

SR-Bank

SR-Boligkreditt

Quarterly presentation 2021

Q2

1

SR-Bank

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Norwegian economy

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Appendix

Disclaimer

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance.

Although SpareBank 1 SR-Bank believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for SpareBank 1 SR-Bank include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels.

This presentation does not imply that SpareBank 1 SR-Bank has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.

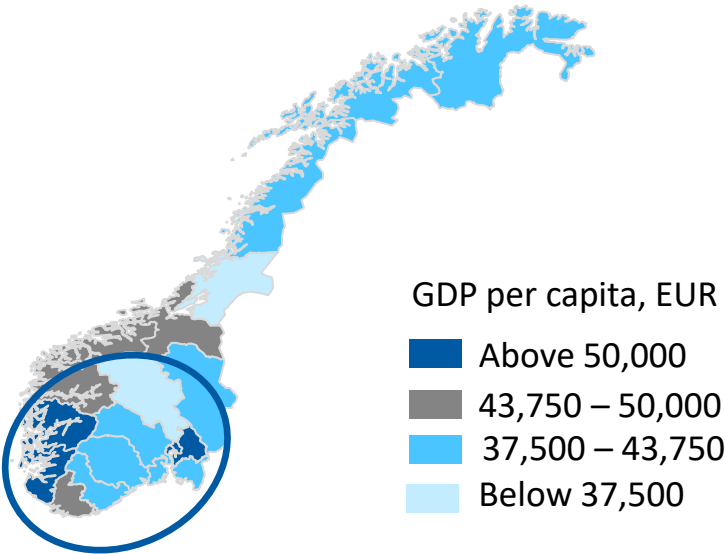


SR-Bank at a glance

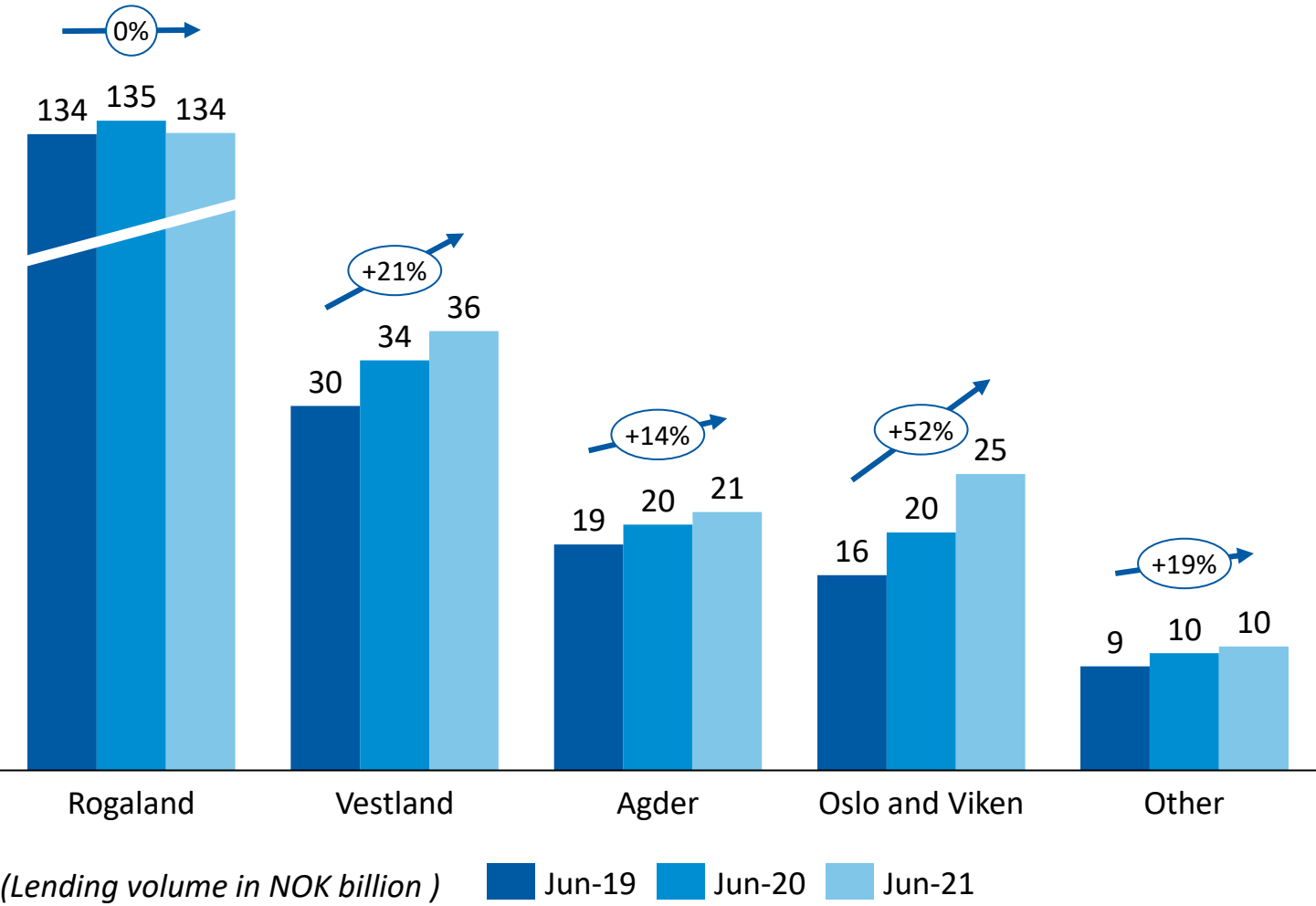
- Second largest Norwegian bank
- Market cap: NOK 29.1 Billion
- Total assets: NOK 299.9 Billion
- Credit rating:
 - Moody's A1 (stable)
- Sustainability rating
 - Systainalytics ESG Risk rating: 17.1 (low risk)
 - MSCI ESG rating: A
- **1839:** The first bank that today forms part of SpareBank 1 SR-Bank was established.
- **1976:** 24 savings banks merge to form Sparebanken Rogaland.
- **1994:** SR-Bank (Sparebanken Rogaland) lists its primary capital certificates on the Oslo Stock Exchange.
- **1996:** SR-Bank is one of the founders of the SpareBank 1 alliance.
- **2012:** SR-Bank converted from a savings bank to a public limited company (“limited liability savings bank”).

	Banks	Market share
1	DnB Bank	27.2
2	Nordea Bank Norge (Finnish)	12.6
3	Danske Bank (Danish)	6.4
4	Handelsbanken (Swedish)	5.4
5	SR-Bank	4.3

