 of Regulation 575/2013 of the European Parliament and of the Council when calculating expected credit losses. Liabilities are classified in stage 3 when they meet the definition criteria. For non-retail customers, which are customers with a turnover of more than EUR 50 million and liabilities of more than EUR 1 million, the definition of default applies at customer level and to retail customers at contract level. However, all receivables from a retail customer are recorded as defaulted (customer-level default) if the amount of the customer's liabilities exceeds 20 per cent of the customer's total liabilities.

The contract is considered defaulted at the latest when the liability under the default criteria has been continuously delayed for more than 90 days. In addition, a customer is considered defaulted

when repayment is considered unlikely for example if the customer has been declared bankrupt or similar proceedings, or if the customer has forbearance measures that causes a change in the present value of the liability of more than 1 per cent. The contract or customer is considered defaulted for a period of 90 days after the conditions for default have ceased to exist.

Bonum Bank does not have contracts that are originated as impaired.

If the customer has not fulfilled the criteria for default for at least 3 months, the customer's liability will return to either stage 2 or stage 1, depending on whether the exposures meet a significant increase in the credit risk criteria at the time of return. The contract will return from stage 2 to stage 1 without a separate trial period if the contract no longer meets the criteria for significant credit risk growth.

Bonum Bank applies an exception to financial assets at fair value through profit or loss other than IFRS 9, in which all instruments with a low credit risk are classified in stage 1 and instruments with higher credit risk are classified in stage 2.

A loss allowance on financial assets recognised at amortised cost and fair value through other comprehensive income and for off-balance sheet items is recognised in the income statement. Loss allowance in the income statement consists of the expected credit loss calculated for the financial asset, where the expected credit losses previously recognized have been deducted. A loss allowance is cancelled if a final credit loss is recognized for the financial asset. The loss allowance on financial assets recognized at amortized cost reduces the carrying amount of the financial assets. The loss allowance for financial assets at fair value through other comprehensive income is recognised in the statement of comprehensive income. The loss allowance on off-balance sheet commitments is recognised as a provision in other provisions and liabilities.

Intangible assets

Intangible assets included in Bonum Bank's balance sheet mainly consist of acquisition costs of information systems. The most important intangible assets are the information systems for central credit institution operations and card business. An intangible asset is recognized in the balance sheet at acquisition cost if it is probable that the expected economic benefits associated with the asset will flow to the Bonum Bank and the acquisition cost of the asset can be measured reliably. Acquisition cost includes all costs that are directly attributable to bringing the asset to its working condition for its intended use. Bonum Bank has capitalised also internally produced intangible assets. The capitalised expenditures for internally produced intangible assets includes, for example, purchased services, in-house work and other external costs related to projects.

All of Bonum Bank's intangible assets have a limited economical lifetime. The acquisition cost of intangible assets is amortised in the income statement on the basis of the estimated economical lifetime of assets. The estimated economical lifetime is 3–5 years for information systems and 3–4 years for other intangible assets. The estimated economical lifetime of the basic banking systems may be longer, but not more than 10 years.

The amortisation of the acquisition cost of intangible assets begins when the asset is ready to be taken into use. Indications of impairment of intangible assets are examined annually and intangible assets are tested for impairment when necessary. Research costs are recorded as expenses as they occur.

Configuration and customization costs related to Software as a Service (SaaS) cloud service agreements are recognized as prepayments or expenses, depending on whether the configuration and customization services are distinct from the actual cloud service agreement. In the cloud service arrangement, the software is controlled by a third party, and the software's configuration and customization functions are not capitalized as

an intangible asset. The prepayment recognized under the cloud service agreement is released as an expense during the agreement period from the time the asset is ready for use.

Property, plant and equipment

Property, plant and equipment included in Bonum Bank's balance sheet consist of machinery and equipment, which are measured at acquisition cost less depreciation and impairment. Depreciation is based on the useful life of the assets. The economic life for machinery and equipment is 3–10 years.

Depreciation and impairment on property, plant and equipment are recognised in the income statement on depreciation, amortisation and impairment.

Leases

Bonum Bank has acquired office equipment and business facilities for its use through contracts classified as leases. At the time of establishing a contract, Bonum Bank assesses whether the contract is a lease or includes a lease. A contract is a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

Bonum Bank a lessee is required to recognise on its balance sheet a right-of-use asset and a lease liability arising from a lease. Lease liabilities are presented under other liabilities and the related interest expenses under net interest income. The right-of-use asset is presented under property, plant and equipment and depreciation is presented under depreciation and impairment losses. Bonum Bank has applied the exemptions included in the standard, according to which leases with a term of 12 months or less, or leases where the underlying asset is of low value, need not be recognised on the balance sheet. The expenses arising from these leases are recognised under other operating income.

A right-of-use asset is initially measured at acquisition cost. After the beginning of the con-

tract, right-of-use assets are measured at acquisition cost less accumulated depreciation and impairment losses. Depreciation on a right-of-use asset is recognised using the straight-line method. Depreciation period for commercial premises with lease valid until further notice is generally 2 years. For fixed-term contracts, the depreciation period is in principle the contractual period. Depreciation times for office equipment vary from 2 to 5 years.

A lease liability is initially measured at the present value of the lease payments remaining unpaid at the beginning of the contract. The incremental borrowing rate of interest is used in the calculation of lease liabilities. The interest rate used for additional credit is the interest rate determined for credits granted within the group.

The economic lifetime of a leased asset is taken into consideration when determining the lease period. The management's estimates are significant, particularly when determining the lease period for contracts valid until further notice and the incremental borrowing rate of interest. Contracts valid until further notice are assigned a lease period based on the management's estimate in cases when it is reasonably certain that they are entered into for a period that exceeds their notice period.

Employee benefits

Bonum Bank's employee benefits consist mainly of short-term employee benefits, such as salaries, holiday pay and bonus payments, which are expected to be paid in connection with the work performance they are related to or within the following 12 months.

Post-employment benefits consist of pensions. Statutory pension cover is arranged through external pension insurance companies. Bonum Bank's pension plans are defined contribution plans. Expenses from defined contribution plans are recognised in personnel expenses in the period during which they are charged by the insurance company. Bonum Bank has no defined benefit pension plans.

Principles for recognising income and expenses

Interest income and expenses

Interest income and expenses are amortised over the maturity of the contract using the effective interest rate method, in proportion to the remaining carrying amount in the balance sheet. Interest income and expenses are recognised in net interest income.

Negative interest income paid by Bonum Bank is shown in interest expenses, and the negative interest expense charged to the customer bank is shown in interest income.

Commission income and expenses

Commission income and expenses are generally recognised on an accrual basis when the related services are performed. Commissions and fees relating to services performed over several years are amortised over the service period. Commissions and fees that are considered as an integral part of the effective interest of a financial instrument are accounted for as an adjustment to the effective

interest. However, commissions and fees relating to financial instruments measured at fair value through profit or loss are recognised in the income statement on initial recognition.

Dividends

Dividends are primarily recognised when the General Meeting of Shareholders of the distributing entity has made a decision on dividend pay-out and the right to receive dividends has emerged. Dividend income is recognised in net investment income.

Income from development charges

Bonum Bank has collected development charges included in other operating income from its customer banks for the development of the central credit institution operations and the card business. These payments have not been recognised insofar as they are used for covering expenses included in the acquisition cost of an intangible asset. Unrecognised payments have been treated as advances and included in other liabilities in the balance sheet. These payments are recognised when Bonum Bank uses the intangible asset to earn income.

Presentation of income statement items

Net interest income	Interest income and expenses on financial assets and liabilities, the amount of amortisation on the difference between the nominal and acquisition values, interest on interest-rate derivatives and fees that are accounted as part of the financial asset's effective interest, interest costs of lease agreement liabilities
Commission income and expenses	Commission income from lending, deposits, commission income and expenses from payments and card business, commission income from securities
Net investment income	Sales gains and losses and dividend income from financial instruments measured at fair value, net gains from foreign currency transactions, net income from hedge accounting
Other operating income	Income from central credit institution services, shared service center fees collected from banks and other operating income
Personnel expenses	Wages and salaries, social expenses and pension expenses
Other operating expenses	Other administrative expenses, expenses related to low-value and short-term leases, development expenses, charges to financial authorities and other expenses related to business operations
Impairment losses on financial assets	Impairment losses on financial assets, expected credit losses and realised credit losses and cancellations of credit losses

Income tax

The income statement includes taxes on Bonum Bank's taxable income for the financial year, adjustments to taxes from previous financial years and changes in deferred taxes. Tax expenses are recognised in the income statement except when they are directly linked to items entered into equity capital or other items in the statement of comprehensive income, in which case the tax effect is also included in these items.

Deferred tax liabilities and assets are calculated on taxable and deductible temporary differences between the carrying amount and the tax basis. Deferred tax assets are recognised to the extent that it is probable that taxable income will be available against which the deductible temporary difference can be utilised.

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply at the time when the temporary difference is reversed.

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that future taxable profit will be probable and unused tax credits can be utilised.

Segment reporting

Bonum Bank is engaged in the banking business. Thus, the bank has only one operational segment, which is why its financial statements do not include segment reporting.

NOTE 2 RISK MANAGEMENT

Principles of risk management and capital adequacy management

The purpose of Bonum Bank's risk management is to ensure the Bank's risk-bearing capacity under all circumstances, maintain a prudent level of risk relative to that capacity, and thereby ensure the continuity of operations in line with the strategic targets of the POP Bank Group. Risk-bearing capacity is built upon risk management proportionated to the scope and complexity of the institution and adequate capitalization based on profitable business operations. The purpose of the risk management process is to ensure that all significant risks resulting from business activities are identified, assessed, measured and monitored on a regular basis and that they are proportionate to the risk-bearing capacity of the Bonum Bank and the amalgamation.

The purpose of capital adequacy management is to ensure the adequate amount, quality and efficient use of the capital of the Bonum Bank. Capital is held to cover the material risks arising from the Bank's and amalgamation's business strategy and plan and to secure the uninterrupted operation of the Bank and amalgamation in case of unexpected losses. The goal is pursued through a documented and systematic capital adequacy management process that is integrally linked to the amalgamation's and other member credit institutions' business planning and management.

POP Bank Centre coop, the central institution of the amalgamation, is responsible for the risk and capital adequacy management of the POP Bank Group. The central institution provides guidance to the member credit institutions to ensure risk management and supervises that the member institutions operate in accordance with regulation, their own rules, guidelines issued by the central institution and in accordance with appropriate and ethically acceptable procedures. Bonum Bank, within limits set by confirmed business risk thresholds, carries its business risks independently in its operations and is liable for its

capital adequacy. The capital adequacy, liquidity coverage ratio and customer risks of the Bonum Bank are supervised both at the level of individual member institutions and at the consolidated amalgamation level. Violations of the risk management principles and limits are addressed in accordance with the agreed operating models.

