MOODY'S RATINGS

CREDIT OPINION
21 November 2025

Update

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RATINGS

SpareBank 1 Ostlandet

Domicile	Hamar, Norway
Long Term CRR	Aa3
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Aa3
Type	Senior Unsecured - Fgn Curr
Outlook	Stable
Long Term Deposit	Aa3
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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SpareBank 1 Ostlandet

Update to credit analysis following the affirmation of ratings

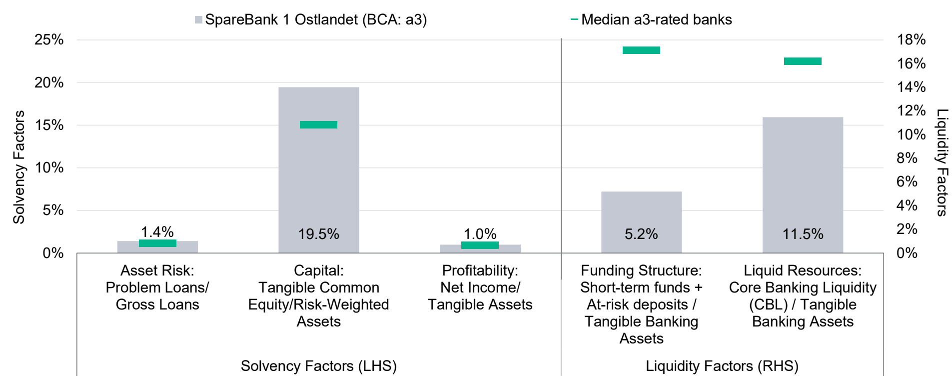
Summary

SpareBank 1 Ostlandet's (Ostlandet) long-term deposit, issuer and senior unsecured debt ratings of Aa3 reflect the bank's Baseline Credit Assessment (BCA) of a3 and our forward-looking Loss Given Failure (LGF) analysis which leads to three notches of rating uplift from the BCA. Ostlandet's ratings do not benefit from any government support.

Ostlandet's BCA of a3 reflects our view of the bank's strong capitalisation, sound profitability and resilient asset quality underpinned by its low-risk retail portfolio, representing about 70% of its loan book, combined with a well-laddered debt maturity profile.

These strengths are balanced against the bank's relatively high geographical concentration in the Inland region in eastern Norway and the Oslo-Akershus area, which could make the bank's credit profile vulnerable to a severe shock in these regions.

Exhibit 1
Rating Scorecard - Key financial ratios



These are our Banks methodology scorecard ratios. Asset risk and profitability reflect the weaker of either the three-year average or the latest annual figure. Capital is the latest reported figure. Funding structure and liquid resources reflect the latest fiscal year-end figures.
Source: Moody's Ratings

CLIENT SERVICES

Credit strengths

» Strong capital levels provide a good loss absorbing buffer

» Solid asset quality underpinned by a relatively low-risk retail mortgage portfolio

» Robust profitability on the back of recurring earnings

Credit challenges

» Moderate credit concentration in commercial real estate (CRE)

» Limited geographic diversification

Outlook

The stable outlook on the bank's long-term deposit, issuer and senior unsecured debt ratings reflect our expectation that Ostlandet's financial performance will remain robust and consistent with current levels in the next 12 to 18 months. The stable outlook on the long-term issuer and senior unsecured debt ratings also reflects our expectation that the bank will issue sufficient volumes of junior senior unsecured debt to support the current rating uplift from the BCA according to our Advanced LGF analysis.

Factors that could lead to an upgrade

Ostlandet's BCA and long-term ratings could be upgraded if the bank materially increases its regional and sector diversification, displayed stronger earnings generation, while maintaining strong asset quality, capital and liquidity levels.

Factors that could lead to a downgrade

The BCA and long-term ratings could be downgraded if the bank's problem loan ratio increases significantly above its similarly-rated peers, if the profitability weakened materially, and if financing conditions became more difficult, impairing its ability to raise low-cost market funding. The issuer and senior unsecured debt ratings could also be downgraded should the bank issue significantly lower-than-expected volumes of bail-in-able debt.

