



Sustainability Report 2023

Finansiell ID-Teknik BID AB

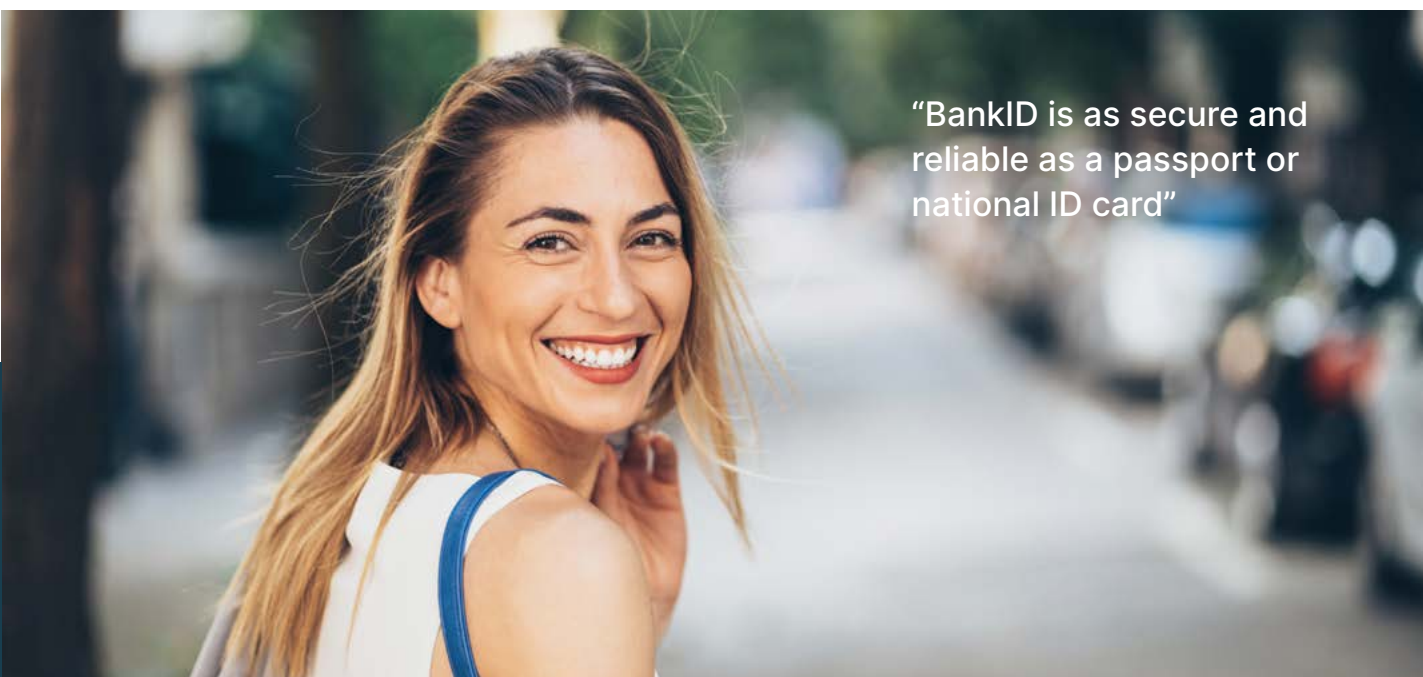
Contents 2023

| | |
|----|--|
| 3 | A simple idea that revolutionises everyday life |
| 4 | About us |
| 5 | Comments from the CEO: 2023 – a year of contrasts |
| 6 | BankID lays the foundation for a modern and accessible society |
| 8 | Climate and environment |
| 9 | Our sustainability issues |
| 10 | Climate assessments |
| 12 | Our sustainability goals |
| 13 | BankID service |
| 17 | Customer case: HonestBox and IDkollen |
| 25 | Our role as an employer and partner |

This is our third sustainability report, which we have prepared voluntarily in accordance with the Annual Accounts Act. This report relates to Finansiell ID-Teknik BID AB, 556630-4928, and covers the year from 1 January 2023 to 31 December 2023.

All figures in brackets refer to the previous year.

A simple idea that revolutionises everyday life



“BankID is as secure and reliable as a passport or national ID card”

On average, 18 million identifications and signatures are made using BankID every day. This makes BankID an important part of the Swedish digital ecosystem.

BankID is a personal e-ID for secure digital identification and signature. Identifying and signing with BankID is comparable to showing your passport or providing a physical signature.

Private individuals can safely use e-services wherever and whenever they want, 24 hours a day, 7 days a week.

Public authorities, companies and organisations are more accessible and within reach of citizens and customers. In 2023, we launched our digital ID card, which also makes it possible to use secure identification with BankID in a physical environment.

We now have about **8.5 million users** and more than **7,100 connected companies** and **public authorities**. We are both honoured and proud of this trust.



About us

Finansiell ID-Teknik BID AB is the company that owns, manages and develops BankID.

Finansiell ID-Teknik was founded in 2002 and is owned by seven Swedish banks. BankID is a digital ID document comparable to a passport or national ID card. Companies, public authorities and organisations can use BankID to both identify and enter into contracts with private individuals by digital means. BankID is also viewed as a payment instrument under the Payment Services Act when BankID is used to initiate a payment order.

BankID achieves level of assurance three out of four

Level of assurance is a measure of security and reliability. The

higher the level of assurance, the more requirements that must be met in terms of both technical and administrative security. The Swedish e-ID quality mark is the trust framework of the Agency for Digital Government (Digg). This framework has level of assurance two, three and four, and BankID meets level three. According to the EU Regulation on electronic identification and trusted services (the eIDAS regulation), BankID meets the level of assurance "substantial", which corresponds to the Swedish level three.

The main difference between level of assurance three and four

is that the issuance of new e-ID with level of assurance four must take place by means of a physical visit, and that there are technical restrictions on the devices on which e-ID with level of assurance four may be installed.

BankID provided via the banks

All sales and issuance of BankID take place via the connected banks. They both issue BankID to private individuals and sell the service to companies and organisations. Public authorities can access the service via a government system managed by Digg. We provide a technical infrastructure to the connected banks.

Ownership structure

- Svenska Handelsbanken (28.3%)
- Swedbank (28.3%)
- SEB (18.3%)
- Länsförsäkringar Bank (10%)
- Skandiabanken (10%)
- Danske Bank (3.3%)
- Ikano Bank (1.8%)



8.5 million users



99.4% of Swedish citizens between the ages of 18-67 have a BankID

Connected companies, public authorities and organisations

7,100

7.1 BILLION

Identifications and signatures



2023 – a year of contrasts

As always, when looking back on the past year, I am struck by how much has happened. 2023 included highlights such as the celebration of our 20th anniversary and the launch of the digital ID card. At the same time, the security situation has become more serious and fraud more widespread, which has prompted us to further accelerate our security efforts to protect companies, users and the Swedish digital ecosystem.