Bonum Bank conducts an extensive identification and evaluation of risks related to its operations and sets risk-bearing capacity to match the total amount of the risks. In order to secure the capital adequacy, bank sets risk-based capital objectives and prepares a capital plan to achieve these objectives. Calculation methods defined by the central institution's risk monitoring function are used when preparing the capital plan.

The most significant risks associated with Bonum Bank's operations are credit risk, liquidity risk, interest rate risk and operational risk. The risk strategy confirmed by the Board of Directors of the central institution outlines the risk appetite of the operations, within which the Board of Directors of the Bonum Bank sets its own guidelines and restrictions. Business activities are carried out at a moderate risk level so that the risks can be managed in full.

Risk and capital adequacy management is regulated by EU legislation, Act on Credit Institutions (610/2014), Act on the Amalgamation of Deposit Banks (24.6.2010/599; hereinafter referred to as the "Amalgamation Act") and the standards, regulations and guidelines issued by the Financial Supervisory Authority.

Risk management is an essential part of the internal controls of Bonum Bank. The purpose of internal controls is to ensure that the institution complies with regulations, carries out comprehensive risk management and operates efficiently and reliably. Moreover, internal controls serve to ensure that the objectives and goals set for different levels of the amalgamation are achieved in accordance with internal guidelines.

Organisation of risk and capital adequacy management

Bonum Bank is the central credit institution and a member credit institution of the amalgamation of POP Banks and a subsidiary of the POP Bank Centre coop. The central institution issues binding instructions concerning risk and capital adequacy management, corporate governance and internal control to the member credit institutions to secure their solvency and capital adequacy. Furthermore, common business controlling thresholds have been established for the member institutions to ensure that the risks taken by an individual member institution are within acceptable limits.

Bonum Bank's Board of Directors confirms the objectives of the business operations, guidelines, limits to the risk levels of the operations as well as the risk-taking authorities. The Board of Directors is also responsible for proactive capital planning and adapting the capital adequacy management planning and proactive capital planning into reliable governance and guidance. The Board of Directors assesses the appropriateness, extent and reliability of capital adequacy management. The Board of Directors sets the target level for capital adequacy and confirms the level and structure of capital required by the risk profile. The executive management is responsible for the risk management of the daily operations within the scope of the risk limits and risk-taking authority.

The executive management is responsible for the practical implementation, continuous monitoring, supervision and reporting of capital adequacy and risk management to the Board of Directors of the amalgamation. The executive management also ensures that the responsibilities, authorizations, processes and reporting relationships related to capital adequacy management have been clearly defined and sufficiently described and that the employees are familiar with capital adequacy management and the related processes and methods to the extent required by their duties.

Bonum Bank's independent risk monitoring is responsible for monitoring the risk limits and capital adequacy in the business operations as

well as reporting them to the Board of Directors and the independent risk management function of the central institution of the amalgamation. The assignment of Bonum Bank's risk monitoring function is to form a comprehensive view of the risks included in the central credit institution services provided to the amalgamation's member credit institutions and the bank's other operations, develop risk management methods and processes for identifying, measuring and monitoring risks in accordance with the principles issued by the central institution.

The centralized compliance function of the central institution supervises that the bank complies with applicable laws, decrees, instructions and regulations issued by the authorities, their own rules and the internal binding guidelines issued by the central institution of the amalgamation in its activities. As the central institution, POP Bank Centre coop supervises the sufficiency and functioning of the risk management systems in all the member credit institutions in accordance with section 17 of the Amalgamation Act.

The principles, organisation and internal control measures of amalgamation's risk and capital adequacy management are described in more detail in Note 4 to the POP Bank Group's financial statements. Copies of the financial statements of the POP Bank Group are available from the office of the central institution, address Hevoskenkä 3, 02600 Espoo or through the website www.poppankki.fi

The POP Bank Group submits the amalgamation's Pillar III disclosures, as required under the EU Capital Requirements Regulation, to the European Banking Authority (EBA), which publishes them in its centralised Pillar 3 data hub. A link to the service is published on the POP Bank Group's website.

Capital adequacy management

The objective of capital adequacy management is to ensure that the Bonum Bank has an adequate capital buffer to achieve its business strategy and to cover the material risks arising from them in all circumstances. The capital adequacy position

is managed in accordance with the principles of capital adequacy management and the risk-taking framework set by the central institution of the amalgamation.

The monitoring and control of the capital adequacy position has been implemented by setting the control thresholds for the adequacy in accordance with the limits set by the central institution of the amalgamation. The capital adequacy targets (control limits) are set for the capital adequacy ratio in accordance with Capital Requirements Regulation (EU 575/2013) and its reformative regulation 2019/876 (hereinafter the EU Capital Requirements Regulation) and for the economic capital requirement which is based on the internal risk assessment (Pillar 2).

Capital adequacy management is pursued through a systematic capital adequacy management process that is integrally linked to the amalgamation's and other member credit institutions' strategies, business planning and management. As part of the capital adequacy management process the aim is to identify all material risks and assess their magnitude and required capital levels.

One of the objectives of the capital adequacy management process is to identify all major risks and to assess their risk level as well as the capital requirements. Under the supervision of the central institution, Bonum Bank prepares its own capital plan and stress tests on an annual basis using harmonized principles defined by the central institution. The process ensures that the Bank's growth, profitability and risk-bearing capacity objectives are appropriate and consistent. Capital is held to cover the material risks arising from the Bank's business strategy and plan and to secure the uninterrupted operation of the Bank and amalgamation in case of unexpected losses. The baseline scenario of the capital plan forms the basis for budgeting for Bonum Bank.

Pillar I capital adequacy ratio

The most significant Pillar I capital requirements of Bonum Bank arises from retail banking receivables as well as receivables in liquidity reserve investment operations. The amalgamation applies

the standardised approach for the calculation of the capital requirement for credit risk, and the basic indicator approach for calculating the capital requirement to the operational risk. Bonum Bank does not engage in trading activities, so the capital requirement for market risk is only calculated for the foreign exchange risk. In the standardised approach for credit risk, the exposures are divided into exposure classes with limits having been set for the minimum diversification of lending in the retail exposure class.

Bonum Bank's own funds consist of share capital, retained earnings and other non-restricted reserves, less the deductible items in accordance with the EU's Capital Requirements Regulation (No. 575/2013). The bank does not include the profit accrued during the financial period in its own funds.

The key figures related to the Bank's capital adequacy position, the capital adequacy requirement, and the main components of the capital adequacy calculation are presented in the Report of the Board of Directors included in the financial statements.

Business risks

Credit risk

Bonum Bank's most significant risk is credit and counterparty risk. Credit risk refers to a situation in which a counterparty cannot fulfil its contractual obligations.

The most significant source of credit risk is loans, but credit risk can also arise from other kinds of receivables, such as bonds, short-term debt securities and off-balance-sheet commitments, such as unused credit facilities and overdraft limits and guarantees.

The credit risk of Bonum Bank's operations consists of liquidity reserve investment operations as well as retail banking operations, for the most part formed of unsecured lending. Balance sheet items exposed to credit risk totalled EUR 408,359 (418,712) thousand at the end of 2025. Bonum Bank's off-balance sheet credit commitments amounted to EUR 204,734 (185,172) thousand.

These consisted primarily of unused credit card limits and POP Banks' liquidity commitments.

Management of credit risk

The Board of Directors of the central institution controls the credit risk management of the member credit institutions, the methods used in it and the control and reporting of credit risk. The Board of Directors of the Bonum Bank approves the credit risk strategy defined by the central institution, specifying the target risk level and the principles concerning guidelines on risk-taking, customer selection and collateral. Credit risk management aims at limiting the effects of credit risks resulting from lending activities on profit and balance sheet to an acceptable level.

Credit risk strategy and other operative credit risk guidelines specify the maximum limits for risk concentrations and act as guidelines for the targeting of lending by customer sector, industry and credit grade. These guidelines form the basis of credit strategy and defines the customer group and industry division principles and risk and monitoring limits of the credit portfolio used in the monitoring the quality of the credit portfolio. The credit risk strategy is updated at least annually or whenever there are essential changes in the operating environment or business model of the amalgamation, legislation or regulatory.

Automated lending credit decisions are made based on an assessment of the customer's credit worthiness and with application scoring model, as well as other credit criteria. Credit risk management is implemented through active management of credit policy and automated decision-making guidelines based on monitoring and analysis of credit risks. Credit monitoring is based on continuous monitoring of payment behaviour and non-performing receivables, monitoring the quality of the credit portfolio, as well as monitoring of the amount of expected credit losses and final credit losses.

Credit decisions are based on the customer's credit worthiness and ability to pay and the fulfilment of the other credit policy criteria, such as collateral requirements. Collaterals are valued pru-

dently at fair value, and the development of values is monitored regularly. The collateral valuation coefficients are harmonized in the member credit institutions of the amalgamation. Credit decisions are made within the decision-making authorizations confirmed by the Bank's Board of Directors.

Credit risk of investment operations is mainly managed by limiting the credit rating of investments and allocating investment assets by industry, counterparty, credit rating and instrument category. The allocation and limits of credit risks are defined in the investment plan and investment instructions approved by the Board of Directors. Investment decisions are made within investment plan and investment instructions approved by the Board of Directors, by diversifying risks.

Monitoring expected credit losses is an essential part of the credit risk management. Principles of impairment and calculation of expected credit losses are described in Note 1 Accounting policies under IFRS. Impairment losses on loans and receivables, off-balance sheet items and changes during the financial year are presented in Note 14 Impairment of financial assets.

Risk control function reports exposures of customers, expected credit losses and non-performing receivables regularly to the Boards of Directors. The reports include, amongst other things, the amount and development of credit risk by customer group, industry sector and credit grade category.

At the end of the financial year, Bonum Bank's total investment assets totalled EUR 215,566 (218,689) thousand. The investment assets included in the liquidity reserve include certificates of receivables issued by governments, municipalities, credit institutions and corporations, some of which are secured and ECB-eligible loans.

The loan portfolio of retail banking operations decreased by 3.7 per cent during the financial year, reaching EUR 190,322 (197,579) thousand. Loans granted to retail customers accounted for 87.8 (86.5) per cent of the loan portfolio. During the financial year Bonum Bank carried out partial collection portfolio sales.

