



# First quarter report 2022

SPAREBANK 1 ØSTLANDET

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# Key figures

Group	1Q	4Q	1Q	Year
Summary (NOK million and per cent of average assets)	2022	2021	2021	2021
Net interest income	594	573	535	2 202
Net commission and other operating income	388	414	379	1 622
Net income from financial assets and liabilities	100	113	108	599
<b>Total income</b>	<b>1 081</b>	<b>1 100</b>	<b>1 021</b>	<b>4 423</b>
<b>Total operating expenses</b>	<b>504</b>	<b>531</b>	<b>485</b>	<b>1 980</b>
<b>Operating profit before losses on loans and guarantees</b>	<b>577</b>	<b>569</b>	<b>536</b>	<b>2 443</b>
Impairment losses on loans and guarantees	4	28	- 18	5
<b>Pre-tax operating profit</b>	<b>573</b>	<b>542</b>	<b>554</b>	<b>2 438</b>
Tax expense	37	37	114	416
<b>Profit after tax</b>	<b>536</b>	<b>505</b>	<b>439</b>	<b>2 022</b>
Interest expenses on hybrid capital	9	9	6	27
Profit after tax incl. interest hybrid capital <sup>1)</sup>	526	496	433	1 994
<b>Profitability</b>				
Return on equity capital <sup>1)</sup>	12.2 %	11.1 %	10.6 %	11.6 %
Cost income ratio <sup>1)</sup>	46.6 %	48.3 %	47.5 %	44.8 %
Net interest income calculated as a percentage of average total assets	1.53 %	1.47 %	1.46 %	1.45 %
Profit after tax calculated as a percentage of average total assets	1.38 %	1.29 %	1.20 %	1.33 %
<b>Balance sheet and ratios</b>				
Gross loans to customers	124 053	121 284	114 037	121 284
Gross loans to customers including loans transferred to covered bond companies <sup>1)</sup>	177 831	173 700	162 567	173 700
Growth in loans during the last 12 months <sup>1)</sup>	8.8 %	7.0 %	4.8 %	7.0 %
Growth in loans including loans transferred to covered bond companies in the last 12 months <sup>1)</sup>	9.4 %	7.7 %	5.7 %	7.7 %
Deposits from customers	93 924	92 178	87 476	92 178
Growth in deposits in the last 12 months <sup>1)</sup>	7.4 %	7.7 %	9.5 %	7.7 %
Deposit to loan ratio <sup>1)</sup>	75.7 %	76.0 %	76.7 %	76.0 %
Deposit to loan ratio incl. loans transferred to covered bond companies <sup>1)</sup>	52.8 %	53.1 %	53.8 %	53.1 %
Average total assets	157 620	154 888	148 096	152 242
Total assets	159 781	155 459	150 118	155 459
Total assets including loans transferred to covered bond companies <sup>1)</sup>	213 559	207 875	198 648	207 875
<b>Losses and commitments in default</b>				
Impairment on loans as a percentage of gross loans <sup>1)</sup>	0.0 %	0.1 %	-0.1 %	0.0 %
Gross loans to customers in stage 2, percentage of total gross loans	8.6 %	8.6 %	7.2 %	8.6 %
Gross loans to customers in stage 3, percentage of total gross loans	0.5 %	0.5 %	0.6 %	0.5 %
<b>Solidity and liquidity</b>				
CET 1 capital ratio	18.0 %	18.0 %	17.8 %	18.0 %
Tier 1 capital ratio	19.3 %	19.4 %	18.8 %	19.4 %
Capital adequacy ratio	20.9 %	21.1 %	20.7 %	21.1 %
Total eligible capital	18 312	17 933	16 793	17 933
Equity ratio <sup>1)</sup>	11.5 %	12.0 %	11.5 %	12.0 %
Leverage Ratio	7.3 %	7.3 %	7.1 %	7.3 %
LCR <sup>2)</sup>	126.7 %	131.6 %	147.5 %	131.6 %
LCR in NOK <sup>2)</sup>	125.1 %	127.4 %	145.3 %	127.4 %
LCR in EUR <sup>2)</sup>	176.8 %	231.0 %	399.0 %	231.0 %
<b>Staff</b>				
Number of fulltime equivalents	1 131	1 137	1 143	1 137

1) See attachment in Factbook regarding Alternative performance measures.

2) Liquidity Coverage Ratio: Measures the size of banks' liquid assets relative to net liquidity outflow 30 days ahead of time given a stress situation.

<b>Equity capital certificates (ECC) <sup>1)</sup></b>	<b>31 Mar. 2022</b>	<b>31 Mar. 2021</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
ECC ratio	70.0 %	69.6 %	70.0 %	70.0 %	70.1 %	69.3 %	67.6 %
Average ECC ratio	70.0 %	70.0 %	69.8 %	70.1 %	69.3 %	67.7 %	67.5 %
ECC issued	115 829 789	115 829 789	115 829 789	115 829 789	115 829 789	115 319 521	107 179 987
Market price (NOK)	140.00	111.40	145.60	97.80	92.50	83.00	90.50
Market capitalisation (NOK million)	16 216	12 903	16 865	11 328	10 714	9 572	9 700
Book equity per ECC <sup>2)</sup>	104.16	99.28	106.31	98.76	93.67	85.83	80.96
Earnings per ECC, NOK <sup>3)</sup>	3.16	2.59	11.96	9.57	11.55	8.46	7.81
Dividend per ECC <sup>4)</sup>			6.00	4.79	4,58 <sup>4)</sup>	4.12	3.96
Price/Earnings per ECC <sup>2)</sup>	10.93	10.61	12.18	10.22	8.01	9.81	11.59
Price/book equity <sup>2)</sup>	1.34	1.12	1.37	0.99	0.99	0.97	1.12

1) SpareBank 1 Østlandet was listed on the stock exchange on 13 June 2017.

2) See attachment regarding Alternative performance measures.

3) Profit after tax and interest on hybrid capital for controlling interests \* Average ECC ratio / number of ECC's.

4) The payout ratio for the dividend for 2019 was, in accordance with the Board's revised recommendation and as communicated in a market announcement dated 19 March 2020, reduced from 50 per cent to 40 per cent. The dividend per ECC was changed from NOK 5.72 to NOK 4.58.

# Profit/loss from the quarterly accounts

Group	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
(NOK million, excluding percentages)	2022	2021	2021	2021	2021	2020	2020	2020	2020
Interest income	896	821	764	749	746	768	780	839	1 048
Interest expense	302	248	212	207	211	219	244	341	454
<b>Net interest income</b>	<b>594</b>	<b>573</b>	<b>552</b>	<b>542</b>	<b>535</b>	<b>549</b>	<b>536</b>	<b>498</b>	<b>594</b>
Commission income	355	389	400	387	351	389	380	277	314
Commission expenses	33	34	36	34	35	40	36	32	35
Other operating income	66	59	50	62	62	57	49	56	64
<b>Net commission and other operating income</b>	<b>388</b>	<b>414</b>	<b>414</b>	<b>416</b>	<b>379</b>	<b>406</b>	<b>392</b>	<b>300</b>	<b>343</b>
Dividends from shares and other equity instruments	16	0	0	9	11	29	1	0	12
Net income from associates and joint ventures	16	126	109	111	59	63	88	128	115
Net profit from other financial assets and liabilities	68	-14	88	62	38	55	45	185	-175
<b>Net profit from financial assets and liabilities</b>	<b>100</b>	<b>113</b>	<b>198</b>	<b>181</b>	<b>108</b>	<b>146</b>	<b>133</b>	<b>314</b>	<b>-48</b>
<b>Total net income</b>	<b>1 081</b>	<b>1 100</b>	<b>1 163</b>	<b>1 139</b>	<b>1 021</b>	<b>1 102</b>	<b>1 061</b>	<b>1 112</b>	<b>889</b>
Personnel expenses	287	280	279	283	284	285	269	255	274
Depreciation	31	30	31	30	31	33	33	32	34
Other operating expenses	186	220	164	178	170	186	163	160	178
<b>Total operating expenses</b>	<b>504</b>	<b>531</b>	<b>473</b>	<b>492</b>	<b>485</b>	<b>504</b>	<b>465</b>	<b>447</b>	<b>487</b>
<b>Operating profit before losses on loans and guarantees</b>	<b>577</b>	<b>569</b>	<b>690</b>	<b>647</b>	<b>536</b>	<b>598</b>	<b>596</b>	<b>665</b>	<b>402</b>
Impairment on loans and guarantees	4	28	-16	11	-18	1	47	130	151
<b>Pre-tax operating profit</b>	<b>573</b>	<b>542</b>	<b>706</b>	<b>637</b>	<b>554</b>	<b>597</b>	<b>549</b>	<b>535</b>	<b>251</b>
Tax expense	37	37	144	121	114	131	111	97	-16
<b>Profit after tax</b>	<b>536</b>	<b>505</b>	<b>561</b>	<b>516</b>	<b>439</b>	<b>466</b>	<b>438</b>	<b>438</b>	<b>266</b>
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
	2022	2021	2021	2021	2021	2020	2020	2020	2020
<b>Profitability</b>									
Return on equity capital <sup>1)</sup>	12.2 %	11.1 %	12.6 %	12.1 %	10.6 %	11.3 %	10.9 %	11.3 %	6.9 %
Net interest income <sup>2)</sup>	1.53 %	1.47 %	1.41 %	1.44 %	1.46 %	1.48 %	1.44 %	1.38 %	1.72 %
Cost income ratio <sup>3)</sup>	46.6 %	48.3 %	40.7 %	43.2 %	47.5 %	45.7 %	43.8 %	40.2 %	54.7 %
<b>Balance sheet and ratios</b>									
Gross loans to customers	124 053	121 284	119 511	118 132	114 037	113 368	113 624	112 381	108 811
Gross loans to customers including loans transferred to covered bond companies <sup>1)</sup>	177 831	173 700	170 369	167 290	162 567	161 259	160 993	157 956	153 846
Growth in loans during the last 12 months <sup>1)</sup>	8.8 %	7.0 %	5.2 %	5.1 %	4.8 %	5.9 %	9.2 %	10.5 %	10.2 %
Growth in loans including loans transferred to covered bond companies in the last 12 months <sup>1)</sup>	9.4 %	7.7 %	5.8 %	5.9 %	5.7 %	7.0 %	9.3 %	9.4 %	9.0 %
Growth in loans during the last quarter <sup>1)</sup>	2.3 %	1.5 %	1.2 %	3.6 %	0.6 %	-0.2 %	1.1 %	3.3 %	1.7 %
Growth in loans including loans transferred to covered bond companies in the last quarter <sup>1)</sup>	2.4 %	2.0 %	1.8 %	2.9 %	0.8 %	0.2 %	1.9 %	2.7 %	2.1 %
Deposits from customers	93 924	92 178	91 265	92 551	87 476	85 613	85 496	85 481	79 901
Deposit to loan ratio <sup>1)</sup>	75.7 %	76.0 %	76.4 %	78.3 %	76.7 %	75.5 %	75.2 %	76.1 %	73.4 %
Deposit to loan ratio including loans transferred to covered bond companies <sup>1)</sup>	52.8 %	53.1 %	53.6 %	55.3 %	53.8 %	53.1 %	53.1 %	54.1 %	51.9 %
Growth in deposits in the last 12 months	7.4 %	7.7 %	6.7 %	8.3 %	9.5 %	9.1 %	11.2 %	10.5 %	10.4 %
Growth in deposits in the last quarter	1.9 %	1.0 %	-1.4 %	5.8 %	2.2 %	0.1 %	0.0 %	7.0 %	1.8 %
Average total assets	157 620	154 888	154 780	152 681	148 096	147 486	148 048	145 392	139 184
Total assets	159 781	155 459	154 316	155 243	150 118	146 074	148 898	147 197	143 586
Total assets including loans transferred to covered bond companies <sup>1)</sup>	213 559	207 875	205 175	204 401	198 648	193 964	196 267	192 772	188 621
<b>Losses and commitments in default</b>									
Losses on loans as a percentage of gross loans <sup>1)</sup>	0.0 %	0.1 %	-0.1 %	0.0 %	-0.1 %	0.0 %	0.2 %	0.5 %	0.6 %
<b>Financial strength</b>									
Common equity Tier 1 capital ratio	18.0 %	18.0 %	18.0 %	17.8 %	17.8 %	17.8 %	17.3 %	17.1 %	17.0 %
Tier 1 capital ratio	19.3 %	19.4 %	19.4 %	18.8 %	18.8 %	18.8 %	18.3 %	18.2 %	17.7 %
Capital ratio	20.9 %	21.1 %	21.3 %	20.7 %	20.7 %	20.8 %	20.2 %	20.1 %	19.6 %
Net subordinated capital	18 312	17 933	17 899	17 242	16 793	16 704	16 502	16 418	15 883

1) See attachment in Factbook regarding Alternative performance measures.

2) Net interest income as a percentage of average total assets for the period.

3) Total operating costs as a percentage of total operating income (isolated for the quarter).

# Report of the Board of Directors

**First quarter of 2022 (Consolidated figures. Figures in brackets concern the corresponding period in 2021)**

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- Profit after tax: NOK 536 (439) million
- Return on equity: 12.2 (10.6) per cent
- Earnings per equity capital certificate: NOK 3.16 (2.59)
- Net interest income: NOK 594 (535) million
- Net commissions and other operating income: NOK 388 (379) million
- Net income from financial assets and liabilities: NOK 100 (108) million
- Total operating expenses: NOK 504 (485) million
- Impairment losses on loans and guarantees: NOK 4 million (net receipts on losses of NOK 18 million)
- Lending growth in the last quarter, incl. mortgages transferred to the covered bond companies: 2.4 (0.8) per cent
- Growth in deposits in the last quarter: 1.9 (2.2) per cent
- Lending growth, incl. mortgages transferred to covered bond companies in the past 12 months: 9.4 (5.7) per cent
- Deposit growth in the past 12 months: 7.4 (9.5) per cent
- Common Equity Tier 1 capital ratio: 18.0 (17.8) per cent

## Important events in the first quarter of 2022

### **Payment of dividends and customer dividends for 2021**

On 6 April 2022, SpareBank 1 Østlandet paid out NOK 695 (555) million to its equity capital certificate holders in ordinary dividends for 2021. The dividend amounted to NOK 6.00 (4.79) per equity capital certificate.

SpareBank 1 Østlandet has paid out customer dividends for the fifth year in a row. On 22 April 2022, NOK 295 (231) million was paid out.

### **New agreement with the Norwegian Confederation of Trade Unions (LO)**

In the first quarter of 2022, SpareBank 1 Østlandet extended the cooperation agreement in which SpareBank 1 Østlandet is one of two banks that are the preferred partners of the Norwegian Confederation of Trade Unions (LO). The new agreement will last until autumn 2024.

### **Interest rate changes**

In the first quarter of 2022, SpareBank 1 Østlandet decided to increase its lending and deposit rates for retail and corporate customers by up to 0.25 percentage points in two rounds.

In the first round, the interest rate changes came into effect on 5 January 2022 for new loans, while the rates for existing loans and deposits were changed from 21 January 2022 for corporate customers and from 18 February 2022 for retail customers.

Lending and deposit rates for retail and corporate customers rose further by up to 0.25 percentage points

with effect from 1 April 2022 for new loans, while the rates for existing loans and deposits were changed from 18. April 2022 for corporate customers and from 16 May 2022 for retail customers.

### **Net zero greenhouse gas emissions in 2050**

In the first quarter of 2022, SpareBank 1 Østlandet announced the details related to its net zero greenhouse gas emissions ambition in 2050. SpareBank 1 Østlandet also published information on the carbon intensity of emissions from both its own operations and from the loan portfolio, as well as information on the purchase of climate quotas to offset emissions.

### **Pillar 2 requirement assessment by the Financial Supervisory Authority of Norway**

On 28 April 2022, SpareBank 1 Østlandet received the final assessment of the Norwegian Financial Supervisory Authority (NFSA) regarding the Bank's Pillar 2 requirement. The initial assessment of the NFSA was a Pillar 2 requirement of 2.0 per cent, but this was revised to 1.8 per cent in the final decision. The Pillar 2 requirement is then unchanged from the previous requirement. The decision is effective from 30 April 2022.

### **Countercyclical buffer**

On 24 March 2022, Norges Bank decided to increase the countercyclical buffer requirement for banks to 2.5 per cent with effect from 31 March 2023.

### **Policy rate**

On 24 March 2022, Norges Bank decided to raise its policy rate by 0.25 percentage points to 0.75 per cent.

# Consolidated financial statements for the first quarter of 2022

## Consolidated profit

The SpareBank 1 Østlandet Group's profit after tax for the first quarter of 2022 was NOK 536 (439) million and the return on equity was 12.2 (10.6) per cent.

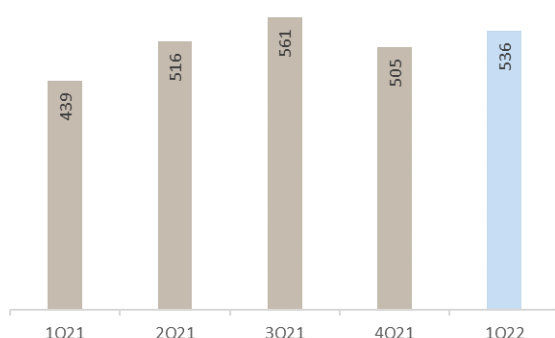
Consolidated profit after tax, NOK millions	1Q22	4Q21	1Q21
Parent Bank's profit after tax	694	343	496
Dividends from subsidiaries/associates	-225	0	-167
<b>Share of profit from:</b>			
SpareBank 1 Gruppen AS*	8	110	43
SpareBank 1 Boligkreditt AS	-5	-1	4
SpareBank 1 Næringskreditt AS	0	3	1
EiendomsMegler 1 Innlandet AS	-3	-2	-1
EiendomsMegler 1 Oslo Akershus AS*	1	1	3
SpareBank 1 Finans Østlandet AS*	44	41	48
SpareBank 1 Østlandet VIT AS*	5	-4	1
SpareBank 1 Kreditt AS	3	2	0
SpareBank 1 Betaling AS	-5	-7	-1
SpareBank 1 Forvaltning AS*	2	3	0
BN Bank ASA	14	12	11
Youngstorget 5 AS	1	2	1
Other group items	1	2	0
<b>Consolidated profit after tax</b>	<b>536</b>	<b>505</b>	<b>439</b>

\* Consolidated figures

The NOK 97 million improvement in profit compared with the same period last year was largely attributable to a reduction in the income tax expense. Increases in both net interest income and net commissions and other operating income also improved the profit, although lower net income from financial assets and liabilities and an increase in operating expenses and losses pulled in the opposite direction.

The reduction in the tax expense compared with the same period last year was mainly due to the decision to pay out customer dividends in the first quarter, while in 2021 the decision was made to pay out customer dividends in the fourth quarter. The tax deduction related to customer dividends amounted to NOK 73 million at the end of the first quarter of 2022, while the tax effect of NOK 57 million from the corresponding payout occurred in the fourth quarter of 2021.