Our primary mission is to keep BankID secure, reliable and accessible. We update BankID regularly with new protective functionality so that we can stay ahead and meet new challenges. In 2023, we placed a great deal of emphasis on informing companies about secure start, which means that they need to update to the latest version of BankID in their e-services. This version includes several security improvements to help reduce remote fraud, and more are planned for the future. It is crucial that companies update to the latest version if these improvements are to have an impact on society.

Fraud is a widespread societal problem, and companies and public authorities need to work together to tackle it. We are helping by increasing the pace of our security work to help Swedish companies, organisations and public authorities to protect their operations as well as their customers.

Security situation

The geopolitical situation remains challenging, with several attacks on Swedish infrastructure: the security situation is tough. In spite of this, we had no incidents or intrusions in 2023, and have never had any in our 20 years of

existence. We have a high level of security expertise and, as digital identity experts, we are involved in extensive EU pilots for the digital identity wallet. In parallel, we are also continuing our work on biometrics, which is creating more opportunities to enhance security.

Sustainable society

We know that a digital identity is the foundation of a digital society, and we have been the major part of that foundation in Sweden. We also receive many enquiries on an international level thanks to our 20 years of experience. In the two decades that BankID has existed, Sweden has moved from a manual, paper-based society to an almost entirely digital society, resulting in reduced printing and transport.

The experience we have gained along the way means we can now help create digital infrastructure in other, larger countries as well, which may have a positive impact on the climate. Moreover, a digital society creates a more level playing field between urban and rural areas in terms of more equal supply, equal processing time and equal accessibility regardless of where people live. There are also important contributions to a socially and economically sustainable

society. I believe one should aim to improve, no matter how small the one's carbon footprint is. We have conducted our first climate assessments this year. These will help us to evaluate the impact of our actions and find ways to go on improving.

Thank you

All our success is down to our fantastic employees, customers and partners, as well as our 8.5 million users. Each and every one is important to the work we do and the journey we have ahead of us. Employees well-being is a matter close to my heart, and I am truly pleased that our employees survey confirms that people are very satisfied here, both individually and collectively. To me, having satisfied employees and being an attractive employer is highly important.

Johan Eriksson, CEO



BankID lays the foundation for a modern and accessible society

Companies, organisations and public authorities can use BankID to both identify and enter into contracts with private individuals by digital means.

This service is business-critical for many companies, public authorities and organisations. It simplifies relationships with customers, helps to enhance customer satisfaction and increases the use of digital channels.

Fast and secure digital identification allows society to go on evolving without unnecessary risks for companies and public authorities, and while also continuing to protect user identities and privacy.

Since 2023, Swedes have also been able to use digital ID card from BankID.





Climate and environment

The use of BankID has no significant negative climate impact in itself. Instead, our service helps to avoid the climate impact of other stakeholders in society by allowing them to replace actions that would have had an adverse impact.

We are working to reduce the negative impact of our own operations. The environmental impact of each activity must be taken into account when making decisions, and the precautionary principle must be applied.

In terms of operations, development and management, the impact arises mainly through the purchase of computing power for servers. We do our best to use the most energy-efficient and eco-friendly technology. Priority must be given to options with low environmental impact when choosing an energy supplier. We conducted our first climate assessments in 2023 to help us understand our climate footprint.

Electricity purchased for our office is 100 per cent fossil-free. We use computers for up to five years, as long as they work, before scrapping them. Older computers (>3 years) are scrapped if they

encounter problems, while newer computers (<3 years) are repaired under warranty and reused. Mobile phones are replaced every two years, and old phones continue to be used as test devices. When computers are scrapped, we remove the hard disk to destroy it and then send the rest of the computer to an external party for recycling.

Purchased products should ideally be made from renewable raw materials or recycled materials and not use more resources or energy than necessary. They must also be easy to maintain and repair, and be recyclable so that we keep waste to a minimum. When recycling electronic waste, we must take into account security, social and environmental aspects when choosing the recycling method. When choosing a means of transport, priority should be given to alternatives with low environmental impact.

The employees handbook includes our travel policy, which encourages the use of more eco-friendly options whenever possible.

Climate impact in the value chain:

Suppliers: Energy consumption for servers (including overcapacity for reliability).

BankID: Electricity and heating. Business trips.

Companies, public authorities and organisations: Minor negative impact. Reduces climate impact by replacing other actions.

User: Very little impact during use.

Society: Digital services reduce climate impact. At the same time, increased use of digital services leads to increased energy consumption for operations. Facilitating e-commerce may also increase the amount of transport in society.



Our sustainability issues

We work to promote financial, social and environmental sustainability. We strive to be a leader of technological development and always adopt a long-term approach to our sustainability areas, particularly in terms of accessibility and security.

As a critical infrastructure with many users, we affect the environment, people and society in general. This is why we have taken a broad view of sustainability that includes environmental, social and business ethics issues. The sustainability areas we have identified relate to our BankID service, our role as an employer and partner, and our work relating to climate and the environment.

Our operations aim to facilitate everyday life by ensuring that as many people as possible have access to a secure digital identity. One of the ways we do this is by providing a reliable service that is user-friendly.

To be successful, we must be an attractive employer and partner with a culture of inclusion and equal opportunities.

We use our service to help both companies and users to reduce negative impacts on the environment, and we are actively working to reduce the impact of our own operations, often in cooperation with our key partners.

We have listened to our stakeholders through regular surveys so that we can identify relevant sustainability areas. This is what they have to say:

- **Companies, public authorities and organisations** find that BankID is driving the digitalisation of society, simplifying customer relations and leading to greater customer satisfaction and increasing numbers of visits to digital channels. They are seeing major efficiency gains thanks to the use of BankID in their e-services. Product development and security are viewed as important, and many people want us to take a more proactive and guiding role. It is important for BankID always to be accessible.
- **Users** find that BankID makes their lives easier, and they feel that the service is secure, reliable and easy to use. Some people find it complicated to obtain or renew their BankID. Connected banks have been able since 2022 to offer their existing customers the opportunity to obtain BankID digitally using a passport or national ID card together with facial recognition. It is up to each bank to offer this option. Users have also asked for a digital ID card, which was something we launched in 2023. Find out more about this on page 14.

