

Quarterly presentation 2023

Q3



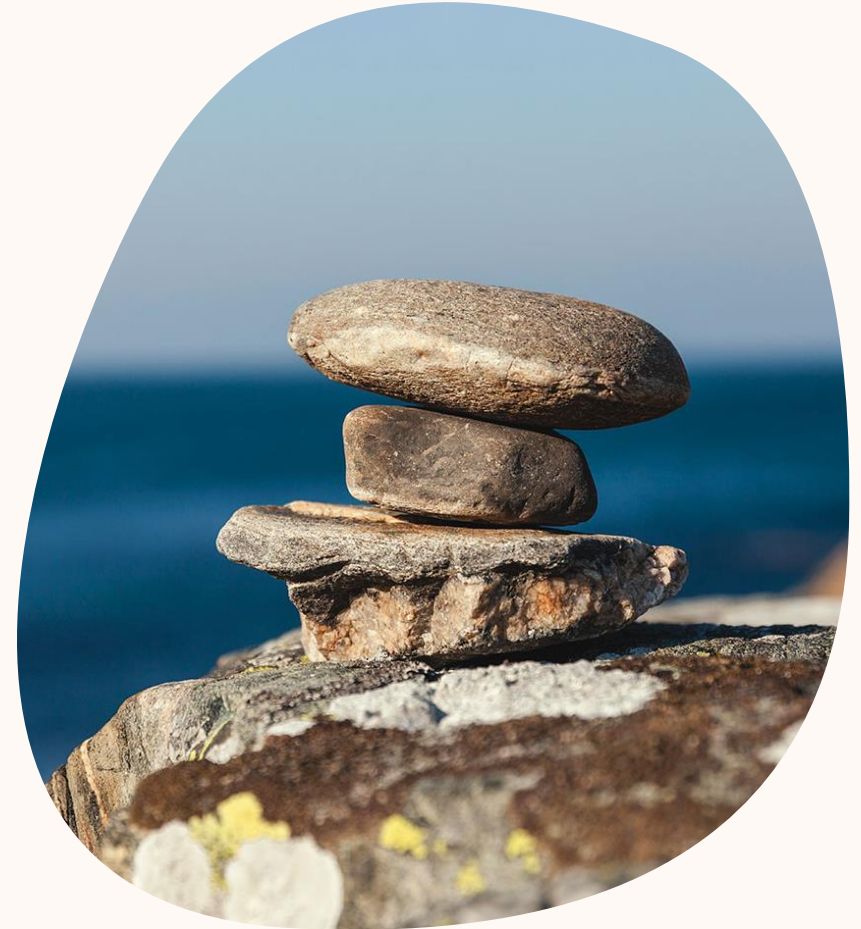
Disclaimer

This presentation contains forward looking statements that reflect management's current views with respect to certain future events and potential financial performance.

Although SpareBank 1 SR-Bank believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward looking statements as a result of various factors.

Important factors that may cause such a difference for SpareBank 1 SR-Bank include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels.

This presentation does not imply that SpareBank 1 SR-Bank has undertaken to revise these forward looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.



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Appendix

SR-Bank at a glance

Second largest Norwegian bank (SIFI)

- Rating: Aa3 (outlook stable)
- Market cap: NOK 31.4 Billion
- Total assets: NOK 362.8 Billion
- Total lending: NOK 269.6 Billion
- Total deposits: NOK 150.5 Billion
- No. of branches: 36
- Employees: 1,616

1839: The first bank that today forms part of SpareBank 1 SR-Bank was established.

1976: 24 savings banks merge to form Sparebanken Rogaland.

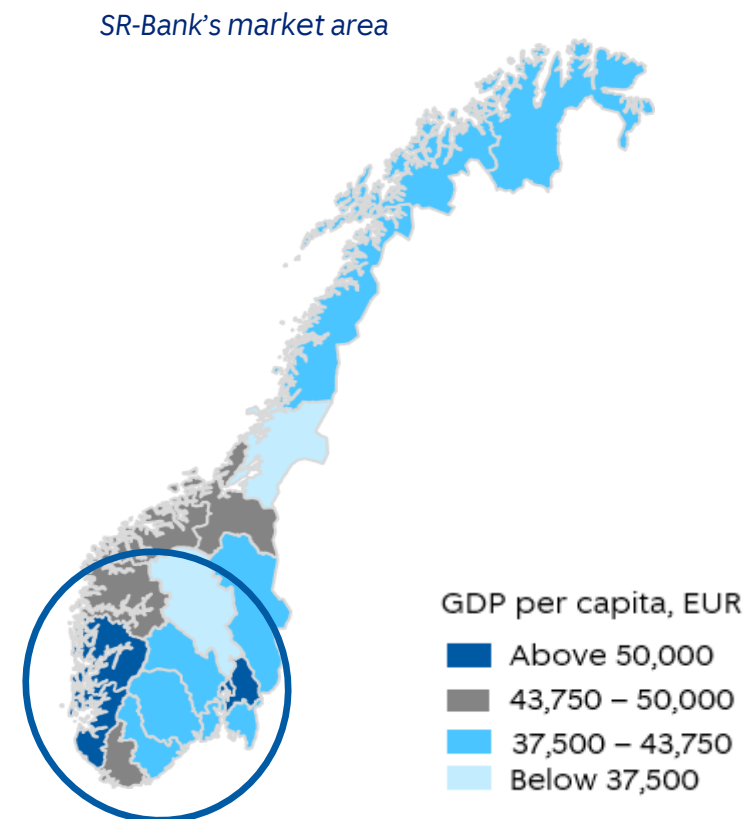
1994: SR-Bank (Sparebanken Rogaland) lists its primary capital certificates on the Oslo Stock Exchange.

1996: SR-Bank is one of the founders of SpareBank 1, a nationwide alliance.

2010: Bank number 40 merges with SpareBank 1 SR-Bank

2012: SpareBank 1 SR-Bank is converted into a public limited company
- A better corporate governance structure

2023: SpareBank 1 SR-Bank is considered as a systemically important financial institution (SIFI)



A result characterised by growth and income recognition for losses

Result 3. quarter 2023

14.5%

Return on equity after tax

MNOK 1,396

Pre-tax profit

Result 30 September 2023

13.9%

Return on equity after tax

Pre-tax profit MNOK 3,863

MNOK -142

Impairments on lending and financial commitments

-0.07% of gross lending

8.6%

12 months lending growth

Retail market 5.4%
Corporate market 13.1%
SME and Agriculture 16.0%

4.5%*

12 months deposit growth

Retail market 2.5%
Corporate market -9.3%*
SME and Agriculture 19.0%

17.9%

CET 1 capital ratio

38.9%

Cost to income ratio

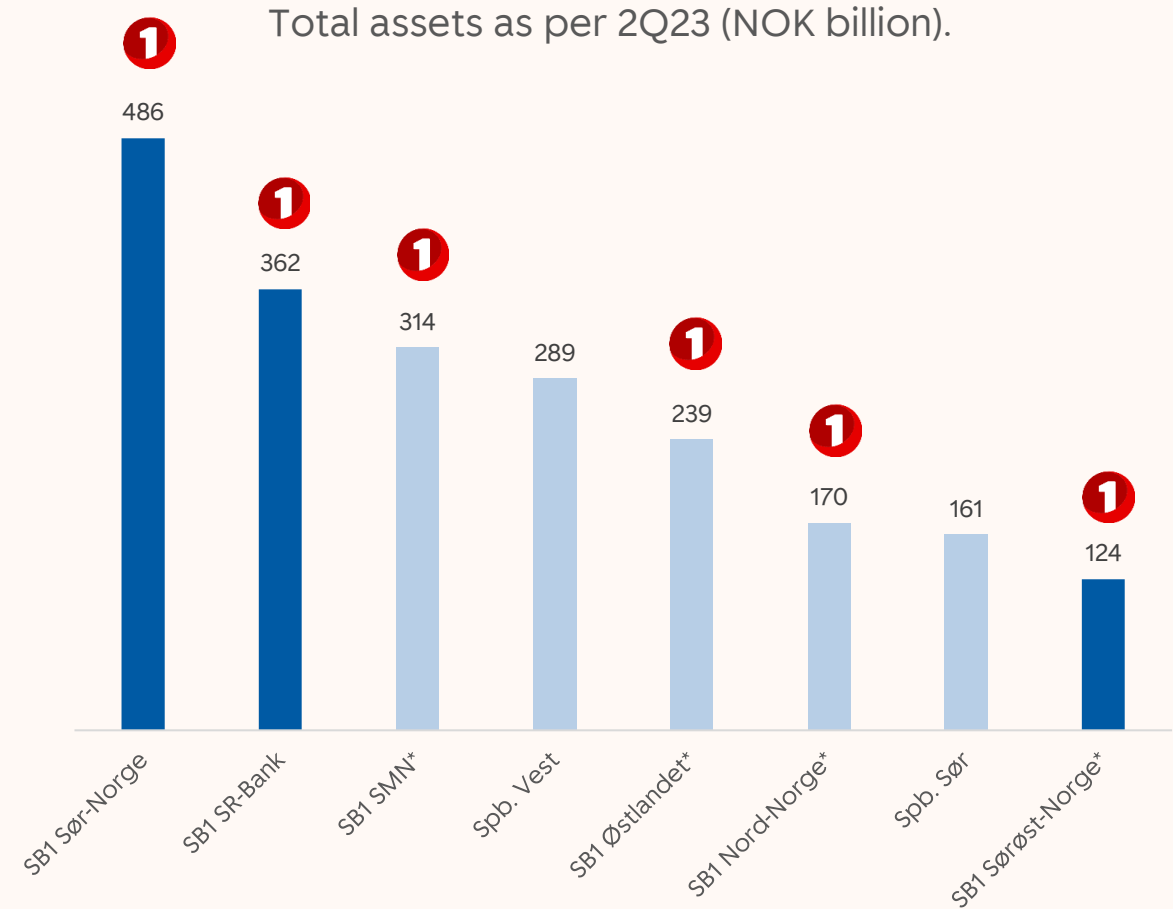
*The 12 months deposit growth excluding deposits from customers in the public sector is for the Group 13.6 % and for the Corporate market 10.4 %.

Bank #1 and Bank #7 merges to form SpareBank 1 Sør-Norge

SpareBank 1 Sør-Norge will become the largest savings bank in Norway with assets under management of approximately NOK 500 billion, gross loans of NOK 375 billion, and book equity (excluding hybrid capital) of approximately NOK 40 billion as of 3Q2023.

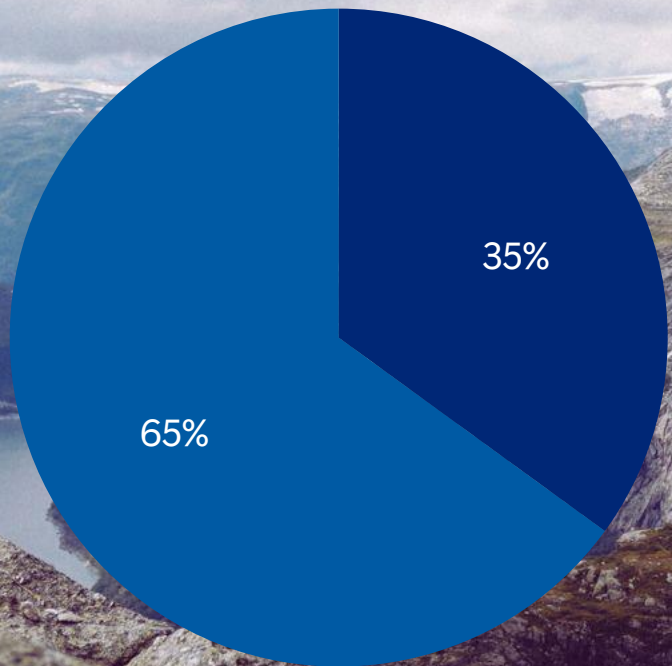
A solid platform for further growth

The bank expects to realize capital synergies of NOK 2,5 billion and synergies related to operations and funding of NOK 150 million. There is a clear ambition to achieve income synergies in the long term.



*Total assets including loans transferred to SpareBank 1 Boligkreditt

Volume per customer segment SpareBank 1 Sør-Norge



■ Corporate Market
SME, Agriculture and Large Corporate Customers

■ Retail Market

82
(NOK billion)
Retail Market

23
(NOK billion)
Corporate Market

162
(NOK billion)
Retail Market

108
(NOK billion)
Corporate Market

Corporate Market at SpareBank 1 SR-Bank summarizes SME & Agriculture (21) and Large Corporate Customers (87)

You will find SpareBank 1 Sør-Norge from Bergen in the west to Oslo in the east



We are a leader in digital banking services for individuals and businesses.

Customers now receive an even better offer and access to strong expertise.

We are local and know our customers.

The largest savings bank with 65 offices in Vestland, Rogaland, Agder, Telemark, Vestfold, Buskerud and the Oslo area.

Together we create strong local communities

We achieve stable local ownership. Our savings bank foundations will own 44 % of the shares in the merged group.

A significant portion of the annual dividend will go to the foundations, ensuring a community return for local development. Additionally, the merger will release capital for the foundations.

The bank will secure local employment and will also gain national significance with numerous attractive job opportunities at 65 offices throughout Southern Norway.

The seven foundations have given positive signals about the merger.

Sparebankstiftelsen 1
SPAREBANK 1 MODUM

SpareBank 1
STIFTINGA KVINNERAD

Sparebankstiftelsen 1
NØTTERØY-TØNSBERG

SpareBank 1 Stiftelsen BV

Sparebankstiftelsen
SR-Bank

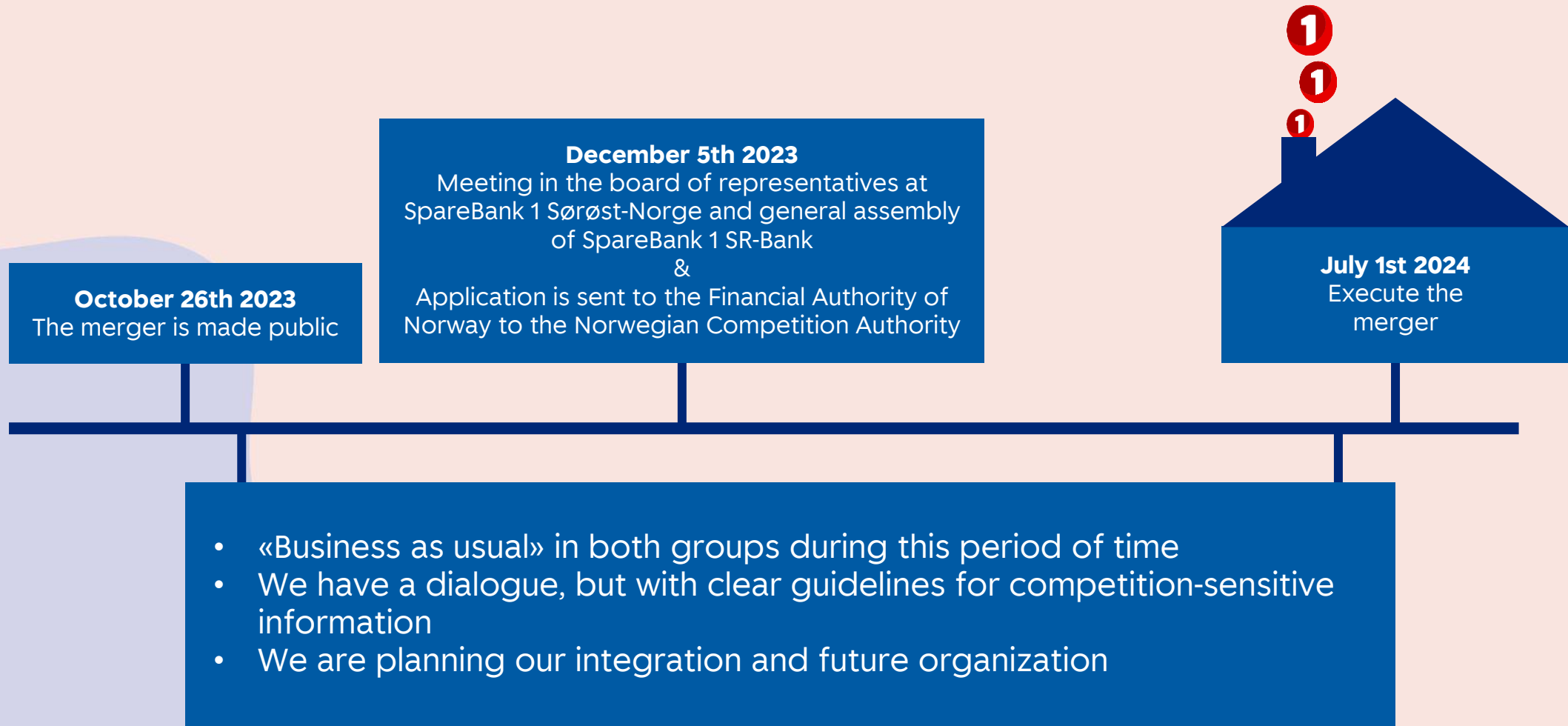
SpareBankstiftelsen
TELEMARK - HOLLA OG LUNDE

Sparebank
stiftelsen
Telemark

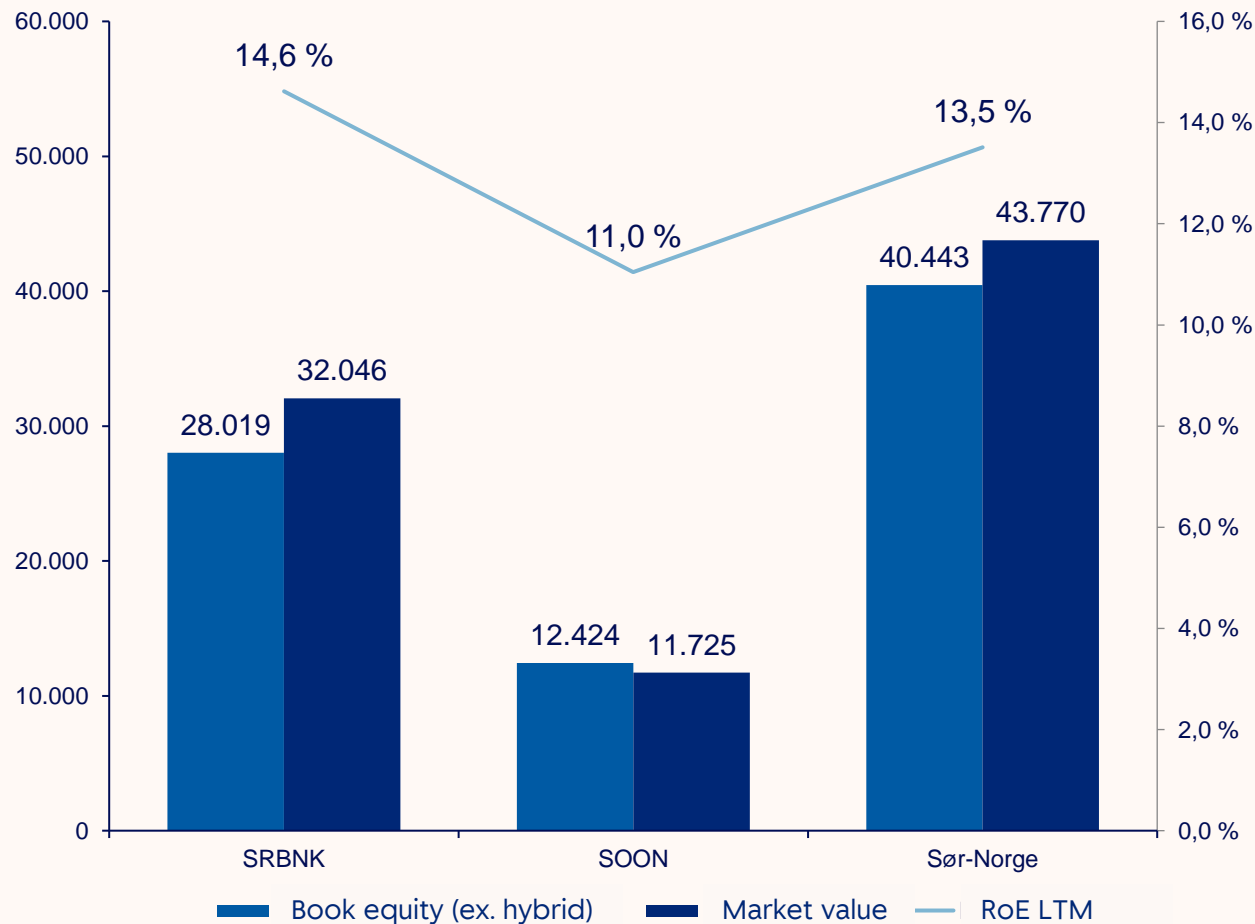
Shareholder	No. Of shares	Ownership share*
SR-stiftelsen	74 976 815	20,4 %
BV	32 666 869	8,9 %
Telemark	25 033 916	6,8 %
Modum	15 623 606	4,3 %
Kvinneradstiftelsen	6 226 583	1,7 %
Nøtterøy	5 262 839	1,4 %
Holla Lunde	4 948 876	1,3 %
Other owners	202 198 916	55,1 %
TOTAL	366 938 420	100,0%

*Ownership share prior to completion of private placement

«Business as usual» until completion



A targeted share issuance of NOK 1 billion in SpareBank 1 SR-Bank



The total market value is NOK 43 billion, with strong profitability before synergy realization - RoE last twelve months 13.5%.

SpareBank 1 SR-Bank will conduct a private placement of NOK 1 billion after the presentation of the third-quarter accounts.

The placement is guaranteed to be fully subscribed.

The targeted share issuance in SpareBank 1 SR-Bank will be conducted through a bookbuilding process after the stock exchange's closing time at 4:30 PM (CEST) October 26th 2023.