Profit after tax



## Net interest income

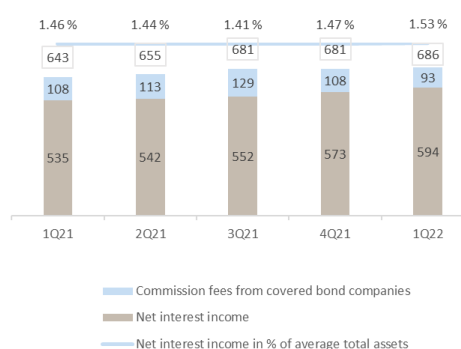
Net interest income amounted to NOK 594 (535) million in the first quarter of 2022. Net interest income ought to be viewed in conjunction with commission income from mortgages transferred to the part-owned covered bond companies totalling NOK 93 (108) million. Total net interest income and commissions from the covered bond companies totalled NOK 686 (643) million.

Figures in NOK millions	1Q22	4Q21	1Q21
Interest income	896	821	746
Interest expense	302	248	211
<b>Net interest income</b>	<b>594</b>	<b>573</b>	<b>535</b>
Commission income from mortgages transferred to covered bond companies	93	108	108
<b>Combined net interest income and commission income from the covered bond companies</b>	<b>686</b>	<b>681</b>	<b>643</b>

The increase in the combined net interest income and commission income from the covered bond companies from the same period last year was to a large extent due to growth in lending and deposit volumes, as well as better deposit margins. This was offset to some extent by weaker lending margins on the Bank's own balance sheet and reduced commission income due to increased funding costs in the covered bond companies.

Net interest income as a percentage of average total assets was 1.53 (1.46) per cent.

Net interest income including commission fees from covered bond companies and Net interest income in % of average total assets



## Net commissions and other operating income

Net commissions and other operating income amounted to NOK 388 (379) million in the first quarter of 2022.

Figures in NOK millions	1Q22	4Q21	1Q21
Net money transfer fees	40	57	24
Commissions from insurance/savings	75	75	65
Commissions from covered bonds comp.	93	108	108
Commission from credit cards	15	17	15
Real estate brokerage commissions	75	76	79
Accounting services	52	43	50
Other operating income	38	40	36
<b>Net commissions and other operating income</b>	<b>388</b>	<b>414</b>	<b>379</b>

The improvement in net commissions and other operating income from the same period last year was due to increased commission income from money transfer services, accounting services, funds and insurance, as well as an increase in other income. This was offset to some extent by reduced commission income from the covered bond companies, as well as a slight decrease in income from real estate brokerage and accounting services.

For more detailed information please see Note 6 'Net commissions and other operating income' and Note 3 'Segment information'.

### Net income from financial assets and liabilities

Net income from financial assets and liabilities amounted to NOK 100 (108) million for the first quarter of 2022.

Figures in NOK millions	1Q22	4Q21	1Q21
Dividends from shares and other equity instruments	16	0	11
Net income from associates and joint ventures	16	126	59
Net profit from other financial assets and liabilities	68	-14	38
<b>Net profit from financial assets and liabilities</b>	<b>100</b>	<b>113</b>	<b>108</b>

Dividends of NOK 16 (11) million consisted mainly of dividends from Totens Sparebank of NOK 15 (10) million.

Net income from associated companies and joint ventures amounted to NOK 16 (59) million.

Contribution from associates and joint ventures	1Q22	4Q21	1Q21
SpareBank 1 Gruppen AS*	8	110	43
SpareBank 1 Boligkreditt AS	-5	-1	4
SpareBank 1 Næringskreditt AS	0	3	1
SpareBank 1 Kreditt AS	3	2	0
SpareBank 1 Betaling AS	-5	-7	-1
SpareBank 1 Forvaltning AS*	2	3	0
BN Bank ASA	14	12	11
Other associates/joint ventures	-2	5	0
<b>Net income from associates and joint ventures</b>	<b>16</b>	<b>126</b>	<b>59</b>

\* Consolidated figures

The NOK 43 million reduction compared with the same quarter last year was primarily due to a reduction in the profit contribution from SpareBank 1 Gruppen.

Net income from other financial assets and liabilities was NOK 68 (38) million for the first quarter of 2022. For more detailed information please see Note 7 'Net profit from financial assets and liabilities'.

### Operating expenses

Total operating expenses amounted to NOK 504 (485) million in the first quarter of 2022.

Expenses, NOK millions	1Q22	4Q21	1Q21
Personnel expenses	287	281	284
Depreciation and amortisation	31	30	31
ICT expenses	82	86	78
Marketing expenses	22	27	23
Operating expenses from real estate	20	20	15
Other expenses	62	87	54
<b>Total operating expenses</b>	<b>504</b>	<b>531</b>	<b>485</b>

The NOK 19 million increase in operating expenses compared with the same quarter last year was due to increases in personnel costs, ICT costs, operating expenses for real estate property and other operating expenses, while these were offset to some extent by a small reduction in marketing expenses. For more detailed information please see Note 8 'Other operating expenses' and Note 3 'Segment information'.

The increase in expenses was due to the rise in operating expenses in the parent bank, while other operating expenses in the Group were unchanged.

As at 31 March 2022, the Group employed 1 131 (1 143) FTEs. The reduction in headcount of 12 FTEs was due a decrease of 5 FTEs in subsidiaries and a decrease of 7 FTEs in the parent bank.

### Impairment losses on loans and guarantees

Impairment losses on loans and guarantees amounted to NOK 4 (net reversals of 18) million in the first quarter of 2022.

Isolated loss effects, NOK millions	1Q22	4Q21	1Q21
Change ECL due to growth and migration	5	33	3
Change ECL due to adjusted key assumptions (PD / LGD)	0	-9	-13
Change ECL due to changed scenario weighting	0	0	0
<b>Change in model-based loss provisions</b>	<b>5</b>	<b>24</b>	<b>-10</b>
Post model adjustments	0	0	-20
Change individual loss provisions	-6	-4	2
Net write-offs	4	8	11
<b>Total losses</b>	<b>4</b>	<b>28</b>	<b>-18</b>

The model-generated provisions for credit losses (Stage 1 and Stage 2) increased by NOK 5 million in the first quarter of 2022. The increase in model-generated provisions for credit losses was exclusively due to the increase in expected credit losses (ECL) due to the period's growth and migration. The change in individual provisions for credit losses (Stage 3) resulted in a net reversal of loan losses of NOK 6 million, while the period's realised losses amounted to NOK 4 million.

For more detailed information about provisions for credit losses, see Note 2 'Accounting principles', Note 9 'Provisions for credit losses', Note 11 'Loans to and receivables from customers', and Note 12 'Accumulated provisions for expected credit losses'.

Some 73 (74) per cent of the SpareBank 1 Østlandet Group's total lending, inclusive of mortgages transferred to the covered bond companies, was to retail customers, mainly consisting of housing mortgages. The corporate portfolio's exposure to cyclical industries is low.

### Credit risk

The Group's capitalised provisions for credit losses on loans and liabilities as at 31 March 2022 amounted to NOK 504 (520) million.

Figures in NOK million / per cent of gross lending	1Q22	4Q21	1Q21
Gross loans in stage 1	112 774	110 188	105 159
Gross loans in stage 2	10 689	10 435	8 179
Gross loans in stage 3	590	660	724
<b>Total gross loans</b>	<b>124 053</b>	<b>121 284</b>	<b>114 062</b>
Provisions for credit losses in stage 1	176	176	174
Provisions for credit losses in stage 2	227	221	213
Provisions for credit losses in stage 3	102	107	133
<b>Total provisions for credit losses</b>	<b>504</b>	<b>505</b>	<b>520</b>
Loan loss impairment ratio for stage 1	0.16 %	0.16 %	0.17 %
Loan loss impairment ratio for stage 2	2.13 %	2.12 %	2.60 %
Loan loss impairment ratio for stage 3	17.23 %	16.24 %	18.30 %
<b>Total loan loss impairment ratio in per cent of gross loans</b>	<b>0.41 %</b>	<b>0.42 %</b>	<b>0.46 %</b>

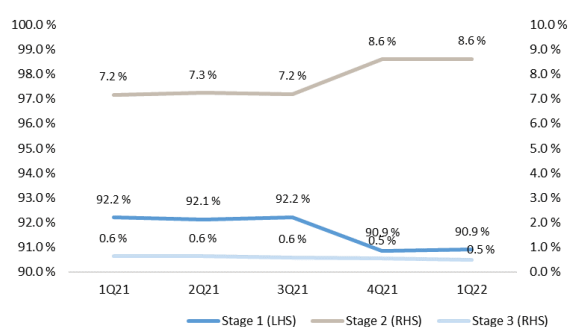
The Group's lending and liabilities are categorised into three groups: Stage 1, Stage 2, and Stage 3.

*Stage 1* is used for lending that does not have a substantially higher credit risk than it did upon initial recognition. A provision is made for 12 months' expected loss.

*Stage 2* is used for lending that has a substantially higher credit risk than it did upon being granted, but where no credit loss has occurred on the balance sheet date. A provision is made for expected loss over the entire lifetime.

*Stage 3* is used for lending that has a substantially higher credit risk than it did upon being granted and where there is, on the balance sheet date, deemed to exist a default that entails reduced future cash flows to service the commitment. For these exposures, the loss provision must cover expected losses over the useful life.

Gross exposure in the different stages was as follows:



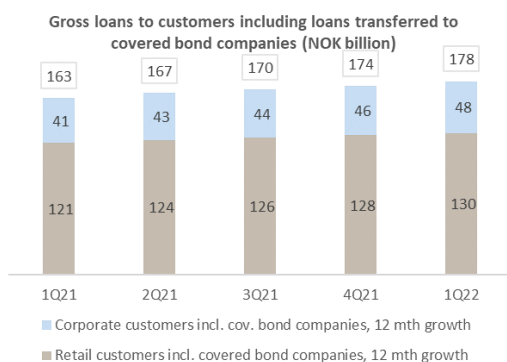
The Bank's credit risk is affected by macroeconomic conditions. The economy is characterised by good growth and low unemployment, although uncertainty has also increased due to the war in Ukraine, high inflation, the growth in costs, and indications of more rate hikes from Norges Bank. The Bank is closely monitoring how the situation is affecting its customers and conducting the necessary assessments using the loss model, in line with IFRS 9.

Credit risk as measured using the Bank's internal credit models was stable for the retail market and the corporate market throughout the first quarter of 2022. The individual provisions for credit losses for retail lending and corporate lending have also been stable. At the end of the first quarter of 2022, the Bank's measured credit risk was within the risk tolerances approved by the Board. The Board's assessment is that the Group's credit risk is moderate to low.

For more detailed information, see Note 2 'Accounting principles', Note 9 'Provisions for credit losses', Note 11 'Loans to and receivables from customers', and Note 12 'Accumulated provisions for expected credit losses'.

### Lending to customers

Gross loans to customers, inclusive of mortgages transferred to the covered bond companies, totalled NOK 177.8 (162.6) billion as at 31 March 2022. As at 31 March 2022, mortgages totalling NOK 52.5 (47.5) billion had been transferred to SpareBank 1 Boligkreditt AS and mortgages totalling NOK 1.3 (1.0) billion had been transferred to SpareBank 1 Næringskreditt AS.



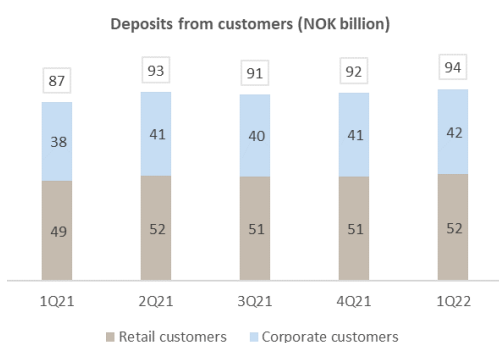
Lending growth in the past 12 months, inclusive of mortgages transferred to the covered bond companies, was NOK 15.3 (8.7) billion, equivalent to 9.4 (5.7) per cent. The growth was distributed as follows: NOK 9.2 (8.6) billion, or 7.6 (7.7) per cent, in the retail market and NOK 6.1 (0.1) billion, or 14.6 (0.2) per cent, in the corporate market.

The retail market division has intensified its work on reducing emissions from the mortgage portfolio to net zero by 2050. The loan balance related to homes defined as green amounted to NOK 12 billion at the end of the first quarter of 2022.

In the first quarter, the corporate market division launched a new green loan product for increasing energy efficiency in commercial properties. The loan can be used to finance rehabilitation projects that result in commercial properties achieving a minimum 30 per cent improvement in energy efficiency and a minimum energy rating of 'D' or, alternatively, an improvement of two energy ratings to a minimum energy rating of 'D'.

### Deposits from customers

As at 31 March 2022, deposits from customers totalled NOK 93.9 (87.5) billion. Deposit growth in the past 12 months was NOK 6.4 (7.6) billion, equivalent to 7.4 (9.5) per cent. The growth was distributed as follows: NOK 3.2 (3.8) billion, or 6.6 (8.5) per cent, in the retail market and NOK 3.2 (3.7) billion, or 8.4 (10.7) per cent, in the corporate market.



The Group's deposit coverage ratio was 75.7 (76.7) per cent. The Group's deposit coverage ratio, inclusive of mortgages transferred to the covered bond companies, was 52.8 (53.8) per cent.

### Liquidity

Borrowing from credit institutions and securities issued (senior preferred debt, senior non-preferred debt, subordinated loan capital and additional Tier 1 capital) totalled NOK 42.8 (41.7) billion, 42 (53) per cent of which was euro-denominated. The average term to maturity for the Group's long-term funding was 4.2 (4.2) years, while the average term to maturity for all funding was 3.5 (3.8) years.

As at 31 March 2022, the liquidity coverage ratio (LCR) was 126.7 (147.5) per cent, whereas the average last year was 135.8 (144.6) per cent.

On 20 April 2022, the Bank issued a 5-year green loan bond worth EUR 500 million.

The Bank's goal is for 15 per cent of the liquidity portfolio to have an ESG label by the end of 2022. At the end of 2021, around 9 per cent of the liquidity portfolio had an ESG label.

The Board's assessment is that the Group's liquidity situation is satisfactory.

### Equity capital certificates

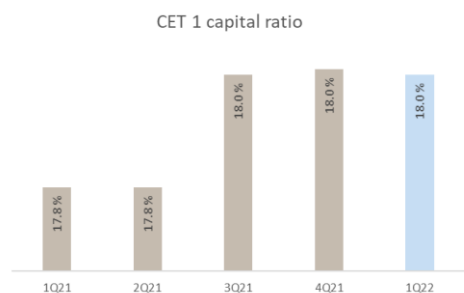
At 31 March 2022, the equity share capital comprised 115 829 789 (115 829 789) equity capital certificates and the book value per equity capital certificate was NOK 104.16 (99.28). Earnings per equity capital certificate amounted to NOK 3.16 (2.59) for the first quarter of 2022.

As at 31 March 2022, the market price for the Bank's equity capital certificate (ticker 'SPOL') was NOK 140.00 (111.40). On 6 April 2022, a dividend of NOK 6.00 (4.79) per equity capital certificate was paid out for the accounting year 2021.

### Financial strength and capital adequacy

As at 31 March 2022, the Group's equity totalled NOK 18.3 (17.3) billion and represented 11.5 (11.5) per cent of total capital. The leverage ratio was 7.3 (7.1) per cent.

The Group's Common Equity Tier 1 ratio as at 31 March 2022 was 18.0 (17.8) per cent. The Tier 1 capital and Tier 2 capital ratios were 19.3 (18.8) per cent and 20.9 (20.7) per cent, respectively.



The Bank has permission to use internal methods (IRB) for determining the requirements for the majority of its loan portfolio. Therefore, the Bank sets its own risk weights and regulatory expected losses for these exposures.

Besides the ordinary subsidiaries consolidated into the Bank's accounting group, the following companies are also proportionately consolidated into the Group's capital adequacy:

- SpareBank 1 Boligkreditt AS
- SpareBank 1 Næringskreditt AS
- SpareBank 1 Kreditt AS
- BN Bank ASA

The current requirement for Common Equity Tier 1 capital consists of a minimum requirement of 4.5 per cent, as well as a buffer requirement totalling 8.0 per cent for the parent bank and 8.0 per cent for the Group. In the total buffer requirement, the institution-specific buffer requirements, the countercyclical buffer and the systemic risk buffer, were calculated to be 1.0 per cent and 4.5 per cent, respectively, for the Group.

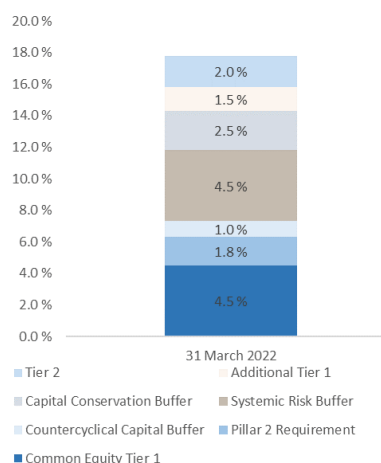
SpareBank 1 Østlandet was also subject to a Pillar 2 requirement of 1.8 per cent at a consolidated level as at 31 March 2022. The total capital requirements for Common Equity Tier 1 capital were, therefore, 12.5 per cent for the parent bank and 14.3 per cent for the Group. In addition to this, a further 1.5 per cent is covered by additional Tier 1 capital and 2.0 per cent is covered by Tier 2 capital.

On 28 April 2022, SpareBank 1 Østlandet received the final assessment of the Norwegian Financial Supervisory Authority (NFSA) regarding the Bank's Pillar 2 requirement. The initial assessment of the NFSA was a Pillar 2 requirement of 2.0 per cent, but this was revised to 1.8 per cent in the final decision. The Pillar 2 requirement is then unchanged from the previous requirement. The decision is effective from 30 April 2022.

On 17 June 2021, the Ministry of Finance decided to increase the countercyclical buffer by 0.5 percentage points to 1.5 per cent from 30 June 2022. The Ministry

of Finance delegated responsibility for setting countercyclical buffer levels to Norges Bank on 3 September 2021. On 16 December 2021, Norges Bank announced an increase in the countercyclical buffer of a further 0.5 percentage points to 2.0 per cent with effect from 31 December 2022. On 24 March 2022, Norges Bank announced a further increase in the countercyclical buffer of 0.5 percentage points to 2.5 per cent with effect from 31 March 2023.

The Group's Capital Requirements



On 17 January 2022, a special Regulation for calculating institution-specific capital buffers, including systemic risk buffers and countercyclical buffers, came into force with immediate effect. The Regulation has no significant effect on the Bank's overall capital requirement.

The EU's banking package includes revised versions of the Capital Requirements Directive and the associated Regulation, which will affect the Bank's capital adequacy. On 30 March 2022, the Ministry of Finance announced that it is aiming to incorporate the Banking Package into Norwegian law from 1 June 2022. The most significant effect of the regulation is expected to be the implementation of an expanded SME discount, which for the Group is expected to contribute to an increase in its Common Equity Tier 1 capital ratio of approximately 0.4 percentage points, seen in isolation.

On 27 October 2021, the European Commission presented its plan for an upcoming package of regulatory changes. The package includes changes from the revised Basel III framework, as well as changed rules for supervisory authorities' follow-up of banks and rules linked to the banks' management and control of ESG risk. The European Commission is planning for an introduction date of 1 January 2025.

The Board of Directors considers the Bank's financial situation to be solid and that it is well-equipped for future regulatory changes.

