

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green Funding Framework

Sparbanken Mälardalen AB

28 January 2026

VERIFICATION PARAMETERS

Type(s) of instruments contemplated

- Green Bonds¹

Relevant standards

- Green Bond Principles (GBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)

Scope of verification

- Sparbanken Mälardalen Green Funding Framework (as of Jan. 23, 2026)
- Sparbanken Mälardalen eligibility criteria (as of Jan. 23, 2026)

Lifecycle

- Pre-issuance verification

Validity

- Valid as long as the cited Framework remains unchanged

¹ The Framework is applicable for issuance of green bonds under various formats including public or private placements and senior preferred unsecured bonds.

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SCOPE OF WORK

Sparbanken Mälardalen (“the Issuer,” or “the Bank”) commissioned ISS-Corporate to assist with its Green Bonds by assessing three core elements to determine the sustainability quality of the instruments:

1. Sparbanken Mälardalen’s Green Funding Framework (as of Jan. 23, 2026), benchmarked against the International Capital Market Association's (ICMA) Green Bond Principles (GBP).
2. The eligibility criteria — whether the project categories contribute positively to the United Nations Sustainable Development Goals (U.N. SDGs) and how they perform against ISS-Corporate’s proprietary issuance-specific key performance indicators (KPIs) (see Annex).
3. Overview of Sparbanken Mälardalen’s sustainability strategy, drawing on the key sustainability objectives and priorities defined by the Issuer.

SPARBANKEN MÄLARDALEN OVERVIEW

Sparbanken Mälardalen AB provides commercial banking services. It offers savings account. The company was founded on August 18, 1827, and is headquartered in Eskilstuna, Sweden.

ESG risks associated with the Issuer's industry

Sparbanken Mälardalen is classified in the Public and Regional Bank industry, as per ISS Sustainability's sector classification. Key sustainability issues faced by companies² in this industry are business ethics, labor standards and working conditions, customer and product responsibility, sustainability impacts of lending and other financial services/products and sustainable investment criteria.


This report focuses on the sustainability credentials of the issuance. Part III of this report assesses the consistency between the issuance and the Issuer's overall sustainability strategy.

Rationale for issuance

Sparbanken Mälardalen has established the Green Funding Framework to support the transition to a sustainable society and offer investors further insights on the Bank's sustainability strategy. Sparbanken Mälardalen is the result of a merger between the two banks Sparbanken Rekarne and Sparbanken Västra Mälardalen, which was announced in January 2025. Both banks previously issued green bonds, while this new Framework reflects the merged entity and integrates recent market developments across the applicable Green Loan criteria.

² Please note that this is not a company-specific assessment but rather areas that are of particular relevance for companies within this industry.

ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ³
<p>Part I:</p> <p>Alignment with GBP</p>	<p>The Issuer has defined a formal concept for its Green Bonds regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the GBP.</p> <p>The Green Bonds will (re)finance the following eligible asset categories:</p> <p>Green categories: Green Buildings, Renewable Energy, Energy Efficiency, Clean Transportation, Environmentally Sustainable Management of Living Natural Resources and Land Use, Climate Change Adaptation.</p>	<p>Aligned</p>
<p>Part II:</p> <p>Sustainability quality of the eligibility criteria</p>	<p>The use of proceeds categories individually contribute to one or more of the following SDGs:</p>  <p>For certain criteria of Renewable Energy⁴ there is no evidence of an environmental contribution.</p> <p>The environmental and social risks associated with the use of proceeds categories and the financial institution are outlined in part II.B.</p>	
<p>Part III:</p> <p>Sparbanken Mälardalen 's sustainability strategy</p>	<p>The Issuer has disclosed its ESG pillars. Internal performance targets are not set for these pillars. Progress on the sustainability strategy is being publicly reported.</p>	

³ The evaluation is based on the Sparbanken Mälardalen 's Green Funding Framework (Jan. 23, 2026 version), on the analyzed selection criteria as received on Jan. 23, 2026.

⁴ Bioenergy (uncertified wood-based biomass).

SPO ASSESSMENT

PART I: ALIGNMENT WITH THE GBP

This section evaluates the alignment of the Sparbanken Mälardalen’s Green Funding Framework] (as of Jan. 23, 2026) with the GBP.