Loans and receivables are categorised in rating categories 1–8 by probability of default (PD) of the receivable. Rating category 1 represents the receivables of the lowest risk and risk category 8 represents the receivables of the highest risk. Both the customer and the receivable are categorised as defaulted (rating category 8), if default criteria described in accounting policies is met. Receivables categorised as defaulted are classified in stage 3 as per IFRS 9 in the calculation of expected credit losses. Receivables with a significant increase in credit risk are classified in stage 2. Other receivables are classified in stage 1.

At the end of the financial year, the gross amount of loans and receivables, certificates of receivables and off-balance sheet items in the highest risk category 8 totalled EUR 10,336 (15,734) thousand.

The tables below show receivables from customers, debt securities and off-balance sheet commitments in accordance with the stages defined in the calculation of expected credit losses by risk category. The table also shows the lower and upper limits of the PD for each risk category.

Receivables from credit institutions

(EUR 1,000, gross value)	PD		31 Dec 2025				31 Dec 2024
	Lower	Upper	Stage 1	Stage 2	Stage 3	Total	Total
Rating Class							
1-4	0.00	1.50	590,730	-	-	590,730	570,000
5	1.50	5.00	-	-	-	-	-
6	5.00	25.00	-	-	-	-	-
7	25.00	100.00	-	-	-	-	-
8	100.00	100.00	-	-	-	-	-
Total			590,730	-	-	590,730	570,000
ECL			-	-	-	-	-
Total			590,730	-	-	590,730	570,000

Loans and advances to credit institutions consist of intra-POP Bank Group items, the amount of which increased by 3.6 per cent during the financial year.

Receivables from customers

(EUR 1,000, gross value)	PD		31 Dec 2025				31 Dec 2024
	Lower	Upper	Stage 1	Stage 2	Stage 3	Total	Total
Rating Class							
1-4	0.00	1.50	95,365	79	-	104,577	95,444
5	1.50	5.00	64,270	622	-	59,633	64,892
6	5.00	25.00	25,854	3,144	-	21,350	28,997
7	25.00	100.00	256	334	-	218	590
8	100.00	100.00	-	-	15,239	9,669	15,239
Total			183,032	2,745	9,669	195,447	205,162
ECL			1,229	82	3,813	5,124	7,583
Total			181,803	2,664	5,856	190,322	197,579

Receivables from customers mainly consist of unsecured loans 58.5 (59.5) per cent. The amount of the three lowest risk categories (risk categories 6–8) in receivables decreased to 16.0 (21.8) per cent during the financial year. The amount of stage two and three receivables increased to 18.1 (16.9) per cent.

Off-balance sheet commitments

(EUR 1,000, gross value)	PD		31 Dec 2025				31 Dec 2024
	Lower	Upper	Stage 1	Stage 2	Stage 3	Total	Total
Rating Class							
1-4	0.00	1.50	196,320	615	-	196,935	177,597
5	1.50	5.00	6,066	55	-	6,121	6,208
6	5.00	25.00	558	408	-	966	860
7	25.00	100.00	-	44	-	44	13
8	100.00	100.00	-	-	667	667	495
Total			202,944	1,123	667	204,734	185,172
ECL			238	38	79	355	386
Total			202,706	1,085	588	204,379	184,787

Off-balance sheet receivables mainly consist of unused credit card facilities 87.9 (86.6) per cent and intra-group items 11.0 (12.2) per cent.

Debt securities

(EUR 1,000, gross value)	PD		31 Dec 2025				31 Dec 2024
	Lower	Upper	Stage 1	Stage 2	Stage 3	Total	Total
Rating Class							
1-4	0.00	1.50	214,268	-	-	214,268	217,523
5	1.50	5.00	-	-	-	-	-
6	5.00	25.00	-	-	-	-	-
7	25.00	100.00	-	-	-	-	-
8	100.00	100.00	-	-	-	-	-
Total			214,268	-	-	214,268	217,523
ECL			26	-	-	26	25
Total			214,242	-	-	214,242	217,499

Debt securities included in the liquidity reserve fall into the four highest risk categories. Tier 2 certificates are commercial papers used for liquidity management.

Doubtful receivables, forbearances and impairment losses

In 2025, impairment losses recorded from loans and receivables were EUR 2,518 thousand. During the financial period the total amount of credit losses were EUR 5,015 (2,103) thousand. Expected credit losses (ECL) on loans and receivables and off-balance sheet commitments decreased EUR 2,497 thousand to EUR 5,511 (8,008) thousand during the financial year.

Bank's receivables overdue for more than 90 days accounted for 4.3 (7.0) per cent of the loan portfolio. At the end of 2025, the Bank's receivables overdue for 30–90 days accounted for 1.2 (1.6) per cent of the loan portfolio. Doubtful receivables in active collection are written off if any payments cannot be expected to the receivable on probable grounds.

The total amount of doubtful receivables in proportion to the total credit portfolio reported during the financial year increased due to receivables risk scoring method which delays final write off bookings.

Overdue receivables

(EUR 1,000)	30 Dec 2025	31 Dec 2024
31-90 days	2,377	3,116
over 90 days	8,243	13,617
Total	10,620	16,733

Expected credit losses (ECL) on loans and receivables and off-balance sheet commitments in ECL Stage 3 were EUR 3,892 (6,071) thousand. In ECL calculation, loans with more than 90 days overdue payments are classified to stage three. The receivables in ECL stage 2 are mainly loans granted to private customers. The amount of expected credit losses and the changes in them are presented in Note 14.

operate in a similar operating environment, in which case individual events can have effects on a significant number of counterparties at the same time. Similar concentration risk may also arise when similar collateral is held for credit facilities.

The total amount of credit granted by Bonum Bank to a single customer and/or group of connected clients is managed through amalgamation level limits, in consideration with regulation in force.

Risk concentrations

Credit risk concentration arises when the counterparties are financially dependent on each other and

Counterparty distribution of liquid assets

(EUR 1,000)	31 Dec 2025	31 Dec 2024
From central banks	375,583	558,332
Governments and public bodies	83,287	83,340
Credit institutions	134,750	137,503
From companies	-	289
Total	593,620	779,464

Liquidity risks

Liquidity risk refers to Bonum Bank's ability to fulfil its commitments. Liquidity risk can be divided into short-term liquidity risk and long-term structural financing risk. Short-term liquidity risk refers to a situation in which the bank cannot without difficulty fulfil its liabilities to pay. Structural financing risk refers to a refinancing risk that arises from the difference in the maturities of balance sheet receivables and liabilities.

Managing liquidity risks

Bonum Bank's Board of Directors approves the liquidity strategy and liquidity management guidelines prepared by the central institution at the amalgamation level, which defines the principles, methods, restrictions and implementation for liquidity management. The Board of Directors of the central institution manages the implementation of the amalgamation's liquidity management, the methods used in it and monitors the adequacy and composition of the liquidity reserve.

Bonum Bank as the central credit institution is responsible for coordinating of the liquidity strategy of the amalgamation and supervises and monitors the fulfilment of the liquidity strategy of the member credit institutions. The central credit institution coordinates the payment transactions of the member credit institutions and the acquisition and balancing of liquidity in the amalgamation. The task of the amalgamation's independent risk control function is to supervise and monitor the liquidity risk.

Bonum Bank as the central credit institution is responsible for managing the regulatory minimum levels of liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) in the amalgamation level. The central institution has released the member banks from the regulatory demands of liquidity coverage and net stable funding ratio with permission granted by the Finnish Financial Supervision Authority. According to the permission regulatory demands in liquidity risk have to be filled at amalgamation level only.

The central institution's Board of Directors approves the funding plan and the liquidity contingency plan written out by the management of the central credit institution. The central institution's risk monitoring function plans, develops and tests methods used in liquidity risk management and is responsible for risk reporting to the Board of Directors of the central institution. The central credit institution and its executive management assist the risk control function in this process. The Board of Directors of the central institution approves the liquidity strategy and the methods used in implementing the principles of liquidity management.

The central credit institution reports on the liquidity situation to the Board of Directors of the central credit institution and is responsible for the planning of the liquidity position and funding of the amalgamation. The Board of Directors of the central credit institution is responsible for monitoring the implementation of the liquidity strategy at the central credit institution.

Liquidity risk

The liquidity management of the Bonum Bank follows the principles set out in the liquidity strategy, which aims to limit risk through a diversified financial structure. The most important means of securing liquidity position are maintaining a sufficient and high-quality liquidity reserve and diversifying funding sources. Intra-day liquidity, liquidity reserve and liquidity coverage ratio are the key means to limit and measure the liquidity risk. The internal limits and controls of the amalgamation limits the liquidity risk associated with the business activities of the amalgamation and the member credit institutions and ensure that the regulatory requirements related to liquidity risk are met.

The key ratios for measuring short-term liquidity risk are the liquidity coverage ratio (LCR), specified in the EU's Capital Requirements Regulation and The Net Stable Funding Ratio (NSFR). LCR measures short-term liquidity risk and is responsible for ensuring that the liquidity reserve, consisting of high-quality liquid assets under LCR regulation, is sufficient to cover outflow net cash flows in stress situations for 30 days. The NSFR measures the mismatch of assets and liabilities on the balance sheet with maturity more than one year and is responsible for ensuring that long-term lending is adequately funded by long-term funding.

LCR and NSFR ratio

(per cent)	31 Dec 2025	31 Dec 2024
LCR	241.9	315.0
NSFR	136.5	136.9

The liquidity reserve of the amalgamation consists of high-quality liquid assets in accordance with the EU Capital Requirements Regulation, which can meet the liquidity need in stress situations either by selling the securities or by pledging them as collateral for central bank funding. In addition to the assets on the central credit institutions balance sheet, the amalgamation's liquidity reserve also includes liquid assets in the balance sheet of the other member credit institutions, that can be managed by the central credit institution on the basis of internal agreements. At the end of 2025, the market value of non-pledged financial assets and cash included in the liquidity reserve were in total of EUR 971 (1,154) million.

Bonum Bank supervises the intra-day liquidity coverage by monitoring the balances of the pay-

ment accounts of the member credit institutions. The member credit institutions follow continuously their intra-day liquidity position.

Structural funding risk

The central credit institution's business involves funding risk arising from financial intermediation and the maturity transformation of lending activities. Bonum Bank acts as an internal bank of the amalgamation, provides wholesale funding to POP Banks, maintains a liquidity reserve and engages in retail banking and investment activities.

The table below shows the maturities of the Bonum Bank liabilities with interests. Instant deposits are assumed to mature immediately.