SR-Bank’s market area

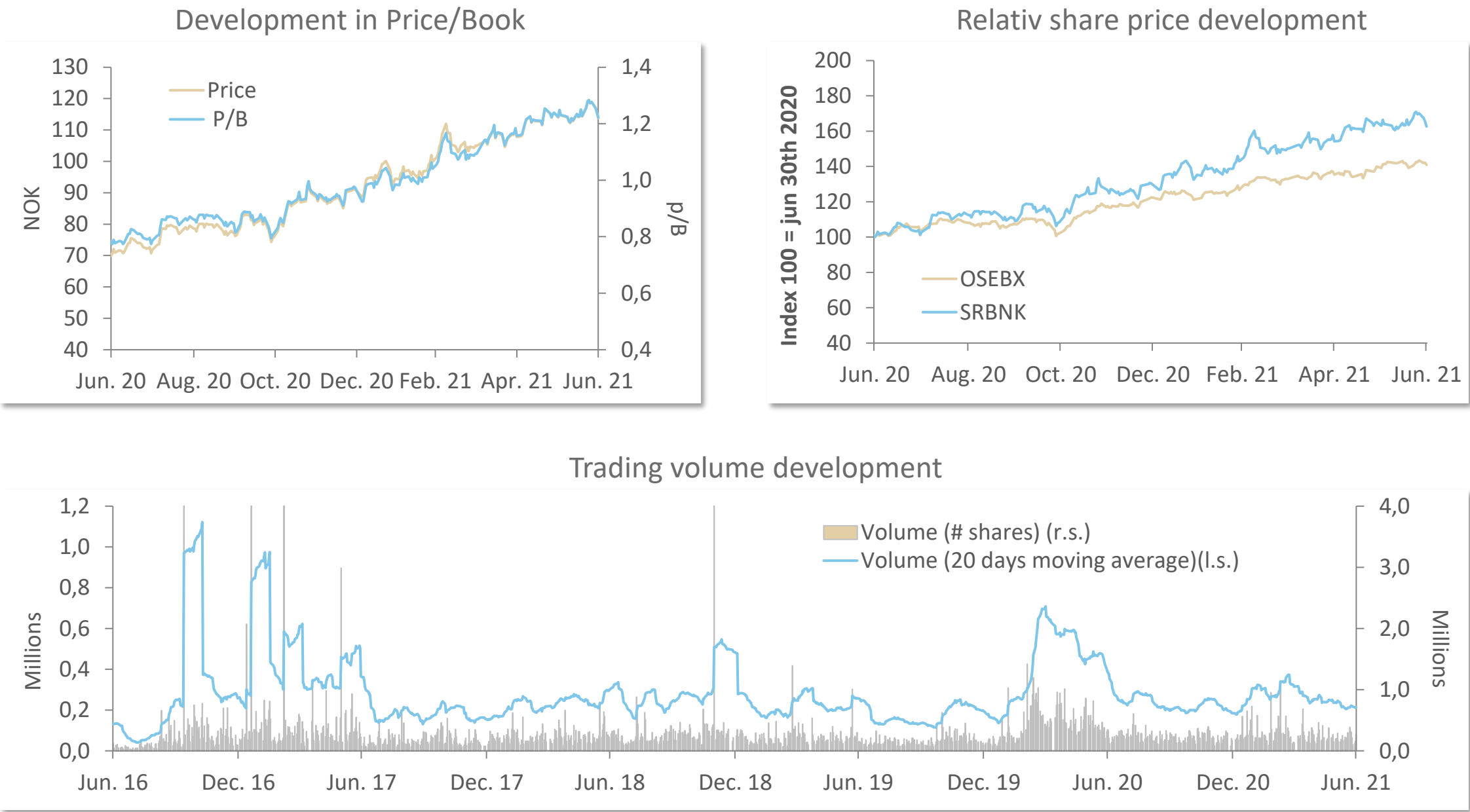


Finance group for South of Norway

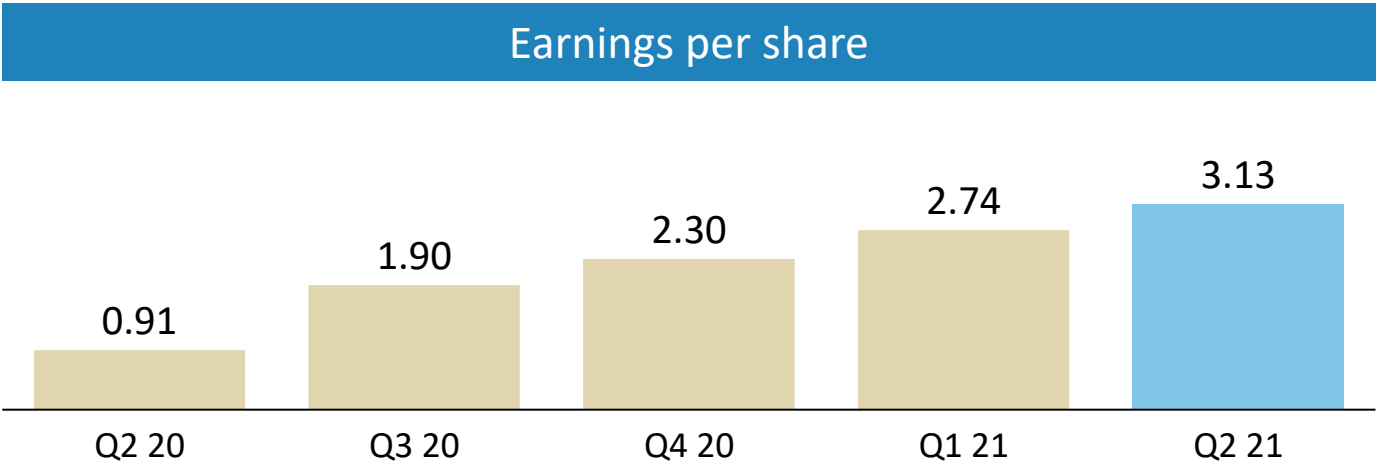
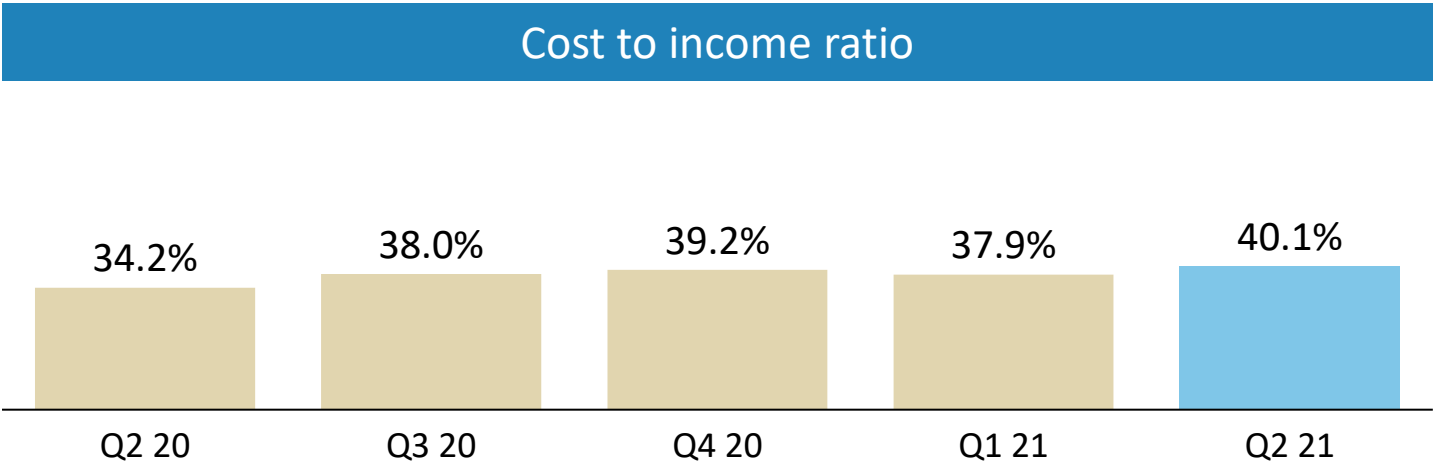
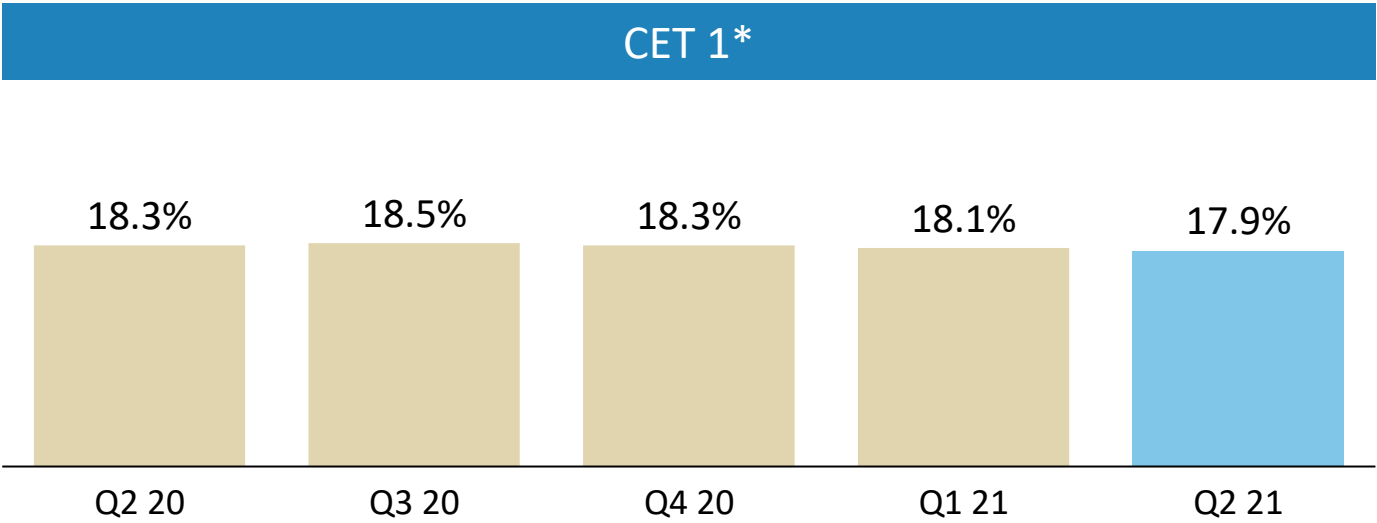
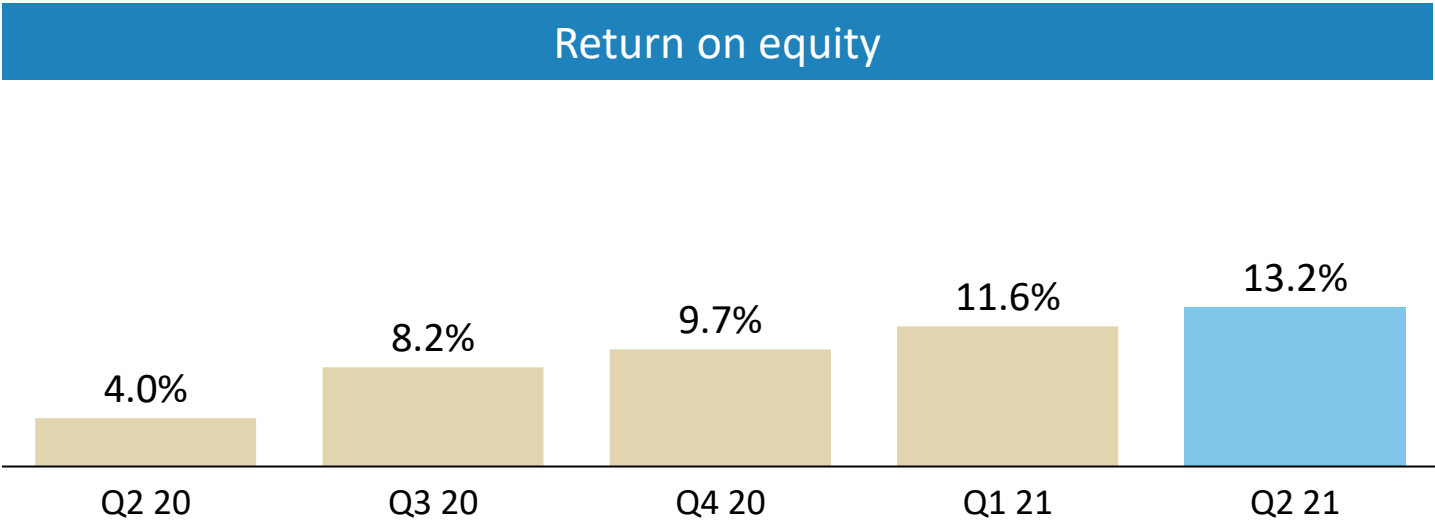


SRBNK share

- International ownership is 22.74% per 2. quarter 2021.
- Total market value at 2. quarter 2021 is NOK 29.1 billion.



