



**SpareBank**  
NORD-NORGE



# Quarterly report

Financial statement Q2 2022

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## Group financial highlights and key figures

(Amounts in NOK million and in % of average assets)	30.06.22	%	30.06.21	%	31.12.21	%
Net interest income	1 135	1,86 %	975	1,62 %	2 014	1,67 %
Net fee- and other operating income	627	1,03 %	714	1,19 %	1 499	1,25 %
Net income from financial investments	10	0,02 %	309	0,51 %	794	0,66 %
<b>Total income</b>	<b>1 772</b>	<b>2,91 %</b>	<b>1 998</b>	<b>3,33 %</b>	<b>4 307</b>	<b>3,58 %</b>
<b>Total costs</b>	<b>792</b>	<b>1,30 %</b>	<b>781</b>	<b>1,30 %</b>	<b>1 748</b>	<b>1,45 %</b>
<b>Result before losses</b>	<b>980</b>	<b>1,61 %</b>	<b>1 217</b>	<b>2,03 %</b>	<b>2 559</b>	<b>2,13 %</b>
Losses	- 15	-0,02 %	- 76	-0,13 %	- 235	-0,20 %
<b>Result before tax</b>	<b>995</b>	<b>1,63 %</b>	<b>1 293</b>	<b>2,15 %</b>	<b>2 794</b>	<b>2,32 %</b>
Tax	196	0,32 %	245	0,41 %	499	0,41 %
<b>Result after tax</b>	<b>799</b>	<b>1,28 %</b>	<b>1 048</b>	<b>1,73 %</b>	<b>2 295</b>	<b>1,90 %</b>
Interest hybrid capital	18		14		29	
<b>Result after tax ex. interest hybrid capital</b>	<b>781</b>		<b>1 034</b>		<b>2 266</b>	

### Profitability

Return on equity capital	1	10,2 %	14,2 %	15,1 %
Interest margin	2	1,86 %	1,62 %	1,67 %
Cost/income	3	44,7 %	39,1 %	40,6 %

### Balance sheet figures and liquidity

Total assets		125 737	123 975	119 180
Average assets	4	121 897	120 019	120 264
Gross loans	5	95 056	96 016	92 717
Gross loans incl. commition loans	5	129 910	132 662	127 105
Deposits	6	84 813	81 371	77 241
Liquidity Coverage Ratio (LCR)		151	151	142

### Solidity

Common Equity Tier 1 Capital Ratio		19,3 %	18,0 %	18,7 %
Tier 1 Capital Ratio		20,6 %	19,4 %	20,0 %
Total Capital Ratio		22,2 %	21,2 %	21,6 %
Common Equity Tier 1 Capital		13 753	12 877	13 097
Tier 1 Capital		14 669	13 849	14 001
Own Funds		15 790	15 145	15 109
Total risk exposure amount		71 082	71 528	70 059
Leverage Ratio		8,1 %	7,7 %	8,3 %

### NONG Key figures

NONG Quoted/market price (NOK)		85,30	85,30	112,60
Number of EC issued (mill)		100,40	100,40	100,40
Equity capital per EC (NOK)		70,16	69,42	73,30
Result per EC (NOK)		3,53	4,74	10,41
P/E (Price/Earnings per EC) NOK		12,09	8,99	10,82
P/B (Price/Book Value per EC) NOK		1,22	1,23	1,54

### Branches and full-time employees

Branches		15	19	15
Manyears		822	871	831

- The profit after tax in relation to average equity, calculated as a quarterly average of equity and at 01.01.  
The Bank's hybrid 1 capital issued are classified as equity in the financial statements. However, when calculating the return on equity, hybrid tier 1 capital are deducted from equity, and result after tax are adjusted for interests on hybrid tier 1 capital.
- Net total interests as a percentage of average total assets.
- Total costs as a percentage of total net income.
- Average assets are calculated as average assets each quarter and at 01.01.
- Gross loans customers and gross loans financial institutions.
- Deposits customers and deposits financial institutions.

# Quarterly Report for SNN – 2Q22

## Results and key figures

NOK mill	2Q22	2Q21	Change	30.06.22	30.06.21	Change
Result after tax	<b>345</b>	575	- 230	<b>799</b>	1 048	- 249
Result per EC	<b>1,51</b>	2,60	-1,09	<b>3,53</b>	4,74	-1,21
Return on equity	<b>9,0 %</b>	15,4 %	-6,4 %	<b>10,2 %</b>	14,2 %	-4,0 %
Cost/income	<b>46,9 %</b>	36,9 %	10,1 %	<b>44,7 %</b>	39,1 %	5,6 %
Common Equity Tier 1 Capital Ratio	<b>19,3 %</b>	18,0 %	1,3 %	<b>19,3 %</b>	18,0 %	1,3 %
Growth loans retail market	<b>7,1 %</b>	9,8 %	-2,6 %	<b>-4,5 %</b>	4,3 %	-8,7 %
Growth loans corporate market	<b>4,0 %</b>	3,4 %	0,6 %	<b>3,8 %</b>	7,4 %	-3,6 %
Growth loans total	<b>6,1 %</b>	7,8 %	-1,7 %	<b>-1,9 %</b>	5,2 %	-7,2 %
Growth deposits retail market	<b>21,6 %</b>	24,4 %	-2,7 %	<b>0,7 %</b>	6,1 %	-5,4 %
Growth deposits corporate market	<b>28,9 %</b>	30,7 %	-1,9 %	<b>6,2 %</b>	16,5 %	-10,3 %
Growth deposits total	<b>25,0 %</b>	27,3 %	-2,2 %	<b>3,3 %</b>	10,7 %	-7,4 %
Result from ownership interests	<b>18</b>	154	- 136	<b>29</b>	225	- 196
Result from financial assets	<b>- 84</b>	46	- 130	<b>- 19</b>	84	- 103
Losses	<b>17</b>	- 23	40	<b>- 15</b>	- 76	61

## Important events in the quarter

SpareBank 1 Nord-Norge posted good numbers for underlying banking operations, although the results for 2Q22 were nevertheless affected by external factors such as war and inflation fears. Following the lifting of pandemic restrictions in February, expectations of a sharp economic upturn were high after 2 years of extraordinary measures. While the upturn arrived, things have not turned out as expected. The war in Ukraine has caused a lot of turmoil and has, for example, led to extreme prices for energy that, combined with supply side problems following the pandemic, have resulted in significantly higher inflation. This has in turn led to the introduction of very strong measures by the world's central banks with higher interest rates, falling equity markets and general turmoil in the financial markets. This has affected the return on securities and profit contributions from associated companies in the SpareBank 1-alliansen.

2Q22 saw higher net interest income, good cost control and low losses. Low underlying losses were attributable to the Group's systematic work on reducing risk in the loan portfolio in recent years, and the close monitoring of the loan portfolio during the Covid-19 pandemic. Furthermore, the Group's loan portfolio is characterised by mortgage loans and industries on which the pandemic and war have a limited impact. What pulled the numbers down is, as mentioned, weaker figures from associated companies, as well as unrealised losses on securities due to the financial disquiet.

Lending growth in Corporate Market picked up in 2Q22 and was slightly higher than in the same quarter last year. Growth in Retail Market was marginally weaker than last year but remains good.

Most of the direct effects of the pandemic are now behind us, although repercussions in the form of delivery problems and commodity supplies are still noticeable. At the same time, it is clear that several industries, including fishing and seafood, have been enjoying a good period and high prices. We are seeing marked improvements in tourism and transport. The great uncertainty factor in all of this is of course the war in Ukraine and any long-term effects it may have. If the war drags on and the uncertainty surrounding deliveries and commodity and energy prices lasts, this could increase the uncertainty surrounding building and construction, and also impact price growth in the housing market. We will, therefore, be paying extra attention to these sectors and monitoring them closely.

SpareBank 1 Nord-Norge has a solid customer portfolio, a strong market position, competitive terms and conditions, and has implemented the necessary cost measures in recent years. We are therefore well positioned to remain a solid bank for Northern Norway in 2022 as well.

### Macroeconomic trends

#### **Global economy – growing uncertainty**

2Q22 was marked by inflation fears, rising energy prices, greater geopolitical turbulence and challenges in global supply chains.

The sharp rise in inflation in the western world has been met with a series of interest rate rises from central banks and continued sharp rises in interest rates going forward have been indicated. The US Federal Reserve raised its policy rate by no less than 0.75 percentage points at its June meeting. The last time that happened was in 1994.

The energy market has been very tight in the past year and has tightened even further following Russia's invasion of Ukraine. Europe is now facing significantly higher energy prices than those consumers have been used to in recent times. Forward contracts for electricity and various petroleum products indicate that this situation is highly likely to persist.

#### **Norwegian economy – inflation and interest rates rising**

Inflation in Norway and abroad resulted in higher expectations on the part of unions when annual pay negotiations commenced. At the start of the year, growth of just under 3 per cent was expected. The exposed sectors, which negotiate first and ensure that wage growth is tailored to what that part of the private business sector that is exposed to competition can live with over time, finally settled at 3.7 per cent.

Expectations regarding what Norges Bank would do rose during the quarter and at its interest rate meeting in June its policy rate was raised by 50 basis points to 1.25 per cent. The interest rate curve, Norges Bank's expected policy rate going forward, was also raised significantly and, unsurprisingly, it was prices, pay and inflation that contributed most to this change.

Norwegian interest rates continued to rise in 2Q22. The benchmark rate, 3-month NIBOR, which at the turn of the year was 0.95 per cent, rose to 1.68 per cent during 1H22 and has continued to rise since and is, at the time of writing, more than 2.2 per cent. Long-term rates

have developed similarly, and the 10-year swap rate ended the quarter at 3.29 per cent, its highest level since 2014.

The ‘Expectation Barometer for Northern Norway’, an annual report from KBNN.no, indicates the future expectations of managers in the public and private sectors. It looks at the economic trends in the past 3 months and expectations for the next year. The report for 2022 contained a number of interesting findings.

- Both the public and private sectors report challenges with access to qualified labour
- Significant rises in costs are expected for important factor inputs
- Some 62 per cent of companies’ investments will be in the region, which is on a par with previous years
- One in three municipalities expect income to decline next year

The Expectation Barometer for Northern Norway also analyses individual sectors and industries. Fisheries and aquaculture are important, profitable sectors in the region and have high expectations of future growth. The report shows that companies in the aquaculture sector are far more positive than other respondents with respect to financial results in the last 3 months. Fish farming is an important industry in the region that can point to an impressive development in financial results. The industry’s profitability has been good over the years and has been particularly strong so far in 2022. In 2Q21, the average price for farmed salmon was 64.50 NOK/kg, this rose to no less than 104 NOK/kg for the same quarter this year.

### Sustainability

Sustainability is one of the guiding principles in the Group’s business strategy, and the risks posed by climate change are incorporated into the Group’s risk strategy and must be reported to the Board on a quarterly basis.

SpareBank 1 Nord-Norge’s green framework is based on key sectors for the region and for SpareBank 1 Nord-Norge and links our lending to potential green funding in the capital market. This framework will govern the Group’s work in relation to climate risks and help us adapt to new regulatory requirements, while also helping northern Norwegian industry adjust to the green shift. SpareBank 1-alliansen also has a green framework that links our green assets (green product framework) to green funding. The table shows the proportion of financing categorized as green, and it has increased by approx. 5 billion last quarter.

NOK mill	30.06.22	31.03.22	31.12.21
Green housing	8 187	6 793	6 438
Green commercial buildings	4 532	1 419	1 071
Renewable energy	1 324	1 324	1 300
Clean transport	490	321	300
Sustainable management of living natural resources and land use	3 661	3 654	3 707
<b>Total</b>	<b>18 194</b>	13 511	12 816

SpareBank 1 Nord-Norge is a signatory to the UNEP FI (United Nations Environment Programme Financial Initiative) Principles for Responsible Banking and the UN Global Compact and publishes an annual report in relation to its sustainability work based on the GRI standard. Please also see the section on sustainability on the Bank's website.

### Financial performance

NOK mill	2.KV.22	2.KV.21	Change	30.06.22	30.06.21	Change
Total income	<b>844</b>	1 066	- 222	<b>1 772</b>	1 998	- 226
Total costs	<b>396</b>	393	3	<b>792</b>	781	11
Losses	<b>17</b>	- 23	40	<b>- 15</b>	- 76	61
Tax	<b>86</b>	121	-35	<b>196</b>	245	- 49
Profit after tax	<b>345</b>	575	-230	<b>799</b>	1 048	-249

The income statement showed a profit after tax of MNOK 345 (MNOK 575) for 2Q22 in isolation. The profit for 1H22 amounted to MNOK 799 (MNOK 1,048). This represents a return on equity capital of 10.2 per cent (14.2 per cent).

The decrease in profit compared with last year was mainly due to weaker results in associated alliance companies, lower commission income from SpareBank 1 Boligkreditt, unrealised losses on securities due to the financial turmoil and a very high equity ratio. The Group's profitability target is a return on equity that is among the best for comparable financial services groups.

### Net interest income

Norges Bank raised its policy rate from 0.25 per cent to 0.75 per cent on 24.03.22 and from 0.50 per cent to 1.25 per cent on 23.06.22.

SpareBank 1 Nord-Norge has followed the development of the policy rate and raised deposit and lending rates by up to 0.25 percentage points from 28.03.22 for new loans and from 06.05.22 for the existing loan portfolio and some deposit products. In the same way, the Bank raised its rates by up to 0.50 percentage points from 28.06.22 for new loans and from 09.08.22 for the existing loan portfolio and selected deposit products. A further interest rate increase is expected from Norges Bank at the 18.08.22 interest rate meeting.

Net interest income for 2Q22 in isolation was MNOK 92 higher than in 2Q21, and MNOK 53 higher than in 1Q22. Net interest income is MNOK 160 higher for the year to date than for the corresponding period last year.