GBP	ALIGNMENT	OPINION
<p>1. Use of proceeds</p>	<p>✓</p>	<p>The use of proceeds description provided by Sparbanken Mälardalen’s Green Funding Framework is aligned with the GBP.</p> <p>The Issuer’s green categories align with the project categories as proposed by the GBP. Criteria are defined clearly and transparently. Disclosure of an allocation period and commitment to report by project category has been provided and environmental benefits are described and quantified.</p>
<p>2. Process for project evaluation and selection</p>	<p>✓</p>	<p>The process for project evaluation and selection description provided by Sparbanken Mälardalen’s Green Funding Framework is aligned with the GBP.</p> <p>The project selection process is defined and structured in a congruous manner. ESG risks associated with the project categories are identified and managed appropriately. Moreover, the projects selected show alignment with the Issuer’s sustainability strategy. The Issuer defines exclusion criteria for harmful project categories.</p> <p>The Issuer clearly defines responsibilities in the process for project evaluation and selection and is transparent about it and involves various stakeholders in this process which is in line with best market practice.</p> <p>Additionally, the Bank identifies the alignment of their Green Funding Framework and their green projects with the EU Taxonomy, in line with best market practice.</p>

GBP	ALIGNMENT	OPINION
<p>3. Management of proceeds</p>	<p>✓</p>	<p>The management of proceeds provided by Sparbanken Mälardalen’s Green Funding Framework is aligned with the GBP.</p> <p>The net proceeds collected will equal the amount allocated to eligible projects. The net proceeds are tracked appropriately and attested in a formal internal process. The net proceeds are managed on an aggregated basis for multiple green bonds (portfolio approach). Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds.</p> <p>The Issuer has defined an expected allocation period of 12 months, in line with best market practice.</p>
<p>4. Reporting</p>	<p>✓</p>	<p>The allocation and impact reporting provided by Sparbanken Mälardalen’s Green Funding Framework is aligned with the GBP.</p> <p>The Issuer commits to disclose the allocation of proceeds transparently and report with appropriate frequency. The reporting will be publicly available on the Issuer’s website. Sparbanken Mälardalen has disclosed the type of information that will be reported and explains that the level of expected reporting will be at the project category level. Moreover, the Issuer commits to report annually until the proceeds have been fully allocated.</p> <p>The Issuer is transparent on the level of impact reporting and the information reported and further defines the duration and frequency of the impact reporting, in line with best market practice.</p> <p>Additionally, the Bank discloses the location and link of the report(s) and commits to getting the allocation report audited by an external party, in line with best market practice.</p>

PART II: SUSTAINABILITY QUALITY OF THE ELIGIBILITY CRITERIA

A. CONTRIBUTION OF THE GREEN BONDS TO THE U.N. SDGs⁵


The Issuer can contribute to the achievement of the SDGs by providing specific services, products, or internal operational improvements that help address global sustainability challenges, and by being a responsible actor, working to minimize negative externalities in its operations along the entire value chain.

The assessment of UoP categories for (re)financing products and services is based on a variety of internal and external sources, such as ISS Sustainability’s SDG Solutions Assessment, a proprietary methodology designed to assess the impact of an Issuer’s products or services on the U.N. SDGs, as well as other ESG benchmarks (the EU taxonomy Climate Delegated Act, the Green/Social Bond Principles and other regional taxonomies, standards and sustainability criteria).

The assessment of UoP categories for (re)financing specific products and services is displayed on a three-point scale:



Each of the Green Bond’s use of proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Green Buildings</p> <p><i>Construction of new buildings:⁷</i></p> <ul style="list-style-type: none"> <i>Primary Energy Demand (PED) at least 10% lower than the threshold set for Nearly Zero Energy Building (NZEB) according to national building regulations.⁸</i> 	<p>Contribution</p>	

⁵ The impact of the UoP categories on U.N. SDGs is assessed with proprietary methodology and may therefore differ from the Issuer’s description in the Framework.

⁶ The review is limited to the examples of projects spelled out in the Framework.

⁷ Building application was filed after 31 December 2020.

⁸ In Sweden, thresholds set for NZEB is implemented through Boverkets Byggregler, BBR. The energy performance is or will be certified using an Energy Performance Certificate (EPC). The Bank can also seek guidance from other appropriate external benchmarks or use model estimates for PED where EPCs are missing to determine NZEB -10% if such report is issued by a national government or industry specialist.



USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> ▪ <i>Energy performance certificate (EPC) A or B⁹; or</i> ▪ <i>Buildings that meet the requirements of one of the following environmental certifications (or better):</i> <ul style="list-style-type: none"> ▪ <i>Passive House</i> <p><i>Acquisition and ownership of buildings:¹⁰</i></p> <ul style="list-style-type: none"> ▪ <i>EPC A or within top 15% of the national or regional building stock expressed as operational PED and demonstrated by adequate evidence.¹¹</i> ▪ <i>Buildings that meet the requirements of one of the following environmental certifications (or better):</i> <ul style="list-style-type: none"> ▪ <i>Passive House.</i> <p><i>Major renovations:</i></p> <ul style="list-style-type: none"> ▪ <i>Renovations leading to primary energy savings of at least 30% within maximum three years and validated through an EPC upon completion of the renovation; or</i> ▪ <i>The building renovation complies with the applicable requirements for major renovations.¹²</i> <p><i>Building energy efficiency:</i></p>		

⁹ The report by the Swedish Property Federation (Fastighetsägarna in Sw.), CIT Energy Management will be used for determining top 15%. The Bank can also seek guidance from other appropriate external benchmarks or use model estimates for PED where EPCs are missing to determine the top 15% if such report is issued by a national government or industry specialist.

¹⁰ Building application was filed before 31 December 2020.

¹¹ The report by the Swedish Property Federation (Fastighetsägarna in Sw.), CIT Energy Management will be used for determining top 15%. The Bank can also seek guidance from other appropriate external benchmarks or use model estimates for PED where EPCs are missing to determine the top 15% if such report is issued by a national government or industry specialist.

¹² As stated in directive 2024/1275/EU, a 'major renovation' means the renovation of a building where: (a) the total cost of the renovation relating to the building envelope or the technical building systems is higher than 25% of the value of the building, excluding the value of the land upon which the building is situated; or (b) more than 25% of the surface of the building envelope undergoes renovation.

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> ▪ <i>Energy efficient equipment¹⁶ such as:</i> <ul style="list-style-type: none"> ▪ <i>Energy efficient windows, doors, light sources;</i> ▪ <i>Heating, ventilation and air-conditioning (HVAC), water heating systems including equipment related to district heating services.</i> <p><i>Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings:</i></p> <ul style="list-style-type: none"> ▪ <i>Instruments and devices for measuring, regulation and controlling energy performance of buildings such as:</i> <ul style="list-style-type: none"> ▪ <i>Zoned thermostats, smart thermostat systems and sensing equipment, including motion and daylight control;</i> ▪ <i>Building automation and control systems, building energy management systems, lighting control systems and energy management systems;</i> ▪ <i>Smart meters for, heat, cool and electricity;</i> ▪ <i>Façade and roofing elements with a solar shading or solar control function, including those that support the growth of vegetation.</i> 	<p>Contribution</p>	 
<p>Renewable Energy</p> <p><i>Solar power:</i></p> <ul style="list-style-type: none"> ▪ <i>Electricity generation (and where relevant heat/cooling) from solar power (photovoltaic).</i> 		

¹⁶ Where applicable, the measures are rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369.

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>Wind power:</i></p> <ul style="list-style-type: none"> ▪ <i>Electricity generation from wind power (onshore).</i> <p><i>Hydropower:¹⁷</i></p> <ul style="list-style-type: none"> ▪ <i>New or existing facilities that comply with one of the following criteria:</i> <ul style="list-style-type: none"> ▪ <i>The electricity generation facility is a run-of-river plant and does not have an artificial reservoir; or</i> ▪ <i>The power density of the electricity generation facility is above 5 W/m²; or</i> ▪ <i>The life-cycle GHG emissions from the generation of electricity from hydropower, are lower than 100gCO_{2e}/kWh.</i> 	<p style="text-align: center;">Contribution</p>	
<p>Renewable Energy</p> <p><i>Bioenergy:^{18,19,20}</i></p> <ul style="list-style-type: none"> ▪ <i>Electricity generation or heat/cooling or co-generation of heat/cool and power exclusively²¹ from biomass, biogas or biofuels;</i> ▪ <i>Manufacturing of biogas and biofuels for use in transport and of bioliquids, excluding uncertified wood-based biomass..</i> 		
<p>Renewable Energy</p>		




¹⁷ Issuer has confirmed that hydropower projects with a capacity exceeding 1,000 MW will be excluded from financing.