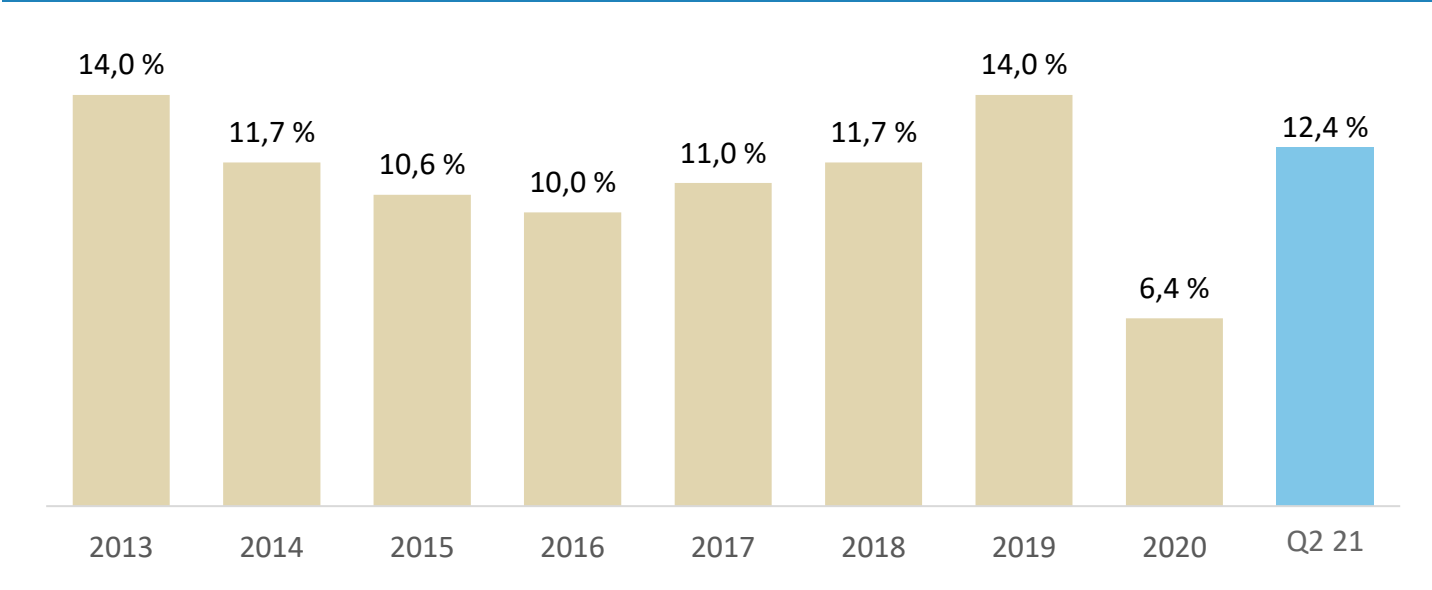
Key figures – quarterly development



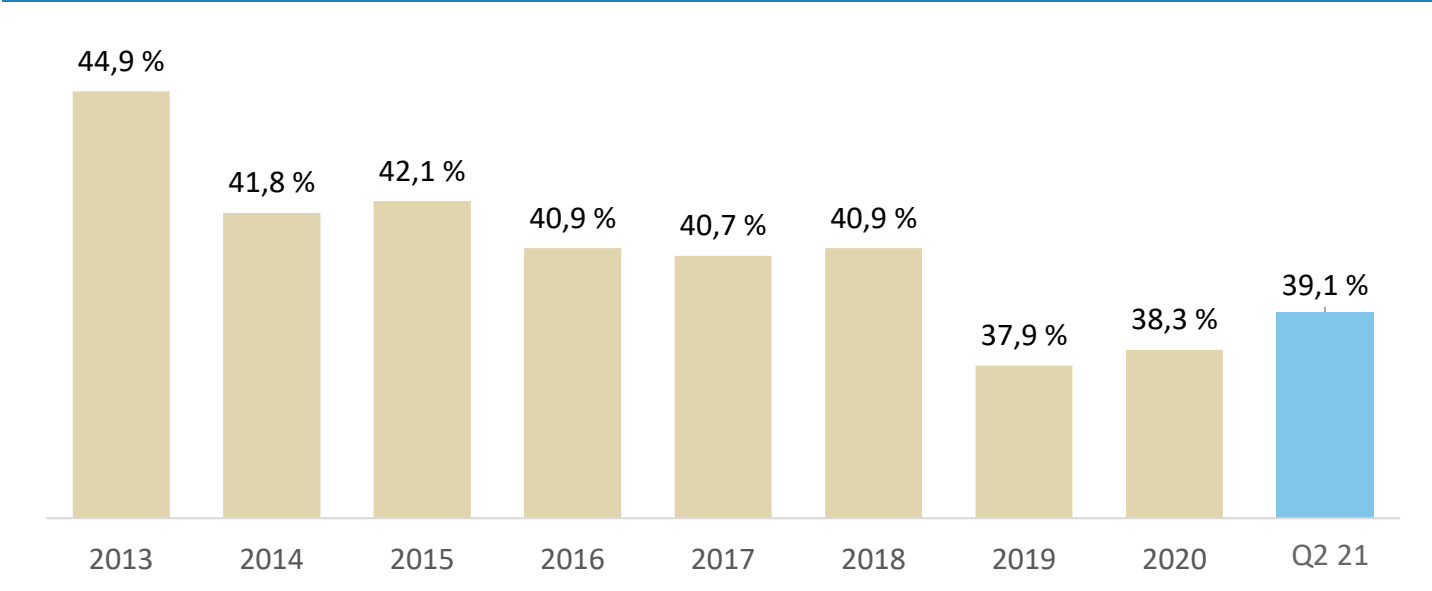
**The board exercised its special authorisation from April 2020 and at the board meeting on 10 February 2021 a dividend of NOK 5.50 per share was approved for the 2019 financial year, which was paid out on 19 March 2021. The board was granted special authorisation by the general meeting on 28 April 2021 to approve a dividend for the 2020 financial year of up to NOK 3.10 per share, in line with the applicable regulations. This authorisation is valid up to ordinary general meeting in 2022.*