Although funding costs have risen steadily in the past three quarters, the Group has managed to keep the net interest margin at the same level, mainly due to the improved deposit margin.

Net interest income represented 1.86 per cent of average total assets in 1H22 (1.62 per cent).

Income from the loan portfolio transferred to SpareBank 1 Boligkreditt and SpareBank 1 Næringskreditt totalled MNOK 136 at the end of 2Q22 (MNOK 202) and is booked as



commission income. This income amounted to MNOK 63 for 2Q22 in isolation, compared with MNOK 102 in 2Q21, and MNOK 73 in 1Q22. Funding costs in the mortgage credit institutions are rising because the NIBOR rate has increased faster than it has been possible to increase customer rates, which in turn reduces net interest income and commission income from SpareBank 1 Boligkreditt.

#### Net fee, commission and other operating income

Net fee, commission and other operating income was MNOK 87 lower in 2Q22 than in 2Q21. As mentioned above, increased funding costs are affecting commission income from SpareBank 1 Boligkreditt, which was MNOK 40 lower in 2Q22 than for the same period last year.

Net fee, commission and other operating income for 2Q22 in isolation was MNOK 5 higher than for 1Q22, largely due to increased income from real estate brokerage.

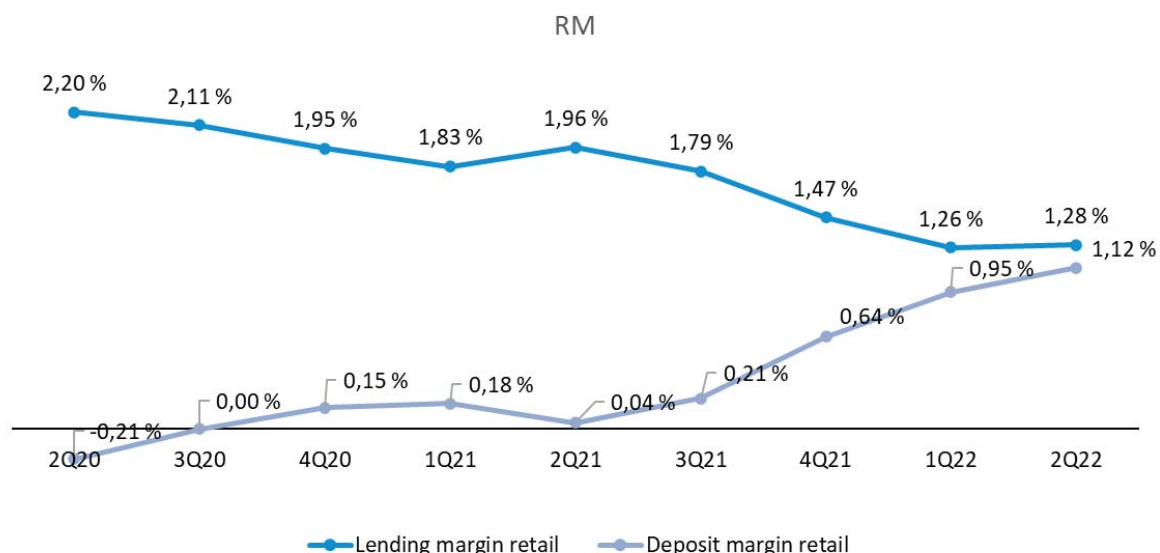
See Note 7 in the quarterly report for a more detailed specification of net fee, commission and other operating income.

#### Developments in market divisions

##### Retail Market

Net interest income amounted to MNOK 274 for 2Q22 in isolation, compared with MNOK 204 in 2Q21, and MNOK 240 in 1Q22. Net fee, commission and other operating income for the quarter amounted to MNOK 174, compared with MNOK 187 for the corresponding quarter last year and MNOK 168 in 1Q22. Lower net commission income due to reduced commission income from SpareBank 1 Boligkreditt, was offset to some extent by increased commission income from real estate brokerage in the last quarter.

Margin development in Retail Market versus average 3-month NIBOR:



Retail Market's lending margin increased by 0.02 percentage points in 2Q22 due to higher customer interest rates (0.13 percentage points). The competition within prices for well-



collateralised mortgage loans remains significant, which has made it difficult to maintain the lending margin over time.

Further adjustments to customer interest rates for loans and deposits were announced on 28.06.22.

Lending growth for 2Q22 in isolation was 1.8 per cent. On an annualised basis, this represents annual growth of 7.1 per cent compared with 9.8 per cent last year. Actual growth in the past 12 months was -4.5 per cent (4.3 per cent), although this was affected by the loan portfolio sold to SpareBank 1 Helgeland in autumn 2021. Adjusted for the sale of the portfolio in Helgeland, the underlying 12-month growth in Retail Market was 5.2 per cent. The total gross lending volume as at 30.06.22 was MNOK 47,052 (MNOK 44,309).

A higher NIBOR rate during 2022 has had a positive effect on the deposit margin, and we expect a continued positive trend in 2022, depending to some extent on the development of the NIBOR rate.

Growth in deposits in Retail Market in 2Q22 was 21.6 per cent on an annualised basis compared with 24.4 per cent in 2Q21. Actual deposit growth in Retail Market in the past 12 months was 0.7 per cent (6.1 per cent). Adjusted for the sale of the portfolio in Helgeland, the underlying 12-month growth in deposits in Retail Market was 8.1 per cent.

Total operating costs in the division amounted to MNOK 169 in 2Q22 (MNOK 190) and MNOK 173 in 1Q22. The development in costs is commented on in more detail in the section on operating costs.

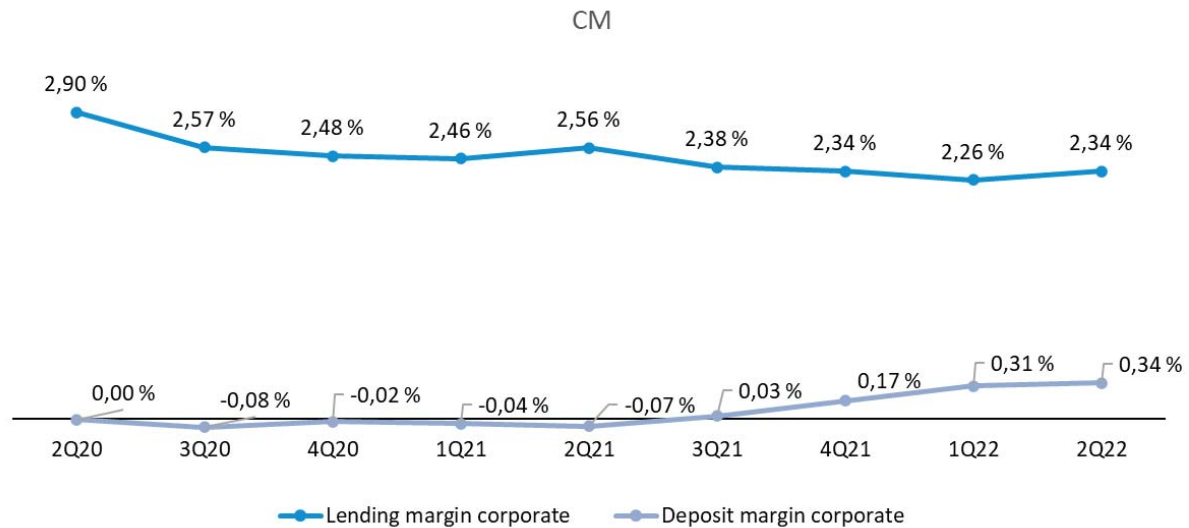
At the end of 2Q22, 198 FTEs worked in the retail market division in the Parent Bank, 13 fewer than the 211 FTEs at the end of 2Q21.

Booked losses in Retail Market amounted to MNOK -2 for 2Q22, compared with MNOK -16 in 2Q21, and MNOK 0 in 1Q22.

#### *Corporate market*

Net interest income amounted to MNOK 244 for 2Q22 (MNOK 201), compared with MNOK 227 in 1Q22. Net fee, commission and other operating income was MNOK 40 (MNOK 37), compared with MNOK 34 in 1Q22.

*Margin development in the corporate market versus average 3-month NIBOR:*



The lending margin in the corporate market measured against the average 3-month NIBOR increased by 0.08 percentage points in 2Q22 (+0.10 percentage points). The margin in the corporate market was to a large extent directly linked to the development of the NIBOR rate as 76 per cent of the loan portfolio is linked to the NIBOR rate.

Lending growth was 1.0 per cent in 2Q22, which represents annualised growth of 4.0 per cent compared with 3.4 per cent last year. Actual growth in the past 12 months was 3.8 per cent (7.4 per cent), although this was affected by the loan portfolio sold to SpareBank 1 Helgeland in 4Q21. Adjusted for the sale of the portfolio in Helgeland, the underlying 12-month growth in Corporate Market was 6.6 per cent. The total gross lending volume at the end of 2Q22 was MNOK 35,611 (MNOK 33,036).

The deposit margin in the corporate market measured against the 3-month In 2Q22, NIBOR increased by 0.03 percentage points, compared with -0.03 percentage points (negative) in 2Q21. The reason why the margin has not improved as much as it has for Retail Market is that 70 per cent of the deposits are linked to the NIBOR rate.

The annualised growth in deposits for Corporate Market was 28.9 per cent in 2Q22 (30.7 per cent). Actual growth in the past 12 months was 6.2 per cent, inclusive of the public sector market (16.5 per cent). Adjusted for the sale of the customer portfolio to SpareBank 1 Helgeland in 4Q21, the underlying 12-month growth in deposits for Corporate Market was 8.4 per cent.

Total operating costs in the division amounted to MNOK 91 for 2Q22 in isolation, compared with MNOK 98 in 2Q21, and MNOK 97 in 1Q22.

At the end of 2Q22, the Parent Bank had 86 FTEs in the corporate market division, four fewer than the 90 FTEs at the end of 2Q21.

Booked losses in Corporate Market amounted to MNOK 17 for 2Q22 (cost), compared with MNOK -3 in 2Q21 and MNOK -31 in 1Q22 (receipts). Costs increased because of the increase in ECL provisions due to the estimated increased risk in the portfolio.

### Financial Investments – income and events in the accounting period

An overview of the quarter's total income from financial investments can be found in Note 8 of the quarterly report. Additionally, the results from subsidiaries, associated companies and joint ventures are specified in Note 14.

#### **Associated companies and joint ventures**

Profit contributions from associated companies and joint ventures totalled MNOK 18 in 2Q22 (MNOK 154) compared with MNOK 11 in 1Q22. The main associated companies are commented on below.

#### **SpareBank 1 Gruppen**

The result for 2Q22 in isolation of MNOK 142 was MNOK 47 better than for 1Q22, but the result for the year to date was MNOK 1,312 weaker than for the same period last year. The reduction in profit was due to negative developments in the securities market with weak development in the equities market and a weaker interest yield due to increased credit spreads.

The insurance result was also affected by a higher claims ratio for travel and car insurance due to the greater mobility in society this year compared with last year.

#### **SpareBank 1 Boligkreditt**

The results for 2Q22 were affected by higher interest rates/funding costs, as well as disquiet in the securities market. As a non-profit company, this resulted in a small surplus in 2Q22 and result for the year to date that was MNOK 12 weaker than for the same period last year.

#### **SpareBank 1 Mobilitet**

The company owns 47.16 per cent of Fleks AS and includes the profit contribution from this company in line with the equity method. The deficit in Fleks AS also mostly accounts for the deficit in SpareBank 1 Mobilitet in 2Q22. The result for the year to date was MNOK -13, of which MNOK -8 was from 2Q22.

#### **SpareBank 1 Forvaltning**

The group was established in 2021, and consists of the companies SpareBank 1 VPS, Odin Forvaltning, SpareBank 1 Kapitalforvaltning and SR-Forvaltning. The total profit as at 2Q22 was MNOK 15 (MNOK 6), of which MNOK 8 was from 2Q22. Odin in particular contributed a significant share of the group's result.

#### **SpareBank 1 Betaling**

The company is an owner of Vipps AS and includes the result from this company in line with the equity method. The deficit in SpareBank 1 Betaling in 2Q22 was mainly due to the deficit in Vipps AS and is on a par with the deficit for the corresponding period in 2021.

#### **Subsidiaries**

The combined profit after tax of the Group's subsidiaries was MNOK 59 for 2Q22 in isolation, compared with MNOK 55 for the previous quarter, which has been fully consolidated into the Group's financial statements, and compared with MNOK 62 in 2Q21. As at 2Q22, the profit was MNOK 115 (MNOK 125).

The increase last quarter was mainly attributable to a MNOK 10 better result in EiendomsMegler 1 Nord-Norge due to increased home sales after the lack of access to surveyors/appraisers weakened the result in 1Q22.

Also see the specification in Note 14.

### ***The Group's equities portfolio***

As at 30.06.22, the Group's equity portfolio amounted to MNOK 1,522 compared with MNOK 792 at the same point last year. The acquisition of a 20 per cent stake in SpareBank 1 Helgeland in autumn 2021 contributed to this increase. The Parent Bank's equities portfolio saw a negative change in value in 2Q22 amounting to MNOK -92 (MNOK 32), which was mainly due to falls in the value of the holdings of shares in SpareBank 1 Markets by MNOK -15, SpareBank 1 Helgeland by MNOK -70 and BN Bank ASA by MNOK -5. The equities portfolio in SpareBank 1 Nord-Norge Portefølje also fell in value by MNOK -2 in the last quarter.

As announced in the stock market notice of 22.06.22, SpareBank 1 Nord-Norge will be strengthening its investment in the capital market and will increase its stake in SpareBank 1 Markets from 12.2 per cent to 18.1 per cent from 01.01.23, if the necessary approvals are granted. The investment is intended to ensure customers have access to a strong capital market environment with regional and national roots.

Dividends amounting to MNOK 65 were also received from the rest of the equity portfolio in 2Q21 (MNOK 20). The dividends mostly come from SpareBank 1 Markets, SpareBank 1 Helgeland and BN Bank.