¹⁸ The assessment is limited to the examples of feedstock spelled out in the Green Funding Framework.

¹⁹ Feedstocks as defined in Annex IX of the EU Renewable Energy Directive (EU) 2018/2001, but excluding (a) cultivated algae, (i) crude glycerine (o) Biomass fraction of wastes and residues from forestry and forest-based industries, namely, bark, branches, pre-commercial thinnings, leaves, needles, tree tops, saw dust, cutter shavings, black liquor, brown liquor, fibre sludge, lignin and tall oil and (p) Other non-food cellulosic material related to wood-based biomass and (q) other lignocellulosic material except saw logs and veneer logs. In Sweden, feedstocks typically include sewage, non-edible agricultural residues and organic waste.

²⁰ Aviation fuels and edible agricultural residues are excluded.

²¹ For sake of clarity, some fossil oil may occur for start-up and shut-down processes.

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>Bioenergy:</i>^{22,23}</p> <ul style="list-style-type: none"> Electricity generation or heat/cooling or co-generation of heat/cool and power exclusively²⁴ from biomass, biogas or biofuels, limited to uncertified wood-based biomass. <p>Manufacturing of biogas and biofuels for use in transport and of bioliquids.</p>	<p>Impact</p>	
<p>Energy Efficiency</p> <p>Energy storage:</p> <p>Energy storage²⁵ (including batteries and thermal energy storage).</p>	<p>Contribution</p>	
<p>Energy Efficiency</p> <p>District heating/cooling networks:</p> <p>Construction, operation and refurbishment²⁶ of district heating and cooling networks, where the system uses at least 50% renewable energy, 50% waste heat, 75% cogenerated heat or 50% of a combination of such energy and heat.</p>	<p>Contribution</p>	
<p>Clean Transportation</p> <p>Road transport including machinery:</p> <ul style="list-style-type: none"> Vehicles such as buses, cars, trucks, machinery (e.g. cranes and excavators) that are fully electric or powered with hydrogen. 	<p>Contribution</p>	



²² Feedstocks as defined in Annex IX of the EU Renewable Energy Directive (EU) 2018/200, including (o) Biomass fraction of wastes and residues from forestry and forest-based industries, namely, bark, branches, pre-commercial thinnings, leaves, needles, tree tops, saw dust, cutter shavings, black liquor, brown liquor, fibre sludge, lignin and tall oil and (p) Other non-food cellulosic material related to wood-based biomass, but excluding (q) other lignocellulosic material except saw logs and veneer logs. Food-and feed crops are not used for the manufacture of biofuels or for use in transport. In Sweden, feedstocks typically include residues from forestry and forest-based industries.

²³ Aviation fuels and edible agricultural residues are excluded.


²⁴ For sake of clarity, some fossil oil may occur for start-up and shut-down processes.

²⁵ Chemical energy storage excluded.

²⁶ According to the EU Taxonomy activity 4.15. District heating/cooling distribution criteria (b).

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p><i>Infrastructure :</i></p> <ul style="list-style-type: none"> ▪ <i>Infrastructure for zero direct (tailpipe) CO₂ emissions, such as electric charging points.</i> ▪ <i>Infrastructure dedicated to personal mobility or cycle logistics: pavements, bike lanes and pedestrian zones.</i> 		
<p>Environmentally Sustainable Management of Living Natural Resources and Land Use</p>		
<p><i>Sustainable Agriculture:</i></p>		
<ul style="list-style-type: none"> ▪ <i>Loans to certified organic agriculture including KRAV or EU Organic.</i> 	<p>Contribution</p>	
<p><i>Sustainable forestry:</i></p>		
<ul style="list-style-type: none"> ▪ <i>Forest Stewardship Council (FSC); and/or</i> ▪ <i>Programme for the Endorsement of Forest Certified (PEFC).</i> 		
<p>Climate change adaptation²⁷</p>		
<p><i>Adaptation measures, including but not limited to:</i></p>		
<ul style="list-style-type: none"> ▪ <i>Water management improving drainage, and storage systems to manage drought and flood risks;</i> ▪ <i>Climate resilient infrastructure strengthening buildings, to withstand heat stress (e.g. solar shading), heavy rainfall (e.g. flood barriers for doors), storms (e.g. reinforcement of the building structure, including roofs).</i> 	<p>Contribution</p>	