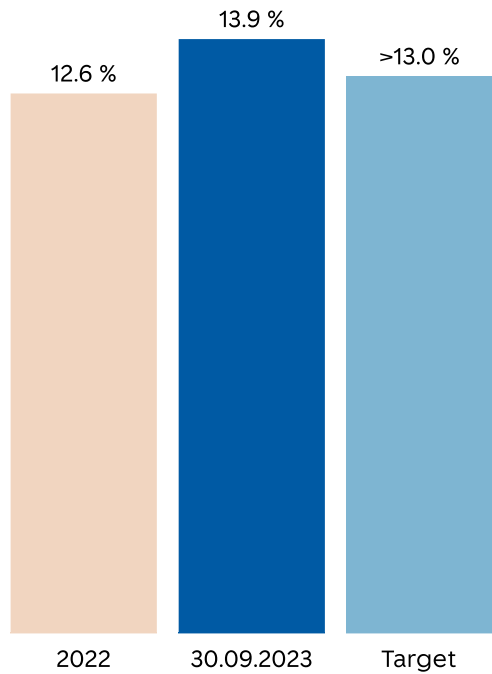
Arctic Securities AS, SpareBank 1 Markets AS and Corporate Finance at SpareBank 1 SR-Bank ASA, are Joint Bookrunners.

Following the completion of the placement, the pro forma common equity Tier 1 capital ratio for SpareBank 1 SR-Bank as of 3Q2023 will be 18,6%. The current internal target is 17,35%.

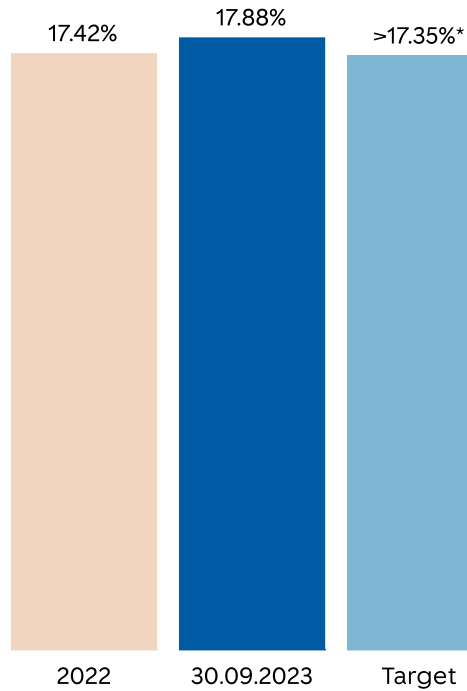
*Assuming full conversion in SpareBank 1 Sørøst-Norge (SOON).

Key figures and financial targets

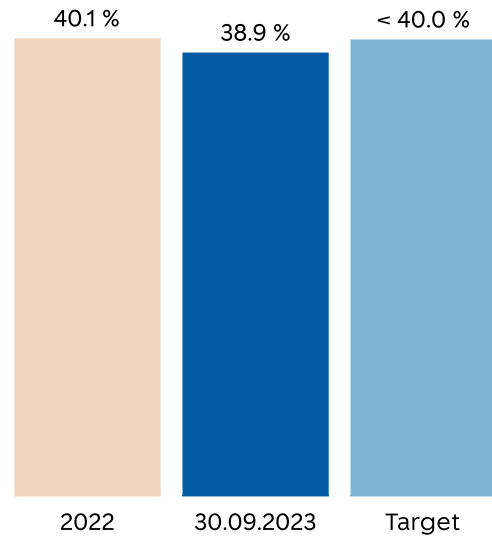
Return on equity



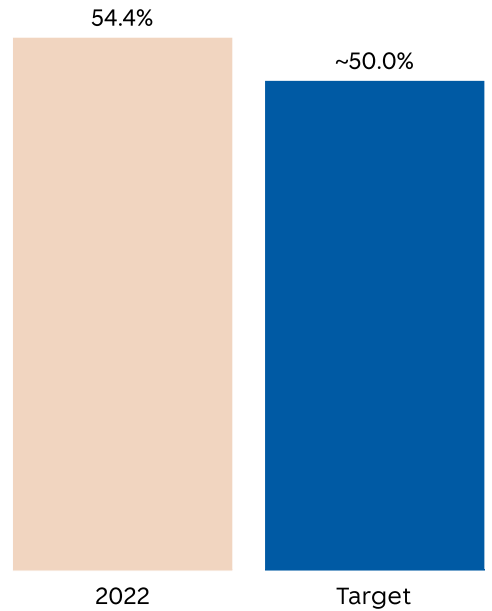
CET 1 capital ratio



Cost to income ratio



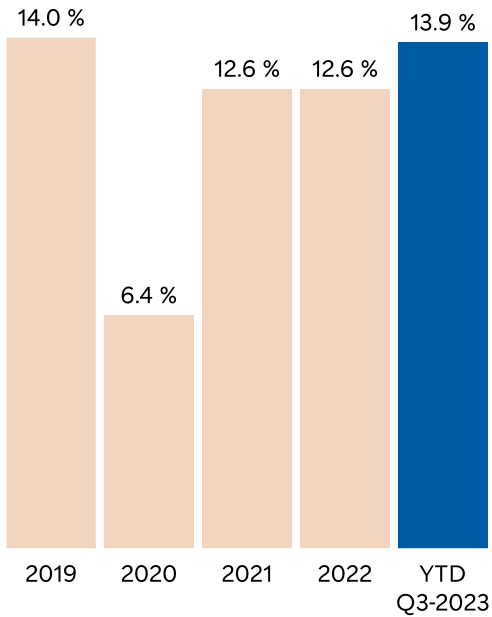
Dividend share



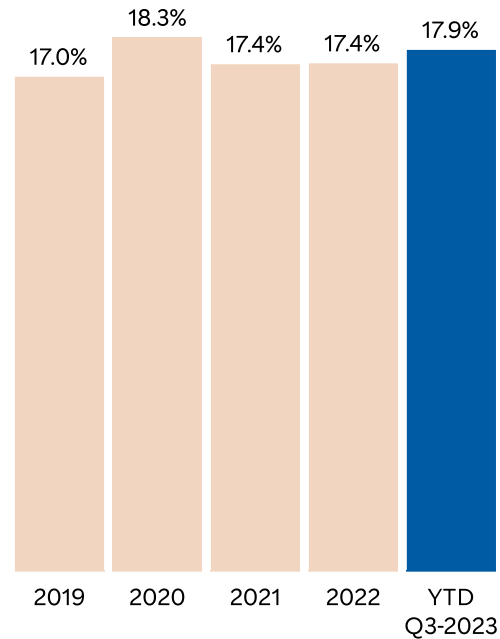
* In connection with the bank's SREP process, the Financial Supervisory Authority added a temporary Pillar 2 requirement of 0.5%, hence CET 1 capital ratio minimum is 17.35%.

Key figures – annual development

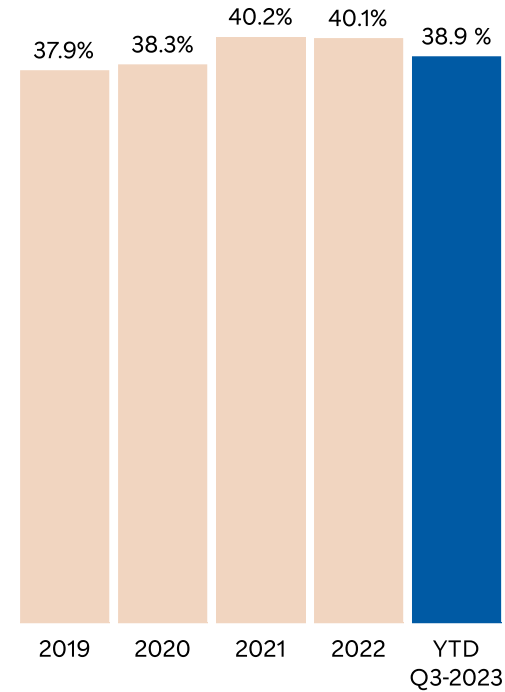
Return on equity



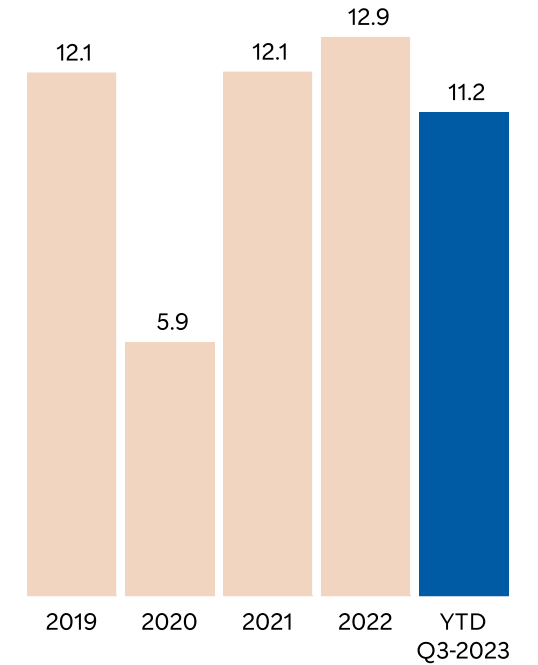
CET 1 capital ratio



Cost to income ratio



Earnings per share (NOK)



Income statement

Group Income Statement (MNOK)	30.09.2023	30.09.2022	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Net interest income	4,421	3,230	1,596	1,424	1,402	1,286	1,115
Net commission and other income	1,473	1,317	496	522	455	453	421
Net income on financial investments	191	481	11	109	71	274	191
Total income	6,086	5,028	2,103	2,055	1,927	2,013	1,726
Total operating expenses	2,364	2,074	786	817	761	752	677
Operating profit before impairments	3,721	2,955	1,317	1,238	1,166	1,262	1,049
Impairments on loans and financial commitments	-142	-31	-78	-98	35	36	5
Pre-tax profit	3,863	2,986	1,396	1,336	1,131	1,225	1,044
Tax expense	891	608	334	308	250	226	215
Profit after tax	2,972	2,378	1,062	1,028	881	1,000	829

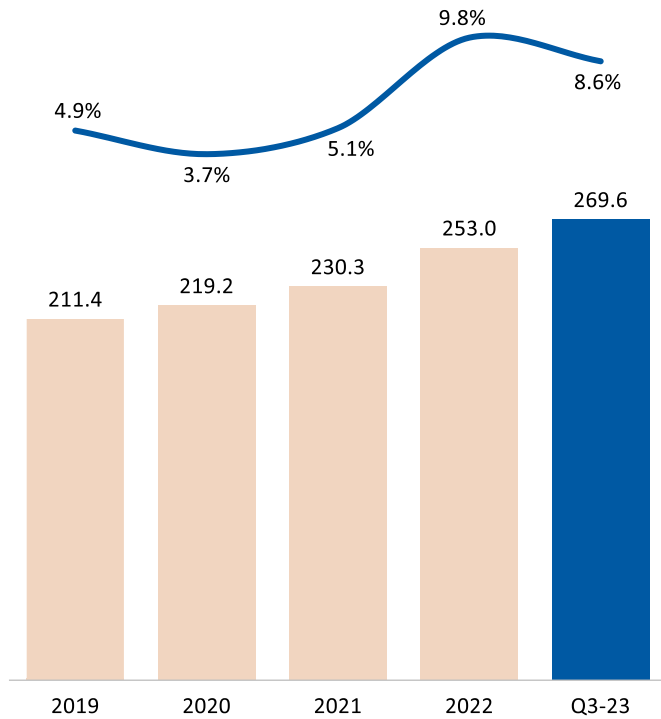
Operating expenses

MNOK	30.09.2023	30.09.2022	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Total personnel expenses	1,483	1,311	513	488	482	477	429
IT expenses	333	293	111	114	108	102	99
Marketing	62	64	21	23	19	22	18
Administrative expenses	92	70	28	33	32	30	25
Operating expenses from real estate	33	36	10	11	12	18	13
Other operating expenses	239	167	62	108	68	61	51
Total operating expenses	759	631	231	289	239	234	207
Depreciation and impairments	123	131	41	41	41	41	41
Total operating expenses	2,364	2,074	786	817	761	752	677

Group

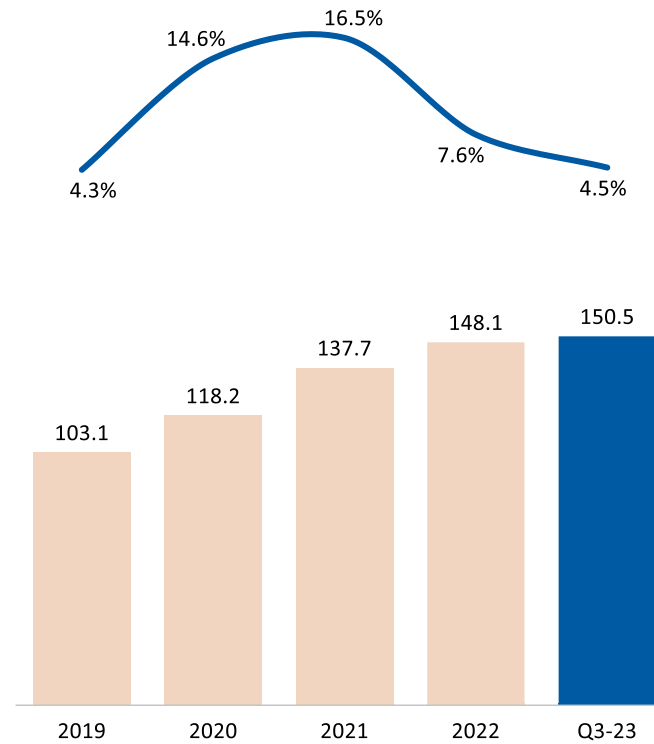
Lending volume

Volume in NOK billion
12 months growth %



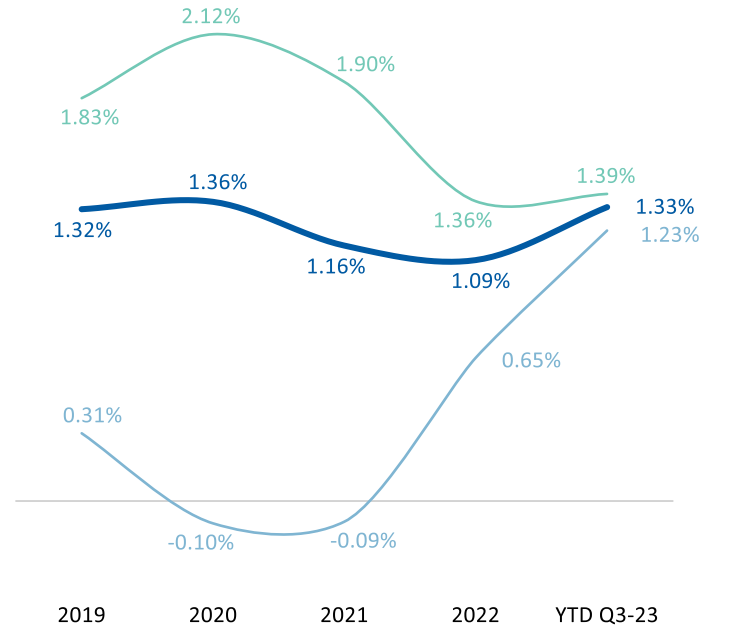
Deposit volume

Volume in NOK billion
12 months growth %



Margins in customer segments

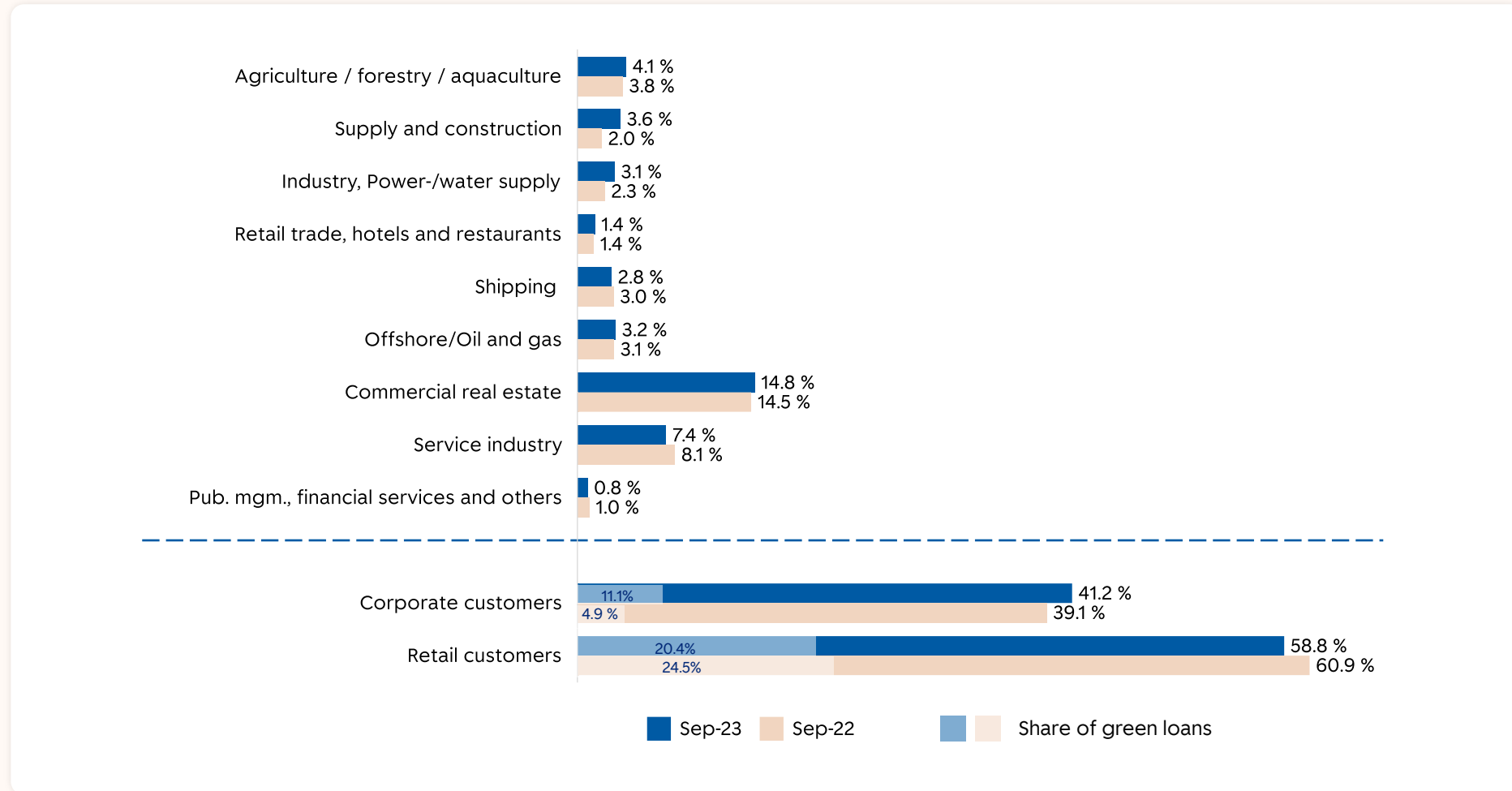
Lending margin
Deposit margin
Combined



Definition margins: Average customer rate measured against money market rate.

Loan portfolio as at 30 September 2023

- Gross loans increased to NOK 269.6 billion from NOK 248.2 billion year over year
- 12-month growth in loans of 8.6%
- Loans to retail customers account for 58.8% of total loans

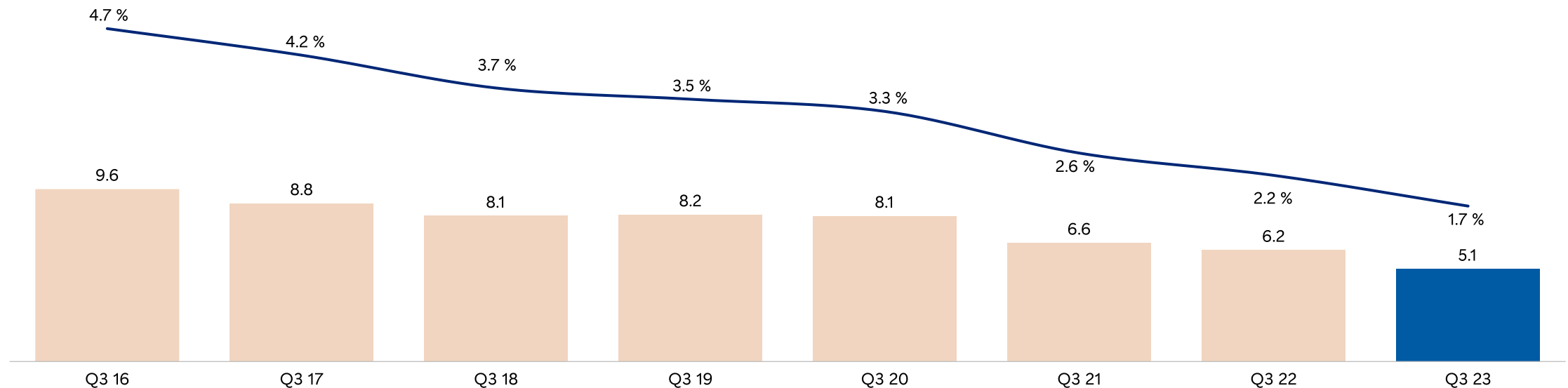


Loans before impairments, nominal amounts.