### ***Certificates, bonds, currency and derivatives***

As at 30.06.22, the Group's holdings of certificates and bonds amounted to MNOK 22,537, compared with MNOK 20,414 at the same time last year.

The total net change in value in the bond portfolio in 2Q22 represents a net unrealised loss of MNOK -67 (MNOK -8), compared with MNOK -33 in 1Q22. Of the change in value, MNOK -54 was due to the negative change in value of the portfolio (widening spread), and MNOK -18 was due to the negative effect on coupon rates.

In addition, the period saw a MNOK 23 positive change in the value of associated derivatives (MNOK 2).

A summary of the Group's derivatives as at 30.06.22 can be seen in Note 18 in the quarterly report.

### **Operating costs**

The Group's long-term target is a cost/income ratio of 40 per cent or lower, and this applies for 2022 as well. Despite a tight labour market, solid growth and a need to invest in ICT, we expect flat costs growth in 2022 due to the continued positive effects of the profitability project.

The Group's operating costs for 2Q22 in isolation were MNOK 396 (MNOK 393), which is on a par with 1Q22. The Parent Bank's costs were MNOK 1 higher in 2Q22 than in the corresponding quarter last year and MNOK 3 higher than in the previous quarter.

As at 1H22, the Group's operating costs were MNOK 792 (MNOK 781).

The Group's MNOK 11 increase in costs was mainly due to IT related costs, as well as marketing/sponsorship costs.

The Group had 822 FTEs at the end of 2Q22 compared with 871 in 2Q21.

The costs are specified by main category compared with previous periods in Note 9 in the quarterly accounts.

#### Losses and non-performing loans

The Group's net losses for 2Q22 in isolation amounted to MNOK 17 (MNOK -23), compared with MNOK -32 (receipts) in 1Q22. As at 1H22, net losses amounted to MNOK -15 (MNOK -76), with MNOK -3 from the retail market (MNOK -8) and MNOK -11 from the corporate market (MNOK -68). The recognition of costs was due to higher ECL provisions because of an estimated negative development in risk in the loan portfolio.

As at 30.06.22, total loss provisions on loans came to MNOK 669 (MNOK 737), which was MNOK 17 lower than at the end of the previous quarter, MNOK 652. Loss provisions for loans amounted to 0.71 per cent of the Group's total gross lending, and 0.51 per cent of gross lending to customers inclusive of intermediary loans. The corresponding ratios as at 31.12.21 were 0.75 per cent and 0.64 per cent.

As at 30.06.22, the Group's total loss provisions for loans and guarantees classified as Stage 1 and Stage 2 amounted to MNOK 473 (MNOK 545), MNOK 8 higher than at the end of the previous quarter when it was MNOK 465.

As at 30.06.22, loss provisions for loans and guarantees classified as Stage 3 amounted to MNOK 196 (MNOK 192) compared with MNOK 186 as at 1Q22. This equates to a loss provision ratio of 30 per cent of non-performing and doubtful commitments, compared with 34 per cent at the end of the last quarter. The provisions in 2Q21 were MNOK 10 higher than in the last quarter. The change was in the Parent Bank.

Please refer to Note 2 and Note 13 in the quarterly report, which describe the Group's assessments concerning factors affecting loss provisions in 2Q22. Please also see Note 13 of the annual report for 2021.

In the opinion of the Board, the quality of the Group's loan portfolio is good, and the Group is doing high quality work in connection with non-performing and impaired commitments. There will continue to be a strong focus on this work going forward.

#### Balance sheet performance

##### **Lending**

At the end of 2Q22, loans totalling BNOK 36 (BNOK 38) had been transferred to SpareBank 1 Boligkreditt and BNOK 0.3 (BNOK 0.4) had been transferred to SpareBank 1 Næringskreditt.

These intermediary loans do not appear as lending on the Bank’s balance sheet. Nevertheless, the comments on the growth in lending also cover intermediary loans.

Competition remains strong, especially in the mortgage loan market, although the Group is competitive and is taking market shares. For 2022 as a whole, lending growth of 4-6 per cent is expected in Retail Market and lending growth of 6-9 per cent is expected in the corporate market. The target figures for growth exclude the sale of the customer portfolio to SpareBank 1 Helgeland in 4Q21. Meanwhile, the uncertainty surrounding lending growth has increased as a consequence of the war in Ukraine, with associated uncertainty in relation to commodity prices and deliveries, as well as higher inflation expectations and rising interest rates.

The retail market accounted for 68 per cent of total lending as at 2Q22 (69 per cent).

The Group’s lending is specified in Note 12 in the quarterly report.

### Liquidity

Customer deposits are the Group’s most important source of funding and Note 19 in the quarterly report provides an overview of the Bank’s deposits.

As at 2Q22, the deposit coverage rate (excluding intermediary loans) was 91 per cent compared with 87 per cent in 2Q21. The Bank’s remaining funding, apart from equity and subordinated capital and deposits from customers, is mainly long-term funding from the capital markets. The Bank’s access to liquidity and the key figures for liquidity are satisfactory. The Bank’s strategic aim is to keep overall liquidity risk at a low level. LCR (Liquidity Coverage Ratio) as at 2Q22 was 151 per cent (135 per cent). The net stable funding ratio (NSFR) as at 2Q22 was 122 per cent (117 per cent).

Please refer also to Note 17 on liquidity risk in the quarterly report.

SNN Rating	30.06.22	Moody's
Senior preferred rating		Aa3
Senior non-perferred rating		A2

### Financial strength and capital adequacy

SpareBank 1 Nord-Norge is subject to the regulatory capital requirements set out in CRR/CRD IV.

The most important developments in the area in 2Q22 can be summarised as follows:

- In March, Norges Bank decided that the countercyclical buffer would rise by 50 basis points to 2.5 per cent with effect from 31.03.23. In June, Norges Bank decided to uphold this requirement.
- The ‘Banking Package’ (CRR2/CRD5/BRRD2) entered into force on 01.06.22. This entails, among other things, an expanded SME discount and a new method for calculating counterparty risk.
- In April, the Financial Supervisory Authority of Norway set a regulatory Pillar 2 requirement (P2R) and an expected capital adequacy margin (P2G) for SpareBank 1

Nord-Norge. SpareBank 1 Nord-Norge's P2R is 1.5 per cent of the risk exposure amount in Pillar 1, which is equivalent to the current SREP decision from 2016. The Financial Supervisory Authority of Norway also expects SpareBank 1 Nord-Norge to have a capital adequacy margin (P2G) of 1 per cent in the form of Common Equity Tier 1 capital above the total requirements for its Common Equity Tier 1 capital ratio, Tier 1 capital ratio and capital ratio.

For a more detailed description of the area, please see the Group's annual report.

The Group uses proportional consolidation for its capital adequacy reporting on the stakes in SpareBank 1 Boligkreditt, SpareBank 1 Næringskreditt, SpareBank 1 Kreditt, and BN Bank.

	30.06.22	31.12.21	Change	30.06.21	Change
Common Equity Tier 1 Capital Ratio	<b>19,3 %</b>	18,7 %	0,7 %	<b>18,0 %</b>	1,3 %
Tier 1 Capital Ratio	<b>20,6 %</b>	20,0 %	0,7 %	<b>19,4 %</b>	1,3 %
Capital Adequacy Ratio	<b>22,2 %</b>	21,6 %	0,6 %	<b>21,2 %</b>	1,0 %
Leverage Ratio	<b>8,1 %</b>	8,3 %	-0,2 %	<b>7,7 %</b>	0,4 %

The Group's Common Equity Tier 1 capital (incl. a 50 per cent share of the profit) has increased by MNOK 288, or 2 per cent since the previous quarter. This was mainly due to the profit in 2Q22, as well as reduced deductions in primary capital in other significant financial institutions.

The total risk exposure amount (RWA) decreased by MNOK 622 in 2Q22. This was mainly due to a reduction in credit risk of MNOK 541, an increase in market risk for securities of MNOK 489, a reduction in operational risk of MNOK 261 and a reduction in the CVA supplement amounting to MNOK 309.

The capital adequacy calculation is shown in Note 5 of the quarterly report.

#### Additional dividend

Because of the Group's very strong capital position, and in line with the Group's dividend policy, the Board of Directors has recommended to the Supervisory Board that an additional dividend equal to NOK 3.40 per equity certificate be paid out in 3Q22 for the 2021 financial year. Of the total dividends amounting to MNOK 736, MNOK 395 would be community dividends while equity certificate holders would share a pot of MNOK 341. The additional dividend would result in a potential reduction in capital adequacy (everything else being equal) of 1.04 percentage points.

#### Concluding remarks and outlook

Growth in the northern Norwegian economy has been better than the average for the rest of country for more than 10 years. Unemployment is at a record low and important industries in the region are doing well, also driven by high commodity prices, which in turn are due to the ongoing war in Ukraine.



Exchange rates are an important factor for an export-oriented northern Norwegian economy. Even though the Norwegian krone has recently strengthened somewhat against key currencies such as the euro, it remains at levels favourable to key northern Norwegian export industries.

The greatest uncertainty in the short and medium term relates to the start-up of new housing, building and construction projects. Because of the big rise in prices and greater uncertainty with respect to deliveries of raw materials, the Group is seeing several projects, both private and public, being postponed and reassessed. In isolation, this may contribute to a reduction in the supply of new homes, which in turn could drive house prices further up, while less activity in building and construction combined with higher interest rates could have a contractive effect on the economy that pulls in the other direction.

However, the indications we are getting from the market are that actors are increasingly adapting to the new situation and that the supply of projects will increase going forward. Naturally, the development of Norwegian variable rates is important and rapid, sharp interest rate rises during 2022 and 2023 must be expected to impact growth in both the housing market and the economy in general.

Meanwhile, SpareBank 1 Nord-Norge is well positioned with a solid customer portfolio and strong market position in a country with good conditions for continued favourable economic development. An increased focus on customers and in-depth knowledge of the people and businesses in our region will enable us to further strengthen our market position in 2022 as well.

The Group's future prospects are considered good.

Tromsø, 11.08.22

**The Board of Directors in SpareBank 1 Nord-Norge**

## Statement of Financial Performance

Parent Bank				Group					
(Amounts in NOK million)					Note	30.06.22	30.06.21	2Q22	2Q21
2Q21	2Q22	30.06.21	30.06.22						
552	749	1 100	1 417	Interest income	6	1 562	1 239	823	623
121	228	265	429	Interest costs	6	427	264	229	121
431	521	835	988	Net interest income		1.135	975	594	502
261	211	503	427	Fee- and commission income	7	541	631	280	332
17	14	33	26	Fee- and commission costs	7	38	45	21	24
2	0	13	3	Other operating income	7	124	128	57	56
246	197	483	404	Net fee- and other operating income		627	714	316	364
20	65	34	66	Dividend	8	66	34	65	20
402	154	636	452	Income from investments	8	29	225	18	154
26	- 147	50	- 89	Net gain from investments in securities	8	- 85	50	- 149	26
448	72	720	429	Net income from financial investments		10	309	-66	200
1.125	790	2.038	1.821	Total income		1.772	1.998	844	1.066
142	136	286	270	Personnel costs	9	410	426	203	210
97	107	188	215	Administration costs	9	233	213	113	110
21	17	42	34	Ordinary depreciation	9,10	47	56	23	27
22	23	45	44	Other operating costs	9	102	86	57	46
282	283	561	563	Total costs		792	781	396	393
843	507	1.477	1.258	Result before losses		980	1.217	448	673
- 20	17	- 63	- 15	Losses	11	- 15	- 76	17	- 23
863	490	1.540	1.273	Result before tax		995	1.293	431	696
101	67	206	165	Tax		196	245	86	121
762	423	1.334	1.108	Result after tax		799	1.048	345	575
				Attributable to:					
				Controlling interests		782	1 041	335	571
				Non-controlling interests		17	7	10	4
				Result per Equity Certificate					
3,49	1,92	6,10	5,05	Result per Equity Certificate, adjusted for interests hybrid capital		3,53	4,74	1,51	2,60

## Other comprehensive income

Parent Bank				Group					
(Amounts in NOK million)						30.06.22	30.06.21	2Q22	2Q21
2Q21	2Q22	30.06.21	30.06.22						
762	423	1.334	1.108	Result after tax		799	1.048	345	575
				<i>Items that will not be reclassified to profit/loss</i>					
0	0	0	0	Share of other comprehensive income from investment in associated companies		7	2	6	2
30	0	30	0	Actuarial gains (losses) on benefit-based pension schemes		0	30	0	30
- 8	0	- 8	0	Tax		0	- 8	0	- 8
22	0	22	0	Total		7	24	0	0
				<i>Items that will be reclassified to profit/loss</i>					
0	0	- 15	0	Net change in fair market value of financial assets available for sale		0	- 15	0	0
0	0	0	0	Share of other comprehensive income from investment in associated companies		72	- 33	14	- 11
0	0	0	0	Tax		0	0	0	0
0	0	- 15	0	Total		72	- 48	0	0
784	423	1.341	1.108	Total comprehensive income for the period		878	1.024	345	575
3,59	1,92	6,13	5,05	Total result per Equity Certificate, adjusted for interests hybrid capital		3,97	4,66	1,56	2,62

## Statement of Financial Position

Parent Bank		Group		
(Amounts in NOK million)				
31.12.21	30.06.22	Notes	30.06.22	31.12.21
<b>Assets</b>				
399	405		405	399
89 049	91 560	12,13	93 003	90 708
1 504	1 504		1 522	1 519
19 150	22 537		22 537	19 150
1 089	1 885	18	1 885	1 089
4 720	4 767	14	4 836	4 837
460	452		846	859
306	373	15	703	619
<b>116 677</b>	<b>123 483</b>		<b>125 737</b>	<b>119 180</b>
<b>Liabilities</b>				
77 331	84 891	19	84 813	77 241
17 527	15 973	20	15 973	17 527
602	1 295	18	1 295	602
1 916	2 351	22	3 023	2 597
4 560	4 659	21	4 659	4 560
<b>101 936</b>	<b>109 169</b>		<b>109 763</b>	<b>102 527</b>
<b>Equity</b>				
2 650	2 650	23	2 650	2 650
780	780	23	780	780
3 824	3 625	23	4 316	4 619
7 487	7 259	23	8 058	8 407
		23	170	197
<b>14 741</b>	<b>14 314</b>		<b>15 974</b>	<b>16 653</b>
<b>116 677</b>	<b>123 483</b>		<b>125 737</b>	<b>119 180</b>

