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Principles for
Responsible Banking

Reporting and Self-Assessment Template

Principles for Responsible Banking



Reviewed version (V2) from September 2022



Reporting and Self-Assessment Template

The following template sets out the reporting and self-assessment requirements for Signatories of the Principles for Responsible Banking (PRB). Your bank discloses which actions it has undertaken to implement the PRB by self-assessing its progress on each of the 6 Principles. This template is therefore structured in accordance with the 6 Principles that signatories have committed to.

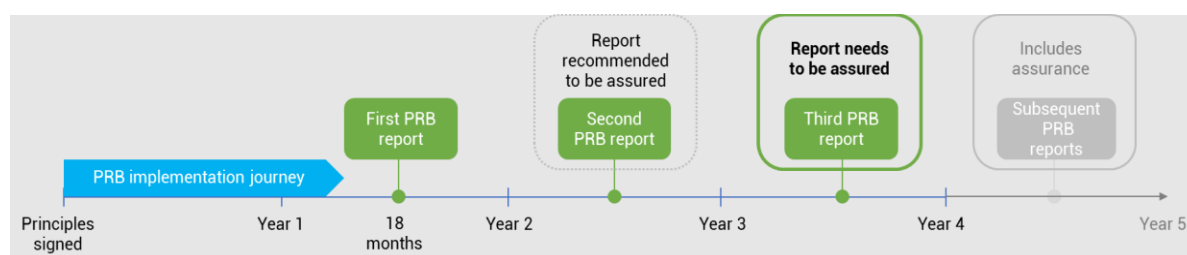
Three [Key Steps](#) are critical to showing that your bank is fulfilling its commitments as a signatory of the PRB, i.e. Impact Analysis, Target Setting & Implementation and Assured Reporting/Accountability. The sections in the Reporting and Self-Assessment Template that relate to the 3 Key Steps also require a self-assessment summary to demonstrate the extent to which the bank has fulfilled the respective requirements of the Key Steps.

Accommodating different starting points

Your bank has an initial four-year period from signing to implement the 6 Principles including to bring its reporting fully in line with the requirements. Your bank may not be able to provide all information required in this template in the first report. You should build on your implementation progress annually. Feedback, support, capacity building, training and peer learning are available to all signatory banks to help them progress with both implementation and reporting.

Timeline for reporting and assurance

Signatory banks need to report on their implementation of the Principles on an annual basis. The first PRB report has to be published within 18 months of signing the Principles, to give the bank some flexibility to align the PRB reporting with its reporting cycle. Publishing the first PRB report at any point earlier than 18 months after signing the Principles is therefore an option. After the first PRB reporting has been published, subsequent reports have to be published annually thereafter, i.e. within 12 months at the latest after the prior report¹.



Assurance

The last report within the initial 4 year implementation period (and subsequent reports thereafter) needs to be assured, which means that at least the third PRB report needs to be assured. Banks are encouraged to put the assurance process in place well before that and have earlier PRB reports already assured.

¹ Early reporting is permitted, although sufficient time to show progress from one year to the other should be taken into account.

All items that relate to the three [Key Steps](#) (highlighted in yellow) require limited assurance by year four of signing the PRB, undertaken by an independent third party with relevant expertise in the field. These are:

- 2.1 Impact Analysis
- 2.2 Target Setting
- 2.3 Target Implementation and Monitoring
- 5.1 Governance Structure for Implementation of the Principles

An assurer provides limited assurance of your self-assessment in these listed areas. You can do this by including it in your existing assured reporting. Where third-party assurance is not feasible, an independent review may be conducted. Assurance requirements are described in more detail in the [Guidance for Assurance providers: Providing limited assurance for reporting](#).

Purpose of the template

The purpose of this template is to assist signatories in disclosing their progress on implementing the PRB. The disclosed information is used by the UNEP FI Secretariat as the basis for the individual review of each bank's progress, as well as for reporting the collective progress made by the PRB Signatory Group. To measure collective progress in a consistent manner, some standardized questions to be completed by the banks are integrated into the template. The open questions give banks the flexibility to disclose the progress they make, considering the diverse business models and various contextual differences in which banks operate.

How to use this template

This template gives banks the chance to provide summaries of the annual progress made in implementing each Principle. It is designed for your bank to provide references/links to where in your existing reporting/public domains (websites) the required information can be found to support your answers. The aim is to keep any additional reporting burden to a minimum while ensuring transparency and accountability as set out in Principle 6. When referring to other documents, please specify the pages where the exact information appears.

The Reporting and Self-Assessment Template shall not be amended structurally and content-wise. The content and text of the template can be applied to corporate layout and designed accordingly, without omitting parts of the texts. The Reporting and Self-Assessment Template can be integrated into your bank's reports (annual report, sustainability report or relevant reporting formats) or can be published as a stand-alone document. It needs to be publicly available and will be listed on the UNEP FI Signatories page.

The reporting needs to be published in English. Information that is referenced to within the Reporting and Self-Assessment Template should also be available in English. Where that is not possible, it is recommended to include the summary of relevant information as text in the Template, so that all necessary information can be taken into account when the UNEP FI Secretariat reviews the bank's performance.

Principle 1: Alignment



We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

SpareBank 1 Østlandet is a regional savings bank which operates in Norway. The market area is Eastern Norway, including Oslo, Asker/Bærum, Follo, Romerike and Innlandet. Loans to the Retail Market (RM) and the Corporate Market (CM) are the largest business areas, with RM accounting for around 71 per cent and CM around 29 per cent.

Main Customer Segments

The bank serves a wide array of customer segments, including:

Individual Consumers: Offering personal banking services such as savings accounts, mortgages, and personal loans.

Small and Medium-sized Enterprises (SMEs): Providing business loans, advisory services, and other banking products tailored to the needs of SMEs.

Large Corporates: Delivering financial solutions that include corporate financing and risk management.

Public Sector: Catering to the needs of local municipalities and public institutions with customized banking and financial advisory services.

Types of Products and Services

SpareBank 1 Østlandet's product and service portfolio includes:

Deposits and Savings Products: Various savings accounts, term deposits, and investment products.

Loans and Financing: Mortgages, consumer loans, business loans, and project financing.

See our annual report 2023:

<https://www.sparebank1.no/content/dam/SB1/bank/ostlandet/omoss/investor/2024/S-POL-Annual-Report-2023-SpareBank1Ostlandet.pdf>

See Chapter 1:

SpareBank 1 Østlandet in brief Østlandet p. 5.

Chapter 5 Board of Directors' Report p. 118.

Payment and Transaction Services: Payment processing, online banking, and mobile banking solutions.

Insurance and Pension: Life and non-life insurance products, along with pension.

Investment and Advisory Services: Wealth management, investment advice, and financial planning for individuals and businesses.

Main Sectors and Activities

The bank operates predominantly in the following sectors:

Real Estate: Financing for residential and commercial properties.

Agriculture: Financial services tailored to the agricultural sector, including loans and insurance products.

Energy and Infrastructure: Investment and financing for energy projects and infrastructure development.

Public Sector: Financing and advisory services for public sector projects.

Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

Yes

No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

UN Guiding Principles on Business and Human Rights

International Labour Organization fundamental conventions

UN Global Compact

UN Declaration on the Rights of Indigenous Peoples

Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones:

The Bank is subject to the requirements of section 3-3(c) of the Accounting Act, which requires it to disclose information to the extent necessary to understand the Bank's development, performance and financial position, as well as the consequences of the Bank's activities in relation to the environment, social conditions, working environment, compliance with human rights and combating corruption and bribery.

Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: The Transparency Act, which entered into force in June 2022, requires the Bank to carry out due diligence assessments in line with the OECD



<p>Guidelines for Multinational Enterprises and to publish an account of the due diligence assessments by the end of June each year.</p> <p><input type="checkbox"/> None of the above</p>	
<p><i>Sustainability is at the core of our corporate strategy and is one of 4 main goals for the bank: Our vision for 2025 is that “We are a clear driving force for sustainable change”. In our efforts on sustainability. The Bank’s overarching sustainability goal is to contribute to a zero-emission society that does not compromise planetary boundaries by 2050 or earlier. Our work is based on a research-based sustainability concept, where sustainability will be a key component of a successful overarching corporate strategy.</i></p> <p><i>The work and responsibility are embedded in the Board of Directors, and sustainability has been integrated as an operational tool throughout the Bank’s value chain. Our science-based targets actively contribute to achieving the SDGs and the goals of the Paris Agreement.</i></p> <p><i>The Bank is focusing on five material topics identified by our double materiality analysis: Climate Change, Resource Use and Circular Economy, Business Conduct, Own Workforce and Consumers and End-Users. We prioritise our resources and invest in the measures and processes needed for this work.</i></p> <p><i>The operationalisation of regulations is embedded in interdisciplinary strategic initiatives. In relation to this, we are constantly working to improve competence throughout the area of ESG and on product and service development in order to mitigate our adverse impacts and increase our positive impacts. In this way, we aim to ensure we offer an appropriate range of sustainability services tailored to the needs of various customer groups. Our products, services and internal initiatives cut CO2 emissions from our operations, lending and investment portfolios. This work reduces the risk of the Bank and customers, such that together we strengthen our common competitiveness. At the same time, we comply with statutory reporting requirements throughout the area of sustainability. Such a focus will help us achieve a society that does not compromise planetary boundaries and the needs of future generations.</i></p> <p><i>The bank published its first Transition Plan in February 2024.</i></p>	<p>See our annual report 2023: Chapter 2 Strategic vision for 2025 p. 34. We are a clear driving force for sustainable transition p. 35.</p> <p>Our part of the global responsibility in our annual report p.41</p> <p>Our commitments to initiatives specifically aimed at climate change p. 42.</p> <p>See SpareBank 1 Østlandet Transition Plan 2024 on our website</p>

Principle 2: Impact and Target Setting



We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly² and fulfil the following requirements/elements (a-d)³:

a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

The bank has used UNEP FI Impact Tool to undertake our impact analysis. This analysis has been carried out for the business areas Retail Marked (RM) and Corporate Marked (CM) The analysis was updated October 2023.