Reduced exposure to the offshore sector

Offshore

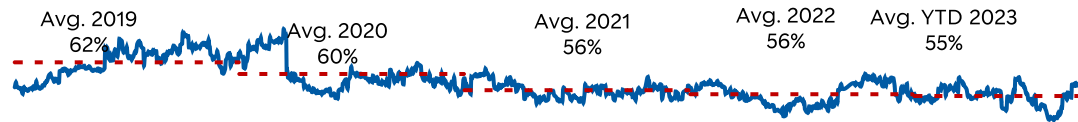
- EAD NOK 5.1 billion, 1.7% of the bank's total EAD*
- Exposure primarily to industrial oriented shipping companies with integrated organization (Offshore service vessels, Rig and Seismic vessels)



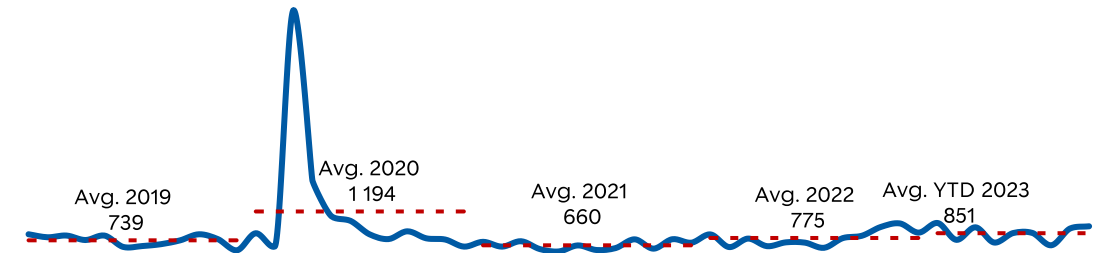
*EAD: Exposure at default.

Development in early warning indicators

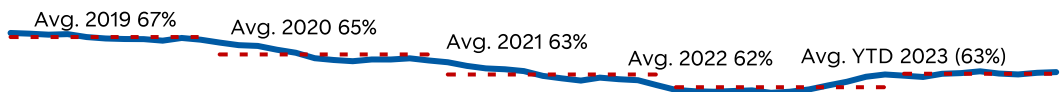
Corporate market - Drawn amount on credit facilities



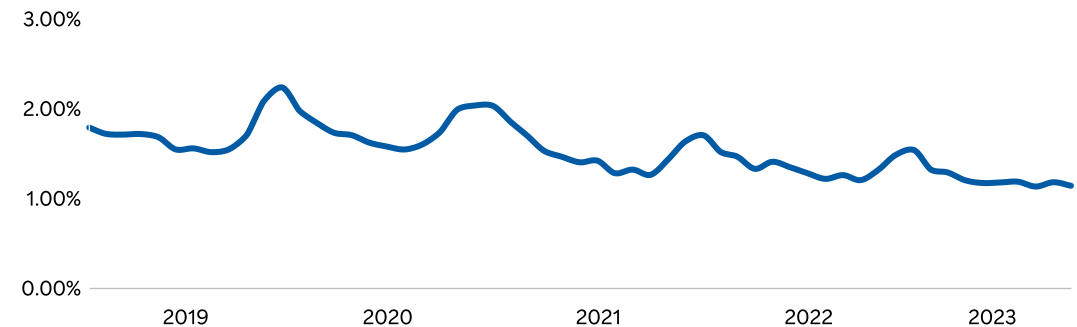
Retail market – Avg. number of applications for interest-only per month



Retail market – Drawn amount on interest only loans



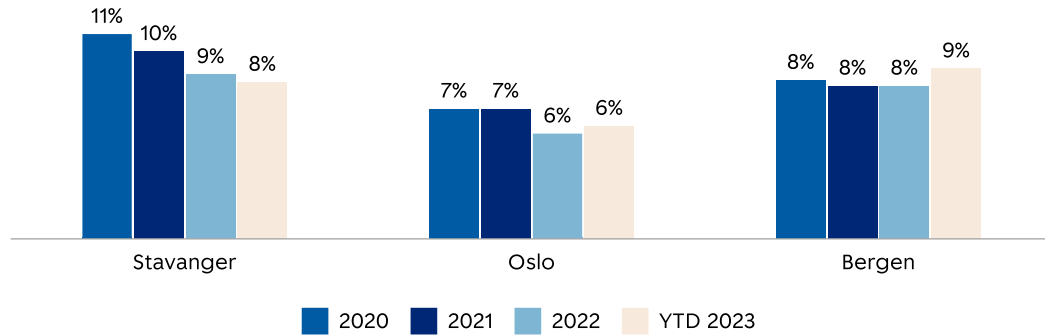
Retail market – Share of exposure (EAD)* with payment remarks



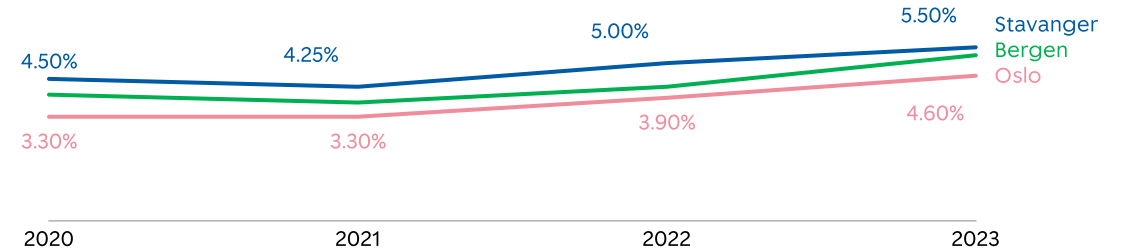
*Proportion of EAD that has payment notice externally/Bisnode.

Market – Commercial real estate

Office vacancy

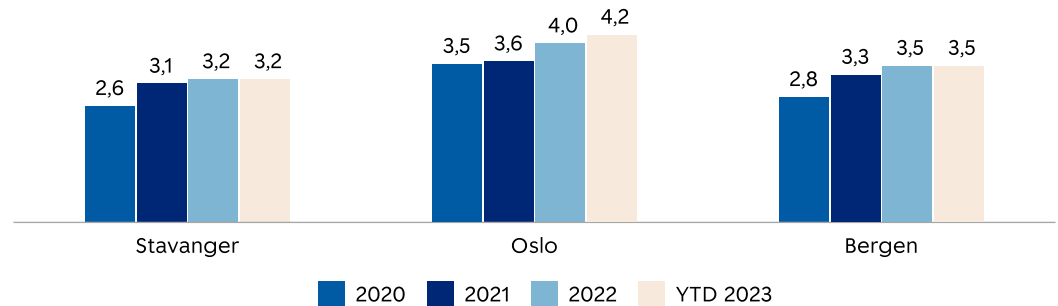


Prime yield



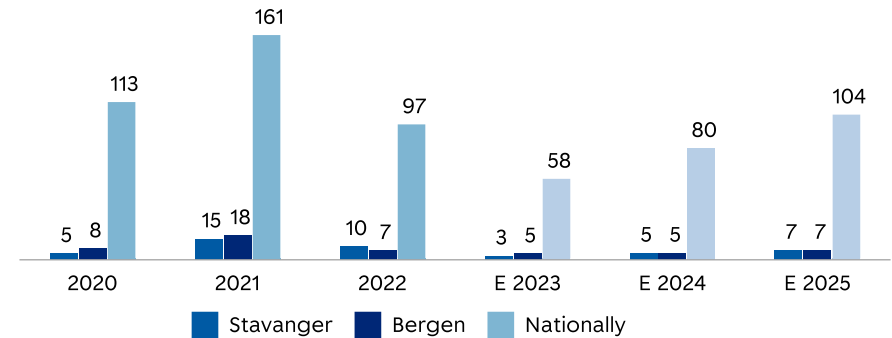
Rental prices

(TNOK per sq.m)



Transaction volume

(NOK billion)



Source: Entra, WPS, EM1 MN og EM1 SR-Bank

Lending to commercial real estate

14.1% (NOK 42.8 billion) of total EAD* is related to commercial real estate

- Commercial real estate for lease
 - EAD NOK 32.5 billion, 10.7% of the bank's total EAD
 - The portfolio is characterised by lending to commercial properties for lease with long-term contracts and financially solid tenants.
- Development projects for residential and commercial real estate
 - EAD NOK 9.9 billion, 3.3% of the bank's total EAD
 - Minimum pre-sale requirement is normally 70%
- Real estate management and housing cooperatives
 - EAD NOK 0.4 billion, 0.1% of the bank's total EAD

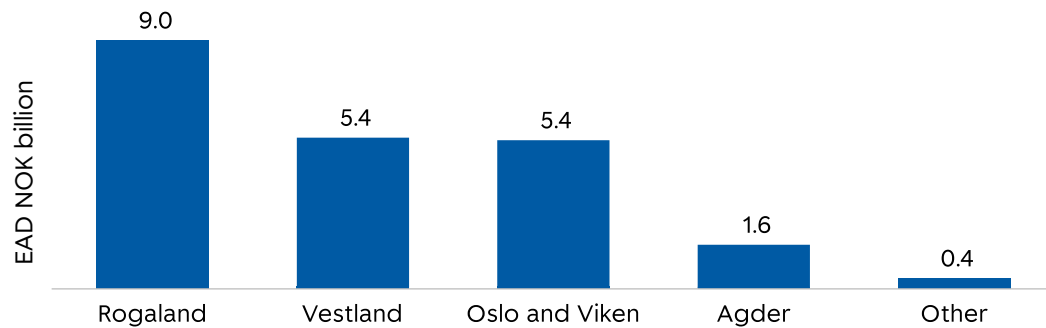


*EAD: Exposure at default.

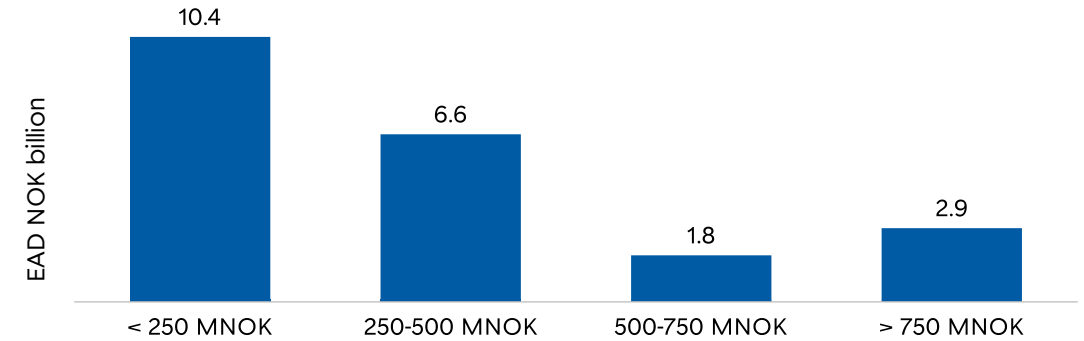
Commercial real estate for lease

(Exposures larger than NOK 0.60 billion ~ 2/3 of total EAD)

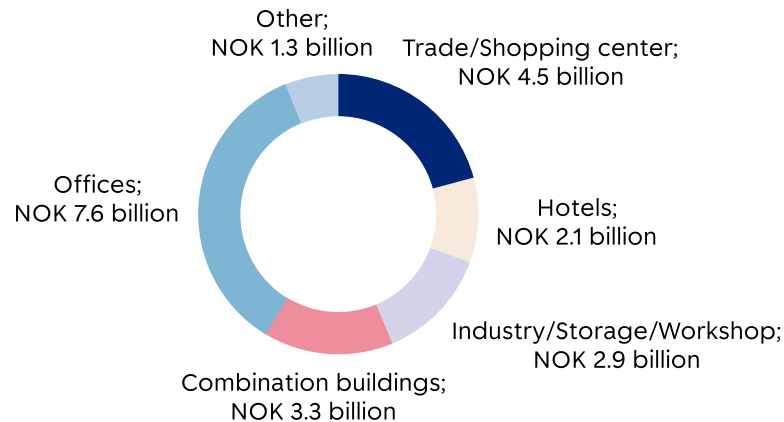
Loan portfolio distributed by region



Loan portfolio distributed by size of loan

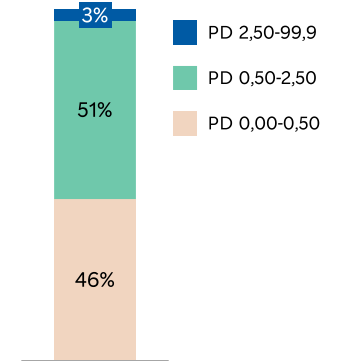


Loan portfolio distributed by customer group



Distribution of loan portfolio based on default classes

Default classes	EAD (NOK billion)	Share
A	5.1	24%
B	2.0	9%
C	2.9	13%
D	2.0	9%
E	4.1	19%
F	4.9	23%
GHI	0.7	3%



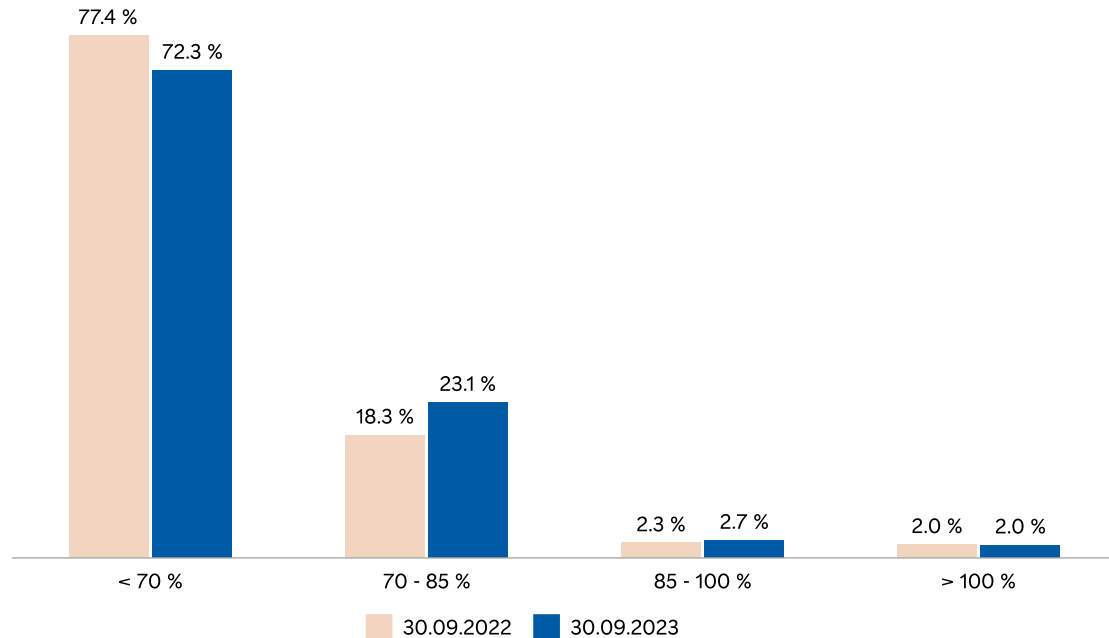
*EAD: Exposure at default.

Probability of default (PD)

Loan to value ratio and RWA on home mortgage loans

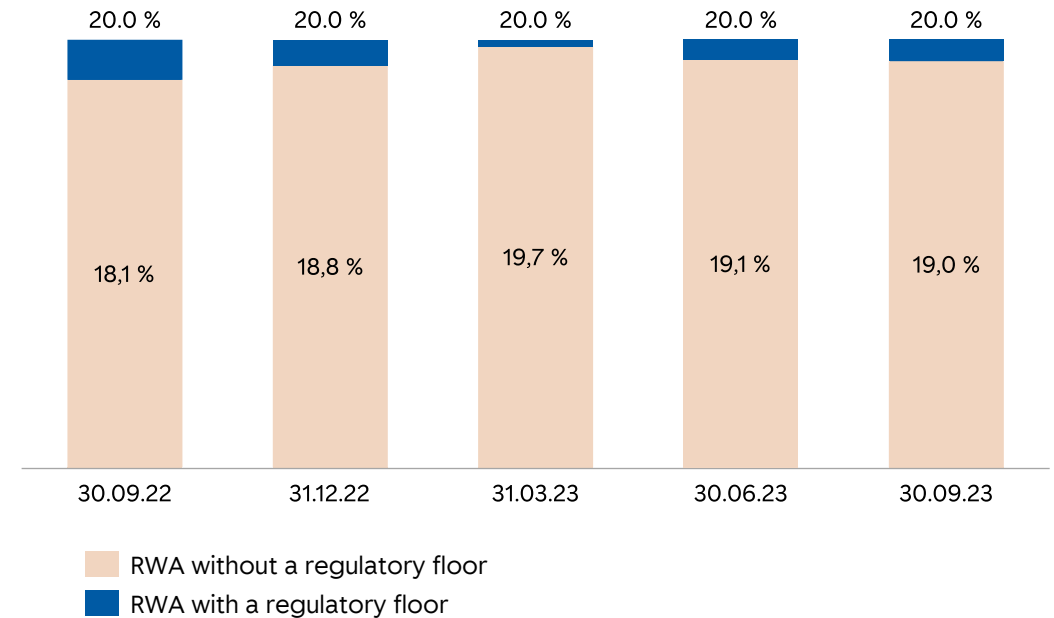
Loan to value ratio on home mortgage loans

- 95.4% of the exposure is within 85% of the assessed value of collateral.



Risk weight home mortgages

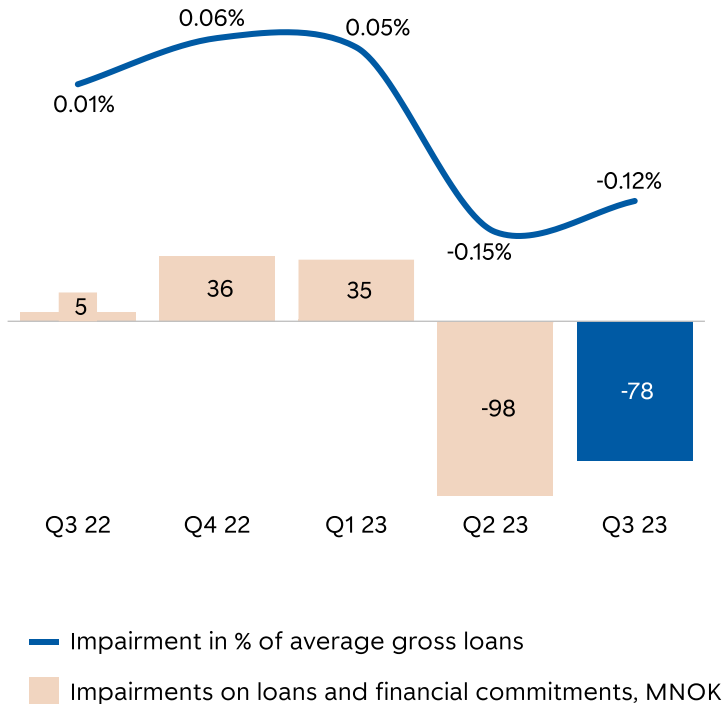
- RWA on home mortgages reflects a solid portfolio with a moderate loan-to-value ratio and low potential loss.
- Risk weights on home mortgage loans are subject to a regulatory floor of 20%.



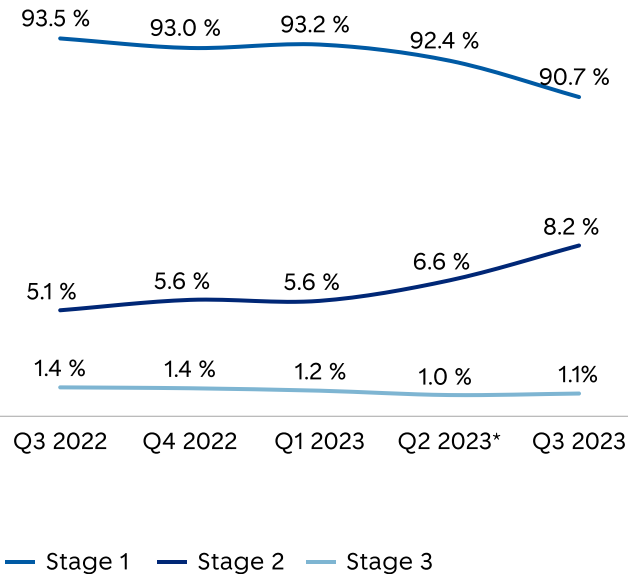
*In a total-distributed loan to value ratio, the entire loan is allocated to one and the same interval.
Home mortgages as defined in the Norwegian IRB framework; the value of the residential property must be at least 30% of a loan's security.*

Loans and financial commitments

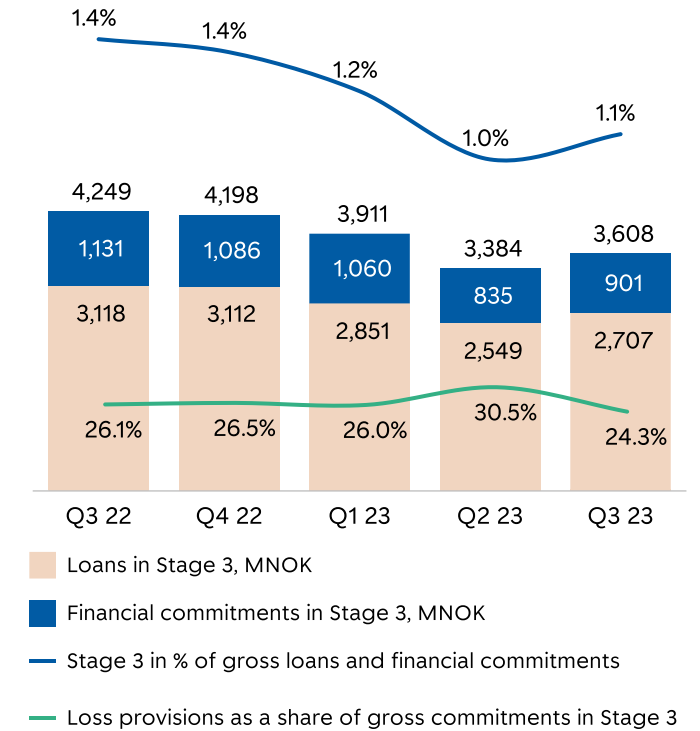
Impairments on loans and financial commitments



Change in gross loans and financial commitments



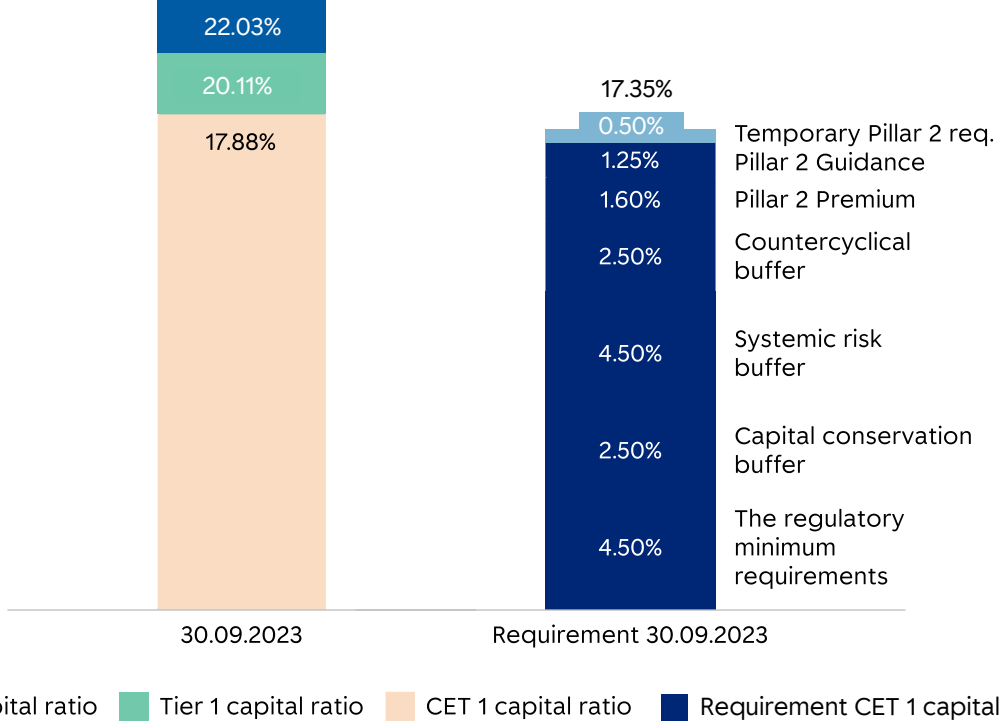
Changes in gross loans and financial commitments defined as Stage 3



*An upgraded model for calculating the provisions for expected losses on engagements that are not individually impaired was implemented in Q2 2023.