## Rating

Moody's Investors Service (Moody's) has rated SpareBank 1 Østlandet's deposits and senior preferred debt Aa3 with stable outlooks. Furthermore, the Bank's baseline credit assessment (BCA) and adjusted BCA are rated at a3 and the Bank's senior non-preferred debt is rated at A3 with a stable outlook. SpareBank 1 Østlandet is, therefore, one of the three savings banks with the highest credit rating from Moody's in Norway.

SpareBank 1 Østlandet has an ESG Risk Rating from Sustainalytics of 12.3 (Low Risk). The Bank's work on the area of the climate is rated A- by the Carbon Disclosure Project (CDP) and it is thus one of the best rated banks within sustainability in Norway.

## Parent bank's financial statements for the first quarter of 2022

### Parent bank's results

The parent bank's profit after tax for the first quarter of 2022 was NOK 694 (496) million. The increase from the same quarter last year was due to an increase in net interest income and net commissions and other operating income, better net income from financial assets and liabilities, and a reduced tax expense. Increased operating expenses and higher loss charges pulled in the opposite direction.

The reduction in the tax expense compared with the same period last year was largely due to the decision to pay out customer dividends in the first quarter, while in 2021 the decision was to pay out customer dividends in the fourth quarter. The tax deduction related to customer dividends amounted to NOK 73 million at the end of the first quarter of 2022, while the tax effect of NOK 57 million from the corresponding pay out occurred in the fourth quarter of 2021.

### Operating expenses

Total operating expenses in the parent bank amounted to NOK 361 (341) million in the first quarter of 2022 and represented 33.4 (37.3) per cent of total income.

Expenses, NOK millions	1Q22	4Q21	1Q21
Personnel expenses	183	175	178
Depreciation and amortisation	22	24	24
ICT expenses	76	77	71
Marketing expenses	19	22	20
Operating expenses from real estate	17	16	12
Other expenses	42	68	36
<b>Total operating expenses</b>	<b>361</b>	<b>381</b>	<b>341</b>

For 2022, SpareBank 1 Østlandet aims to keep growth in the parent bank's operating expenses to under 4.0 per cent.

As at 31 March 2022, the parent bank's growth in operating expenses compared with the same period last year amounted to NOK 20 million, which corresponds to an increase of 5.6 per cent.

The growth in expenses was mainly due to increases in personnel costs, ICT costs, operating expenses for real estate property and other operating expenses, while these were offset to some extent by a small reduction in marketing expenses.

As at 31 March 2022, the parent bank employed 694 (701) FTEs.

### Impairment losses on loans and guarantees

In the first quarter of 2022, the parent bank posted a net charge for impairment losses on loans and guarantees of NOK 6 (net reversal of 19) million.

Model-generated provisions for credit losses (Stage 1 and Stage 2) increased by NOK 4 million due to a change in ECL resulting from the period's growth and migration. Changes in individual provisions for credit losses were reduced by NOK 1 million and the period's net realised loss was NOK 3 million.

For more detailed information about provisions for credit losses, see Note 2 'Accounting principles', Note 9 'Provisions for credit losses' and Note 12 'Accumulated provisions for expected credit losses'.

### Solidity and capital adequacy

As at 31 March 2022, the parent bank's equity totalled NOK 17.1 (16.2) billion and represented 10.8 (10.9) per cent of total capital. The leverage ratio was 10.0 (9.8) per cent.

The parent bank's Common Equity Tier 1 capital ratio as at 31 March 2022 was 22.8 (22.1) per cent. The Tier 1 capital and Tier 2 capital ratios were 24.2 (23.1) per cent and 25.9 (25.1) per cent, respectively.

## Core banking operations

Core banking operations are defined as the profit before loan losses, excluding securities effects and dividends.

Core banking operations, NOK millions	1Q22	4Q21	1Q21
Net interest income	528	507	463
Net commission/other operating income	243	280	236
Total operating costs	361	381	341
Profit from core banking operations	411	406	358

## Subsidiaries

### SpareBank 1 Finans Østlandet AS – consolidated figures

The financing company SpareBank 1 Finans Østlandet AS (95 per cent stake) posted a consolidated profit after tax for the first quarter of 2022 of NOK 44 (48) million. Net interest income was NOK 67 (73) million, net commissions and other operating income NOK 17 (16) million and total operating expenses NOK 27 (24) million, while impairment losses on loans amounted to net income of NOK 2 (charge of 2) million.

The results for the first quarter of 2022 were characterised by good growth in the loan portfolio and low losses. The margins remain good even though they have fallen back somewhat as a result of higher market interest rates. Net interest income decreased as a result of borrowing rates rising earlier than the company's lending rates, although increased other income contributed to the result being on a par with the corresponding period last year.

As at 31 March 2022, gross lending to customers amounted to NOK 10.0 (9.0) billion and growth in lending in the past 12 months was 11.1 (1.1) per cent.

### EiendomsMegler 1 Innlandet AS

For the first quarter of 2022, EiendomsMegler 1 Innlandet AS posted earnings of NOK 28 (29) million and a result after tax of NOK -3 (-1) million.

The decrease in the result compared with the same period last year was due to a combination of a general fall in the volume of sales in the company's market area, and the company facing capacity challenges with too few real estate brokers in important market areas. The capacity challenges have resulted in falling market shares in the market for existing homes. As at 31 March 2022, the company had a market share in its market area of 24.8 (25.5) per cent of sales of existing homes and holiday properties.

The total sales volume in the company's market area in the first quarter of 2022 was 669 (764) units, which represents a decrease of 12.4 per cent compared with the same period last year. The decrease in sales must

The operating profit for the first quarter of 2022 from underlying banking operations was NOK 411 (358) million. The profit from underlying banking operations increased by NOK 53 million from the same period last year, which is equivalent to 14.8 per cent. The improvement in profit was due to a combination of an increase in net interest income and higher net commissions and other operating income, while higher operating expenses had the opposite effect.

be viewed in the context of the transition to a new Alienation Act and new appraisal regulations.

### EiendomsMegler 1 Oslo Akershus Group – consolidated figures

The EiendomsMegler 1 Oslo Akershus Group posted earnings for the first quarter of 2022 of NOK 48 (52) million and achieved a profit after tax of NOK 1 (3) million.

Housing sales in the company's market area were impacted by lower activity than normal in the first quarter of 2022. The first two months of the year were characterised by very high demand, while the supply side was relatively poor. This resulted in abnormally strong price growth in January and February with overall price growth in Oslo totalling around 7 per cent. Growth in prices slowed to some extent in March due to greater supply, although price growth was nevertheless still historically strong in the first quarter of 2022.

As at 31 March 2022, the company had a market share in its market area of 8.8 (8.6) per cent of sales of existing homes. The total sales volume in the company's market area in the first quarter 7,402 (8,519) units, which represents a decrease of 14.1 per cent compared with the same period last year.

### SpareBank 1 Østlandet VIT AS – consolidated figures

The SpareBank 1 Østlandet VIT Group posted earnings for the first quarter of 2022 of NOK 56 (52) million and a profit after tax of NOK 5 (1) million.

The higher turnover and better result compared with the corresponding period last year was due to a combination of greater demand for the company's services and having completed a comprehensive restructuring process.

The board of TheVIT has approved a plan that will grow the company further. In the first phase, the company's structure will be changed. In the second phase, the Bank will take over all of the payroll and accounting activities and sell the consultancy part.

## Joint ventures and associated companies

### **SpareBank 1 Gruppen AS**

SpareBank 1 Gruppen (12.40 per cent stake of the controlling interest) comprises the SpareBank 1 Alliance's joint product companies within insurance, claims management, and collection.

SpareBank 1 Gruppen posted a consolidated profit after tax for the first quarter of 2022 of NOK 94 (NOK 507) million. The controlling interest's share of the consolidated profit after tax amounted to NOK 67 (344) million and SpareBank 1 Østlandet's share of this amounted to NOK 8 (43) million. The Group's return on equity for the first quarter of 2022 was 2.5 (13.7) per cent.

The decrease in the result from the corresponding period last year was mainly due to the reduced return on equities and negative development in the value of the fixed-income portfolio in the insurance companies, as well as a high incidence of natural damage in Fremtind and a major fire in Drammen.

Fremtind Forsikring AS posted a consolidated profit after tax of NOK 79 (466) million, while SpareBank 1 Forsikring AS posted a profit after tax of NOK 3 (-17) million. SpareBank 1 Factoring AS posted a consolidated profit after tax of NOK 17 (11) million, while Modhi Finance AS posted a consolidated profit after tax of NOK 37 (56) million.

SpareBank 1 Spleis AS posted a loss before tax of NOK -4 (-4) million. As at 31 March 2022, the company had 2 985 (2 811) new active fundraising initiatives, and NOK 82 (66) million was raised during the first quarter of 2022.

### **SpareBank 1 Forvaltning AS**

SpareBank 1 Forvaltning AS (5.24 per cent stake) was established by the SpareBank 1 Alliance banks to manage the ownership of ODIN Forvaltning AS.

SpareBank 1 Forvaltning AS posted a consolidated profit after tax of NOK 40 million for the first quarter of 2022. The profit contribution from the consolidated accounts of SpareBank 1 Forvaltning AS, which is included in the consolidated accounts of SpareBank 1 Østlandet, amounted to NOK 2 million for the first quarter of 2022.

The results from ODIN Forvaltning AS were included in the SpareBank 1 Forvaltning AS Group's consolidated accounts with effect from 1 May 2021, while the results from SpareBank 1 Kapitalforvaltning AS and SpareBank

1 Verdipapirservice AS were included in the consolidated accounts with effect from 1 July 2021.

### **SpareBank 1 Boligkreditt AS**

SpareBank 1 Boligkreditt AS (23.15 per cent stake) was established by the banks in the SpareBank 1 Alliance to utilise the market for covered bonds. The banks sell prime housing mortgages to the company and thereby achieve lower funding expenses.

In the first quarter of 2022, the company posted a loss after tax of NOK -13 (26) million. The decrease in profit was mainly due to the reduction in net interest income and higher negative contribution from financial instruments, while reduced commission expenses for the owner banks and a reduction in costs for provisions for credit losses on loans had the opposite effect.

The profit contribution from SpareBank 1 Boligkreditt AS, which is included in the consolidated financial statements of SpareBank 1 Østlandet using the equity method, is adjusted for interest paid on the additional Tier 1 capital that is recognised directly in equity. The result contribution amounted to NOK -5 (4) million for the first quarter of 2022.

### **SpareBank 1 Næringskreditt AS**

SpareBank 1 Næringskreditt AS (14.35 per cent stake) was established according to the same model, and with the same management, as SpareBank 1 Boligkreditt AS.

In the first quarter of 2022, the company posted a loss after tax of NOK -1 (12) million. The decrease in profit was mainly due to higher commission expenses for the owner banks.

The profit contribution included in SpareBank 1 Østlandet's consolidated financial statements for the first quarter of 2022 amounted to NOK 0 (1) million.

### **SpareBank 1 Kreditt AS**

SpareBank 1 Kreditt AS (19.09 per cent stake) is the SpareBank 1 Alliance's joint venture for credit cards and short-term loans.

In the first quarter of 2022, the company posted a profit after tax of NOK 17 (2) million. The improvement in the result was mainly due to increased income due to the reopening of society and reduced loss costs.

The profit contribution included in SpareBank 1 Østlandet's consolidated financial statements for the first quarter of 2022 amounted to NOK 3 (0) million.

### **SpareBank 1 Betaling AS**

SpareBank 1 Betaling AS (18.20 per cent stake) is the SpareBank 1 Alliance's joint undertaking for payment solutions. The company manages the SpareBank 1 Alliance's stake in Vipps AS.

In the first quarter of 2022, the company posted a loss after tax of NOK -25 (-4) million. The result contribution included in SpareBank 1 Østlandet's consolidated financial statements for the first quarter of 2022 amounted to NOK -5 (-1) million.

### **BN Bank ASA**

BN Bank ASA (9.99 per cent stake) is a nationwide bank for corporate and retail customers owned by seven of the banks in the SpareBank 1 Alliance.

BN Bank ASA posted a profit after tax for the first quarter of 2022 of NOK 143 (117) million and a return on equity of 11.6 (10.5) per cent.

Net interest income increased by NOK 35 million compared with last year, while other income increased by NOK 24 million. Total operating expenses increased by NOK 2 million and losses increased by NOK 28 million due to the Bank's net loss charge of NOK 16 million in the first quarter of 2022, compared with net reversals on losses amounting to NOK 12 million in the first quarter of 2021.

The profit contribution from BN Bank ASA, which is included in the consolidated accounts for SpareBank 1 Østlandet using the equity method, is adjusted for interest paid on the additional Tier 1 capital that is recognised directly in equity. The profit contribution for the first quarter of 2022 amounted to NOK 14 (11) million.

For more information about the financial statements of the various companies, please see the interim reports that are available on the companies' own websites.

## **Corporate social responsibility and sustainability**

From 1 January 2022, major European enterprises of public interest must report which of their activities are covered by the EU Taxonomy Regulation. In Norway, a bill has been introduced to implement the EU Taxonomy Regulation and Sustainable Finance Disclosure Regulation in Norwegian law. It will not actually come into effect until the regulations have been incorporated into the EEA Agreement. This is expected to happen during the first half of 2022. SpareBank 1 Østlandet is, therefore, not subject to taxonomy-related reporting requirements but

nonetheless chose in March to publish relatively comprehensive taxonomy-related information on the Bank's operations in line with the recommendation issued by the Norwegian Ministry of Finance on 14 December 2021. This information can be found on pages 254 and 255 of the annual report for 2021.

In future interim reports, information on corporate social responsibility and sustainability will be integrated into the other parts of the quarterly reporting.

## **Outlook**

The Bank went through an extensive process in 2021 to devise a new strategy for the period 2022 to 2025. This year, the Bank has started work on realising that strategy. The new strategy is not revolutionary. The Bank will be recognisable. The business concept remains that the Bank exists to help people and enterprises succeed so that the Bank, together with its customers, can contribute to sustainable growth and development in Eastern Norway. The Bank's vision remains 'Creating together'. And the Bank's values are: proficient, near, and engaged.

At the same time, the Bank has ambitious goals for the period up to 2025. These include, for example, an ambition to have one of the most attractive equity

capital certificates on the Oslo Børs. The business concept, vision, values and goals can be summed up as an ambition for SpareBank 1 Østlandet to be Norway's best relationship bank.

The Bank will also continue to deliver on its financial targets. The target for the return on equity is 11 per cent, of which 50 per cent will be paid out as dividends. At the same time, the Bank is aiming for regulatory capital adequacy of 1-percentage point above the regulatory requirement. For 2022, the target for the growth in costs in the parent bank is below 4 per cent.

The strategy and financial targets must be achieved in light of social and economic developments that are both full of contrasts and demanding. Society and the economy have been characterised by the pandemic since the summer of last year. Following new virus-related shutdowns in December and January, society reopened again during the first quarter of 2022. This gave new momentum to the economic recovery.

In the period up to the middle of February, companies in Norges Bank's regional network were reporting high actual and expected output growth. Prospects for growth in the capital region were especially positive. According to the same survey, companies planned increased investment and more jobs going forward.

A sharply improving economy and increasing inflationary pressure have resulted in three rate hikes by Norges Bank since September, totalling 0.75 percentage points. The central bank has signalled further rate hikes going forward.

Housing mortgages account for the largest share of the Bank's loan portfolio. It is reasonable to assume that higher lending costs going forward will contribute to lower both the level of activity and house price inflation, even though low unemployment and high nominal wage growth pull in the opposite direction.

The reopening of society due to the improvement in the virus situation has been followed by the outbreak of war in Ukraine. The war is causing enormous human suffering. It is also contributing to great uncertainty about economic developments going forward,

including in Norway. Such uncertainty could result in lower economic growth for Norway's trading partners. The war is also causing sharp increases in prices for energy, food, maritime transport and metals amid inflation levels that were already high due to the pandemic.

During the pandemic in 2020, the Bank made significant provisions for credit losses, including by increasing the probability of the downside scenario occurring in the Bank's loss models. However, actual losses were far lower than estimated. In isolation, the recent improvement in the virus situation indicated that the Bank could have lowered the probability of the downside scenario occurring. However, the outbreak of war in Ukraine, with its consequent risks of weaker economic growth and high growth in costs for many of the Bank's customers, means that the downside risk from the pandemic has been replaced with another type of downside risk. Consequently, the Bank has chosen not to implement such a reversal.

The Bank has a solid loan portfolio, which is the result of good credit work and a geographic market area with relatively low economic fluctuations. Historically, this has supported low losses and solid results. This solid loan portfolio combined with a strong capital situation and the experience gained from the recent difficult years mean that the Board is confident that the Bank is well equipped to achieve the Bank's revised strategy and for the challenges that might arise from heightened international uncertainty.