The analysis provides us with a gross list for RM and CM. Based on this gross list, we have selected the most significant themes from the bank's context. These are:

*Climate Change – RM and CM
Circular economy – RM and CM
Financial inclusion – RM*

In our impact analysis we do not include motor vehicles and motorcycles, Specialized construction activities and Retail trade except of motor vehicles and motorcycles. The exclusion of the remaining NACE sectors is attributable to their minimal exposure within the scope of the analysis.

The bank has also conducted a double materiality analysis to obtain this overview, and the impact analysis from UNEP FI are included into this work. The results from the double materiality analysis of financial risk or opportunities have been used to allocate resources and prioritise efforts to mitigate our negative impacts and reinforce our positive impacts. The double materiality analysis consists of in addition to UNEP Fis impact analysis a compilation of several analyses and builds on previous years' analyses. The analysis shows that the Bank has negative and positive impacts on Climate Change and Resource Use and Circular Economy in lending to both the retail market and the corporate market. Financial inclusion have been included in our updated double materiality analysis, because of positive and negative interlinkages related to access to finance and debt. Financial inclusion will be a strategic sustainability area updated in our new strategy. The new initiative has been anchored with

See our impact analysis 2023:

<https://www.sparebank1.no/content/dam/SB1/bank/ostlandet/omoss/samfunn/Impact-analysis-SpareBank-1-Ostlandet-2023.pdf>

See our annual report 2023:

Chapter 2 a clear driving force for sustainable transition and our double materiality p. 38-39.

² That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

³ Further guidance can be found in the [Interactive Guidance on impact analysis and target setting](#).

<p><i>the responsible party for the area: Executive Vice President of Innovation and Business Development and Executive Vice President of the Consumer Market.</i></p> <p><i>To address the most important themes from the analysis, we have adopted 6 strategic initiatives for this strategic period (2022-2025):</i></p> <p><i>Greener agriculture – CM</i> <i>Greener real estate - CM</i> <i>Greener real estate – RM</i> <i>Responsible consumption – RM</i> <i>Net zero greenhouse gas emissions by 2050 - Cross-cutting.</i> <i>Social and financial inclusion – RM</i></p>	
<p>b) <u>Portfolio composition:</u> Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope</p> <p>i) by sectors & industries⁴ for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or</p> <p>ii) by products & services and by types of customers for consumer and retail banking portfolios.</p> <p>If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.</p>	
<p><i>The bank's total lending portfolio is divided into 29% for the corporate market (NOK 57,990 million) and 71% for the retail market (NOK 140,670 million).</i></p> <p><i>For RM, we have analyzed the range of services the bank offers its customers. Our analysis includes our total RM portfolio based on total amount of costumers and products:</i></p> <ul style="list-style-type: none"> - <i>Total amount of costumers with a current account (97,63%)</i> - <i>Total amount of costumers with a saving account (90,76%)</i> - <i>Costumers with a credit cards (54,40%)</i> - <i>Home loans (24,29%)</i> - <i>Costumers with education related loans (0,04%)</i> <p><i>The bank's impact on sustainability in the market area is calculated based on this. In addition, information from Statistics Norway (SSB) about low, medium, and high-income distribution in the population in Norway has been included.</i></p>	<p><i>See our annual report 2023:</i></p> <p><i>Chapter 5. Note 7 p.154.</i></p> <p><i>Chapter 3 Business area and support functions p. 50.</i></p>

⁴ 'Key sectors' relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.

For CM, we have looked into the main industries in our lending portfolio. The largest industries in our BM portfolio have been included, which corresponds to about 90% of the loan portfolio. The proportion of the portfolio included these NACE codes. The remaining 10 percent is spread across a number of sectors, all individually representing a non-significant value.

- 01 Crop and animal 12%
- 02 Forestry and logging 2%
- 16 Manufacture of wood 1%
- 28 Manufacture of machinery 1%
- 35 Electricity, gas and steam 1%
- 41 Construction of buildings 10%
- 43 Specialized construction 1%
- 45 Wholesale and retail trade 3%
- 46 Wholesale trade 2 %
- 47 Retail trade 1%
- 49 Land transport 1%
- 55 Accommodation 1%
- 64 Financial service activities 5%
- 68 Real estate activities 46%
- 70 Activities of head offices 1%

In addition, the bank has a focus on sustainability within its loan portfolio, with 18.3% of the CM loans being classified as green loans and 30% of loans in the RM having a social profile. The residential mortgage portfolio in the retail market includes 19.8% green homes.

c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate?⁵ Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

This step aims to put your bank's portfolio impacts into the context of society's needs.

The impact analysis shows that Norway faces specific challenges with Circular Economy, where particularly high energy and material consumption per capita are highlighted. Other factors that also score relatively high include large amounts of waste, loss of natural habitats, high greenhouse gas emissions per capita, housing especially within low-income households, and access to healthy food.

In the double material analysis circular economy also defines as a significant area of negative impact.

Through the results of the UNEP FI impact analysis, and the double material analysis we established a framework for the circular economy for SpareBank 1 Østlandet in 2023.

STAKEHOLDER ENGAGEMENT METHOD AND FINDINGS

The Bank has engaged with many of its stakeholders in the process of establishing our double material analysis. In this process the UNEP FI material analysis was a major part of this analysis. Engagement and cooperation with various groups are essential if the Bank is to achieve its ambitions of maintaining trust and a good reputation in society, and for securing information about the Bank's risks and opportunities. Stakeholder engagement also helps to anchoring the work locally, regionally and internationally, in both the short and long term.

See our report on the impact analysis here: <https://www.sparebank1.no/content/dam/SB1/bank/ostlandet/omoss/samfunn/Impact-analysis-SpareBank-1-Ostlandet-2023.pdf>

See our annual report 2023: Chapter 2 A clear driving force for sustainable transition and our double materiality p. 39 and p. 40.

*Chapter 3. Circular Economy Framework for SpareBank 1 Østlandet p. 75
Chapter 2. A clear driving force for sustainable transition and our double materiality p. 39*

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)⁶? Please disclose.

From both Retail and Corporate divisions, the significant impact areas were established based on the following considerations:

- *impact areas with the highest levels of country needs*
- *impact areas associated with large parts of the bank's portfolio.*
- *impact areas associated with countries and or sectors where the bank is a market leader.*

7 impact areas in total were recognized as significantly positive (+) and negative (-) impacts: Housing (+), Food (+), small and

See our impact analysis p. 11:

<https://www.sparebank1.no/content/dam/SB1/bank/ostlandet/omoss/samfunn/Impact-analysis-SpareBank-1-Ostlandet-2023.pdf>

⁵ Global priorities might alternatively be considered for banks with highly diversified and international portfolios.

⁶ To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

medium sized companies (+), Climate (+/-), Resource and circular economy (+/-) and financial inclusion (+/-).

The analysis provides us with a gross list for the retail market and the corporate market. Based on this gross list, we have selected the most significant themes from the bank's context.

These are:

Climate Change – RM and CM

PM - Human impact on the climate through greenhouse gas emissions. A prioritized area in Norway, and a negative connection through our housing portfolio which has a large carbon footprint.

BM - Human impact on the climate through the emission of greenhouse gases. Also, a prioritized area in a Norwegian context, where a very large portion of the portfolio has a negative impact on climate emissions.

Circular economy – RM and CM

PM – The economy's ability to use renewable and non-renewable natural resources more efficiently and to reduce or utilize waste in new processes or products. The housing portfolio has a significant consumption of materials and energy, resulting in an adverse environmental impact, which is a prioritized area in Norway.

BM - The economy's ability to use renewable and non-renewable natural resources more efficiently and to reduce or repurpose waste in new processes or products. The business sector in Norway is largely linear, and significant portions of the BM portfolio thus have a negative connection to this prioritized area in Norway.

Financial inclusion – RM

The population's access to financial services, especially vulnerable groups in society. Here, the entire portfolio scores significantly positive, but with some negative connection to customers' debt burden.

d) For these (min. two prioritized impact areas): **Performance measurement:** Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health&inclusion as your most significant impact areas, please also refer to the applicable indicators in the [Annex](#).

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.

Impact area Climate Change:

We have used PCAF methodology to measure the sectors with most negative impact on climate, see figure below. These are Agriculture (CM), Construction of Buildings (CM) and Sale and operation of property (CM) in addition to Housing (RM).

Industry	Total emissions ¹⁾		Carbon intensity ²⁾	
	Scopes 1 and 2	Scope 3	Scopes 1 and 2	Scopes 1, 2 and 3
Agriculture and associated services	290,536	223,448	47.7	84.3
Forestry and associated services	11,889	13,896	11.8	25.5
Commercial services	8,907	20,135	6.8	22.2
Wholesale and retail trade	13,125	27,840	6.3	19.8
Sale and operation of property	7,486	43,830	0.3	2.0
Manufacturing	5,650	36,419	4.9	36.8
Construction of buildings	5,751	91,335	1.0	17.5
Transport and storage	2,699	10,909	12.3	62.1
Hotels, restaurants and tourism	1,294	3,864	2.9	11.5
Energy production and supply	2,040	1,376	1.8	3.0
Public sector	852	7,743	1.3	13.4
Others	7,139	8,890	3.1	6.9
Total corporate market	357,368	489,684	7.5	17.7
Housing	19,254	-	5.06 ³⁾	-
Total loan portfolio	376,622	489,684	1.9	

We have set KPI for these sectors. See our transition plan on our initiatives to reduce the emissions and our KPIs. We do measure the total amount of green assets and the reduction of Co2e in the portfolio. All our KPIs have been approved by the Executive Vice President responsible for their area.