Solid capital ratio

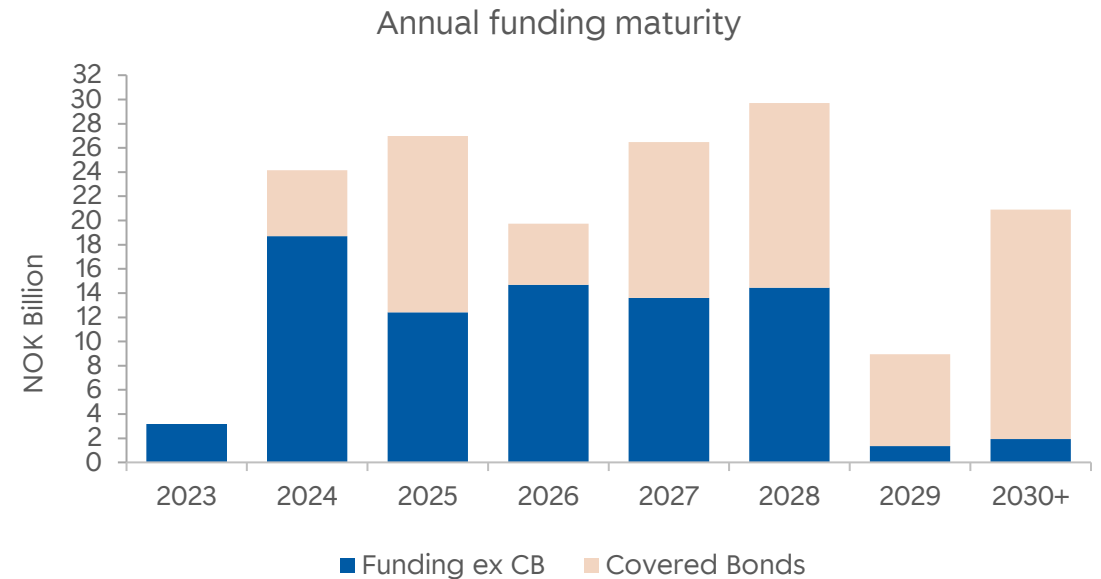
- The authorities' minimum requirement for the CET 1 capital ratio is 17.35% including a temporary Pillar 2 requirement of 0.5%
- The leverage ratio is 7.12% as at 30 September 2023, well above the minimum requirement at 5.0%
- The Ministry of Finance decided in June that SpareBank 1 SR-Bank ASA should be considered a systemically important financial institution (SIFI). This will result in an additional 1.0% CET1 requirement with effect from 30 September 2024



* In connection with the bank's SREP process in 2022, a temporary Pillar 2 requirement of 0.5% was set for SpareBank 1 SR-Bank until new models are implemented.

Funding

- Moody's rating Aa3 (outlook stable)
- NSFR* 130%
- LCR** 191%
- NOK 20.2 billion net refinancing need over the next 12 months
- Deposit to loan ratio 55.8%
- MREL-requirement 36.7%, MREL-subordination requirement 29.7%
 - The MREL-requirement leads to a need for approx. 20 NOK billion in MREL-eligible debt. The subordination cap means that the requirement can be covered by approx. 12 NOK billion in senior non-preferred and approx. 8 NOK billion in senior bonds.
 - As of 30 September 2023, SR-Bank has issued 17 NOK billion in senior non-preferred.



*The net stable funding ratio (NSFR) is defined as available stable funding relative to necessary stable funding

**High quality liquid assets divided by total net cash outflow in a 30-day, serious stress scenario

Moody's upgrades SpareBank 1 SR-Bank's deposit and senior unsecured ratings to Aa3 from A1 (outlook stable)

Paris, 13 October, 2023

Moody's Investors Service ("Moody's") has today upgraded SpareBank 1 SR-Bank ASA's (SR-Bank) Baseline Credit Assessment (BCA) and Adjusted BCA to a3 from baa1, long-term (LT) deposit ratings to Aa3 from A1, LT issuer and senior unsecured debt ratings to Aa3 from A1,.....

The upgrade of SR-Bank's BCA to a3 from baa1 reflects the bank's improving asset quality and capitalisation, as well as its resilient profitability, but also its relatively high reliance on market funding. Concurrently, the BCA upgrade takes into account Moody's expectation that the bank will continue its strong underlying financial performance in the foreseeable future

The stable outlooks on SR-Bank's LT deposit and senior unsecured debt ratings reflect Moody's view that the bank will continue to generate strong earnings allowing it to strengthen its capitalization to meet tighter regulatory requirements, while keeping low asset risk and good liquidity. These are balanced by some credit concentrations and the bank's high reliance on market funding.

Source: Moody's 13. Oct. 2023

Key figures

	30.09.2023	30.09.2022	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Return on equity after tax (%)	13.9	12.0	14.5	14.6	12.3	14.6	12.5
Average net interest margin (%)	1.63	1.37	1.74	1.56	1.60	1.51	1.37
Impairments on loans in % of gross loans	-0.07	-0.02	-0.12	-0.15	0.05	0.06	0.01
Loans and financial commitments in Stage 3 in % of gross loans and financial commitments	1.10	1.39	1.10	1.02	1.23	1.35	1.39
Cost to income ratio	38.9	41.2	37.4	39.8	39.5	37.3	39.2
Annual growth in loans to customers gross incl. covered bond company (%)	8.6	9.4	8.6	9.1	10.5	9.8	9.4
Annual growth in deposit from customers (%)	4.5	8.8	4.5	3.5	7.1	7.6	8.8
Total assets (BNOK)*	362.8	334.3	362.8	361.8	364.6	345.7	334.0
Loans to customers, gross (BNOK)	269.6	248.2	269.6	264.9	258.2	253.0	248.2
Risk weighted assets (BNOK)	138.3	131.6	138.3	137.2	136.7	134.3	131.6
Liquidity Coverage Ratio (LCR) (%)	191	181	191	215	244	176	181
Earnings per share (NOK)	11.15	9.06	3.94	3.90	3.31	3.81	3.16
Book value per share (NOK)	109.57	102.86	109.57	105.73	108.77	106.32	102.86

The 2022 figures has been altered to reflect the change in principle following the implementation of IFRS 17/IFRS 9.

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Norwegian economy

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Sustainability and Green Bond framework

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Appendix

Overview SR-Boligkreditt



- SR-Boligkreditt is a wholly owned subsidiary of SR-Bank and a dedicated covered bond company. Its objective is to purchase mortgages and to finance these by issuing covered bonds (European Covered Bond Premium).
- Loans are transferred to SR-Boligkreditt as true sale on a non-recourse basis.
- **Rated Aaa by Moody's**
 - Cover Bond anchor: SR-Boligkreditt issuer rating of Aa3
 - CR assessment: Aa3, TPI leeway of 4 notches
 - Minimum OC-requirement 1.0%
 - 5.0% minimum level of over-collateralization in SR-Boligkreditt's Covered Bond Programme*
- SR-Boligkreditt has implemented the common Harmonised Transparency Template of the European Covered Bond Council which is available on website: www.sr-bank.no/sr-boligkreditt

* Changes in "Finansforetaksloven" and "Finansforetaksforskriften", with effect from 8 July 2022. Statutory minimum OC-level set to 5.0% for European Covered Bonds Premium.

Eligibility criteria



Type of properties	<ul style="list-style-type: none">• Primary residential property in Norway (including detached houses, terraced houses, apartments and cooperative housing units)• The mortgage property shall not be "buy-to-let" (mortgages to individuals owning more than 3 properties)
Collateral	<ul style="list-style-type: none">• LTV-limits at time of transfer:<ul style="list-style-type: none">- Max 80% LTV for amortising loans secured on residential properties- Max 60% LTV for flexible loans/revolving credits- Max 60% LTV for loans secured on holiday homes• The valuation of the mortgage property must be no less than 36 months old and carried out by an independent third party• Quarterly valuation of the mortgages in the pool from an independent source
Credit criteria	<ul style="list-style-type: none">• No adverse credit history the previous year• Probability of default max 2.5%
Type of products	<ul style="list-style-type: none">• Amortising loans (straight line or annuity)• Non-amortising loans (flexible loans/revolving credits)

* Changes in "Finansforetaksloven" and "Finansforetaksforskriften", regulation European Covered Bonds Premium, with effect from 8 July 2022.

Cover pool characteristics

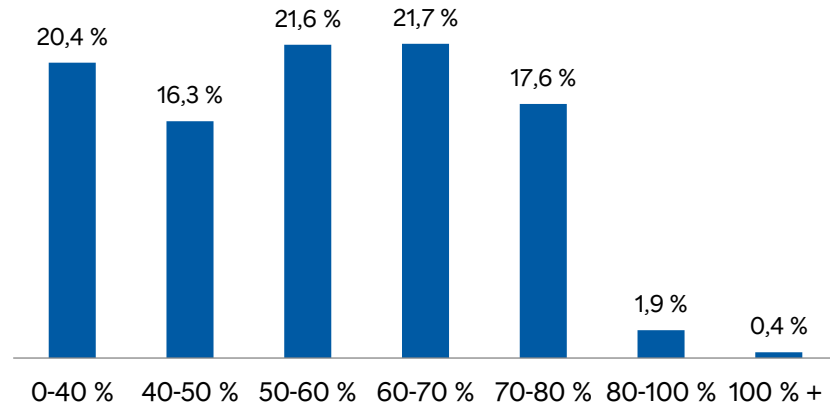


Assets/status	<ul style="list-style-type: none">• 100 % mortgages on Norwegian private residential properties• 100 % performing loans
Cover pool	<ul style="list-style-type: none">• NOK 102.5 bn: Residential mortgages 99.8 (97.4%), Substitute assets 2.7 bn (2.6%)
Mortgages and rate	<ul style="list-style-type: none">• 50,298 loans at a weighted average interest rate of 5.2%
Average loan balance	<ul style="list-style-type: none">• 1 987 469
Weighted average original LTV	<ul style="list-style-type: none">• 62.4%
Weighted average current LTV	<ul style="list-style-type: none">• 54.9%
Weighted average seasoning	<ul style="list-style-type: none">• 7.3
Weighted average life	<ul style="list-style-type: none">• 17.1 years
Principal payment frequency	<ul style="list-style-type: none">• Amortising 79 %, non-amortising 21 %
Rate type	<ul style="list-style-type: none">• 100 % variable rate
OC-level	<ul style="list-style-type: none">• 25.5%
OC-level if house prices drop 20 %	<ul style="list-style-type: none">• 21.2%

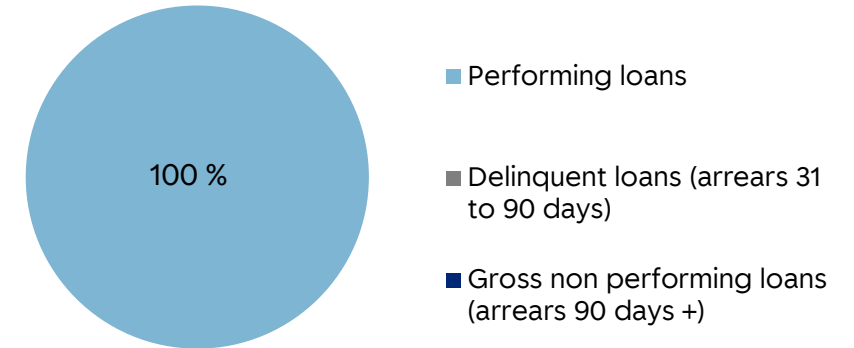
Cover pool characteristics



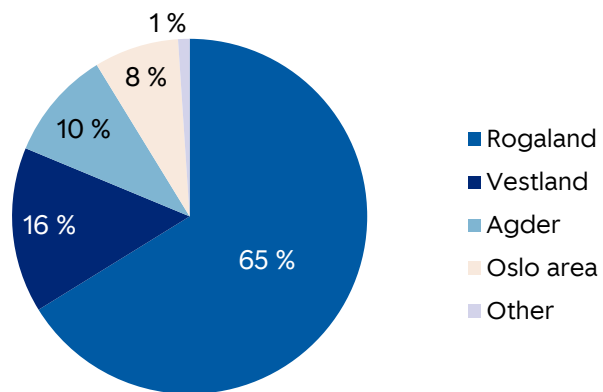
Current LTV



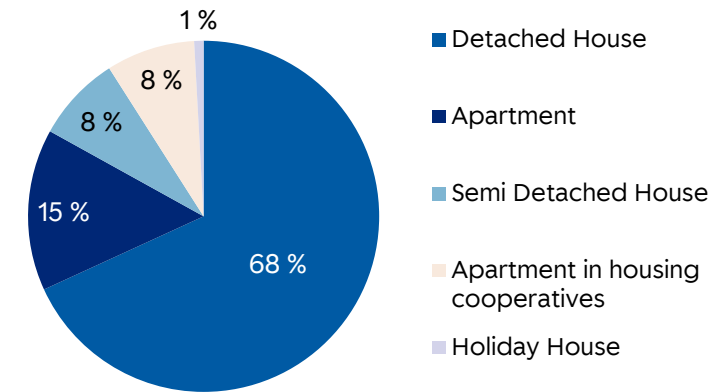
Loan performance



Geography



Property type



1

SR-Bank

2

SR-Boligkreditt

3

Norwegian economy

4

Sustainability and Green Bond framework

5

Appendix

Key economic indicators



Economic Indicators (%)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024P	2025P	2026P
GDP mainland, annual change (%)	2.3	2.2	1.4	0.9	2.0	1.9	2.3	-2.8	4.2	3.8	1.0	1.7	2.0	2,0
Household consumption, annual change (%)	2.8	2.1	2.7	1.1	2.2	1.4	1.0	-6.2	4.4	6.9	-0.7	1.2	2.8	3,8
Public consumption, annual change (%)	1.0	2.7	2.4	2.3	1.9	0.6	1.1	-0.5	5.0	0.1	2.7	1.4	1.8	2,1
Investment mainland, annual change (%)	2.9	0.4	-0.2	9.0	6.8	1.5	6.3	-3.1	1.7	6.7	-2.1	0.1	0.9	0,0
Investment public sector, annual change (%)	11.8	4.5	0.2	6.4	2.6	8.1	7.5	-1.1	-4.5	1.2	1.2	4.5	3.7	2,4
Investment offshore oil and gas, annual change (%)	19.0	-1.8	-12.2	-16.0	-5.4	0.7	14.3	-3.3	-2.1	-6.5	8.0	5.0	1.0	-1,0
Housing prices, annual change (%)	4.0	2.7	6.1	7.0	5.0	1.4	2.5	4.3	10.5	5.2	-0.3	-0.6	0.4	2,9
Oil price, USD/bbl	109	100	53	45	55	72	64	43	71	99	83	84	79	76
Inflation rate (CPI) %	2.1	2.0	2.1	3.6	1.8	2.7	2.2	1.3	3.5	5.8	5.8	4.0	2.6	2,3
Mortgage rate %	4.0	3.9	3.2	2.6	2.6	2.7	3.0	2.6	2.1	2.9	4.9	5.9	5.6	4,9
Household savings ratio	7.2	7.7	9.8	6.9	6.6	5.9	7.1	12.9	12.7	4.2	5.7	6.4	6.2	5,8
Unemployment rate (registered at labour office)*	2.7	2.7	3.0	3.0	2.7	2.5	2.3	4.9	3.1	1.8	1.8	2.2	2.4	2,4
HH sector real disposable income, annual change (%)	4.0	2.3	5.4	-1.6	2.0	0.9	2.0	1.1	3.6	-2.4	-0.3	1.9	3.1	3,7
Current account surplus, share of GDP (%)	10.3	10.8	8.0	4.5	5.5	9.0	3.8	1.1	13.6	30.2	17.7	21.3	20.0	16,8
Sovereign Wealth Fund, share of GDP-mainland (%). Actual*	190	230	270	270	290	290	310	350	360	340	410			

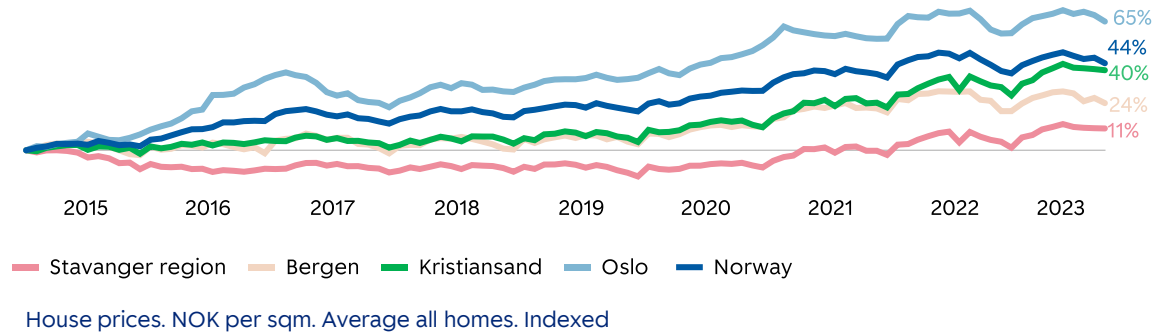
Sources: Statistics Norway and Norges Bank*.

Norges Bank 21 September 2023 & Statistics Norway 8 September 2023.