## Statement of Changes in Equity

(Amounts in NOK million)	EC capital and Premium Fund	Dividend Equalisation Fund	Saving Bank's primary capital	Hybrid capital	Total controlling interests	Non- controlling interests	Total equity
<b>Group</b>							
Equity at 01.01.21	2 650	3 955	7 637	780	15 022		15 022
<b>Total comprehensive income for the period</b>							
Period result		1 058	1 225		2 283	12	2 295
<i>Other comprehensive income:</i>							
Share of other comprehensive income from investment in associated companies		10	12		22		22
Net change in fair market value of financial assets available for sale		- 7	- 8		- 15		- 15
Actuarial gains (losses) on benefit-based pension schemes		- 47	- 54		- 101		- 101
Tax on other comprehensive income		12	14		26		26
<b>Total other comprehensive income</b>		- 32	- 36		- 68		- 68
<b>Total comprehensive income for the period</b>		1 027	1 188		2 215	12	2 227
<b>Transactions with owners</b>							
Changes in controlling interests		47	55		102	185	287
Dividend paid		- 392			- 392		- 392
Other transactions		- 4	- 5		- 9		- 9
Interests hybrid capital - this year		- 13	- 16		- 29		- 29
Approved society dividend			- 453		- 453		- 453
<b>Total transactions with owners</b>		- 362	- 419		- 781	185	- 596
<b>Equity at 31.12.21</b>	<b>2 650</b>	<b>4 619</b>	<b>8 407</b>	<b>780</b>	<b>16 456</b>	<b>197</b>	<b>16 653</b>
Equity at 01.01.22	2 650	4 619	8 407	780	16 456	197	16 653
<b>Total comprehensive income for the period</b>							
Period result		363	419		782	17	799
<i>Other comprehensive income:</i>							
Share of other comprehensive income from investment in associated companies		37	42		79		79
Net change in fair market value of financial assets available for sale							
Actuarial gains (losses) on benefit-based pension schemes							
Tax on other comprehensive income							
<b>Total other comprehensive income</b>		37	42		79		79
<b>Total comprehensive income for the period</b>		399	462		861	17	878
<b>Transactions with owners</b>							
Changes in controlling interests		6	8		14	- 14	
New hybrid capital							
Dividend paid		- 703			- 703	- 30	- 733
Other transactions		2	5		7		7
Interests hybrid capital - this year		- 8	- 10		- 18		- 18
Approved society dividend			- 813		- 813		- 813
<b>Total transactions with owners</b>		- 703	- 810		- 1 513	- 44	- 1 557
<b>Equity at 30.06.22</b>	<b>2 650</b>	<b>4 316</b>	<b>8 058</b>	<b>780</b>	<b>15 804</b>	<b>170</b>	<b>15 974</b>

## Statement of Cash Flows

Parent Bank			Group	
(Amounts in NOK million)				
31.12.21	30.06.22		30.06.22	31.12.21
2 593	1 273	Profit before tax	995	2 794
78	34	+ Ordinary depreciation	47	104
4	0	+ Write-downs, gains/losses fixed assets	0	4
- 70	- 15	+ Losses on loans and guarantees	- 15	- 235
395	165	- Tax/Result non-current assets held for sale	196	499
<b>2 210</b>	<b>1 127</b>	<b>Provided from the year's operations</b>	<b>831</b>	<b>2 168</b>
- 570	1 150	Change in sundry liabilities: + increase/ - decrease	1 234	- 454
933	- 863	Change in various claims: - increase/ + decrease	- 880	904
- 710	- 2 496	Change in gross lending to and claims on customers: - increase/ + decrease	- 2 280	- 725
- 1 870	- 3 387	Change in short term-securities: - increase/ + decrease	- 3 390	- 1 876
2 988	7 560	Change in deposits from and debt owed to customers: + increase/ - decrease	7 572	2 991
<b>2 981</b>	<b>3 091</b>	<b>A. Net liquidity change from operations</b>	<b>3 087</b>	<b>3 008</b>
- 29	- 26	- Investment in fixed assets	- 34	- 49
57	0	+ Sale of fixed assets	0	57
- 274	0	Payments to group companies and associated companies	0	- 274
508	- 47	Payment from/Change in values of group companies and associated companies	1	409
<b>262</b>	<b>- 73</b>	<b>B. Liquidity change from investments</b>	<b>- 33</b>	<b>143</b>
- 29	- 18	Interest to hybrid capital owners	- 18	- 29
- 49	- 23	Payments to leases	- 29	- 53
- 845	- 1 516	- Dividend paid on EC/approved distributions	- 1 546	- 845
- 4 791	- 3 220	Decrease in borrowings through the issuance of securities	- 3 220	- 4 820
0	1 666	Increase in borrowings through the issuance of securities	1 666	0
- 501	0	Decrease in subordinated loan capital	0	- 501
3 011	99	Increase in subordinated loan capital	99	3 011
		Payment from non-controlling interests	0	125
<b>- 3 204</b>	<b>- 3 012</b>	<b>C. Liquidity change from financing</b>	<b>- 3 048</b>	<b>- 3 112</b>
39	6	A + B + C. Total change in liquidity	6	39
360	399	+ Liquid funds at the start of the period	399	360
<b>399</b>	<b>405</b>	<b>= Liquid funds at the end of the period</b>	<b>405</b>	<b>399</b>

Liquid funds are defined as cash-in-hand and claims on central banks.

Reconciliation of movements of liabilities to cash flows arising from financing activities	Senior non-		
	Debt securities	Subordinated dept	preferred dept
<b>Balance 01.01.22</b>	17 527	3 509	1 051
Changes from financing cash flows:			
Proceeds from issue			
Redeemed	- 180		
Due excl. Redeemed	- 2 478		
<b>Total changes from financing cash flows</b>	<b>- 1 305</b>		
The effect of changes in foreign exchange rates	313	95	
Changes in fair value	- 537		
Changes in accrued interest	- 25	3	1
<b>Balance 31.03.22</b>	<b>15 973</b>	<b>3 607</b>	<b>1 052</b>

## Result from the Group's quarterly accounts

(Amounts in NOK million)

	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21	4Q20	3Q20	2Q20	
Interest income	823	739	682	621	623	616	631	636	738	
Interest costs	229	198	148	116	121	143	133	133	223	
<b>Net interest income</b>	<b>594</b>	<b>541</b>	<b>534</b>	<b>505</b>	<b>502</b>	<b>473</b>	<b>498</b>	<b>503</b>	<b>515</b>	
Fee- and commission income	280	261	301	335	332	299	323	333	250	
Fee- and commission costs	21	17	30	21	24	21	29	14	17	
Other operating income	57	67	148	52	56	72	54	56	50	
<b>Net fee- and other operating income</b>	<b>316</b>	<b>311</b>	<b>419</b>	<b>366</b>	<b>364</b>	<b>350</b>	<b>348</b>	<b>375</b>	<b>283</b>	
Dividend	65	1	1	1	20	14	29	2	12	
Income from investments	18	11	189	118	154	71	85	125	148	
Net gain from investments in securities	- 149	64	155	21	26	24	- 2	65	103	
<b>Net income from financial investments</b>	<b>- 66</b>	<b>76</b>	<b>345</b>	<b>140</b>	<b>200</b>	<b>109</b>	<b>112</b>	<b>192</b>	<b>263</b>	
<b>Total income</b>	<b>844</b>	<b>928</b>	<b>1 298</b>	<b>1 011</b>	<b>1 066</b>	<b>932</b>	<b>958</b>	<b>1 070</b>	<b>1 061</b>	
Personnel costs	203	207	293	217	210	216	228	217	209	
Administration costs	113	120	150	109	110	103	111	119	110	
Ordinary depreciation	23	24	24	24	27	29	27	27	27	
Other operating costs	57	45	105	45	46	40	66	35	46	
<b>Total costs</b>	<b>396</b>	<b>396</b>	<b>572</b>	<b>395</b>	<b>393</b>	<b>388</b>	<b>432</b>	<b>398</b>	<b>392</b>	
<b>Result before losses</b>	<b>448</b>	<b>532</b>	<b>726</b>	<b>616</b>	<b>673</b>	<b>544</b>	<b>526</b>	<b>672</b>	<b>669</b>	
Losses	17	- 32	- 112	- 47	- 23	- 53	73	58	82	
<b>Result before tax</b>	<b>431</b>	<b>564</b>	<b>838</b>	<b>663</b>	<b>696</b>	<b>597</b>	<b>453</b>	<b>614</b>	<b>587</b>	
Tax	86	110	123	131	121	124	79	117	100	
<b>Result after tax</b>	<b>345</b>	<b>454</b>	<b>715</b>	<b>532</b>	<b>575</b>	<b>473</b>	<b>374</b>	<b>497</b>	<b>487</b>	
Interest hybrid capital	8	10	8	7	7	7	7	7	9	
<b>Result after tax ex. interest hybrid capital</b>	<b>337</b>	<b>444</b>	<b>707</b>	<b>525</b>	<b>568</b>	<b>466</b>	<b>367</b>	<b>490</b>	<b>478</b>	
<b>Profitability</b>										
Return on equity capital	1	9,0 %	11,6 %	18,0 %	13,7 %	15,4 %	13,0 %	10,4 %	14,4 %	14,5 %
Interest margin		1,86 %	1,80 %	1,77 %	1,64 %	1,65 %	1,60 %	1,77 %	1,79 %	1,84 %
Cost/income	2	46,9 %	42,7 %	44,1 %	39,1 %	36,9 %	41,6 %	45,1 %	37,2 %	36,9 %
<b>Balance sheet figures</b>										
Loans and advances excl. commission loans		93 609	91 783	95 713	94 355	91 556	90 511	90 603	88 874	88 874
-of which loans and advances to financial institutions		1 447	1 539	1 172	1 661	1 299	1 534	1 393	1 686	1 686
-of which loans and advances to customers		92 162	90 244	94 541	92 694	90 257	88 977	89 210	87 188	87 188
Total lending incl. intermediary loans		128 463	126 523	132 831	131 001	128 493	127 122	126 522	124 498	124 498
Growth in loans and advances to cust. incl. commission loans past 12 months	3	-1,9 %	-1,5 %	-1,1 %	5,0 %	5,2 %	4,7 %	4,4 %	5,5 %	5,9 %
Deposits		84 813	79 679	77 241	79 247	81 371	76 261	74 430	72 942	73 944
-of which deposits from financial institutions		1 308	1 095	1 092	1 024	499	551	1 272	1 255	863
- of which deposits from customers		83 505	78 584	76 149	78 223	80 872	75 710	73 158	71 687	73 081
Growth in deposits from customers past 12 months	4	3,3 %	3,8 %	4,1 %	9,1 %	10,7 %	7,2 %	7,5 %	9,8 %	7,9 %
Deposits as a percentage of gross lending	4	90,6 %	87,1 %	84,6 %	82,7 %	87,2 %	83,9 %	82,2 %	80,4 %	83,8 %
Deposits as a percentage of gross lending including commission loans	5	65,0 %	62,1 %	60,6 %	58,9 %	61,7 %	58,9 %	57,5 %	56,7 %	58,7 %
Average assets	6	121 897	119 977	120 264	120 535	120 019	118 042	116 810	116 688	115 910
Total assets		125 737	120 773	119 180	122 080	123 975	118 785	117 298	119 021	118 322
<b>Losses on loans and commitments in default</b>										
Losses on loans to customers as a percentage of total lending incl. intermediary loans		-0,01 %	-0,02 %	-0,18 %	-0,09 %	-0,06 %	-0,04 %	0,26 %	0,20 %	0,16 %
Net comm. in default and at risk of loss as a per. of total lending incl. intermediary loans		0,35 %	0,34 %	0,27 %	0,17 %	0,25 %	0,23 %	0,16 %	0,23 %	0,22 %
<b>Solidity</b>										
Common Equity Tier 1 Capital		13 753	13 464	13 097	13 048	12 877	12 206	12 019	11 905	11 788
Tier 1 Capital		14 669	14 618	14 001	14 020	13 849	13 178	12 991	12 881	12 812
Own Funds		15 790	15 725	15 109	15 229	15 145	14 508	14 366	14 213	14 105
Risk exposure amount		71 082	71 703	70 059	70 240	71 528	70 359	68 588	69 233	69 699
Common Equity Tier 1 Capital Ratio		19,3 %	18,8 %	18,7 %	18,6 %	18,0 %	17,3 %	17,5 %	17,2 %	16,9 %
Tier 1 Capital Ratio		20,6 %	20,4 %	20,0 %	20,0 %	19,4 %	18,7 %	18,9 %	18,6 %	18,4 %
Total Capital Ratio		22,2 %	21,9 %	21,6 %	21,7 %	21,2 %	20,6 %	20,9 %	20,5 %	20,2 %

1) The profit after tax in relation to average equity, calculated as a quarterly average of equity at 1 January and end quarterly equity. The Bank's hybrid tier 1 capital issued are classified as equity in the financial statements. However, when calculating the return on equity, hybrid tier 1 capital is treated as a liability and the associated interest costs are adjusted for in the result.

2) Total costs as a percentage of total net income

3) The calculation of growth includes sale of loan and deposit portfolio to Sparebank 1 Helgeland in 4Q21

4) Deposits from customers as a percentage of gross lending

5) Deposits from customers in percentage of total lending incl. intermediary loans

6) Average assets are calculated as average assets each quarter and at 01.01. and 31.12.