Key indicators

Exhibit 2
SpareBank 1 Ostlandet (Consolidated Financials) [1]

	09-25[2]	12-24[2]	12-23[2]	12-22[2]	12-21[2]	CAGR/Avg.[3]
Total Assets (NOK Billion)	291.8	282.4	241.3	228.3	207.9	9.5[4]
Tangible Common Equity (NOK Billion)	23.1	22.2	18.5	17.7	16.7	8.9[4]
Problem Loans / Gross Loans (%)	1.4	1.1	1.0	0.4	0.4	0.8[5]
Tangible Common Equity / Risk Weighted Assets (%)	19.5	18.7	18.5	19.4	19.7	19.1[6]
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	13.2	10.9	10.1	4.0	3.8	8.4[5]
Net Interest Margin (%)	1.8	1.8	1.7	1.4	1.3	1.6[5]
PPI / Average RWA (%)	3.3	3.4	3.2	2.5	2.4	3.0[6]
Net Income / Tangible Assets (%)	1.2	1.0	0.9	0.8	1.0	1.0[5]
Cost / Income Ratio (%)	43.5	42.1	41.8	48.2	49.6	45.0[5]
Gross Loans / Due to Customers (%)	167.7	180.2	186.5	191.0	188.4	182.8[5]
Core Banking Liquidity (HQLA) / Tangible Banking Assets (%)	--	11.5	--	--	--	11.5[5]
Less-stable Funds (LCR) / Tangible Banking Assets (%)	0.5	5.2	--	--	--	2.9[5]

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.
Further to the publication of our revised methodology in November 2025, only ratios from annual 2024 onwards included in this report apply reported risk weights for all exposures, discontinuing our previously applied standard adjustment for certain government securities. Sources: Moody's Ratings and company filings

Profile

SpareBank 1 Ostlandet (Ostlandet) is a leading Norwegian regional savings bank that provides retail and corporate financial products and services, from loans and deposit facilities to insurance, pension, payment, leasing, real estate brokerage and accounting services. As of 30 September 2025, it had consolidated assets (including loans transferred to covered bond companies) of NOK292 billion (or around €25.0 billion).

Ostlandet is the fourth-largest savings bank in Norway, with presence in the Inland region in eastern Norway, as well as in the most important and economically developed region of Oslo-Akershus. The bank is part of the SpareBank 1 Alliance.

Recent developments

On 1 November 2024, SpareBank 1 Ostlandet completed the merger with Totens Sparebank. The aim of the merger is to contribute to an increased focus on the Inland region of Norway, with strengthened local presence, proximity to customers and growth capacity.

Detailed credit considerations

SpareBank 1 Ostlandet's credit profile is constrained by high geographic concentration

The bank's credit profile is constrained by concentration risks arising from its relatively high geographically concentrated customer base, resulting in lower asset diversification compared with some larger peers. That said, the bank benefits from a strong retail and business banking franchise, which reduces dependence on any single product. These factors are reflected in one negative Business and Geographic Diversification adjustment, positioning its a3 BCA one notch below the a2 Financial Profile.

Like other Norwegian savings banks, SpareBank 1 Ostlandet's operations are focussed on its local region, the municipality of Hamar, Innlandet county in eastern part of Norway. As of December 2024, 64% of loans and 67% of deposits originated from customers in this region. In 2024, Ostlandet opened a new branch office in Drammen, located close to the Norwegian capital region in order to capitalise on the higher-than-average economic growth dynamics in this area. Its entrenched position, supported by a long history and the savings bank model, underpins strong market shares and robust profitability. However, this focus makes the bank highly exposed to changes in local economic conditions, which could affect credit quality and deposit volumes if a significant regional shock occurs.

