

SpareBank 1 Sørøst-Norge: Principles for Responsible Banking Reporting and Self-Assessment Template 2021

SpareBank 1 Sørøst-Norge signed the Principles for Responsible Banking (PRB) when they were launched in 2019. We committed to adapt our strategy to the sustainability goals and the Paris Agreement, analyse our (positive and negative) influence on sustainability, and set goals, measures and milestones in order to improve. The table below sets out the reporting and self-assessment requirements for signatories of the PRB. We provide our response and self-assessment in relation to the principles and provide references and links to where in our existing reporting or in the public domain the required information can be found. The highlighted text indicates responses where limited assurance is specifically required.

Reporting and Self-Assessment Requirements	High-level summary of bank’s response (limited assurance required for responses to highlighted items)	Reference(s)/ Link(s) to bank’s full response/ relevant information
<p>Principle 1: Alignment We will align our business strategy to be consistent with and contribute to individuals’ needs and society’s goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</p>		
<p>1.1 <i>Describe</i> (high-level) your bank’s business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>SpareBank 1 Sørøst-Norge is the result of the merger between Spare-Bank 1 BV and Sparebanken Telemark. The Group is a regional financial services group with branches in Vestfold and Telemark, and parts of the former county of Buskerud. We are part of the SpareBank 1 Alliance, Norway’s second largest financial grouping.</p> <p>SpareBank 1 Sørøst-Norge offers traditional banking services such as payment services, credit, savings products and insurance in addition to accounting services and real estate agency services. Our business areas target the Personal Banking and Business Banking segments, respectively.</p>	<p>See our 2021 Annual Report: https://www.sparebank1.no/content/dam/SB1/bank/bv/OmOss/investor/rapporter/2021/sorost-arsrapport-2021-eng.pdf</p> <ul style="list-style-type: none"> - Chapter 1.4.0 “About us”, p. 14-16 - Chapter 3.5.0 “Business description”, p. 138

<p>1.2 Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>When SpareBank 1 Sørøst-Norge was established in 2021, sustainable development was highlighted as a strategic priority. The new Bank has adopted a new, ambitious sustainability strategy that will come into effect from 2022. Our strategy and main targets are based on a combined materiality and impact analysis.</p> <p>SpareBank 1 Sørøst-Norge is taking part in the shared global effort to achieve the UN Sustainable Development Goals by 2030 and the Paris Agreement. It is important for the Bank to support sustainability efforts in the financial services sector and other sectors, while at the same time benchmarking our own work.</p> <p>SpareBank 1 Sørøst-Norge reports on sustainability based on the Global reporting Initiative (GRI) Standards, the Principles for Responsible Banking (PRB) framework and the Task-force on Climate-related Financial Disclosures (TCFD) framework. SpareBank 1 Sørøst-Norge supports the UN sustainable development goals (SDGs) and UN Global Compact (GC). Offices in Vestfold and Buskerud are certified under the banking and finance criteria of Norway's Eco-Lighthouse environmental management system. Offices in Telemark are going to be certified in 2022.</p>	<p>See our 2021 Annual Report:</p> <p>- Chapter "Sustainability", p. 151-155</p>
<p>Principle 2: Impact and Target Setting We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.</p>		