Macro in Southern Norway

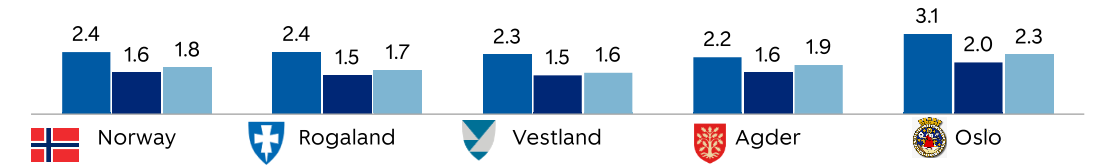
House price development

- Norwegian house prices have increased by 3.7 % as at 30 September 2023



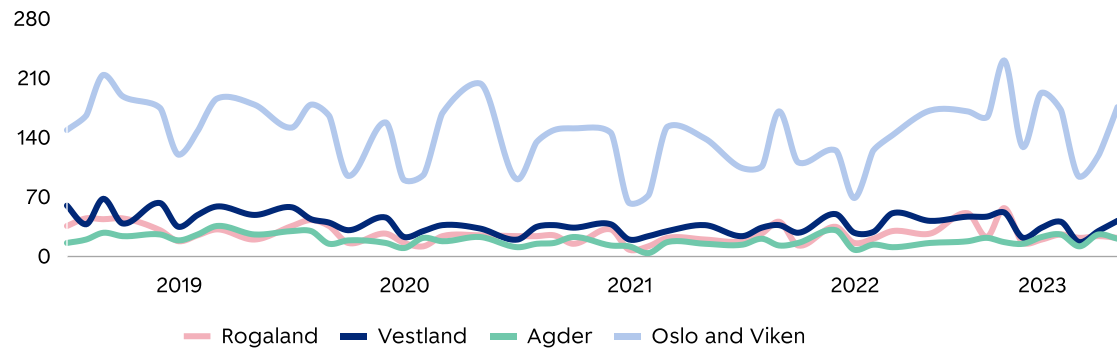
Unemployment rate

■ Sep 21 ■ Sep 22 ■ Sep 23



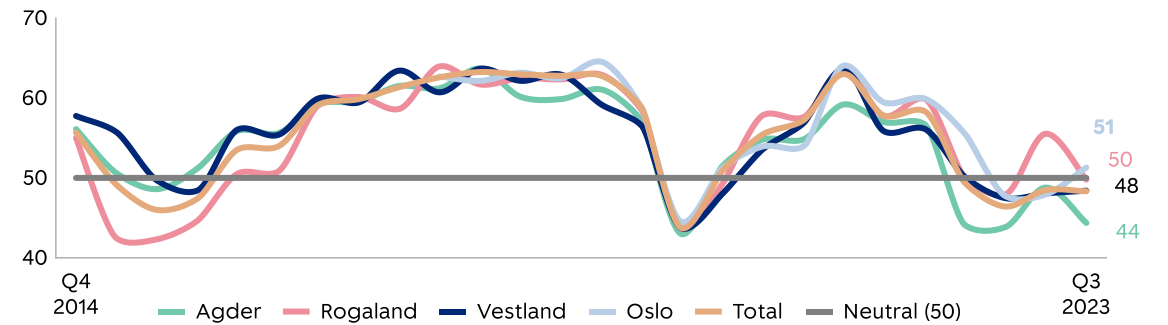
Not seasonally adjusted

Number of bankruptcies



SpareBank 1 SR-Bank's business survey

Main index of 48 per cent as of the 3 quarter of 2023

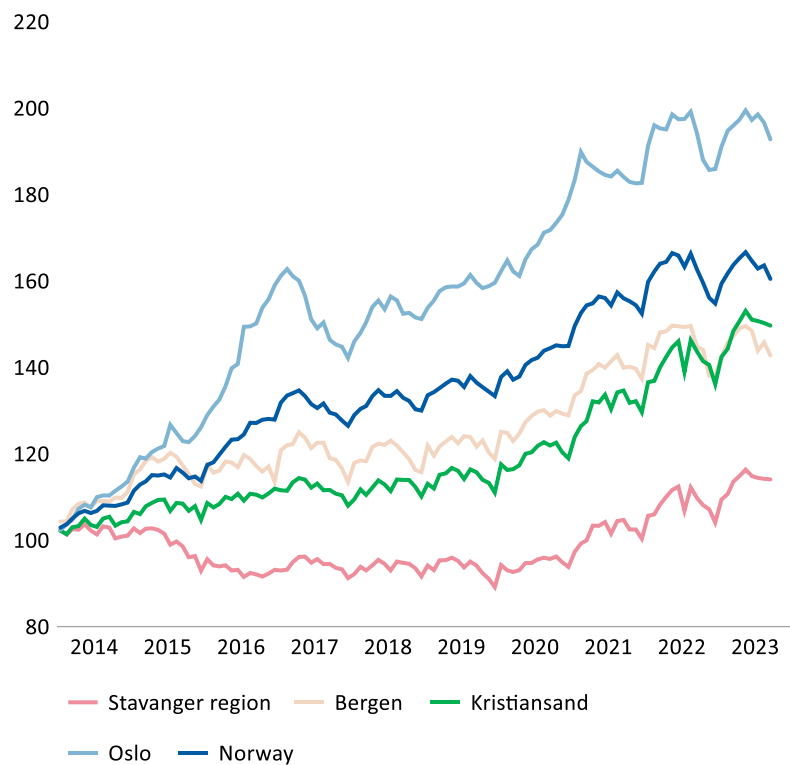


Source: Eiendom Norge, Eiendomsverdi, NAV, Brønnøysundregisteret, SP1 SR-Bank Business survey

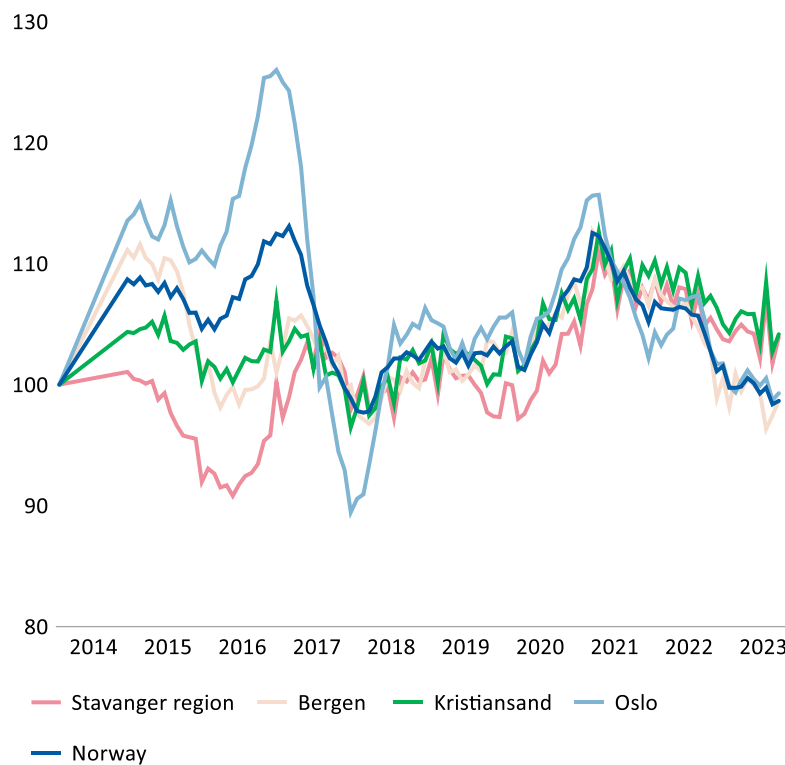
Housing market

- house prices -1.3% YOY, 3.7% YTD

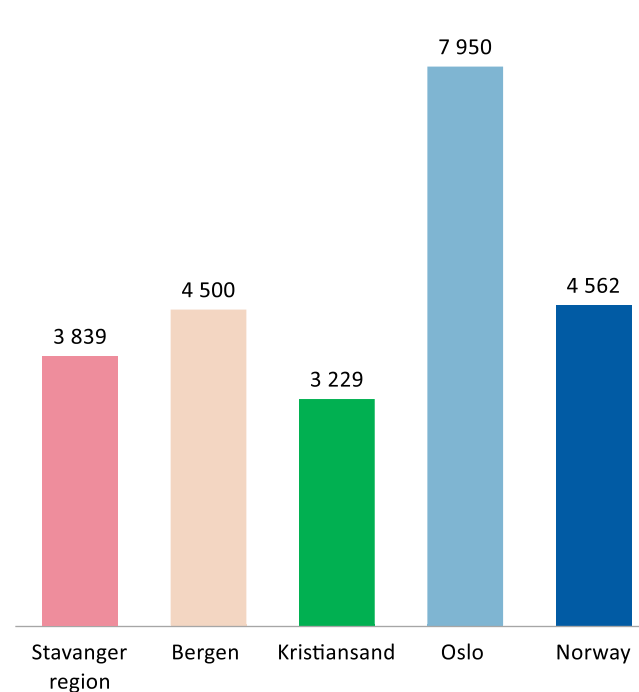
House prices (Index des 2013=100)



Index change 12 month (%)



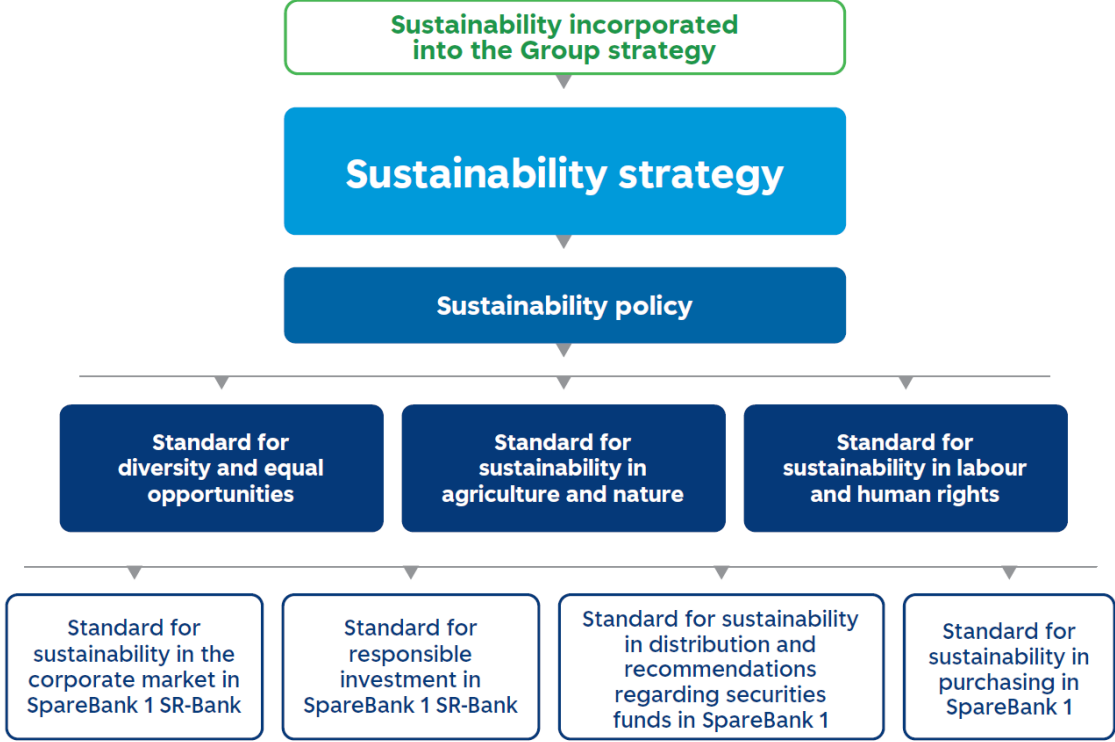
Prices by City per Square Meter (EUR)



Source: Eiendom Norge, Eiendomsverdi

- 1** **SR-Bank**
- 2** **SR-Boligkreditt**
- 3** **Norwegian economy**
- 4** **Sustainability and Green Bond framework**
- 5** **Appendix**

Sustainability within SR-Bank



- The group's sustainability principles are based on the 17 UN Sustainable Development Goals
- We support the UN Global Compact's ten principles for sustainability
- We are a founding signatory of the UN Principles for Responsible Banking



SpareBank 1 SR-Bank's sustainability targets

A pro-active ally to our clients in the transition to a more sustainable society

Emission reduction

- **Climate neutrality** in own operations from the end of 2022
- **Net zero emissions** in our financing and investment activities by 2050

Transition

- Financing and facilitation of **NOK 50 billion in sustainable activities** by the end of 2030
- Financing of **NOK 15 billion in green properties** by the end of 2025
- Facilitating **new jobs** through entrepreneurship and innovation

Equality and diversity

- **Gender balance** (40/60) on all management levels and material positions throughout the company by 2024
- **Equal pay** for genders – equal pay for equal work
- Through our advisory, products and services we will **strengthen economic equality**

Combat financial crime

- Have **zero-tolerance** for all kinds of financial crime
- **Safeguard human rights** by contributing to transparency in supply chains
- Be known for a **high ethical standard**

SR-Bank

SR-Boligkreditt

Lending volume and financing sustainable activities

Sustainable lending volume is 16.6% of total lending volume



Retail market

- Green residential buildings
- Green car loans

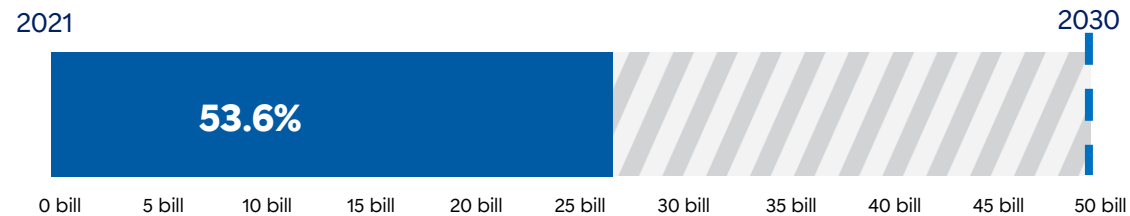


Corporate market

- Green commercial buildings
- Clean transportation
- Renewable energy
- Waste management
- Sustainability-linked lending



Goal: Finance NOK 50 billion in sustainable activities by the end of 2030



Sustainable activities

- Green residential mortgages (EPC A and B green products)
- Green car loans
- Green corporate lending
- Sustainability-linked lending

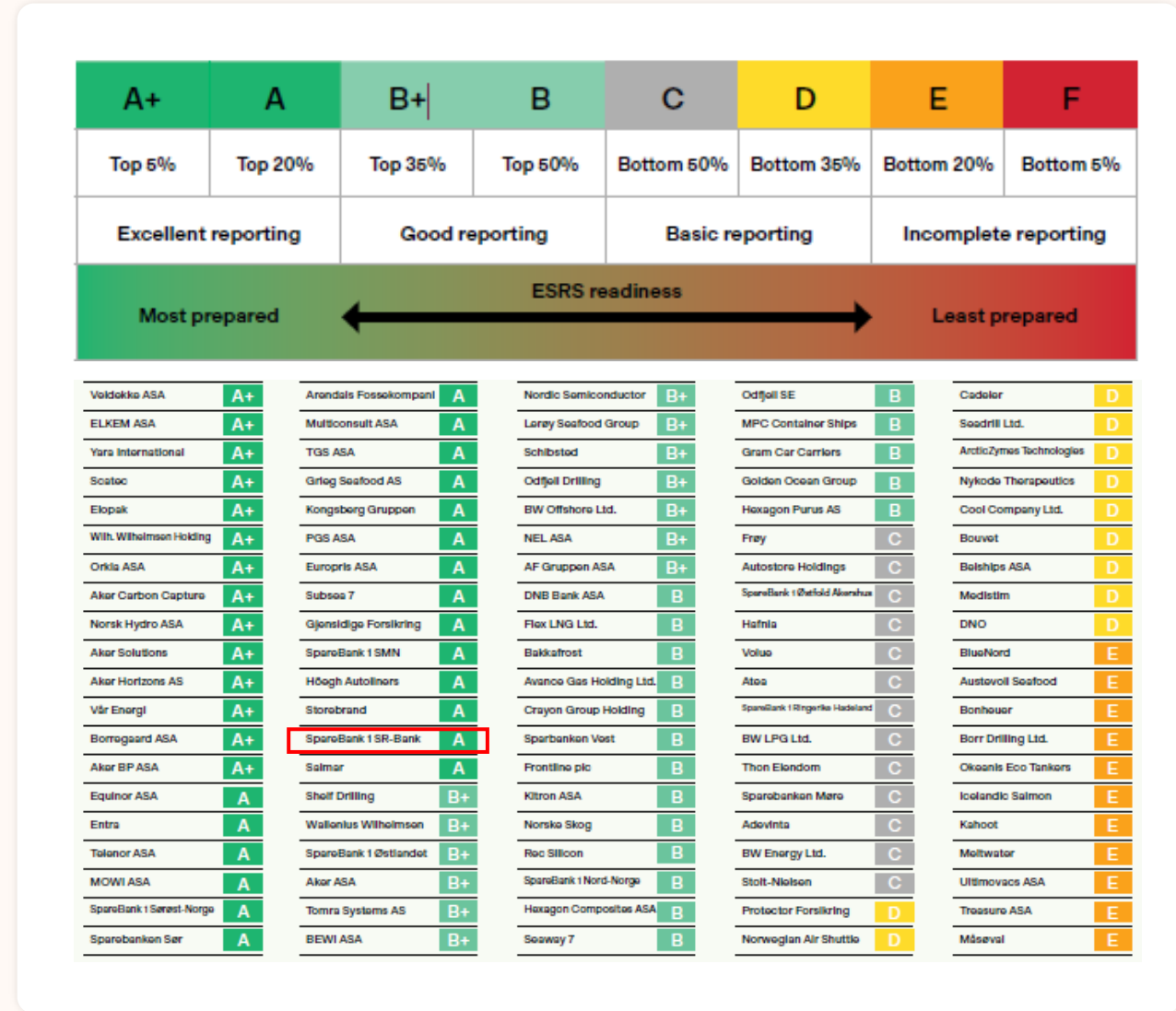


Sustainable lending and activities according to the internal sustainable product framework

One of the Nordic region's best banks

ESG100

- Maintains an A score, despite stricter requirements
- A good sustainability structure makes the group equipped for future demands
- Clear strategy and measurable ambitions



ESG ratings

- **"Prime status"** and rating C by ISS-ESG (January 2023)
- Sustainalytics: **"Low risk"**; low risk experiencing material financial impact from ESG factors; 38 out of 460 regional banks by Sustainalytics (October 2023)
- MSCI ESG Rating: **"Level AA"** (March 2023)
- CDP: **score B** (December 2022)



CORPORATE RATING REPORT

SpareBank 1 SR-Bank ASA

Rating

C

Performance Score

51.76

Decile Rank

1

Trend



Transparency Level

Very High

Prime Status

Prime

Last update Jan 23, 2023



SUSTAINALYTICS

ESG Risk Score

16.2

Last Full Update Oct 13, 2023

+1.7

Momentum

ESG Risk Rating ?

Low Risk



ESG Globes Rating ?

MSCI

ESG RATINGS

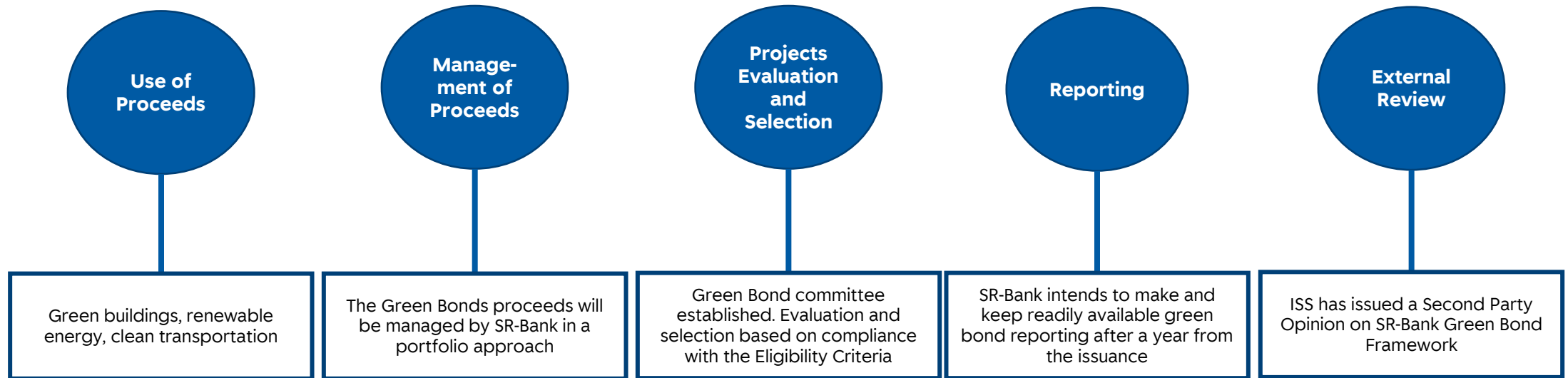


CCC B BB BBB A AA AAA

RATING ACTION DATE: March 14, 2023

LAST REPORT UPDATE: October 17, 2023

Green Bond Framework Highlights



- ✓ Aligned with the ICMA Green Bond Principles
- ✓ Contribution to the EU Environmental Objectives & UN Sustainable Development Goals
- ✓ EU Taxonomy Assessment performed by ISS-ESG – 67% Alignment



Use of Proceeds overview

SR-Boligkreditt

Green Covered Bonds

Green buildings

- Loans to finance or refinance **new or existing energy efficient residential buildings** in Norway



- Residential Buildings (built ≥2021) complying with the relevant NZEB-10% threshold
- Residential buildings (built <2021) with an EPC A label or within the top 15% most energy-efficient buildings of the local building stock
- Refurbished Residential buildings which achieved energy savings of at least 30%

SR-Bank

Green Senior Bonds

Green buildings

- Loans to finance or refinance **new or existing energy efficient commercial and residential buildings** in Norway



- Buildings (built ≥2021) complying with the relevant NZEB-10% threshold
- Buildings (built <2021) with an EPC A label or within the top 15% most energy-efficient buildings of the local building stock
- Refurbished buildings which achieved energy savings of at least 30%
- Commercial buildings which received at least one of the following classifications: LEE "GOLD", BREEAM or BREEAM-NOR "Very Good", or Nordic Swan Ecolabel

Renewable Energy

- Loans, credit and investments to finance/refinance **new or existing of renewable energy generation sources**



- Hydro power that meet one of the following criteria: 1) Run-of-river plant without artificial reservoir; 2) electricity facility with power density >5W/m², or; 3) power plant with lifecycle emissions <100gCO₂e / kWh
- Onshore and offshore energy wind projects
- Solar projects (Photovoltaic energy projects, concentrated solar power and solar thermal facilities)

Clean Transportation

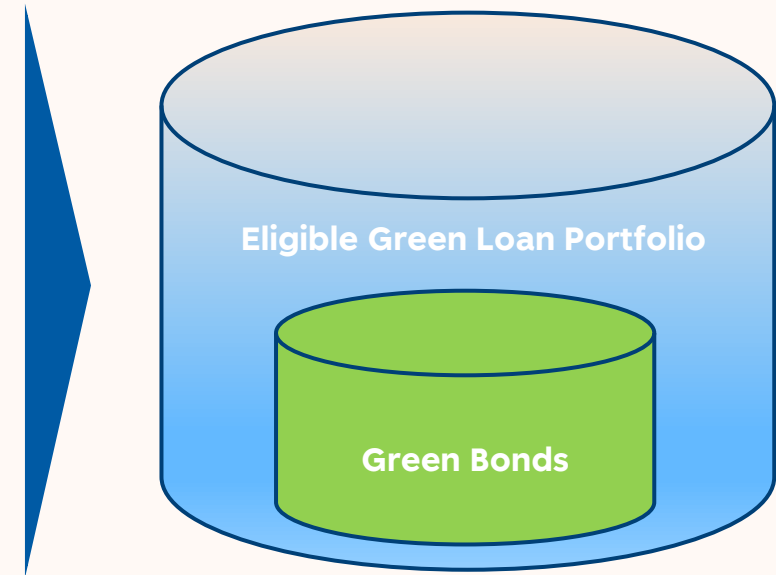
- Loans aiming at financing or refinancing production, establishment, acquisition, expansion, upgrades, maintenance and operation of **low carbon vehicles and related infrastructures**



- Low carbon vehicles (EVs, hydrogen or otherwise zero emissions vehicles)
- Low carbon transportation infrastructure: infrastructure related to electric transportation of passengers such as charging stations for electric vehicles, urban and intercity electric transit infrastructure

Management of Proceeds



- The Green Bond Proceeds will be managed in a portfolio approach
- SR-Bank intends to allocate the proceeds from the Green Bonds to a portfolio of loans that meet the use of proceeds eligibility criteria
- SR-Bank will strive, over time, to achieve a level of allocation for the Eligible Green Loan Portfolio that matches or exceeds the balance of net proceeds from its outstanding Green Bonds
- In the rare case where proceeds are unallocated, SR Bank intends to at least assign a portion of an amount equal to the net proceeds to ESG orientated assets (e.g. green or social bonds) within the bank's treasury liquidity portfolio
- For Green Covered Bonds, SR-Boligkredditt will ensure that there are enough Eligible Green Mortgages within the cover pool relative to green covered bonds outstanding.