## The Board of Directors of SpareBank 1 Østlandet

Hamar, 5 May 2022

# Income statement

Parent Bank				Group			
Year	First quarter		Notes	First quarter		Year	
2021	2021	2022 (NOK million)		2022	2021	2021	2021
2 561	617	758	Interest income effective interest method	5	824	689	2 841
239	57	72	Other interest income	5	72	57	239
877	211	301	Interest expense	5	302	211	879
<b>1 923</b>	<b>463</b>	<b>528</b>	<b>Net interest income</b>	<b>5</b>	<b>594</b>	<b>535</b>	<b>2 202</b>
1 108	253	264	Commission income	6	355	351	1 527
99	25	25	Commission expenses	6	33	35	138
33	7	4	Other operating income	6	66	62	233
<b>1 042</b>	<b>236</b>	<b>243</b>	<b>Net commissions and other operating income</b>	<b>388</b>	<b>379</b>	<b>1 622</b>	
21	11	16	Dividends from shares and other equity instruments	7	16	11	21
461	167	226	Net income from subsidiaries, associates and joint ventures (Parent Bank)	7			
			Net income from associates and joint ventures (Group)	7	16	59	405
174	38	68	Net profit from other financial assets and liabilities	7	68	38	174
<b>656</b>	<b>216</b>	<b>310</b>	<b>Net profit from financial assets and liabilities</b>	<b>100</b>	<b>108</b>	<b>599</b>	
<b>3 620</b>	<b>916</b>	<b>1 081</b>	<b>Total net income</b>	<b>1 081</b>	<b>1 021</b>	<b>4 423</b>	
706	178	183	Personnel expenses	8	287	284	1 127
94	24	22	Depreciation	8	31	31	122
598	139	155	Other operating expenses	8	186	170	732
<b>1 398</b>	<b>341</b>	<b>361</b>	<b>Total operating expenses</b>	<b>504</b>	<b>485</b>	<b>1 980</b>	
<b>2 222</b>	<b>574</b>	<b>721</b>	<b>Operating profit before losses on loans and guarantees</b>	<b>577</b>	<b>536</b>	<b>2 443</b>	
-4	-19	6	Impairment losses on loans and guarantees	9	4	-18	5
<b>2 225</b>	<b>593</b>	<b>714</b>	<b>Pre-tax operating profit</b>	<b>573</b>	<b>554</b>	<b>2 438</b>	
349	97	20	Tax expense	37	114	416	
<b>1 876</b>	<b>496</b>	<b>694</b>	<b>Profit after tax</b>	<b>536</b>	<b>439</b>	<b>2 022</b>	
Attributable to additional Tier 1 Capital holders				9	6	27	
Profit after tax for controlling interest				522	431	1 985	
Profit after tax for non-controlling interest				4	3	9	
<b>Profit after tax</b>				<b>536</b>	<b>439</b>	<b>2 022</b>	
Earnings/diluted earnings per equity certificate (in NOK)				3.16	2.59	11.96	
Earnings/diluted earnings per average equity certificate (in NOK)				3.16	2.59	11.96	

# Statement of other comprehensive income

Parent Bank				Group			
Year	First quarter		Notes	First quarter		Year	
2021	2021	2022 (NOK million)		2022	2021	2021	2021
1 876	496	694	<b>Profit after tax</b>	536	439	2 022	
0	0	0	Actuarial gains/losses on pensions	0	0	0	
0	0	0	Tax effects of actuarial gains/losses on pensions	0	0	0	
8	0	5	Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk	5	0	8	
-2	0	-1	Tax effects related to the above	-1	0	-2	
			Share of other comprehensive income from associated companies and joint ventures	0	0	3	
6	0	4	<b>Total items that will not be reclassified through profit or loss</b>	4	0	8	
			Net fair value adjustments on loans at fair value through other comprehensive income	-1	0	1	
1	0	-1	Tax effects related to the above	0	0	0	
0	0	0	Fair value changes on hedge derivatives due to changes in the currency basis spread	41	-18	9	
9	-18	41	Tax effects related to the above	-10	5	-2	
-2	5	-10	Share of other comprehensive income from associates and joint ventures	83	-28	22	
7	-14	30	<b>Total items that will be reclassified through profit or loss</b>	113	-42	29	
13	-14	34	<b>Total profit and loss items recognised in equity</b>	117	-42	38	
1 889	482	728	<b>Total profit/loss for the period</b>	653	397	2 060	
			Attributable to additional Tier 1 Capital holders	9	6	27	
			Total profit/loss for the period for controlling interest	639	389	2 023	
			Total profit/loss for the period for non-controlling interest	4	3	9	
			<b>Total profit/loss for the period</b>	653	397	2 060	

# Balance sheet

Parent Bank				Group			
31 Dec. 2021	31 Mar. 2021	31 Mar. 2022	NOK million	Notes	31 Mar. 2022	31 Mar. 2021	31 Dec. 2021
<b>ASSETS</b>							
458	588	658	Cash and deposits with central banks		658	588	458
9 139	10 752	10 775	Loans to and receivables from credit institutions	12	2 438	3 508	1 435
111 469	104 767	113 793	Loans to and receivables from customers	11, 12	123 616	113 581	120 841
23 825	23 425	23 838	Certificates, bonds and fixed-income funds	14	23 838	23 425	23 825
814	1 237	776	Financial derivatives	13, 14	776	1 237	814
761	636	853	Shares and other equity interests	14	853	636	761
4 638	4 529	4 723	Investments in associates and joint ventures		5 803	5 345	5 642
1 758	1 758	1 758	Investments in subsidiaries		0	0	0
80	97	80	Goodwill and other intangible assets		389	411	390
435	453	440	Property, plant and equipment		609	607	603
450	520	542	Other assets		800	781	691
<b>153 829</b>	<b>148 762</b>	<b>158 237</b>	<b>Total assets</b>		<b>159 781</b>	<b>150 118</b>	<b>155 459</b>
<b>LIABILITIES</b>							
3 780	4 951	3 148	Deposits from and liabilities to credit institutions	12	3 160	4 953	3 787
92 246	87 529	93 988	Deposits from and liabilities to customers	15	93 924	87 476	92 178
37 232	36 849	38 359	Liabilities arising from issuance of securities	14, 16	38 359	36 849	37 232
679	695	1 548	Financial derivatives	13, 14	1 548	695	679
633	89	22	Current tax liabilities		92	126	709
7	282	10	Deferred tax liabilities		133	418	130
620	879	2 809	Other debt and liabilities recognised in the balance sheet		2 922	994	737
1 302	1 302	1 303	Subordinated loan capital	16	1 303	1 302	1 302
<b>136 499</b>	<b>132 577</b>	<b>141 186</b>	<b>Total liabilities</b>		<b>141 442</b>	<b>132 814</b>	<b>136 753</b>
<b>EQUITY CAPITAL</b>							
5 791	5 791	5 791	Equity capital certificates		5 791	5 791	5 791
848	848	848	Premium fund		848	848	848
3 776	3 574	4 196	Dividend equalisation fund		4 196	3 574	3 776
695	352	0	Allocated to dividends and other equity capital		0	352	695
4 438	4 349	4 619	Primary capital		4 619	4 349	4 438
301	231	0	Allocated to dividends customer return		0	231	301
21	29	20	Provision for gifts		20	29	21
460	361	577	Fund for unrealised gains		577	361	460
1 000	650	1 000	Hybrid capital		1 000	650	1 000
0	0	0	Other equity		1 178	1 010	1 260
			Non-controlling interests		110	110	116
<b>17 330</b>	<b>16 185</b>	<b>17 051</b>	<b>Total equity capital</b>		<b>18 339</b>	<b>17 304</b>	<b>18 706</b>
<b>153 829</b>	<b>148 762</b>	<b>158 237</b>	<b>Total equity capital and liabilities</b>		<b>159 781</b>	<b>150 118</b>	<b>155 459</b>

The board of SpareBank 1 Østlandet  
Hamar, 5 May 2022

# Changes in equity capital

Group	Controlling interests								
	Paid-up equity		Earned equity capital						
	Equity certificates	Premium fund	Primary capital <sup>1)3)</sup>	Dividend equalisation funds <sup>2)</sup>	Provision for gifts	Fund for unrealised gains	Other equity	Hybrid-capital	Non-controlling interests
(NOK million)									Total equity capital
Equity capital as of 31 January 2021	5 791	848	4 455	3 824	29	320	1 104	650	113
OB Corr. subsidiary							0		0
OB Corr. in group companies							-3		-3
Adjusted equity capital at 31 January 2021	5 791	848	4 455	3 824	29	320	1 101	650	113
Profit after tax			137	319		41	-59		3
<b>Other comprehensive income</b>									
Actuarial gains after tax on pensions			0	0					0
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk after tax			0	0					0
Net fair value adjustments on loans at fair value through other comprehensive income after tax			0	0					0
Fair value changes on hedge derivatives due to changes in the currency basis spread after tax			-4	-10					-14
Share of other comprehensive income from associated companies and joint ventures							-28		-28
<b>Total profit after tax</b>			132	309		41	-88		3
<b>Other transactions</b>									
Dividend paid				-203					-6
Donations distributed from profit 2020			-6						-6
Grants from provision for gifts in 2021			0		-1				-1
Hybrid capital								0	0
Interest on hybrid capital			-2	-4					-6
Effects directly in equity from associated companies and joint ventures							-3		-3
<b>Equity capital as of 31 March 2021</b>	<b>5 791</b>	<b>848</b>	<b>4 580</b>	<b>3 926</b>	<b>29</b>	<b>361</b>	<b>1 010</b>	<b>650</b>	<b>110</b>
<b>Equity capital as of 31 January 2021</b>	<b>5 791</b>	<b>848</b>	<b>4 455</b>	<b>3 824</b>	<b>29</b>	<b>320</b>	<b>1 104</b>	<b>650</b>	<b>113</b>
OB Corr. subsidiary							0		0
OB Corr. in group companies							-4		-4
Adjusted equity capital at 31 January 2021	5 791	848	4 455	3 824	29	320	1 100	650	113
Profit after tax			525	1 211		140	137		9
<b>Other comprehensive income</b>									
Actuarial gains after tax on pensions			0	0					0
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk after tax			2	4					6
Net fair value adjustments on loans at fair value through other comprehensive income after tax			0	0					1
Fair value changes on hedge derivatives due to changes in the currency basis spread after tax			2	5					7
Share of other comprehensive income from associated companies and joint ventures							25		25
<b>Total profit after tax</b>			529	1 220		140	162		9
<b>Other transactions</b>									
Dividend paid			-231	-555					-6
Donations distributed from profit 2020			-6						-6
Grants from provision for gifts in 2021			0		-8				-8
Hybrid capital								350	350
Interest on hybrid capital			-8	-19					-27
Effects directly in equity from associated companies and joint ventures							-2		-2
<b>Equity capital as of 31 December 2021</b>	<b>5 791</b>	<b>848</b>	<b>4 739</b>	<b>4 471</b>	<b>21</b>	<b>460</b>	<b>1 260</b>	<b>1 000</b>	<b>116</b>
<b>Equity capital as of 31 January 2022</b>	<b>5 791</b>	<b>848</b>	<b>4 739</b>	<b>4 471</b>	<b>21</b>	<b>460</b>	<b>1 260</b>	<b>1 000</b>	<b>116</b>
OB Corr. subsidiary							0		0
OB Corr. in group companies							1		1
Adjusted equity capital at 31 January 2022	5 791	848	4 739	4 471	21	460	1 261	1 000	116
Profit after tax			173	404		117	-161		4
<b>Other comprehensive income</b>									
Actuarial gains after tax on pensions			0	0					0
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk after tax			1	3					4
Net fair value adjustments on loans at fair value through other comprehensive income after tax			0	0					0
Fair value changes on hedge derivatives due to changes in the currency basis spread after tax			9	22					31
Share of other comprehensive income from associated companies and joint ventures							83		83
<b>Total profit after tax</b>			183	428		117	-78		4
<b>Other transactions</b>									
Dividend paid			-295	-695					-10
Donations distributed from profit 2021			-6						-6
Grants from provision for gifts in 2022					-1				-1
Hybrid capital								0	0
Interest on hybrid capital			-3	-7					-9
Effects directly in equity from associated companies and joint ventures							-4		-4
<b>Equity capital as of 31 March 2022</b>	<b>5 791</b>	<b>848</b>	<b>4 619</b>	<b>4 196</b>	<b>20</b>	<b>577</b>	<b>1 178</b>	<b>1 000</b>	<b>110</b>

1) Amounts transferred to primary capital as of 31.12.2021 include provisioned customer dividends and proposed gifts.

2) Amounts transferred to dividend equalization funds as of 31.12.2021 include provisioned dividends.

3) Other paid-up equity shown in a separate column in previous quarterly reports is now included in the column primary capital.

The amount has always been classified as part of the primary capital. Comparative figures have been restated.

## Parent Bank

(NOK million)

	Paid-up equity		Earned equity capital					Total equity capital
	Equity certificates	Premium fund	Primary capital <sup>1)3)</sup>	Dividend equalisation funds <sup>2)</sup>	Provision for gifts	Fund for unrealised gains	Hybrid-capital	
<b>Equity capital as of 31 January 2021</b>	<b>5 791</b>	<b>848</b>	<b>4 455</b>	<b>3 824</b>	<b>29</b>	<b>320</b>	<b>650</b>	<b>15 918</b>
Profit after tax			137	319		41		496
<b>Other comprehensive income</b>								
Actuarial gains after tax on pensions			0	0				0
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk after tax			0	0				0
Net fair value adjustments on loans at fair value through other comprehensive income after tax			0	0				0
Fair value changes on hedge derivatives due to changes in the currency basis spread after tax			-4	-10				-14
<b>Total profit after tax</b>			<b>133</b>	<b>309</b>		<b>41</b>		<b>482</b>
<b>Other transactions</b>								
Dividend paid			0	-203				-203
Donations distributed from profit 2020			-6					-6
Grants from provision for gifts in 2021			0		-1			-1
Hybrid capital							0	0
Interest on hybrid capital			-2	-4				-6
<b>Equity capital as of 31 March 2021</b>	<b>5 791</b>	<b>848</b>	<b>4 580</b>	<b>3 926</b>	<b>29</b>	<b>361</b>	<b>650</b>	<b>16 185</b>
<b>Equity capital as of 31 January 2021</b>	<b>5 791</b>	<b>848</b>	<b>4 455</b>	<b>3 824</b>	<b>29</b>	<b>320</b>	<b>650</b>	<b>15 918</b>
Profit after tax			525	1 211		140		1 876
<b>Other comprehensive income</b>								
Actuarial gains after tax on pensions			0	0				0
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk after tax			2	4				6
Net fair value adjustments on loans at fair value through other comprehensive income after tax			0	0				1
Fair value changes on hedge derivatives due to changes in the currency basis spread after tax			2	5				7
<b>Total profit after tax</b>			<b>529</b>	<b>1 220</b>		<b>140</b>		<b>1 889</b>
<b>Other transactions</b>								
Dividend paid			-231	-555				-785
Donations distributed from profit 2020			-6					-6
Grants from provision for gifts in 2021			0		-8			-8
Hybrid capital							350	350
Interest on hybrid capital			-8	-19				-27
<b>Equity capital as of 31 December 2021</b>	<b>5 791</b>	<b>848</b>	<b>4 739</b>	<b>4 471</b>	<b>21</b>	<b>460</b>	<b>1 000</b>	<b>17 330</b>
<b>Equity capital as of 31 January 2022</b>	<b>5 791</b>	<b>848</b>	<b>4 739</b>	<b>4 471</b>	<b>21</b>	<b>460</b>	<b>1 000</b>	<b>17 330</b>
Profit after tax			173	404		117		694
<b>Other comprehensive income</b>								
Actuarial gains after tax on pensions			0	0				0
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk after tax			1	3				4
Net fair value adjustments on loans at fair value through other comprehensive income after tax			0	0				0
Fair value changes on hedge derivatives due to changes in the currency basis spread after tax			9	22				31
<b>Total profit after tax</b>			<b>183</b>	<b>428</b>		<b>117</b>		<b>728</b>
<b>Other transactions</b>								
Dividend paid			-295	-695				-990
Donations distributed from profit 2021			-6					-6
Grants from provision for gifts in 2022					-1			-1
Hybrid capital							0	0
Interest on hybrid capital			-3	-7				-9
<b>Equity capital as of 31 March 2022</b>	<b>5 791</b>	<b>848</b>	<b>4 619</b>	<b>4 197</b>	<b>20</b>	<b>577</b>	<b>1 000</b>	<b>17 051</b>

1) Amounts transferred to primary capital as of 31.12.2021 include provisioned customer dividends and proposed gifts.

2) Amounts transferred to dividend equalization funds as of 31.12.2021 include provisioned dividends.

3) Other paid-up equity shown in a separate column in previous quarterly reports is now included in the column primary capital. The amount has always been classified as part of the primary capital. Comparative figures have been restated.

# Cash flow statement

Parent Bank				Group		
31 Dec. 2021	31 Mar. 2021	31 Mar. 2022	(NOK million)	31 Mar. 2022	31 Mar. 2021	31 Dec. 2021
-7 533	-829	-2 321	Change in gross lending to customers	-2 769	-837	-7 915
2 622	633	753	Interest receipts from lending to customers	858	726	2 987
6 603	1 886	1 742	Change in deposits from customers	1 747	1 863	6 565
-334	-81	-140	Interest payments on deposits from customers	-141	-81	-335
-1 265	-1 874	-1 651	Change in receivables and debt from credit institutions	-1 012	-1 900	-825
80	20	35	Interest on receivables and debt to financial institutions	-4	-1	-4
-2 841	-2 426	-58	Change in certificates and bonds	-58	-2 426	-2 841
69	13	32	Interest receipts from commercial papers and bonds	32	13	69
1 042	236	243	Net commission receipts	375	369	1 585
71	18	21	Capital gains from sale on trading	21	18	71
-1 297	-320	-338	Payments for operations	-473	-456	-1 851
-90	-45	-45	Taxes paid	-65	-64	-128
-379	-382	31	Other accruals	14	-235	-502
<b>-3 252</b>	<b>-3 149</b>	<b>-1 697</b>	<b>Net change in liquidity from operations (A)</b>	<b>-1 476</b>	<b>-3 009</b>	<b>-3 125</b>
-78	-12	-19	Investments in tangible fixed assets	-35	-15	-90
0	0	0	Receipts from sale of tangible fixed assets	13	9	37
-155	-19	-84	Change in long-term investments in equities	-84	-19	-155
441	142	225	Dividends from long-term investments in equities	18	1	293
<b>209</b>	<b>111</b>	<b>121</b>	<b>Net cash flow from investments (B)</b>	<b>-89</b>	<b>-24</b>	<b>85</b>
12 467	5 235	3 214	Debt raised by issuance of securities	3 214	5 235	12 467
0	0	0	Debt raised by subordinated loan capital	0	0	0
350	0	0	Equity raised by hybrid capital	0	0	350
-8 283	-1 981	-651	Repayments of issued securities	-651	-1 981	-8 283
0	0	0	Repayments of issued subordinated loan capital	0	0	0
0	0	0	Repayments of hybrid capital	0	0	0
0	0	0	Payments arising from issuance of equity capital certificates	0	0	0
-518	-122	-153	Interest payments on securities issued	-153	-122	-518
-24	-6	-8	Interest payments on subordinated loans	-8	-6	-24
-40	-11	-9	Lease payments	-9	-10	-37
0	0	0	Payments arising from placements in subsidiaries	0	0	0
-555	0	0	Payment of dividend	-10	-6	-561
-227	0	0	Payment of customer dividend	0	0	-227
-15	-1	-1	Donations	-1	-1	-15
<b>3 155</b>	<b>3 113</b>	<b>2 393</b>	<b>Net cash flow from financing (C)</b>	<b>2 382</b>	<b>3 108</b>	<b>3 152</b>
<b>112</b>	<b>75</b>	<b>818</b>	<b>CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>818</b>	<b>75</b>	<b>112</b>
851	851	964	Cash and cash equivalents at 1 January	964	851	851
<b>964</b>	<b>926</b>	<b>1 781</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>1 781</b>	<b>926</b>	<b>964</b>
Cash and cash equivalents at comprise:						
458	588	658	Cash and deposits with central banks	658	588	458
506	338	1 123	Deposits etc. at call with banks	1 123	338	506
<b>964</b>	<b>926</b>	<b>1 781</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>1 781</b>	<b>926</b>	<b>964</b>

# Notes to the accounts

## Note 1 General information

<b>Subsidiaries</b>	<b>Ownership share (%) as of 31 March 2022</b>
Sparebank 1 Finans Østlandet AS	95.00
EiendomsMegler 1 Innlandet AS	100.00
EiendomsMegler 1 Oslo Akershus AS	100.00
Youngstorget 5 AS	100.00
AS Vato	100.00
SpareBank 1 Østlandet VIT AS (holding)	76.68
<b>Investments in second tier subsidiaries</b>	
EiendomsMegler 1 Oslo AS	100.00
TheVIT AS	100.00
<b>Investments in associated companies</b>	
SpareBank 1 Kreditt AS	19.09
SpareBank 1 Boligkreditt AS	23.15
SpareBank 1 Næringskreditt AS	14.35
SpareBank 1 Betaling AS	18.20
BN Bank ASA	9.99
SpareBank 1 Forvaltning AS	5.24
SpareBank 1 Bank og Regnskap AS	25.00
SpareBank 1 Gjeldsinformasjon AS	14.68
SpareBank 1 Kundepleie AS	26.67
<b>Investments in associated companies in subsidiaries</b>	
SpareBank 1 Mobilitet Holding AS*	30.66
<b>Investments in joint ventures</b>	
SpareBank 1 Gruppen AS	12.40
SpareBank i Utvikling DA	18.00

\* SpareBank 1 Mobilitet Holding AS owns 47.17 per cent in the car subscription company Fleks AS.  
Indirect ownership in Fleks AS is 14.46 per cent.