²⁷ The Issuer/Borrower will assess projects under climate change adaptation with a case-by-case approach to identify whether climate related risks and vulnerabilities have been investigated for the project, to define the contribution of the proposed investment on climate risks and to evaluate the alignment of the project with local, regional, national strategies and climate adaptation plans

USE OF PROCEEDS (PRODUCTS/SERVICES) ⁶	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Climate change adaptation²⁸</p> <p><i>Adaptation measures, including but not limited to:</i></p> <ul style="list-style-type: none"> <i>Sustainable agriculture and land use, including construction of ponds and wetlands, open ditches and culverts, reforestation, erosion control to prevent landslides.</i> 	<p>Contribution</p>	

²⁸ The Issuer/Borrower will assess projects under climate change adaptation with a case-by-case approach to identify whether climate related risks and vulnerabilities have been investigated for the project, to define the contribution of the proposed investment on climate risks and to evaluate the alignment of the project with local, regional, national strategies and climate adaptation plans

B. SPARBANKEN MÄLARDALEN'S MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS

Financial institutions are exposed to E&S risks through their financing of economic activities that impact E&S factors and, to a lesser extent, through their own operations and impacts they themselves generate on the environment and society in which they operate.

The table below describes sustainability-related risks considered relevant to the Bank's operations and the types of projects (re)financed via the Framework.

The assessment covers all business lines and locations across Sweden.

Integration of ESG guidelines into the financing process

In the EU, the European Banking Authority (EBA) issued several guidelines to credit institutions, as mandated through the [Capital Requirements Directive \(CRD\)](#) and the [Capital Requirements Regulation \(CRR\)](#), stating minimum standards for the identification, measurement and management of E&S risks, as well as disclosure requirements regarding their E&S risk management systems. Furthermore, the European Central Bank (ECB), through the [Guide on climate-related and environmental risks](#), requires banks in the euro area to integrate climate and environmental risks into their business strategies, risk management, and governance by the end of 2024.

Sparbanken Mälardalen integrates ESG risks across the different stages of the credit lifecycle, from client onboarding, transaction approval, risk classification, transaction monitoring, collateral valuation and portfolio analysis. The identification, assessment, and management of ESG risks are part of the Bank's standard credit process. Factors such as repayment capacity, understanding the business and its purpose, business knowledge, and consideration of environmental and ethical aspects are included. [Position Statements](#), provided by Swedbank, specify how sustainability is integrated into the Bank's business.

Enhanced due diligence for sensitive sectors

ESG analysis is an integral part of credit analysis and aims to evaluate how risks related to sustainability issues can affect the customer's business and the Bank's risks exposure. The analysis considers sector-specific risks from environmental, social, and governance perspectives and uses a quantifiable methodology to focus on the most material factors for each sector. The ESG score is the result of (i) the identification of exposures to ESG factors (e.g. greenhouse gas emissions, energy efficiency, employee health and safety) in each sector based on the customer's primary economic activity, and (ii) the customer's ability to manage the exposure to ESG factors based on a questionnaire. For companies with a credit volume exceeding SEK 8 million, an expanded ESG analysis is conducted, to assess the customer's ability to manage these risk exposures. The assessment generates an ESG score and a classification of corporate customers into high, medium and low ESG exposure. The

ESG score can be used to identify sustainability-related opportunities and risks for the company.

Due diligence measures for labor, health, safety, biodiversity, community dialogue

Sparbanken Mälardalen confirms that the bank's portfolio is in Europe, where aspects related to human rights, non-discrimination, data protection, health and safety standards, biodiversity protection and participation of affected communities are subject to strict laws and policies. Sweden also adheres to the [International Labour Organization's \(ILO\)](#) core conventions.