Maturity distribution of financial liabilities

(EUR 1,000)	31 Dec 2025				
	Under 3 months	3-12 months	1-5 years	Over 5 years	Total
Issued debt instruments	14,981	-	-	-	14,981
Liabilities to credit institutions	3,994	9,929	149,964	-	163,887
Derivatives	389,906	134	1,004,468	119,081	1,513,589
Lease liabilities	-	-	1,760	11,856	13,616
Total	29	90	32	-	151
Yhteensä	408,910	10,153	1,156,223	130,937	1,706,223

Maturity distribution of financial liabilities

(EUR 1,000)	31 Dec 2024				
	Under 3 months	3-12 months	1-5 years	Over 5 years	Total
Issued debt instruments	14,060	-	-	-	14,060
Liabilities to credit institutions	-	14,780	169,926	-	184,706
Derivatives	391,230	256,000	843,701	268,936	1,759,867
Lease liabilities	-	-	319	8,355	8,674
Total	59	179	116	-	355
Yhteensä	405,645	270,780	1,013,946	277,291	1,967,662

At the end of the financial year, Bonum Bank had EUR 150 (170) million in unsecured senior loans issued under the EUR 750 million bond program. EUR 14.0 (15.0) million of the Bank's EUR 250 million certificates of deposits program was issued

Market risks

Market risk refers to the probability of loss resulting from changes in interest rates or other market prices. The market risk classes are interest rate, currency, equity and commodity risk.

The objective of market risk management is to identify and assess market risks related to the business operations, mitigate the risks to an acceptable level and timely monitoring of the risk exposures. Within the amalgamation of POP Banks, the central institution's Board of Directors confirms the market risk strategy and market risk management guidelines, which create the foundation for market risk management at Bonum Bank. Bonum Bank's Board of Directors confirm the maximum levels for market risks and the investment policy within the investment plan according to the market risk strategy. The capital adequacy management process is a central process for the measurement and monitoring of the market risks in the balance sheet, involving capital allocation for market risk.

In the amalgamation, market risk exposure is limited in terms of trading, interest rate risk, currency risk, derivatives, structured products and commodity risk. Bonum Bank does not engage in trading activities. The use of derivatives is limited to hedging purposes only.

Currency risk is not taken at all in lending; all loans are granted in euros. Currency risk arises to a small extent through strategic shareholdings and from customers foreign currency payments. Commodity risk is not allowed.

Interest rate risk in the banking book

The interest rate risk is the most significant market risk in Bonum Bank's business operations.

Interest rate risk refers to the effect of changes in interest rate levels on the market value or net interest income of balance sheet items and off-balance sheet items. Interest rate risk arises from differences in the interest terms of receivables and liabilities and mismatches in interest rate repricing and maturity dates. Interest rate risk arises from the liquidity reserve investment activities and the banking book operations.

Bonum Bank monitors the interest rate risk by with present value method and dynamic income risk model on a monthly basis. The present value method measures how changes in interest rates change the constructed market value of the balance sheet. In the present value method, the market value of the balance sheet is calculated as the present value of the expected cash flows of individual balance sheet items. Interest rate sensitivity indicators are primarily used to monitor the market value changes caused by the changes in the interest rates and credit spreads of investment items in different interest rate scenarios. The income risk model predicts the future net interest income and its changes in various market rate scenarios within a time frame of five years. The amount of interest rate risk taken is assessed with the effect of diverse interest rate shocks on the net interest income and net present value. The effect of early loan prepayments and the behaviour of non-maturity deposits have been considered in the analysis.

The objective of interest rate management is to stabilise the interest rate risk involved in the bank's balance sheet to a level at which business is profitable, but profit or capital adequacy are not threatened even in considerable changes of the interest rate environment.

Interest rate risk is managed primarily by planning the balance sheet structure, such as the interest rate fixing or maturity of assets and liabilities. During the financial period, Bonum Bank executed derivative hedges to decrease interest rate risk in member banks' banking book. Details of the derivative hedges are presented in Note 23.

The interest rate sensitivity analysis of the banking book

Impact to interest margin (EUR 1,000)	Change	31 Dec 2025 1-12 mo.	31 Dec 2024 1-12 mo.
Interest rate risk	+2%-point	-1,811	-1,504
Interest rate risk	-2%-point	1,854	1,367

The impact of the interest rate risk on operating income has been calculated as a change to the 12-month forecast of the net interest income, assuming two percentage point upward or downward parallel interest rate level shift.

Investment and liquidity portfolio

The investment and liquidity portfolio of the central credit institution consists of liquid securities and other investments included in the banks' balance sheet. Market risk emerges in these investment activities, consisting mainly of counterparty and interest rate risks. The objective in investing activities is to obtain a competitive return on investment in terms of yield/risk ratio on a long-term perspective.

Risks arising from the investment and liquidity portfolio are managed by limits defined by the amalgamation, which ensures the diversification of investments in terms of timing, asset category, risk type and counterparty. Investment risks are also monitored through sensitivity analysis. The purpose of the limitation is that the effect of changes in interest rates or share prices on profit will not threaten the capital adequacy or profitability of the bank or the entire amalgamation.

Risk appetite in the investment portfolio is assessed in relation to the earnings and own funds. The breakdown of investment assets is described in Note 17 Investment Assets.

Operational risks

Operational risks refer to financial losses or other harmful consequences to business that may be caused by internal inadequacies or errors in sys-

tems, processes, procedures and the actions of personnel, or by external factors affecting the business. All main and support business processes, including outsourced processes, involve operational risks.

The objective of the management of operational risks is to identify essential operational risks in business operations and minimise their materialisation and impact. The objective is pursued through operational risk management processes, internal guidelines, process controls, continuous personnel training and internal control measures. The Bank's Board of Directors approves the guidelines on operational risk management and the principles of continuity planning as binding instructions given by the central institution.

The most important operational risk management processes are operative risk self-assessment process, continuous evaluation of realized operative incidents and near-miss events and new product / service approval procedure. All these incorporate recognition and evaluation of essential risks in business processes and planning of measures to mitigate the risks. Targeted operational risk level of the amalgamation is moderate. Capital is allocated to operational risks in the capital adequacy management process.

The Banks' Risk Control unit reports significant operative risk events, incidents and risk assessment results to the board as well as to the central institutions risk management function. The Banks' executive management monitors operational risk events and incidents regularly, to assess the risk involved and take timely mitigating actions if necessary.

Strategic risk

Strategic risk refers to losses caused by choosing wrong strategy or business model in relation to the development of the bank's operating environment. The losses may also be caused by unsuccessful implementation of strategy, unexpected changes in the competitive environment or responding too slowly to changes.

Bonum Bank aims to minimise strategic risks by means of regular updates of its strategic and annual plans. Analyses of the condition and development of the POP Bank Group business activities, as well as other analyses and estimates concerning the development of the sector, competition and financial operating environment are utilized in the planning.

NOTE 3 INTEREST INCOME AND EXPENSES

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Interest income		
Loans and receivables from credit institutions	38,249	50,420
Loans and receivables from customers	14,536	16,750
Debt securities		
At amortised cost	4,610	4,679
At fair value through profit or loss	1,527	2,640
Other interest income	12	1
Total interest income	58,934	74,491
Interest expenses		
Liabilities to credit institutions	-44,972	-46,323
Liabilities to customers	-32	-331
Debt securities issued to the public	-6,865	-11,538
Hedging derivatives	2,195	-6,045
Other interest expenses	-17	-20
Total interest expenses	-49,691	-64,257
of which negative interest income	-5	-7
Net interest income	9,243	10,233

NOTE 4 NET COMMISSIONS AND FEES

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Commissions and fees		
Lending	1,223	1,267
Card business	5,299	5,173
Payment transfers	3,965	4,215
Other commission income	274	15
Total commissions and fees	10,762	10,670
Commissions expenses		
Card business	-1,944	-1,653
Payment transfers	-979	-875
Other commission expenses	-17	-117
Total commission expenses	-2,940	-2,645
Net commissions and fees	7,821	8,024

NOTE 5 NET INVESTMENT INCOME

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
At amortised cost		
Debt securities		
Fair value gains and losses	-6	-
Total	-6	-
At fair value through other comprehensive income		
Debt securities		
Capital gains and losses	5	4
Transferred from fair value reserve to the income statement	19	-5
Shares and participations		
Dividend income	9	8
Total	32	7
Net income from foreign exchange trading	220	191
Net income from hedge accounting		
Change in hedging instruments' fair value	-9,273	6,298
Change in hedged items' fair value	9,559	-5,930
Total	287	368
Total net investment income	532	566

*Dividend income from equity shares measured at fair value through other comprehensive income held in the end of the financial period is EUR 9 (8) thousand.

Net investment income includes net income from financial instruments except interest income from debt securities recognised in net interest income.

Derivative contracts and hedge accounting are specified in Notes 23 and 27.

NOTE 6 OTHER OPERATING INCOME

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Central credit institution services excl. payment transfer	56	56
Other income	9,971	6,395
Total other operating income	10,027	6,451

The "Other income" item includes mainly intra-group charges and service fees.

NOTE 7 PERSONNEL EXPENSES

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Wages and salaries	-6,718	-5,712
Indirect personnel expenses	-247	-156
Pension costs		
Defined contribution plans	-1,217	-997
Total personnel expenses	-8,182	-6,864

On 31 December 2025, the bank had 124 (102) employees. On average, during year 2025, the bank had 116 (95) employees.

Related party fees are specified in Note 31.

NOTE 8 OTHER OPERATING EXPENSES

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Other operating expenses		
Other personnel expenses	-689	-558
Office expenses	-3,390	-2,582
ICT expenses	-6,636	-6,997
Telecommunications	-572	-492
Entertainment and marketing expenses	-108	-124
Other administrative expenses total	-11,396	-10,753
Other operating expenses		
Rental expenses	-282	-238
Audit fees	-43	-60
Other operating expenses*	-1,429	-2,893
Other operating expenses total	-1,755	-3,190
Total other operating expenses	-13,150	-13,943
Audit fees		
Audit services	-43	-54
Audit-related services according to Auditing Act 1.1,2 §	-	-6
Total audit fees	-43	-60

Other than audit services from KPMG Oy Ab totalled to EUR 0 (6) thousand during the financial year 2025.

*2024 Other operating expenses include EUR 2,122 thousand one-off expenses of selling consumer loans.

NOTE 9 DEPRECIATION, AMORTISATION AND IMPAIRMENT

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Machinery and equipment	-15	-19
Right of use assets	-238	-234
Intangible assets	-45	-221
Total depreciation, amortisation and impairment	-298	-473

More detailed information about right off use assets is provided in Note 30.