Climate assessments

We have a great responsibility to ensure that our services enable our customers and partners to reduce their emissions.

The aim of our first climate assessments is to quantify the company's climate impact for 2023.

We have made assessments of our climate impact for 2023, and these will form the basis of the targets we are working towards in 2024. The assessments are based on in-house data from ourselves and our suppliers, combined with generic data and emission factors from life cycle analyses, databases, etc.

We have conducted our assessments together with the Goodpoint consultancy.

We have used the GHG Protocol Corporate Value Chain Accounting and Reporting Standard model. This is an international accounting standard for reporting greenhouse gas emissions among organisations. This model is divided into three levels: Scope 1, Scope 2 and Scope 3.

The categories of relevance differ from one organisation to another.

Emissions are reported in carbon dioxide equivalents [tCO₂eq], which is a measure that takes into account the contribution of different greenhouse gases to the greenhouse effect and global warming over time.

The assessments work on the basis of the current situation, and we assume figures based on the specific year. We use an estimated reference value for 2023 if information is unavailable.

Boundaries for 2023

- Office cleaning
- Purchase of office supplies
- Recycling services and residual waste disposal via the landlord

This year's report does not include travel expenses in the form of scanned receipts. The cost spent on these expenses was deemed negligible, and information on distances was also unavailable.

Next step

We have a great responsibility to ensure that our services enable our customers and partners to reduce their emissions.

The aim of our first climate assessments is to quantify the company's climate impact for 2023. We have made no significant changes during the year, but our assessments form the basis for defining targets, KPIs and an activity plan in 2024.

We have continued to grow in terms of both the number of employees and the number of users, companies and identifications/signatures. Our discussions with data centre suppliers are ongoing to ensure that their climate goals are in line with our own. We are also reviewing potential requirements for suppliers linked to reduced climate emissions.



Greenhouse gas emissions, by level

| 2023 | Emissions (tCO ₂ e) | Data |
|---|--------------------------------|--|
| Scope 1 | 0.4 | |
| Mobile combustion | 0.4 | Leased vehicle emissions included. Estimated mileage |
| <p><i>Comment: Our impact for this level is very small, just 0.4 tCO₂eq. Mobile combustion includes emissions from our leased vehicles. The vehicles' contracts expire in the first quarter of 2026 and will not be renewed.</i></p> | | |
| Scope 2 | 7.1 | |
| Office electricity consumption (market-based) | 0.069 | Actual consumption by property owners |
| Office air conditioning | 0 | |
| Office heating (location-based) | 3.7 | Actual consumption by property owners |
| Office heating (market-based) | 3.3 | Actual consumption by property owners |
| Hybrid vehicle, electric (location-based) | 0.001 | Estimated mileage |
| Hybrid vehicle, electric (market-based) | 0.069 | Estimated mileage |
| <p><i>Comment: This level totals 7.1 tCO₂eq. We currently have three leased vehicles that we do not plan to renew. Office heating is divided into market-based (3.3 tCO₂eq) and location-based (3.7 tCO₂eq). Market-based shows the energy we have actively opted to buy under our contracts, while location-based represents the average emissions intensity in the geographical area in which we operate.</i></p> <p><i>Our market-based emissions for office electricity consumption are low, as we/our landlord have opted for 100 per cent renewable hydropower in the electricity contract. This provides an emission factor (EF) of 0 tCO₂e/kWh, as hydropower production of one kWh of electricity adds no new carbon dioxide to the atmosphere. The emissions associated with hydropower (e.g. construction and maintenance of power stations and power lines, plus losses in the power grid) are reported in Scope 3.3.</i></p> <p><i>The air conditioning is climate-neutral. It is produced from excess energy that would otherwise be cooled and discarded without being used. The largest Scope 2 emissions are from district heating.</i></p> <p><i>Scope 2 also includes the leased hybrid vehicle. The current electricity contract is unknown in the market-based approach, and so we assess what is known as the residual mix: this refers to electricity that is not sold as eco-labelled. The assessment methods for the emission factors for the electricity mix and residual mix may differ for different sources. Standards are not yet in place because of the complexity of the systems involved and the continuous development in the field. The amount of electricity for the vehicle is small compared to the electricity used in the office, but it has relatively high emissions on account of the high emission factor.</i></p> | | |
| Scope 3 | 1,807 | |
| Goods and services purchased | 1,780 | Data centres, consultants, IT purchases and purchased food. Data collected from suppliers. |
| Emissions related to fuel and energy | 0.4 | Estimated vehicle fuel for our leased vehicles. Upstream emissions, office (electricity, district cooling and heating) |
| Business travel | 23 | Data from travel booking companies |
| Employee commuting | 3 | Employee travel habits survey, 2023 |
| <p><i>Running our servers accounts for 87 per cent of our climate impact, totalling 1,572 tCO₂eq. Their operation is both critical to society and crucial to our delivery. The provider of our server halls is actively working on its carbon footprint, and all electricity used at the data centres comes from renewable sources. Operations and maintenance providers are certified in accordance with standards such as ISO 9001, 14001, 20000 and 27001.</i></p> <p><i>Consultancy services account for 9 per cent of our total impact. Find out more about our partnerships with consultants on page 27.</i></p> <p><i>The climate impact of our business travel amounts to 23 tCO₂eq.</i></p> | | |
| Total | 1,814 | |

Boundaries for 2023

Not relevant to our operations: 3.2 Capital goods, 3.8 Leased assets, 3.10 Processing of products sold, 3.13 Assets leased out, and 3.14 Franchises. Categories excluded from the 2023 assessment due to a lack of data and that will be analysed for 2024: 3.4 Purchased inbound transport, 3.5 Waste, 3.9 Purchased outbound transport, 3.11. Use of products sold, 3.12 Disposal of products sold and 3.15. Investments

Our sustainability goals

BankID service



| Identified areas | KPI 2028 | Results 2023 | Linked global goals |
|---|--|--|--|
| Increase access to public services and purchases through secure digital identity. | As many people as possible should have access to a safe and secure digital identity. | 99.4% (99.2) of Swedes aged 18–67 have a BankID. 7,100 (6,000) connected companies, public authorities and organisations. | 9.1 Reliable, sustainable and resilient high quality infrastructure to support economic development and human well-being. |
| User-friendly service. • Ease of use | Not specified. | 99% agree 2% do not agree The survey is conducted every two years, so there are no new results for 2023. | 10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, gender, disability or other status. |
| • Novus survey. "Easy to use (user-friendly)" | 100% agree. | Investigation of goals for WCAG and EN301549 is ongoing. | |
| Reliable service that provides uninterrupted service availability to the user. | 100% of the time. | Available 99.99% (99.97) of the time, 24 hours a day, 365 days a year. | 9.1 (as above). |