## Changes in group composition

### 2022

A rebalancing of the shares in SpareBank 1 Forvaltning AS in accordance with the shareholder agreement resulted in a reduction of the ownership interest from 5.40 per cent to 5.24 per cent in the first quarter.

A rebalancing of the shares in SpareBank 1 Næringskreditt AS in accordance with the shareholders agreement resulted in an increase of the ownership interest from 10.18 per cent to 14.35 per cent in the first quarter

## Note 2 Accounting principles

### 2.1 Basis for preparation

The interim financial statements for SpareBank 1 Østlandet cover the period 1 January - 31 March 2022. The interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, current IFRS standards and IFRIC interpretations. The presentation currency is NOK (Norwegian kroner), which is also the functional currency of all the units in the Group. All amounts are in NOK million unless otherwise stated. The interim financial statements do not include all the information required in full annual financial statements and should be read in conjunction with the financial statements for 2021. The Group has applied the same accounting policies and methods of calculation in this interim report as in the last annual financial statements, with the following exceptions:

#### **New standards and interpretations that have been applied:**

No new standards and interpretations have been adopted in the first quarter of 2022.

### 2.2 Important accounting estimates and discretionary assessments

In preparing consolidated financial statements, management makes estimates, discretionary assessments and assumptions which influence the effect of applying the accounting policies. This will in turn affect the recognised amounts for assets, liabilities, income and costs. Note 3 of the annual financial statements for 2021 explains in more detail critical estimates and assessments in relation to the application of accounting policies.

#### **Losses on loans**

Please see Note 2 'Accounting Policies' in the annual financial statements for 2021 for a detailed description of the applied loss model pursuant to IFRS 9. The model contains several critical estimates. The most important is related to the definition of significantly increased credit risk and important assumptions in the general loss model.

The definition of significantly increased credit risk remains unchanged since the last annual financial statements. Please see the section on 'Significantly increased credit risk' in Note 3 of the annual financial statements for 2021.

The key assumptions in the general loss model have essentially been kept unchanged since the last balance sheet date. The management's estimates and discretionary assessments regarding the expected development of default and loss levels (PD and LGD) are largely based on updated macro forecasts from Norges Bank (Monetary Policy Report 1/22), Statistics Norway (Economic Survey 1/2022) and Moody's Investor Services (February 2022 Default Report). The Bank is of the opinion that updated macro forecasts supported keeping the PD and LGD assumptions largely unchanged as at 31 December 2021.

The scenario weighting is subject to ongoing assessment based on available information. In light of the coronavirus pandemic, the Bank judged that the probability of the downside scenario occurring had risen and increased the scenario's weight from 15 per cent to 20 per cent as at 31 March 2020. As at 31 March 2022, the assessment is that the increased downside risk based on the coronavirus pandemic is no longer required. However, the Bank chose to keep the scenario weights unchanged due to the increased uncertainty associated with the effects of the war in Ukraine. Consequently, as at 31 March 2022, ECL was calculated as a combination of a 70 per cent expected scenario, a 20 per cent downside scenario and a 10 per cent upside scenario (70/20/10 per cent).

The table on the next page shows the calculated expected credit losses for the three scenarios in isolation. The calculations are divided into the main segments retail customers and corporate customers, which are totalled for the parent bank. The table also shows corresponding ECL calculations for the subsidiary SpareBank 1 Finans Østlandet. The ECLs of the Parent Bank and the subsidiary, adjusted for group eliminations, are totalled in the Group column. Besides the segment distributed ECLs with the scenario weighting applied, the table shows four alternative scenario weightings. The first two alternatives reflect previously applied scenario weightings. The last two alternatives show the sensitivity to a further deterioration in relation to the applied scenario weighting with a 60-65 per cent probability of the expected scenario, 25-30 per cent probability of the downside scenario and 10 per cent probability of the upside scenario (65/25/10 per cent and 60/30/10 per cent).

31 March 2022	SpareBank 1				
	Retail market	Corporate market	Parent Bank	Finans Østlandet	Group
ECL in expected scenario	66	137	203	77	276
ECL in downside scenario	400	889	1 289	169	1 455
ECL in upside scenario	52	97	150	54	200
<b>ECL with used scenario weighting 70/20/10 per cent</b>	<b>131</b>	<b>284</b>	<b>415</b>	<b>93</b>	<b>504</b>
ECL with alternative scenario weighting 80/10/10 per cent	98	208	306	84	387
ECL with alternative scenario weighting 75/15/10 per cent	115	246	361	89	445
ECL with alternative scenario weighting 65/25/10 per cent	148	321	469	98	563
ECL with alternative scenario weighting 60/30/10 per cent	165	359	524	103	622

Reference is also made to Note 9 'Provisions for credit losses', where the loss cost effects per segment of the various changes in the model assumptions in isolation are shown in table form.

## Note 3 Segment information

This segment information is linked to the way the Group is governed through reporting on performance and capital, authorisations and routines. Reporting on segments is divided into following areas retail market (RM), corporate market (CM) incl. organization market, real estate brokerage, leasing, accounting and consulting services and other operations.

Reviews:

- Real estate brokerage, leasing, financing and accounting are organised as independent companies.
- Tax expense for RM and CM is calculated as 25 per cent of the segment's share of Pre-tax operating profit and then deducted with the segment's share of the taxeffect in relation to customer dividends.
- Operating expenses in RM and CM includes its share of shared expences.
- Net commission and other income in RM and CM includes its share for shared income.
- Group eliminations arise together with other operations in a seperate column.

31 March 2022	Retail division	Corporate division	SpareBank 1 Finans Østlandet Group	Eiendoms-Megler 1 Innlandet AS	Eiendoms-Megler 1 Oslo Akershus Group	TheVIT AS	Other operations/ eliminations	Total
<b>Income statement</b>								
Net interest income	240	262	67	0	0	-1	25	594
Net commissions and other income	187	57	21	28	48	56	-9	388
Net income from financial assets and liabilities	11	13	-3	0	0	0	80	100
Total operating expenses	233	121	27	32	46	49	-4	504
<b>Profit before losses by segment</b>	<b>205</b>	<b>211</b>	<b>58</b>	<b>-4</b>	<b>2</b>	<b>6</b>	<b>100</b>	<b>577</b>
Impairment losses on loans and guarantees	-1	7	-2	0	0	0	0	4
<b>Pre-tax operating profit</b>	<b>206</b>	<b>204</b>	<b>60</b>	<b>-4</b>	<b>2</b>	<b>6</b>	<b>100</b>	<b>573</b>
Tax expense	34	49	16	-1	0	1	-62	37
<b>Profit/loss per segment after tax</b>	<b>172</b>	<b>155</b>	<b>44</b>	<b>-3</b>	<b>1</b>	<b>5</b>	<b>162</b>	<b>536</b>
<b>Balance sheet</b>								
Gross lending to customers	75 040	39 247	9 970	0	0	0	-204	124 053
Provisions for credit losses	-58	-285	-93	0	0	0	-1	-436
Other assets	2 935	586	212	75	145	142	32 071	36 164
<b>Total assets per segment</b>	<b>77 917</b>	<b>39 548</b>	<b>10 088</b>	<b>75</b>	<b>145</b>	<b>142</b>	<b>31 866</b>	<b>159 781</b>
Deposits from and liabilities to customers	53 298	40 560	0	0	0	1	65	93 924
Other liabilities and equity	24 619	-1 012	10 088	75	145	140	31 801	65 856
<b>Total equity capital and liabilities per segment</b>	<b>77 917</b>	<b>39 548</b>	<b>10 088</b>	<b>75</b>	<b>145</b>	<b>142</b>	<b>31 866</b>	<b>159 781</b>

31 March 2021	Retail division	Corporate division	SpareBank 1 Finans Østlandet Group	Eiendoms- Megler 1 Innlandet AS	Eiendoms- Megler 1 Oslo Akershus Group	TheVIT AS	Other operations/ eliminations	Total
<b>Income statement</b>								
Net interest income	236	226	73	0	0	-1	0	535
Net commissions and other income	185	44	16	28	52	52	1	379
Net income from financial assets and liabilities	10	15	0	0	0	0	83	108
Total operating expenses	223	112	24	30	48	51	-3	485
<b>Profit before losses by segment</b>	<b>208</b>	<b>173</b>	<b>66</b>	<b>-2</b>	<b>4</b>	<b>1</b>	<b>87</b>	<b>536</b>
Impairment losses on loans and guarantees	1	-20	2	0	0	0	0	-18
<b>Pre-tax operating profit</b>	<b>207</b>	<b>193</b>	<b>64</b>	<b>-2</b>	<b>4</b>	<b>1</b>	<b>87</b>	<b>554</b>
Tax expense	37	46	16	0	1	0	15	114
<b>Profit/loss per segment after tax</b>	<b>170</b>	<b>147</b>	<b>48</b>	<b>-1</b>	<b>3</b>	<b>1</b>	<b>72</b>	<b>439</b>

#### Balance sheet

Gross lending to customers	70 510	34 532	8 977	0	0	0	19	114 037
Provisions for credit losses	-69	-275	-108	0	0	0	-4	-456
Other assets	2 887	506	138	73	151	132	32 651	36 537
<b>Total assets per segment</b>	<b>73 327</b>	<b>34 763</b>	<b>9 007</b>	<b>73</b>	<b>151</b>	<b>132</b>	<b>32 665</b>	<b>150 118</b>
Deposits from and liabilities to customers	49 868	37 592	0	0	0	0	16	87 476
Other liabilities and equity	23 459	-2 829	9 007	73	151	132	32 650	62 642
<b>Total equity capital and liabilities per segment</b>	<b>73 327</b>	<b>34 763</b>	<b>9 007</b>	<b>73</b>	<b>151</b>	<b>132</b>	<b>32 665</b>	<b>150 118</b>

31 December 2021	Retail division	Corporate division	SpareBank 1 Finans Østlandet Group	Eiendoms- Megler 1 Innlandet AS	Eiendoms- Megler 1 Oslo Akershus Group	TheVIT AS	Other operations/ eliminations	Total
<b>Income statement</b>								
Net interest income	980	937	287	-1	0	-2	0	2 202
Net commissions and other income	844	190	64	130	218	191	-17	1 622
Net income from financial assets and liabilities	47	58	3	0	0	0	492	599
Total operating expenses	911	456	103	125	199	191	-5	1 980
<b>Profit before losses by segment</b>	<b>960</b>	<b>729</b>	<b>252</b>	<b>4</b>	<b>19</b>	<b>-2</b>	<b>481</b>	<b>2 443</b>
Impairment losses on loans and guarantees	0	-4	9	0	0	0	0	5
<b>Pre-tax operating profit</b>	<b>960</b>	<b>732</b>	<b>243</b>	<b>4</b>	<b>19</b>	<b>-2</b>	<b>481</b>	<b>2 438</b>
Tax expense	180	176	60	1	4	0	-5	416
<b>Profit/loss per segment after tax</b>	<b>780</b>	<b>557</b>	<b>183</b>	<b>3</b>	<b>15</b>	<b>-2</b>	<b>486</b>	<b>2 022</b>

#### Balance sheet

Gross lending to customers	73 684	38 145	9 514	0	0	0	-58	121 284
Provisions for credit losses	-61	-285	-97	0	0	0	-1	-443
Other assets	2 944	422	207	69	151	136	30 690	34 619
<b>Total assets per segment</b>	<b>76 566</b>	<b>38 281</b>	<b>9 625</b>	<b>69</b>	<b>151</b>	<b>136</b>	<b>30 631</b>	<b>155 459</b>
Deposits from and liabilities to customers	52 238	39 907	0	0	0	0	32	92 178
Other liabilities and equity	24 328	-1 626	9 625	69	151	136	30 599	63 282
<b>Total equity capital and liabilities per segment</b>	<b>76 566</b>	<b>38 281</b>	<b>9 625</b>	<b>69</b>	<b>151</b>	<b>136</b>	<b>30 631</b>	<b>155 459</b>

## Note 4 Capital adequacy

### Regulatory Framework

The Bank's capital adequacy is calculated on the basis of the applicable rules and rates at any given time. The rules are based on the three pillars that are intended to ensure that financial undertakings have capital commensurate with their risks:

- Pillar 1: Minimum regulatory capital requirements
- Pillar 2: Evaluation of the overall capital requirements and supervisory follow-up
- Pillar 3: Requirement to publish information

Capital adequacy is calculated at three levels based on different definitions of capital:

- Common equity tier 1 ratio (CET1)
- Tier 1 capital ratio (including hybrid tier 1 capital)
- Total capital adequacy ratio (including subordinated loans)

### Capital Requirements

The Group has a combined buffer requirement of 8.0 per cent as at 31 March 2022. In the combined buffer, the institution-specific buffer requirements consisting of the countercyclical buffer and the systemic risk buffer were calculated to be 1.0 per cent and 4.5 per cent, respectively, for the Group. The capital conservation buffer is 2.5 per cent.

Therefore, as at 31 March 2022, the Group's Common Equity Tier 1 capital ratio requirement, inclusive of a Pillar 2 requirement of 1.8 percentage points, was 14.3 per cent. The Bank's Common Equity Tier 1 capital ratio was thus significantly higher than the current and expected capital requirements.

The Group's long-term target for its Common Equity Tier 1 capital ratio is the regulatory requirement plus a management buffer of 100 basis points. The Group's capital targets and capital planning take account of announced and expected changes to the capital requirements.

Parent Bank				Group		
31 Dec. 2021	31 Mar. 2021	31 Mar. 2022		31 Mar. 2022	31 Mar. 2021	31 Dec. 2021
17 330	16 185	17 051	Total equity carried	18 339	17 304	18 706
			Common equity tier 1 capital			
-996	-215	-261	Results for the accounting year not included	-261	-215	-996
-1 000	-650	-1 000	Hybridcapital	-1 000	-650	-1 000
-	-	-	Minority interests that is not eligible as CET1 capital	-65	-70	-75
11	17	7	Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	7	17	11
-66	-78	-66	Goodwill and other intangible assets	-414	-482	-441
-235	-255	-228	Positive value of expected losses under the IRB approach	-338	-338	-345
-	-	-	CET 1 instruments of financial sector entities where the institution does have a significant investment	-379	-387	-354
-33	-34	-34	Value adjustments due to the requirements for prudent valuation (AVA)	-41	-40	-39
-170	-739	-170	Other adjustments in CET1	-139	-719	-139
14 841	14 231	15 300	Common equity tier 1 capital	15 709	14 421	15 328
			Additional Tier 1 capital			
1 000	650	1 000	Hybrid capital	1 000	650	1 000
-31	-	-30	AT1 instruments of financial sector entities where the institution does have a significant investment	-30	-	-31
-	-	-	Instruments issued by consolidated entities that are given recognition in AT1 Capital	178	160	178
969	650	970	Tier 1 capital	1 147	810	1 147
			Supplementary capital in excess of Tier 1 capital			
1 300	1 300	1 300	Subordinated loan capital	1 300	1 300	1 300
-124	-	-122	T2 instruments of financial sector entities where the institution does have a significant investment	-122	-	-124
-	-	-	Instruments issued by consolidated entities that are given recognition in T2 Capital	277	262	281
1 176	1 300	1 178	Total supplementary capital	1 455	1 562	1 457
16 986	16 181	17 448	Total eligible capital	18 312	16 793	17 933
5 775	5 163	6 026	Corporates - SME	6 060	5 173	5 806
16 990	14 895	17 389	Corporates - Specialised Lending	18 170	15 536	17 699
752	1 294	830	Corporates - Other	892	1 327	800
1 279	1 211	1 238	Retail - SME	1 538	1 435	1 567
18 572	19 886	18 911	Retail - Mortgage exposures	30 139	28 242	29 450
576	811	637	Retail - Other	670	842	602
43 943	43 259	45 032	Credit exposures calculated using IRB-approach	57 470	52 554	55 924
15 973	15 581	16 509	Credit exposures calculated using the standardised approach	21 815	19 770	20 398
458	448	380	Counterparty credit risk	1 241	2 239	1 890
-	-	-	Market risk	-	-	-
5 316	5 133	5 316	Operational risk	6 904	6 664	6 904
65 690	64 422	67 237	Risk-weighted assets	87 430	81 227	85 115
5 255	5 154	5 379	Capital requirements (8%)	6 994	6 498	6 809
						-
-	-	-	Pillar 2 (1.8%)	1 574	1 462	1 532
			Buffer requirements			
1 642	1 611	1 681	Capital conservation buffer (2.5%)	2 186	2 031	2 128
657	644	672	Countercyclical capital buffer (1.0%)	874	812	851
2 956	2 899	3 026	Systemic risk buffer	3 934	3 655	3 830
4.5 %	4.5 %	4.5 %	Systemic risk buffer rate	4.5 %	4.5 %	4.5 %
5 255	5 154	5 379	Total buffer requirements	6 994	6 498	6 809
12.5 %	12.5 %	12.5 %	CET1 requirement	14.3 %	14.3 %	14.3 %
6 630	6 178	6 895	Available CET1 above requirement	3 207	2.806	3.157
			Capital ratios			
22.6 %	22.1 %	22.8 %	CET 1 capital ratio	18.0 %	17.8 %	18.0 %
24.1 %	23.1 %	24.2 %	Tier 1 Capital ratio	19.3 %	18.8 %	19.4 %
25.9 %	25.1 %	25.9 %	Capital adequacy ratio	20.9 %	20.7 %	21.1 %
9.9 %	9.8 %	10.0 %	Leverage Ratio	7.3 %	7.1 %	7.3 %

## Note 5 Net interest income

Parent bank			Group		
Year	First quarter			First quarter	Year
2021	2021	2022		2022	2021
			Interest income		
109	28	45	Interest income from loans to and claims on central banks and credit institutions (amortised cost)	6	7
1 148	274	340	Interest income from loans to and claims on customers (amortised cost)	446	368
1 303	315	373	customers (fair value over OCI)	372	313
2 561	617	758	Total interest income, effective rate method	824	689
170	44	39	customers (fair value over profit and loss)	39	44
178	41	67	(fair value over profit and loss)	67	41
-110	-28	-35	Other interest income	-35	-28
239	57	72	Total other interest income	72	57
2 800	674	830	Total interest income	896	746
			Interest expenses		
29	8	10	Interest on debt to credit institutions	10	8
334	81	140	Interest on deposits from and liabilities to customers	141	81
435	104	129	Interest on securities issued	129	104
24	6	8	Interest on subordinated loan capital	8	6
52	11	13	Fees to the Banks' Guarantee Fund	13	11
4	1	1	Interest on leases	1	1
0	0	0	Other interest expenses	0	0
877	211	301	Total interest expenses	302	211
1 923	463	528	Total net interest income	594	535

## Note 6 Net commissions and other operating income

Parent Bank				Group		
Year	First quarter			First quarter	Year	
2021	2021	2022		2022	2021	2021
298	60	73	Net money transfer fees	73	59	296
273	65	75	Commissions from insurance/savings	75	65	273
458	108	93	Commissions from covered bonds comp.	93	108	458
57	15	15	Commission from credit cards	15	15	57
0	0	0	Real estate brokerage commissions	75	79	344
21	5	8	Other operating income	24	23	98
1 108	253	264	Commission income	355	351	1 527
99	25	25	Net money transfer fees	33	35	138
99	25	25	Commission expenses	33	35	138
0	0	0	Accounting services	52	50	182
33	7	4	Other operating income	14	12	51
33	7	4	Other operating income	66	63	233
1 042	236	243	Net commissions and other operating income	388	379	1 622