Concentration risks are partly mitigated by Norway's coordinated policy framework and large sovereign wealth fund, which supports a regionally dispersed economy through excellent infrastructure and public services, while providing a potential buffer in times of stress. In addition, the bank operates across the entire Innlandet county, a well-populated region with several productive industries (e.g. agriculture, forestry, tourism), unlike some savings banks whose activities are concentrated in smaller parts of a single region.

Solid asset quality underpinned by a relatively low-risk retail mortgage portfolio

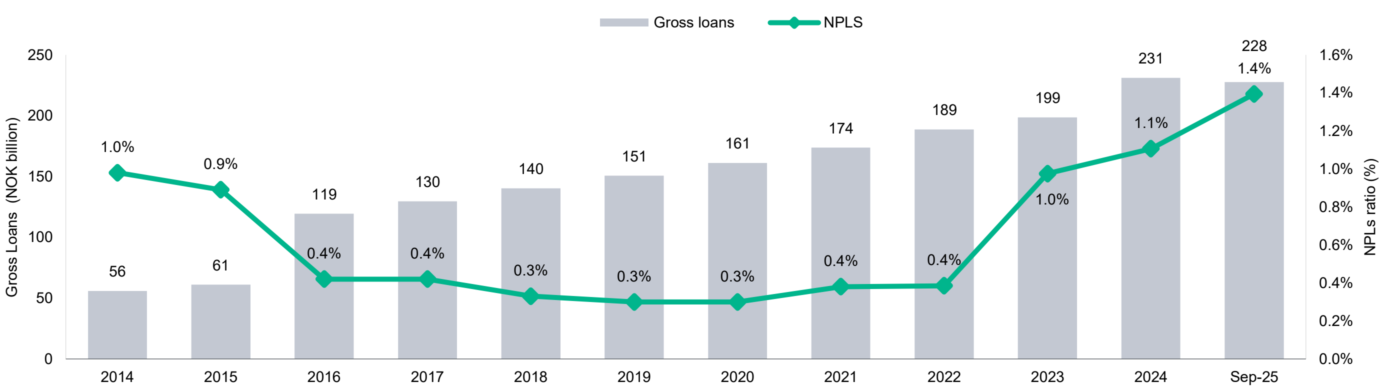
Our assigned Asset Risk score of a1 reflects moderate sector concentration. The CRE sector accounts for around 14% of gross loans (including transferred loans), and around 1% of gross loans were concentrated in the building and construction sector as of 30 September 2025.

Ostlandet's asset quality is strong, with problem loans accounting for 1.4% of gross loans as of September 2025. The ratio increased slightly from 1.1% at year-end 2024, but is broadly in line with the median problem loans ratio of similarly rated peers. Historically, the ratio has been even stronger, at about 0.3% to 0.4%, but deteriorated over the past two years as a result of a small number of larger exposure defaults. We expect asset quality to stabilise as expected interest rate cuts will support recovery of the most rate sensitive sectors, including commercial real estate and construction.

The bank's total loan book is geared towards retail borrowers, mostly residential mortgages, accounting for around 71% of gross loans, including loans transferred to the covered bond companies, with no exposure to the oil sector as of 30 September 2025. This supports the bank's asset quality, limiting the risks from credit impairments, given the traditionally very low loss rates for residential mortgages in Norway. Around 95% of its book has an LTV below 70%, compared with 90% maximum LTV allowed by the mortgage regulation and 75% LTV legal requirement for a covered bond pool.