NOTE 10 INCOME TAX

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Current tax	-688	-178
Tax for prior financial years	-3	-1
Withholding tax paid outside Finland	-3	-2
Change in deferred tax assets	-6	-12
Total income tax expense	-699	-194

Reconciliation between tax expense in the income statement and tax expense calculated using the applicable tax rate

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Profit before tax	3,475	978
Income tax rate	20 %	20 %
Tax calculated at the tax rate	-695	-196
Tax free income, income statement	0	3
Non tax-deductible expenses, income statement	-1	0
Change in deferred tax liability	-2	-
Tax for prior financial years	-3	-1
Tax expense in the income statement	-699	-194

NOTE 11 NET INCOME AND EXPENSES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY MEASUREMENT CATEGORY

(EUR 1,000)		
Financial assets	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
At fair value through other comprehensive income		
Interest income and expenses	1,517	2,573
Transferred from fair value reserve	19	-5
Dividend income	9	8
Capital gains and losses	5	4
Expected credit loss	8	10
Total	1,558	2,589
At amortised cost		
Interest income and expenses	12,397	25,244
Other income	1,223	3,174
Expected credit loss	2,489	-943
Total	16,109	27,475
Financial liabilities	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
At amortised cost		
Interest income and expenses	-6,865	-11,538
Total	-6,865	-11,538
At fair value through profit or loss		
Hedging derivatives		
Fair value gains and losses	282	372
Interest income and expenses	2,195	-6,045
Total	2,476	-5,673
Net income from foreign exchange operation	220	191
Total	13,499	13,044

NOTE 12 CLASSIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets 31 Dec 2025

(EUR 1,000)	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Expected credit loss	Total carrying amount
Liquid assets	375,583	-	-	-	375,583
Loans and receivables from credit institutions	962,196	-	-	-	962,196
Loans and receivables from customers	195,447	-	-	-5,124	190,322
Derivatives	-	18,064	-	-	18,064
Debt securities*	172,801	-	41,473	-32	214,242
Shares and participations	-	-	1,323	-	1,323
Financial assets total	1,706,027	18,064	42,796	-5,156	1,761,731
Other assets					30,735
Total assets					1,792,465

*Expected credit loss of EUR 8 (10) thousand from debt securities have been recorded in the fair value reserve.

Financial assets 31 Dec 2024

(EUR 1,000)	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Expected credit loss	Total carrying amount
Liquid assets	558,332	-	-	-	558,332
Loans and receivables from credit institutions	1,020,697	-	-	-	1,020,697
Loans and receivables from customers	205,162	-	-	-7,583	197,579
Derivatives	-	22,395	-	-	22,395
Debt securities*	148,768	-	68,741	-10	217,499
Shares and participations	-	-	1,191	-	1,191
Financial assets total	1,932,959	22,395	69,931	-7,594	2,017,691
Other assets					32,818
Total assets					2,050,510

*Expected credit loss of EUR 10 thousand from debt securities have been recorded in the fair value reserve.

Financial liabilities 31 Dec 2025

(EUR 1,000)	At fair value through other comprehensive income	At amortised cost	Total carrying amount
Liabilities to credit institutions	-	1,513,589	1,513,589
Liabilities to customers	-	14,981	14,981
Derivatives	13,616	-	13,616
Debt securities issued to the public	-	163,887	163,887
Financial liabilities total	13,616	1,692,457	1,706,073
Other liabilities			32,398
Total liabilities			1,738,471

Financial liabilities 31 Dec 2024

(EUR 1,000)	At fair value through other comprehensive income	At amortised cost	Total carrying amount
Liabilities to credit institutions	-	1,759,867	1,759,867
Liabilities to customers	-	14,060	14,060
Derivatives	8,674	-	8,674
Debt securities issued to the public	-	184,706	184,706
Financial liabilities total	8,674	1,958,633	1,967,307
Other liabilities			32,195
Total liabilities			1,999,503

NOTE 13 CLASSIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AND FAIR VALUES BY VALUATION TECHNIQUE

Financial assets

(EUR 1,000)	31 Dec 2025		31 Dec 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Liquid assets	375,583	375,583	558,332	558,332
Loans and receivables from credit institutions	962,196	965,046	1,020,697	1,025,264
Loans and receivables from customers	190,322	189,827	197,579	196,849
Investment assets	18,064	18,064	22,395	22,395
At amortised cost				
At fair value through profit or loss	172,770	174,639	148,758	147,546
Total	42,796	42,796	69,931	69,931
Total	1,761,731	1,765,955	2,017,692	2,020,316

Financial liabilities

(EUR 1,000)	31 Dec 2025		31 Dec 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities to credit institutions	1,513,589	1,513,519	1,759,867	1,759,768
Liabilities to customers	14,981	14,981	14,060	14,060
Derivatives	13,616	13,616	8,674	8,674
Debt securities issued to the public	163,887	164,097	184,706	185,182
Total	1,706,073	1,706,212	1,967,307	1,967,685

Fair value hierarchy levels of items recurrently recognised at fair value

Assets recurrently measured at fair value 31 Dec 2025

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value
At fair value through other comprehensive income				
Derivatives	-	18,064	-	18,064
At fair value through other comprehensive income				
Shares and participations	-	-	1,323	1,323
Debt securities	41,464	-	-	41,464
Total	41,464	18,064	1,323	60,851

Liabilities recurrently measured at fair value 31 Dec 2025

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value
Derivatives	-	13,616	-	13,616
Total	-	13,616	-	13,616

Assets recurrently measured at fair value 31 Dec 2024

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value
At fair value through profit or loss				
Derivatives	-	22,395	-	22,395
At fair value through other comprehensive income				
Shares and participations	-	-	1,191	1,191
Debt securities	58,773	9,968	-	68,741
Total	58,773	32,363	1,191	92,326

Liabilities recurrently measured at fair value 31 Dec 2024

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value
Derivatives	-	8,674	-	8,674
Total	-	8,674	-	8,674

Fair value hierarchy levels of items recognized at amortised cost

Assets measured at amortised cost 31 Dec 2025

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value	Carrying amount
Loans and advances to credit institutions	-	962,196	-	965,046	962,196
Loans and advances to customers	-	190,322	-	189,827	190,322
Debt securities	-	172,778	-	174,639	172,778
Total	-	1,325,296	-	1,329,512	1,325,296

Liabilities measured at amortised cost 31 Dec 2025

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value	Carrying amount
Liabilities to credit institutions	-	1,513,589	-	1,513,519	1,513,589
Liabilities to customers	-	14,981	-	14,981	14,981
Debt securities issued to the public	-	163,887	-	164,097	163,887
Total	-	1,692,457	-	1,692,596	1,692,457

Assets measured at amortised cost 31 Dec 2024

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value	Carrying amount
Loans and advances to credit institutions	-	1,020,697	-	1,025,264	1,020,697
Loans and advances to customers	-	197,579	-	196,849	197,579
Debt securities	-	148,758	-	147,546	148,758
Total	-	1,367,034	-	1,369,659	1,367,034

Liabilities measured at amortised cost 31 Dec 2024

(EUR 1,000)	Level 1	Level 2	Level 3	Total fair value	Carrying amount
Liabilities to credit institutions	-	1,759,867	-	1,759,768	1,759,867
Liabilities to customers	-	14,060	-	14,060	14,060
Debt securities issued to the public	-	184,706	-	185,182	184,706
Total	-	1,958,633	-	1,959,011	1,958,633

Fair value determination of financial assets and financial liabilities

Financial assets are recorded in the balance sheet either at fair value or at amortised cost. The classification and measurement of financial instruments is described in more detail in Note 2 POP Bank Group's accounting policies.

Fair value hierarchies

Level 1 includes financial instruments that are measured on the basis of quotations obtained from liquid markets. A market is considered as liquid if quotations are regularly available. This group included all securities with publicly quoted prices.

Level 2 includes financial instruments measured using generally approved measurement techniques or models which are based on assumptions made on the basis of observable market prices. For example, the fair value of a financial instrument allocated to level 2 may be based on the value derived from the market quotation of components of an instrument. This group includes interest derivatives, including interest rate swaps, as well as other instruments that are not traded in liquid markets. The valuation methods for these instruments are based on generally accepted calculation models.

Level 3 includes financial instruments and other assets and liabilities that are not measured using market quotations or values determined on the basis of observable market prices using measurement techniques or models. The assumptions applied in the measurement techniques often involve insecurity. The fair value of assets allocated to level 3 is often based on price information obtained from a third party. This group includes unlisted shares and funds and investment properties.

Transfers between fair value hierarchies

Transfers between hierarchy levels are considered to have taken place on the date of the occurrence of the event that caused the transfer or the date when the circumstances changed.

Changes in financial assets recurrently measured at fair value classified into level 3

(EUR 1,000)	At fair value through other comprehensive income	Total
Carrying amount 1 Jan 2025	1,191	1,191
Changes in value recognised in other comprehensive income	133	133
Carrying amount 31 Dec 2025	1,323	1,323

(EUR 1,000)	At fair value through other comprehensive income	Total
Carrying amount 1 Jan 2024	956	956
Changes in value recognised in other comprehensive income	234	234
Carrying amount 31 Dec 2024	1,191	1,191

Sensitivity analysis of financial assets at level 3

31 Dec 2025

(EUR 1,000)	Carrying amount	Possible effect on equity capital	
		Positive	Negative
At fair value through other comprehensive income	1,323	198	-198
Total	1,323	198	-198

31 Dec 2024

(EUR 1,000)	Carrying amount	Possible effect on equity capital	
		Positive	Negative
At fair value through other comprehensive income	1,191	179	-179
Total	1,191	179	-179

The sensitivity of financial assets recurrently measured at fair value at level 3 has been calculated for interest rate linked investments by assuming a 1 percentage points change in interest rates and for other investments by assuming the market price of the security to change by 15%.

Bonum Bank does not have assets measured non-recurrently at fair value.

NOTE 14 IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Impairment losses recorded during the reporting period

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Change of ECL due to write-offs	4,991	3,658
Change of ECL, receivables from customers and off-balance sheet items	-2,502	-4,601
Change of ECL, debt securities	8	29
Final credit losses	-5,015	-2,103
Impairment losses on financial assets total	-2,518	-3,018

During the financial year, EUR -5,015 (-2,103) thousand was recognised as final credit loss. Recollection measures are attributed to the whole amount of credit losses. The partial sale of collection portfolio decreased the level of expected credit losses.