<p>2.1 Impact Analysis: Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:</p> <p>a) <u>Scope</u>: The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.</p> <p>b) <u>Scale of Exposure</u>: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</p> <p>c) <u>Context & Relevance</u>: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.</p>	<p>As part of the work on following up PRB, SpareBank 1 Sørøst-Norge updated its impact analysis in 2021.</p> <p>The Bank used the Portfolio Impact Analysis Tool for Banks – Version 2.</p> <p>The Bank only operates in Norway (Vestfold and Telemark and the southern part the former county of Buskerud), and the analysis covered the Bank's main business areas: the retail market (about 70% of total business; includes insurance 5%, real estate 8% and fund management 2%) and the corporate market (about 30%).</p> <p>For Personal Banking (consumer banking) and Business Banking (corporate banking) the analysis covered our lending portfolio. In Business Banking, our largest exposure is towards the real estate sector, both rental and projects. All our lending is in Norway.</p> <p>The analysis shows that The Group has the greatest positive impacts on:</p> <ul style="list-style-type: none"> • The areas related to employment (job creation, good social conditions in the workplace) • Sustainable markets (access to work and financial services for people and small businesses) • Housing conditions <p>The greatest negative impacts:</p> <ul style="list-style-type: none"> • Sustainable markets • Employment • Waste <p>The Group conducted a materiality analysis in 2018 (SpareBank 1 BV) and 2019 (Sparebanken Telemark) through comprehensive stakeholder engagement. SpareBank 1 Sørøst-Norge has many stakeholders who are involved in and influence the Group's work on sustainability. The analysis indicated areas in which the Group can amplify its positive impacts and risk areas where the Group should reduce its negative impacts. Overall, the material topics in the analyses were:</p> <ul style="list-style-type: none"> • Combating financial crime • Employee development • Working on ethics and anti-corruption • Stimulating local business development 	<p>See our Annual Report:</p> <p>-Chapter "Sustainability", p. 155-156</p> <p>- The impact analysis figure in the sustainability framework. p. 153</p> <p>- "Energy and Climate Report 2021", p. 185</p>
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<p>d) <u>Scale and intensity/salience of impact:</u> In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.</p> <p>(your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))</p> <p>Show that building on this analysis, the bank has</p> <ul style="list-style-type: none"> • Identified and disclosed its areas of most significant (potential) positive and negative impact • Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts 	<p>Based on our materiality analysis, impact analysis and internal risk assessments within the area of sustainability, we will focus on the following topics:</p> <ul style="list-style-type: none"> • Responsible lending • Work on combating financial crime • Ethics and anti-corruption • Local corporate social responsibility and business development • Ethical marketing • Sustainable fund management • Sustainable purchasing <p>Our approach to amplifying our positive impacts and reducing our negative impacts is explained in the chapters under "Sustainability" in our 2021 Annual Report (work and social conditions are described in the chapter "Employees"). Our approach to responsible internal operations (for example, reducing waste and emissions in line with the impact analysis), is explained in the appendix "Energy and Climate Report".</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.</p>		
<p>SpareBank 1 Sørøst-Norge has updated the impact analysis and identified the significant impacts that are associated with our consumer and business banking portfolios, and the work has informed the development of our sustainability strategy and sustainability policy. We will proceed to further incorporate the impact analysis findings in our identification of sustainability business opportunities.</p>		

<p>2.2 Target Setting</p> <p><i>Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified “areas of most significant impact”, resulting from the bank’s activities and provision of products and services.</i></p> <p><i>Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</i></p> <p><i>Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society’s goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</i></p>	<p>Based on the impact analysis described in 2.1 and the materiality analysis, SpareBank 1 Sørøst-Norge identified main foci for our sustainability work. SpareBank 1 Sørøst-Norge connected the topics with three main targets in our 2022-2025 sustainability strategy:</p> <ol style="list-style-type: none"> 1. We must prevent and detect financial crime 2. We will become the sustainability bank in our market area 3. We will go on the offensive for the climate and help customers do the same <p>Targets and objectives were approved by the corporate management and the Board in November 2021. Targets for each specific area are marked with a green box under each area in our Annual Report, “Strategic Anchoring”.</p> <p>2019 will be the baseline year for our targets, since Covid-19 developments made 2020 and 2021 unsuitable as reference years. We have not seen any significant negative cross-effects between our main targets, nor the actions to implement them.</p> <p>See 2.3 below for more details on targets.</p>	<p>See targets for each specific area in our 2021 Annual Report: chapter “Sustainability”:</p> <ul style="list-style-type: none"> - Responsible lending, page 157. - Combating financial crime, page 162. - Ethics and anti-corruption, page 163. - Local corporate social responsibility and business development, page 165. - Ethical marketing, page 167. - Sustainable fund management, page 168. - Sustainable purchasing, page 169. <p>Targets for each specific area are marked with a green box under each area: “Strategic Anchoring”.</p>
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Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Target Setting.