## Note 1 – Accounting policies

The Group's financial statements for 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) approved by the EU, including IAS 34 – Interim Financial Reporting.

The quarterly accounts do not include all information required in full annual accounts and should be read in conjunction with the annual accounts for 2021.

There are no standards or interpretations that have not entered into force in 2022 that are expected to have a significant impact on the Group's accounts.



## Note 2 - Important accounting estimates and discretionary judgements

When preparing the consolidated financial statements, the management makes estimates, discretionary assessments and assumptions that affect the application of the accounting policies. This will therefore affect the recognized amounts for assets, liabilities, income and costs. In last year's annual accounts note 3, a fuller explanation of significant estimates and assessment items are reported.

SpareBank 1 Nord-Norge uses a model for calculating expected credit losses based on IFRS 9. The result of the calculation appears in note 13 of the quarterly accounts. Expected credit loss is calculated on a monthly basis based on an objective and probability-weighted analysis of alternative outcomes, where account is also taken of the time value of the expected cash flows. The analysis is based on relevant information available at the time of reporting and builds on macroeconomic scenarios in order to take account of non-linear aspects of expected loss.

SC1 «Base case» represent the most probable outcome

SC2 "downside case" represents outcomes that are somewhat more negative than SC1, respectively

SC3 «best case» represents outcomes that are somewhat more positive than SC1, respectively

The different scenarios are used to adjust relevant parameters for calculating expected loss and a probability-weighted average of expected credit loss according to the respective scenarios is recognised as a loss

Based on assessments made by the group regarding national and local macro development, the group decides the level of PD and LGD factors based on a scale from 1-12 based on what is expected in the next 12 months and the next 5 years, within each scenario. Level 1 is "boom", level 5 "normal economy", level 9 "recession" and level 12 is "banking crisis". Level on a scale may differ between PM and BM, if it is considered probable that one segment is more / less exposed than the other.

For further descriptions, see note 13 to the annual accounts.

### Highlights

- The scenario weighting is used to express the uncertainty in the base case (SC1).
- The same weighting of BM and PM is used in the model, and deviating expectations are controlled through PD and LGD paths.
- Great uncertainty - less emphasis on SC1
- Small uncertainty - greater emphasis on SC1

As of 31.12.21, the weighting between SC1, SC2, and SC 3 was respectively: 75/10/15, and levels in the three different scenarios were set at SC1 level 7, SC2 level 9 and SC3 level 4.

As of 31.03.22, the weighting has been adjusted to: 60/30/10, and the levels are set to SC1 level 6, SC2 level 9 and SC3 level 3. This is based on the fact that uncertainty about the effects of the covid-19 pandemic is virtually gone, but replaced by high uncertainty about the macro-effects of the ongoing war in Europe.

As of 30.06.22, the weighting is retained at 60/30/10. The levels also remain unchanged. Ongoing war in Europe, high inflation and increased interest rates still lead to a situation characterized by great uncertainty.

Weighting	Perceived uncertainty to SC 1								
	Small			Medium			Large		
SC1	80-90%			60-80%			50-60%		
	Positive	Neutral	Negative	Positive	Neutral	Negative	Positive	Neutral	Negative
SC2	0-5%	5-10%	5-20%	0-10%	10-20%	20-40%	5-15%	20-25%	25-45%
SC3	5-20%	5-10%	0-5%	20-40%	10-20%	0-10%	25-45%	20-25%	5-15%

Industries and development of individual customers are also closely followed up through so-called watchlists at the customer engagement level, as well as marking of customers with pre-payment (payment relief).

All commitments with assessed high risk are on the watchlist.

In 2021, all significant tourism-related commitments were put on the watchlist and manually moved from step 1 to step 2. As of 31.03.22, these commitments have been removed from the watchlist.

### Sensitivity analysis

Below follows a sensitivity analysis for the Parent Bank, based on figures as at 30.06.22.

By changing PD, LGD and scenario weights in isolation, the following change is seen in expected credit loss:

Segment	10% increase PD-factor	10% increase LGD-factor	20% increase PD-factor*)	Weighting of scenarios**)		
				SC1=100% SC2=0% SC3=0%	SC1=0% SC2=100% SC3=0%	SC1=0% SC2=0% SC3=100%
Retail market	4,9 %	5,6 %	16,6 %	-13,9 %	37,8 %	-29,8 %
Corporate market	6,6 %	7,1 %	18,1 %	-14,2 %	38,2 %	-29,0 %
Total	6,4 %	6,9 %	17,9 %	-14,2 %	38,1 %	-29,1 %

\*) 20% increase PD-factor on all loans engagements. Step migration as a result of increased PD is taken into account in the sensitivity analysis.

\*\*\*) Effect of going from the current weighting of 75%, 10% and 15% for scenario 1, 2 and 3.

## Notes 3 – Changes to group structure

There has been no significant changes to the Group's structure in 2Q 2022.

## Note 4 - Business Areas

The table shows SpareBank 1 Nord-Norge's segment's pursuant to IFRS 8. For more information see note 4 in annual report 2021.

**Group** **30.06.22**

(Amounts in NOK million)

	Retail market	Corporate banking	Markets	SpareBank 1 Regnskaps- huset Nord- Norge	Eiendoms- Megler 1 Nord-Norge	SpareBank 1 Finans Nord-Norge	Sparebank 1 Helgeland	Unspecified/ Eliminations	Total
Net interest income	514	471	3	0	1	146	0	0	1 135
Net fee- and other operating income	342	74	11	124	119	8	0	- 50	627
Net income from financial investments	0	4	8	0	0	0	0	- 2	10
Total costs	342	188	21	98	107	48	0	- 11	792
Result before losses	514	361	1	26	13	106	0	- 41	980
Losses	- 2	- 14	0	0	0	0	0	1	- 15
Result before tax	516	374	1	26	13	107	0	- 41	995
Total lending	47 052	35 611	0	0	0	8 321	0	2 625	93 609
Loss provision	- 70	- 447	0	0	0	- 89	0	- 1	- 605
Other assets	79	7 544	911	245	130	113	0	23 712	32 734
Total assets per business area	47 062	42 708	911	245	130	8 345	0	26 336	125 737
Deposits from customers	44 883	38 075	0	0	0	0	0	547	83 505
Other liabilities and equity capital	2 179	4 633	911	245	130	8 345	0	25 789	42 232
Total equity and liabilities per business area	47 062	42 708	911	245	130	8 345	0	26 336	125 737

During 2021, SpareBank 1 Nord-Norge has sold its portfolio of local banks in Helgeland to SpareBank 1 Helgeland. Following the sale, SpareBank 1 Nord-Norge will own 19.99% of SpareBank 1 Helgeland. This stake will be incorporated into the consolidated financial statement.

**Group** **30.06.21**

(Amounts in NOK million)

	Retail market	Corporate banking	Markets	SpareBank 1 Regnskaps- huset Nord- Norge	Eiendoms- Megler 1 Nord-Norge	SpareBank 1 Finans Nord-Norge	Sparebank 1 Helgeland	Unspecified/ Eliminations	Total
Net interest income	404	386	6	0	1	146	53	- 21	975
Net fee- and other operating income	372	67	22	124	119	8	41	- 39	714
Net income from financial investments	0	7	14	0	0	0	0	288	309
Total costs	372	195	24	98	107	48	13	- 76	781
Result before losses	404	265	18	26	13	106	80	304	1 217
Losses	1	- 49	0	0	0	0	- 14	- 14	- 76
Result before tax	403	313	18	26	13	107	95	318	1 293
Total lending	44 451	33 036	0	0	0	8 321	6 423	2 123	94 355
Loss provision	- 77	- 485	0	0	0	89	- 19	- 176	- 668
Other assets	74	6 566	615	245	130	113	11	22 534	30 288
Total assets per business area	44 449	39 117	615	245	130	8 522	6 415	24 481	123 975
Deposits from customers	41 510	35 043	0	0	0	0	3 734	585	80 872
Other liabilities and equity capital	2 939	4 075	615	245	130	8 522	2 681	23 896	43 103
Total equity and liabilities per business area	44 449	39 117	615	245	130	8 522	6 415	24 481	123 975

## Note 5 - Capital Adequacy

Parent Bank		Group	
<i>(Amounts in NOK million)</i>			
31.12.21	30.06.22	30.06.22	31.12.21
<b>Equity</b>			
2 650	<b>2 650</b>	2 650	2 650
780	<b>780</b>	<b>780</b>	780
3 824	<b>3 625</b>	<b>4 316</b>	4 619
7 487	<b>7 259</b>	<b>8 058</b>	8 407
0	<b>0</b>	<b>170</b>	197
<b>14 741</b>	<b>14 314</b>	<b>15 974</b>	<b>16 653</b>
<b>Tier 1 Capital</b>			
- 780	- <b>780</b>	- <b>780</b>	- 780
-1 516	<b>0</b>	<b>0</b>	-1 516
0	- <b>554</b>	- <b>400</b>	0
0	<b>0</b>	- <b>40</b>	- 62
0	<b>0</b>	- <b>135</b>	- 138
- 33	- <b>41</b>	- <b>53</b>	- 69
- 26	<b>0</b>	<b>0</b>	- 34
0	<b>0</b>	- <b>659</b>	- 812
- 171	- <b>186</b>	- <b>155</b>	- 145
<b>12 214</b>	<b>12 753</b>	<b>13 753</b>	<b>13 097</b>
<b>Additional Tier 1 Capital</b>			
780	<b>780</b>	<b>962</b>	952
- 48	- <b>46</b>	- <b>46</b>	- 48
<b>12 946</b>	<b>13 487</b>	<b>14 669</b>	<b>14 001</b>
<b>Tier 2 Capital</b>			
1 050	<b>1 050</b>	<b>1 327</b>	1 317
56	<b>52</b>	<b>9</b>	18
- 227	- <b>216</b>	- <b>216</b>	- 227
<b>13 825</b>	<b>14 373</b>	<b>15 790</b>	<b>15 109</b>

Parent Bank		Group		
(Amounts in NOK million)				
31.12.21	30.06.22		30.06.22	31.12.21
<b>Risk exposure amount</b>				
4 561	<b>5 125</b>	Corporates - SME	<b>5 143</b>	4 583
14 441	<b>13 791</b>	Corporates - Specialised Lending	<b>14 487</b>	15 138
553	<b>508</b>	Corporates - Other	<b>585</b>	601
12 434	<b>11 538</b>	Retail - Secured by real estate	<b>19 068</b>	19 181
690	<b>701</b>	Retail - Other	<b>726</b>	709
8 288	<b>8 279</b>	Equity IRB	<b>0</b>	0
<b>40 967</b>	<b>39 942</b>	<b>Credit risk IRB</b>	<b>40 010</b>	<b>40 212</b>
0	<b>0</b>	Central governments or central banks	<b>4</b>	3
486	<b>966</b>	Regional governments or local authorities	<b>1 038</b>	626
1	<b>52</b>	Public sector entities	<b>54</b>	2
2 087	<b>2 045</b>	Institutions	<b>1 059</b>	1 241
2 378	<b>3 207</b>	Corporates	<b>5 922</b>	5 358
191	<b>202</b>	Retail	<b>4 766</b>	4 354
307	<b>445</b>	Secured by mortgages on immovable property	<b>682</b>	661
3	<b>5</b>	Exposures in default	<b>210</b>	195
1 169	<b>1 263</b>	Covered bonds	<b>1 587</b>	1 362
3 613	<b>3 651</b>	Equity	<b>6 330</b>	6 217
929	<b>997</b>	Other items	<b>1 718</b>	1 627
<b>11 163</b>	<b>12 832</b>	<b>Credit risk standardised approach</b>	<b>23 370</b>	<b>21 646</b>
<b>52 130</b>	<b>52 774</b>	<b>Total credit risk</b>	<b>63 380</b>	<b>61 858</b>
33	<b>0</b>	Debt risk	<b>0</b>	33
6 051	<b>5 819</b>	Operational risk	<b>6 985</b>	7 239
371	<b>131</b>	Credit Value Adjustment	<b>716</b>	929
<b>58 585</b>	<b>58 723</b>	<b>Total risk exposure amount</b>	<b>71 082</b>	<b>70 059</b>
<b>Capital Adequacy Ratios</b>				
20,8 %	<b>21,7 %</b>	Common Equity Tier 1 Capital Ratio	<b>19,3 %</b>	18,7 %
22,1 %	<b>23,0 %</b>	Tier 1 Capital Ratio	<b>20,6 %</b>	20,0 %
23,6 %	<b>24,5 %</b>	Total Capital Ratio	<b>22,2 %</b>	21,6 %
10,7 %	<b>10,4 %</b>	Leverage Ratio	<b>8,1 %</b>	8,3 %

## Note 6 - Net interest income

Parent Bank				Group			
<i>(Amount in NOK million)</i>							
2Q21	2Q22	30.06.21	30.06.22	30.06.22	30.06.21	2Q22	2Q21
<b>Interest income</b>							
13	34	26	61	5	1	2	0
438	563	869	1 075	1 277	1 033	670	521
66	67	137	134	135	138	67	67
0	0	0	0	0	0	0	0
35	85	68	147	145	67	84	35
552	749	1 100	1 417	1 562	1 239	823	623
<b>Interest cost</b>							
8	17	19	35	36	19	19	8
50	115	117	214	211	116	114	50
47	78	96	143	143	96	78	47
4	7	9	12	12	9	7	4
109	217	241	404	402	240	218	109
12	11	24	25	25	24	11	12
431	521	835	988	1 135	975	594	502
1,44 %	1,72 %	1,41 %	1,65 %	1,86 %	1,62 %	1,86 %	1,65 %