Key figures – annual development

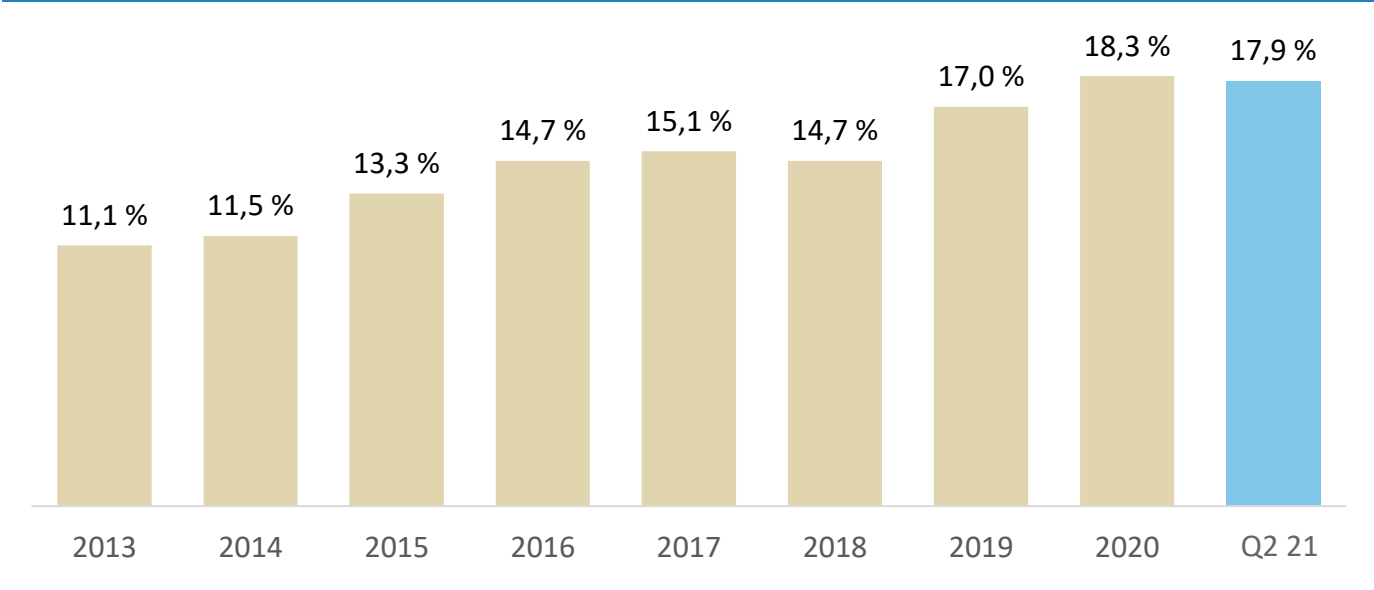
Return on equity



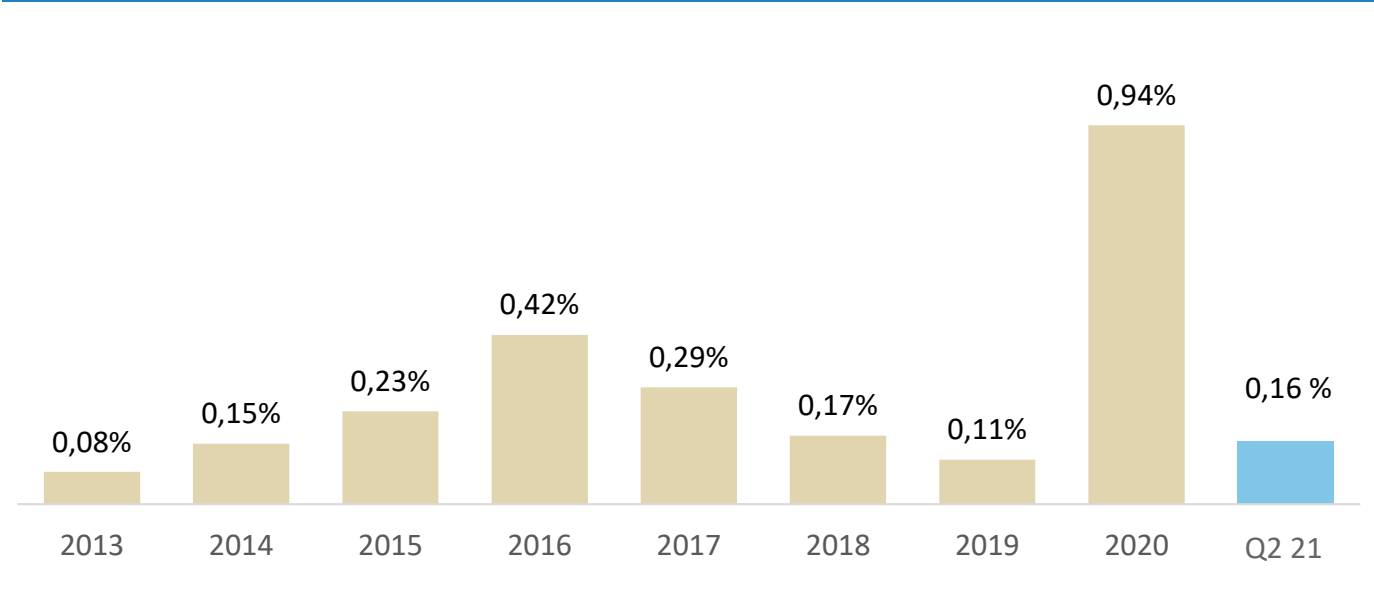
Cost to income ratio



CET 1 capital ratio*

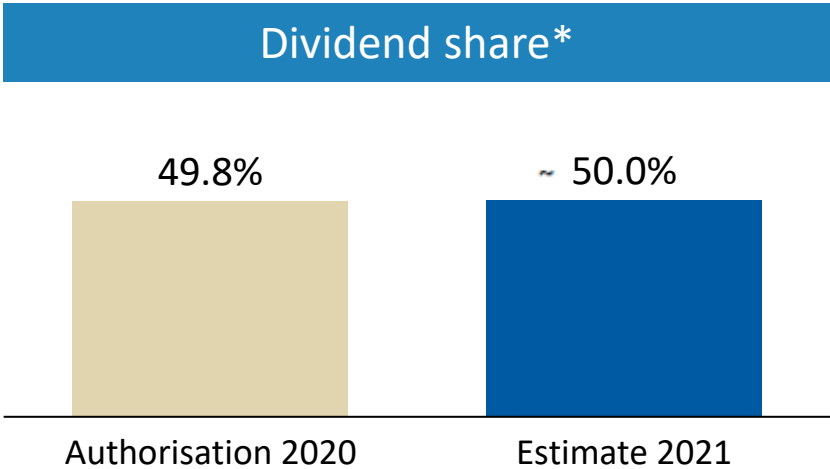
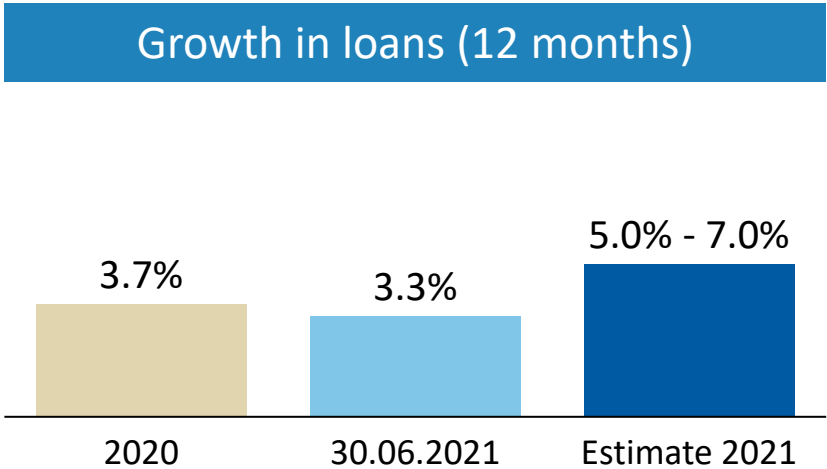
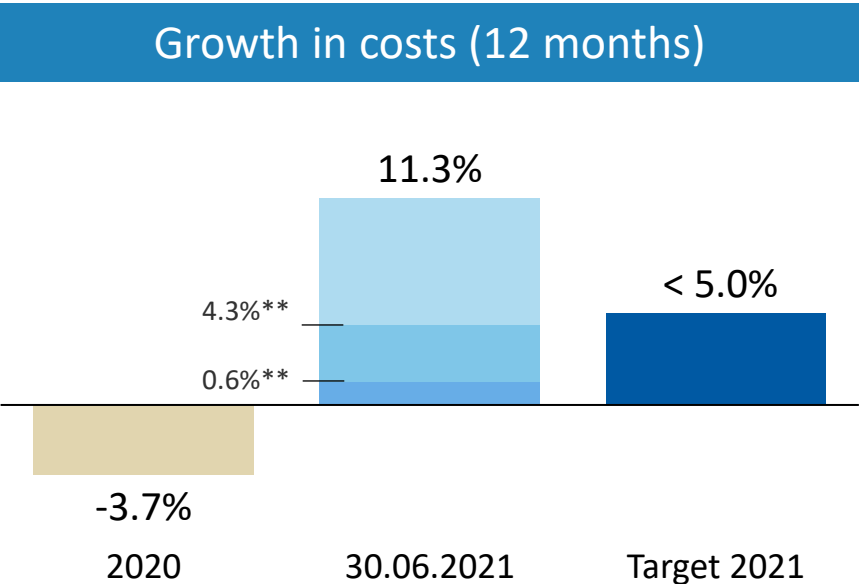
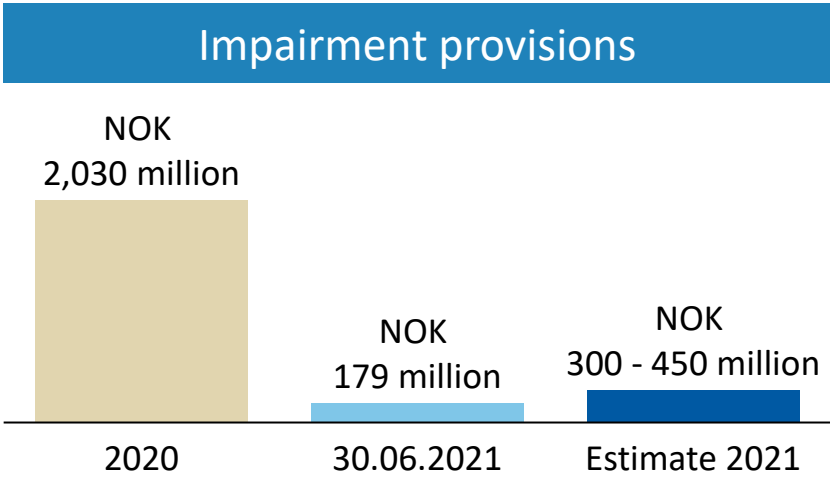
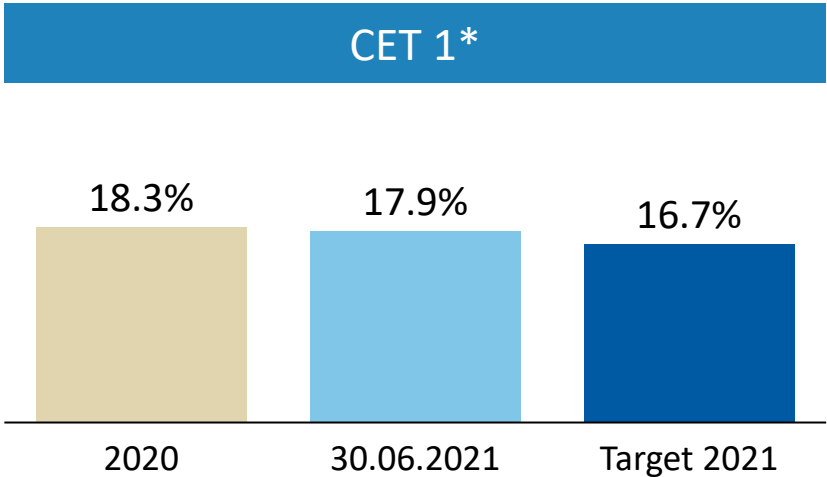
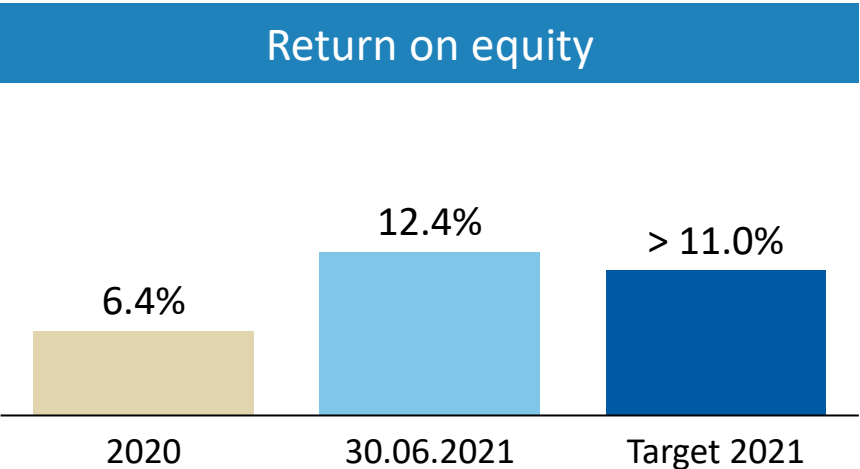


Impairment losses on loans



**The board was granted special authorisation by the general meeting on 28 April 2021 to approve a dividend for the 2020 financial year of up to NOK 3.10 per share, in line with the applicable regulations.*

Key figures and financial targets for 2021



• The board was granted special authorisation by the general meeting on 28 April 2021 to approve a dividend for the 2020 financial year of up to NOK 3.10 per share, in line with the applicable regulations. This authorisation is valid up to ordinary general meeting in 2022.
 **Growth in cost excl. SpareBank 1 SR-Bank ForretningsPartner and EiendomsMegler 1 SR-Eiendom is 4.3%. If we exclude bonus provisions as well the growth in cost is 0.6%.

Key figures

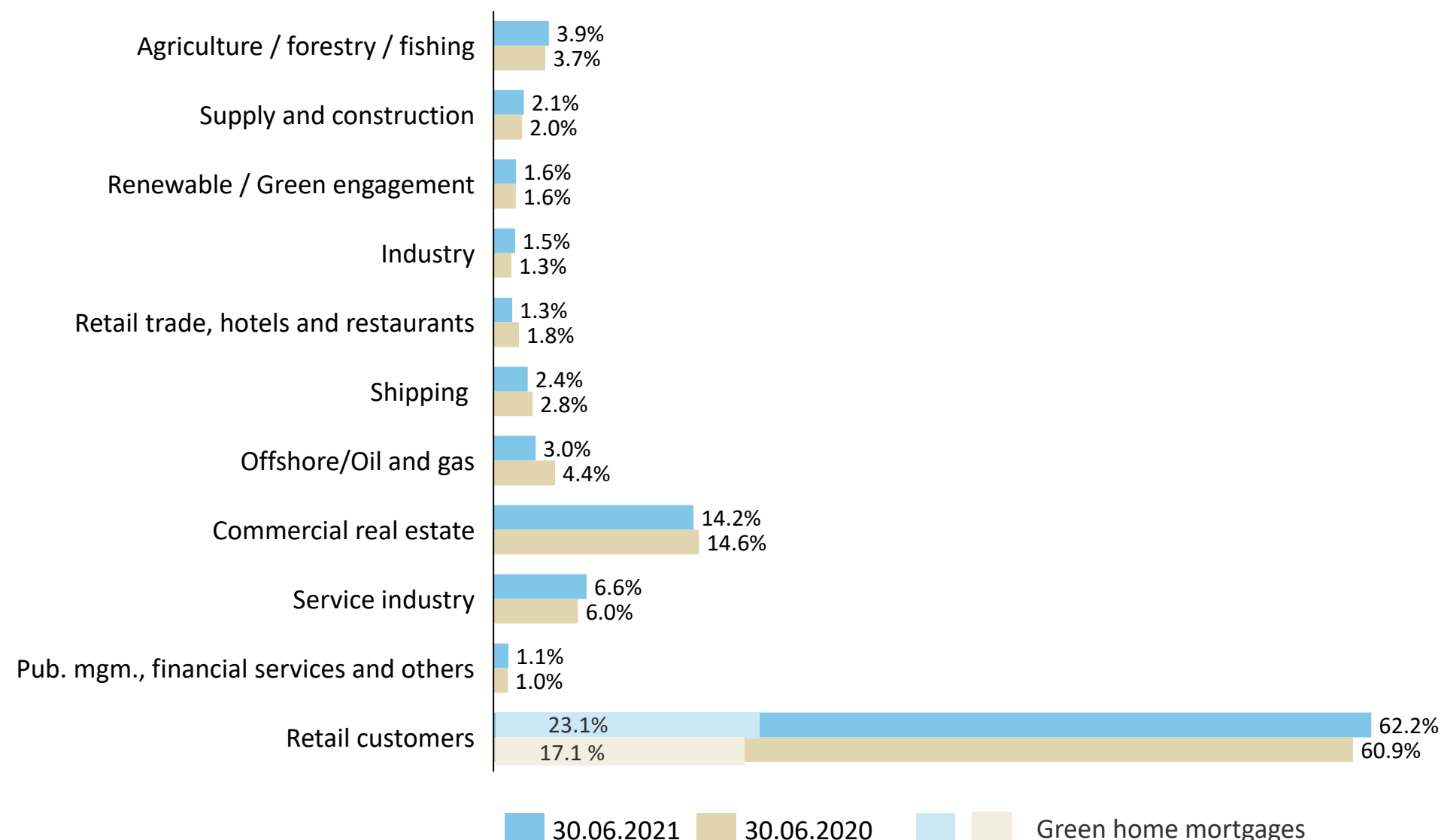
	30.06.2021	30.06.2020	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Return on equity after tax (%)	12.4	3.7	13.2	11.6	9.7	8.2	4.0
Net interest margin (%)	1.38	1.57	1.36	1.40	1.40	1.48	1.5
Impairments on loans in % of gross loans incl. covered bond company	0.16	1.29	0.10	0.22	0.49	0.67	1.5
Loans and financial commitments in Stage 3 in % of gross loans and financial commitments incl. covered bond company	1.79	1.84	1.79	1.91	1.90	1.57	1.8
Cost to income ratio	39.1	37.9	40.1	37.9	39.2	38.0	34.2
Annual growth in loans to customers, gross incl. covered bond company (%)	3.3	5.4	3.3	2.3	3.7	4.9	5.4
Annual growth in deposit from customers (%)	22.5	8.3	22.5	21.4	14.6	10.8	8.3
Total assets (BNOK)	299.9	278.7	299.9	296.5	287.0	280.3	278.7
Loans to customers, gross incl. covered bond company (BNOK)	225.8	218.6	225.8	221.3	219.2	220.2	218.6
Risk weighted assets (BNOK)	127.4	121.9	127.4	123.9	121.3	121.5	121.9
Liquidity Coverage Ratio (LCR) (%)	167	159	167	141	157	154	159
Earnings per share (NOK)	5.87	1.87	3.13	2.74	2.30	1.90	0.91
Book value per share (NOK)	96.08	91.32	96.08	93.12	95.97	93.51	91.32