Exhibit 3

SpareBank 1 Ostlandet's asset-risk metrics



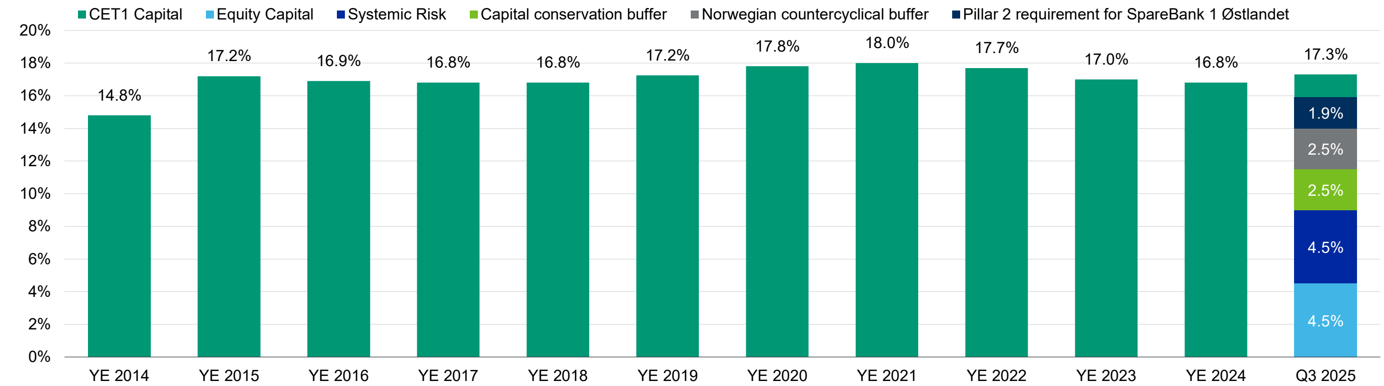
Gross loans include covered bond loans.

Sources: Company reports and Moody's Ratings

Strong capital levels provide a good loss absorption buffer, although on a declining trend

The assigned Capital score of a1 reflects Ostlandet's strong capitalisation, with a tangible common equity (TCE) ratio of 19.5% and a reported Common Equity Tier 1 (CET1) ratio of 17.3% in September 2025, down from 18.3% in June 2025, mainly reflecting the Ministry of Finance's increase of the Internal Ratings Based (IRB) risk weight floor for residential mortgages to 25% from 20% effective 1 July 2025. That said, the bank maintains a comfortable buffer above its CET1 requirement of 15.1%, including a 2.5% countercyclical buffer and a 1.9% Pillar 2 requirement (see Exhibit 4). Ostlandet also reported a robust leverage ratio of 7.1% as of 30 September 2025, above the internal target of 6%.

Exhibit 4
SpareBank 1 Ostlandet's CET1 capital ratio evolution



Source: Company reports and presentations

We expect the bank to maintain its solid capital position, supported by strong retained earnings and in line with the bank's target to maintain a management buffer of 100 basis points (bps) above the minimum regulatory CET1 requirement.

Sparebankstiftelsen Hedmark (savings bank foundation) is the largest stakeholder of the bank through a 44.5% ownership of the total equity capital certificates (ECC). Following the completion of the merger with Totens Sparebank, bank foundation Totens Sparebankstiftelse has an ownership stake of 8.6% in the combined entity. We make a negative adjustment to the bank's Capital score to reflect the bank's ECC structure as the bank may face challenges in raising new equity in case of need during difficult market conditions. This is in line with the adjustment we make for other Norwegian savings banks with a similar ownership structure.

We believe that the bank has strong capital buffers relative to its peers, which allows it to grow its balance sheet and leverage opportunities in the Oslo-Akershus region where it is currently expanding. However, since the bank uses IRB models to calculate credit risk, we believe its risk weighted assets might be understated, and thus resulting in slightly higher capital ratios compared to a peer that uses the standardised models that generally have more conservative weights. We, therefore, add an additional negative notch to account for this difference.