Examples of KPI:

Greener property RM:

2025 - At least 20% of the housing portfolio should be green.

Including at least:

2030: At least 25% of the housing portfolio should be green.

Greener property CM:

2025 - At least 45 % of loans to commercial property rental (limited to engagements over MNOK 10) should be green according to our green bond framework.

2025 - At least 10 % of our loans to commercial buildings rental (limited to engagements over MNOK 10) should be to existing commercial buildings (built for TEK 17) that meet the requirements in our green bond framework for green upgraded buildings.

2025 - No later than the beginning of 2025, a greenhouse gas account for loans that we finance on BM for emissions from materials (carried out according to recognized regulations)

See our annual report 2023: Chapter 2 A clear driving force for sustainable transition and our double materiality p. 38, Chapter 3 Greener agriculture p. 82: Chapter 3 Green transition p. 65.

See our website for green agriculture loan: <https://www.sparebank1.no/nb/ostlandet/bedrift/lan-finansiering/gront-landbrukslan.html>

See our website for green loans to commercial property loan: <https://www.sparebank1.no/nb/ostlandet/bedrift/lan-finansiering/gront-landbrukslan-naeringseiendom.html>

For a better overview of our significant impacts and how we are reporting on them see our Material sustainability topics and impacts linked to the GRI reporting framework p.252 in our annual report 2023.

*should be presented for all construction projects (as the law stipulates that such an account should be prepared for).
2025 - No later than the beginning of 2025, we should require a 20 % reduction in greenhouse gas emissions (compared to the average building in 2021) from materials on construction projects we finance.*

2030 – At least 55 % of loans to commercial property rental (limited to engagements over MNOK 10) should be green according to our green bond framework.

Greener agriculture CM:

2025 – By the end of 2024, the bank should have approved and paid out Green Agricultural Loans to 15 % of our agricultural credit customers.

2025 - 80 % of our agricultural customers with engagements over MNOK 2 have used the climate calculator.

2025 - 80 % of our agricultural customers with engagements over MNOK 2 have undergone climate counseling and established a climate action plan on their farm.

2025 - 25 % of our agricultural customers who have established a climate action plan have implemented measures in line with the prepared action plan.

Impact area Circular economy

Within our green agricultural loan program, we require a valid KSL certification. KSL is the farmer's own tool for internal control and quality assurance. Through KSL, farmers can easily and systematically ensure that their operations comply with Norwegian laws, regulations, and industry requirements. Many of these laws, regulations, and requirements uphold circular economy principles, demanding proper waste management and resource handling. KSL is now recognized as equivalent to the international FSA standard.

Our forestry portfolio is 100% certified through PEFC certification. The abundance of forests has made forestry and the wood industry a prominent part of the Norwegian economy. Wood, as a natural and renewable raw material, will undoubtedly remain important in the new circular economy. Statistics from SSB (Statistics Norway) show that in recent years, the carbon storage in forests has increased by 43%. This is also representative of our forestry portfolio. Norwegian laws and requirements ensure that active forestry can be conducted while the amount of stored carbon increases.



<p><i>The EU's forest strategy for 2030 promotes the use of sustainable, long-lasting wood products. Long-lasting forest products, based on renewable resources, must meet certified forest standards. Long-lasting wood products are suitable for material and energy recovery.</i></p> <p><i>Our debit and credit card are made from recycled plastic.</i></p> <p><i>It is challenging to gather data to measure performance in circular economy. Through our circular economy framework we are focusing on increase our competence in all divisions. An important part of the data gathering from our customers (mostly SME's and agriculture) is still a major challenge in regard to measure this impact in detail.</i></p>	
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Self-assessment summary:

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?⁷

Scope:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Portfolio composition:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Context:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Performance measurement:	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

Climate change mitigation, resource efficiency & circular economy, biodiversity, financial health & inclusion.

How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc: *The data input to the impact analysis is from early 2023 where we used the Impact analysis tool v3². There haven't been significant changes in in the context, portfolio composition or country needs meanwhile. We have used UNEP FI Portfolio Impact Analysis tool v3 for the analysis. Our performance measurement is updated from the latest reporting period and reflects the continuous work we put in to identify and address our most significant impacts. This means that we measure our portfolio's climate impact for each year (Transition plan previously the climate report), and we have started to map performance on key impact areas within the use of natural resource use on an aggregate level(nature impact report), which defines our performance measurement.*

⁷ You can respond "Yes" to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

2.2 Target Setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets⁸ have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) Alignment: which international, regional or national policy frameworks to align your bank's portfolio with⁹ have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

You can build upon the context items under 2.1.

Climate Change

Together with the Paris Agreement, the SDGs provide the framework for the Bank's global initiative in the double materiality analysis, the impact perspective is absolutely central. Our analysis is based on the methodology from the UN Environment Program Finance Initiative (UNEP FI) which, in turn, is based on the UN Sustainable Development Goals (SDGs) and the Paris Agreement. SpareBank 1 Østlandet has identified seven SDGs that are especially relevant to our operations. They are in areas where the Bank has significant risk and an opportunity to have an impact in a positive or negative direction. The SDGs are integrated into our daily work.

Other commitments are the UN Global Compact, UNEP FI Net Zero Banking Alliance, The Collective Commitment to Climate Action and The European Climate Pact.

The work is rooted in the climate targets in line with the goals set in the Paris Agreement and the UN Intergovernmental Panel on Climate Change, as well as Norway's Climate Act, where the goal is to cut emissions by at least 50 per cent and up to 55 per cent by the end of 2030 compared with the 1990 level.

Circular economy

SpareBank 1 Østlandet adopted a circular economy framework in 2023, based on UNEP FI's guidelines. This framework is aimed at boosting their work in transitioning from various measures to systematic efforts, with a focus on achieving a real impact.

In 2023, SpareBank 1 Østlandet took several steps towards enhancing their alignment with the circular economy, including the adoption of their circular economy framework, engagement in the financial services industry to develop a concrete action plan for the sector, and dedicating their sustainability prize and fund to circular economic purposes.

*See our annual report 2023: Chapter 2 Our part of the global responsibility. p. 4
Chapter 2 Stakeholders and stakeholder engagement p. 35
Chapter 3 Greener property – retail market p. 76
Chapter 3 Greener property – corporate market p. 78
Chapter 3 Greener agriculture p. 84*

We work on setting KPI based on internal data for circular economy in 2024.

Financial inclusion

SpareBank 1 Østlandet has placed a high priority on financial inclusion with a specific strategic initiative within the focus area of "sustainable service development." The bank has committed to following an industry standard for financial inclusion, launched by Finance Norge in 2022, aimed at ensuring that banks also offer quality services to customers who, for various reasons, have difficulties using digital solutions. This includes measures like the "rent to own" concept to help customers without initial capital enter the housing market by combining a rental agreement with a savings plan for equity, with the goal of later purchasing a home.

We work on setting KPI based on internal data for financial inclusion in 2024.

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.

A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the [Annex](#) of this template.

If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:

Impact area	Indicator code	Response
Climate change mitigation	...	
	...	
	...	

Impact area	Indicator code	Response
Financial health & inclusion	...	
	...	
	...	

In case you have identified other and/or additional indicators as relevant to determine the baseline and assess the level of alignment towards impact driven targets, please disclose these.

⁸ Operational targets (relating to for example water consumption in office buildings, gender equality on the bank's management board or business-trip related greenhouse gas emissions) are not in scope of the PRB.

⁹ Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank's targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

Climate Change:

Impact area	Indicator code	Response
Climate change mitigation	A.1.1	Yes – climate strategy is in place – see our transition plan
	A.2.1	Yes – The Bank has for many years collected information and talked to customers about climate-related risk when granting loans. This has been done via sustainability assessments and due diligence assessments. In collaboration with the SpareBank 1 Alliance, an ESG module has now been developed to assess individual customers’ risk when granting loans. This makes the process easier for account managers and helps ensure a more systematic approach.
	A.3.1	Yes – our work with the EU taxonomy and our Green Asset Ratio is presented on pages 72-73. See page 7 in our annual report of our green share of total lending.
	A.4.1	Yes - our reduction of GHG emissions in our loan portfolio is presented in the Annual report 2023, p. 67 and 69.
	A.1.2	Yes – The goals that are set are in line with the Paris Agreement, and both short-term and long-term goals have been adopted with accompanying measures towards 2050.
	A.2.2	Total emission for 2023 were estimated to be 376 622 tCO ₂ e
	A.3.2	Financial volume lent to carbon-intensive sectors presented as proportion of the corporate loan portfolio. See annual report p. 156
	A.4.2	This indicator is currently not calculated.
	A.1.3	Yes – See our general guidelines for corporate social responsibility and sustainability
	A.2.3	See our annual report p. 65 for sector-specific emission, and table below.
	A.1.4	Yes – See p. 65 in our annual report.
	A.2.4	Indicator is currently not calculated
	A.1.5	Yes – See selected business opportunities in 3.2

See our annual report 2023:

Chapter 3 Share of green loans and greenhouse gas emissions in the loan portfolio p. 65

Chapter 3 Share of green loans and greenhouse gas emissions in the loan portfolio p. 67

Chapter 3 Green transition p. 76

Chapter 3 Consumers and end-users p. 92

Chapter 3 Our skilled employees p. 86

See the Annex on climate change mitigation and financial inclusion.