Our role as an employer and partner



| Identified areas | KPI 2028 | Results 2023 | Linked global goals |
|--------------------------------------|---|---|--|
| Inclusive and egalitarian workplace. | Trust Index of at least 90%. | Trust Index of 95% (84). | 8.5 Decent work for all. 5.1 No discrimination against women. |
| Trusting partnerships. | 100% audited business-critical suppliers. | 100% (100) audited business-critical suppliers. | 17.6 Co-operation and knowledge sharing. 16.5 Combating corruption and bribery. |

Climate and environment



| Identified areas | KPI 2025 | Results 2022 | Linked global goals |
|--------------------------------|--|---|---------------------|
| Help to combat climate change. | We will develop in 2024 targets, KPIs and a plan for potential activities. | We carried out our first climate assessments for 2023. They are presented on page 11. | 13 Climate action. |

The 17 UN Sustainable Development Goals



BankID service

We enable a modern and accessible society thanks to fast and secure digital identification.

Digital identification creates new opportunities that simplify and streamline matters for individuals, companies and society. As digital maturity increases, so do demands for accessibility and ease of use. At the same time, the tough security situation means that security requirements are also becoming more stringent.

BankID is currently used for identification and signature at more than 7,100 banks, companies and public

authorities in Sweden. Swedes use BankID to sign contracts, loan documents and their tax returns. They identify themselves so that they can make payments securely online, log in to the Social Insurance Agency, or collect parcels from the post office.

Almost all important matters can be dealt with on a mobile phone. Fast and secure digital identification allows society to go on evolving without unnecessary risks for companies, or to people's privacy.



BankID service

Digital ID card enhances security

The BankID digital ID card was launched on 19 June 2023.

Earlier market research showed that digital ID cards were the most requested service from BankID.

One million users had already activated their digital ID cards just four months after the launch, and more are joining.

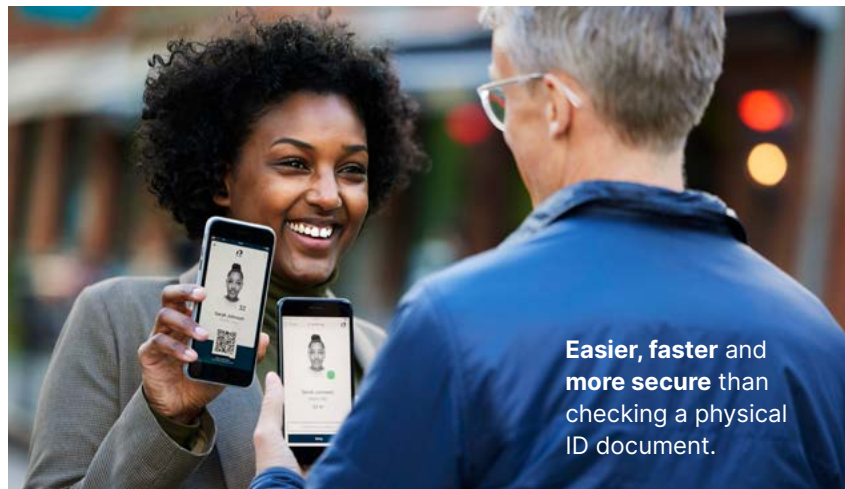
The number of companies accepting digital ID cards from BankID is increasing, and Postnord, DHL and Schenker, several Apotek companies and Systembolaget, the state alcohol monopoly, are some of the early adopters.

Security is in the details

There are three ways to validate digital ID card: visually, scanning with another BankID app, or scanning with a shop scanner. When companies or public authorities choose to scan the animated QR code on the digital ID card, an advanced check is carried out that fulfils the requirements of what is known as certified and reliable identification. These are the requirements defined for:

- The Swedish e-ID trust framework, level of assurance 3.
- e-ID schemes under the eIDAS Regulation for level of assurance "essential".
- Strong Customer Authentication (SCA) requirements under PSD2.

A visual check of the digital ID card is sufficient for most companies, and then companies can get started immediately with no technical implementation. The person verifying the ID compares the photo and information displayed with the person presenting the card. There



Easier, faster and more secure than checking a physical ID document.

are security details that help to make things even more secure. When you tap the screen, the image becomes blurred at the point where you tap and a sound is emitted. This sound will differ depending on how long the tap is held. This allows the person validating the digital ID card to ensure that it is active and not a fake still image, for example. By all means tap for different lengths of time and in different places to check the digital ID card.

Checks that involve scanning the QR code are easier, faster and more secure than checking a physical ID document.

Secure activation

A valid Swedish passport or national ID card is required to activate a digital ID card. Driving licences will not work. The digital ID card shows the same photo as the ID document used to create it and is valid for the same length of

time, unless the customer's Mobile BankID expires earlier.

The physical ID document is checked for authenticity and validity when the digital ID card is activated, providing a high level of security.

Our digital ID card is the only one in Sweden based on level of assurance 3 identification and requires the holder's photo to have been taken in a controlled environment at the police passport office.



BankID service

The need for digital identification is growing internationally



We are one of the world leaders in digital identities, which makes it natural that international actors reach out. The focus on digital identification keep increasing, something that we notice from the increased international interest of our extensive experience and expertise regarding digital identification and security.

There is ever-increasing global focus on digital identity, and investment in this area is expected to be substantial. Increased digitalisation and the use of AI are placing stringent demands on reliable identification of the party you are doing business with. Our platform has been tried and tested over several decades. The high level of digital maturity in Sweden also means we can provide guidance for companies operating in countries where digitalisation is not yet as advanced.

On an international level, we see that there is a perception that security and ease of use cannot

be combined. BankID is proof that secure digital identification can be easy to use.

In Sweden, 99.4 per cent of Swedes aged 18–67 have a BankID and use it several times a day, clear evidence that the service is appreciated. The key is to strike the right balance between simplicity and user protection. A smooth flow can sometimes be so fast and simple that the user does not have time to pay attention to what is happening, which can be exploited by fraudsters. In some situations, friction can be beneficial and give the user time to identify whether anything is not as it should

be. This is a constant balancing act and requires careful consideration of when and how friction can be used to enhance security and help users.