Income statement

Group Income Statement (MNOK)	30.06.2021	30.06.2020	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Net interest income	1,996	2,107	1,001	995	994	1,041	1,026
Net commission and other income	856	690	454	402	370	336	344
Net income on investment securities	459	269	243	216	240	190	297
Total income	3,311	3,066	1,698	1,613	1,604	1,567	1,667
Total operating expenses	1,293	1,162	681	612	629	595	570
Operating profit before impairments	2,018	1,904	1,017	1,001	975	972	1,097
Impairments on loans and financial commitments	179	1,391	58	121	270	369	831
Operating profit before tax	1,839	513	959	880	705	603	266
Tax expense	305	36	143	162	97	98	10
Net profit after tax	1,533	477	816	718	608	505	256

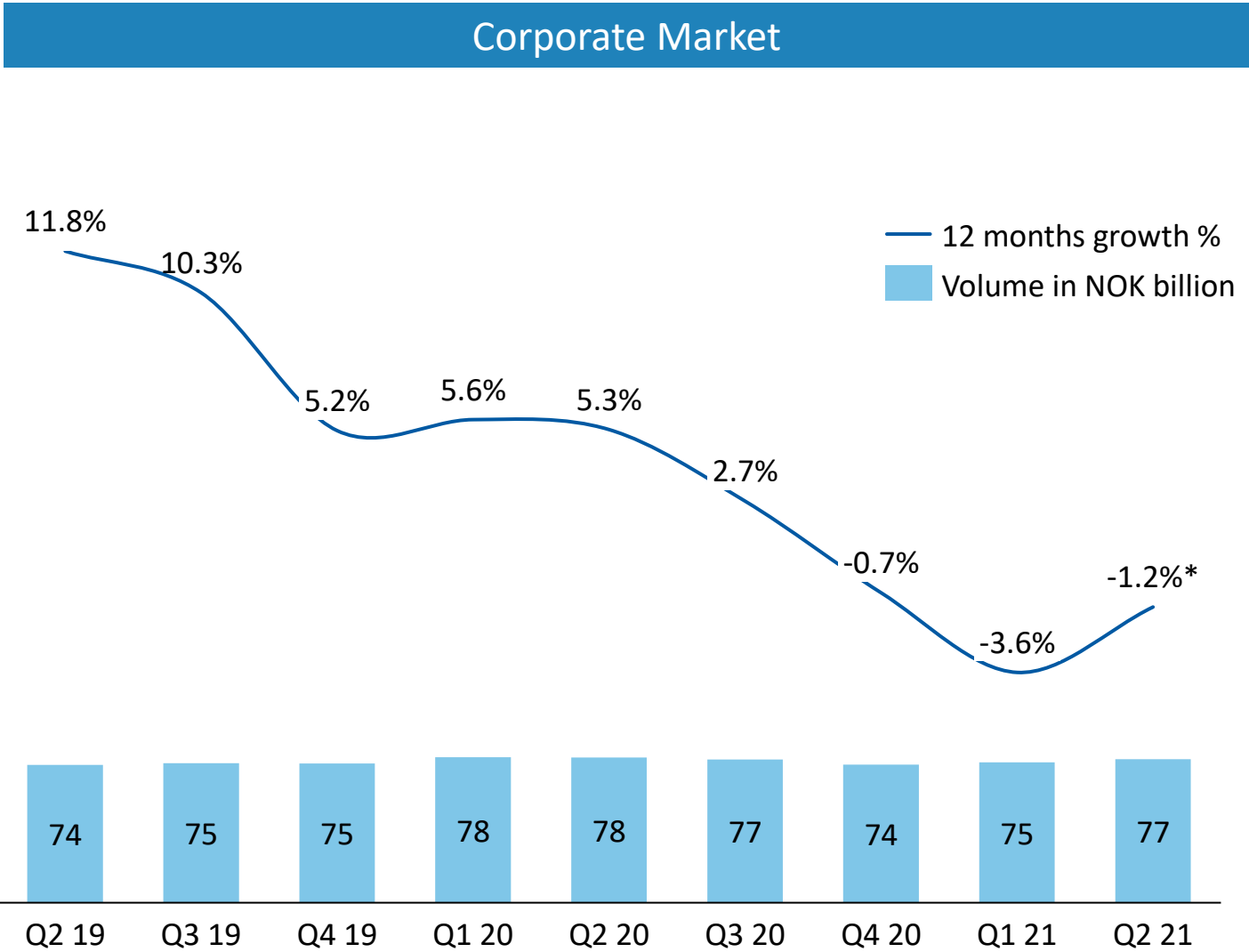
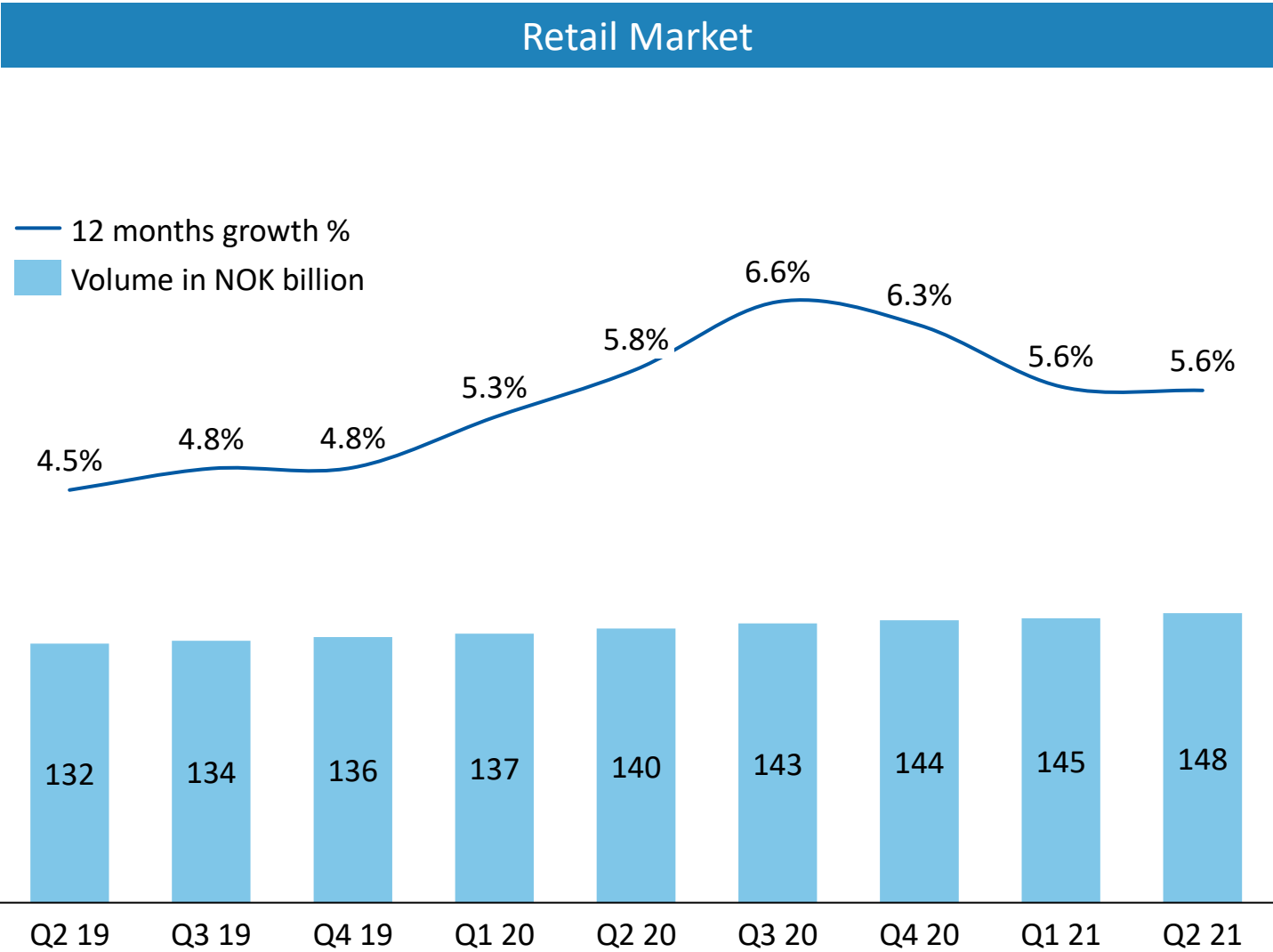
Loan portfolio as at 30 June 2021

- Gross loans (incl. covered bond company) increased to NOK 225.8 billion as at 30 June 2021 from NOK 218.6 billion at the same time the year before.
- 12-month growth in loans of 3.3%.
- Loans to retail customers account for 62.2% of total loans. Of this green home mortgages accounts for 23.1%.