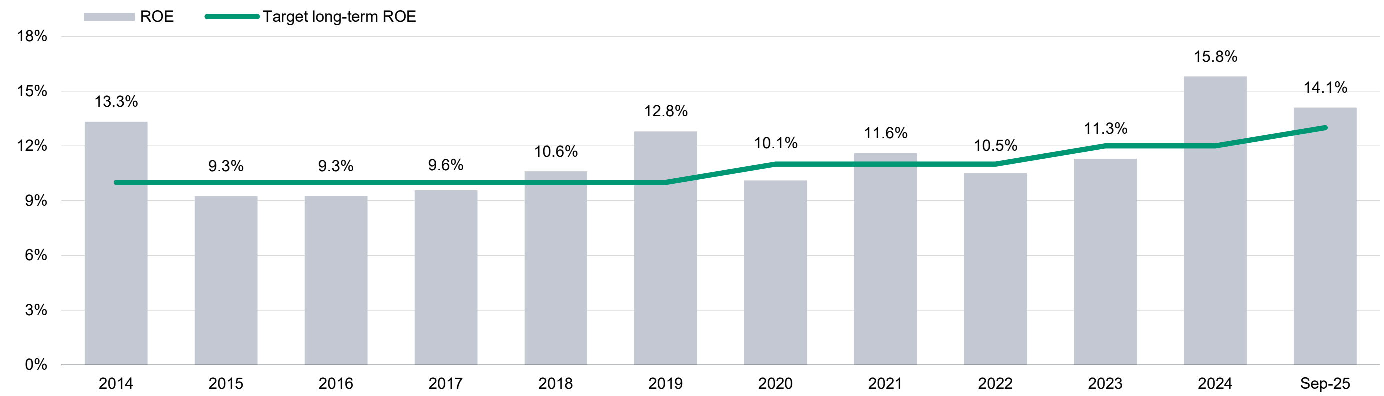
Robust profitability on the back of recurring earnings

Our assigned Profitability score of baa1 reflects Ostlandet's robust profitability. The bank reported profit after tax increased to NOK2660 million in the first nine months of 2025, with a Moody's-adjusted return on tangible assets of 1.2%, compared to NOK2655 million for the same period in 2024. The modest improvement was driven by a combination of stronger net interest and commission income following the strengthening in margins in the high interest rate environment, growth in lending and positive contributions from subsidiaries, partly offset by higher costs.

Ostlandet benefits from shared services provided through the SpareBank 1 Alliance, notably in IT, marketing and branding. Net interest income (NII) strengthened by 16% in first nine months of 2025 from the year-earlier period benefiting from higher interest rates. We expect the bank's NII to continue to be strong in 2025, but the benefits on profitability will be somewhat offset by higher operating costs as the bank still has to operate with duplicate core banking and other IT systems until the technical merger between Ostlandet and Totens is finalised, which is expected to take place in June 2026, as well as increased margin pressure following a normalisation of interest rates from current elevated levels.

Exhibit 5

SpareBank 1 Ostlandet's return on equity (RoE)



2017 and onwards are based on consolidated financials, including results from Bank 1 Oslo Akershus. From 2019, RoE is as reported by the bank, prior figures are Moody's-adjusted ratios.
Sources: Company reports and Moody's Ratings

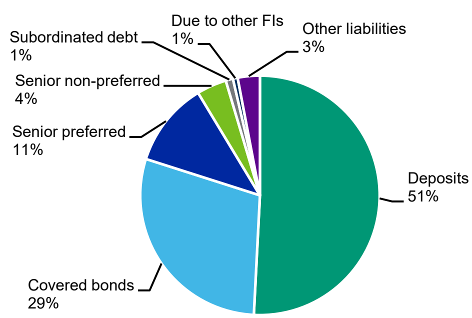
Good funding profile with a granular deposit base and longer-dated wholesale funding

Our assigned Funding score of a1 reflects Ostlandet's solid funding profile, supported by a granular and stable deposit base and longer-dated wholesale instruments, although we view its access to wholesale markets as somewhat weaker than peers with larger and more frequent issuance activity. It also reflects upcoming debt maturities not captured in the aa2 initial score.

The bank's funding position is underpinned by a substantial deposit base, which accounts for around 51% of total non-equity funding (including covered bonds issued through SpaBol and SpaCom), and 56% of the bank's deposits are from the retail sector. This high share of granular, stable deposits supports the bank's relatively low Less Stable Funds ratio. For its senior funding, the bank participates in the jointly owned SpareBank 1 Alliance's €10 billion Euro Medium-Term Note (EMTN) program with euro-denominated bond issues, contributing to a more diversified funding profile.