SpareBank 1 Sørøst-Norge has set specific targets corresponding to our seven main areas of significant impact, divided into three main targets in our Board-approved sustainability policy. The targets are linked to specific SDGs and/or the Paris Agreement, and potential negative cross-effects between the targets have been considered and avoided. We therefore consider that requirements regarding target setting have been fulfilled.

2.3 Plans for Target Implementation and Monitoring

Show that your bank has defined actions and milestones to meet the set targets.

Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.

SpareBank 1 Sørøst-Norge has set itself a science-based target in line with the UNEP Finance Initiative's Emissions Gap Report of reducing the carbon intensity of both its operations and its loan portfolio by 7% per year, with no end point and 2019 as the baseline year. This target is also in line with SDG Goal 13 and Norway's target under the Paris Agreement of cutting emissions by up to 50-55% by 2030, and the target of a 90-95% reduction by 2050 in Norway's Climate Change Act.

We will join the Partnership for Carbon Accounting Financials (PCAF). We will use PCAF's tools to report greenhouse gas emissions, and climate stress test the bank's exposure to income from emission-intensive industries, as well as transition risk and physical climate risk in the loan portfolio.

In line with our impact analysis, our revised sustainability strategy now more explicitly incorporates circular economy, and we plan to assess linear risk (the risk that the transition to a circular economy risk poses to our lending portfolio).

SpareBank 1 Sørøst-Norge has expectations and targets both for ourselves, our customers and for the bank as an owner, distributor and investor. Each business area in the bank has implemented, or is going to implement, specific targets and objectives to meet the overall goal.

To meet the targets relating to fighting financial crime and becoming the sustainability bank of our market area, concrete actions will be implemented in the period 2022-25, with associated KPIs. To monitor our fight against financial crime, we track flagged transactions, cases reported to the National Authority for Investigation and Prosecution of Economic Crime (Økokrim), and cases that lead to an Økokrim investigation.

To take steps towards becoming the sustainability bank in our area and develop our employees (cf materiality analysis) we will implement a major competence building initiative internally, KPIs being number of courses, and

See targets for each specific area in our 2021 Annual Report: chapter "Sustainability":

- Responsible lending, page 157.
- Combating financial crime, page 162.
- Ethics and anti-corruption, page 163.
- Local corporate social responsibility and business development, page 165.
- Ethical marketing, page 167.
- Sustainable fund management, page 168.
- Sustainable purchasing, page 169.

Targets for each specific area are marked with a green box under each area: "Strategic Anchoring".