ISS second party opinion

ISS has issued a positive Second Party Opinion on SR-Bank Green Bond Framework



ASSESSMENT SUMMARY		
SPO SECTION	SUMMARY	EVALUATION
Part 1: Alignment with GBP	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.	Aligned
Part 2: Sustainability quality of the Eligibility Criteria	<p>The Green Bonds will (re)finance eligible asset categories which include:</p> <p>Green categories: Green Buildings, Renewable Energy, and Clean Transportation.</p> <p>Product and/or service-related use of proceeds categories⁴ individually contribute to one or more of the following SDGs:</p>  <p>Process-related use of proceeds categories⁵ individually improve (i) the Issuer's operational impacts and (ii) mitigate potential negative externalities of the Issuer's sector on one or more of the following SDGs:</p>  <p>With regards to the UoP categories for which the EU Taxonomy assessment (on the Do No Significant Harm Criteria and Minimum Safeguards) has not been performed, the environmental and social risks are managed.</p>	Positive

Part 3: Alignment with EU Taxonomy	<p>SR-Bank's project characteristics, due diligence processes and policies have been assessed against the requirements of the EU Taxonomy (Climate Delegated Act of June 2021), on a best-efforts basis⁵. The nominated project categories are considered to be:</p> <ul style="list-style-type: none"> Aligned with the Climate Change Mitigation Criteria Aligned with the Do No Significant Harm Criteria Aligned with the Minimum Safeguards requirements
---	---

Part 4: Linking the transaction(s) to SR-Bank's ESG profile	<p>The key sustainability objectives and the rationale for issuing Green Bonds are clearly described by the Issuer. All of the project categories considered are in line with the sustainability objectives of the Issuer.</p>	Consistent with Issuer's sustainability strategy
--	--	---

EU Taxonomy Assessment – performed by ISS-ESG

Portfolio Date: 31 March 2023

Eligible Green Asset Category	Renewable Energy	Clean Transportation	Green Buildings
Eligible Green Asset Sub-Category	Solar, Wind & Hydropower Facilities	Electric Cars, Buses & Vessels	Green Commercial & Residential Buildings
Geography	Norway & Sweden	Norway	Norway
EU Economic Activities Assessed	4.3, 4.5	6.3, 6.5	7.7
Substantial Contribution: • Climate Change Mitigation	✓	✓ ¹	✓ ²
Do No Significant Harm: • Climate Change Adaptation • Water And Marine Resources • Circular Economy • Pollution • Biodiversity And Ecosystems	✓	✓	✓
Minimum Safeguards		✓	
Alignment %	~67% aligned³ (NOK 27.3bn / NOK 40.5bn)		

¹ Electric vessels are not considered under ISS-ESG's EU Taxonomy assessment

² Except for: i). BREEAM/LEED buildings; ii). >5000 m2 buildings; iii). grandfathered buildings that were eligible before implementation of the NZEB definition in Norway on 31 January 2023; iv). grandfathered buildings that were eligible before the 'top 15%' criteria was tightened.

³ This estimate is conservative, as grandfathered green assets have been excluded. SR-Bank notes that the EU Green Bond Standard allows for grandfathering up to 7 years after a change in the eligibility criteria. If grandfathered assets are included (as per Footnote 2 'iv).', only), then EUT alignment = ~84%.

Allocation Report

Portfolio date: 31 March 2023

Eligible Green Loan Portfolio		Green Funding*				
	Amount (NOK m)	Instrument (Type / Crncy)	Instrument (ISIN)	Issuance Date	Due Date	Amount (NOK m)
Green Residential Buildings	33.633	€ Covered	XS2063288190	okt.19	okt.26	5.630
SR Bank	11.937	€ Senior Non-Preferred	XS2363982344	jul.21	jul.26	5.630
SR Boligkreditt	21.696	€ Senior Preferred	XS2406010285	nov.21	nov.26	5.630
Green Commercial Buildings	2.866	€ Senior Preferred	XS2534276808	sep.22	sep.25	5.630
Renewable Energy	2.452	€ Senior Preferred	XS2579319513	jan.23	nov.27	11.260
Clean Transportation	1.543	€ Senior Non-Preferred	XS2671251127	aug.23	aug.28	5.630
Total	40.494	Total (NOKm eq.)				39.410

*EURNOK 30 September 2023

Percentage of Eligible Green Loan Portfolio allocated **97%**

Percentage of Net Proceeds of Green Funding allocated to Eligible Green Loan Portfolio **100 %**

Impact Report – Q1 2023

Eligible Project Category	Eligible Total Portfolio (NOK m)	Eligible Green Covered Portfolio (NOK m)	Eligible Green Senior Portfolio (NOK m)	Share of Total Green Portfolio for Green Covered Funding ¹	Share of Total Green Portfolio for Senior Funding ¹	Eligibility for Green Covered Bonds	Eligibility for Green Senior Bonds	Estimated reduced energy (in GWh/year)	Direct emissions avoided vs baseline in tons of CO ₂ /year (Scope 1)	Indirect emissions avoided vs baseline in tons of CO ₂ /year (Scope 2) ²	Expected power production (in GWh/year)	Total annual reduced emissions in tons of CO ₂ /year
a/	b/	bi/	bii/	c/	d/	ei/	eii/	f/	f/	f/	f/	f/
Green Residential Buildings	33,633	21,696	27,955	100.00%	80.29%	100.00%	80.29%	224	N/A	N/A	N/A	24,697 ³
Green Commercial Buildings	2,866	-	2,866	0.00%	8.23%	0.00%	100%	30	N/A	N/A	N/A	3,297 ⁴
Renewable Energy	2,452	-	2,452	0.00%	7.04%	0.00%	100%	N/A	N/A	N/A	367 ⁵	45,294 ⁶
Clean Transportation	1,543	-	1,543	0.00%	4.43%	0.00%	100%	N/A	6,827	-2,652	N/A	4,175 ⁷
Total	40,494	21,696	34,816	100%	100%	-	-	254	6,827	-2,652	367	77,463

Portfolio based green bond report in accordance with the ICMA Harmonized Framework for Impact Reporting (version June 2022)

a/ Eligible Category

b/ Signed amount represents the amount legally committed by the issuer for the portfolio or portfolio components eligible for Green Bond financing

c/ This is the share of the total portfolio cost that is financed by the issuer for green covered bonds

d/ This is the share of the total portfolio cost that is financed by the issuer for green senior bonds

e/ This is the share of the total portfolio costs that is Green Bond eligible

f/ Impact indicators

- Estimated reduced energy (in GWh/year)
- Direct and indirect emissions avoided in tons of CO₂ /year (clean transportation only)
- Expected power production (in GWh/year)
- Estimated annual reduced emissions in tons of CO₂ /year

1

SR-Bank

2

SR-Boligkreditt

3

Norwegian economy

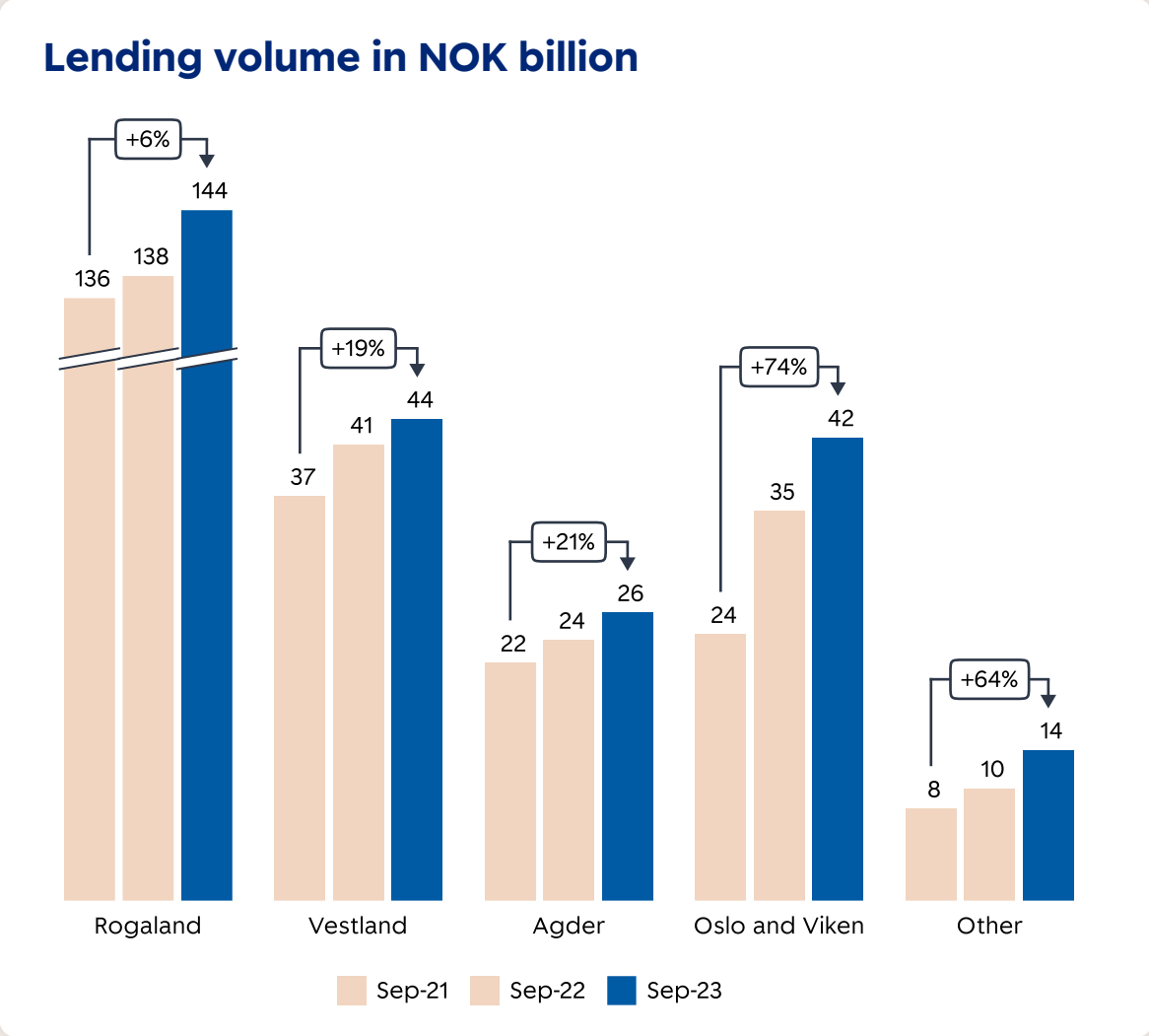
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Sustainability and Green Bond framework

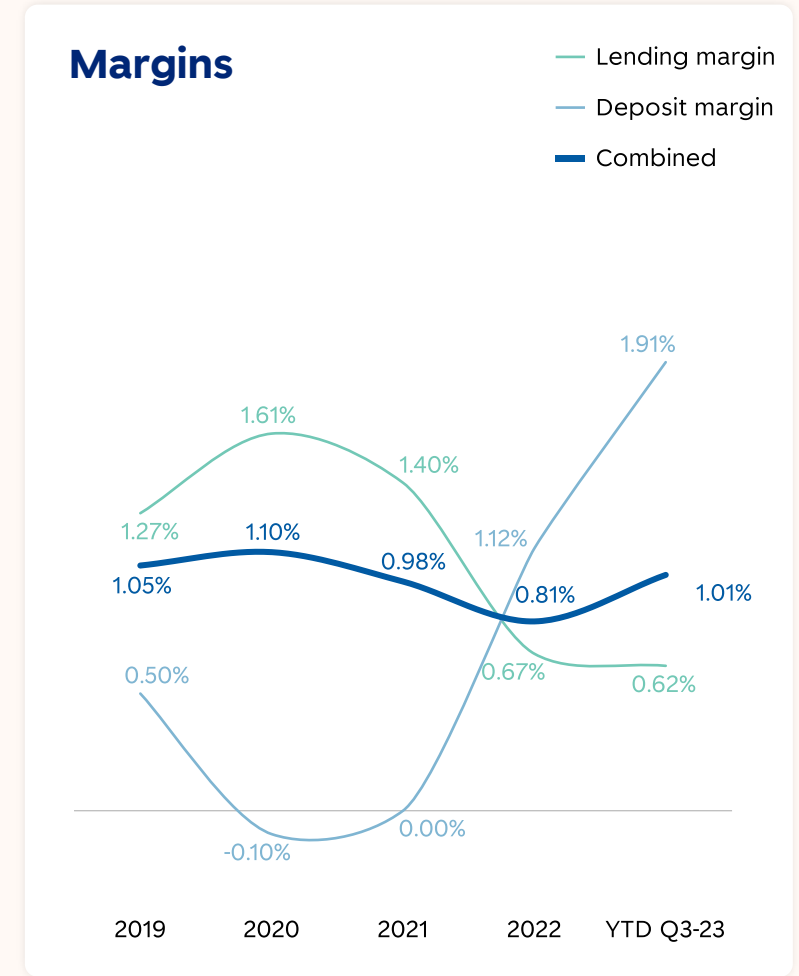
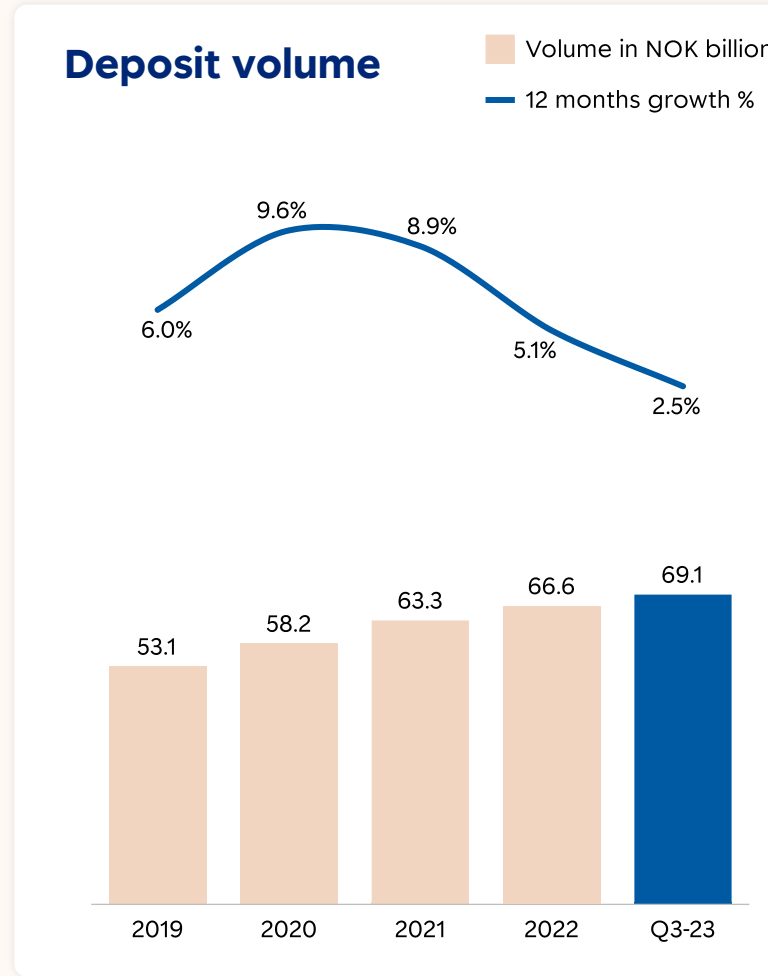
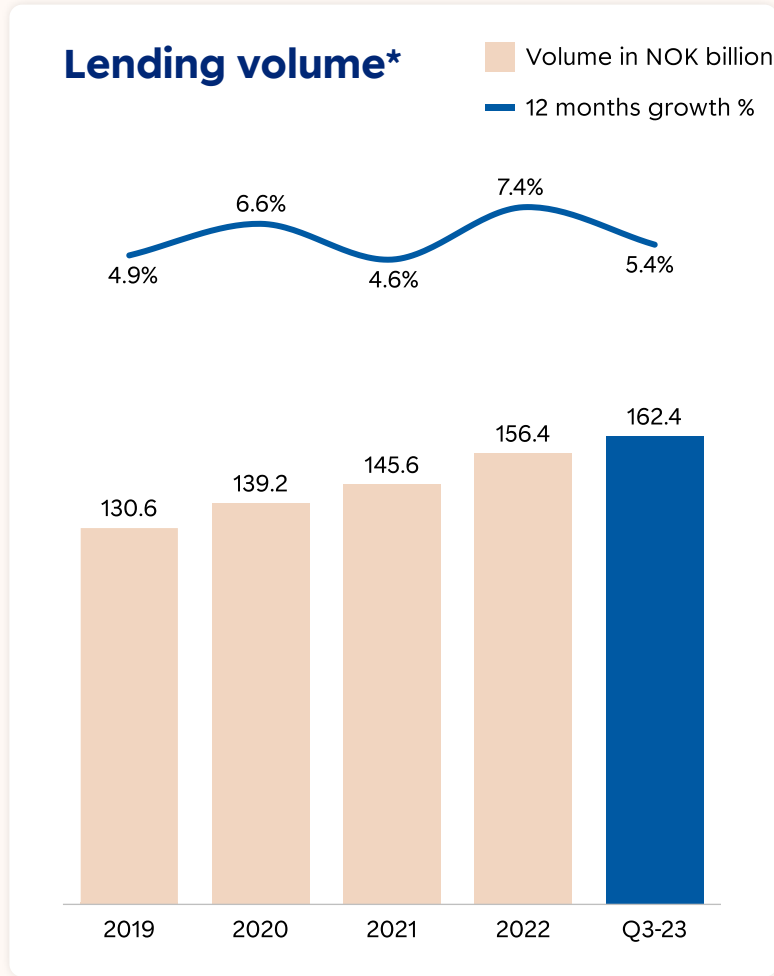
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Appendix

Finance group for South of Norway

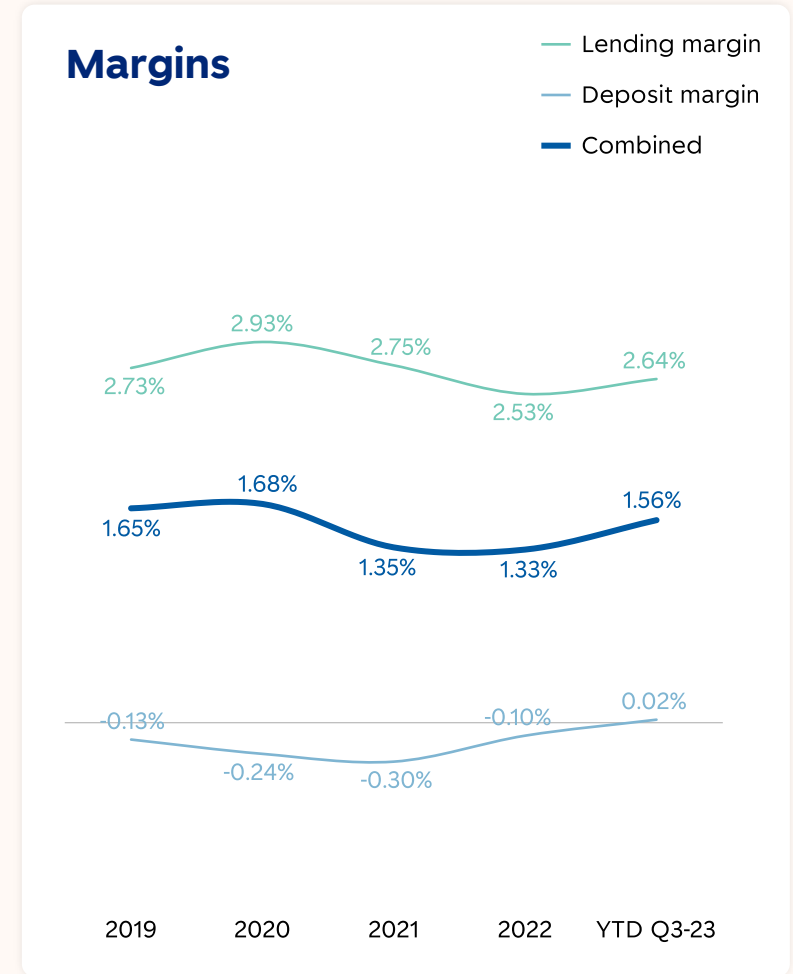
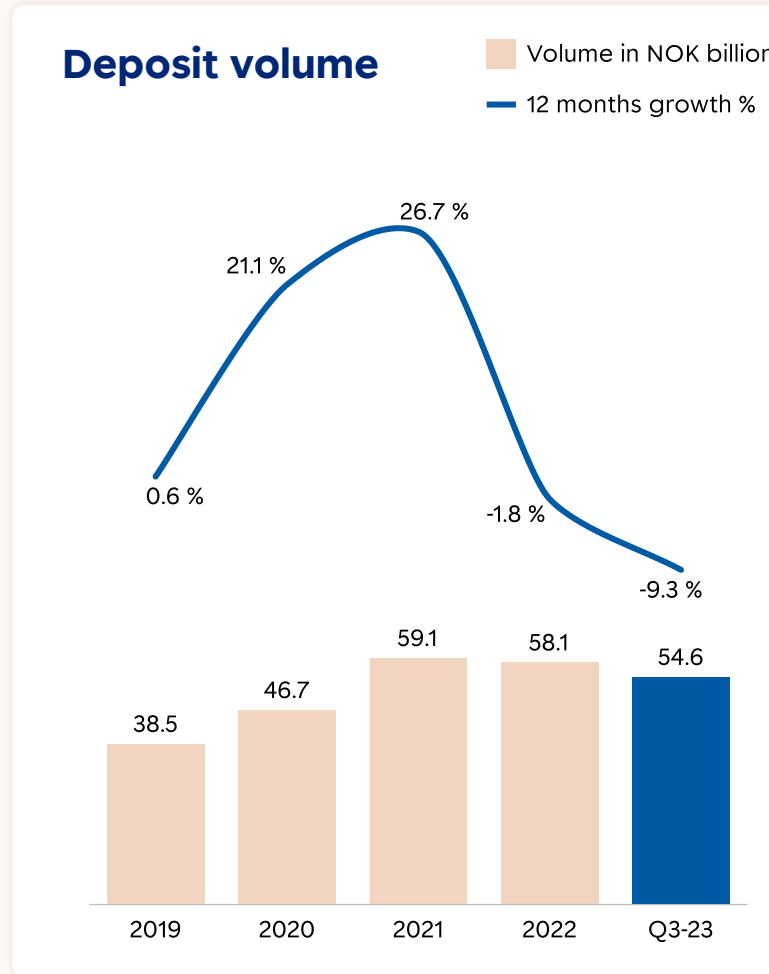
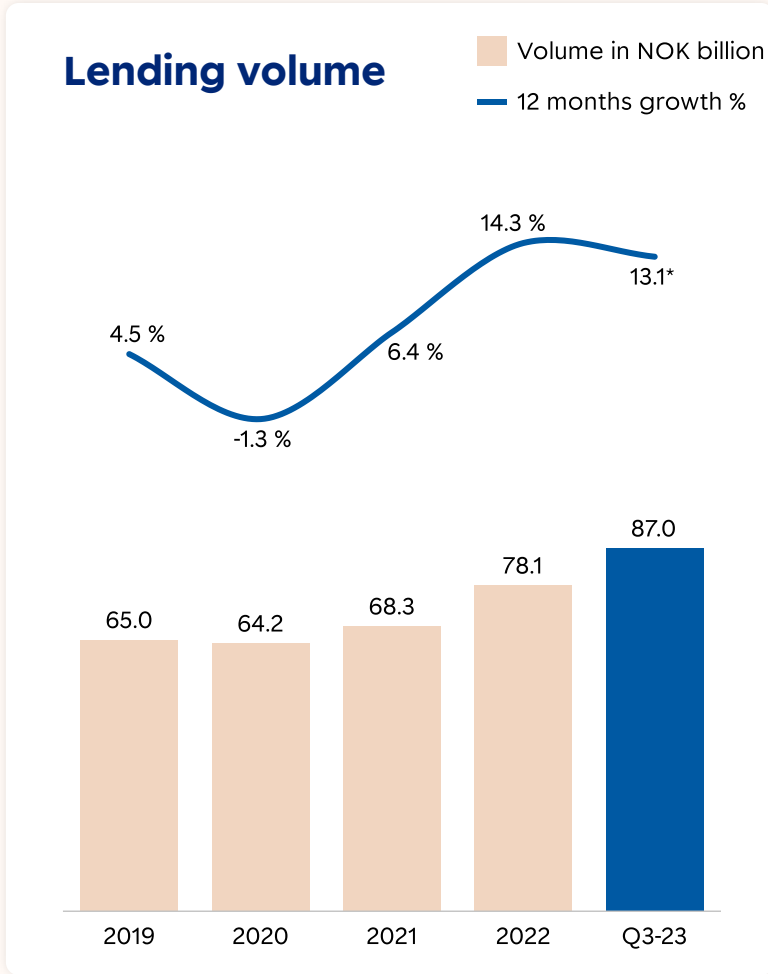