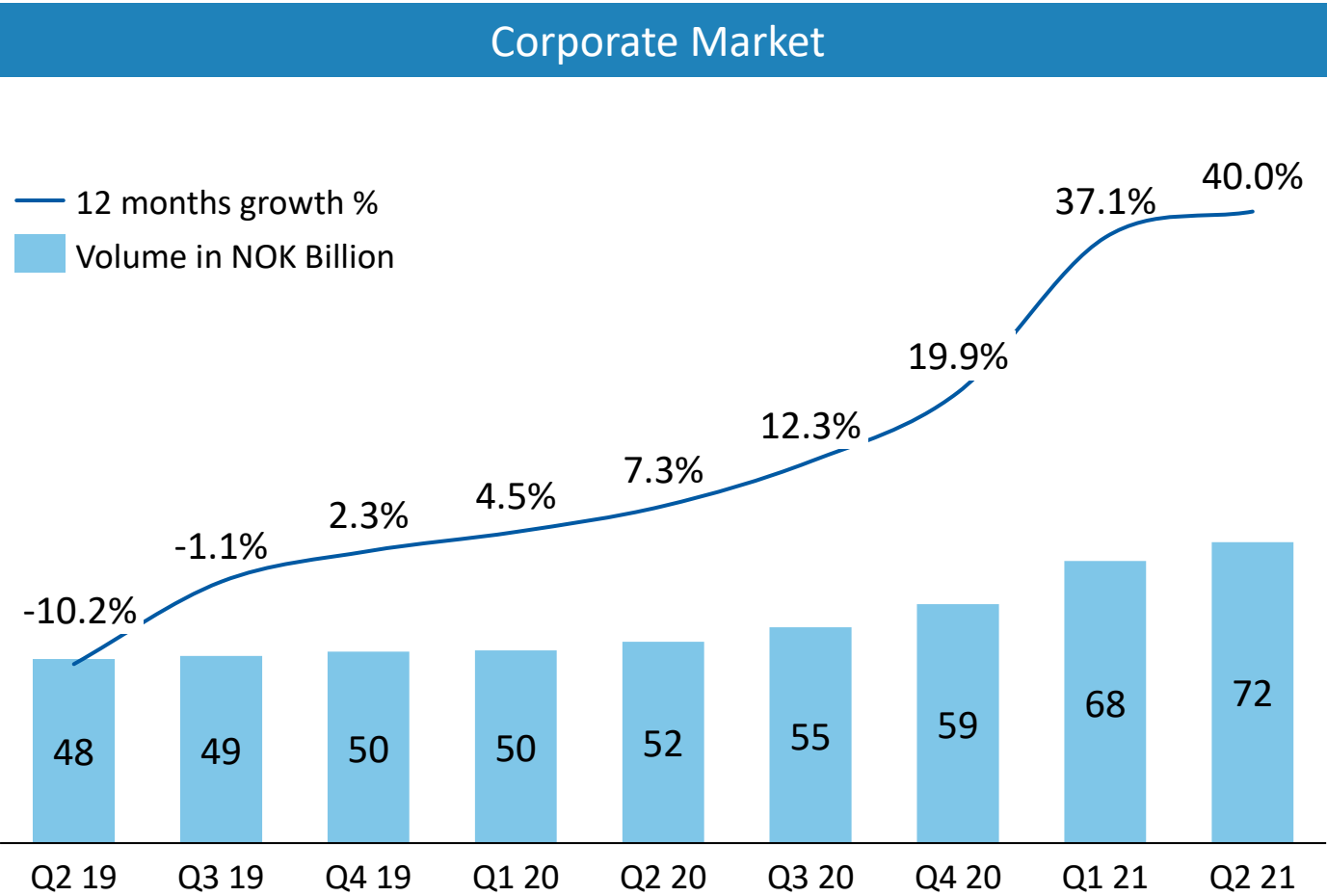
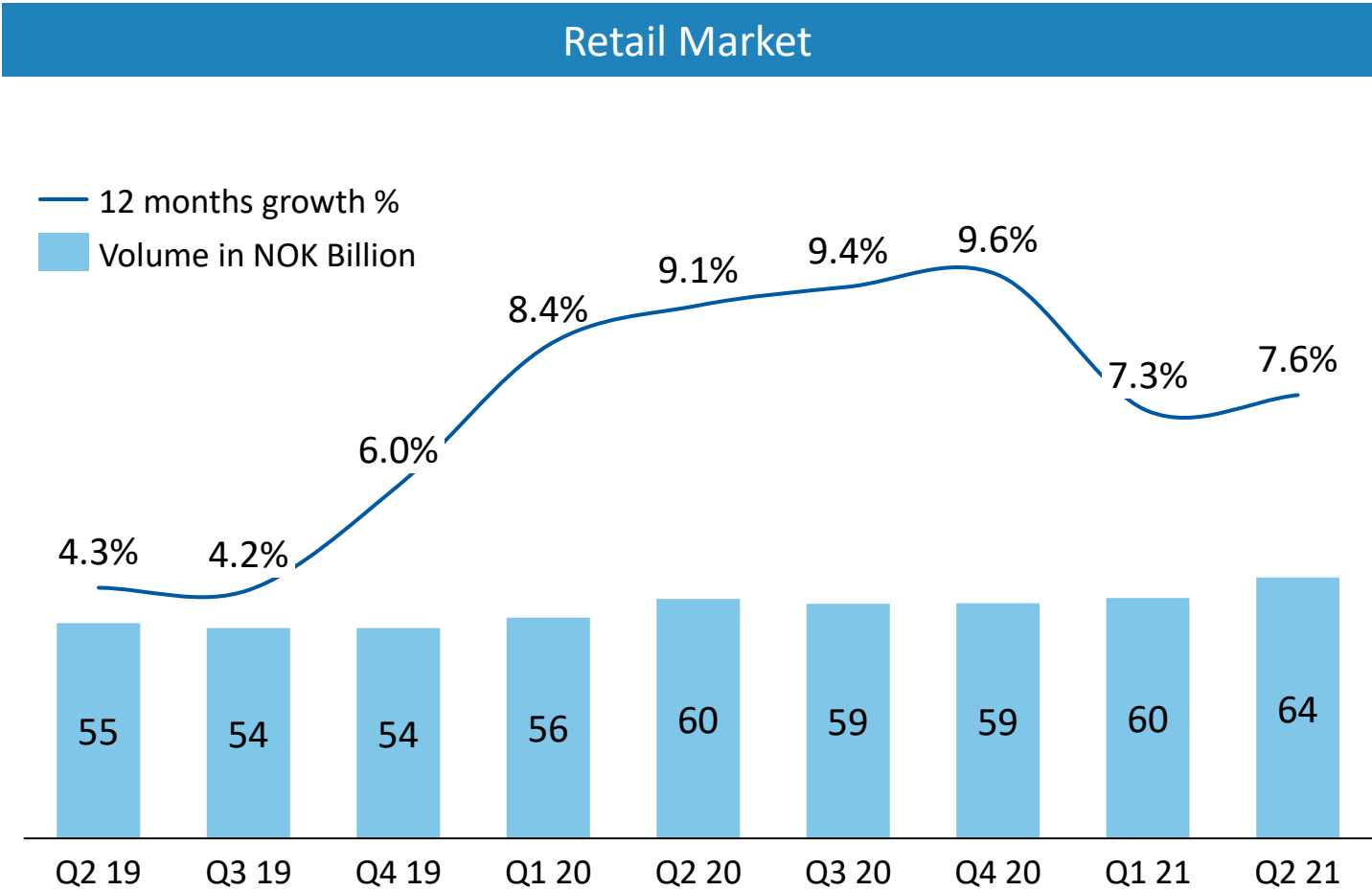
*Loans before impairments, nominal amounts. Sector allocation in accordance with the standard categories from Statistics Norway.
Some customers' classifications were changed in the second quarter of 2021, which resulted in changes to historical figures.*

Lending volume and 12 months growth



Figures incl. loan portfolio in covered bond companies.
*12 months lending growth in Corporate Market excluding currency effect is -0.3%