	<p>number of participants (see 5.2 below). This will help us become better guides and sparring partners for our customers in the sustainability transition. To strengthen our positive impact within employment (cf impact analysis) and local SME development, we have launched a local business cycle barometer, with KPIs relating to frequency of content updates and readership of articles and data.</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.</p>		
<p>The implementation structure of the seven main areas will ensure that the long-term plan is integrated into all business areas and group functions. The bank's head of sustainability will report on progress minimum annually to the Board, which has the overall responsibility of monitoring progress in meeting the targets.</p>		
<p>2.4 Progress on Implementing Targets</p> <p><u>For each target separately:</u></p> <p>Show that your bank has implemented the actions it had previously defined to meet the set target.</p> <p><i>Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.</i></p> <p>Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)</p>	<p>In 2020, SpareBank 1 BV conducted a combined materiality and impact analysis, launched a long-term sustainability strategy to integrate sustainability even further into our business strategy, and established targets for our main areas based on the materiality and impact analysis.</p> <p>In late 2021, SpareBank 1 Sørøst-Norge launched a new long-term sustainability strategy with targets in every main area. The period within which the targets are to be met is 2022-2025.</p> <p>We have nevertheless had notable progress in implementing the actions to fulfil the targets set in 2020:</p> <ul style="list-style-type: none"> • Fighting financial crime: A web-based dashboard was established to continuously monitor the area and those responsible for it were trained in how to use the dashboard. Risk assessments were conducted, and measures implemented to mitigate identified risks, which included the misuse of Covid-19 funds. We established a dedicated anti-fraud unit, doubling the number of staff in the Financial Crime Department from three to six. • Becoming the sustainability bank of our market area: We strengthened our network towards local incubators and startup communities, signing a new Partnership in Drammen (Drammen Works) and arranged webinars for startups to improve skills in relation to sources of funding, board work, tax and duty issues, budgeting and liquidity management, 	<p>See targets for each specific area in our 2021 Annual Report: chapter "Sustainability":</p> <ul style="list-style-type: none"> - Responsible lending, page 157. - Combating financial crime, page 162. - Ethics and anti-corruption, page 163. - Local corporate social responsibility and business development, page 165. - Ethical marketing, page 167. - Sustainable fund management, page 168. - Sustainable purchasing, page 169.

	<p>setting up companies, and choice of company form. We also help ed start-ups within sustainability get grants and growth guarantee loans.</p> <ul style="list-style-type: none"> • Becoming climate offensive and helping our customers become so too: We updated our policy to exclude loans to entities that are involved in the extraction, or generation of energy based on, fossil fuels; help increase or streamline the extraction of fossil fuels; or transport and store fossil fuels. We also launched a loan product with better terms for renovated homes that satisfy the EU taxonomy’s sustainability criteria. Finally, we mapped, and reported, the physical climate risk of all objects we have a mortgage on, to prepare for helping borrowers with the highest identified risks mitigate those risks. 	<p>Targets for each specific area are marked with a green box under each area: “Strategic Anchoring”.</p>
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Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets

We have had good progress in implementing our defined targets since they were first established in 2020, and the bank’s 2022-2025 sustainability strategy will ensure further progress.

Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

<p>3.1 <i>Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</i></p>	<p>SpareBank 1 Sørøst-Norge is dependent on trust from customers, public authorities and society in general. Our sustainability policy defines principles that guide how we treat/advise/help our customers, together with our Ethical Guidelines. How we meet our customers is also defined in standard operating procedures, processes, guidelines and tools designed to ensure our compliance with all legal obligations in relation to our customers.</p> <p>SpareBank 1 Sørøst-Norge has the greatest opportunity to make a positive impact, as well as the risk of having a negative impact, in lending, particularly in Business Banking. We will increase our positive impact, and reduce our negative impact, in collaboration with our customers. We therefore expect our customers to take an active attitude to their own practice in this field, operate in accordance with laws and regulations in their field, and work to live up to international conventions and agreements in the field of environment, social conditions and corporate governance.</p>	<p>See our 2021 Annual Report:</p> <ul style="list-style-type: none"> - Guidelines for each specific area are marked with a green box under each area: “Strategic Anchoring”. <p>The Sustainability policy is unfortunately not currently in English. However, Green Bond Framework are addressing the</p>
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	<p>Most of our corporate customers are small and medium-sized companies. Through long-term customer relationships, characterized by responsible advice, financing and lending, we are well positioned to help them grow and create new sustainable products and markets.</p> <p>We have integrated ESG into our decision-making processes, risk assessment, active ownership practices and investor analysis. All mutual funds we distribute to our customers are scored according to our ESG criteria, using an independent third party. We only recommend funds scoring minimum C on a scale from A (best) to F.</p> <p>Our largest contribution towards a low-carbon and climate-resilient future is through the lending we provide to our clients. By including sustainability as a natural part of our dialogue with clients, we have the possibility to actively nudge them in a greener direction. By providing funding for environmentally sustainable investments and projects, we enable our clients to be part of the green transition. We launched a Green Bond Framework in 2021, to promote our ambition of driving sustainable development in our region through the financing we offer our clients. In line with the impact analysis the framework covers both climate (energy efficient buildings) and waste (circular economy).</p>	<p>highlights of the policy: Green Bond Framework</p>
<p>3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p>Through dialogue and knowledge sharing, SpareBank 1 Sørøst-Norge will help our customers detect, assess and manage sustainability and climate risk. In 2021 we started to incorporate the environment, social conditions and Governance (ESG) in customer engagement in the corporate market, especially with respect to larger customers in industries with risk and where we have high exposure, and our CM advisers now carry out due diligence assessments. We assessed 320 customers in 2021, using a tailor-made ESG questionnaire module. We plan to raise our customers' awareness through separate meetings dedicated to sustainability topics. Our target is to arrange meetings with 50 CM customers in 2022. These customers are selected based on sector- or customer-specific sustainability risks and -opportunities.</p>	<p>See our 2021 Annual Report: - Chapter "Sustainability" p. 158-159</p>
<p>Principle 4: Stakeholders We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.</p>		