Parent Bank			Group			
Year	First quarter			First quarter		Year
2021	2021	2022		2022	2021	2021
21	11	16	Dividends from equity investments at fair value through profit and loss	16	11	21
21	11	16	<b>Dividends from shares and other equity instruments</b>	16	11	21
420	167	225	Dividends from subsidiaries, associates and joint ventures			
40	0	1	Gains or losses on realisation of subsidiaries, associates and joint ventures			
0	0	0	Impairment on subsidiaries, associates and joint ventures			
461	167	226	<b>Net income from subsidiaries, associates and joint ventures (Parent Bank)</b>			
			Share of profit or loss of associates and joint ventures	16	59	361
			Gains or losses on realisation of associates and joint ventures	0	0	43
			<b>Net income from associates and joint ventures (Group)</b>	16	59	405
-183	-51	-259	Net change in value on certificates, bonds and fixed-income funds	-259	-51	-183
161	67	210	Net change in value on derivatives that hedge securities above	210	67	161
-21	16	-49	<i>Net change in value on certificates, bonds and fixed-income funds including hedge derivatives</i>	-49	16	-21
641	266	930	Net change in value of securities issued	930	266	641
-655	-292	-959	Net change in value in derivatives that hedge securities issued	-959	-292	-655
-14	-27	-29	<i>Net change in value on securities issued including hedge derivatives</i>	-29	-27	-14
118	19	92	Net change in value on equity instruments at fair value through profit and loss	92	19	118
-150	-64	-137	Net change in value on fixed-rate loans to customers at fair value through profit and loss	-137	-64	-150
170	74	170	Net change in value on other derivatives	170	74	170
12	4	2	Gains or losses on realisation of assets at fair value through profit and loss	2	4	12
59	14	19	Net income from FX trading and -hedging	19	14	59
174	38	68	<b>Net profit from other financial assets and liabilities</b>	68	38	174
656	216	310	<b>Net profit from financial assets and liabilities</b>	100	108	599

## Note 8 Other operating expenses

Parent Bank			Group			
Year	First quarter			First quarter		Year
2021	2021	2022		2022	2021	2021
706	178	183	Personnel expenses	287	284	1 127
706	178	183	Total personnel expenses	287	284	1 127
94	24	22	Depreciation and amortisation	31	31	122
94	24	22	Total depreciation and amortisation	31	31	122
287	71	76	ICT expenses	82	78	318
71	20	19	Marketing expenses	22	23	86
51	12	17	Operating expenses from real estate	20	15	63
190	36	42	Other expenses	62	54	264
598	139	155	Total other operating expenses	186	170	731
1 398	341	361	Total operating expenses	504	485	1 981

## Note 9 Provisions for credit losses

The tables show isolated loss effects.

### 1st quarter 2022

Isolated loss effects	Retail market	Corporate market	Parent bank	SB1FØ	Group
Change ECL due to period growth and migration	0	4	4	2	5
Change ECL due to adjusted key assumptions	0	0	0	0	0
Change ECL due to changed scenario weighting	0	0	0	0	0
<b>Change in model-based loss provisions (stage 1 and 2)</b>	<b>0</b>	<b>4</b>	<b>4</b>	<b>2</b>	<b>5</b>
Post model adjustments	0	0	0	0	0
Change individual loss provisions (stage 3)	0	0	-1	-5	-6
Net write-offs	0	3	3	2	4
<b>Total losses</b>	<b>-1</b>	<b>7</b>	<b>6</b>	<b>-2</b>	<b>4</b>

### 1st quarter 2021

Isolated loss effects	Retail market	Corporate market	Parent bank	SB1FØ	Group
Change ECL due to period growth and migration	1	5	6	-3	3
Change ECL due to adjusted key assumptions	-2	-12	-13	0	-13
Change ECL due to changed scenario weighting	0	0	0	0	0
<b>Change in model-based loss provisions (stage 1 and 2)</b>	<b>-1</b>	<b>-7</b>	<b>-7</b>	<b>-3</b>	<b>-10</b>
Post model adjustments	0	-20	-20	0	-20
Change individual loss provisions (stage 3)	1	2	3	-1	2
Net write-offs	1	4	5	6	11
<b>Total losses</b>	<b>1</b>	<b>-20</b>	<b>-19</b>	<b>2</b>	<b>-18</b>

## Year 2021

	Retail market	Corporate market	Parent bank	SB1FØ	Group
<b>Isolated loss effects</b>					
Change ECL due to period growth and migration	4	47	50	-4	46
Change ECL due to adjusted key assumptions	-4	-38	-41	0	-41
Change ECL due to changed scenario weighting	0	0	0	0	0
<b>Change in model-based loss provisions (stage 1 and 2)</b>	<b>0</b>	<b>9</b>	<b>9</b>	<b>-4</b>	<b>5</b>
Post model adjustments	0	-20	-20	-5	-25
Change individual loss provisions (stage 3)	-8	-10	-17	-6	-23
Net write-offs	8	17	25	24	48
<b>Total losses</b>	<b>0</b>	<b>-4</b>	<b>-4</b>	<b>9</b>	<b>5</b>

## Note 10 Credit institutions – assets and liabilities

Parent bank				Group		
31 Dec. 2021	31 Mar. 2021	31 Mar. 2022		31 Mar. 2022	31 Mar. 2021	31 Dec. 2021
506	338	1 123	Loans to and receivables from credit institutions	1 123	338	506
8 634	10 414	9 652	Loans and receivables at call	1 314	3 169	930
9 139	10 752	10 775	Loans and receivables with agreed maturities or notice	2 438	3 508	1 435
400	267	1 101	Total	1 101	267	400

Parent bank				Group		
31 Dec. 2021	31 Mar. 2021	31 Mar. 2022		31 Mar. 2022	31 Mar. 2021	31 Dec. 2021
854	825	980	Deposits from and liabilities to credit institutions	994	828	863
2 926	4 126	2 167	Loans and deposits at call	2 166	4 124	2 924
3 780	4 951	3 148	Loans and deposits with agreed maturities or notice	3 160	4 953	3 787
459	700	276	Total	276	700	459

# Note 11 Loans to and receivables from customers

## Group

	31 March 2022				31 March 2021				31 December 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Gross loans</b>												
<b>Opening balance</b>	<b>110 189</b>	<b>10 435</b>	<b>660</b>	<b>121 284</b>	<b>103 458</b>	<b>9 422</b>	<b>488</b>	<b>113 368</b>	<b>103 458</b>	<b>9 422</b>	<b>488</b>	<b>113 368</b>
Transfers in (out) to Stage 1	1 597	-1 575	-21	0	1 256	-1 254	-1	0	2 140	-2 136	-4	0
Transfers in (out) to Stage 2	-2 580	2 616	-36	0	-889	902	-13	0	-2 947	2 954	-8	0
Transfers in (out) to Stage 3	-17	-71	87	0	-81	-180	261	0	-89	-245	334	0
<b>Net increase/decrease existing loans</b>	<b>1 178</b>	<b>-428</b>	<b>-50</b>	<b>700</b>	<b>-441</b>	<b>-377</b>	<b>19</b>	<b>-800</b>	<b>-1 695</b>	<b>127</b>	<b>-14</b>	<b>-1 582</b>
Purchases and originations*	7 733	107	3	7 843	7 580	114	17	7 711	29 808	2 238	59	32 105
Derecognitions and maturities*	-5 326	-396	-52	-5 773	-5 749	-448	-41	-6 238	-20 487	-1 926	-169	-22 582
Write-offs	0	0	-2	-2	0	0	-5	-5	0	0	-26	-26
<b>Closing balance</b>	<b>112 774</b>	<b>10 689</b>	<b>590</b>	<b>124 053</b>	<b>105 134</b>	<b>8 179</b>	<b>724</b>	<b>114 037</b>	<b>110 189</b>	<b>10 435</b>	<b>660</b>	<b>121 284</b>
Loan and advances to customers at amortised cost				46 713				41 061				44 954
Loan and advances to customers at fair value				77 340				72 976				76 329

## Provisions for credit losses

	Loan and advances to customers at amortised cost 31 March 2022	Loan and advances to customers at fair value OCI 31 March 2022	Provisions for credit losses			Loan and advances to customers at fair value 31 March 2022	Net lending 31 March 2022
			Stage 1	Stage 2	Stage 3		
Public sector	420	0	-1	-0	-0	0	419
Primary industries	3 874	1 750	-3	-9	-8	451	6 055
Paper and pulp industries	1 051	391	-1	-1	-0	34	1 474
Other industry	1 298	70	-15	-13	-1	4	1 343
Building and constructions	5 567	312	-25	-17	-12	13	5 838
Power and water supply	646	2	-1	-2	-0	0	645
Wholesale and retail trade	1 626	170	-7	-4	-2	3	1 788
Hotel and restaurants	489	45	-1	-6	-3	8	532
Real estate	20 005	172	-37	-107	-20	18	20 032
Commercial services	5 167	759	-19	-9	-11	73	5 960
Transport and communication	1 577	195	-2	-3	-5	15	1 777
Post model adjustments	0	0	0	0	0	0	0
<b>Gross corporate loans by sector and industry</b>	<b>41 720</b>	<b>3 866</b>	<b>-111</b>	<b>-172</b>	<b>-62</b>	<b>621</b>	<b>45 862</b>
Retail market	4 993	67 290	-41	-49	-36	5 596	77 754
Post model adjustments	0	0	0	0	0	0	0
<b>Total loans to private customers</b>	<b>4 993</b>	<b>67 290</b>	<b>-41</b>	<b>-49</b>	<b>-36</b>	<b>5 596</b>	<b>77 754</b>
Adjustment fair value	0	-32	32	0	0	0	0
<b>Total loans to customers</b>	<b>46 713</b>	<b>71 123</b>	<b>-119</b>	<b>-220</b>	<b>-97</b>	<b>6 217</b>	<b>123 616</b>
Loans transferred to SpareBank 1 Boligkreditt AS							52 467
Loans transferred to SpareBank 1 Næringskreditt AS							1 311
<b>Total loans including loans transferred to covered bond companies</b>							<b>177 394</b>
Other liabilities <sup>1)</sup>							21 994
<b>Total commitments including loans transferred to covered bond companies</b>							<b>199 388</b>

	Provisions for credit losses						Net lending 31 March 2021
	Loan and advances to customers at amortised cost 31 March 2021	Loan and advances to customers at fair value OCI 31 March 2021	Stage 1	Stage 2	Stage 3	Loan and advances to customers at fair value 31 March 2021	
Public sector	310	0	-1	0	0	0	309
Primary industries	3 461	1 624	-3	-7	-8	337	5 404
Paper and pulp industries	1 218	324	-1	-2	-1	47	1 585
Other industry	1 351	41	-4	-15	-3	5	1 375
Building and constructions	4 833	282	-31	-19	-19	15	5 061
Power and water supply	483	1	-1	-1	-1	0	480
Wholesale and retail trade	1 121	140	-8	-7	-7	5	1 243
Hotel and restaurants	506	49	0	-6	-4	11	555
Real estate	16 247	385	-43	-72	-15	53	16 556
Commercial services	5 096	597	-19	-9	-8	77	5 734
Transport and communication	1 602	214	-5	-12	-9	14	1 804
Post model adjustments	0	0	0	-5	0	0	-5
<b>Gross corporate loans by sector and industry</b>	<b>36 228</b>	<b>3 655</b>	<b>-116</b>	<b>-154</b>	<b>-76</b>	<b>563</b>	<b>40 100</b>
Retail market	4 833	62 893	-39	-50	-53	5 897	73 481
Post model adjustments	0	0	0	-1	0	0	-1
<b>Total loans to private customers</b>	<b>4 833</b>	<b>62 893</b>	<b>-39</b>	<b>-50</b>	<b>-53</b>	<b>5 897</b>	<b>73 481</b>
Adjustment fair value	0	-32	32	0	0	0	0
<b>Total loans to customers</b>	<b>41 061</b>	<b>66 516</b>	<b>-123</b>	<b>-205</b>	<b>-129</b>	<b>6 461</b>	<b>113 581</b>
Loans transferred to SpareBank 1 Boligkreditt AS							47 522
Loans transferred to SpareBank 1 Næringskreditt AS							1 007
<b>Total loans including loans transferred to covered bond companies</b>							<b>162 111</b>
Other liabilities <sup>1)</sup>							16 658
<b>Total commitments including loans transferred to covered bond companies</b>							<b>178 769</b>

	Provisions for credit losses						Net lending 31 December 2021
	Loan and advances to customers at amortised cost 31 December 2021	Loan and advances to customers at fair value OCI 31 December 2021	Stage 1	Stage 2	Stage 3	Loan and advances to customers at fair value 31 December 2021	
Public sector	304	0	-1	-1	0	0	303
Primary industries	3 965	1 856	-3	-10	-7	365	6 167
Paper and pulp industries	1 022	372	-1	-1	0	30	1 422
Other industry	1 317	55	-10	-14	-1	2	1 349
Building and constructions	5 309	301	-24	-33	-14	12	5 552
Power and water supply	764	2	-1	-2	0	0	764
Wholesale and retail trade	1 290	163	-6	-4	-5	5	1 444
Hotel and restaurants	487	34	-1	-14	-3	8	512
Real estate	19 281	375	-51	-78	-21	33	19 537
Commercial services	4 741	721	-16	-8	-10	72	5 500
Transport and communication	1 572	204	-2	-3	-5	19	1 786
Post model adjustments	0	0	0	0	0	0	0
<b>Gross corporate loans by sector and industry</b>	<b>40 054</b>	<b>4 084</b>	<b>-116</b>	<b>-165</b>	<b>-65</b>	<b>547</b>	<b>44 336</b>
Retail market	4 901	66 120	-41	-47	-38	5 612	76 505
Post model adjustments	0	0	0	0	0	0	0
<b>Total loans to private customers</b>	<b>4 901</b>	<b>66 120</b>	<b>-41</b>	<b>-47</b>	<b>-38</b>	<b>5 612</b>	<b>76 505</b>
Adjustment fair value	0	-33	33	0	0	0	0
<b>Total loans to customers</b>	<b>44 954</b>	<b>70 170</b>	<b>-124</b>	<b>-215</b>	<b>-104</b>	<b>6 159</b>	<b>120 841</b>
Loans transferred to SpareBank 1 Boligkreditt AS							51 552
Loans transferred to SpareBank 1 Næringskreditt AS							864
<b>Total loans including loans transferred to covered bond companies</b>							<b>173 257</b>
Other liabilities <sup>1)</sup>							16 929
<b>Total commitments including loans transferred to covered bond companies</b>							<b>190 186</b>

1) Consists of guarantees, unused credits and loan commitments.

## Parent Bank

Gross loans	31 March 2022				31 March 2021				31 December 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance</b>	<b>101 749</b>	<b>9 593</b>	<b>477</b>	<b>111 819</b>	<b>95 716</b>	<b>8 159</b>	<b>411</b>	<b>104 286</b>	<b>95 716</b>	<b>8 159</b>	<b>411</b>	<b>104 286</b>
Transfers in (out) to Stage 1	1 497	-1 476	-21	0	1 062	-1 061	-1	0	1 695	-1 694	-1	0
Transfers in (out) to Stage 2	-2 403	2 435	-32	0	-737	746	-9	0	-2 501	2 503	-3	0
Transfers in (out) to Stage 3	0	-51	52	0	-49	-113	161	0	-52	-144	196	0
Net increase/decrease existing loans	1 518	-373	-41	1 104	108	-243	-16	-151	-467	349	-25	-144
Purchases and originations*	6 377	89	2	6 468	6 625	49	9	6 683	26 226	2 054	38	28 318
Derecognitions and maturities*	-4 880	-352	-17	-5 249	-5 335	-339	-24	-5 698	-18 869	-1 634	-113	-20 615
Write-offs	0	0	-2	-2	0	0	-5	-5	0	0	-26	-26
<b>Closing balance</b>	<b>103 857</b>	<b>9 864</b>	<b>419</b>	<b>114 140</b>	<b>97 391</b>	<b>7 199</b>	<b>526</b>	<b>105 116</b>	<b>101 749</b>	<b>9 593</b>	<b>477</b>	<b>111 819</b>
Loan and advances to customers at amortised cost				36 801				32 139				35 490
Loan and advances to customers at fair value				77 340				72 976				76 329

	Provisions for credit losses						
	Loan and advances to customers at amortised cost 31 March 2022	Loan and advances to customers at fair value OCI 31 March 2022	Stage 1	Stage 2	Stage 3	Loan and advances to customers at fair value 31 March 2022	Net lending 31 March 2022
Public sector	3	0	-0	0	0	0	3
Primary industries	3 447	1 750	-4	-7	-7	452	5 631
Paper and pulp industries	1 051	391	-1	-1	-0	34	1 474
Other industry	1 050	70	-5	-15	-1	4	1 103
Building and constructions	4 526	313	-20	-14	-10	13	4 807
Power and water supply	646	2	-1	-2	0	0	646
Wholesale and retail trade	1 005	170	-5	-2	-2	3	1 171
Hotel and restaurants	468	45	-2	-1	-3	8	514
Real estate	19 635	173	-35	-97	-15	18	19 679
Commercial services	3 967	759	-14	-9	-9	73	4 766
Transport and communication	268	195	-0	-3	-5	15	470
Post model adjustments	0	0	0	0	0	0	0
Gross corporate loans by sector and industry	36 066	3 866	-87	-151	-52	620	40 263
Retail market	734	67 289	-31	-30	-28	5 596	73 531
Post model adjustments	0	0	0	0	0	0	0
Total loans to private customers	734	67 289	-31	-30	-28	5 596	73 531
Adjustment fair value	0	-32	32	0	0	0	0
Total loans to customers	36 801	71 123	-86	-182	-80	6 217	113 793
Loans transferred to SpareBank 1 Boligkreditt AS							52 467
Loans transferred to SpareBank 1 Næringskreditt AS							1 311
Total loans including loans transferred to covered bond companies							167 572
Other liabilities <sup>1)</sup>							20 664
Total commitments including loans transferred to covered bond companies							188 236