The Bank also follows the guidelines in the banking initiative "Sustainable Construction Industry" (sw. "[Hållbar byggbransch](#)"), in which banks collaborate with the construction and real estate sector to contribute to healthy competition and counteract issues within the construction industry. Special conditions are applied during financing of new constructions or renovations, requiring control systems and project reports for building projects.

Sparbanken Mälardalen has no additional internal policies addressing these topics.

Governance over ESG topics

The process of identifying, assessing, and managing ESG risks is an integrated part of the regular credit process. Aspects, such as the ability to repay, understanding the business and its purpose, having business acumen and taking into account environmental and ethical aspects are always considered.

The bank integrates ESG considerations into its overall risk management framework, treating them both as an independent risk category and as a factor influencing other risk areas, such as credit risk. ESG topics are incorporated into internal control systems, including compliance and internal audit processes, and are described in the annual report and supporting policy documents. Responsibility for sustainability matters follows the bank's broader risk-governance structure, with defined roles and reporting lines outlined in corporate documents such as the [annual report](#) and [Pillar 3](#) report. The bank engages regularly with key stakeholders—including employees, customers, investors, owners, authorities and local communities—to understand material sustainability issues from both an impact and financial perspective, and these insights inform its ESG strategy. Oversight at board level is carried out by the Sustainability Board Committee, composed of three board members, which meets quarterly and follows an annual plan of ESG topics. The committee prepares recommendations for the board on the bank's sustainability direction, contributes to the development of the sustainability strategy, monitors progress on sustainability objectives and ESG-related risks, and reviews ESG and climate-related key performance indicators on a quarterly basis.

Other elements of the risk management framework

The bank considers ESG risks as factors that can influence other risk categories and therefore includes them in its capital adequacy assessment. This integration is in development.

Inclusion (non-discrimination)

Sparbanken Mälardalen's portfolio is in Europe, where aspects related to human rights and non-discrimination are subject to strict laws and policies. The Bank ensures that borrowers have equal access to credit by preventing discrimination based on age, disability, ethnic origin, family status, race, religion, gender, sexual orientation, nationality, or social origin.

The Bank adheres to EU legislation related to antidiscrimination such as the Consumer Credit Directive ([Directive 2023/2225](#)). The Directive explicitly prohibits lenders from discriminating on grounds such as gender, age, ethnicity, disability, sexual orientation, religion or socioeconomic status when granting credit, setting terms, or assessing risk. It requires transparent, objective criteria and equal treatment safeguards. Sparbanken Mälardalen is also subject to the [Swedish Discrimination Act](#), applies both to the workplace (employment, working conditions, etc.) and to access to goods, services, and housing, which includes banking services. The law not only prohibits direct and indirect discrimination but also requires organizations to take active measures to promote equal rights and opportunities and prevent harassment.

Beyond legislation, there is limited information regarding the Bank's own policies and measures.

Responsible lending practices

Financial institutions in the EU are required through guidance issued by EBA to implement responsible sales and marketing practices, with due care for customer protection.

Sales practices

There is limited information regarding the Bank's own policies and measures.

Responsible marketing

Correct information about financial product characteristics, risks, the total price, including all related fees, charges, and expenses, as well as any other relevant additional materials must be disclosed to customers. The [Swedish Marketing Act](#) prohibits misleading and aggressive marketing and requires that marketing follows good marketing practice. Sparbanken Mälardalen confirms its commitment to inform customers about reason for rejection, however there is no stipulated policy.

Beyond legislation, there is limited information regarding the Bank's own policies and measures.

Responsible treatment of customers with debt repayment problems

Financial institutions must ensure that products offered to costumers don't contribute to over-indebtedness. Forbearance measures take into account the interests of consumers and comply with consumer protection requirements and in the [EBA Guidelines on arrears and foreclosure](#). Internal debt-counselling is provided to clients with debt repayment difficulties. Foreclosure is used as last option, if no viable forbearance solution has been found.

Banks are required to comply with rules issued by the Swedish Financial Supervisory Authority ([Finansinspektionen](#)). These include binding regulations on capital adequacy, risk management, and consumer protection. Specific measures such as loan-to-value (LTV) limits and amortization requirements are enforced to reduce household debt and ensure that borrowers are not exposed to excessive financial risk. These rules are part of a broader regulatory framework designed to promote financial stability and responsible credit practices.