Changes in expected credit loss (ECL) during the financial period are presented in the tables below. Stage 1 represents financial instruments whose credit risk has not increased significantly since the initial recognition. Expected credit losses are determined for such financial instruments based on expected loan losses for 12 months. Stage 2 represents financial instruments whose credit risk has increased significantly after the initial recognition on the basis of qualitative or quantitative criteria and, for stage 3, financial instruments whose counterparty has been declared as default. Expected credit losses are determined for financial instruments classified in Stage 2 and 3 based on the expected credit losses over the entire life of the instrument.

The principles for calculating expected credit losses and determining the probability of default are presented in IFRS financial statements of the Bonum Bank, Note 1 Accounting policies.

Receivables from customers

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2025	1,451	131	6,001	7,583
Transfers to stage 1	14	-37	-344	-367
Transfers to stage 2	-34	42	-17	-9
Transfers to stage 3	-107	-34	2,212	2,071
Increases due to origination	539	24	366	929
Decreases due to derecognition	-499	-37	-4,410	-4,947
Changes due to change in credit risk (net)	-134	-8	4,996	4,854
Decreases due to write-offs	-	-	-4,991	-4,991
Total	-222	-49	-2,188	-2,459
ECL 31 Dec 2025	1,229	82	3,813	5,124

Off-balance sheet commitments

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2025	284	31	70	386
Transfers to stage 1	3	-22	-28	-47
Transfers to stage 2	-1	4	0	3
Transfers to stage 3	-2	0	20	17
Increases due to origination	88	29	20	137
Decreases due to derecognition	-1	0	-1	-2
Changes due to change in credit risk (net)	-132	-4	-3	-139
Total	-46	6	9	-30
ECL 31 Dec 2025	238	38	79	355

Debt securities

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2025	39	-	-	39
Increases due to origination	4	-	-	4
Decreases due to derecognition	-7	-	-	-7
Changes due to change in credit risk (net)	-5	-	-	-5
Total	-8	-	-	-8
ECL 31 Dec 2025	32	-	-	32
ECL 1 Jan 2025	1,775	162	6,071	8,008
ECL 31 Dec 2025	1,499	119	3,892	5,511

Receivables from customers

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2024	1,667	168	4,884	6,720
Transfers to stage 1	10	-30	-251	-271
Transfers to stage 2	-48	54	-41	-35
Transfers to stage 3	-185	-58	3,268	3,025
Increases due to origination	625	62	774	1,461
Decreases due to derecognition	-458	-64	-2,637	-3,159
Changes due to change in credit risk (net)	-160	-2	3,663	3,501
Decreases due to write-offs	-	-	-3,658	-3,658
Total	-216	-37	1,117	863
ECL 31 Dec 2024	1,451	131	6,001	7,583

Off-balance sheet commitments

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2024	194	42	70	306
Transfers to stage 1	7	-30	-31	-53
Transfers to stage 2	-1	8	-1	5
Transfers to stage 3	-1	-1	15	13
Increases due to origination	84	18	25	126
Decreases due to derecognition	-4	-1	-1	-6
Changes due to change in credit risk (net)	4	-4	-6	-5
Total	90	-11	0	80
ECL 31 Dec 2024	284	31	70	386

Debt securities

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
ECL 1 Jan 2024	68	-	-	68
Increases due to origination	5	-	-	5
Decreases due to derecognition	-10	-	-	-10
Changes due to change in credit risk (net)	-24	-	-	-24
Total	-28	-	-	-29
ECL 31 Dec 2024	40	-	-	39
ECL 1 Jan 2024	1,929	211	4,954	7,094
ECL 31 Dec 2024	1,775	162	6,071	8,008

Credit risk by stages 31 Dec 2025

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
Receivables from customers				
Private	143,515	2,487	9,569	155,570
Corporate	39,518	259	100	39,876
Receivables from customers total	183,032	2,745	9,669	195,447
ECL 31 Dec 2025	1,229	82	3,813	5,124
Coverage ratio	0.7%	3.0%	39.4%	2.6%
Off-balance sheet commitments				
Private	194,543	1,074	640	196,258
Corporate	8,401	49	27	8,476
Off-balance sheet commitments total	202,944	1,123	667	204,734
ECL 31 Dec 2025	238	38	79	355
Coverage ratio	0.1%	3.4%	11.8%	0.2%
Debt securities	214,268	-	-	214,268
ECL 31 Dec 2025	32	-	-	32
Coverage ratio	0.0%	-	-	0.0%
Credit risk by stages total	600,245	3,868	10,336	614,449

The table above summarizes the exposure to credit risk and the amount of the expected credit loss in relation to the amount of the exposure in stages. The coverage ratio illustrates the relative share of the ECL in the amount of exposure. There were no significant changes in the coverage ratio during the period.

Credit risk by stages 31 Dec 2024

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
Receivables from customers				
Private	149,277	3,939	15,168	168,384
Corporate	36,467	240	71	36,779
Receivables from customers total	185,744	4,179	15,239	205,162
ECL 31 Dec 2024	1,451	131	6,001	7,583
Coverage ratio	0.8%	3.1%	39.4%	3.7%
Off-balance sheet commitments				
Private	176,418	967	472	177,857
Corporate	7,252	41	22	7,315
Off-balance sheet commitments total	183,669	1,008	495	185,172
ECL 31 Dec 2024	284	31	70	386
Coverage ratio	0.2%	3.1%	14.2%	0.2%
Debt securities	217,523	-	-	217,523
ECL 31 Dec 2024	40	-	-	39
Coverage ratio	0.0%	0.0%	0.0%	0.0%
Credit risk by stages total	586,937	5,187	15,734	607,858

NOTE 15 LIQUID ASSETS

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Receivables from central banks repayable on demand	375,583	558,332
Total cash and cash equivalents	375,583	558,332

NOTE 16 LOANS AND ADVANCES

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Loans and advances to credit institutions		
Deposits		
Repayable on demand	371,466	450,697
Other	590,730	570,000
Total loans and advances to credit institutions	962,196	1,020,697
Loans and advances to customers		
Loans	131,696	140,898
Credit card receivables	58,601	56,656
Other receivables	25	26
Total loans and advances to customers	190,322	197,579
Total loans and advances	1,152,518	1,218,276

NOTE 17 INVESTMENTS ASSETS

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Measured at amortised cost		
Debt securities	172,778	148,758
At fair value through other comprehensive income		
Debt securities	41,464	68,741
Shares and participations	1,323	1,191
Investment assets total	215,566	218,689

Investments 31 Dec 2025

(EUR 1,000)	At amortised cost		At fair value through other comprehensive income		Total
	Debt securities	Debt securities	Debt securities	Shares and participations	
Quoted					
Public sector entities	-	2,022	-	-	2,022
Other	172,778	39,443	-	-	212,221
Other					
Other	-	-	1,323	-	1,323
Total investments	172,778	41,464	1,323	-	215,566

Investments 31 Dec 2024

(EUR 1,000)	At amortised cost		At fair value through other comprehensive income		Total
	Debt securities	Debt securities	Debt securities	Shares and participations	
Quoted					
Public sector entities	-	16,911	-	-	16,911
Other	148,758	51,830	-	-	200,588
Other					
Other	-	-	1,191	-	1,191
Total investments	148,758	68,741	1,191	-	218,689

NOTE 18 INTANGIBLE ASSETS

Bonum Bank's intangible assets are information systems over which Bonum Bank has control as referred to in IAS 38 Intangible assets. The information systems are implemented by POP Bank Group's partners of which the most important is Samlink Ltd.

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Information systems	64	108
Total intangible assets	64	108

Changes in intangible assets 2025

(EUR 1,000)	Other long-term expenditures	Total
Acquisition cost 1 Jan	6,431	6,431
Acquisition cost 31 Dec	6,431	6,431
Accumulated amortisation and impairments 1 Jan	-6,323	-6,323
Amortisation	-45	-45
Accumulated amortisation and impairments 31 Dec	-6,368	-6,368
Carrying amount 1 Jan	108	108
Carrying amount 31 Dec	64	64

Changes in intangible assets 2024

(EUR 1,000)	Other long-term expenditures	Total
Acquisition cost 1 Jan	6,431	6,431
Acquisition cost 31 Dec	6,431	6,431
Accumulated amortisation and impairments 1 Jan	-6,102	-6,122
Amortisation	-221	-221
Accumulated amortisation and impairments 31 Dec	-6,323	-6,343
Carrying amount 1 Jan	329	329
Carrying amount 31 Dec	108	108

NOTE 19 PROPERTY, PLAN AND EQUIPMENT

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Machinery and equipment	32	25
Right-of-use assets	145	345
Total property, plant and equipment	177	370

Changes in property, plant and equipment 2025

(EUR 1,000)	Right-of-use items	Machinery and equipment	Total
Acquisition cost 1 Jan	1,287	222	1,509
Increases	39	21	60
Acquisition cost 31 Dec	1,326	243	1,569
Accumulated depreciation and impairment 1 Jan	-942	-197	-1,138
Depreciation	-238	-15	-253
Accumulated depreciation and impairment 31 Dec	-1,180	-212	-1,392
Carrying amount 1 Jan	345	25	370
Carrying amount 31 Dec	145	32	177

An itemisation of fixed asset items is provided in Note 30.