Most of our security work is done without either users or companies realising it. The platform has a number of built-in protections for situations where there is an increased risk, and these are updated regularly. Security is our top priority, and we are actively working to stay ahead of the game and meet new challenges. The challenging security situation of late means that we are now further accelerating this work.

BankID service

Andreas Bergqvist, Head of Security

Cooperation between the private and public sectors has never been more important than it is now. It is the key to keeping a digital Sweden secure. Security is not a one-off effort, but a continuous endeavour to protect our users and our infrastructure.

Sweden has become a piece of the wide geopolitical puzzle, where statements and declarations of intent can create challenges for Swedish companies, public authorities and organisations.

There are wars close by and conflicts all over the world, resulting in other countries targeting digital services in order to create unrest in Swedish society.

– The current situation requires us to constantly stay up to date. We need to know how fraudsters behave and quickly identify the right countermeasures to minimise the likelihood of them succeeding.

Moreover, we need to constantly adapt the security of the solution. Security is not a one-off effort, but a continuous endeavour to protect our users and our infrastructure. BankID is updated regularly, and

it is important for all companies, public authorities and organisations using the service to update their digital services regularly with the latest security updates. Only then will our improvements have an impact on society.

Collaboration between the private and public sectors is essential if we are to secure a digital Sweden.



Customer case

HonestBox: enables stores to stay open 24/7

Using BankID to identify customers entering and leaving unstaffed stores and to link customers to purchases will allow more stores to stay open after staff have gone home.

HonestBox has been helping retail chains to set up unstaffed stores, hybrid stores and vending machines since 2015. Their solution allows physical stores to compete with e-commerce by allowing customers to shop even when staff have gone home.

- E-commerce has a strong grip on the retail trade today since online service is available 24/7. We want to help businesses, no matter size, to be able to offer the same type of availability in their stores, says Magnus Berglund, CEO of

HonestBox. In order to keep stores open after the staff has gone home, we must be able to easily and securely identify those who enter the store.

BankID was an obvious choice for us – partly because BankID as a form of identification is familiar and convenient for users and their experience, and

partly because it was easy to implement the BankID service in our technical solution.

HonestBox is also available outside Sweden. Its solution is currently available in seven countries, with more planned. As HonestBox uses BankID as an identification solution, Swedes can also shop at unstaffed stores abroad.

“The HonestBox solution has increased sales by up to 30 per cent in our stores and created a better future for the stores”

Christoffer Granberg, Head of Sales at Menigo

Secure customer service using IDkollen

IDkollen helps companies provide fast and efficient service to their customers without placing their personal data at risk.



Secure identification is unfortunately not a reality for all companies. Some ask very unsecure control questions about the customer's name, address or other public information,” explains Peter Robson Bohm, CCO and partner at IDkollen. “I think the biggest problem is a lack of knowledge,” continues Peter. “Because what company would knowingly want to risk the safety of its customers?”

IDkollen helps companies to understand the risks of this and resolves the issue by implementing a service that identifies customers with BankID via telephone services, chat and other digital channels. IDkollen has spent three years

conducting a survey of 50 major e-commerce companies and retail chains in Sweden. They have also included the other Nordic countries over the last two years. The survey shows that 51 per cent of companies put their customers and themselves at risk because they are unable to ensure they are helping the right customer.

“Some companies refuse to help customers with sensitive issues, but obviously it'd be better to have a solution in place and be able to help out instead. That's what it's all about; being able to help customers and be service-minded, but without taking risks with customers' data,” says Peter.

BankID service

Great ease of use for more and more people

BankID is a key part of everyday life in Sweden, and our most important job is to ensure the service remains secure and accessible.



Many people in Sweden, around 8.5 million of them, have BankID. A number of requirements have to be met for a bank to issue a BankID. The user has to have a Swedish personal number and be a customer of one of the issuing banks.

A BankID always requires that the banks identify their customers by means of original documents. An e-ID is a personal document of value and may only be handled by the holder.

Inclusive services

We are absolutely convinced that digital services that make things easier for people who are not used to technology or have reduced abilities will be simpler and better for everyone.

User-friendliness, accessibility and inclusiveness are important as we develop BankID further. We follow our internal guidelines:

the first step is to analyse the potential impact of each change may have on users. For major changes and new developments, we also regularly perform accessibility tests throughout the development process. Everyone involved in product development is told about the test results so that we can always go on learning and improving accessibility. We are constantly endeavouring to improve, including by:

- Testing with users with various disabilities.
- Using accessibility guidelines from W3C WCAG, Apple and Google.
- Collaborating with certified accessibility experts.

Greater accessibility is good for everyone

BankID users can identify themselves using a security code, fingerprint or facial recognition.

This makes it quick, easy and smooth for everyone to use. It is particularly useful for people who find it hard to enter their password. Other features that improve usability include text to speech, voice control and vibration when a QR code is scanned correctly.

More stringent accessibility standards will be required from mid-2025, when the EU's Accessibility Directive comes into force. Digital accessibility means that no one should be prevented from using digital services because of a disability.

The aim is to make the digital society accessible to all. Requirements are defined in respect of how products and services, including websites and apps, should be designed so that they are accessible and easy to use. It must be possible to perceive the information

Did you know:

- BankID can be used with assistive technologies, including screen readers, magnification, switch control and voice control.
- Our mobile apps work in both landscape and portrait mode, which is particularly useful for people who have their device on a stand at a keyboard or mounted on a wheelchair or mobility scooter.
- BankID also supports various accessibility features in the operating systems, such as dark mode and enlarged text.

using several senses, for instance. BankID already meets most requirements at present. An accessibility statement is available on our website, along with a service where you can report accessibility deficiencies.

Obtaining BankID more secure

For security reasons, users have previously had to use a security token or visit a bank branch to obtain or renew their BankID.

Existing BankID users can now obtain a new BankID digitally thanks to new technological options.

The identity is confirmed using the reader in the user's mobile phone in combination with the chip in Swedish passports and national ID cards. With a biometric solution, we can use facial recognition to compare a recently captured photo of the user with the original photo from the ID document. This requires a mobile phone with an NFC reader and camera, which is available in most newer mobile phones.

This method is also used by many banks to protect users who renew their mobile BankID remotely via their bank's app.

Reducing the need for help

Age is the most decisive factor when it comes to needing help to install BankID. That is why we have actively visited and given presentations at 15 meetings of

senior citizens during the year. Digitalisation can also be challenging for recently arrived immigrants. Telia's Digital i Sverige initiative aims to enhance understanding of how digital services and tools are used in our society. We take part by answering questions, providing practical advice and informing people about how to use BankID securely. This initiative is being implemented in cooperation with several partners, and we participated on six occasions in 2023.