See our [General guidelines for corporate social responsibility and sustainability](#)

The bank is a member of and uses the Partnership for Carbon Accounting Financials (PCAF) method to calculate emissions for the corporate market portfolio, and this has also been used for the housing mortgage portfolio from 2023.

We have actively participated in Finance Norway’s work on harmonizing reporting on greenhouse gas emissions from loan portfolios, for example by using the PCAF method.

Mortgage portfolio: We started measuring total emissions in 2020 where we calculated it to be 21 244 tCO₂e, and a carbon intensity to 5.37 kgCO₂e/m². In 2023 our emissions were 19 254 tCO₂e and carbon intensity 5.06 kgCO₂e/m²

Corporate market portfolio: 2020 base year for total emissions 221 609 tCO₂e, carbon intensity 6.49 kgCO₂e/mill. NOK. The emissions for 2023 are estimated to be 357 368 tCO₂e. The main explanatory factor for this increase is lending volume and changes in calculating for PCAF. Emission intensity is increased to 7,5 tCO₂e/NOK million in loans. We have identified UNEP FI nine carbon intensity sectors.

Agricultur	513.894
Aluminium	0
Cement	0
Coal	0
Commercial & residential real estate	153.560
Iron & steel	0
Oil & gas	0
Power generation	3.416
Transport	13.608

Scope 1,2 and 3 ton CO₂e.

We have set a baseline from 2020. See our annual report on In the corporate market portfolio for 2020–2023 and projections of emission trajectories according to SBTi. We have zero exposure in the aluminum, cement, coal, iron & steel and oil & gas sector.

Circular economy:

We will align our baseline based on UNEP FI framework on circular economy. The Bank participated in the Circular Finance Coalition on behalf of the SpareBank 1 Alliance. This is important work intended to help the financial services industry agree on good indicators that can accelerate the transition. The work is also intended to function as a joint initiative from the industry that will ensure an active dialogue with the authorities.

Financial inclusion:

Impact area	Indicator code	Response
Financial inclusion	C.1.1	See p. 92 in our annual report for products focusing on financial inclusion
	C.2.1	There are 16.260 cosumers supported with a financial product in our portfolio.
	C.3.1	See p. 86 in our annual report of individuals with financial skills.

	C.4.1	<i>This indicator is currently not calculated.</i>
	C.1.2	<i>See p. 86 in our annual report of individuals with financial skills.</i>
	C.2.2	<i>All costumers have access to our basic product. All costumers must follow our guidelines and policies.</i>
	C.3.2	<i>This indicator is currently not calculated.</i>
	C.1.3	<i>We follow Finance Norway industry standard for financial inclusion. Se p. 92 in our annual report</i>
	C.2.3	<i>See our annual report p. 48 – Costumers and market position. For corporate division we saw an average growth of 22 new costumers each month</i>
	C.3.3	<i>See our annual report p. 102 Digital and new solutions. See figure 5 for percentage per age group.</i>

The overall baseline for financial inclusion at SpareBank 1 Østlandet is defined by their commitment to ensuring that all segments of society, especially the most vulnerable and those facing barriers to digital financial access, can benefit from financial services. This commitment is operationalized through a comprehensive strategy that includes adherence to industry standards, the development and provision of inclusive financial products, and initiatives aimed at reducing barriers to access. Key components of their baseline on financial inclusion include:

Adherence to Industry Standards: Commitment to the industry standard for financial inclusion as defined by Finance Norway in 2022, aimed at providing quality services to all customers, including those struggling with digital solutions.

Innovative Financial Products: The creation and offering of financial products with a social profile, such as Restart loans, youth and first-time homebuyer loans, designed to meet the diverse needs of the bank's customers and facilitate their access to the financial system and housing market.

Rent to Own Initiatives: Implementation of innovative solutions like the "rent to own" concept to assist individuals without initial capital to enter the housing market, thereby addressing one of the critical barriers to financial inclusion.

Engagement and Support for Vulnerable Groups: A dedicated focus on supporting vulnerable groups to ensure they have the opportunity to secure their own homes and access essential financial services, reflecting the bank's broader commitment to social responsibility and equality.

Comprehensive Portfolio Aimed at Inclusion: The maintenance of a significant portfolio of products with a social profile (valued at NOK 41.2 billion), demonstrating the bank's investment in financial inclusion and its impact on the community.

c) SMART targets (incl. key performance indicators (KPIs)¹⁰): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

Climate Change:

We have used the method developed by the Science Based Targets initiative (SBTi) to set science based targets for reducing greenhouse gas emissions to zero by 2050. The Bank was assisted by the company, CEMAsys. The calculations are not submitted to SBTi for approval because in addition to housing mortgages we almost only have small and medium sized enterprises in the loan portfolio. SBTi does not have a method suited to such a portfolio. However, we have signed up to SBTi and will submit the targets for approval as soon as SBTi has a method we can use. See graphs and explanation for net zero emissions by 2050 in our annual report and climate report.

Overarching net zero KPI is the share of green loans in the portfolio. Our bond framework defines what is considered. This is published on our website. Here you will also find Cicero's second-party assessment and an assessment in relation to the EU Taxonomy. Goal attainment within 'responsible lending' is measured using an overarching key performance indicator (KPI), which shows the green share of total lending. The KPI for this strategic period is that the green share shall be 21.3 per cent in 2025. This is divided into annual goals. Green share of total lending ended on 19.8 per cent in 2023. The action plans from the strategic initiatives which encompass both climate impact and resource efficiency is a direct contributor to this target for a green portfolio.

On agriculture we have set new targets for customers using the agriculture calculator in our portfolio. The bank aims for our customers to increasingly use the climate calculator, receive climate advice, develop a climate action plan, and implement climate measures. To enhance customer focus on green transition and map out ESG risks in the bank's agricultural portfolio, continuous ESG assessments are conducted in dialogue with our customers. The bank keeps track of these assessments in a dedicated ESG module that was launched in 2023. This module also logs data on the number of customers who have completed the climate calculator and received climate advice. The dialogue that forms the basis for risk assessment is crucial for mapping out how the customer is prepared for the green shift and their awareness of the industry's objectives and recommended measures.

See our annual report 2023:

Chapter 3 The road to net zero p. 63

Chapter 3 Greener property – retail market p. 76

Chapter 3 Greener property – corporate market p. 78

Chapter 3 Greener agriculture p. 81.

¹⁰ Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

By the end of 2024, the bank will have granted and disbursed Green Agricultural Loans to 15% of our credit customers in agriculture, estimated to be 80 loans (new).

25% of our agricultural customers with engagements over 2 million NOK have started using the climate calculator.

10% of our agricultural customers with engagements over 2 million NOK have undergone climate advisory services and established a climate action plan for their farm.

In 2024, we are establishing a plan for how nearly 100% of our agricultural customers with credit engagements over 2 million NOK will have received an assessment in the ESG module by 2025.

Circular economy:

We have a goal on setting a target on circular economy based in 2024 based on UNEP FI framework. We have a goal for 2024 to set intern and extern guidelines on circular economy.

We also have resource efficient targets for construction projects. By no later than the beginning of 2025, greenhouse gas accounts must be published for loans financed by the Corporate Division for emissions from materials (produced in accordance with recognized regulations) for all construction projects (where the law stipulates that such accounts must be produced). And by no later than the beginning of 2025, we must require a 20 per cent reduction in greenhouse gas emissions (in relation to the average building in 2021) from materials in construction projects that we finance.

Financial inclusion:

The lending regulations allow banks a flexibility quota for granting loans to those who do not meet the regulatory requirements. As long as their ability to pay is deemed sufficient, in relation to this quota we give priority to young first-time buyers who want to get on the property ladder. In 2023, 44 per cent of the quota was allotted to young people aged 18-34 compared with around 45 per cent in 2022.

d) Action plan: which actions including milestones have you defined to meet the set targets? Please describe.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

Strategic initiatives for net zero in 2050, Retail division (Greener buildings and responsible consumption) and Corporate division (greener buildings and agriculture) is where the significant impacts are being addressed. The action plans for how to achieve a greener portfolio can be found in their respective

See our transition plan: <https://www.sparebank1.no/content/dam/SB1/bank/ostlandet/omoss/samfunn/ost-transition->

chapters (annual report 2023). To get a detailed overview on how we take responsibility on getting to net-zero in 2050, see our transition plan.

Climate change:

SpareBank 1 Østlandet's overarching goal is to be a driving force behind climate work in the financial sector. The Bank set a climate target for reducing greenhouse gas emissions from its own operations as early as 2019 and continuously works to ensuring it has a sustainable credit portfolio.

The work is based on the signed commitment to the UN Net-Zero Banking Alliance (NZBA) environmental program, which corresponds to the climate targets set in the Paris Agreement and by the Intergovernmental Panel on Climate Change, as well as Norway's Climate Act. The goal is to cut emissions by at least 50 per cent by 2030 and by up to 55 per cent compared with 1990 levels. The Bank's long-term sustainability goal is to contribute to a zero-emission society by 2050 or earlier that does not compromise planetary boundaries. SpareBank 1 Østlandet continuously works with ESG risk assessments and analyzes the risks it is exposed to. See p. 246. Here we describe how we handle this in the process description.

In 2023 we established our transition plan that will clarify our journey to net zero 2050.

Circular economy:

The Bank has, for many years, taken steps, large and small, to reduce the consumption of resources, both in its own operations and in society in general. This has been on our agenda ever since we were Eco-Lighthouse certified in 2008. The work was reinforced when Goal 12 was defined as one of our seven key SDGs, and it became a goal for the Bank's operations in 2019.