<p>4.1 Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.</p>	<p>Good engagement with stakeholders and employees provides direction for SpareBank 1 Sørøst-Norge's sustainability work. SpareBank 1 Sørøst-Norge has many stakeholders that are involved in and influence the Group's work on sustainability, such as customers, NGOs, investors and public authorities.</p> <p>The merger of SpareBank 1 BV and Sparebanken Telemark has been an important topic for several of our stakeholders in 2021. Covid-19 was also an important topic; rate changes, increasing prices, state compensation with more.</p>	<p>See our 2021 Annual Report:</p> <ul style="list-style-type: none"> - Chapter "Sustainability", p. 155 - Appendix "Stakeholder engagement", p. 193
<p>Principle 5: Governance & Culture We will implement our commitment to these Principles through effective governance and a culture of responsible banking</p>		
<p>5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>The BOD approved an ambitious sustainability strategy in November 2021, with clear goals and measures. Through the strategy process, key people in the operation, managers, group management and the board gained significantly more insight into sustainability and climate risk, as well as the business opportunities that may exist. A management structure has been established where risk reporting on sustainability and climate risk occurs as part of regular risk reporting to corporate management and the board, and where the board revises the sustainability strategy annually.</p>	<p>See our 2021 Annual Report:</p> <ul style="list-style-type: none"> - Chapter "Sustainability", p. 151
<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>The bank conducts annual sustainability risk assessments for all departments, with concrete actions defined in case of factors deemed to have the highest risk (combining probability and consequence).</p> <p>These internal risk assessments, as well as the above-mentioned materiality analysis, indicate that we need to focus on the development of our employees. Improving sustainability skills has therefore been elevated to a major priority in the sustainability strategy. The Bank has set itself the goal of ensuring that by the end of 2022 all SpareBank 1 Sørøst-Norge's employees will feel confident that they know enough about sustainability to do their job well. This will be achieved through courses tailor-made for each unit's specific competence needs, working on cases across departments and further follow-up. The KPI for the goal of improving skills will be the proportion of employees who have completed the course (and the</p>	<p>See our 2021 Annual Report:</p> <ul style="list-style-type: none"> - Chapter "Our employees", p. 148