## Note 7 - Net fee-, commission- and other operating income

Parent bank					Group			
<i>(Amounts in mill NOK)</i>								
2Q21	2Q22	30.06.21	30.06.22		30.06.22	30.06.21	2Q22	2Q21
103	63	202	136	Provision commission loans	136	202	63	103
53	57	114	112	Payment facilities	112	114	57	53
51	49	100	98	Sales provision insurance products	98	100	49	51
8	8	15	14	Guarantee commissions	14	15	8	8
				Real estate broking	56	69	34	29
17	12	31	24	Portfolio commissions	24	31	12	17
17	17	24	34	Credit commision	34	24	17	17
12	5	17	9	Other commisions	67	76	40	54
<b>261</b>	<b>211</b>	<b>503</b>	<b>427</b>	<b>Total commission income</b>	<b>541</b>	<b>631</b>	<b>280</b>	<b>332</b>
17	14	33	26	Commission costs	38	45	21	24
<b>244</b>	<b>197</b>	<b>470</b>	<b>401</b>	<b>Net fee- and commission income</b>	<b>503</b>	<b>586</b>	<b>259</b>	<b>308</b>
				Accounting services	123	118	57	54
2	0	13	3	Other operating income	1	10	0	2
<b>246</b>	<b>197</b>	<b>483</b>	<b>404</b>	<b>Net fee- and other operating income</b>	<b>627</b>	<b>714</b>	<b>316</b>	<b>364</b>
36 %	27 %	37 %	29 %	Percent of net core earnings	36 %	42 %	35 %	42 %

## Note 8 - Net income from financial investments

Parent bank				Group			
<i>(Amounts in mill NOK)</i>							
2Q21	2Q22	30.06.21	30.06.22	30.06.22	30.06.21	2Q22	2Q21
<b>Valued at fair value through profit and loss</b>							
<b>Income from equity capital instruments</b>							
20	65	34	66	66	34	65	20
402	154	636	452				
32	-92	42	-3	29	225	18	154
				1	42	-94	32
-8	-67	11	-100	-100	11	-67	-8
2	19	-6	25	25	-6	19	2
0	-7	3	-11	-11	3	-7	0
448	72	720	429	10	309	-66	200
<b>Valued at amortized cost</b>							
<b>Income from certificates and bonds</b>							
Gains/losses from certificates and bonds							
0	0	0	0	0	0	0	0
Total income fra currency trasing							
448	72	720	429	10	309	-66	200
<b>Total net income from financial investments</b>							

## Note 9 - Expenses

Parent				Group				
<i>(Amounts in mill NOK)</i>								
2Q21	2Q22	30.06.21	30.06.22		30.06.22	30.06.21	2Q22	2Q21
105	99	212	197	Personel expenses	317	335	157	164
10	10	18	20	Pension costs	30	23	15	13
27	27	56	53	Social costs	63	68	31	33
142	136	286	270	<b>Total personnel costs</b>	<b>410</b>	<b>426</b>	<b>203</b>	<b>210</b>
68	66	134	143	IT expenses	154	145	70	74
29	41	54	72	Other administrative expenses	79	68	43	36
21	17	42	34	Ordinary depreciation	47	56	23	27
5	4	10	8	Operating costs properties	9	11	4	6
17	19	35	36	Other operating expenses	93	75	53	40
282	283	561	563	<b>Total costs</b>	<b>792</b>	<b>781</b>	<b>396</b>	<b>393</b>

## Note 10 - Leases

On a lease's start date, the Group recognises a liability to pay rent and an asset that represents the right to use the underlying asset during the term of the lease ('right-of-use asset'). The Group sets the lease liabilities and 'right-of-use assets' at the present value of the remaining rent payments, discounted with the aid of the Group's marginal loan rate. The discount rate used upon establishment is 2.09 per cent.

Interest costs on the lease liability are recognised as costs on an ongoing basis and the right-of-use asset is depreciated on a straight-line basis over the term of the lease.

The Group's leased assets mainly include branches and naturally associated premises. Many of the contracts include the right to an extension that can be exercised during the term of the contract. The Group assesses, upon entering into a contract and thereafter continually, whether the right to the extension will, with reasonable certainty, be exercised.

The terms of leases vary from 2 to 14 years.

Parent bank			Group	
<i>(Amounts in NOK million)</i>				
31.12.21	30.06.22		30.06.22	31.12.21
<b>Right to use asset</b>				
388	336	Carrying amount 01.01.	387	435
21	0	Additions	0	26
-42	0	-Derecognition	0	-42
5	16	Other changes	19	6
372	352	<b>Carrying amount at the end of the period</b>	<b>406</b>	<b>426</b>
36	17	Depreciation in the period	19	39
336	335	<b>Carrying amount of right to use asset at the end of the period</b>	<b>387</b>	<b>387</b>
<b>Lease liability</b>				
393	343	Carrying amount 01.01.	397	443
21	0	Additions	0	26
-41	-20	Lease payments in the period	-22	-44
8	4	Interest	4	9
-38	16	Other changes	19	-37
343	343	<b>Lease liability at the end of the period</b>	<b>398</b>	<b>397</b>
<b>Profit and loss</b>				
36	17	Depreciation	19	39
8	4	Interest	4	9
44	21	<b>Total lease expense</b>	<b>23</b>	<b>48</b>
<b>Undiscounted lease liabilities and maturity of cash outflows</b>				
39	36	Less than 1 year (this year)	42	43
33	33	1-2 years	40	41
32	31	2-3 years	37	38
30	30	3-4 years	36	35
30	30	4-5 years	35	35
180	165	More than 5 years	254	269
344	325	<b>Total</b>	<b>444</b>	<b>462</b>

## Note 11 - Losses

### Parent Bank

(Amounts in NOK million)

### Group

2Q21	2Q22	30.06.21	30.06.22		30.06.22	30.06.21	2Q22	2Q21
<b>Losses incorporated in the accounts</b>								
0	3	- 6	39	Period's change in individual lending provisions	40	- 6	4	1
- 22	15	- 64	- 56	Period's change in group lending provisions	- 61	- 79	14	- 27
5	1	11	7	Period's confirmed losses	12	15	2	7
- 2	- 3	- 4	- 5	Recoveries, previously confirmed losses	- 6	- 6	- 3	- 3
- 20	17	- 63	- 15	<b>Total losses</b>	- 15	- 76	17	- 23
<b>Losses broken down by sector and industry</b>								
6	16	- 55	- 9	Real estate	- 9	- 56	15	6
- 1	4	- 1	7	Financial and insurance activities	7	- 1	4	- 1
- 7	5	- 10	- 1	Fishing and aquaculture	- 2	- 10	5	- 7
1	- 1	3	4	Manufacturing	4	2	1	1
0	0	0	- 2	Agriculture and forestry	- 2	0	1	1
- 4	0	- 3	- 2	Power and water supply and construction	- 2	- 6	- 2	- 7
1	4	4	4	Service industries	4	3	4	1
6	- 5	12	- 10	Transportation	- 10	9	- 5	5
- 9	- 3	- 7	- 2	Commodity trade, hotel and restaurant industry	- 3	- 10	- 3	- 10
- 7	19	- 57	- 12	Total corporate market	- 12	- 68	19	- 11
- 13	- 2	- 6	- 3	Total retail market	- 3	- 8	- 2	- 12
- 20	17	- 63	- 15	<b>Total losses</b>	- 15	- 76	17	- 23

## Note 12 - Loans

### Loans at fair value - Loans to customers for sale to mortgage company

Mortgages to be sold to mortgage credit companies over the next 12 months are valued at the agreed value at which these loans are to be assigned.

### Loans at fair value - Fixed-rate loans

Actual value is determined by the loans' actual cash flows discounted by a discounting factor based on the swap rate, with the addition of a margin requirement. The margin requirement includes credit markup, administrative markup, anticipated loss, and a liquidity premium. The bank considers on a continual basis changes in observable market rates that can affect the value of these loans. There is also a continuous assessment of possible differences between discount rates and observable market rates for similar loans. The Bank makes appropriate adjustments to the discount rate, if this difference becomes significant. No adjustments to the margin requirement have been made as at 30.06.22. Value changes on loans are included in full in the result of the line - net value changes on financial assets. The sensitivity to discounting as at 30.06.22 would impact the result by approximately MNOK -13,3 per +10 basis points of change in the discount rate.

### Loans at amortised cost

For all loans at amortised cost there has been calculated expected losses and provisions according to IFRS 9. Please also see note 13.

Parent Bank			Group	
(Amounts in NOK million)				
31.12.21	30.06.22		30.06.22	31.12.21
<b>Loans and advances to credit institutions at amortised cost</b>				
484	451	Loans and advances without agreed maturity or notice of withdrawal	451	484
7 007	7 752	Loans and advances with agreed maturity or notice of withdrawal	996	881
7 491	8 203	<b>Total loans and advances to credit institutions</b>	<b>1 447</b>	<b>1 365</b>
<b>Loans to customers at amortised cost</b>				
70 815	69 315	Loans at amortised cost	77 590	78 680
70 815	69 315	<b>Total loans to customers at amortised cost</b>	<b>77 590</b>	<b>78 680</b>
<b>Loans to customers at fair value through profit and loss</b>				
5 629	5 275	Loans to customers at fixed interest rates	5 288	5 642
5 664	9 285	Mortgages to customers for sale, housing credit company	9 285	5 664
11 293	14 559	<b>Total loans at fair value through profit and loss</b>	<b>14 572</b>	<b>11 306</b>
82 108	83 874	<b>Total gross loans to customers</b>	<b>92 162</b>	<b>89 986</b>
89 598	92 077	<b>Total gross loans</b>	<b>93 609</b>	<b>91 351</b>
<b>Commission loans</b>				
35 439	36 018	Loans transferred to SpareBank 1 Boligkreditt	36 018	35 439
314	284	Loans transferred to SpareBank 1 Næringskreditt	284	314
35 753	36 301	<b>Total intermediary loans</b>	<b>36 301</b>	<b>35 753</b>
125 352	128 378	<b>Total gross loans included intermediary loans</b>	<b>129 910</b>	<b>127 105</b>
<b>Provision for credit losses - reduction in assets</b>				
- 156	- 181	Provision for credit losses - stage 1	- 211	- 184
- 234	- 180	Provision for credit losses - stage 2	- 208	- 269
- 159	- 156	Provision for credit losses - stage 3	- 186	- 190
89 049	91 560	<b>Net loans excluded intermediary loans</b>	<b>93 003</b>	<b>90 708</b>

**Parent Bank 30.06.22**

(Amounts in NOK million)

Loans broken down by sector/industry	Total		Lending provision			Net loans
	commitments to amortised cost	Lending at fair value	Stage 1	Stage 2	Stage 3	
Real estate	14 948	44	- 87	- 119	- 72	14 714
Financial and insurance activities	10 732	0	- 15	- 1	- 6	10 709
Fishing and aquaculture	7 662	31	- 27	- 8	- 1	7 657
Manufacturing	1 362	13	- 4	- 6	- 26	1 338
Agriculture and forestry	912	38	- 1	- 1	- 1	948
Power and water supply and construction	3 013	36	- 8	- 6	- 3	3 032
Government	75	0	0	0	0	75
Service industries	1 899	111	- 9	- 6	- 11	1 985
Transportation	2 162	62	- 7	- 3	- 7	2 207
Commodity trade, hotel and restaurant industry	1 595	35	- 7	- 10	- 4	1 610
Corporate market	44 360	369	- 163	- 160	- 131	44 276
Retail market	33 157	14 190	- 18	- 21	- 25	47 284
<b>Total loans</b>	<b>77 518</b>	<b>14 559</b>	<b>- 181</b>	<b>- 180</b>	<b>- 156</b>	<b>91 560</b>

Financial commitments broken down by sector/industry	Financial commitments to amortised cost	Lending provision classified as debt			Total
		Stage 1	Stage 2	Stage 3	
Real estate	937	- 13	- 4	- 4	- 21
Financial and insurance activities	210	- 1	0	0	- 1
Fishing and aquaculture	890	- 1	0	0	- 1
Manufacturing	389	- 1	- 1	- 1	- 3
Agriculture and forestry	120	0	0	0	0
Power and water supply and construction	630	- 1	- 2	0	- 4
Government	387	0	0	0	0
Service industries	987	- 1	0	0	- 2
Transportation	552	- 1	0	0	- 1
Commodity trade, hotel and restaurant industry	525	- 1	- 1	- 4	- 6
Corporate market	5 626	- 20	- 9	- 10	- 39
Retail market	1 493	0	0	0	0
<b>Total loans</b>	<b>7 119</b>	<b>- 21</b>	<b>- 9</b>	<b>- 10</b>	<b>- 39</b>



**Group 30.06.22**

(Amounts in NOK million)

Loans broken down by sector/industry	Total		Lending provision			Net loans
	commitments to amortised cost	Lending at fair value	Stage 1	Stage 2	Stage 3	
Real estate	15 020	44	- 87	- 119	- 73	14 784
Financial and insurance activities	3 973	0	- 14	- 1	- 6	3 951
Fishing and aquaculture	8 477	31	- 34	- 10	- 1	8 463
Manufacturing	1 883	13	- 6	- 12	- 29	1 848
Agriculture and forestry	1 050	38	- 1	- 2	- 1	1 083
Power and water supply and construction	3 921	36	- 10	- 10	- 7	3 930
Government	86	0	0	0	0	86
Service industries	2 691	111	- 14	- 7	- 13	2 768
Transportation	2 986	75	- 11	- 9	- 11	3 029
Commodity trade, hotel and restaurant industry	2 053	35	- 10	- 12	- 6	2 060
Corporate market	42 140	382	- 189	- 182	- 148	42 002
Retail market	36 898	14 190	- 22	- 25	- 39	51 002
<b>Total loans</b>	<b>79 037</b>	<b>14 572</b>	<b>- 211</b>	<b>- 208</b>	<b>- 186</b>	<b>93 003</b>