Exhibit 6

SpareBank 1 Ostlandet's funding profile is dominated by deposits and long-dated covered bonds
Funding composition (Q2 2025)



Source: Bank's disclosures and Moody's Ratings

Ostlandet also uses covered bond funding through specialised companies it jointly owns, together with the other members of SpareBank 1 Alliance, SpareBank 1 Boligkreditt (SpaBol) for residential mortgages and SpareBank 1 Næringskreditt (SpaCom) for commercial mortgages. As of 30 September 2025, Ostlandet had transferred retail mortgages worth NOK77.0 billion to SpaBol and NOK0.8 billion commercial mortgages to SpaCom (that is, equivalent to around 34% of total gross loans, including loans transferred to covered bond companies).

Sound liquidity, mainly in the form of highly-rated securities

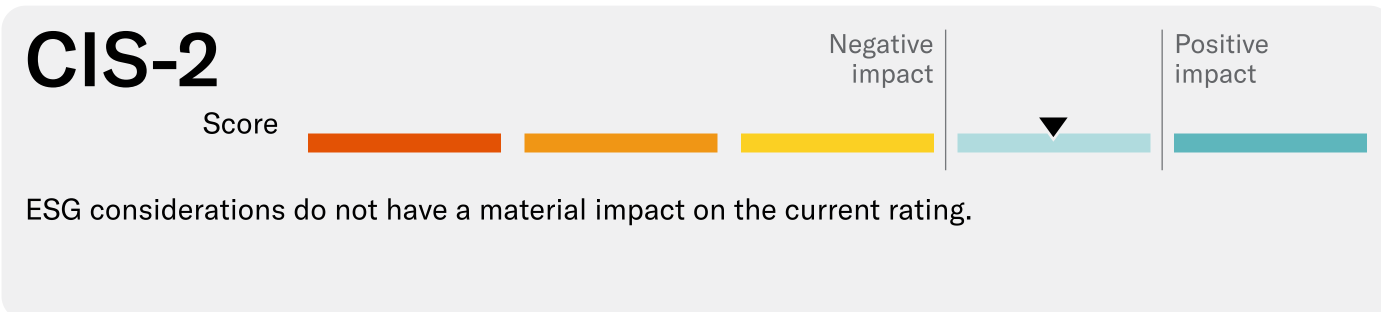
Our assigned Liquidity score of baa2 reflects Ostlandet's sound liquidity position, with liquid assets, measured as HQLAs, to total tangible banking assets at around 11.5%. Liquidity is further supported by liquid assets held by SpaBol and SpaCom.

The liquidity reserves consist of cash and deposits with the central bank, senior bonds, government guaranteed bonds, covered bonds (mostly rated Aaa) and limited equity investments. The holdings are mostly Norwegian securities, which could be a source of vulnerability from a concentration risk point of view, but are positive in terms of currency risk. In addition, the bank reported a high liquidity coverage ratio (LCR) of 151% as of 30 September 2025 compared with the 100% requirement.