Retail market



Definition margins: Average customer rate measured against money market rate.
*Including employee loans.

Corporate market

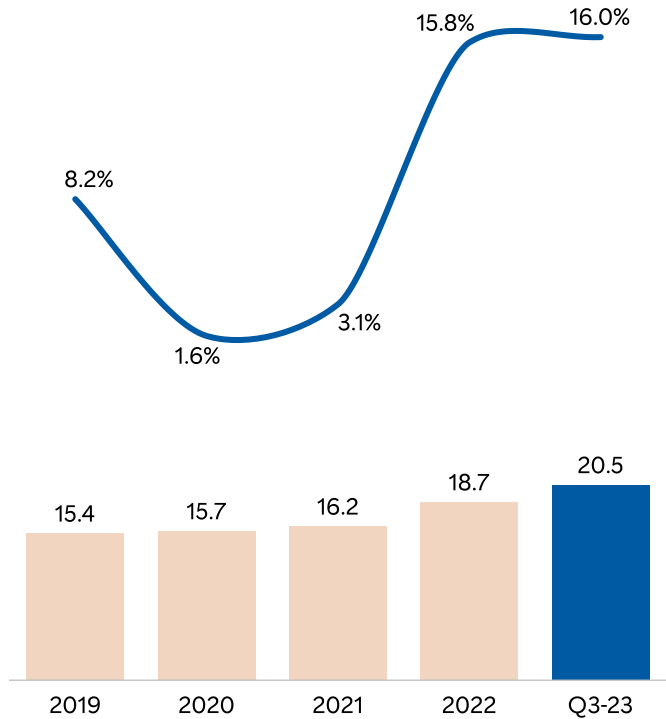


Definition margins: Average customer rate measured against money market rate.
*12 months lending growth in Corporate market excluding currency effect is 13.1%.

SME and Agriculture

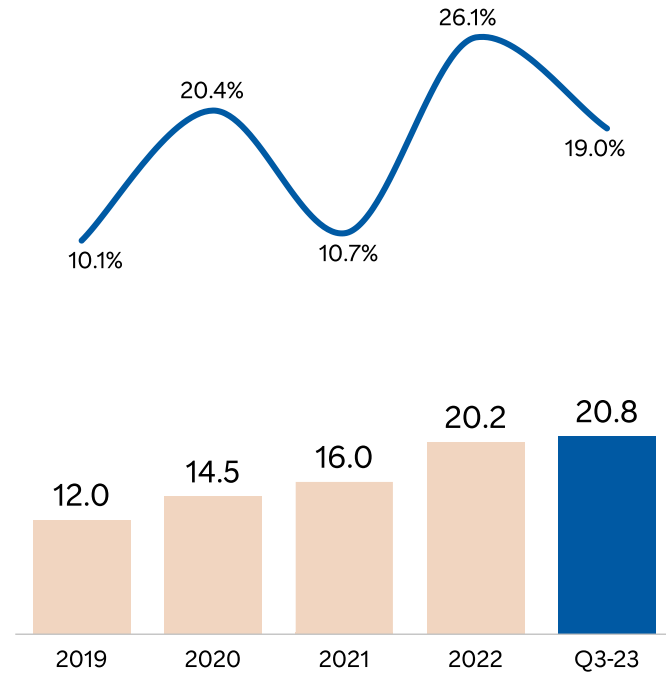
Lending volume

Volume in NOK billion
12 months growth %



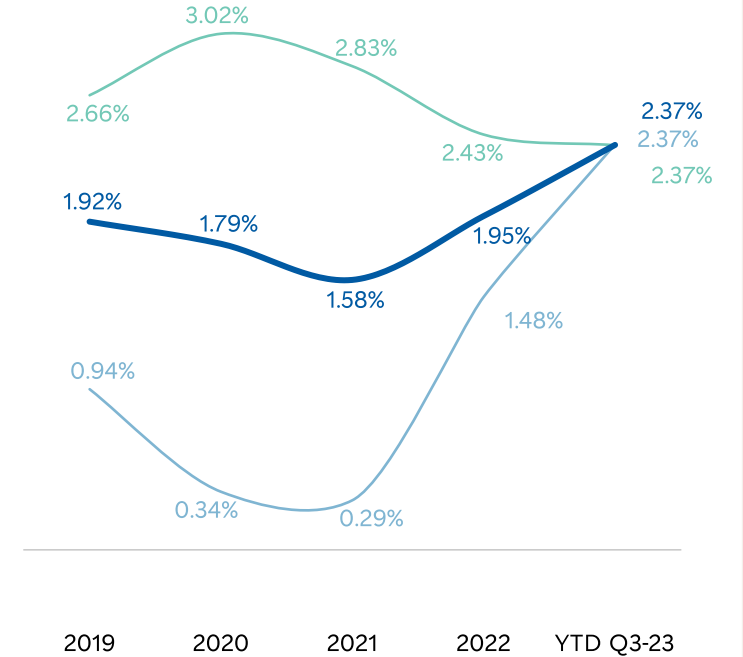
Deposit volume

Volume in NOK billion
12 months growth %



Margins

Lending margin
Deposit margin
Combined

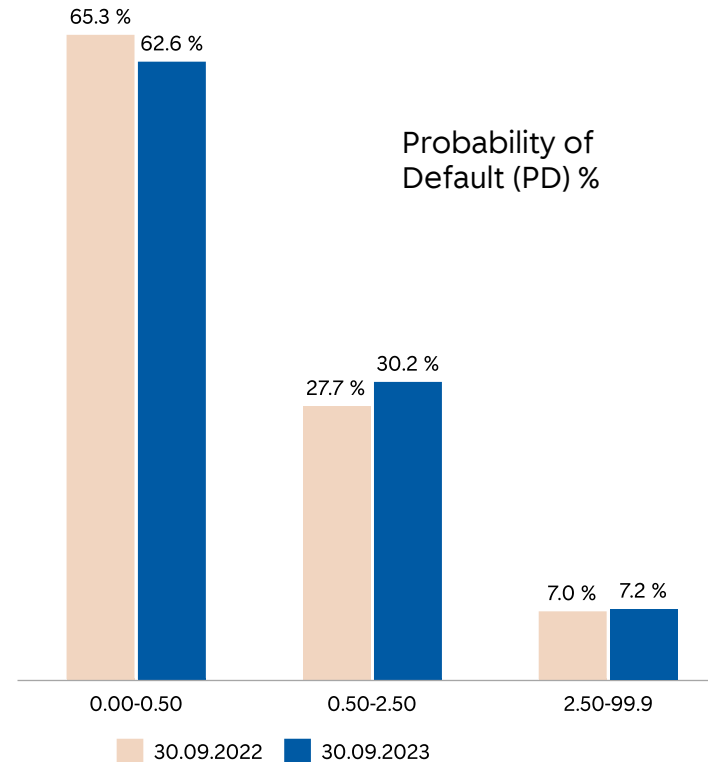


Definition margins: Average customer rate measured against money market rate.

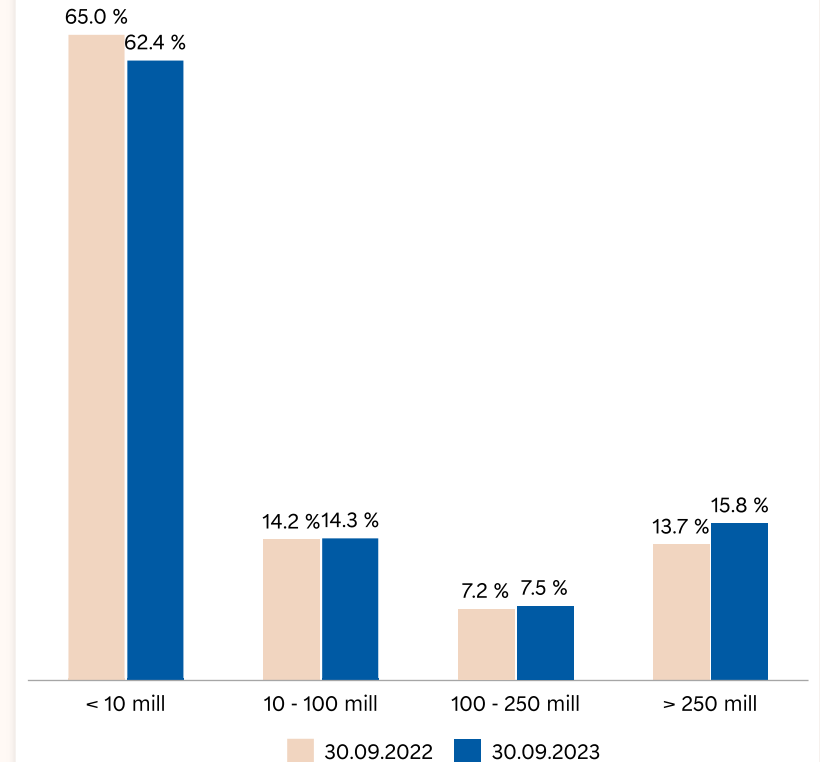
Profile of the loan portfolio

- SpareBank 1 SR-Bank has a solid loan portfolio.
- The loan portfolio consists mainly of small and medium-sized loans.

Loan portfolio distributed by risk class



Loan portfolio distributed by size of loan

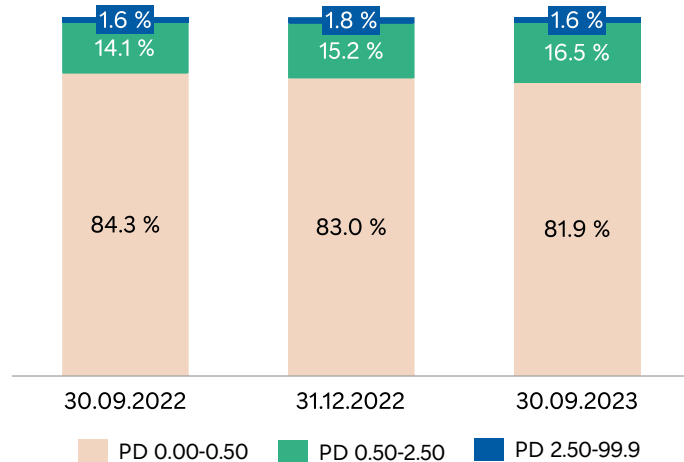


Probability of default (PD) through a full cycle of loss.

Risk profile – Lending in Retail, SME & Agriculture and Corporate Customers

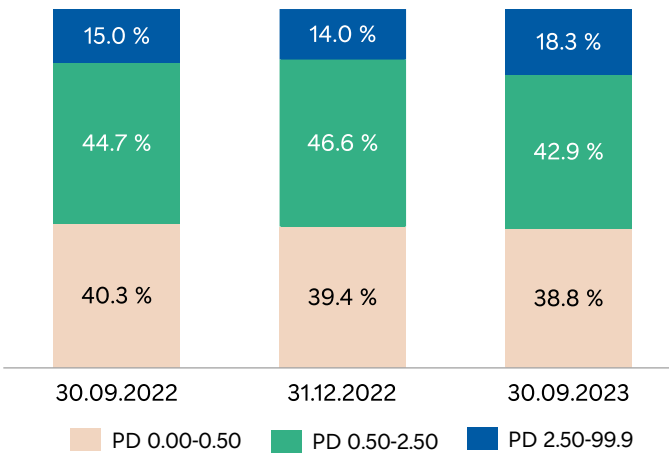
- Portfolio distributed by risk class

Retail



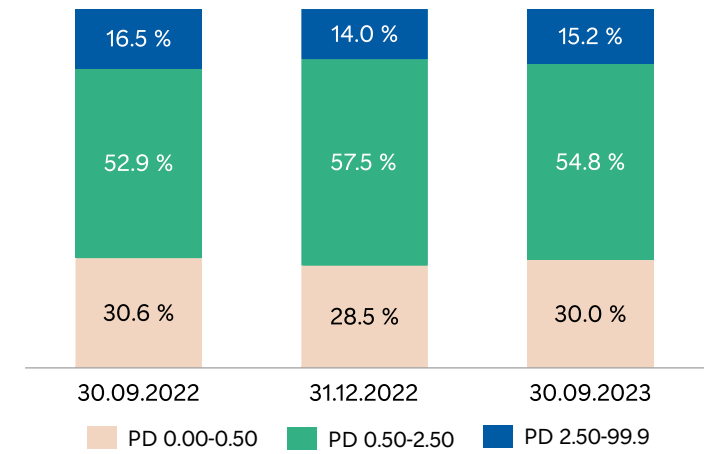
- The quality of the retail market portfolio is considered to be very good and has low potential losses.
- The low risk profile is achieved through prudent customer selection and requirements for moderate LTV. Most of the portfolio is secured against a mortgage on real estate, and lending is overall moderate compared to asset value.

SME & Agriculture



- The quality of the SME and Agriculture market portfolio is considered to be good.

Corporate



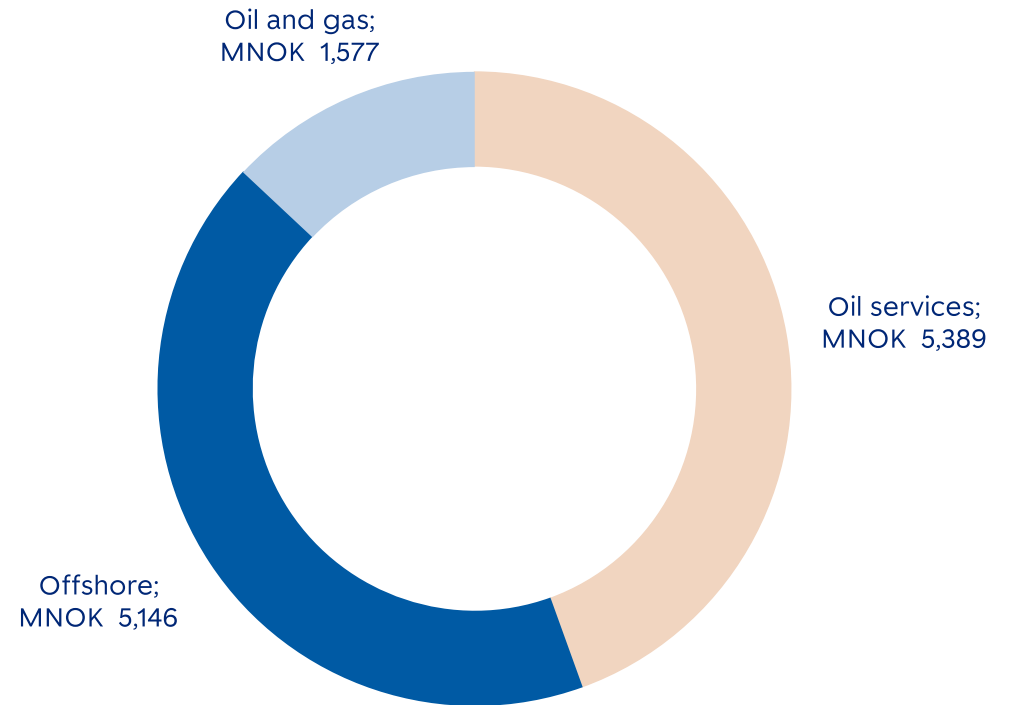
- The quality of the corporate market portfolio is good.
- There is a clearly defined framework that sets limits on what is funded and conditions for particular funding purposes. This ensures a robust portfolio.

Probability of default (PD) through a full cycle of loss.

Lending to oil and offshore

4.0% (NOK 12.1 billion) of total EAD* is related to oil operations

- Oil services
 - EAD NOK 5.4 billion, 1.8% of the bank's total EAD
 - Funding of operating capital through current and fixed assets, as well as guarantees
- Exploration and production companies
 - EAD NOK 1.6 billion, 0.5% of the bank's total EAD
 - Exposure primarily to companies with activities on the Norwegian continental shelf
- Offshore
 - EAD NOK 5.1 billion, 1.7% of the bank's total EAD
 - Exposure primarily to industrial-oriented shipping companies with integrated organization (Offshore service vessels, Rig and Seismic vessels)

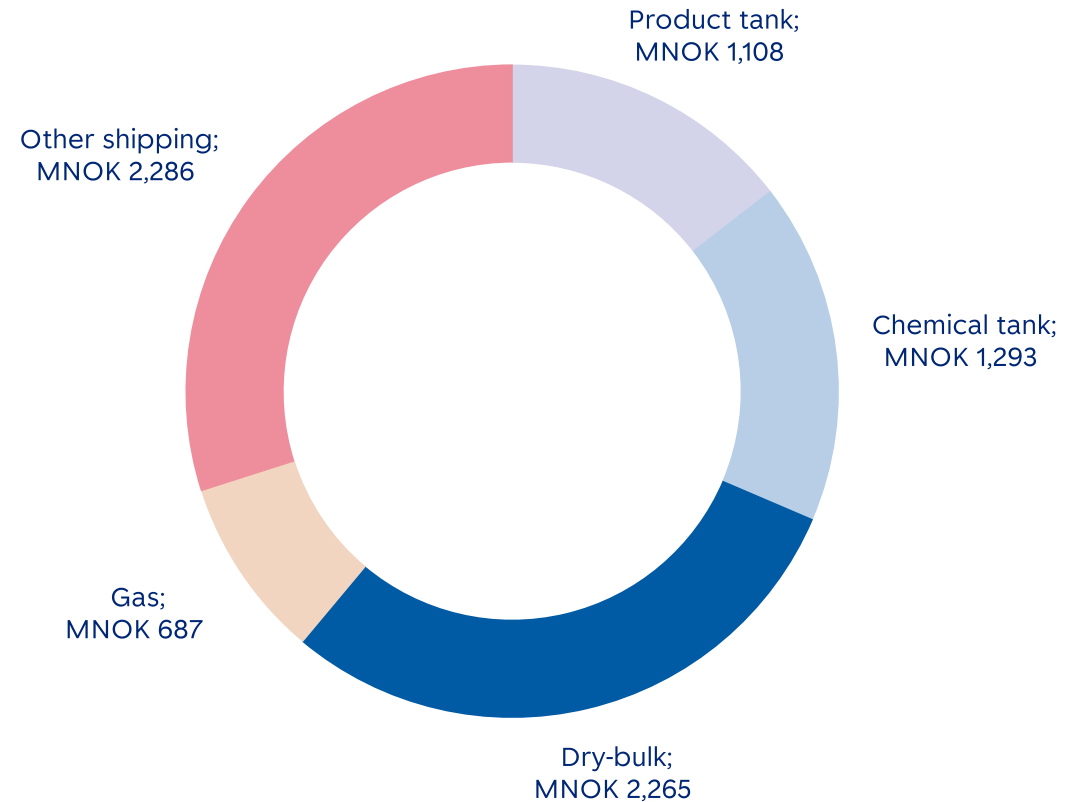


*EAD: Exposure at default.