Financial commitments broken down by sector/industry	Financial commitments to amortised cost	Lending provision classified as debt				Total
		Stage 1	Stage 2	Stage 3		
Real estate	913	- 13	- 4	- 4	- 21	
Financial and insurance activities	123	- 1	0	0	- 1	
Fishing and aquaculture	980	- 1	0	0	- 1	
Manufacturing	396	- 1	- 1	- 1	- 3	
Agriculture and forestry	120	0	0	0	0	
Power and water supply and construction	689	- 1	- 2	0	- 4	
Government	387	0	0	0	0	
Service industries	1 158	- 1	0	0	- 2	
Transportation	659	- 1	0	0	- 1	
Commodity trade, hotel and restaurant industry	744	- 1	- 1	- 4	- 6	
Corporate market	6 169	- 20	- 9	- 10	- 39	
Retail market	1 493	0	0	0	0	
<b>Total loans</b>	<b>7 662</b>	<b>- 21</b>	<b>- 9</b>	<b>- 10</b>	<b>- 39</b>	

**Parent Bank 30.06.22**

(Amounts in NOK million)

Total loan commitments broken down by stage of the credit risk assessment	Stage 1	Stage 2	Stage 3	Total
Total loan commitments to amortised cost 01.01.22	76 675	7 904	496	<b>85 075</b>
Changes in the period due to loans migrated between the stages				
to (-from) stage 1	2 763	-2 747	- 16	<b>0</b>
to (-from) stage 2	-1 555	1 568	- 13	<b>0</b>
to (-from) stage 3	- 15	- 96	111	<b>0</b>
Net increase/(decrease) balance existing loans	-3 237	- 159	8	<b>-3 388</b>
Originated or purchased during the period	20 536	396	15	<b>20 948</b>
Loans that have been derecognised	-16 149	-1 757	-93	<b>-17 999</b>
<b>Total loan commitments to amortised cost</b>	<b>79 019</b>	<b>5 109</b>	<b>508</b>	<b>84 636</b>
Loans at fair value through profit and loss				<b>14 559</b>
<b>Total loan commitments as at 30.06.22</b>	<b>79 019</b>	<b>5 109</b>	<b>508</b>	<b>99 195</b>
Off-balance sheet	-6 170	- 924	- 25	<b>-7 119</b>
<b>Gross loans</b>	<b>72 848</b>	<b>4 185</b>	<b>483</b>	<b>92 077</b>
Provision for credit losses - reduction in assets	- 181	- 180	- 156	<b>- 517</b>
<b>Net loans</b>	<b>72 667</b>	<b>4 005</b>	<b>327</b>	<b>91 560</b>

**Group 30.06.22**

(Amounts in NOK million)

Total loan commitments broken down by stage of the credit risk assessment	Stage 1	Stage 2	Stage 3	Total
Total loan commitments to amortised cost 01.01.22	78 639	8 201	549	<b>87 389</b>
Changes in the period due to loans migrated between the stages				
to (-from) stage 1	2 961	-2 936	- 25	<b>0</b>
to (-from) stage 2	-1 765	1 796	- 31	<b>0</b>
to (-from) stage 3	- 30	- 146	177	<b>0</b>
Net increase/(decrease) balance existing loans	-3 717	- 160	- 15	<b>-3 892</b>
Originated or purchased during the period	22 172	478	18	<b>22 668</b>
Loans that have been derecognised	-18 365	-1 080	- 22	<b>-19 466</b>
<b>Total loan commitments to amortised cost</b>	<b>79 895</b>	<b>6 153</b>	<b>651</b>	<b>86 699</b>
Loans at fair value through profit and loss				<b>14 572</b>
<b>Total loan commitments as at 30.06.22</b>	<b>79 895</b>	<b>6 153</b>	<b>651</b>	<b>101 270</b>
Off-balance sheet	-6 655	- 981	- 26	<b>-7 662</b>
<b>Gross loans</b>	<b>73 240</b>	<b>5 172</b>	<b>625</b>	<b>93 609</b>
Provision for credit losses - reduction in assets	- 211	- 208	- 186	<b>- 605</b>
<b>Net loans</b>	<b>73 029</b>	<b>4 965</b>	<b>438</b>	<b>93 003</b>

## Note 13 - Loss provisions

Parent bank				Group				
(Amounts in NOK million)								
Stage 1	Stage 2	Stage 3	Total	Changes in lending loss provisions	Total	Stage 3	Stage 2	Stage 1
-170	-259	-169	-598	<b>Loss provisions at 01.01.22</b>	-692	-200	-294	-198
			-549	Of which presented as a reduction of the assets	-643			
			-49	Of which presented as other debt	-49			
				Changes in the period due to loans migrating between stages:				
-84	81	3	0	to (-from) stage 1	0	3	88	-91
5	-7	3	0	to (-from) stage 2	0	3	-9	5
0	5	-5	0	to (-from) stage 3	0	-7	7	0
58	-27	-47	-16	Net increase/decrease existing loans	-8	-46	-28	66
-43	-33	-1	-78	New issued or purchased loan	-85	-1	-35	-49
41	20	50	111	Loans that have been derecognised	116	51	22	43
-194	-221	-166	-581	<b>Total loss provisions at 30.06.22</b>	-669	-196	-249	-224
				<b>Loss provisions allocated to markets</b>				
-18	-21	-25	-64	Retail market	-86	-39	-25	-22
-176	-201	-140	-517	Corporate market	-583	-158	-224	-202
-194	-221	-166	-581	<b>Total loss provisions at 30.06.22</b>	-669	-196	-249	-224
			-517	Of which presented as a reduction of the assets	-605			
			-64	Of which presented as other debt	-64			

### Explanation of the table:

- The changes during the period as a result of migration: Transfer between the stages due to a significant change in credit risk.
- Net increase/decrease in balance: Changes in the expected credit loss, changes in the model assumptions, effects of repayments, ascertainment and other changes that affect the balance.
- Newly issued or purchased financial assets: Account numbers of customers that are only found in the closing balance in the ECL model.
- Financial assets that have been derecognised: Account numbers of customers that are only found in the opening balance in the ECL model.
- Provisions for losses also include expected losses on assets not posted to the balance sheet, including guarantees and untapped credit limits, but not loan commitments.

## Note 14 - Subsidiaries, associated companies and joint ventures

### Result from subsidiaries fully consolidated into the group financial statements

(Amount in NOK mill.)

Company	Share	Result after tax at		Result after tax	
		30.06.22	30.06.21	2Q22	2Q21
SpareBank 1 Nord-Norge Portefølje AS	100 %	3	0	- 3	1
Fredrik Langes Gate 20 AS	100 %	1	0	0	0
SpareBank 1 Finans Nord-Norge AS	85 %	80	81	42	40
SpareBank 1 Regnskapshuset Nord-Norge AS	85 %	20	20	9	7
EiendomsMegler 1 Nord-Norge AS	85 %	10	23	10	15
<b>Total</b>		<b>115</b>	<b>125</b>	<b>59</b>	<b>62</b>

### Result from associated companies and joint ventures consolidated into the group financial statements according to the equity method

(Amount in NOK mill.)

Company	Share	Result after tax at		Result after tax		Booked value at	
		30.06.22	30.06.21	2Q22	2Q21	30.06.22	31.12.21
SpareBank 1 Mobilitet Holding AS	30,66 %	- 13	0	- 8	0	68	82
SpareBank 1 Gruppen AS	19,50 %	29	215	16	148	2 115	2 218
SpareBank 1 Kreditt AS	19,22 %	6	1	3	1	249	199
SpareBank 1 Boligkreditt AS	15,92 %	- 6	6	- 3	3	1 876	1 828
SpareBank 1 Næringskreditt AS	3,09 %	0	2	0	1	60	63
SpareBank 1 Utvikling DA	18,00 %	0	0	0	0	134	134
SpareBank 1 Bank og Regnskap AS	25,00 %	1	0	1	0	43	42
SpareBank 1 Forvaltning AS	13,27 %	14	6	8	6	111	105
SpareBank 1 Gjeldsinformasjon AS	14,53 %	0	0	0	0	1	1
SpareBank 1 Kundepleie AS	26,67 %	1	0	0	0	23	22
SpareBank 1 Betaling AS	17,94 %	- 5	- 5	0	- 4	154	145
<b>Total</b>		<b>29</b>	<b>225</b>	<b>17</b>	<b>154</b>	<b>4 836</b>	<b>4 837</b>

## Note 15 - Other assets

Parent bank			Group	
<i>(Amounts in NOK million)</i>				
31.12.21	30.06.22		30.06.22	31.12.21
0	0	Reposessed assets	0	0
3	13	Accrued income	86	79
0	0	Goodwill and other intangible assets	114	116
79	0	Overfunding of pension liabilities	0	88
86	248	Prepayments	270	114
138	112	Other assets 1)	233	222
<b>306</b>	<b>373</b>	<b>Total other assets</b>	<b>703</b>	<b>619</b>

1) Of which 75 NOK million is capital contribution to the SpareBank 1 Nord-Norge Pension Fund

## Note 16 - Financial instruments at fair value

Financial instruments at fair value are classified at different levels. See note 26 i annual report 2021.

### Group

(Amounts in NOK million)

	Level 1	Level 2	Level 3	Total
<b>Assets at 30.06.22</b>				
Shares	787	67	650	1 504
Bonds	14 147	8 391		22 537
Financial derivatives		1 885		1 885
Loans to customers with fixed rate			5 275	5 275
Loans to customers for sale			9 285	9 285
<b>Total assets</b>	<b>14 934</b>	<b>10 343</b>	<b>15 209</b>	<b>40 486</b>

### Liabilities at 30.06.22

Financial derivatives		1 295		1 295
<b>Total liabilities</b>		<b>1 295</b>		<b>1 295</b>

### Assets at 31.12.21

Shares	843	68	607	1 519
Bonds	14 084	5 066		19 150
Financial derivatives		1 089		1 089
Loans to customers with fixed rate			5 642	5 642
Loans to customers for sale			5 664	5 664
<b>Total assets</b>	<b>14 927</b>	<b>6 223</b>	<b>11 913</b>	<b>33 064</b>

### Liabilities at 31.12.21

Financial derivatives		602		602
<b>Total liabilities</b>		<b>602</b>		<b>602</b>

### Changes in instruments at fair value, level 3:

#### Financial assets

(Amounts in NOK million)	Financial assets		
	Shares	Loans to customers with fixed rate	Loans to customers for sale
Carrying amount at 31.12.21	607	5 642	5 664
Net gains on financial instruments	43	- 150	
Additions/acquisitions		641	4 919
Sales			- 976
Matured		- 858	- 323
<b>Carrying amount at 30.06.22</b>	<b>650</b>	<b>5 275</b>	<b>9 284</b>

## Note 17 - Liquidity risk

Liquidity risk is the risk that the Bank will be unable to meet its payment obligations, and/or the risk of not being able to fund a desired growth in assets. SpareBank 1 Nord-Norge prepares an annual liquidity strategy that encompasses, for example, the bank's liquidity risk.

The Group's liquidity risk is revealed, except in the case of raising external financing, through the Bank's liquidity reserve/buffer, including sale of mortgage loans to SpareBank 1 Boligkreditt.

The Bank proactively manages the Group's liquidity risk on a daily basis. SpareBank 1 Nord-Norge must also comply with the regulatory minimum requirements for prudent liquidity management at all times.

The average remaining term to maturity for the Bank's debt securities in issue was 3.2 years as of 30.06.22.

The short-term liquidity risk measure, liquidity coverage ratio (LCR), was 151 % (135 %) as of the end of the quarter.

NSFR (Net Stable Funding Ratio) at 30.06.22 was 122 % (117 %).

## Note 18 - Financial derivatives

### Parent Bank and Group

(Amounts in NOK million)

Fair value hedging transactions	30.06.22	31.12.21
Net loss charged to the statement of comprehensive income in respect of hedging instruments in connection with actual value hedging	432	- 127
Total gain from hedging objects relating to the hedged risk	- 434	120
<b>Total fair value hedging transactions</b>	<b>- 2</b>	<b>- 6</b>

The Bank's main Board of Directors has determined limits for maximum risk for the Bank's interest rate positions. Routines have been established to ensure that positions are maintained within these limits.