ESG considerations

SpareBank 1 Ostlandet's ESG credit impact score is CIS-2

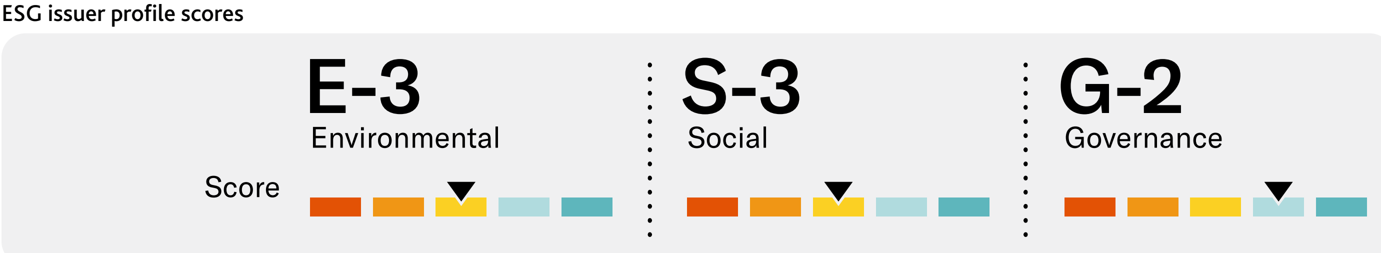
Exhibit 7
ESG credit impact score



Source: Moody's Ratings

SpareBank 1 Ostlandet's **CIS-2** indicates that ESG considerations do not have a material impact on current ratings. This reflects the limited credit impact of environmental and social risk factors on the ratings to date, and the low governance risks.

Exhibit 8
ESG issuer profile scores



Source: Moody's Ratings

Environmental

SpareBank 1 Ostlandet faces moderate environmental risks primarily because of its portfolio exposure to carbon transition. These risks are primarily related to its corporate portfolio through the commercial real estate sector. In line with its peers, the bank is facing mounting business risks and stakeholder pressure to meet broader carbon transition goals. In response, the bank is developing its climate risk and portfolio management capabilities.

Social

SpareBank 1 Ostlandet faces moderate social risks related to regulatory and litigation risks, requiring high compliance standards. The exposure to customer relation risks is lower than its international peers, given the bank's untarnished customer conduct track record supported by the social mandate of the Savings Bank's model. SpareBank 1 Ostlandet is a digitally advanced bank in Norway, with a robust IT infrastructure and strong capabilities to mitigate cyber and personal data risks, supported by its cooperation within the SpareBank 1 Alliance.

Governance
SpareBank 1 Ostlandet's governance risks are low. Despite sectoral and geographical concentrations, due to its limited reach, the bank benefits from strong underwriting standards which mitigate some of these concerns. The bank has a track record of sound capital and liquidity management and earnings stability while losses have been low, even at times of market turbulence. Being a regional savings bank, 27% of the equity base is owned by the bank in the form of primary capital, and 73% of the equity capital is owned by equity certificate (EC) holders. The foundation Sparebankstiftelsen Hedmark is the largest shareholder with 44.5% of the ECs and the foundation Totens Sparebankstiftelse has a 8.6% stake. Other owners are private investors which hold listed equity certificates, with the Norwegian confederation of trade unions being the largest. The bank's Supervisory Board comprises of representatives of EC holders, the foundation, and employees. Related governance risks are mitigated by Norway's developed institutional framework.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Support and structural considerations

Loss Given Failure (LGF) analysis and additional notching
Norway implemented the EU's Bank Recovery and Resolution Directive (BRRD) on 1 January 2019, and BRRD2 was incorporated into Norwegian law on 1 June 2022, which results in lower subordination requirements for non-preferred senior volumes. For our resolution analysis, we apply our advanced Loss Given Failure (LGF) analysis, using our standard assumptions for a bank operating in an operational resolution regime (ORR) country. We assume residual TCE of 3% and losses post-failure of 8% of tangible banking assets, a 25% run-off in “junior” wholesale deposits, a 5% run-off in preferred deposits, and assign a 25% probability to deposits being preferred to senior unsecured debt.

The ratings take into account our forward-looking LGF analysis of the bank's volume of deposits and senior unsecured debt, as well as the volume of securities subordinated to them. This assumption leads to three notches of rating uplift for the bank's senior debt ratings, which is the same uplift afforded for the bank's deposit ratings.

Government support considerations
Following the implementation of the BRRD law in Norway on 1 January 2019, we assume a low probability of government support for the bank's senior debt and deposits, resulting in no rating uplift.