The circular economy is now also defined as one of the Bank's material topics in the double materiality analysis. The work was systematized in 2023 when Group Management adopted a clear framework for the circular economy. This is based on the recommendations of UNEP FI and is intended to comply with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and ESRS E5.

Active efforts will be made via the Bank's action plan to transition to a circular economy in 2024. There will be an emphasis on data capture and operationalizing the topic in practice. The Bank will include customers in this work through engagement and workshops. Success will depend on enhancing competence, collecting data and gaining insights into the impact transitioning to a circular economy will have for the Bank and its customers. Specifically, the framework will help us move our operations and those of our customers in a circular direction. The Bank must contribute knowledge, competence, products and services to this transition, such that customers have access to other raw materials and new services in the circular economy.

[plan-SpareBank-1-Ostlandet-2024.pdf](#)

See our annual report 2023: Chapter 3 Green transition p. 63.

Chapter 3 Green transition p.74.

Chapter 3 Consumers and end-users p 92.

Linear risk is a relatively new concept in the financial services industry, and the Bank therefore ought to ensure it has a good understanding of it. Linear risk arises in linear value chains, and the term is used to refer to, for example, the supply and use of scarce natural resources. There is a risk that the supply and prices of raw materials will change in the future. It is also natural to consider upcoming regulations, technology and reputation/consumer behavior as linear risks. The Bank has started assessing what this means, and this work will be reinforced in 2024. At the same time, it is essential for the Bank to develop and offer financial services for businesses that want to transition to a circular economy, and with the proper application of competence in this area, the Bank can be a driving force in this work.

The bank's sustainability prize in 2023 and sustainability fund in 2024 are dedicated to circular economic purposes.

In 2024 we will work on mapping indirect impact on set targets related to circular economy.

Financial inclusion:

The Bank's social and financial inclusion work is one of our most important social missions. We must be a responsible actor with solid due diligence and credit assessments and offer products and services with a social profile to a variety of groups in society. The bank offers several financial products aimed specifically at vulnerable groups such as young people, single parents, and low-income individuals in urban areas. These products include loans with favorable terms and advice services aimed at helping these customers navigate financial challenges and opportunities.

Furthermore, we must facilitate and provide a good offering of services to a diverse range of customers. The Bank also helps to mitigate social inequalities in society, for example through our sponsorship agreements. This commitment is reflected in support for mitigating social inequalities, such as through sponsorship agreements with requirements for cheaper children's sports to make them more accessible.

SpareBank 1 Østlandet maintains a solid physical presence, both in rural areas and in cities, which helps to prevent financial exclusion.

In the new double materiality analysis that was carried out in 2023, the Bank had particular positive and negative impacts on the topic of financial inclusion, especially in the retail market. In the associated stakeholder dialogue, social inclusion also emerged as an important topic.

Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	... first area of most significant impact: ... (please name it)	... second area of most significant impact: ... (please name it)	(If you are setting targets in more impact areas) ...your third (and subsequent) area(s) of impact: ... (please name it)
Alignment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Baseline	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
SMART targets	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Action plan	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No

2.3 Target implementation and monitoring (Key Step 2)

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

Climate Change

Method: Partnership for Carbon Accounting Financials (PCAF). The Bank uses the Global GHG Accounting and Reporting Standard for the Financial Industry to estimate greenhouse gas emissions in its loan portfolio. The table from page 65 shows direct emissions from our customers (Scopes 1 and 2) and

*See our annual report 2023:
Chapter 2 Our strategy. 32*

emissions upstream in the value chain, like the production of raw materials at suppliers (Scope 3). Our main approach to reduce carbon emission in our portfolio is to work with our costumers and support them with product and services supporting them in the transition to net zero in 2050.

In 2023 the Bank established its first transition plan in 2023. This describes the Bank's obligations and goals for reducing greenhouse gas emissions in both its operations and the customer portfolio. It includes specific emission trajectories and measures to ensure that the Bank achieves its objectives.

In the agriculture sector, we have set targets for the proportion of our customers that use the climate calculator. These targets were set in line with the industry's own level of 80 per cent by 2025. Our measurements show that around 13 per cent of our portfolio of credit customers have completed the climate calculator. From the implementation of the KPI (2021), we are on target level. However, the Bank does not use automatic data retrieval, which means that many customers may have used the tool since last we checked. In view of the challenges associated with data capture, the interim targets increase as you get closer to 2025, and the Bank is currently at the target level. The Bank will monitor developments until automatic real-time measurements have been established. We are gathering data on our customers who have completed the climate calculator and who currently do not have a newer credit engagement. Therefore, we expect that the number of customers who have completed the climate calculator is higher.

Circular economy:

Active efforts will be made via the Bank's action plan to transition to a circular economy in 2024. There will be an emphasis on data capture and operationalizing the topic in practice. The Bank will include customers in this work through engagement and workshops. Success will depend on enhancing competence, collecting data, and gaining insights. We are working closely with other banks to set targets for circular economy and how to measure the performance.

Goals for area:

To be determined in 2024.

Financial inclusion

Many people end up on the margins of society. The Bank does not have a responsibility to help everyone secure financing. The Financial Contracts Act imposes a duty of dissuasion on banks when customers do not qualify for credit. However, we do have a particular responsibility within the area of economics. Given the macro situation with higher prices and interest rates, more people than before will find themselves excluded. The Bank

Chapter 2 Our part of the global responsibility p. 41-42

Chapter 3. Green transition p. 65

Chapter 3. Green transition p. 75

Chapter 3. Green transition p. 92-93



<p><i>contributes to combating this in various ways such as by ensuring that sponsorship agreements include requirements for cheaper children’s sports, especially for the youngest. This could involve, for example, lower participation costs or the elimination of training fees for some groups. The Bank is also a major supporter of local initiatives in sports and culture. In addition to this, the Bank facilitates activities in which local people can swap or get cheap or free access to used sports equipment.</i></p> <p><i>In 2022, Finance Norway launched an industry standard for financial inclusion. The idea was to oblige banks to ensure that they also provide good services to customers who, for various reasons, have problems using digital solutions. SpareBank 1 Østlandet has committed itself to complying with this standard. We spent 2023 implementing various measures in order to better align our customer offering with the Group.</i></p> <p><i>In 2023 our portfolio had a 1 percent increase in Share of loans with a social profile of the total lending portfolio in the retail market. We had a 1 percent decrease in share of the flexibility quota that went to the 18–34 age group.</i></p> <p><i>Goal for the area: To be determined in 2024.</i></p>	
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Principle 3: Clients and Customers



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

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers¹¹ in place to encourage sustainable practices?

Yes In progress No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

Yes In progress No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities¹²). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

We priorities' the business areas and topics that have been highlighted by our double materiality and impact analysis.

We have six material sustainability topics. SpareBank 1 Østlandet has actively worked to encourage sustainable practices and enable sustainable economic activities among its clients and customers through various strategic initiatives and programs.

The bank has established comprehensive guidelines for both its Retail and Corporate Divisions, aimed at promoting responsible relationships with customers. These policies encompass programs and actions implemented (or planned) to support sustainable practices and economic activities. For more detailed information, the SpareBank 1 Østlandet has made these guidelines available on our website.

The main thing for the corporate market is to focus on resource utilization and greenhouse gas emissions when it comes to both reinforcing positive impacts and reducing negative impacts. Based on the impact analysis, our greatest focus is on real estate (commercial buildings for rent and development) and agriculture industries. We use a number of measures to encourage customers to make sustainable changes, including:

See our annual report 2023:

Chapter 2 A clear driving force for sustainable transition and our double materiality p. 38-40.

Chapter 3 Greenhouse gas emissions in funds p. 70-71.

Our guidelines on ESG:

<https://www.sparebank1.no/en/ostlandet/about-us/sustainability/guidelines-and-policies.html>

<ul style="list-style-type: none"> •Excluding certain industries, as well as business practices with major negative impacts. •Analyzing sustainability risk and opportunities when processing applications for loans and credit facilities. •Offering products or measures that encourage green restructuring. •Requiring proof of improvement of energy efficiency and/or reduction of greenhouse gas emissions. <p>The Bank does not manage any funds of its own, instead we distribute a wide range of mutual funds provided by recognized portfolio managers. 2022 was the first year of a new strategy period and we have set ourselves ambitious goals for ESG in the area of mutual funds for the period up to 2025. The fact that an increasing proportion of fund capital is being channeled into funds with increasingly stricter ESG requirements are an important contributing factor.</p>	
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3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

<p>SpareBank 1 Østlandet has set a clear strategic goal for responsible lending, aiming to increase the green share of its total lending to 21.3% by 2025. To gauge the progress towards this goal, the bank utilizes an overarching key performance indicator (KPI) that measures the green share of total lending. For 2023, the bank achieved a green share of 19.8%, indicating a positive step towards reaching the 2025 target. The EU Taxonomy for sustainable activities is one of the key pieces of legislation on sustainable finance. In the coming years, companies, governments, and government agencies will increasingly use the Taxonomy when defining what is sustainable. The Taxonomy will be an important tool for SpareBank 1 Østlandet as it endeavors to shift capital in a more sustainable direction.</p> <p>New financial products from the CM: In 2023, we have worked on establishing a green loan including multiple sustainably products. The products focus on energy efficiency and resource efficiency that will help our customers choose more sustainable upgrades regarding their houses. In 2023, SpareBank 1 Østlandet, along with EiendomsMegler 1 Innlandet and Takstgruppen, started a</p>	<p>See our annual report 2023: Chapter 1 Key figures from the Group p. 22.</p> <p>Greener property – retail market p. 76.</p> <p>See our environment loan: https://www.sparebank1.no/nb/ostlandet/privat/lan/boliglan/miljolan.html https://www.enova.no/privat/alle-energitiltak/</p>
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¹¹ A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

¹² Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

pilot project aimed at making homes more energy and climate friendly. This initiative included developing appraisal reports that include plans for improving the energy efficiency of individual homes, demonstrating a direct approach to enabling sustainable economic activities among customers.