	Provisions for credit losses						
	Loan and advances to customers at amortised cost 31 March 2021	Loan and advances to customers at fair value OCI 31 March 2021	Stage 1	Stage 2	Stage 3	Loan and advances to customers at fair value 31 March 2021	Net lending 31 March 2021
Public sector	3	0	0	0	0	0	3
Primary industries	3 074	1 624	-2	-6	-8	337	5 018
Paper and pulp industries	1 218	324	-1	-2	-1	47	1 585
Other industry	1 116	41	-2	-14	-3	5	1 143
Building and constructions	3 809	282	-26	-12	-15	15	4 052
Power and water supply	458	1	0	-1	-1	0	456
Wholesale and retail trade	872	140	-6	-4	-7	5	1 001
Hotel and restaurants	485	49	0	-5	-4	11	535
Real estate	15 827	385	-38	-67	-14	53	16 146
Commercial services	4 275	597	-16	-6	-8	77	4 919
Transport and communication	250	214	-1	-3	-1	14	473
Post model adjustments	0	0	0	0	0	0	0
<b>Gross corporate loans by sector and industry</b>	<b>31 388</b>	<b>3 655</b>	<b>-93</b>	<b>-120</b>	<b>-62</b>	<b>563</b>	<b>35 332</b>
Retail market	751	62 893	-31	-35	-40	5 897	69 435
Post model adjustments	0	0	0	0	0	0	0
<b>Total loans to private customers</b>	<b>751</b>	<b>62 893</b>	<b>-31</b>	<b>-35</b>	<b>-40</b>	<b>5 897</b>	<b>69 435</b>
Adjustment fair value	0	-32	32	0	0	0	0
<b>Total loans to customers</b>	<b>32 139</b>	<b>66 516</b>	<b>-92</b>	<b>-155</b>	<b>-102</b>	<b>6 461</b>	<b>104 767</b>
Loans transferred to SpareBank 1 Boligkreditt AS							47 522
Loans transferred to SpareBank 1 Næringskreditt AS							1 007
<b>Total loans including loans transferred to covered bond companies</b>							<b>153 297</b>
Other liabilities <sup>1)</sup>							17 313
<b>Total commitments including loans transferred to covered bond companies</b>							<b>170 610</b>

	Provisions for credit losses						
	Loan and advances to customers at amortised cost 31 December 2021	Loan and advances to customers at fair value OCI 31 December 2021	Stage 1	Stage 2	Stage 3	Loan and advances to customers at fair value 31 December 2021	Net lending 31 December 2021
Public sector	13	0	0	0	0	0	13
Primary industries	3 529	1 856	-3	-9	-7	365	5 731
Paper and pulp industries	1 022	372	-1	-1	0	30	1 422
Other industry	1 071	55	-8	-12	-1	2	1 106
Building and constructions	4 264	301	-14	-27	-11	12	4 525
Power and water supply	743	2	-1	-2	0	0	742
Wholesale and retail trade	850	163	-4	-2	-2	5	1 009
Hotel and restaurants	465	34	-1	-13	-3	8	490
Real estate	18 856	375	-44	-70	-14	33	19 134
Commercial services	3 706	721	-12	-5	-9	72	4 474
Transport and communication	253	204	-1	-2	-5	19	469
Post model adjustments	0	0	0	0	0	0	0
<b>Gross corporate loans by sector and industry</b>	<b>34 771</b>	<b>4 084</b>	<b>-88</b>	<b>-144</b>	<b>-52</b>	<b>547</b>	<b>39 118</b>
Retail market	719	66 120	-33	-37	-29	5 612	72 352
Post model adjustments	0	0	0	0	0	0	0
<b>Total loans to private customers</b>	<b>719</b>	<b>66 120</b>	<b>-33</b>	<b>-37</b>	<b>-29</b>	<b>5 612</b>	<b>72 352</b>
Adjustment fair value	0	-33	33	0	0	0	0
<b>Total loans to customers</b>	<b>35 490</b>	<b>70 170</b>	<b>-88</b>	<b>-181</b>	<b>-81</b>	<b>6 159</b>	<b>111 470</b>
Loans transferred to SpareBank 1 Boligkreditt AS							51 552
Loans transferred to SpareBank 1 Næringskreditt AS							864
<b>Total loans including loans transferred to covered bond companies</b>							<b>163 885</b>
Other liabilities <sup>1)</sup>							16 979
<b>Total commitments including loans transferred to covered bond companies</b>							<b>180 864</b>

1) Consists of guarantees, unused credits and loan commitments.

## Note 12 Accumulated provisions for expected credit losses

### Group

	31 March 2022				31 March 2021				31 December 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Provisions for loan losses</b>												
<b>Opening balance</b>	<b>176</b>	<b>221</b>	<b>107</b>	<b>505</b>	<b>173</b>	<b>244</b>	<b>131</b>	<b>548</b>	<b>173</b>	<b>244</b>	<b>131</b>	<b>548</b>
<i>Provision for credit losses</i>												
Transfers in (out) to Stage 1	8	-7	-1	0	8	-8	0	0	16	-16	0	0
Transfers in (out) to Stage 2	-32	33	-1	0	-30	32	-1	0	-55	56	0	0
Transfers in (out) to Stage 3	-2	-5	6	0	-6	-11	17	0	-9	-15	24	0
<i>Net remeasurement of loss provisions</i>	12	-9	0	3	19	-14	2	8	4	-13	17	8
<i>Purchases and originations</i>	19	3	0	22	16	4	0	19	73	45	2	120
<i>Derecognitions and maturities</i>	-6	-9	-8	-23	-6	-14	-11	-31	-26	-55	-39	-121
<i>Write-offs</i>	0	0	-2	-2	0	0	-5	-5	0	0	-26	-26
<i>Post model adjustment</i>	0	0	0	0	0	-20	0	-20	0	-25	0	-25
<b>Closing balance</b>	<b>176</b>	<b>227</b>	<b>102</b>	<b>504</b>	<b>174</b>	<b>213</b>	<b>133</b>	<b>520</b>	<b>176</b>	<b>221</b>	<b>107</b>	<b>505</b>
<i>Provisions for guarantees and unused credit facilities</i>	20	6	4	29	22	10	0	32	20	6	4	29

ECL has been calculated for credit institutions and central banks, but the effect is deemed insignificant and consequently not included in the write-downs.

### Group

#### 31 March 2022

	31 December 2021	Provision for credit losses	Net write-offs	31 March 2022
Provisions for loss on loans at amortised cost, guarantees and unused credit facilities	427	4	-1	430
Provisions for loan losses at fair value over OCI	78	-3	-1	75
<b>Total provisions for credit losses</b>	<b>505</b>	<b>1</b>	<b>-2</b>	<b>504</b>
<b>Presented as:</b>				
Assets: Provisions for loan losses - decrease of assets	444	-6	-2	436
Liabilities: Provisions for loan losses - increase of liabilities	29	7	0	36
Equity: Fair value adjustment of losses	33	-1	0	32

#### 31 March 2021

	31 December 2020	Provision for credit losses	Net write-offs	31 March 2021
Provisions for loss on loans at amortised cost, guarantees and unused credit facilities	465	-17	-5	444
Provisions for loan losses at fair value over OCI	84	-7	-1	77
<b>Total provisions for credit losses</b>	<b>549</b>	<b>-23</b>	<b>-5</b>	<b>520</b>
<b>Presented as:</b>				
Assets: Provisions for loan losses - decrease of assets	484	-23	-5	456
Liabilities: Provisions for loan losses - increase of liabilities	32	-1	0	31
Equity: Fair value adjustment of losses	32	0	0	32

#### 31 December 2021

	31 December 2020	Provision for credit losses	Net write-offs	31 December 2021
Provisions for loss on loans at amortised cost, guarantees and unused credit facilities	464	-12	-26	427
Provisions for loan losses at fair value over OCI	84	-5	-1	78
<b>Total provisions for credit losses</b>	<b>548</b>	<b>-17</b>	<b>-26</b>	<b>505</b>
<b>Presented as:</b>				
Assets: Provisions for loan losses - decrease of assets	484	-14	-26	444
Liabilities: Provisions for loan losses - increase of liabilities	32	-4	0	29
Equity: Fair value adjustment of losses	32	1	0	33

## Parent Bank

Provisions for loan losses	31 March 2022				31 March 2021				31 December 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance</b>	<b>141</b>	<b>186</b>	<b>85</b>	<b>412</b>	<b>149</b>	<b>189</b>	<b>103</b>	<b>440</b>	<b>149</b>	<b>189</b>	<b>102</b>	<b>440</b>
<i>Provision for credit losses</i>												
Transfers in (out) to Stage 1	4	-4	-1	0	2	-2	0	0	3	-3	0	0
Transfers in (out) to Stage 2	-28	29	-1	0	-29	31	-1	0	-53	53	0	0
Transfers in (out) to Stage 3	0	-3	3	0	-6	-5	11	0	-8	-7	15	0
<i>Net remeasurement of loss provisions</i>	14	-14	2	2	24	-20	5	9	14	-24	21	10
<i>Purchases and originations</i>	16	2	0	17	12	0	0	12	58	40	1	99
<i>Derecognitions and maturities</i>	-5	-7	-2	-14	-5	-9	-7	-20	-22	-42	-28	-92
<i>Write-offs</i>	0	0	-2	-2	0	0	-5	-5	0	0	-26	-26
<i>Post model adjustment</i>	0	0	0	0	0	-20	0	-20	0	-20	0	-20
<b>Closing balance</b>	<b>142</b>	<b>189</b>	<b>84</b>	<b>415</b>	<b>147</b>	<b>163</b>	<b>106</b>	<b>416</b>	<b>141</b>	<b>186</b>	<b>85</b>	<b>412</b>
<i>Provisions for guarantees and unused credit facilities</i>	20	6	4	29	22	10	0	32	20	6	4	29

ECL has been calculated for credit institutions and central banks, but the effect is deemed insignificant and consequently not included in the write-downs.

## Parent Bank

### 31 March 2022

	31 December 2021	Provision for credit losses	Net write-offs	31 March 2022
Provisions for loss on loans at amortised cost, guarantees and unused credit facilities	334	8	-1	340
Provisions for loan losses at fair value over OCI	78	-3	-1	75
<b>Total provisions for credit losses</b>	<b>412</b>	<b>5</b>	<b>-2</b>	<b>415</b>
<b>Presented as:</b>				
Assets: Provisions for loan losses - decrease of assets	350	-1	-2	347
Liabilities: Provisions for loan losses - increase of liabilities	29	7	0	36
Equity: Fair value adjustment of losses	33	-1	0	32

### 31 March 2021

	31 December 2020	Provision for credit losses	Net write-offs	31 March 2021
Provisions for loss on loans at amortised cost, guarantees and unused credit facilities	356	-12	-5	339
Provisions for loan losses at fair value over OCI	84	-7	-1	77
<b>Total provisions for credit losses</b>	<b>440</b>	<b>-19</b>	<b>-5</b>	<b>416</b>
<b>Presented as:</b>				
Assets: Provisions for loan losses - decrease of assets	375	-22	-5	349
Liabilities: Provisions for loan losses - increase of liabilities	32	3	0	35
Equity: Fair value adjustment of losses	32	0	0	32

### 31 December 2021

	31 December 2020	Provision for credit losses	Net write-offs	31 December 2021
Provisions for loss on loans at amortised cost, guarantees and unused credit facilities	356	3	-26	334
Provisions for loan losses at fair value over OCI	84	-5	-1	78
<b>Total provisions for credit losses</b>	<b>440</b>	<b>-2</b>	<b>-26</b>	<b>412</b>
<b>Presented as:</b>				
Assets: Provisions for loan losses - decrease of assets	375	1	-26	350
Liabilities: Provisions for loan losses - increase of liabilities	32	-4	0	29
Equity: Fair value adjustment of losses	32	1	0	33

## Note 13 Financial derivatives

### Parent Bank and Group

	31 March 2022		
	Contract amount	Fair value	
		Assets	Liabilities
<b>At fair value through profit and loss</b>			
<b>Currency instruments</b>			
Currency forward contracts	1 982	17	21
Currency swaps	229	6	1
<b>Total currency instruments</b>	<b>2 211</b>	<b>23</b>	<b>22</b>
<b>Interest rate instruments</b>			
Interest rate swaps (including cross-currency)	59 537	753	1 526
Other interest rate contracts	485	0	0
<b>Total interest rate instruments</b>	<b>60 022</b>	<b>753</b>	<b>1 526</b>
<b>Total currency instruments</b>	<b>2 211</b>	<b>23</b>	<b>22</b>
<b>Total interest rate instruments</b>	<b>60 022</b>	<b>753</b>	<b>1 526</b>
<b>Total financial derivatives</b>	<b>62 233</b>	<b>776</b>	<b>1 548</b>

	31 March 2021		
	Contract amount	Fair value	
		Assets	Liabilities
<b>At fair value through profit and loss</b>			
<b>Currency instruments</b>			
Currency forward contracts	1 917	42	32
Currency swaps	1 029	17	14
<b>Total currency instruments</b>	<b>2 946</b>	<b>59</b>	<b>47</b>
<b>Interest rate instruments</b>			
Interest rate swaps (including cross-currency)	54 764	1 178	648
Other interest rate contracts	3 810	1	0
<b>Total interest rate instruments</b>	<b>58 573</b>	<b>1 179</b>	<b>648</b>
<b>Total currency instruments</b>	<b>2 946</b>	<b>59</b>	<b>47</b>
<b>Total interest rate instruments</b>	<b>58 573</b>	<b>1 179</b>	<b>648</b>
<b>Total financial derivatives</b>	<b>61 520</b>	<b>1 237</b>	<b>695</b>

	31 December 2021		
	Contract amount	Fair value	
		Assets	Liabilities
<b>At fair value through profit and loss</b>			
<b>Currency instruments</b>			
Currency forward contracts	2 035	24	19
Currency swaps	560	0	7
<b>Total currency instruments</b>	<b>2 595</b>	<b>24</b>	<b>25</b>
<b>Interest rate instruments</b>			
Interest rate swaps (including cross-currency)	58 601	790	653
Other interest rate contracts	499	0	0
<b>Total interest rate instruments</b>	<b>59 100</b>	<b>790</b>	<b>653</b>
<b>Total currency instruments</b>	<b>2 595</b>	<b>24</b>	<b>25</b>
<b>Total interest rate instruments</b>	<b>59 100</b>	<b>790</b>	<b>653</b>
<b>Total financial derivatives</b>	<b>61 695</b>	<b>814</b>	<b>679</b>

## Note 14 Financial instruments at fair value

The table below shows financial instruments at fair value by valuation method. The different levels are defined as follows:

- Level 1: Quoted prices for similar asset or liability on an active market
- Level 2: Valuation based on other observable factors either direct (price) or indirect (derived from prices) than the quoted price (used on level 1) for the asset or liability
- Level 3: Valuation based on factors not based on observable market data (non-observable inputs)

### Parent Bank and Group

31 March 2022	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value				
- Derivatives	0	776	0	776
- Certificates, bonds and fixed-income funds	0	23 838	0	23 838
- Fixed-rate loans to customers	0	0	6 217	6 217
- Equity instruments	524	30	299	853
- Mortgages (FVOCI)	0	0	71 081	71 081
<b>Total assets</b>	<b>524</b>	<b>24 645</b>	<b>77 596</b>	<b>102 765</b>
<b>Liabilities</b>				
Financial liabilities at fair value				
- Derivatives	0	1 548	0	1 548
- Securities issued	0	1 790	0	1 790
<b>Total liabilities</b>	<b>0</b>	<b>3 339</b>	<b>0</b>	<b>3 339</b>

31 March 2021	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through profit and loss				
- Derivatives	0	1 237	0	1 237
- Certificates, bonds and fixed-income funds	0	23 425	0	23 425
- Fixed-rate loans to customers	0	0	6 461	6 461
- Equity instruments	369	0	267	636
- Mortgages (FVOCI)	0	0	66 471	66 471
<b>Total assets</b>	<b>369</b>	<b>24 662</b>	<b>73 199</b>	<b>98 230</b>
<b>Liabilities</b>				
Financial assets at fair value through profit and loss				
- Derivatives	0	695	0	695
- Securities issued	0	2 679	0	2 679
<b>Total liabilities</b>	<b>0</b>	<b>3 374</b>	<b>0</b>	<b>3 374</b>

31 December 2021	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through profit and loss				
- Derivatives	0	814	0	814
- Certificates, bonds and fixed-income funds	0	23 825	0	23 825
- Fixed-rate loans to customers	0	0	6 159	6 159
- Equity instruments	465	31	266	761
- Mortgages (FVOCI)	0	0	70 126	70 126
<b>Total assets</b>	<b>465</b>	<b>24 670</b>	<b>76 550</b>	<b>101 685</b>
<b>Liabilities</b>				
Financial assets at fair value through profit and loss				
- Derivatives	0	679	0	679
- Securities issued	0	1 796	0	1 796
<b>Total liabilities</b>	<b>0</b>	<b>2 475</b>	<b>0</b>	<b>2 475</b>

The table below presents the changes in value of the instruments classified in level 3:

<b>Year to date 2022</b>	<b>Fixed-rate loans to customers</b>	<b>Equity instruments</b>	<b>Mortgages (FVOCI)</b>	<b>Total</b>
Opening balance	6 159	266	70 126	76 550
Investments in the period	489	0	18 698	19 188
Sales/redemption in the period	-294	0	-17 746	-18 040
Gains/losses recognised through profit and loss	-137	33	3	-101
Gains/losses recognised through other comprehensive income	0	0	-1	-1
<b>Closing balance</b>	<b>6 217</b>	<b>299</b>	<b>71 081</b>	<b>77 596</b>
Gains/losses for the period included in the profit for assets owned on the balance sheet day	-137	33	3	-101

<b>Year to date 2021</b>	<b>Fixed-rate loans to customers</b>	<b>Equity instruments</b>	<b>Mortgages (FVOCI)</b>	<b>Total</b>
Opening balance	6 331	267	66 330	72 928
Investments in the period	603	0	4 037	4 640
Sales / redemption in the period	-409	0	-3 902	-4 312
Gains / losses recognised through profit and loss	-64	0	7	-57
Gains/losses recognised through other comprehensive income	0	0	0	0
<b>Closing balance</b>	<b>6 461</b>	<b>267</b>	<b>66 471</b>	<b>73 199</b>
Gains / losses for the period included in the profit for assets owned on the balance sheet day	-64	0	7	-57

<b>Year 2021</b>	<b>Fixed-rate loans to customers</b>	<b>Equity instruments</b>	<b>Mortgages (FVOCI)</b>	<b>Total</b>
Opening balance	6 331	267	66 330	72 928
Investments in the period	1 723	1	17 607	19 331
Sales/redemption in the period	-1 745	-5	-13 818	-15 569
Gains/losses recognised through profit and loss	-150	3	6	-141
Gains/losses recognised through other comprehensive income	0	0	1	1
<b>Closing balance</b>	<b>6 159</b>	<b>266</b>	<b>70 126</b>	<b>76 550</b>
Gains/losses for the period included in the profit for assets owned on the balance sheet day	-150	3	6	-140

Specification of fair value, instruments classified in level 3:

<b>31 March 2022</b>	<b>Fixed-rate loans to customers</b>	<b>Equity instruments</b>	<b>Mortgages (FVOCI)</b>	<b>Total</b>
Nominal value including accrued interest (fixed income instruments)/cost (shares)	6 371	196	71 123	77 690
Fair value adjustment	-154	103	-42	-93
<b>Closing balance</b>	<b>6 217</b>	<b>299</b>	<b>71 081</b>	<b>77 596</b>

<b>31 March 2021</b>	<b>Fixed-rate loans to customers</b>	<b>Equity instruments</b>	<b>Mortgages (FVOCI)</b>	<b>Total</b>
Nominal value including accrued interest (fixed income instruments)/cost (shares)	6 392	200	66 516	73 108
Fair value adjustment	69	66	-44	91
<b>Closing balance</b>	<b>6 461</b>	<b>267</b>	<b>66 471</b>	<b>73 199</b>

<b>31 December 2021</b>	<b>Fixed-rate loans to customers</b>	<b>Equity instruments</b>	<b>Mortgages (FVOCI)</b>	<b>Total</b>
Nominal value including accrued interest (fixed income instruments)/cost (shares)	6 176	196	70 170	76 542
Fair value adjustment	-17	69	-45	8
<b>Closing balance</b>	<b>6 159</b>	<b>266</b>	<b>70 126</b>	<b>76 550</b>

## Note 15 Deposits from and liabilities to customers

Parent Bank			Group			
31 Dec. 2021	31 Mar. 2021	31 Mar. 2022		31 Mar. 2022	31 Mar. 2021	31 Dec. 2021
51 281	49 040	52 278	Retail market	52 278	49 040	51 281
7 564	7 399	8 356	Public sector	8 356	7 399	7 564
1 443	1 470	1 720	Primary industries	1 720	1 470	1 443
435	467	418	Paper and pulp industries	418	467	435
1 283	1 038	910	Other industry	910	1 038	1 283
2 236	2 092	2 119	Building and construction	2 119	2 092	2 236
118	109	125	Power and water supply	125	109	118
2 334	2 309	2 366	Wholesale and retail trade	2 366	2 309	2 334
448	363	669	Hotel and restaurants	669	363	448
4 933	4 490	5 055	Real estate	5 055	4 490	4 933
18 222	17 349	18 178	Commercial services	18 114	17 296	18 154
1 950	1 403	1 794	Transport and communications	1 794	1 403	1 950
<b>92 246</b>	<b>87 529</b>	<b>93 988</b>	<b>Total deposits by sector and industry</b>	<b>93 924</b>	<b>87 476</b>	<b>92 178</b>

## Note 16 Debt securities issued

### Parent Bank and Group

Change in debt securities issued	31 Mar. 2022	Issued	Due / redeemed	Other changes	31 Dec. 2021
Certificate debt, nominal value	500	0	0	0	500
Bond debt, nominal value	33 447	3 494	-651	-279	30 884
Senior non-perferred, nominal value	5 500	0	0	0	5 500
Subordinated loan capital, nominal value	1 300	0	0	0	1 300
Accrued interest	197	0	0	1	196
Value adjustments *	-1 283	0	0	-1 437	154
<b>Total debt raised through issuance of securities and subordinated loan capital, book value</b>	<b>39 662</b>	<b>3 494</b>	<b>-651</b>	<b>-1 715</b>	<b>38 534</b>

\*) Herof unrealised exchange rate effects with MNOK -461 in the period and MNOK -428 accumulated.