About Moody's Bank Scorecard
Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

Rating methodology and scorecard factors

Exhibit 9
Rating Factors

Macro Factors							
Weighted Macro Profile	**Very Strong -**	**100%**					
Factor		**Historic Ratio**	**Initial Score**	**Expected Trend**	**Assigned Score**	**Key driver #1**	**Key driver #2**
Solvency							
Asset Risk							
Problem Loans / Gross Loans		1.4%	aa2	↔	a1	Asset Composition	Sector concentration
Capital							
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)		19.5%	aa2	↔	a1	Recognition of risk-weighted assets	Access to capital
Profitability							
Net Income / Tangible Assets		1.0%	baa1	↔	baa1		
Combined Solvency Score			aa3		a2		
Liquidity							
Funding Structure							
Less-stable Funds / Tangible Banking Assets		5.2%	aa2	↓	a1	Term structure	Expected Trend
Liquid Resources							
Core Banking Liquidity / Tangible Banking Assets		11.5%	baa2	↔	baa2		
Combined Liquidity Score			a2		a3		
Financial Profile			a1		a2		
Qualitative Adjustments					Adjustment		
Business and Geographic Diversification					-1		
Complexity and Opacity					0		
Strategy, Risk Appetite and Governance					0		
Total Qualitative Adjustments					-1		
Sovereign or Affiliate constraint					Aaa		
BCA Scorecard-indicated Outcome - Range					a2 - baa1		
Assigned BCA					a3		
Affiliate Support notching					0		
Adjusted BCA					a3		

Balance Sheet	**in-scope (NOK Million)**	**% in-scope**	**at-failure (NOK Million)**	**% at-failure**
Other liabilities	100 225	34.5%	114 064	39.3%
Deposits	135 683	46.7%	121 843	42.0%
Preferred deposits	100 405	34.6%	95 385	32.8%
Junior deposits	35 278	12.1%	26 458	9.1%
Senior unsecured bank debt	30 551	10.5%	30 551	10.5%
Junior senior unsecured bank debt	10 768	3.7%	10 768	3.7%
Dated subordinated bank debt	2 628	0.9%	2 628	0.9%
Preference shares (bank)	1 871	0.6%	1 871	0.6%
Equity	8 713	3.0%	8 713	3.0%
Total Tangible Banking Assets	290 439	100.0%	290 439	100.0%

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF Notching Guidance vs. Adjusted BCA	Assigned LGF notching	Additional Notching	Preliminary Rating Assessment
	Instrument volume + subordination	Sub-ordination	Instrument volume + subordination	Sub-ordination	De Jure	De Facto				
Counterparty Risk Rating	27.9%	27.9%	27.9%	27.9%	3	3	3	3	0	aa3
Counterparty Risk Assessment	27.9%	27.9%	27.9%	27.9%	3	3	3	3	0	aa3 (cr)
Deposits	27.9%	8.3%	27.9%	18.8%	3	3	3	3	0	aa3
Senior unsecured bank debt	27.9%	8.3%	18.8%	8.3%	3	3	3	3	0	aa3
Dated subordinated bank debt	4.5%	3.6%	4.5%	3.6%	-1	-1	-1	-1	0	baa1

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	3	0	aa3	0	Aa3	Aa3
Counterparty Risk Assessment	3	0	aa3 (cr)	0	Aa3(cr)	
Deposits	3	0	aa3	0	Aa3	Aa3
Senior unsecured bank debt	3	0	aa3	0	Aa3	Aa3
Dated subordinated bank debt	-1	0	baa1	0		(P)Baa1

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.
Source: Moody's Ratings

Ratings

Exhibit 10

Category	Moody's Rating
SPAREBANK 1 OSTLANDET	
Outlook	Stable
Counterparty Risk Rating	Aa3/P-1
Bank Deposits	Aa3/P-1
Baseline Credit Assessment	a3
Adjusted Baseline Credit Assessment	a3
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Issuer Rating	Aa3
Senior Unsecured	Aa3
Subordinate MTN	(P)Baa1

Source: Moody's Ratings

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CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454