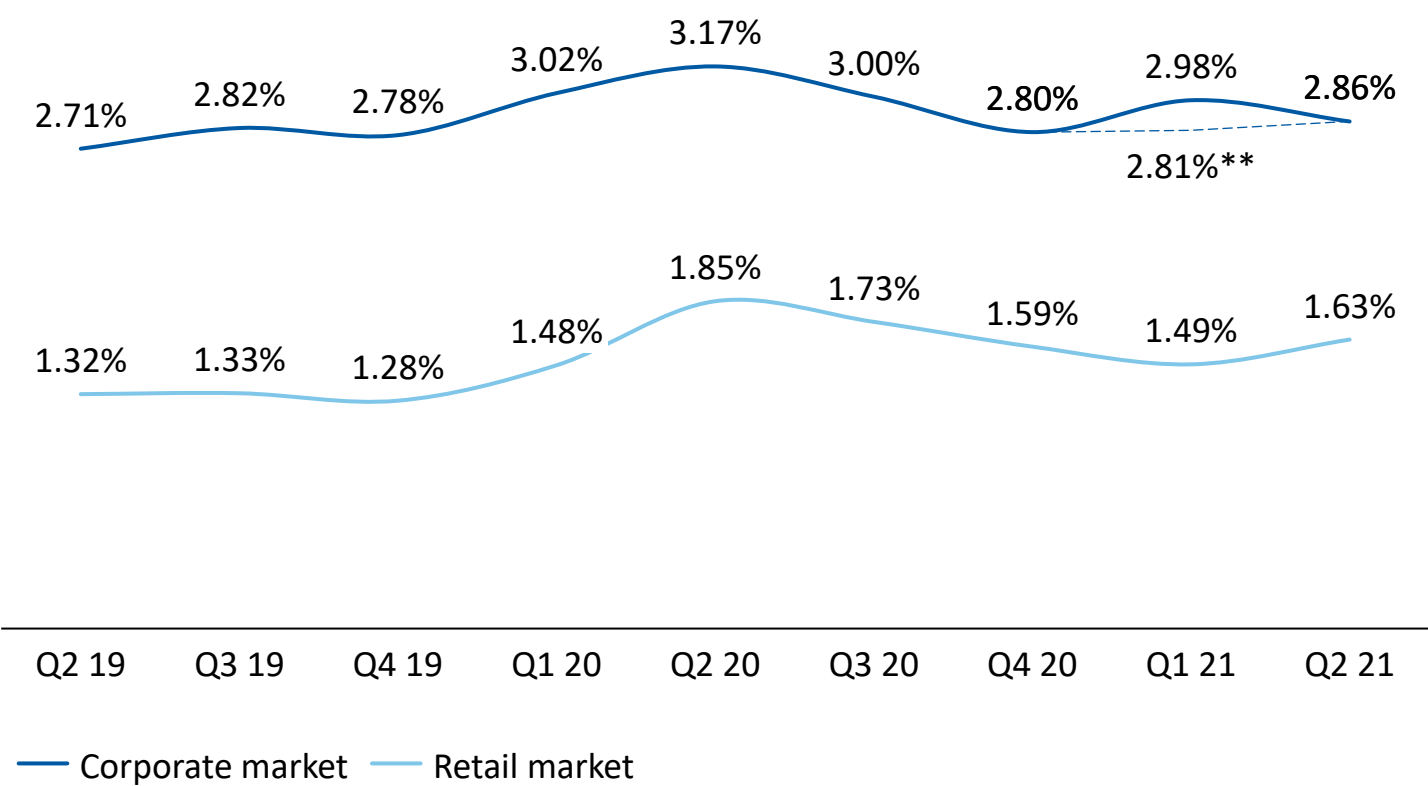
Deposit volume and 12 months growth



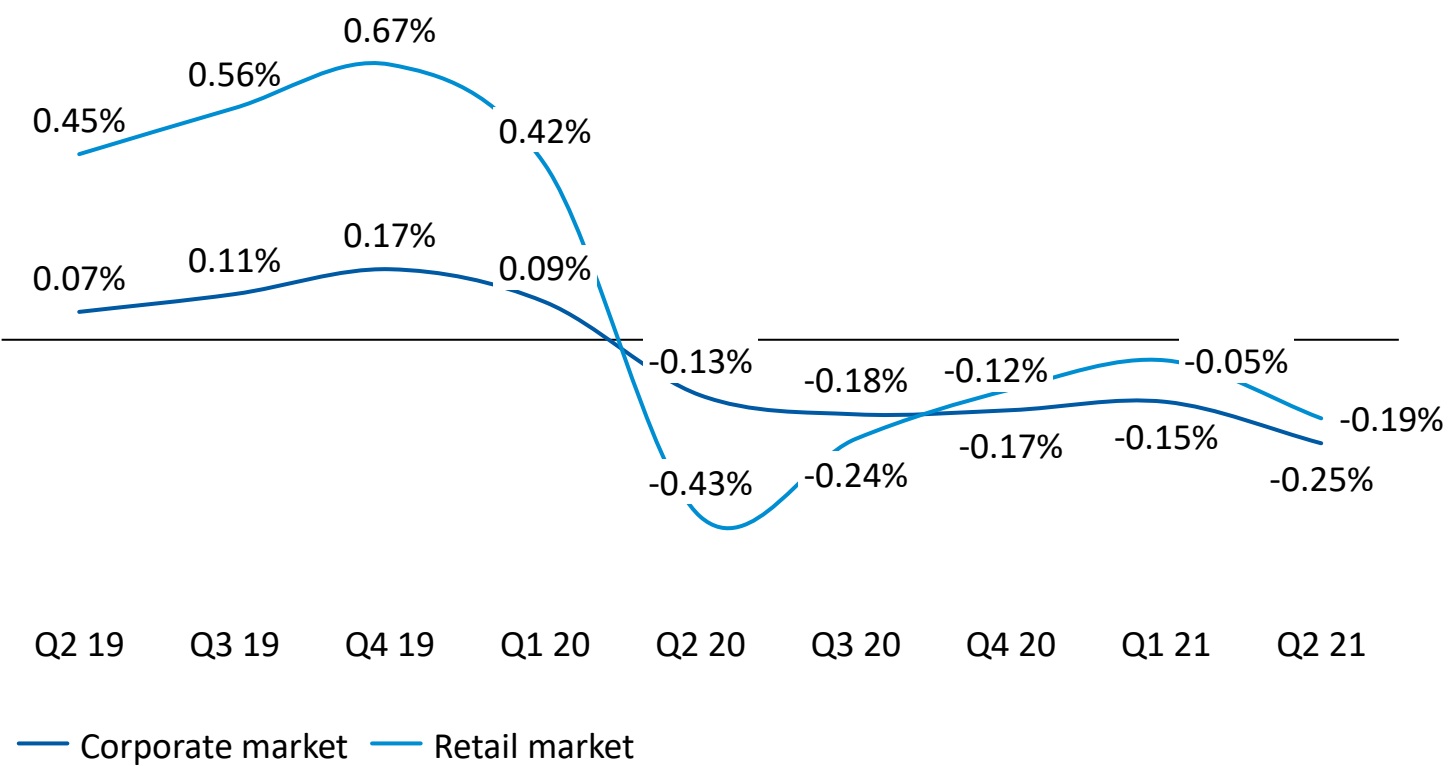
- In the last 12 months the total deposit volume has increased by NOK 25.0 billion to NOK 136.2 billion (22.5%).
 - Deposit growth is 12.1% excl. public sector.
- Volatility in deposit growth in the corporate market is mainly due to changes in deposit from public sector.

Lending and deposit margins

Lending margins*



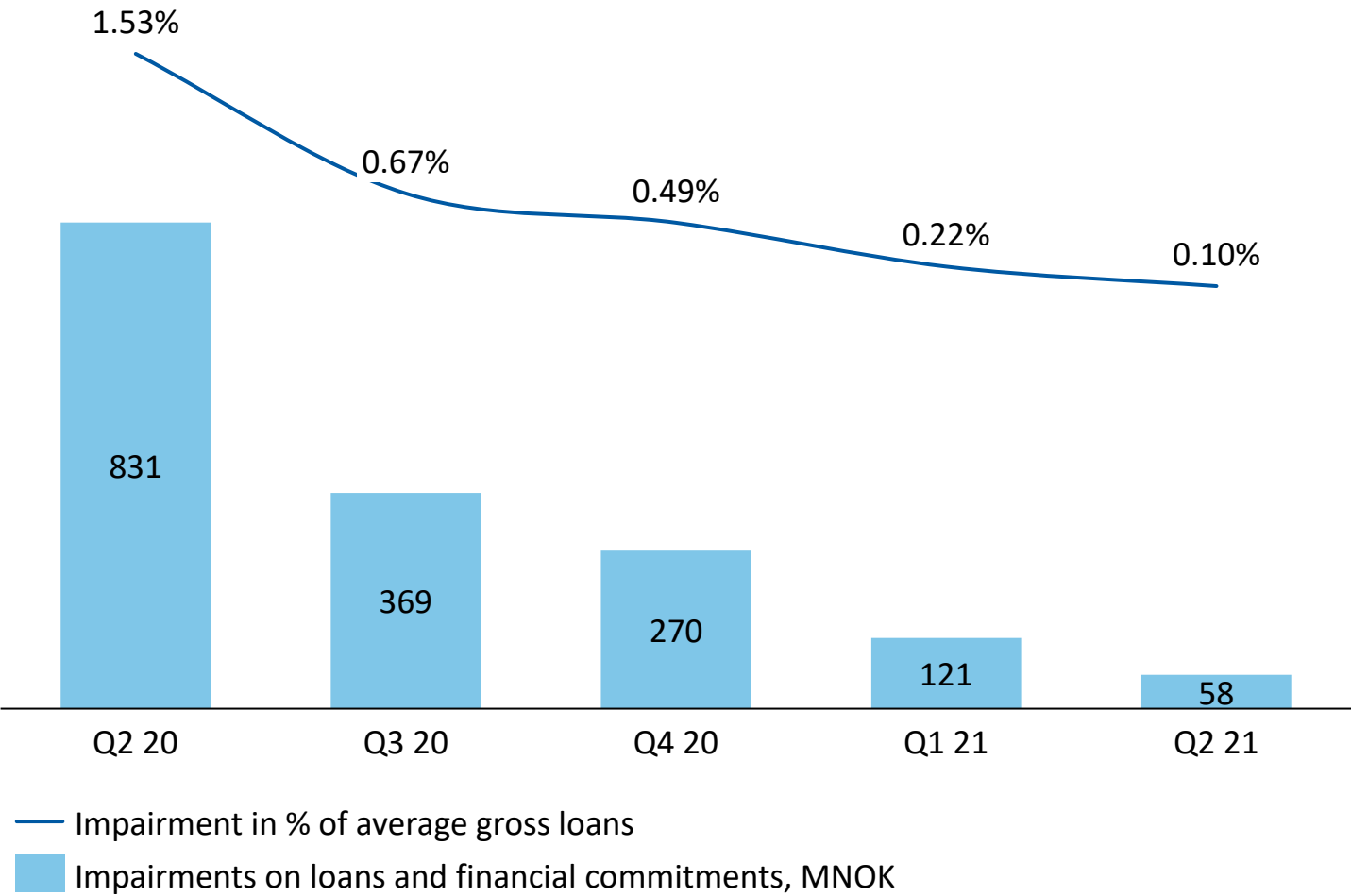
Deposit margins



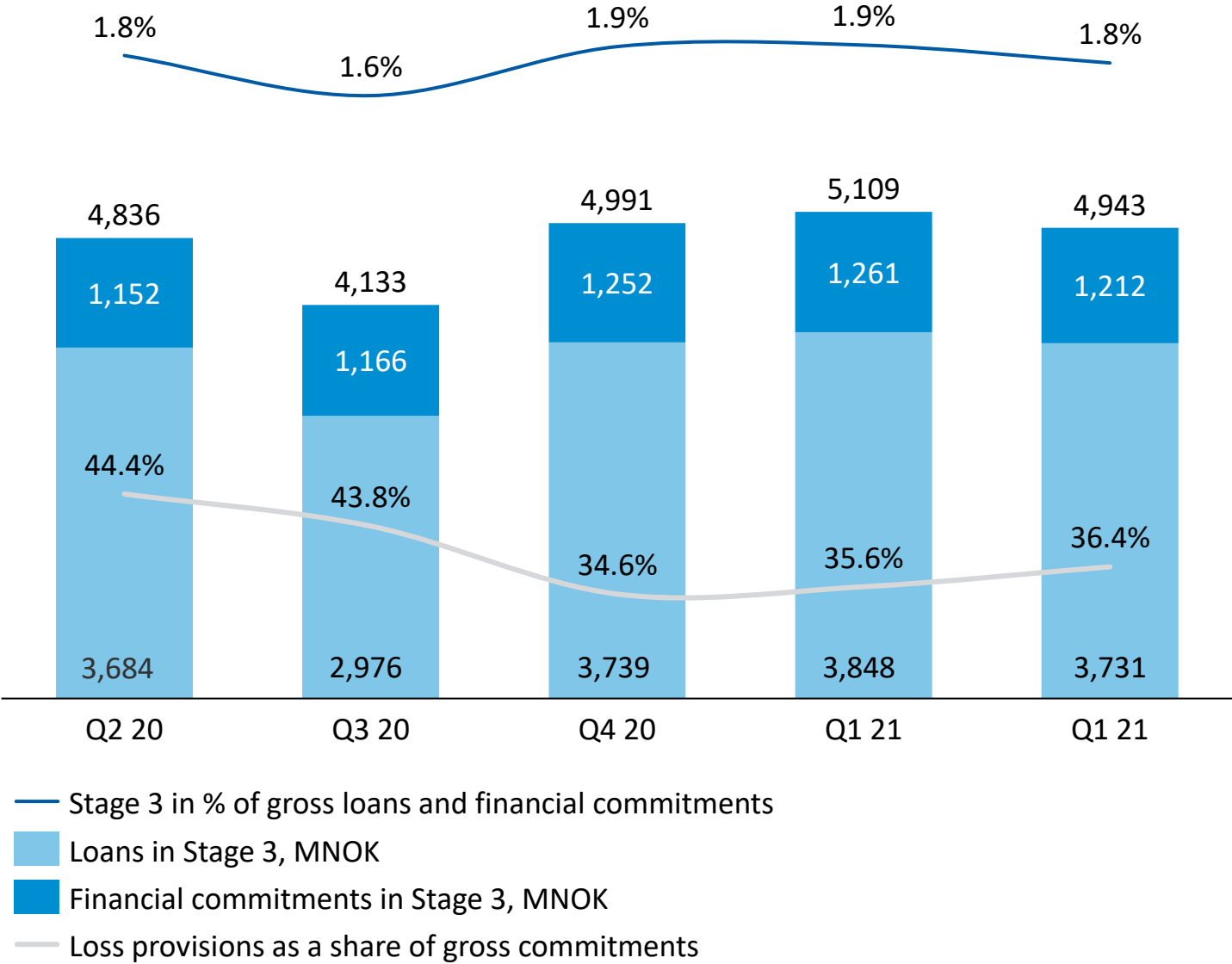
Definition: Average customer rate measured against 3-months NIBOR.
*Lending margins include loan portfolio in covered bond companies.
**The corporate market's lending margin, excluding one-time interest income of NOK 30 million in the first quarter of 2021.