Change in debt securities issued	31 Mar. 2021	Issued	Due / redeemed	Other changes	31 Dec. 2020
Certificate-based debt, nominal value	0	0	0	0	0
Bond debt, nominal value	33 453	5 139	-1 981	96	30 200
Senior non-perferred, nominal value	2 500	0	0	0	2 500
Subordinated loan capital, nominal value	1 300	0	0	0	1 300
Accrued interest	146	0	0	-38	184
Value adjustments	752	0	0	-1 318	2 070
<b>Total debt raised through issuance of securities and subordinated loan capital, book value</b>	<b>38 151</b>	<b>5 139</b>	<b>-1 981</b>	<b>-1 261</b>	<b>36 254</b>

Change in debt securities issued	31 Dec. 2021	Issued	Due / redeemed	Other changes	31 Dec. 2020
Certificate debt, nominal value	500	500	0	0	0
Bond debt, nominal value	30 884	6 677	-8 283	2 290	30 200
Senior non-perferred, nominal value	5 500	3 000	0	0	2 500
Subordinated loan capital, nominal value	1 300	0	0	0	1 300
Accrued interest	196	0	0	12	184
Value adjustments	154	0	0	-1 916	2 070
<b>Total debt raised through issuance of securities and subordinated loan capital, book value</b>	<b>38 534</b>	<b>10 177</b>	<b>-8 283</b>	<b>386</b>	<b>36 254</b>

## Note 17 Earnings per equity capital certificate

Equity capital certificates (ECC) owners' share of profit has been calculated based on net profit allocated in accordance to the average number of certificates outstanding in the period.

Earnings per equity capital certificate (ECC)	Year to date 2022	Year to date 2021	Year 2021
Net profit for the Group	536	439	1
- adjusted for Tier 1 capital holders' share of net profit	9	6	27
-adjusted for non-controlling interests' share of net profit	4	3	9
<b>Adjusted net profit</b>	<b>522</b>	<b>431</b>	<b>1 985</b>

Adjusted net profit allocated to ECC holders	366	300	1 385
Average number of equity capital certificates	115 829 789	115 829 789	115 829 789
<b>Result per equity capital certificate (NOK)</b>	<b>3.16</b>	<b>2.59</b>	<b>11.96</b>

Equity capital certificate (Parent Bank)	31 Mar. 2022	31 Mar. 2021	31 Dec. 2021
Equity capital certificates	5 791	5 791	5 791
Premium fund	848	848	848
Dividend equalisation fund	4 196	3 574	3 776
Fund for unrealised gains	404	251	322
<b>A. Equity capital certificate owners' capital</b>	<b>11 239</b>	<b>10 464</b>	<b>10 737</b>
Primary capital	4 619	4 349	4 438
Provisjon for gifts	20	29	21
Fund for unrealised gains	173	110	138
<b>B. Total primary capital</b>	<b>4 811</b>	<b>4 488</b>	<b>4 597</b>
Allocated to dividends and other equity capital	0	352	695
Allocated to dividends on customers return	0	231	301
<b>Total other equity ekskl. hybrid capital</b>	<b>16 051</b>	<b>15 535</b>	<b>16 330</b>
<b>Total equity for distribution:</b>			
<b>Equity capital certificate ratio (A/(A+B)*)</b>	<b>70.0 %</b>	<b>70.0 %</b>	<b>70.0 %</b>

\*)The equity certificate ratio is now reported excluding dividends. Average ownership ratio is used to distribute profit and dividend:

See *Key ratios* for an overview of average ownership ratio over time.

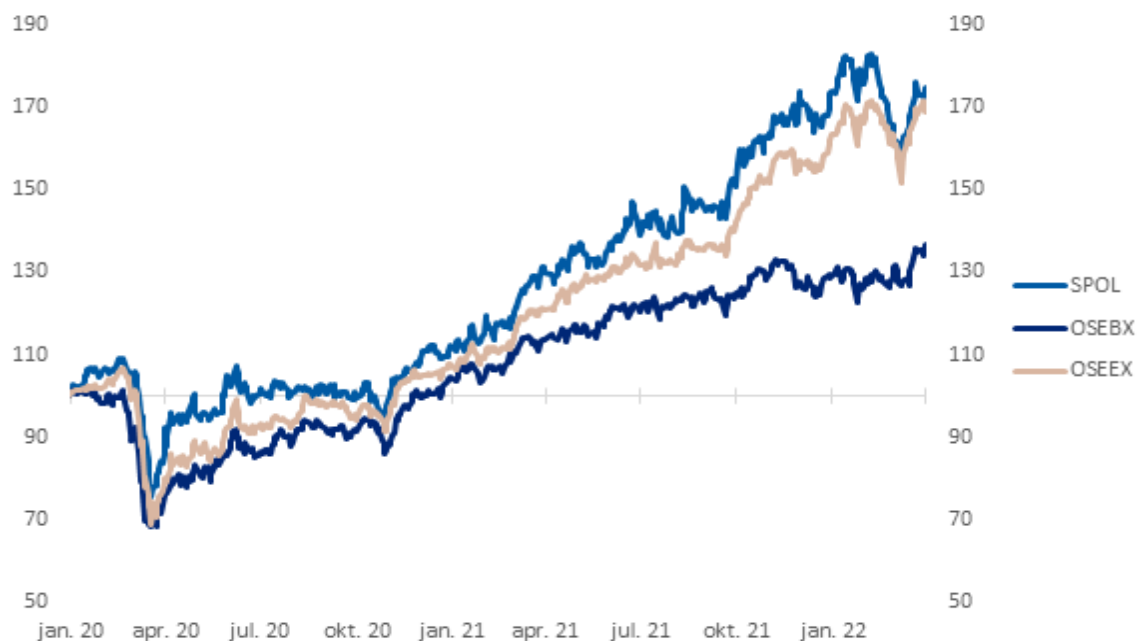
Equity capital certificates issued	115 829 789	115 829 789	115 829 789
Average equity capital certificates	115 829 789	115 829 789	115 829 789

# Other information

## Equity capital certificate

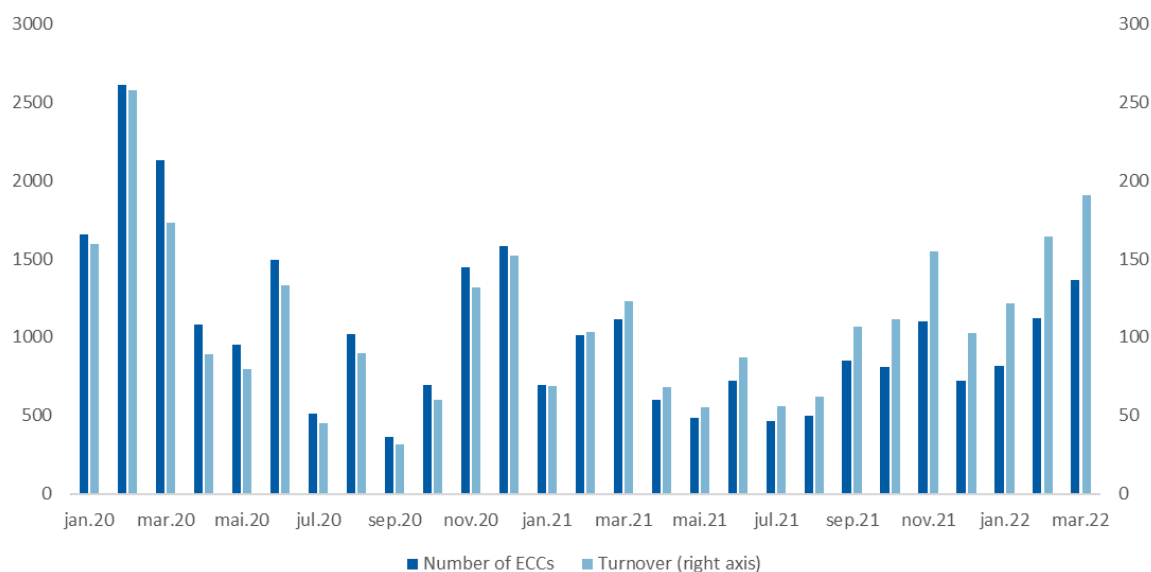
### Price development in the ECC (SPOL) compared to share price indices

Total returns (adjusted for dividends). Index = 100 as at 1 Jan 2020. Sources: Refinitiv, own calculations



### Trade in the equity capital certificate (SPOL)

Number of ECCs (1000s) and turnover (NOK mill.). Per month. Sources: Macrobond, own calculations



	1Q22		1Q21	
		Share in		
<b>20 largest holders of equity capital certificates (SPOL)</b>	<b>No. of ECCs</b>	<b>per cent</b>	<b>No. of ECCs</b>	<b>Change</b>
1 Sparebankstiftelsen Hedmark	60 404 892	52.15 %	60 404 892	-
2 Landsorganisasjonen i Norge	11 121 637	9.60 %	11 121 637	-
3 Pareto Invest AS	3 300 861	2.85 %	3 006 134	294 727 ↑
4 Fellesforbundet	2 391 954	2.07 %	2 101 322	290 632 ↑
5 VPF Eika Egenkapitalbevis	2 385 143	2.06 %	1 832 752	552 391 ↑
6 Gevean Trading Co LTD	1 952 005	1.69 %	1 952 005	-
7 VPF Odin Norge	1 521 218	1.31 %	1 621 218	(100 000) ↓
8 Norsk Nærings- og Nytelsesmiddelarbeiderforbund	1 313 555	1.13 %	1 313 555	-
9 Spesialfondet Borea Utbytte	1 114 188	0.96 %	278 766	835 422 ↑
10 Danske Invest Norske Institusjoner II	1 003 235	0.87 %	1 695 467	(692 232) ↓
11 Landkreditt Utbytte	1 000 000	0.86 %	1 000 000	-
12 The Bank of New York Mellon SA/NV ( <i>nominee</i> )	888 454	0.77 %	871 545	16 909 ↑
13 Tredje AP-fonden	804 750	0.69 %	804 750	-
14 State Street Bank and Trust Company ( <i>nominee</i> )	669 044	0.58 %	789 147	(120 103) ↓
15 Kommunal Landspensjonskasse Gjensidig Forsikring	647 260	0.56 %	-	647 260 ↑
16 Fagforbundet	622 246	0.54 %	622 246	-
17 Brown Brothers Harriman & Co. ( <i>nominee</i> )	600 000	0.52 %	-	600 000 ↑
18 Brown Brothers Harriman & Co. ( <i>nominee</i> )	568 688	0.49 %	568 688	-
19 JPMorgan Chase Bank, London ( <i>nominee</i> )	544 401	0.47 %	-	544 401 ↑
20 Pareto AS	522 681	0.45 %	522 681	-
<b>Total 20 largest owners of equity capital certificates</b>	<b>93 376 212</b>	<b>80.62%</b>	<b>90 506 805</b>	<b>2 869 407</b>
<i>Other owners</i>	<i>22 453 577</i>	<i>19.38%</i>	<i>25 322 984</i>	<i>(2 869 407)</i>
<b>Total no. of equity capital certificates</b>	<b>115 829 789</b>	<b>100%</b>	<b>115 829 789</b>	<b>-</b>

## Dividend policy

SpareBank 1 Østlandet puts emphasis on giving its owners a competitive and stable cash dividend, based on good profitability and high dividend capacity. The bank targets payments of 50 per cent of annual profits after taxes in dividends to the owners of equity certificates and as customer dividends from the ownerless capital. The decision to pay dividends is assessed in light of possible extraordinary income and costs, as well as taking into account expected profit developments and regulatory changes with expected consequences for capital adequacy.

The bank's long-term target for profitability is a return on equity of 11 per cent. This is somewhat lower than for peer banks, reflecting SpareBank 1 Østlandet's operations in the cyclically most stable region of Norway and the low risk in its loan portfolio. The bank's target for solidity is captured by a long-term target for the CET 1-ratio of a 100 basis

points management buffer above regulatory requirements.

The combination of high profitability in a stable market region with a robust loan portfolio provides the bank with a strong foundation to maintain the targeted dividend share, also during times of economic downturns.

Following a proposal from the Board of Directors, the Supervisory Board decides each year on the share of profits after taxes which will be distributed as dividends to ECC owners and the ownerless capital, proportionally in accordance with their relative share of the bank's equity. The share of profits belonging to the ownerless capital is expected to be paid to the bank's customers as customer dividends. The customer dividend should prevent a dilution of the ECC holders' ownership stake in the bank.

# Financial calendar 2022

Date	Theme
Friday 11 February	7.30 AM 4 <sup>th</sup> Quarter 2021
Tuesday 8 March	Annual Report 2021
Tuesday 29 March	Supervisory Board Meeting
Friday 6 May	7.30 AM 1 <sup>st</sup> Quarter 2022
Thursday 11 August	12.00 PM 2 <sup>nd</sup> Quarter 2022
Friday 28 October	6.00 PM 3 <sup>rd</sup> Quarter 2022

This information is subject of the disclosure requirements acc. to § 5-1 vphl (Norwegian Securities Trading Act).

The Bank reserves the right to change any dates of publication.

The silent period occurs from the fifth banking day of the new quarter and until the interim report has been published. During this period, Investor Relations does not arrange any meetings with media, investors, analysts or other capital market participants.

## Contact details



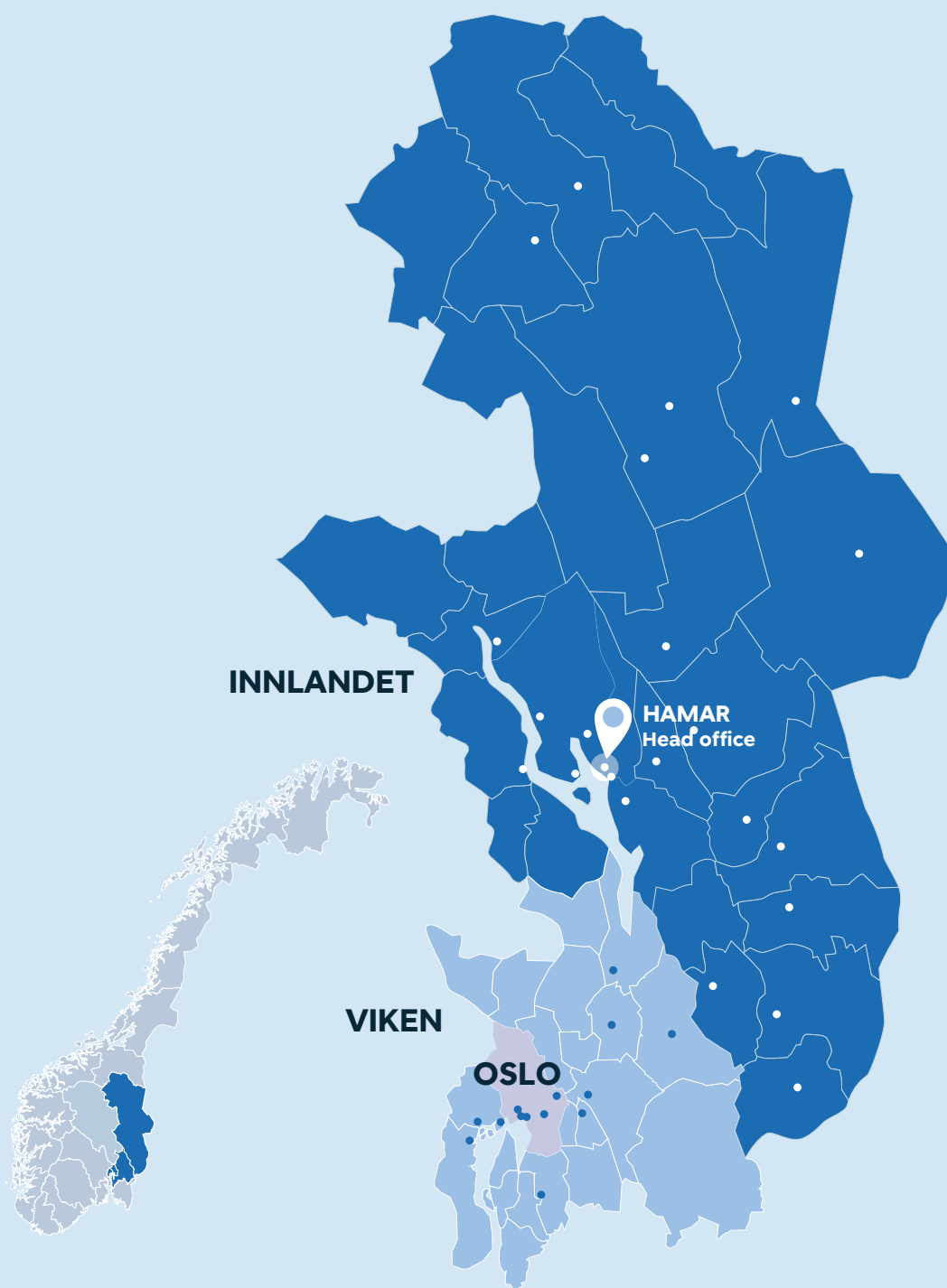
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ØSTLANDET