Changes in property, plant and equipment 2024

(EUR 1,000)	Right-of-use items	Machinery and equipment	Total
Acquisition cost 1 Jan	1,318	216	1,535
Increases	0	5	5
Decreases	-32	-	-32
Acquisition cost 31 Dec	1,287	222	1,540
Accumulated depreciation and impairment 1 Jan	-708	-178	-886
Depreciation	-234	-19	-252
Accumulated depreciation and impairment 31 Dec	-942	-197	-1,138
Carrying amount 1 Jan	610	38	648
Carrying amount 31 Dec	345	25	370

NOTE 20 OTHER ASSETS

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Accrued income and prepaid expenses		
Interest	16,131	16,938
Other accrued income and prepaid expenses	6,453	6,754
Other assets	7,887	8,301
Total other assets	30,471	31,992

NOTE 21 DEFERRED TAXES

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Tax assets		
Deferred tax assets	23	102
Income tax receivables	-	245
Total tax assets	23	347
Tax liabilities		
Deferred tax liabilities	235	257
Income tax liabilities	68	-
Total tax liabilities	304	257

Deferred tax assets

(EUR 1,000)	1 Jan 2024	Recognised through profit or loss	Recognised in other comprehensive income	31 Dec 2024
At fair value through other comprehensive income	93	-	-73	20
Deferred tax assets on losses	9	-6	-	3
Deferred tax assets total	102	-6	-73	23

(EUR 1,000)	1 Jan 2023	Recognised through profit or loss	Recognised in other comprehensive income	31 Dec 2023
At fair value through other comprehensive income	186	-	-93	93
Deferred tax assets on losses	21	-12	-	9
Deferred tax assets total	207	-12	-93	102

Deferred tax liabilities

(EUR 1,000)	1 Jan 2024	Recognised through profit or loss	Recognised in other comprehensive income	31 Dec 2024
At fair value through other comprehensive income	244	-2	-20	222
Intangible assets	13	-	-	13
Deferred tax liabilities total	257	-2	-20	235

(EUR 1,000)	1 Jan 2023	Recognised through profit or loss	Recognised in other comprehensive income	31 Dec 2023
At fair value through other comprehensive income	172	-	71	244
Intangible assets	13	-	-	13
Deferred tax liabilities total	186	-	71	257

Amounts recognised in other comprehensive income and related deferred taxes 2024

(EUR 1,000)	Gross change	Deferred tax	Net change
Fair value reserve	254	-51	203
Amounts recognised in other comprehensive income, total	254	-51	203

Amounts recognised in other comprehensive income and related deferred taxes 2023

(EUR 1,000)	Gross change	Deferred tax	Net change
Fair value reserve	820	-164	656
Amounts recognised in other comprehensive income, total	820	-164	656

NOTE 22 LIABILITIES TO CREDIT INSTITUTIONS AND CUSTOMERS

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Liabilities to credit institutions		
To other credit institutions		
Repayable on demand	325,911	321,365
Not repayable on demand	1,183,138	1,424,403
Change in fair value due to hedge accounting	4,540	14,099
Total liabilities to credit institutions	1,513,589	1,759,867
Liabilities to customers		
Deposits		
Repayable on demand	14,981	14,060
Total liabilities to customers	14,981	14,060
Total liabilities to credit institutions and customers	1,528,570	1,773,927

NOTE 23 DERIVATIVE CONTRACTS AND HEDGE ACCOUNTING

Bonum Bank uses interest rate swap agreements for interest rate hedging and hedge accounting for fair value hedging. The hedged instruments have fixed interest rate. The nominal value of the fair value hedged instruments at the end of the reporting period was EUR 724,900 thousand. This item is included in 'Liabilities to credit institutions'. The nominal values of the derivative contracts match the nominal values of the hedged instruments.

Derivatives and hedged items covered by hedge accounting

Hedging interest rate derivatives

(EUR 1,000)	Fair value 31 Dec 2025		Fair value 31 Dec 2024	
	Assets	Liabilities	Assets	Liabilities
Derivatives				
Fair value hedging	7,883	3,435	14,771	1,050
Non hedging derivatives - interest rate options	6,616	6,616	6,623	6,625
Non hedging derivatives - interest rate swaps	3,565	3,565	1,000	999
Derivatives total	18,064	13,616	22,395	8,674

Hedge accounting

Effects of hedge accounting on financial position and result

Fair value hedge

(EUR 1,000)	Interest rate risk 31 Dec 2025		Interest rate risk 31 Dec 2024	
	Carrying amount of hedged liabilities	of which accumulated amount of fair value hedge adjustment	Carrying amount of hedged liabilities	of which accumulated amount of fair value hedge adjustment
Micro hedge				
Hedged deposits	729,440	4,540	736,081	11,181
Liabilities	729,440	4,540	736,081	11,181

*Hedged deposits are included in 'Liabilities to credit institutions'

Profits and losses from hedge accounting and hedge ineffectiveness

(EUR 1,000)	Interest rate risk	
	Fair value hedging	
	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Change in the fair value of the derivative contract	-9,273	6,298
Change in the fair value of the hedged item	9,559	-5,930
Hedge ineffectiveness recognized in the income statement	287	368

Maturity profile of the nominal amount of hedging interest rate risk

31 Dec 2025	Nominal value / Remaining maturity			
(EUR 1,000)	Less than 1 year	1-5 years	More than 5 years	Total
Instruments hedging interest rate risk	-	724,900	-	724,900

31 Dec 2025	Nominal value / Remaining maturity			
(EUR 1,000)	Less than 1 year	1-5 years	More than 5 years	Total
Instruments hedging interest rate risk	-	524,900	200,000	724,900

NOTE 24 DEBT SECURITIES TO THE PUBLIC

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Debt securities issued to the public	149,964	169,926
Certificates of deposits	13,923	14,780
Total debt securities issued to the public	163,887	184,706

At the end of reporting period there are 3 pcs of Certificates of deposits, total nominal value EUR 14,000 (15,000) thousand, value EUR 4,000-5,000 thousand and average maturity 8.3 months.

Debt securities issued to the public

Name	Issue date	Due date	Interest	Nominal (EUR 1,000)	Currency
BONUM 22042027	22 Apr 2022	22 Apr 2027	EB 12 months + 1.25%	50,000	EUR
BONUM 19072028	19 Jul 2023	19 Jul 2028	EB 6 months + 1.11%	50,000	EUR
BONUM 17042027	10 Apr 2024	17 Apr 2027	EB 3 kk + 1.95 %	50,000	EUR

Amounts recognised in statement of cash flows

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Balance 1 Jan	184,706	283,896
Debt securities issued, increase	6	49,958
Certificates of deposits, increase	13,774	37,010
Total increase	13,781	86,968
Debt securities issued, decrease	-20,000	-135,000
Certificates of deposits, decrease	-14,695	-50,526
Total decrease	-34,695	-185,526
Total changes of cash flow	-20,915	-98,558
Valuation	95	-632
Balance at the end of period	163,887	184,706

NOTE 25 PROVISIONS AND OTHER LIABILITIES

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Provision for expected credit loss	355	414
Other liabilities		
Payment transfer liabilities	413	349
Rental liabilities, right of use items	151	355
Accrued expenses		
Interest payable	16,603	18,165
Advances received	637	569
Other accrued expenses	4,370	2,573
Other		
Liabilities on card transactions	8,674	8,850
Other	892	664
Total provisions and other liabilities	32,094	31,938

Lease liabilities are presented in Note 30.

NOTE 26 EQUITY CAPITAL

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Share capital	10,000	10,000
Fair value reserve		
From measurement of equity instruments	821	714
From measurement of liability instruments	39	-57
Non-restricted reserves		
Reserve for invested non-restricted equity	30,000	30,000
Retained earnings		
Profit (loss) for previous financial years	10,359	9,566
Profit (loss) for the period	2,776	784
Total equity	53,995	51,007

Share capital

Share capital includes the paid share capital. Bonum Bank has a total of 1,400,000 shares, and one share serie. 100 per cent of shares are own by POP Bank Centre Coop. There was no changes during the financial year.

Restricted reserves

Fair value reserve

The fair value reserve includes the cumulative net change in the fair value of equity securities measured at FVOCI and the cumulative net change in the fair value of debt securities measured at FVOCI. The change in the fair value can be positive or negative. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment. An expected credit loss on

debt security is recognised in the income statement and added to the fair value reserve. The fair value reserve also includes changes in the fair value of equity securities recognised in the fair value of comprehensive income, which are not transferred to retained earnings upon later disposal.

Non-restricted reserves

The reserve for invested non-restricted equity includes the portion of subscription price that is not recognised in share capital, as well as other equity investments which are not recognised in other reserves.

Retained earnings

Retained earnings are earnings accrued in previous financial years that have not been transferred to equity reserves or distributed to shareholders.

Specification of changes in fair value reserve 1 Jan - 31 Dec 2025

(EUR 1,000)	Liability instruments	Equity instruments	Total
Fair value reserve 1 Jan	-57	714	1,992
Fair value change, increases	658	1,334	-1,711
Fair value change, decreases	-510	-1,201	-19
Transferred from fair value reserve to the income statement	-19	-	-19
Expected credit loss	-8	-	-8
Deferred taxes	-10	-205	-215
Fair value reserve 31 Dec	39	821	860

Specification of changes in fair value reserve 1 Jan - 31 Dec 2024

(EUR 1,000)	Liability instruments	Equity instruments	Total
Fair value reserve 1 Jan	-526	527	1
Fair value change, increases	1,600	371	1,971
Fair value change, decreases	-1,010	-137	-1,147
Transferred from fair value reserve to the income statement	5	-	5
Expected credit loss	-10	-	-10
Deferred taxes	-117	-47	-164
Fair value reserve 31 Dec	-57	714	657

NOTE 27 OFFSETTING

Offsetting of financial assets and liabilities

31 Dec 2025	Amounts which are not offset but are subject to enforceable master netting arrangements or similar agreements					
	(EUR 1,000)	Carrying amount in balance sheet, gross	Carrying amount in balance sheet, net	Enforceable master netting arrangement	Cash held as collateral	Net amount
Assets						
Derivatives		25,787	25,787	-10,333	-15,222	232
Total		25,787	25,787	-10,333	-15,222	232
Liabilities						
Derivatives		13,616	13,616	-10,333	-	3,283
Total		13,616	13,616	-10,333	-	3,283

31 Dec 2024	Amounts which are not offset but are subject to enforceable master netting arrangements or similar agreements					
	(EUR 1,000)	Carrying amount in balance sheet, gross	Carrying amount in balance sheet, net	Enforceable master netting arrangement	Cash held as collateral	Net amount
Assets						
Derivatives		28,235	28,235	-3,133	-24,740	362
Total		28,235	28,235	-3,133	-24,740	362
Liabilities						
Derivatives		8,998	8,998	-3,133	-	5,865
Total		8,998	8,998	-3,133	-	5,865

*Cash received as collateral EUR 16,250 thousand. Overcollateralisation is disregarded in offsetting specification.

The table above presents items that, in certain circumstances, can be settled on a net basis, even though they are presented on a gross basis in the balance sheet. The netting arrangement is based on a mutually enforceable general netting agreement (ISDA).

The total in the "Net" column of the table does not equal the sum of the preceding columns due to differences between the valuation and collateral review dates. The collateral is determined such that, at the time of the review, the collateral received fully neutralises the counter-party risk.

NOTE 28 COLLATERALS GIVEN AND RECEIVED

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Collaterals received		
Debt securities	228,478	377,628
Derivative contracts	16,250	24,740
Collaterals received from banks of POP Bank Group	67,958	67,958
Total collaterals received	312,686	470,325

Collaterals received from banks of POP Bank Group are long-term money market deposits related to the offering of central credit institution services and made by the banks in the POP Bank Group to the Bonum Bank. The amount of deposit liabilities in relation to the balance sheet total is confirmed annually.