The Bank will continue to make the focus on ESG a top priority in our product management process at the start of the current strategy period, and we will continue our advocacy process in relation to portfolio managers, both directly and indirectly via our Alliance cooperation. We will also continue to adapt to the EU Taxonomy and focus on recommending mutual funds with a good ESG profile.

The Bank is working to put in place good tools that will help it comply with the requirements of the Act on Disclosure of Sustainability Information in the Financial Sector and a Framework for Sustainable Investments, assist advisers in their efforts to survey customers' sustainability preferences and document that advice and recommendations take account of customers' preferences. The Bank also wants to focus on carbon intensity in the portfolios such that customers with strong sustainability preferences have an opportunity to adjust their portfolios to their carbon preferences.

Principle 4: Stakeholders



We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups¹³) you have identified as relevant in relation to the impact analysis and target setting process?

Yes In progress No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of

¹³ Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations



<p>how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.</p>	
<p><i>Dialogue and collaboration with various stakeholders are essential if the Bank is to achieve its ambitions and maintain its credibility and good reputation in society. Our key stakeholders, who are customers, owners, employees, authorities, investors, and organizations, are all interested in how the Bank is addressing its social responsibility and contributing to a more sustainable world. Maintaining a good dialogue with stakeholders is important with respect to anchoring our work locally, regionally and internationally.</i></p>	<p><i>See our annual report 2023. Chapter 2 Stakeholders and stakeholder engagement p. 43-44.</i></p>

Principle 5: Governance & Culture



We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

Yes In progress No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

Responsible Committee:

The Board of Directors bears the overall responsibility for the Bank's sustainability work, see the Board of Directors' report, page 116. Responsibility for delivering on goals is delegated to the relevant executive vice presidents, and quarterly reports are sent to Group Management via corporate governance and forwarded to the Board of Directors. The Bank has a specific interdisciplinary Sustainability Committee tasked with performing oversight of our comprehensive efforts on sustainability, and this functions as an advisory body for Group Management. The committee consists of 12 representatives from different departments, all of whom play strategically important roles both in the sustainability work and in the Bank in general. The committee meets eight times a year, with four meetings dedicated to structural reporting to Group Management and four to discussions. Key personnel from the Bank's subsidiaries are included in discussion meetings to ensure knowledge is shared. The committee is chaired by the head of sustainability in the Bank.

Chair of the committee:

The Board of Directors of SpareBank 1 Østlandet is responsible for and leads the company's strategic planning. The Board will also make decisions that form the basis for the company's management to prepare and implement investments and structural measures. Goals, strategies and risk profiles are assessed at least annually. The PRB implementation is brought to

See our annual report 2023:

*Chapter 2 Our approach to sustainability performance p. 37.
Chapter 4 Corporate Governance p. 109.
Chapter 5 Board of Director's Report p. 116.*

See our impact analysis 2023

<p><i>the board frequently based on the information regarded PRB A statement from our board of directors: Corporate social responsibility and sustainability are becoming increasingly important in banking and financial services. The Bank is experiencing higher expectations from external stakeholders such as customers, organizations, the media, partners and the rest of society. Increasing legal requirements are also a strong driver, both nationally and from the EU. The Bank provides an account of this through integrated annual reporting. The chapter ‘Our approach to sustainability’ describes how the Bank is impacted by society and the environment and how the Bank impacts society and the environment (double materiality). Here you will find the Bank’s impact analysis and materiality analysis, and an account of the material sustainability topics and strategic initiatives that have been adopted based on these analyses. Please also refer to where the Bank reports on targets and performance for all the material sustainability topics and strategic initiatives. We have defined the circular economy in accordance with the double materiality analysis. Refer to the page in the report. Established a multidisciplinary group. Led by the sustainability leader.</i></p> <p><i>The principles of UNEP FI are well implemented in the corporate management.</i></p> <p>Remuneration practices</p> <p><i>SpareBank 1 Østlandet do not have own remuneration practice linked to sustainability targets.</i></p>	
<p>5.2 Promoting a culture of responsible banking:</p> <p>Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).</p>	
<p><i>We have comprehensive training regime closely linked with our material sustainability topics. See different training activities under each reported material topic in the annual report.</i></p>	<p><i>Links and references</i></p>
<p>5.3 Policies and due diligence processes</p> <p>Does your bank have policies in place that address environmental and social risks within your portfolio?¹⁴ Please describe.</p> <p>Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.</p>	
<p><i>Due diligence assessments and credit ratings</i></p> <p><i>We assess new customers against our ‘Guidelines for corporate social responsibility and sustainability for the corporate market’.</i></p> <p><i>Assessments of new customers particularly focus on:</i></p>	<p><i>See our annual report 2023. Chapter 3 Green transition</i></p>

¹⁴ Applicable examples of types of policies are: exclusion policies for certain sectors/activities; zero-deforestation policies; zero-tolerance policies; gender-related policies; social due diligence policies; stakeholder engagement policies; whistle-blower policies etc., or any applicable national guidelines related to social risks.

<ul style="list-style-type: none"> •industries and types of activities we do not wish to finance •risk of breaches of working environment and labor rights •breaches of human rights. •risk of statutory non-compliance, including economic crime and money laundering <p><i>We have rejected requests for financing from a significant number of customers in 2023 based on sustainability assessments. The reason is usually industry-related challenges related to social conditions for employees and money laundering risk or inadequate fulfilment of information requirements related to our anti-money laundering routines. These primarily involved smaller enterprises that applied online.</i></p> <p><i>Within the corporate market division, sustainability assessments are carried out especially for customers in the real estate industry and in the agricultural segment. Through cooperation in the SpareBank 1 alliance, a separate application has been developed and implemented to make sustainability assessments at the engagement level in connection with the processing of loan applications. Similarly, the bank is in the process of using a stress test model for ESG risk in the lending portfolio.</i></p> <p><i>The corporate market had a dialogue about sustainability with almost all the customers who applied for financing in 2023 and we conducted thorough sustainability analyses of around 77 percent loan applications about 5 millions nok.</i></p>	<p>p. 66.</p>
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Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank’s governance system?

Yes No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

Yes No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

Yes In progress No

Principle 6: Transparency & Accountability



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

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

- Yes Partially No

If applicable, please include the link or description of the assurance statement.

<i>Response</i>	<i>Link to auditor assurance statement:</i>
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6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- GRI
- SASB
- CDP
- IFRS Sustainability Disclosure Standards (to be published)
- TCFD
- Other:

<i>GRI table and TCFD / TNFD in our annual report. Several different sustainability ratings and initiatives including PAI.</i>	<i>See our annual report 2023 Chapter 6. Indexes and appendices sustainability.</i>
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6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis¹⁵, target setting¹⁶ and governance structure for implementing the PRB)? Please describe briefly.

<i>More focus on engaging our clients regarding resource efficiency and circular economy in our strategic initiative. Data gathering and portfolio analysis will have a growing importance. We will as a result in our double materiality analysis work on our priority targets for our portfolio. We will continuously</i>	<i>See our annual report 2023: For implementation and continuous work: Chapter 3: p. 62, 75, 77, 79,</i>
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¹⁵ For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

¹⁶ For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.



<p><i>develop our portfolio with new product and solutions that are closely regulated to the EU taxonomy and by national law.</i></p>	
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6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

- | | |
|--|--|
| <input type="checkbox"/> Embedding PRB oversight into governance | <input type="checkbox"/> Customer engagement |
| <input type="checkbox"/> Gaining or maintaining momentum in the bank | <input type="checkbox"/> Stakeholder engagement |
| <input type="checkbox"/> Getting started: where to start and what to focus on in the beginning | <input checked="" type="checkbox"/> Data availability |
| <input type="checkbox"/> Conducting an impact analysis | <input checked="" type="checkbox"/> Data quality |
| <input type="checkbox"/> Assessing negative environmental and social impacts | <input type="checkbox"/> Access to resources |
| <input checked="" type="checkbox"/> Choosing the right performance measurement methodology/ies | <input type="checkbox"/> Reporting |
| <input type="checkbox"/> Setting targets | <input type="checkbox"/> Assurance |
| <input type="checkbox"/> Other: ... | <input type="checkbox"/> Prioritizing actions internally |

If desired, you can elaborate on challenges and how you are tackling these:

Annex

A set of indicators has been produced for the impact areas of climate mitigation and financial health & inclusion. These indicators will support you in your reporting and in showing progress against PRB implementation. Banks are expected to set targets that address minimum two areas of most significant impact within the first four years after signing the PRB. That means that Banks should ultimately set targets using impact indicators. Acknowledging the fact that banks are in different stages of implementation and on different levels of maturity and therefore might not be able to report on impact from the beginning, a Theory of Change approach has been used to develop the set of indicators below.¹⁷ The Theory of Change shows the **pathway to impact** and considers the relationship between inputs, actions, outputs, and outcomes in order to achieve impact. The Theory of Change for climate mitigation can be found [here](#), the Theory of Change for financial health & inclusion can be found [here](#).