We are participating in several projects aimed at raising awareness about BankID and raising the level of awareness among older people and recently arrived immigrants with a Swedish personal number. Here are a few examples:

- Digital i Sverige (Telia initiative)
- Digital senior (Telia initiative)
- Digitalidag (staffed switchboard and T-centralen)

Options for reducing digital exclusion

Digital services contribute to an accessible society on the individual's terms, but there is a risk that those who do not have a digital presence will be left out. The stringent security requirements for use of BankID mean that users themselves have to be able to use digital tools such as computers,

tablets or mobile phones. Each public authority or company is responsible for offering alternatives to digital services. There are also people who actively choose not to be digital.

Introduce a state register of representatives

The measure that we believe would best help to increase inclusion while also reducing administration for all representatives is to proceed with the proposal for a state register of representatives, as proposed by SOU 2021:36 (Gode män och förvaltare – en översyn (Legal representatives and administrators – an overview)); but with one important addition: allowing future powers of attorney also to be included in the register of representatives. This could be an important complement to allow more users to be included.

Coordination number with certified identity

You need a Swedish personal number to be able to get a BankID. Carrying out satisfactory basic identification with an approved Swedish ID document is also required.

A certified coordination number was introduced on 1 September 2023. As the banks issue BankID, the persons concerned can get a BankID only if they decide to accept ID documents with a certified coordination number for the basic identification.

State e-ID

Digg has been tasked by the government with developing a proposal for government-issued e-ID. We welcome governmental e-ID and look forward to seeing whether this can form the basis for making BankID even more accessible.

BankID service

Reliable service with no downtime

Our service needs to work and be reliable if BankID is to be valuable. Downtime risks causing financial losses and other problems for users, companies, public authorities and other organisations.

To ensure operations and what we deliver, we have a well-provisioned technical infrastructure overcapacity and redundancy, as well as protection against potential cyberattacks such as denial of service attacks.

Our goal is for the service to be accessible 100 per cent of the time.



BankID service

We create security in a modern society

BankID is a socially critical service, and with that comes greater responsibility. Companies, public authorities and organisations, as well as users, must be able to trust BankID and feel secure in using it.

We are constantly developing and updating BankID with new security updates for both companies and users. Our top priority is to continue to ensure that BankID is as secure and accessible as it has always been.

Security when issuing BankID:

The right person receives the BankID

The first step when issuing a new BankID is to identify the user by means of original documents. This is done by the issuing bank, which verifies the customer's identity. This is an important step, ensuring that the BankID is issued to the right person: this is comparable to going to the police to obtain a passport or national ID card.

Basic identification is handled securely and efficiently thanks to the cooperation between Swedish banks on financial infrastructure. This is the foundation of a digital ecosystem for digital identification and signature.

A secure and stable digital identification system forms the foundation of a functioning digital society.

Security when using BankID:

The right person uses the BankID

A BankID may only be used by the holder. Every time the service is used, validation is performed to ensure that the right person is using their BankID.

Features for easier, more secure identification are rolled out regularly:

- Users now need to share location information to be able to move a Mobile BankID via the bank's app from one mobile phone to another. This allows us to ensure that the user is in the same location as both their new phone and their old phone, thereby reducing the risk of remote fraud.
- The animated QR code means that users no longer have to enter their personal number in various e-services. The QR code links the customer and the device to the service. This also ensures that the user's mobile phone is in the location where the computer is situated where identification takes place, which makes fraud more difficult.
- It must be clear to the user why they are identifying themselves or what they are signing. Therefore, companies and public authorities can add descriptive texts that appear in the BankID app. These texts can be formatted to provide additional clarity, which makes it easier for users to recognise when something is not right.
- Autostart is used when the customer visits a service on the device on which they have their BankID. The BankID app is automatically launched from the e-service, which makes identification both faster and more secure.
- A biometric solution allows existing BankID users to obtain a new BankID remotely. The identity is confirmed using the NFC reader in the mobile phone in combination with the chip in passports and national ID cards. Facial recognition is used to compare a recently taken photo with an original photo from the ID document.

BankID urges companies to increase security

The service is constantly improving, and we are regularly implementing security-enhancing measures. The version that all companies need to update to before 1 May 2024 includes a number of security enhancements that reduce the risk of remote fraud, and more improvements will be added going forward.

It is important for all companies, public authorities and organisations using BankID to update to the latest version in order to benefit from new features and security improvements.

The improvements we make will only have an impact on society if they are actually used.

► Find out more at bankid.com/saker-start

Brief information about the latest version

- The user should not enter their personal number in the e-service. Personal numbers are public and can be exploited by fraudsters. Instead, BankID is launched by the user scanning a animated QR code using the BankID app, or BankID opens automatically when used on the same device.
- An updated and more secure feature of BankID for telephone services.
- A number of technical security updates that are not noticeable to users or companies.
- A basis for planned future security enhancements.

We secure your identity and privacy

Companies and public authorities send a request for identification or signature when BankID is used. All personal data transmitted is encrypted and is provided only to securely identified organisations with a valid contract to use the services.

Anyone using BankID can feel confident in our handling and protection of personal data and privacy. The data is never used for any purpose other than the one for which it was collected. The information we have is limited. We can see that an identification or signature has been made, but not what was signed or purpose of the identification. The details are only seen by the parties carrying out the transaction, i.e. the user and the company/public authority with which they are using their BankID.

When a biometric solution with facial recognition is used, we only use it to compare a recently captured photo with an original photo from an ID document. We can only see whether the two photos match. We delete both photos soon after processing. In the case of users activating a

digital ID card, the photo is saved and used for the digital ID card. Users can choose to delete their photo, and hence their digital ID card, at any time.

We have several safeguards and security processes in place to protect personal data. The systems that process personal data are located on secure servers with limited access, and all communications are encrypted. We use technical tools such as firewalls and monitoring tools, and all employees who may come into contact with personal data hold security clearance and are trained in security and confidentiality. The banks that issue BankID are data controllers, while we are data processors. All personal data used in the BankID service is subject to banking secrecy.

We never sell any data we process, and only share data where the user has approved this or where we are required to by law.

Traceability

Only limited information is stored when a BankID is used. We store some technical information and information indicating that an identification or signature has

been performed when traceability is important. We know nothing about the purpose of the identification or what was signed. The personal data processed can be accessed by the user via "My history" in the BankID app or the BankID security software. This shows the companies and services with which the user has used their BankID.