(Amounts in NOK million)

Fair value through statement of comprehensive income	30.06.22			31.12.21		
	Fair value			Fair value		
Foreign currency instruments	Contract	Assets	Liabilities	Contract	Assets	Liabilities
Foreign exchange financial derivatives (forwards)	2 095	44	42	2 090	14	22
Currency swaps	13 286	339	165	12 985	151	70
<b>Total non-standardised contracts</b>	<b>15 381</b>	<b>383</b>	<b>206</b>	<b>15 076</b>	<b>165</b>	<b>92</b>
Standardised foreign currency contracts (futures)						
<b>Total foreign currency instruments</b>	<b>15 381</b>	<b>383</b>	<b>206</b>	<b>15 076</b>	<b>165</b>	<b>92</b>
<b>Interest rate instruments</b>						
Interest rate swaps (including cross currency)	34 235	1 388	589	36 530	686	445
Other interest rate contracts	247	103	102	244	27	25
<b>Total non-standardised contracts</b>	<b>34 482</b>	<b>1 491</b>	<b>691</b>	<b>36 774</b>	<b>713</b>	<b>470</b>
Standardised interest rate contracts (futures)						
<b>Total interest rate instruments</b>	<b>34 482</b>	<b>1 491</b>	<b>691</b>	<b>36 774</b>	<b>713</b>	<b>470</b>

### Hedging of funding loans

Interest rate instruments	Contract	Assets	Liabilities	Contract	Assets	Liabilities
Interest rate swaps (including cross currency)	14 693	12	398	14 496	212	41
<b>Total, non-standardised contracts</b>	<b>14 693</b>	<b>12</b>	<b>398</b>	<b>14 496</b>	<b>212</b>	<b>41</b>
Standardised interest rate contracts (futures)						
<b>Total interest rate instruments</b>	<b>14 693</b>	<b>12</b>	<b>398</b>	<b>14 496</b>	<b>212</b>	<b>41</b>
Total interest rate instruments	49 175	1 503	1 089	51 270	924	511
Total foreign currency instruments	15 381	383	206	15 076	165	92
<b>Total</b>	<b>64 556</b>	<b>1 885</b>	<b>1 295</b>	<b>66 346</b>	<b>1 089</b>	<b>602</b>



## Note 19 - Deposits

Parent Bank		Group	
<i>(Amounts in NOK million)</i>			
31.12.21	30.06.22	30.06.22	31.12.21
<b>Deposits from credit institutions</b>			
544	1 133	1 133	514
579	176	175	578
<b>1 123</b>	<b>1 309</b>	<b>1 308</b>	<b>1 092</b>
<b>Deposits from customers</b>			
70 750	78 143	78 066	70 691
5 458	5 439	5 439	5 458
<b>76 208</b>	<b>83 582</b>	<b>83 505</b>	<b>76 149</b>
<b>77 331</b>	<b>84 891</b>	<b>84 813</b>	<b>77 241</b>
<b>Deposits from customers broken down by sector and industry</b>			
3 852	4 304	4 304	3 852
2 654	2 845	2 845	2 654
2 675	3 845	3 845	2 675
1 565	1 304	1 304	1 565
532	599	599	532
2 493	2 544	2 544	2 493
7 988	9 336	9 259	7 929
2 108	2 050	2 050	2 108
2 973	3 187	3 187	2 973
26 840	30 014	29 937	26 781
8 486	9 664	9 664	8 486
40 882	43 904	43 904	40 882
<b>76 208</b>	<b>83 582</b>	<b>83 505</b>	<b>76 149</b>

## Note 20 - Securities issued

### Parent Bank and Group

(Amounts in NOK million)

Changes in securities issued	Booked value		Matured or redeemed	Exchange rate movements	Fair value changes	Accrued interest	Booked value
	31.12.21	Issued					
Certificates and other short-term loans:							
Senior bonds	17 527	1 353	-2 658	312	- 537	- 25	15 973
<b>Senior bonds</b>	<b>17 527</b>	<b>1 353</b>	<b>-2 658</b>	<b>312</b>	<b>- 537</b>	<b>- 25</b>	<b>15 973</b>

## Note 21 - Subordinated debt and loan capital

### Parent Bank and Group

(Amounts in NOK million)

Changes in subordinated loan capital and subordinated bond debt	Booked value 31.12.21	Issued	Matured or redeemed	Exchange rate movements	Fair value changes	Accrued interest	Booked value 30.06.22
Subordinated loan capital	1 051					1	1 052
Senior non-preferred	3 510			94		3	3 607
<b>Subordinated loan capital and other senior non-preferred</b>	<b>4 561</b>			<b>94</b>		<b>4</b>	<b>4.659</b>

## Note 22 - Other liabilities

Parent bank			Group	
<i>(Amounts in NOK million)</i>				
31.12.21	30.06.22		30.06.22	31.12.21
1 700	<b>2 142</b>	Other liabilities	<b>2 340</b>	1 883
158	<b>137</b>	Costs incurred	<b>504</b>	538
9	<b>9</b>	Deferred tax liabilities	<b>116</b>	127
49	<b>63</b>	Off balance loss provision	<b>63</b>	49
<b>1 916</b>	<b>2 351</b>	<b>Total other liabilities</b>	<b>3 023</b>	<b>2 597</b>
<b>Specification of other liabilities</b>				
343	<b>343</b>	Lease liabilities	<b>398</b>	397
735	<b>693</b>	Accrued tax	<b>772</b>	827
22	<b>13</b>	Tax deductions	<b>22</b>	38
82	<b>261</b>	Creditors	<b>287</b>	97
350	<b>678</b>	Agreed payments from Donations Fund	<b>678</b>	350
168	<b>154</b>	Miscellaneous liabilities	<b>183</b>	174
1 700	<b>2 142</b>	Other liabilities	<b>2 340</b>	1 883

## Note 23 - Equity

Total EC Capital 1.807.164.288 NOK, distributed on 100.398.016 EC's, each denomination NOK 18.

Parent bank			Group	
<i>(Amounts in NOK million)</i>				
31.12.21	30.06.22		30.06.22	31.12.21
1 807	<b>1 807</b>	EC capital	<b>1 807</b>	1 807
843	<b>843</b>	Premium Fund	<b>843</b>	843
3 142	<b>3 128</b>	Dividend Equalisation Fund	<b>3 128</b>	3 142
703		Set aside EC dividend, not decided		703
- 22	<b>- 16</b>	EC owner's share of other equity	<b>897</b>	865
	<b>514</b>	EC owner's share of period result	<b>370</b>	
<b>6 473</b>	<b>6 275</b>	<b>EC owner's share of equity</b>	<b>7 045</b>	<b>7 360</b>
46,36 %	<b>46,36 %</b>	EC owner's percentage of equity	<b>46,36 %</b>	46,36 %
6 699	<b>6 683</b>	Saving Bank's primary capital	<b>6 683</b>	6 699
813		Set aside society dividend, not decided		813
- 24	<b>- 19</b>	Society's share of other equity	<b>1 037</b>	1 001
	<b>594</b>	Society's share of period result	<b>429</b>	
<b>7 488</b>	<b>7 259</b>	<b>Society's share of equity</b>	<b>8 149</b>	<b>8 513</b>
53,64 %	<b>53,64 %</b>	Society's percentage of equity	<b>53,64 %</b>	53,64 %
780	<b>780</b>	Hybrid Capital	<b>780</b>	780
<b>14 741</b>	<b>14 314</b>	<b>Total equity</b>	<b>15 974</b>	<b>16 653</b>

### Hybrid Capital

Three hybrid capital instruments issued by the Bank are not covered by the IFRS regulations' definition of debt and are therefore classified as equity. Based on this, accrued interest on the hybrid capital has not been recognised as a cost in the income statement but has been charged directly against equity.

When calculating key figures for equity and the equity certificates, accrued interest on hybrid capital is thus deducted from the accounting result. At the same time, hybrid capital is deducted from the equity on the balance sheet. This ensures that the keyfigures relevant to the Bank's owners are calculated on the basis of the result and the equity that actually belong to the owners.

The contract terms and conditions for hybrid instruments mean that they are included in the Bank's Tier 1 capital for capital adequacy purposes, see note 5.

### Parent bank and group

*(Amounts in NOK million)*

	30.06.22	31.12.21
<b>Hybrid Capital</b>		
2099 3m NIBOR + 3,30 %		350
2099 3m NIBOR + 3,15 %	<b>180</b>	180
2099 3m NIBOR + 3,30 %	<b>250</b>	250
2099 3m NIBOR + 2,60 %	<b>350</b>	
<b>Total hybrid capital</b>	<b>780</b>	<b>780</b>
Average interest hybrid capital	<b>3,70 %</b>	3,73 %

## Equity Certificates (ECs)

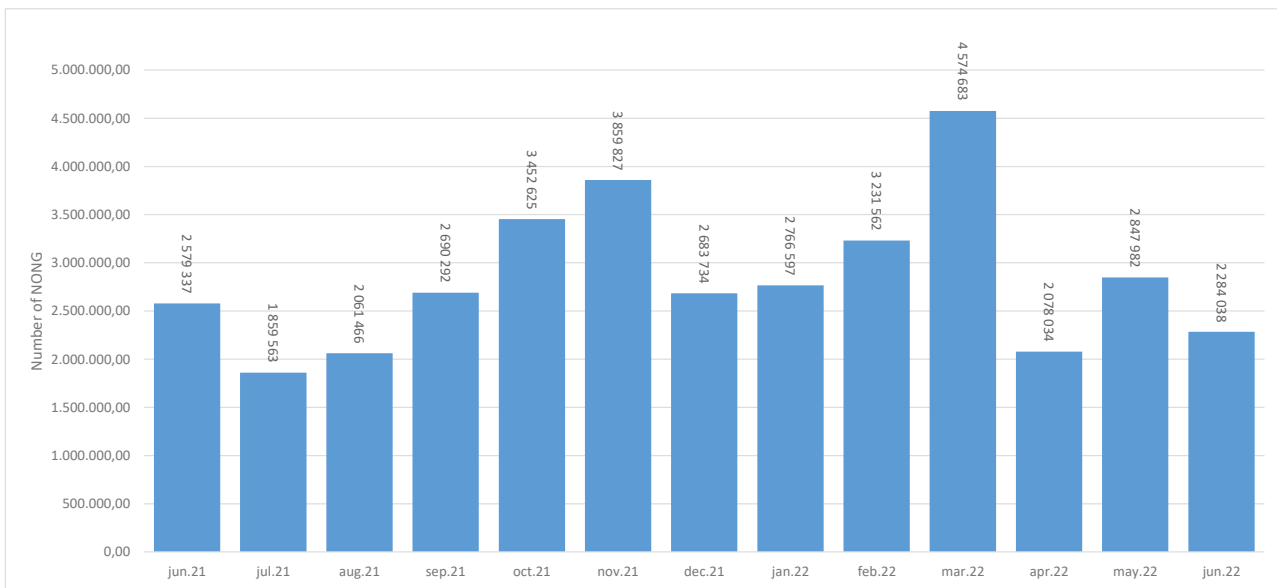
### The 20 largest EC holders at 30.06.22

EC Holders	Number of Ecs	Share of EC Capital
PARETO INVEST AS	4.017.477	4,00%
VPF EIKA EGENKAPITALBEVIS	3.628.944	3,61%
PARETO AKSJE NORGE VERDIPAPIRFOND	3.054.069	3,04%
GEVERAN TRADING CO LTD	2.790.356	2,78%
MP PENSJON PK	2.363.322	2,35%
The Bank of New York Mellon SA/NV	1.994.865	1,99%
Brown Brothers Harriman & Co.	1.980.821	1,97%
The Northern Trust Comp, London Br	1.865.834	1,86%
FORSVARETS PERSONELLSERVICE	1.752.630	1,75%
State Street Bank and Trust Comp	1.656.378	1,65%
SPESIALFONDET BOREA UTBYTTE	1.536.387	1,53%
SPAREBANKSTIFTELSEN SPAREBANK 1 NO	1.411.606	1,41%
Landkreditt Utbytte	1.300.000	1,29%
J.P. Morgan SE	1.133.764	1,13%
KOMMUNAL LANDSPENSJONSKASSE GJENSI	1.095.441	1,09%
The Bank of New York Mellon SA/NV	1.081.668	1,08%
Euroclear Bank S.A./N.V.	796.965	0,79%
J.P. Morgan SE	794.154	0,79%
State Street Bank and Trust Comp	772.383	0,77%
Brown Brothers Harriman & Co.	735.389	0,73%
<b>Total</b>	<b>35.762.453</b>	<b>35,62%</b>

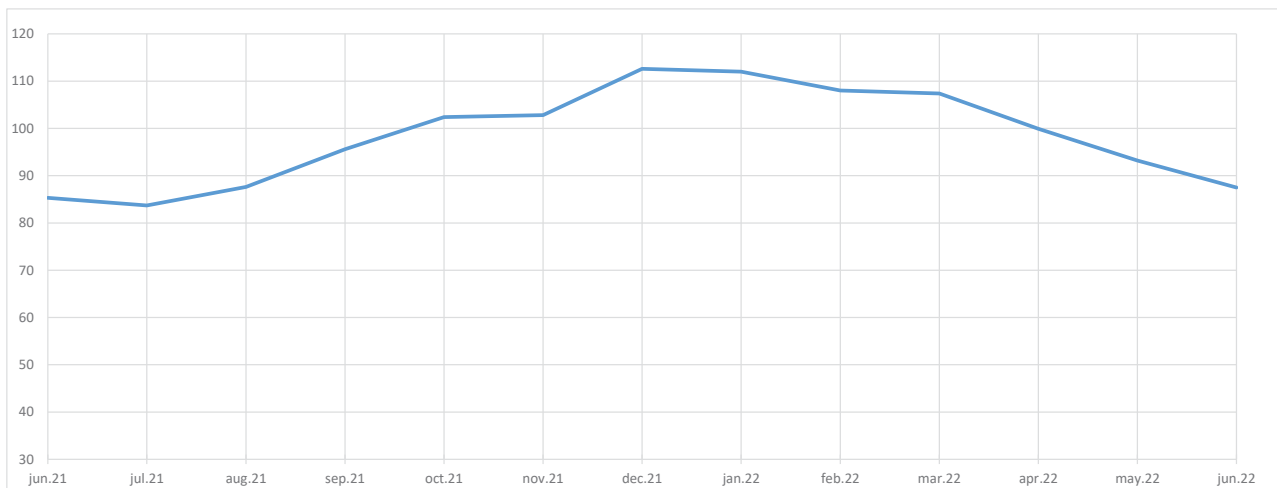
### Dividend policy

The Bank's dividend policy states that the Bank aims to provide a competitive direct return for the Bank's owners. The target dividend rate is at minimum 50%. The future distribution rate will also take into account the group's capital coverage and future growth.

## Trading statistics



## Price trend NONG



## Note 24 - Events occurring after the end of the quarter

No further information has come to light about important events that have occurred between the balance sheet date, and the Board's final consideration of the financial statements.



### **Statement from the Board of Directors and Chief Executive Officer**

Today the Board of Directors and the Chief Executive Officer have considered and adopted the financial quarterly report and the consolidated financial statements of SpareBank 1 Nord-Norge for the period from 1 January to 30 June 2022.

We confirm to the best of our knowledge that the financial statements for the period from 1 January to 30 June 2022 have been prepared in accordance with current applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the group taken as a whole. We also confirm the quarterly financial report gives a true and fair view of important events during the accounting period and their influence on the financial statements, the most important elements of risk and uncertainty that the group faces in the next accounting period, and a description of related parties' material transactions.

Tromsø, 11.08.22

**Board of Directors and Chief Executive Officer in SpareBank 1 Nord-Norge**