How to use: Both practice (action, outcome and output) and impact performance need to be understood because practice is the conduit for achieving desired impacts (including targets). The Theory of Change allows to identify metrics and set targets which align with a bank's maturity. The indicators below are all connected to a bank's impact and can be considered as steps towards measuring impact. Some of the practice indicators (on the action, output, and outcome levels respectively) are connected to portfolio composition and financial targets¹⁸ (highlighted in **green**) or to client engagement¹⁹ targets (highlighted in **blue**), which enable your overall target. If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex to measure your performance and baseline.²⁰ Once you have set the target, you can use the indicators as guidance for your action plan as well as defining Key Performance Indicators (KPIs) which you can then use to measure progress against the set targets.

¹⁷ It is not required from banks to work with the Theory of Change concept internally. In fact, the Theory of Change has been used to structure the requirements of setting SMART targets using relevant indicators.

¹⁸ Financial targets also aim for real economy outcomes but are not directly expressed as such. Instead, they are expressed with financial indicators and metrics, e.g., to redirect flows of lending and investments to sectors, activities or projects aligned with SDGs and/or related to the selected impact area. Banks can also set financial targets related to specific types of customers e.g., low-income customers or female entrepreneurs.

¹⁹ Client engagement targets involve engaging relevant clients and customers to enable your overall target. The purpose of client engagement is to support clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

²⁰ You might not be able to report on all indicators and/or or levels of practice (i.e. from left to right), in which case you should report on all applicable indicators on the respective level of practice no matter if it is an action, output or outcome indicator.

- **For Signatories of the Net-Zero Banking Alliance:** please report on the climate targets set as required in the [Guidelines for Climate Target Setting](#). As a member of the Alliance, you are required to publish first 2030 targets for priority sectors within 18 months and further sectoral targets within 36 months after signing. You can use the PRB template to disclose the required climate target information if its publication date is in line with the committed NZBA timeframe.

- **For Signatories of the Collective Commitment to Financial Health & Inclusion:** please report on financial health and/or financial inclusion targets set as required in the [Financial Health and Inclusion Commitment Statement](#). As a signatory to the Commitment, you have agreed to set a SMART ambitious target within 18 months after signing. To facilitate your process, please refer to the [Guidance on Target Setting for Financial Health and Inclusion](#) and the [Core Indicators](#) to measure financial health and inclusion. Keep in mind that signatories of the Commitment are encouraged to measure as many indicators as possible from the Core Set or their equivalent to be able to set a SMART impact driven target.



Impact area	Practice ²¹ (pathway to impact)									Impact ²²		
	1. Action indicators			2. Output indicators			3. Outcome indicators			4. Impact indicators		
	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics
A. Climate change mitigation	A.1.1	Climate strategy: Does your bank have a climate strategy in place?	Yes	A.2.1	Client engagement process: Is your bank in an engagement process with clients regarding their strategy towards a low(er)-carbon business model (for business clients), or towards low(er)-carbon practices (for retail clients)?	Yes We have strategic initiatives to achieve net zero with our customers by 2050. Our product are described on how the clients will reduce their emission, and how they perform. Corporate Division: -Agriculture -Buildings Retail division: -Buildings -Responsible Consumption The Bank has for many years collected information and talked to customers about climate-related risk when granting loans. This has been done via	A.3.1	Financial volume of green assets/low-carbon technologies: How much does your bank lend to/invest in green assets / loans and low-carbon activities and technologies?	19,8% green share of total lending. Definition of green lending can be found in our Green Bond Framework prepared in line with the ICMA Green Bond Principles, based on best market practice and, at the same time, supports the UN Sustainable Development Goals. See website: https://www.sparbank1.no/en/ostlandet/aboutus/sustainability/green-bondframework.html	A.4.1	Reduction of GHG emissions: how much have the GHG emissions financed been reduced?	PCAF calculation retail division: Carbon intensity (kgCO2e/m2) baseline year 2020: 5.37 2023: 5.06 Total emissions (tCO2e) baseline year 2020: 21 244 2023: 19 254 PCAF calculation Corporate division Carbon intensity (kgCO2e/mill.NO K) baseline year 2020: 6.49 2023: 7.50 Total emissions (tCO2e) baseline year 2020: 221 609 2023: 357 368

²¹ Practice: the bank's portfolio composition in terms of key sectors, its client engagement, and its relevant policies and processes, and, if applicable, its advocacy practices

²² Impact: the actual impact of the bank's portfolio

					sustainability assessments and due diligence assessments. In collaboration with the SpareBank 1 Alliance, an ESG module has now been developed to assess individual customers' risk when granting loans. This makes the process easier for account managers and helps ensure a more systematic approach.						
A.1.2	Paris alignment target: Has your bank set a long-term portfolio-wide Paris-alignment target? To become net zero by when?	Yes Yes; Our ambition is net zero by 2050. We started measuring climate footprint with our current methodology from the 2020 reporting which marks our emissions baseline. We will be aligned according to the SBTi targets for	A.2.2	Absolute financed emissions: What are your absolute emissions (financed emissions = scope 3, category 15) in your lending and/or investment portfolio?	Total emissions for 2023 were estimated to be 376 622 tCO2e.	A.3.2	Financial volume lent to / invested in carbon intensive sectors and activities and transition finance: How much does your bank lend to / invest in carbon-intensive sectors and	See our annual report 2023: Chapter 5 p. 156	A.4.2	Portfolio alignment: How much of your bank's portfolio is aligned with Paris (depending on the target set [A.1.2] either 1.5 or 2 degrees)? See our annual report 2023:	% of portfolio (please specify which portfolio; for corporate and business clients: % of sectors financed) 5.06 %. See our annual report p. 73

			greenhouse gas reductions to limit global warming to - 1,5°C or atleast 2°C Our portfolio for both the corporate and retail market is aligned with SBTi targets for greenhouse gas reduction to limit global warming to 1,5°C					activities ²³ ? How much does your bank invest in transition finance ²⁴ ?			Chapter 3 green transition p. 65-69
	A.1.3	Policy and process for client relationships: has your bank put in place rules and processes for client relationships (both new clients and existing clients), to work together towards the goal of transitioning the clients' activities and business model?	Yes	A.2.3	Sector-specific emission intensity (per clients' physical outputs or per financial performance): What is the emission intensity within the relevant sector?	Mortgage portfolio: 5.06 kgCO2e/m2 Corporate portfolio: 5.67 tCO2e per NOK million Some specific sectors in the corporate portfolio (tCO2e per NOK million): Agriculture: 47.7 Forestry: 11.8 Commercial services: 6.8 Wholesale and retail trade: 6.3 For the whole list of sectors, see annual report p.65					

²³ A list of carbon-intensive sectors can be found in the [Guidelines for Climate Target Setting](#).

²⁴ Transition finance is defined as financing the transition towards a low-carbon future in alignment with the Paris climate goals. It entails any form of financial support for non-pure play green activities to become greener and reduce emissions.

	<p>A.1.4</p>	<p>Portfolio analysis: Has your bank analyzed (parts of) its lending and/or investment portfolio in terms of financed emissions (Scope 3, category 15); technology mix or carbon-intensive sectors in the portfolio?</p>	<p>Yes</p> <p>We have been analysing our carbon intensity in scope 3 for our mortgage portfolio. For detailed information see our annual report p. 65</p>	<p>A.2.4</p>	<p>Proportion of financed emissions covered by a decar-bonization target: What proportion of your bank's financed emissions is covered by a decar-bonization target, i.e. stem from clients with a transition plan in place?</p>	<p>% (denominator: <i>financed emissions in scope of the target set</i>)</p>		
	<p>A.1.5</p>	<p>Business opportunities and financial products: Has your bank developed financial products tailored to support clients' and customers' reduction in GHG emissions (such as energy efficient mortgages, green loans, green bonds, green securitisations etc.)?</p>	<p>Yes</p> <p>We have multiple financial products tailored to support clients and costumers reducing GHG emission. On retail marketMarket we have:</p> <ul style="list-style-type: none"> • Green house loan • Electric car loan • Green energy loan • Green environment loan <p>Percent of green share (18,3) Corporate marketMarket:</p> <ul style="list-style-type: none"> • Green building loan • Green rehabilitation loan 					

			<ul style="list-style-type: none"> Solarpower loan Green agriculture loan <p>Percent of green share (19,8)</p>									
B. Financial health	B.1.1	# of products and services in the portfolio with a focus on financial health	Internal data based. Measures how many of the products and services in the portfolio have a financial health focus. We deem a product or service to have this focus when it facilitates decision making and supports financial health increase based on our definition of financial health. This covers products and services embedded with nudges to simplify decision making, round-up, high yield savings accounts, easy investment tools, etc.	B.2.1	# of individuals supported with dedicated and effective financial and/or digital education initiatives	Based on internal data. Measures the number of users (customers and non customers) of financial and/or digital skills-building initiatives offered by the bank. An initiative encompasses courses, programs, training videos, articles, SMS education campaigns, etc. Dedicated means that the initiative was specially created for a defined group of individuals (in many cases a prioritized group). Effective means that the	B.3.1	% of individuals with a good and/or very good level of financial skills	Assessment based. Measures the percentage of individuals with a good and/or very good level of financial skills according to the assessment chosen by the financial institution. Should be measured on individuals benefiting from the bank's financial education initiatives.	B.4.1	% of customers with a high level of financial health	Survey and/or transactional data based. Measures the percentage of customers with a high level of financial health according to the score chosen by the financial institution.