NOTE 29 OFF-BALANCE SHEET COMMITMENTS

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Loan commitments	204,734	185,172
Total off-balance sheet commitments	204,734	185,172

The expected credit losses of off-balance sheet commitments are presented in Note 14.

NOTE 30 LEASING

Bonum Bank Plc as lessee

Bonum Bank Plc has leased mainly business premises.

Right-of-use assets 31 Dec 2025

(EUR 1,000)	Office Buildings	Total
Acquisition cost 1 Jan	1,279	1,279
Increases	39	39
Acquisition cost 31 Dec	1,317	1,317
Accumulated depreciation and impairment 1 Jan	-934	-934
Accumulated depreciation on decreases and transfers	0	0
Depreciation	-238	-238
Accumulated depreciation and impairment 31 Dec	-1,172	-1,172
Carrying amount 1 Jan		345
Carrying amount 31 Dec		145

Right-of-use assets 31 Dec 2024

(EUR 1,000)	Office Buildings	Total
Acquisition cost 1 Jan	1,318	1,318
Acquisition cost 31 Dec	1,279	1,279
Accumulated depreciation and impairment 1 Jan	-708	-708
Depreciation	-234	-234
Accumulated depreciation and impairment 31 Dec	-934	-934
Carrying amount 1 Jan		610
Carrying amount 31 Dec		345

Presented in Property, Plant and Equipment.

Liabilities / Lease liabilities

(EUR 1,000)	31 Dec 2025	31 Dec 2024
Lease liabilities 1 Jan	355	616
Increases	39	-
Decreases	-243	-262
Lease liabilities 31 Dec	151	355

Presented in other liabilities

Amounts recognised in statement of cash flows

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Total cash outflow for leases	-253	-281

Amounts recognised in profit of loss

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Depreciation		
Office Buildings	-243	-262
Total	-243	-262

Presented in Depreciation, Amortisation and Impairment of Property, Plant and Equipment.

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Interest on lease liabilities	-10	-20

Presented in Net interest Income.

(EUR 1,000)	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Expenses relating to short-term leases	-9	-9
Expenses relating to leases of low-value assets	-87	-82
Total	-96	-91

Presented in other operating expenses.

NOTE 31 RELATED PARTY DISCLOSURES

The related parties of Bonum Bank comprise the members of the company's Board of Directors and Executive Group and members of their immediate families. In addition, related parties include Bonum Bank's parent entity POP Bank Centre Coop, as well as its managing director and deputy managing director. Furthermore, related parties include those entities over which key persons included in the management and/or members of their immediate families have control or joint control. Key persons included in the management comprise Bonum Bank's Board of Directors, CEO and Executive Group. In addition, key persons include POP Bank Centre Coop managing director and deputy managing director. Also entities in the same group with Bonum Bank belong to the related parties.

In the financial period 2025, Bonum Bank granted housing and consumption loans to related parties at employee terms. These loans are tied to generally applied reference rates.

Business transactions with related party key persons

	Key persons in management		Other related parties	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Assets				
Loans	353	412	314	382
ECL	-1	0	0	0
Liabilities				
Deposits	3	7	59,922	35,951
Off-balance-sheet commitments				
Loan commitments	-	-	8,000	8,000

Compensation to key persons in management

	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Short-term employee benefits	1,369	1,142
Total	1,369	1,142

Compensation to CEO and members of the Board

(EUR 1,000)	Salaries and remuneration
Ali-Tolppa Pia, CEO	294
Pulli Jaakko, Chairman of the Board	36
Linna Hanna, Vice Chairman of the Board	27
Lähteenmäki Ilkka, Member of the Board	25
Kirsi Salo, Member of the Board	25
Total	406

NOTE 32 EVENTS AFTER THE CLOSING DATE

Bonum Bank's Board of Directors is not aware of other events having taken place after the closing date that would have a material impact on the information presented in the financial statements.

SIGNATURES

The financial statements prepared in compliance with the applicable financial statement framework give a true and fair view of Bonum Bank's assets, liabilities, financial position, and profit or loss.

The Board of Directors' report contains an account giving a true view of the business development and performance of the Bonum Bank, as well as a description of the most significant risks, uncertainties, and other relevant aspects of the company's status.

Espoo 13 February 2026

Board of Directors of Bonum Bank Plc

Jaakko Pulli
Chairman of the Board

Hanna Linna

Ilkka Lähteenmäki

Kirsi Salo

Pia Ali-Tolppa
CEO

Auditor's note

A report on the audit performed has been issued today.

Helsinki 13 February, 2026

KPMG Oy Ab
Audit Firm

Henrik Snellman
Authorised Public Accountant, APA

AUDITOR'S REPORT

To the Annual General Meeting of Bonum Bank Plc

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bonum Bank Plc (business identity code 2192977-5) for the year ended 31 December 2025. The financial statements comprise the balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information.

In our opinion the financial statements give a true and fair view of the bank's financial performance, financial position and cash flows in accordance with IFRS Accounting Standards as adopted by the EU and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Board of Directors.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We have not provided any non-audit services to the bank.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgment and is used to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of 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 thereon, and we do not provide a separate opinion on these matters. The significant risks of material misstatement referred to in the EU Regulation No 537/2014 point (c) of Article 10(2) are included in the description of key audit matters below.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

The key audit matter

How the matter was addressed in the audit

Loans and receivables from customers (notes 2, 12, 13, 14 and 16 to financial statements)

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| <ul style="list-style-type: none">• Loans and receivables from customers amounted to EUR 190 million. Interest and fee and commission income on receivables from customers represent a significant part of Bonum Bank's revenue.• The calculation of expected credit losses in accordance with IFRS 9 Financial Instruments is based on the valuation models used by the POP Bank Group and on expert estimates. The calculation involves assumptions, estimates and management judgement, in particular regarding the probability of expected credit losses and the determination of significant increases in credit risk.• The components of the expected loss calculation are updated and refined based on actual credit risk developments, the development of the calculation process, and regulatory changes and requirements.• Due to the significance of the carrying amount of receivables involved, the complexity of the calculation methods used and management judgement, the valuation of receivables is addressed as a key audit matter. | <ul style="list-style-type: none">• We evaluated compliance with lending guidelines, credit risk management, and policies and controls for recording and monitoring receivables.• We gained understanding of the control environment for outsourced process elements based on ISAE 3402 reports.• We assessed the models and underlying key assumptions for calculating expected credit losses, as well as tested the controls over the calculation process and credit risk models for expected credit losses.• We involved our own IFRS and financial instruments specialists.• Furthermore, we considered the appropriateness of the notes in respect of receivables and expected credit losses. |
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The key audit matter

How the matter was addressed in the audit

Investments assets and derivative instruments (Accounting policies and notes 3, 5, 13, 14, 17 and 23 to financial statements)

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| <ul style="list-style-type: none"> • The carrying amount of investments assets totals EUR 216 million mainly consisting of investments measured at fair value. The derivative assets amounted to EUR 18 million and derivative liabilities EUR 14 million comprising contracts held hedging purposes. Derivatives are measured at fair value in financial statements. • The fair value of financial instruments is determined using either prices quoted in an active market or POP Bank Group's own valuation techniques where no active market exists. Determining fair values involves management judgements, especially in respect of those instruments for which market-based data is not available. • As the valuation of investments assets and derivative positions involves management judgement and the hedge accounting process includes many calculations steps, the measurement and accounting treatment of these items is addressed as a key audit matter. | <ul style="list-style-type: none"> • We evaluated the appropriateness of the accounting principles applied and the valuation techniques used by Bonum Bank Plc. • Our audit procedures included, among others, testing controls over the measurement process for financial assets carried at fair value. • As part of our year-end audit procedures, we compared the fair values used in measurement of investments assets with external price references. • KPMG IFRS and financial instruments specialists were involved in the audit. • Finally, we considered the appropriateness of the notes on investments assets and derivatives. |
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Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and that financial statements comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the company or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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 good auditing practice will always detect a material misstatement when it 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 the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's

ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the shareholders' meeting on 27 June 2013, and our appointment represents a total period of uninterrupted engagement of 13 years.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to

be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Helsinki 13 February 2026

KPMG OY AB
Audit Firm

Henrik Snellman
Authorised Public Accountant, APA

INDEPENDENT AUDITOR'S REPORT ON THE ESEF FINANCIAL STATEMENTS OF BONUM BANK PLC

Translation of the Finnish original

To the Board of Directors of Bonum Bank Plc

We have performed a reasonable assurance engagement on the financial statements 74370ORFAN8QA5JFA150-2025-12-31-0-fi.html of Bonum Bank Plc (Business ID 2192977-5) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year ended 31.12.2025.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the company's report of the Board of Directors and financial statements (the ESEF financial statements) in such a way that they comply with the requirements of the Commission's regulatory technical standard. This responsibility includes:

- preparing the ESEF financial statements in XHTML format in accordance with Article 3 of the Commission's regulatory technical standard and
- ensuring the consistency between the ESEF financial statements and the audited financial statements.

The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance with the requirements of the Commission's regulatory technical standard.

Auditor's independence and quality management

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to the

engagement we have performed, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The auditor applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to, in accordance with Chapter 7, Section 8 of the Securities Markets Act, provide assurance on the financial statements that have been prepared in accordance with the Commission's regulatory technical standard.

Our responsibility is to indicate in our opinion to what extent the assurance has been provided. We conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000.

The engagement includes procedures to obtain evidence on:

- whether the financial statements that are included in the ESEF financial statements are, in all material respects, in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether there is consistency between the ESEF financial statements and the audited financial statements.

The nature, timing and extent of the selected procedures depend on the auditor's judgment. This includes an assessment of the risk of a material deviation due to fraud or error from the requirements of the Commission's regulatory technical standard.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Our opinion pursuant to Chapter 7, Section 8 of the Securities Markets Act is that the company's financial statements that are included in the ESEF financial statements of Bonum Bank Plc 743700RFAN8QA5JFA150-2025-12-31-0-fi.html zip for the financial year ended 31.12.2025 have been prepared, in all material respects, in accordance with the requirements of the Commission's regulatory technical standard.

Our opinion on the audit of the financial statements of Bonum Bank Plc for the financial year ended 31.12.2025 has been expressed in our auditor's report dated 13.2.2026. With this report we do not express an opinion on the audit of the financial statements nor express another assurance conclusion.

Helsinki 12 March 2026

KPMG OY AB
Audit Firm

Henrik Snellman
Authorised Public Accountant, APA