	<p>number of courses where this is relevant). This will in turn help us achieve our sustainability goal of being competent RM and CM advisers for customers within sustainability.</p> <p>Sustainability KPIs are integrated into the balanced scorecard system used by the bank. All departments must set sustainability objectives, and the achievement of these objectives are linked to bonus payments, both for management and employees. For example, the above-mentioned sustainability meetings are among the KPIs for the corporate market department.</p>	
<p>5.3 Governance Structure for Implementation of the Principles</p> <p>Show that your bank has a governance structure in place for the implementation of the PRB, including:</p> <p>a) target-setting and actions to achieve targets set</p> <p>b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p>SpareBank 1 Sørøst-Norge’s sustainability strategy describes the implementation of the long-term plan for integrating sustainability into our business strategy, hence relating to the PRB and relevant frameworks mentioned in 1.2.</p> <p>Organization:</p> <ul style="list-style-type: none"> • The board decides SpareBank 1 Sørøst-Norge’s sustainability strategy and sustainability policy. • Strategy and policy are anchored and revised annually in line with the overall strategy, business strategy and risk strategy. • The strategy and policy are incorporated in relevant strategic management documents. • The individual companies that are part of SpareBank 1 Sørøst-Norge must operationalize the strategy in their own operations, with associated decisions in governing bodies. <p>Responsibility:</p> <ul style="list-style-type: none"> • The board is responsible for the total sustainability risk in the group. • The CEO is responsible for setting, approving and supervising the implementation of the overall sustainability strategy. • The sustainability unit is the contact point and driving force in the bank’s work to reduce its negative impact and increase its positive impact within sustainability. <p>Managers for the business areas and staff units in the bank inform the head of sustainability in case of significant incidents. The head of sustainability reports further to the CEO, the board and the director of strategy and business development.</p>	<p>See our 2021 Annual Report:</p> <p>- Chapter “Sustainability”, p. 151</p> <p>The Governance Structure is addressed in our sustainability policy, which unfortunately is not currently in English. However, our Green Bond Framework is addressing the Governance Structure: Green Bond Framework</p>

Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.

The long-term plan for integrating sustainability into our business strategy is anchored in a board-approved strategy and sustainability policy. The policy defines clear responsibilities for implementation. Hence, we consider that we have established the governance structure required in order to implement the Principles. SpareBank 1 Sørøst-Norge's sustainability policy is currently not in English, but our Green Bond Framework is addressing the policy: [Green Bond Framework](#)

Principle 6: Transparency & Accountability
 We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

<p>6.1 Progress on Implementing the Principles for Responsible Banking</p> <p><i>Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).</i></p> <p><i>Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.</i></p> <p><i>Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.</i></p>	<p>SpareBank 1 Sørøst-Norge completed the first impact assessment in 2020. A meeting with UNEP FI was held in august 2021 to follow up on the reporting, actions and target setting.</p> <p>SpareBank 1 Sørøst-Norge's BOD has approved a sustainability strategy with a long-term plan for integrating sustainability into our business strategy. We have set three main targets, with specific targets in seven main areas, where we work on our impact – either positive or negative. See 2.1-2.4, and our Annual Report, chapter "Sustainability" where we have highlighted our work with the Principles.</p> <p>In addition to signing and implementing the Principles, we have joined several international/regional initiatives and frameworks to ensure we consider, contribute to and encourage sustainable development (see section 1.2 above).</p> <p>The Board reviews progress in implementing the principles as part of its annual review of the bank's sustainability policy and strategy. The 2021 review concluded that progress is satisfactory, and that the bank's position in this area has improved substantially.</p> <p>SpareBank 1 Sørøst-Norge's reporting on sustainability, including the Principles, will be verified by a third party from 2022.</p>	<p>Please see this reporting- and self-assessment template, and the references herein.</p> <p>See our 2021 Annual Report:</p> <p>- Chapter "Sustainability", page 154 for our commitments to initiatives and frameworks.</p>
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Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking



PRINCIPLES FOR
RESPONSIBLE
BANKING

SpareBank 1 Sørøst-Norge has made good progress over the 2 years of implementing the principles. With our sustainability policy and its long-term plan for further integrating sustainability into our business strategy, and our three main goals with their related objectives and guidelines for our seven main areas, we have a solid foundation going forward in our ambition to become a sustainable bank. SpareBank 1 Sørøst-Norge will continue to work with the Principles, improving by including more milestones.