					bank has measured if the initiative is successful in generating the desired results of stronger financial skills, and thus, any individual that is supported with the initiative will achieve the desired results. A bank can't count a click as an individual so we encourage that the data is presented as # of individuals for deanonymized users and # of interactions for anonymized users.							
	B.1.2	% of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health	Based on internal data. Measures the percentage of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health. Including training to attend the needs of prioritized groups. Effective means that the bank has measured if the initiative is successful in generating the desired results of stronger skills, and	B.2.2	% of customers actively using the online/mobile banking platform/tools	Transactional data based. Measures the percentage of customers logging in, at least once a month, to one of the following digital platforms (measure those applicable for your bank): Online internet banking and/or mobile phone banking and/or digital tools (including financial health tools)	B.3.2	% of customers who use the bank's services to create a financial action plan with the bank	Transactional and/or survey data based. Measures the percentage of customers who create a financial action plan with the bank using the bank's services. A financial action plan is anything that helps the customer build financial resilience. It is done "with the bank" if the bank can visualize, through the	B.4.2	% of customers for which spending exceeded 90% of inflows for more than 6 months last year	Survey and/or transactional data based. Measures the percentage of customers with a transaction account and/or savings/investment accounts for which spending exceeded 90% of inflows for more than 6 months in the year within the reporting period compared to the total of customers within PRB scope. Focus on main financial institution customers.

			thus, any individual that is supported with the initiative will achieve the desired results. Relevant employees are those the bank prioritizes in the training program due to their direct impact on the customers' financial health					transactions of the customer, the results of the plan.				
	B.1.3	# of partnerships active to achieve financial health and inclusion targets	Based on internal data. Measures the number of partnerships currently active to achieve financial health and inclusion targets. By active we mean that are currently undergoing actions and generating results. We suggest disclosing the results of the partnerships in the commentary of the reports.				B.3.3	% of customers using overdraft regularly	Transactional data based. Measures the percentage of customers using the overdraft option in their accounts or credit cards, regularly. Overdraft can be used to handle unexpected emergencies but more than 1/3 of the year (banks may deviate if proper reasons are provided) denotes regularity and a precursor to lower financial health	B.4.3	% of customers that feel confident about their financial situation in the next 12 months	Survey based data. Measures the percentage of customers that answered positively to feeling confident about their financial situation in the next 12 months compared to the total number of customers surveyed. By confident we mean not feeling worried about their financial situation.
							B.3.4	% of customers with a non-performing loan	Transactional data based. Measures the percentage of customers with past-due loans ("past due" defined by	B.4.4	% of customers with products connected to long-term saving and investment plans	Transactional and/or survey data based. Measures the percentage of customers with products connected to

								<p>policies at each bank) compared to the total amount of customers with loans in the bank's lending portfolio.</p>			<p>long-term saving and investment plans. "Long-term" will depend on each bank's definition.</p>	
							B.3.5	<p>% of customers showing an increase or stable amounts in savings, deposit and/or investment account balances, quarter on quarter.</p>	<p>Transactional data based. Measures the percentage of customers showing an increase or stable amounts in savings and/or deposit AND/OR investment accounts balances, quarter on quarter.</p>	B.4.5	<p>% of customers that would struggle to raise emergency funds or cover with insurance a major unexpected expense</p>	<p>Survey based data. Measures the percentage of customers that would struggle to raise emergency funds or cover with insurance a major unexpected expense. We consider a major unexpected expense, one that the customer hadn't planned for and would require them to spend more than what they have available for secondary expenses in their monthly budget or 1/20th of the country's Gross National Income (banks may deviate if proper reasons are provided). A good example is: unforeseen medical bills, large appliance malfunctioning, car repair, etc. Survey based using the</p>

												question: "If a major unexpected expense arises, how can you cover it right now?" and give the multiple choice options of insurance, emergency funds, loan, credit card, family/friends, etc.
C. Financial Inclusion	C.3.1	8 # of products and services in the portfolio with a focus on financial inclusion	<p>We offer several products with a focus on financial inclusion and a social profile:</p> <ul style="list-style-type: none"> - Restart - Youth Deposit Loan / LO-favor Youth Deposit Loan - Youth Mortgage / LO-favor Youth Mortgage - First Home Loan and LO-favor First Home Loan - LO Salary Guarantee Fund Loan - LO-favor Conflict Loan <p>44% of our flexibility quota went to the age group 18-34.</p> <p>We offer login mechanisms for online and mobile banking for customers with</p>	C.2.1	<p>There are 16.260 costumers who have a loan associated with a social profil. The bank has a well-developed physical branch network. This provides a solid foundation to help avoid financial exclusion and thus meet the expectations of the industry standard for financial inclusion. The bank's provision of physical assistance locally to this group is among the best in the Norwegian market.</p> <p># of individuals supported with dedicated and effective financial and/or</p>	<p>We offer several services to our costumers to help defined group of costumers through these initiatives:</p> <ul style="list-style-type: none"> - Customer and consumer surveys. - Customer meetings. - Lectures, webinars, seminars, and conference s. - Social media, especially dialogue with personal customers. <p>See our annual report for more detailed information chapter "Consumers and</p>	C.3.1	<p>As a member of the Financial Industry Authorization Schemes (FinAut), the bank has committed to ensuring that our advisors are authorized. These schemes aim to promote and secure the necessary attitudes, skills, and knowledge for advisors working in personal advisory services within the fields of savings and investment (AFR), credit (KRD), property insurance (SF), and personal insurance (PF). For business clients, there are arrangements for property</p>	<p>All matters related to the flexibility quota must be approved by individuals with authority at a minimum of "PM Level 3". This typically includes regional bank managers.</p> <p>Assessment based. Measures the percentage of individuals with a good and/or very good level of financial skills according to the assessment chosen by the financial institution. Should be measured on individuals benefitting from the bank's financial education initiatives.</p>	C.4.1	<p>% of customers with 2 or more active financial products, from different categories, with the bank</p>	<p>Transactional data based. Measures the percentage of customers with 2 or more active financial products, from different categories, with the bank. By active we mean there's at least one usage per month. By category we mean credit/debt, savings/deposit/payment, insurance, investment, etc. Once a target has been set for this indicator, we encourage banks to ensure responsible selling policies or other initiatives so that the target doesn't become a toxic incentive.</p>

			<p>impaired vision and hearing problems.</p> <p>See more details in our annual report chapter "consumers and end-users" p. 92-93</p> <p>Internal data based. Measures how many of the products and services in the portfolio have a financial inclusion focus. We deem a product or service to have this focus when its design facilitates the access and usage by the prioritized customer. For example, no-fee savings account, low interest microloan, offline access or sim-based banking apps, etc</p>		<p>digital education initiatives</p>	<p>end-users" page 92-93.</p> <p>Based on internal data. Measures the number of users (customers and non-customers) of financial and/or digital skills-building initiatives offered by the bank. An initiative encompasses courses, programs, training videos, articles, SMS education campaigns, etc. Dedicated means that the initiative was specially created for a defined group of individuals (in many cases a prioritized group). Effective means that the bank has measured if the initiative is successful in generating the desired results of stronger financial skills, and thus, any individual that is supported with the initiative will achieve the desired results.</p>		<p>insurance and personal insurance. As of December 31, 2023, the number of authorized advisors is as follows: AFR 192, KR 225, SF 254, and PF 249. The bank also has 89 approved information providers. Within the arrangements for Corporate Markets, there are 17 authorized advisors for business property insurance and 20 for business personal insurance.</p> <p>% of individuals with a good and/or very good level of financial skills</p>			
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						A bank can't count a click as an individual, so we encourage that the data is presented as # of individuals for deanonymized users and # of interactions for anonymized users.					
	C.1.2	<p>All employers who have training in AFR, KR, SF and PF have training in our product related to our products connected to financial inclusion.</p> <p>% of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health</p>	<p>100% This are all the employees who have training in AFR, KR, SF and PF</p> <p>Based on internal data. Measures the percentage of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health. Including training to attend the needs of prioritized groups. Effective means that the bank has measured if the initiative is successful in generating the desired results of stronger skills, and thus, any individual that is supported with the initiative will achieve the desired results. Relevant employees are</p>	C.2.2	100% % of customers with effective access to a basic banking product	<p>100%</p> <p>Transactional data based. Measures the percentage of customers with effective access to a basic banking product. By effective we mean the usage beyond first access. Basic banking products vary by bank. Good examples are: checking accounts, payment accounts, credit cards, saving accounts, deposit accounts, e-money accounts, etc.</p>	C.3.2	% of customers supported with dedicated customer journey/advisory services	"Transactional data based. Where dedicated customer journey/advisory services are in place for prioritized groups, this indicator measures the percentage of customers using such services. Depending on size of bank, either number or percentage can be the unit of measure.		

			those the bank prioritizes in the training program due to their direct impact on the customers' financial health								
	C.1.3	1 # of partnerships active to achieve financial health and inclusion targets	Based on internal data. Measures the number of partnerships currently active to achieve financial health and inclusion targets. By active we mean that are currently undergoing actions and generating results. We suggest disclosing the results of the partnerships in the commentary of the reports.	C.2.3	In the retail market, we achieved an average monthly growth of 2,000 new customers. In the corporate marketMarket, we achieved an average monthly growth of 21,8 new customers. # of new customers per month	Transactional data based. Measures the number of new customers per month. Once the bank sets a target, this indicator can become a KPI to measure the percentage of new customers from the prioritized groups, per month.	C.3.3 *	More then 90 percent uses our online/mobile services. See our annual report page 102. % of customers actively using the online/mobile banking platform/tools	On average, each of our online banking users visits the platform once daily over the course of a month. These figures accurately reflect the behavior of our entire online user base. Transactional data based. Measures the percentage of customers logging in, at least once a month, to one of the following digital platforms (measure those applicable for your bank): Online internet banking and/or mobile phone banking and/or digital tools (including financial health tools, if applicable)		