While Sweden provides public debt counselling services through municipalities, banks are not legally required to offer such services. However, banks are expected to assess a borrower's ability to repay before issuing credit, in line with responsible lending principles.

Banks must also operate within the legal framework for debt restructuring and insolvency, which includes the [Act on Company Restructuring](#) and the [Bankruptcy Act](#). These frameworks require banks to participate in court-supervised processes to restore debtor viability and ensure fair treatment of creditors.

In the context of mortgage lending and foreclosure, banks are allowed to transfer or enforce mortgages without borrower consent, as governed by the Swedish Land Code ([Jordabalken](#)). However, they must adhere to legal procedures, including public auctions managed by the Swedish Enforcement Authority, and are subject to a general duty of care to avoid selling properties below market value.

Beyond legislation, there is limited information regarding the Bank's own policies and measures.

PART III: SPARBANKEN MÄLARDALEN 'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the Issuer

TOPIC	ISSUER APPROACH
Core ESG pillars	<p>The Issuer focuses on the following ESG pillars:</p> <ul style="list-style-type: none"> ▪ Sustainable business - The Issuer aims to support clients in their Sustainability transition through advisory services, lending, sustainability analysis, social engagement, and external communication. ▪ Societal development - The Issuer aims to reinvest and engage in the local community in line with the savings bank idea ▪ Attractive employer - The Issuer aims to maintain stable employee engagement, skills, and retention. It carries out structured work environment activities with regular follow-ups in line with applicable regulations. Issuer support Employee health and well-being through wellness allowance and health-related activities.
Definition of core ESG pillars	The ESG pillars of the Issuer have been defined through a double materiality assessment .
ESG targets and timeline	The Issuer doesn't have established formal targets yet. However, the Issuer has ambition to support the achievement of Swedish national goals of net zero by 2045
SBTi Targets	The Issuer has not set any SBTi targets.
Financial budget to achieve the ESG targets (CapEx, OpEx, Product Mix)	There is no information available on the Issuer's financial budget to achieve its ESG targets.
Association/ Collective commitments	The Issuer is a member of Partnership for Carbon Accounting Financials (PCAF) since October 2025.
Sustainability reporting	The Issuer reports on its ESG performance and initiatives annually. The report is prepared according to double materiality assessment. The report is available on the Issuer website .

TOPIC	ISSUER APPROACH
Previously issued sustainable/sustainability-linked issuances or transactions and publication of sustainable financing framework	-

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ANNEX: QUALITY MANAGEMENT PROCESSES

SCOPE

Sparbanken Mälardalen commissioned ISS-Corporate to compile a Green Bonds SPO. The second-party opinion process includes verifying whether the Green Funding Framework aligns with the GBP and assessing the sustainability credentials of its Green Bonds, as well as the Issuer's sustainability strategy.

CRITERIA

Relevant standards for this second-party opinion:

- Green Bond Principles (GBP), as administered by the International Capital Market Association (ICMA) (as of June 2025)

ISSUER'S RESPONSIBILITY

Sparbanken Mälardalen's responsibility was to provide information and documentation on:

- Framework
- Eligibility criteria
- Documentation of ESG risk management at the project level

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS STOXX, which ISS-Corporate is part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

This independent second-party opinion of the Green Bonds to be issued by Sparbanken Mälardalen has been conducted based on proprietary methodology and in line with the ICMA GBP.

The engagement with Sparbanken Mälardalen took place in December 2025 and January 2026.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS STOXX Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS STOXX.

About this SPO

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk and manage the needs of a diverse shareholder base by delivering best-in-class data, tools and advisory services.

ISS-Corporate assesses alignment with external principles (e.g., the Green/Social Bond Principles), analyzes the sustainability quality of the assets and reviews the sustainability performance of the Issuer itself. Following these three steps, we draw up an independent SPO so investors are as well-informed as possible about the quality of the bond/loan from a sustainability perspective.

Please visit ISS-Corporate's [website](#) to learn more about our services for bond issuers.

For more information on SPO services, please contact SPOsales@iss-corporate.com.

Project team

Project lead

Vittoria Favalaro
Analyst
Sustainable Finance Research

Project support

Nishigandha Patil
Junior Analyst
Sustainable Finance Research

Project supervision

Adams Wong
Vice President
Head of Sustainable Finance
Research