Compliant with laws and regulations

- BankID meets level of assurance 3 according to the Swedish e-ID quality mark.
- A BankID signature is classified as an advanced digital signature in the eIDAS Regulation (EU 910/2014).
- BankID identification meets the requirements for strong customer authentication in the second Payment Services Directive PSD2 (EU 2015/2366). A signature with BankID meets the requirements for dynamic linking.
- BankID is viewed as a payment instrument under the Payment Services Act (2010:751).
- We have been under the Riksbank's stability monitoring since 1 January.
- 2023, and in 2024 we are also part of the Riksbank's responsibility for planning and coordinating peacetime crises and heightened preparedness.

Effective risk and incident management

If an incident should occur despite all precautions, we have effective monitoring and incident management in place so that we can act with the issuing bank to stop misuse of the BankID.

The bank is obliged to block any BankID that is used fraudulently.

Privacy Policy guides our work

Our Privacy Policy describes what information is processed in the context of the services, how we obtain it, how it is used, how it is shared and our measures to protect personal data. It also describes the rights of users with regard to their personal data.

Infrastructure offering outstanding security

BankID is a mission-critical infrastructure, and disruptions could have a significant adverse impact. The need for security, resilience and reliability in critical societal infrastructure is increasing, and digital services are more vulnerable than they used to be.

Our established risk and security work meets the stringent demands that society places on mission-critical infrastructure. Our data and IT security is extremely high, and in addition to the service and our protection of users' data, our security work also covers the underlying infrastructure

and everyone who works for or on behalf of us.

Certification and management systems

Our clear structure regarding systematic security management follows the COSO model. The security management system is integrated into the essential processes of the business. Digital and physical security are built into the same management system. Management is kept informed on an ongoing basis. The board and owners also receive monthly reports.

This is an implemented and well-established system, and everything we do is based on international, externally verifiable standards. Our entire organisation has held certification to ISO 27001 since 2022. Our technical infrastructure and its operation and maintenance have held ISO27001 certification since 2013, as well as ISO 9001, 14001 and 20000 certifications.

We are also approved according to the Swedish e-ID quality mark and audited according to the eIDAS regulation. Thanks to this, the quality of our security work is audited and verified by an external organisation. We also conduct regular independent reviews of our regulatory framework to ensure good control and management of risks.

Processes and procedures to maintain a high level of security

High security requires a very high pace of development, and we regularly update the infrastructure to maintain the level of security. We have clear processes and procedures to avoid incidents and a well-developed approach to operations, maintenance and management, as well as product development and emergency response.



- All our services are rigorously tested by both in-house and independent testers to ensure quality and security. Independent code review, security analyses and penetration testing are used on an ongoing basis and for every major change.
- The incident management process is well established. In the event of an incident, there are clear processes in place which include open and transparent communication to the outside world. We report all incidents that affect our infrastructure to our regulator, the Swedish Post and Telecom Authority (PTS), and to Digg and the Riksbank. Personal data incidents are also reported to IMY, and the bank may also

be obliged to report to the Swedish Financial Supervisory Authority (Finansinspektionen).

- Independent security researchers, services using BankID and users can report security breaches to us, which is very valuable and something we welcome. We also conduct regular independent reviews of our regulatory framework to ensure good control and management of risks. We are also audited regularly by external auditors.

We are audited by several public authorities

All approved e-IDs in Sweden are audited by Digg, according to the government's trust framework for Swedish e-ID. BankID is also supervised by the Swedish Post and

Telecom Authority (PTS), under the eIDAS trust services.

Some of our activities are covered by the Security Protection Act and the County Administrative Board of Stockholm is our security protection support authority and we report security protection incidents to the Swedish Security Service.

As BankID constitutes a critical infrastructure for society and is of such importance if payments are to function, we are under the Riksbank's stability oversight and participate in civil defence planning both with the Financial Supervisory Authority as the sectoral contingency authority and in the Riksbank's coordination responsibility for civil defence payments, CBB.



Our role as an employer and partner

Innovation through teamwork in a friendly culture

Having about 8.5 million users and more than 7,100 companies brings great responsibility. We meet the stringent demands together, with close teamwork and a culture of trust.

We are driven by a desire to build a infrastructure that benefits many people. And we do it as a team. Our aim is to go on improving together. We are continuing to grow, and eight new employees joined us during the year, some with completely new skills.

Our core values are with us in everything we do. Whatever happens, we always aim to be

- Proactive
- Available
- Secure

All development is a team effort

The foundation of an innovative environment is based on team spirit and an understanding of the need to include different skills within the team. Maintaining a fast pace and level of development work requires new ways of working. We work in cross-functional teams and identify synergies between varying expertise and experiences.

In 2022, we worked through a development programme to strengthen our shared culture, with the aim of harnessing one another's skills, being good listeners and improving together. This work continued in 2023 as well. We want our employees to have the opportunity to develop their potential in a friendly environment. That is



why we are constantly striving to create an inclusive and familiar environment.

We are certain that diversity of background and gender helps to strengthen our organisation. No form of discrimination based on gender identity, ethnicity, external characteristics, nationality, religion, age, disability, sexual orientation, association, political affiliation or similar grounds is permitted. We do our best to create a balance between women and men. That is why this perspective is always a factor in recruitment.

Always learning

The success of our mission requires an outstanding level of expertise from every member of

employees. Constant learning is key in a knowledge-based organisation. The very high pace and level of innovation and development work require us to offer great opportunities for further development. Our aim is to enable everyone to fulfil their potential. That is why all our employees have a development plan with personalised objectives encouraging development. There are major opportunities for employees to influence their own development with individual skills development programmes. This plan is followed up at least twice a year in performance reviews.

Workloads should allow for a balance to be struck between work and leisure, as a work situation



31 December 2023: 51 (43) employees, of which 16 (12) are women and 35 (31) men.



Management team: 8 (7) employees, of which 3 (3) are women and 5 (4) men.

sustainable in the long term is very important to us. We are maintaining our hybrid workplace policy where employees can work flexibly from home.

Health and wellness

We work to promote a mentally and physically good and safe working environment with emphasis on proactive health and wellness.

All employees are covered by health insurance. This also includes a health portal with the opportunity to follow preventive behavioural programmes for various health promotion measures. All our employees are offered regular health checks. All employees receive a wellness allowance and one hour of wellness per week. Various organised activities are also offered, such as group workouts and massage.

Our code of conduct and employees handbook control our work and contain rules and guidelines for employees and managers. The code also includes the right to freedom of association and collective bargaining to be respected at all times.