Lending to shipping

2.5% (NOK 7.6 billion) of total EAD* is related to shipping

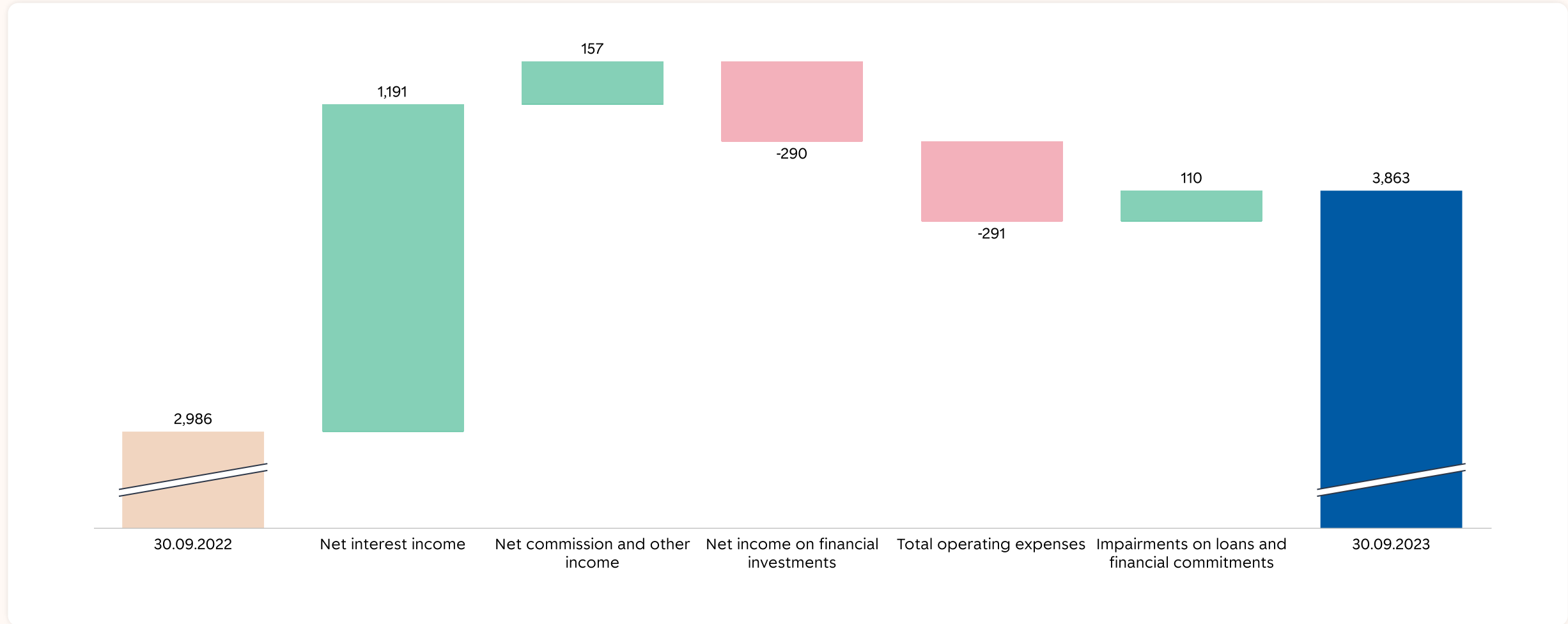
- Product tank
 - EAD NOK 1.1 billion, 0.4% of the bank's total EAD
- Chemical tank
 - EAD NOK 1.3 billion, 0.4% of the bank's total EAD
- Dry-bulk
 - EAD NOK 2.3 billion, 0.7% of the bank's total EAD
- Gas
 - EAD NOK 0.7 billion, 0.2% of the bank's total EAD
- Other shipping
 - EAD NOK 2.3 billion, 0.8% of the bank's total EAD



*EAD: Exposure at default.

Change in profit 30.09.2022 - 30.09.2023

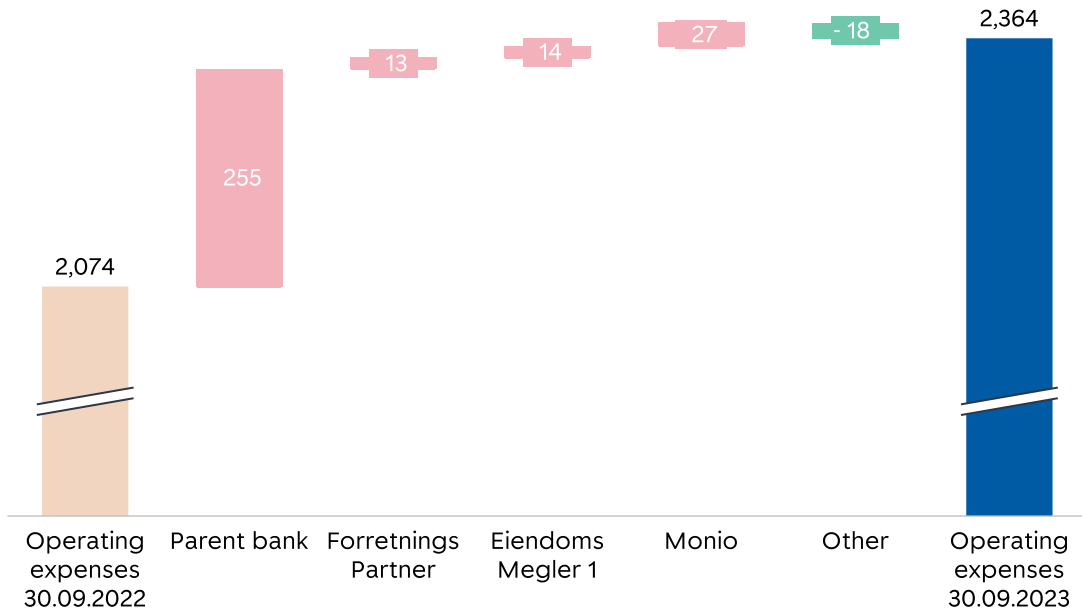
(MNOK)



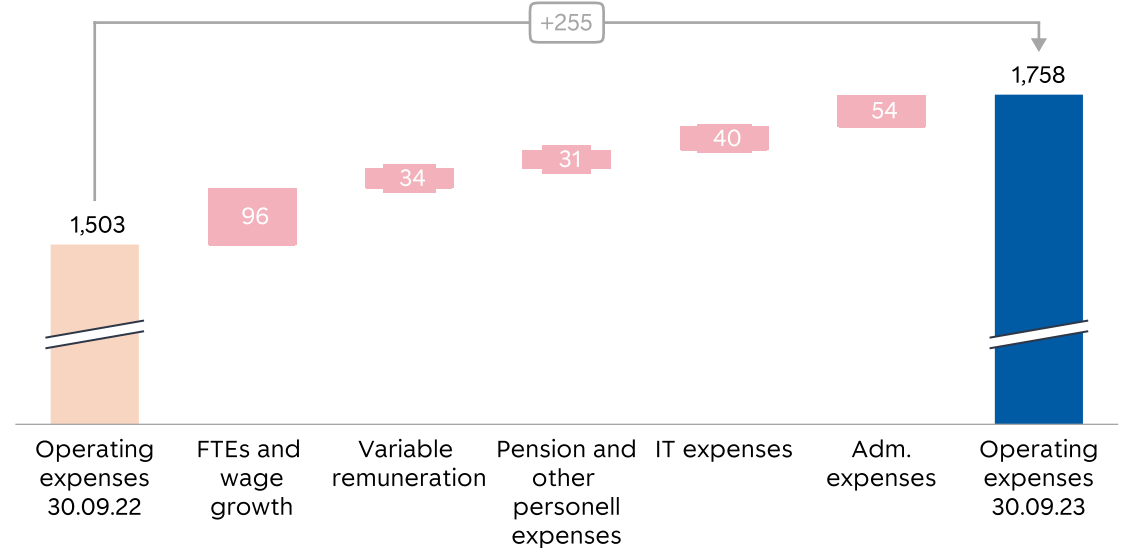
Change in operating expenses 30.09.2022 - 30.09.2023

(MNOK)

Group



Parent bank



Impairments on loans and financial commitments

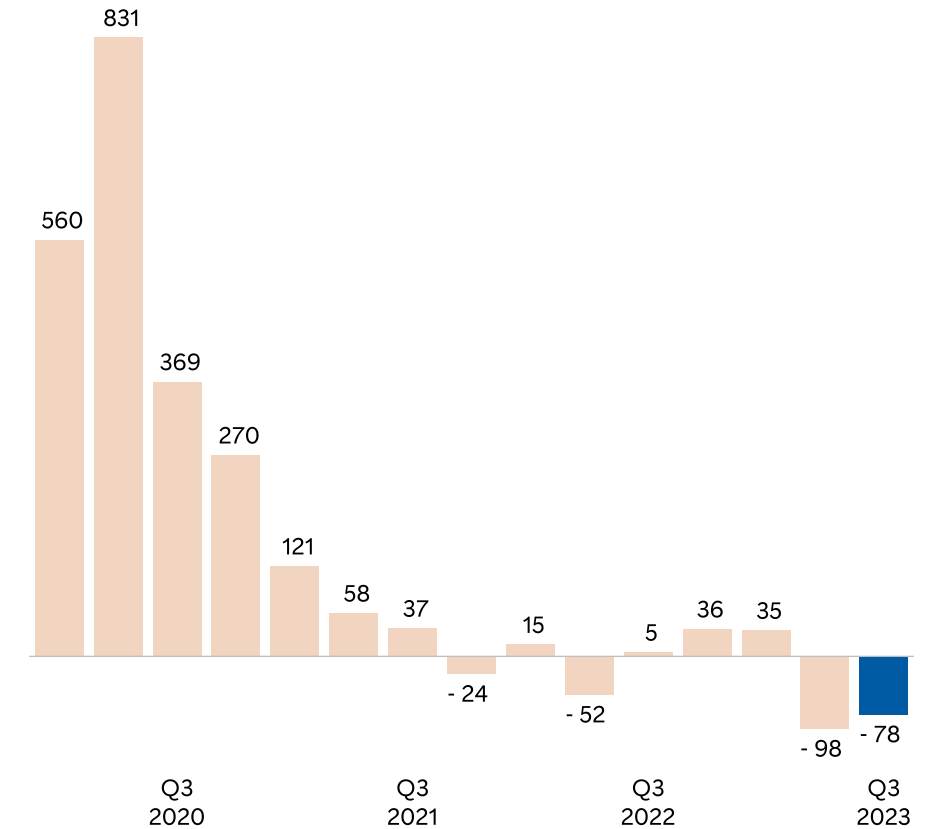
Impairments on loans and financial commitments in the income statement (MNOK)

	30.09.2023	30.09.2022	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Corporate market	-192	-60	-121	-85	15	10	-14
SME and Agriculture	43	24	40	-15	18	35	27
Retail market	8	5	3	3	2	-9	-8
Total impairments	-142	-31	-78	-98	35	36	5

Impairments on loans and financial commitments in the balance sheet (MNOK)

	30.09.2023	30.06.2023	31.03.2023	31.12.2022	30.09.2022
Corporate market	1,147	1,277	1,341	1,430	1,425
SME and Agriculture	264	235	242	235	202
Retail market	152	152	155	158	169
Total impairments	1,563	1,664	1,738	1,823	1,796

Impairments per quarter (MNOK)



Net commission and other income

MNOK	30.09.2023	30.09.2022	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Payment facilities	253	231	96	82	75	93	88
Savings/placements	112	99	35	49	28	27	28
Insurance products	200	199	66	64	71	72	68
Commission income EiendomsMegler 1	303	300	92	120	90	83	92
Gurantee commission	86	88	28	29	29	33	30
Arrangement- and customer fees	192	91	88	64	40	38	31
Commission income ForretningsPartner	302	281	82	108	111	88	75
Other	26	27	9	7	10	19	9
Net commission and other income	1,473	1,317	496	522	455	453	421

Change in net commission and other income 30.09.2022 - 30.09.2023

(MNOK)



Net income on financial investments

MNOK	30.09.2023	30.09.2022	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Dividends	58	43	1	25	32	26	9
Investment income, associates	195	241	47	53	94	211	85
Securities gains/losses	-200	-143	-29	-44	-126	129	-61
• of which capital change in shares and certificates	-116	31	-49	-25	-43	125	5
• of which capital change in certificates and bonds incl. derivatives	-84	-173	19	-20	-83	4	-66
Currency/interest gains/losses	138	339	-8	76	70	-92	157
• of which currency customer- and own-account trading	170	155	54	54	62	52	52
• of which value change basisswap and other IFRS-effects	-31	185	-62	22	9	-144	105
Net income on financial investments	191	481	11	109	71	274	191

When a basisswap is defined as a hedging instrument, changes in "basis spread" is recognized through other comprehensive income.

Subsidiaries

Company	MNOK	30.09.2023	30.09.2022	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
SR-Boligkreditt AS	Operating profit before tax	246	1,226	-27	174	99	-326	562
SpareBank 1 SR-Bank Forretningspartner AS*	Operating profit before tax	25	15	-0	18	8	2	1
EiendomsMegler 1 SR-Eiendom AS	Operating profit before tax	17	32	-6	22	0	-13	1
	Number of sales	4,894	4,962	1,454	1,933	1,507	1,271	1,485
FinStart Nordic AS	Operating profit before tax	-40	34	-23	-1	-16	18	22
Monio AS	Operating profit before tax	-43	-10	-5	-34	-3	-5	-2
Others	Operating profit before tax	3	-11	1	-2	4	9	-3
Total subsidiaries	Profit before tax	208	1,285	-61	176	93	-315	581

*The result in ForretningsPartner includes amortisation of intangible assets of NOK 3.9 million (NOK 4.8 million as at 30 September 2022).

Ownership interests

Company	MNOK	30.09.2023	30.09.2022	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
SpareBank 1 Gruppen AS	Interest ownership (%)	19.5	19.5	19.5	19.5	19.5	19.5	19.5
	Profitshare after tax	9	47	-13	-5	27	128	17
BN Bank AS	Interest ownership (%)	35.0	35.0	35.0	35.0	35.0	35.0	35.0
	Profitshare after tax	183	149	64	58	62	54	53
SpareBank 1 Forvaltning AS	Interest ownership (%)	35.8	35.8	35.8	35.8	35.8	35.8	35.8
	Profitshare after tax	40	53	11	14	15	10	17
SpareBank 1 Kreditt AS	Interest ownership (%)	16.7	16.1	16.7	16.2	16.2	16.2	16.1
	Profitshare after tax	-8	8	-3	-1	-4	-0	3
SpareBank Betaling AS	Interest ownership (%)	19.1	19.2	19.1	19.1	19.1	19.1	19.2
	Profitshare after tax	-27	-9	-9	-10	-7	21	-3
Others	Profitshare after tax	2	1	1	1	0	2	-0
Total ownership interests	Profitshare after tax	199	249	51	56	92	215	86
Finstart Nordic AS*	Profitshare after tax	-10	-7	-3	-3	-3	-4	-1
Rygir Group	Profitshare after tax	5		0	0	5		
Total ownership in the group	Profitshare after tax	195	241	47	53	94	211	85

*Companies in which FinStart Nordic AS owns stakes of between 20-50% must, because of accounting rules, be measured as associated companies in the consolidated financial statements. The profit contribution here is included in the company's results on the previous page.

Balance sheet

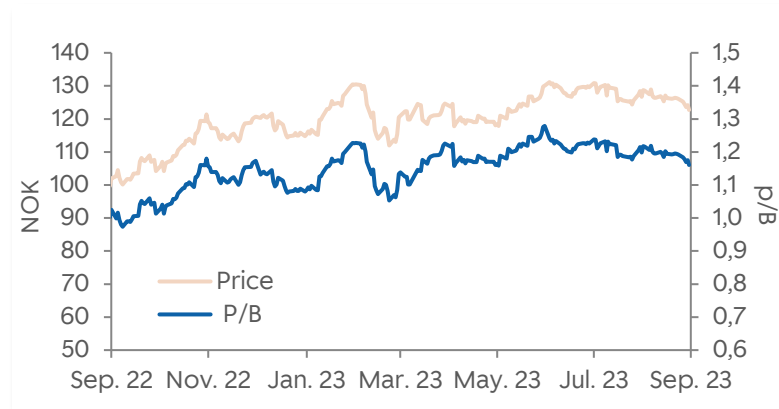
Balance sheet (MNOK)	30.09.2023	30.09.2022
Cash and balances with central banks	70	80
Balances with credit institutions	5,985	4,563
Loans to customers	268,132	246,612
Certificates and bonds	57,619	50,941
Financial derivatives	20,667	21,579
Shares, ownership stakes and other securities	809	1,037
Investment in associates	5,057	4,774
Other	4,484	4,457
Total assets	362,823	334,045
Balances with credit institutions	2,678	284
Deposits from customers	150,534	143,989
Listed debt securities	137,810	133,250
Financial derivatives	18,367	17,114
Other liabilities	3,171	2,352
Senior non-preferred bonds	16,415	7,101
Subordinated loan capital	2,774	2,162
Total liabilities	331,750	306,252
Total equity	31,074	27,793
Total liabilities and equity	362,823	334,045

The 2022 figures has been altered to reflect the change in principle following the implementation of IFRS 17/IFRS 9.

SRBNK share

- International ownership is 21.2% per 3. quarter 2023
- Total market value at 3. quarter 2023 is NOK 31.4 billion

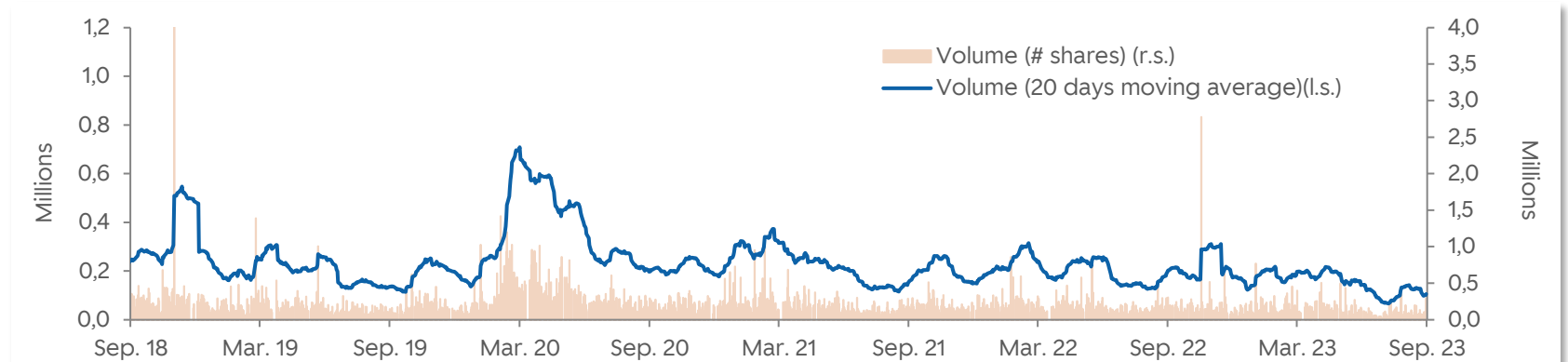
Development in Price/Book



Relative share price development



Trading volume development



20 largest shareholders as at 30 September 2023

- Ownership interests:
 - From Rogaland, Agder, Vestland, Oslo and Viken: 64.8% (65.7%)
 - International: 21.2% (22.6%)
 - 10 largest: 49.4% (47.8%)
 - 20 largest: 57.7% (56.0%)
- Number of shareholders: 18.810 (18.083)
- Employees owning 1.8% (1.8%) as at 30 September 2023

Investor		Number	Stake
Sparebankstiftelsen SR-Bank		74,976,815	29.3%
Folketrygdfondet		18,396,381	7.2%
SpareBank 1-stiftinga Kvinnherad		6,226,583	2.4%
State Street Bank and Trust Co, U.S.A.	Nominee	5,262,252	2.1%
Brown Brothers Harriman & Co, U.S.A.		4,762,087	1.9%
Pareto Aksje Norge		3,755,245	1.5%
JPMorgan Chase Bank NA, U.S.A.	Nominee	3,749,542	1.5%
Verdipapirfondet Alfred Berg Gambak		3,302,027	1.3%
Odin Norge		3,139,574	1.2%
Danske Invest Norske Instit. II		2,744,967	1.1%
J.P.Morgan SE, Luxembourg	Nominee	2,661,792	1.0%
Swedbank AB		2,546,930	1.0%
State Street Bank and Trust Co, U.S.A.	Nominee	2,373,966	0.9%
Pareto Invest Norge AS		2,332,830	0.9%
AS Clipper		2,233,800	0.9%
KLP AksjeNorge Indeks		1,906,512	0.7%
Westco AS		1,896,687	0.7%
Spesialfondet Borea Utbytte		1,835,749	0.7%
Vpf Nordea Norge Verdi		1,828,418	0.7%
Forsvarets Personellservice		1,518,838	0.6%
Top 5		109,624,118	42.9%
Top 10		126,315,473	49.4%
Top 20		147,450,995	57.7%

Figures in parentheses as at 30 September 2022.

SR-Bank as at 30 September 2023

- Number of shares issued 255.75 million
- Trading volume in Q3 2023: 2.7% (4.1%)

SpareBank 1 SR-Bank share	30.09.2023	2022	2021	2020	2019	2018
Share price	122.70	120.70	133.20	91.00	100.00	89.20
Stock value (MNOK)	31,381	30,869	34,066	23,273	25,575	22,813
Book value per share (incl. Dividends) (group)	109.57	106.32	99.05	95.97	89.90	82.27
Earnings per share	11.15	12.88	12.08	5.87	12.06	8.96
Dividend per share	-	7.00	6.00	3.10	5.50	4.50
P/E	8.23	9.37	11.03	15.50	8.29	9.96
P/BV	1.12	1.14	1.34	0.95	1.11	1.08

Figures in parentheses as at 30 September 2022.