A Great Place To Work company

We are certified by Great Place To Work. A great place to work is defined as follows: "A great place to work is one where you trust the people you work with, have pride in what you do, and enjoy the people you work with."

The result is measured by means of the Trust Index. A Trust Index of at least 70 per cent is required for certification. Our 2023 Trust Index is 95 per cent, with a

response rate of 96 per cent. This superb result means that we are ranked as one of Sweden's top ten workplaces in the small company category in 2024.

The survey shows that 100 per cent of our employees think that our workplace is a physically safe and psychosocially healthy workplace where everyone is treated equally and encouraged to maintain a good work-life balance. The survey also shows that there is a high level of trust between employees and managers, and that employees are given a great deal of responsibility.

Our result in 2023

- Trust index 95% (84)
- Great place to work: 100% (89)
- Physically safe workplace: 100% (97)
- A good work-life balance is encouraged: 100% (94)

Business ethics at the heart

Our code of conduct, together with our corporate culture, permeates and guides everything we do. The code of conduct is based on the ten principles of the UN Global Compact and complements other guidelines, our employees handbook and steering documents. The code of conduct includes areas such as human rights, employees and health and safety, anti-corruption, environmental responsibility and privacy and information security. All activities must comply with the guidelines of international conventions on fundamental human rights.

We maintain a zero tolerance approach to bribery, corruption and money laundering. Standards set out in applicable laws and regulations for combating these

must be followed and respected. All employees are covered, regardless of their employment status. All employees must read, accept and comply with the code of conduct. Managers are responsible for disseminating and providing information about the code of conduct and to ensure compliance with it. Suspicions of non-compliance must be reported to the line manager. A whistleblowing function was set up in 2022 that allows employees to report observations to an external party that manages the function, and to do so anonymously if they so wish. There were no incidents or deviations from the code of conduct in 2023.



BankID ranked as one of Sweden's top ten places to work in the small business category in 2024

Great Place to Work conducts employees surveys among 19.8 million employees from over 10,000 organisations in 106 countries every year. The results are used to achieve better business outcomes and to create a workplace culture where every employee feels trusted and engaged.



Our role as an employer and partner

Partnership forms part of teamwork

Our environment, with our culture of working together, recognising one another's different skills as assets and finding the synergies needed to meet the challenges ahead, also includes our key partners.

Access to the right high-level skills is a key factor if we are to stay at the forefront as terms of security, accessibility and ease of use. Much of the development takes place in close cooperation with subcontractors, and we have partnerships with a number of parties. Everyone working on the infrastructure is a business-critical supplier and partner.

Teamwork with common goals

Inclusive partnerships are a prerequisite for high levels of engagement and excellent results. We do our best to make both our own employees and the suppliers

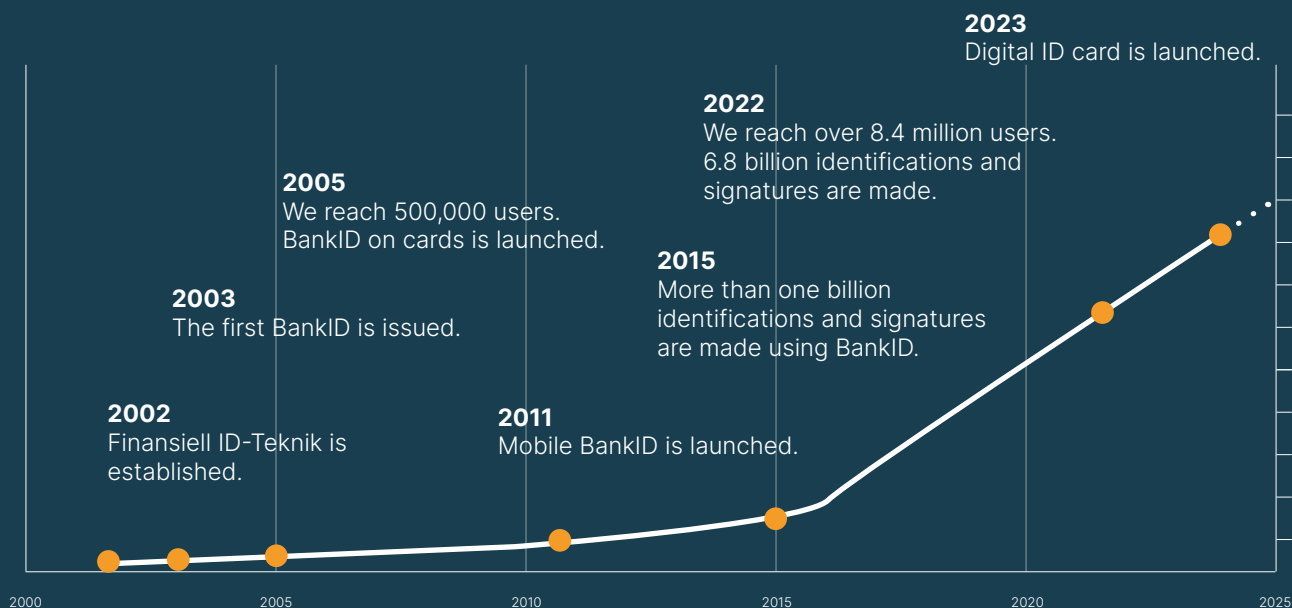
we work with feel like part of a team with common goals.

When we develop new features, at least two developers always work together and simultaneously develop each other by reviewing each other's work. This is reviewed in turn by a third independent developer. All reviewers help to find any errors, and everyone involved in development welcomes the reviews as they encourage constant development and learning. All developers and reviewers have technical expertise, so there is significant transfer of skills within and

between teams. For complex work combined with a changing environment to function, a friendly and inclusive culture is needed in which there is a strong understanding of overall goals.

Requirements for all subcontractors

All our suppliers are audited against our policy framework and must accept our supplier code of conduct, which includes social, environmental and governance requirements for purchasing and procurement. Security work forms a natural part of our cooperation with suppliers.



BankID – digital identification for 20 years

Digitalisation was an important issue even at the turn of the millennium. The government perceived the need for a general infrastructure for e-ID. Seven banks form a consortium in response to a government request: Finansiell ID-Teknik, which produced BankID.

The pricing and business model was set according to the government's specified requirements. Finansiell ID-Teknik is owned by several banks. We provide the infrastructure, while the banks sell to companies, public authorities and organisations in competition with one another.

Today, 99.4 per cent of the Swedish population (aged 18-67) has a BankID, and around 7,100 government and private e-services use BankID.