Impairments on loans and financial commitments / Loans and financial commitments defined as Stage 3

Impairments on loans and financial commitments



Changes in gross loans and financial commitments defined as Stage 3



Impairments on loans and financial commitments

Impairments on loans and financial commitments in the income statement (MNOK)

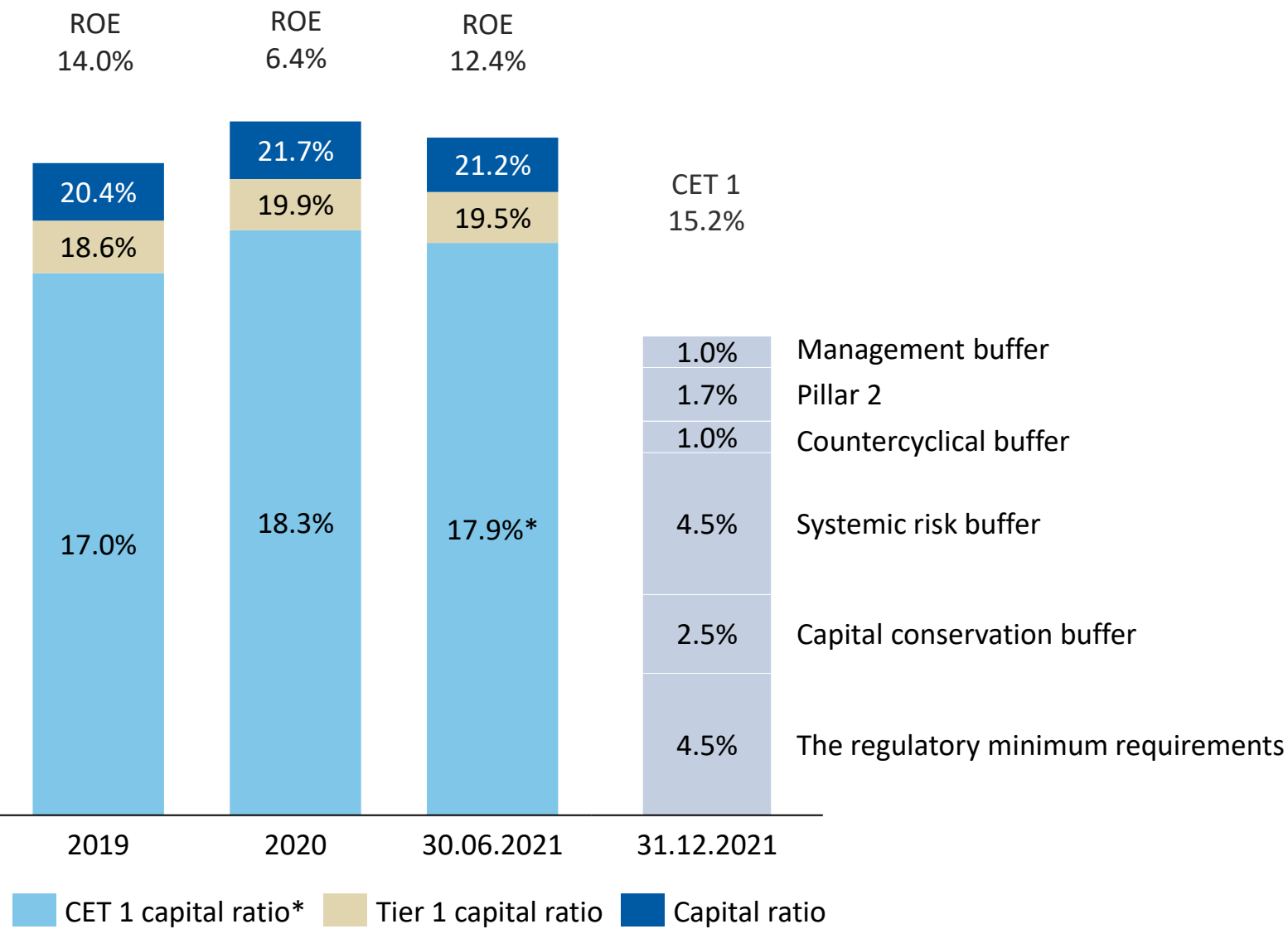
	30.06.2021	30.06.2020	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Corporate customers	180	1,315	59	121	266	360	771
Retail customers	-1	76	-1	0	4	9	60
Total impairments	179	1,391	58	121	270	369	831

Impairments on loans and financial commitments in the balance sheet (MNOK)

	30.06.2021	30.06.2020	30.06.2021	31.03.2021	31.12.2020	30.09.2020	30.06.2020
Corporate customers	2,363	2,695	2,363	2,359	2,258	2,352	2,695
Retail customers	198	218	198	206	213	216	218
Total impairments	2,561	2,913	2,561	2,565	2,471	2,568	2,913

Solid capital ratio

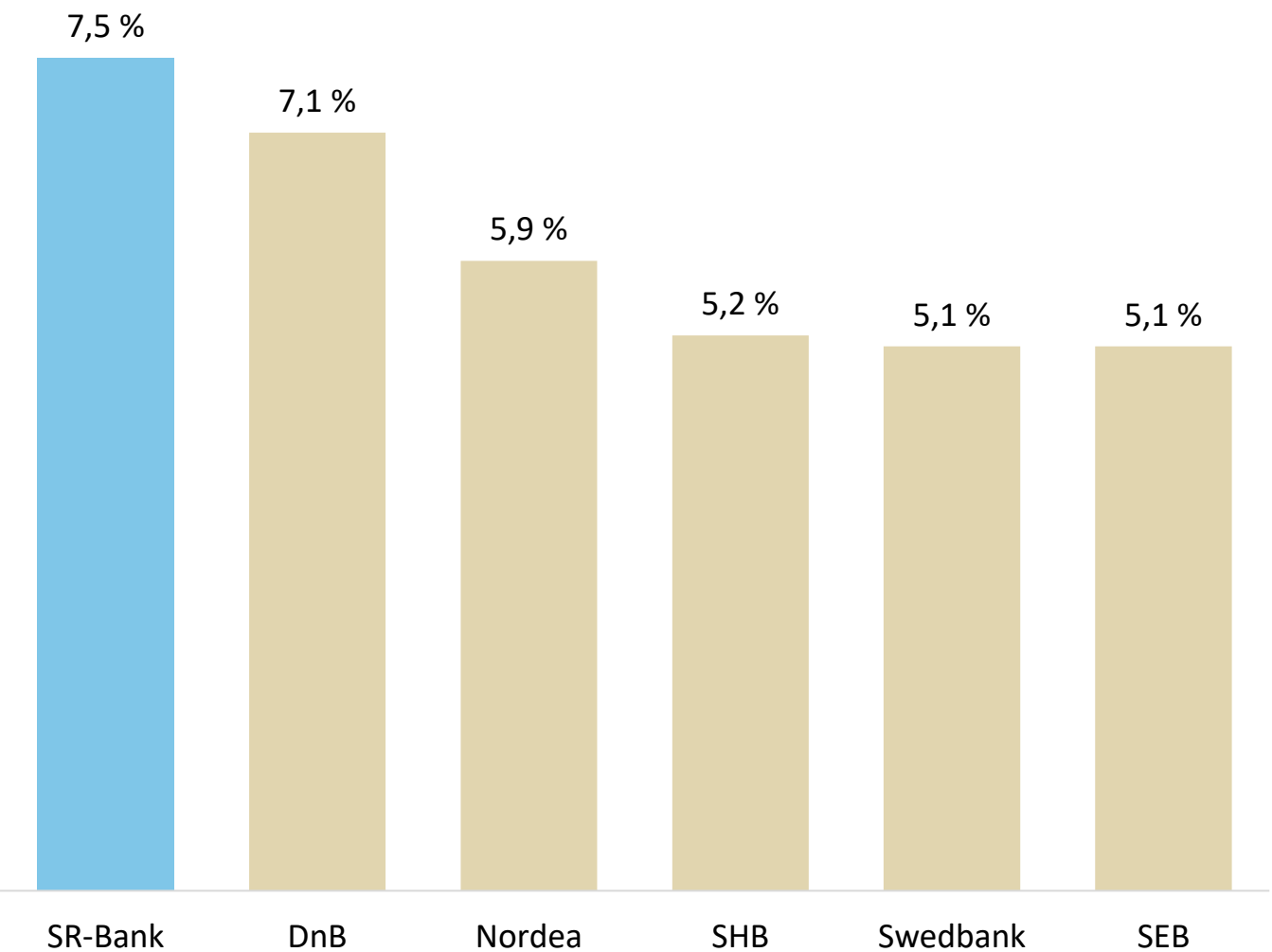
- The CET 1 requirement is 15.2% incl. 1.0% management buffer.
- Target CET 1 is set to 16.7% incl. 1.0% management buffer and maximum countercyclical buffer of 2.5%.
- On 17 June 2021, the Ministry of Finance decided to increase the capital requirement for the countercyclical capital buffer by 0.5 %-points to 1.5% with effect from 30 June 2022, in line with Norges Bank’s advice.
- SpareBank 1 SR-Bank is not defined as a systemically important financial institution (SIFI).
- The leverage ratio was 7.5% as at 30 June 2021, well above the minimum requirement at 5.0%.



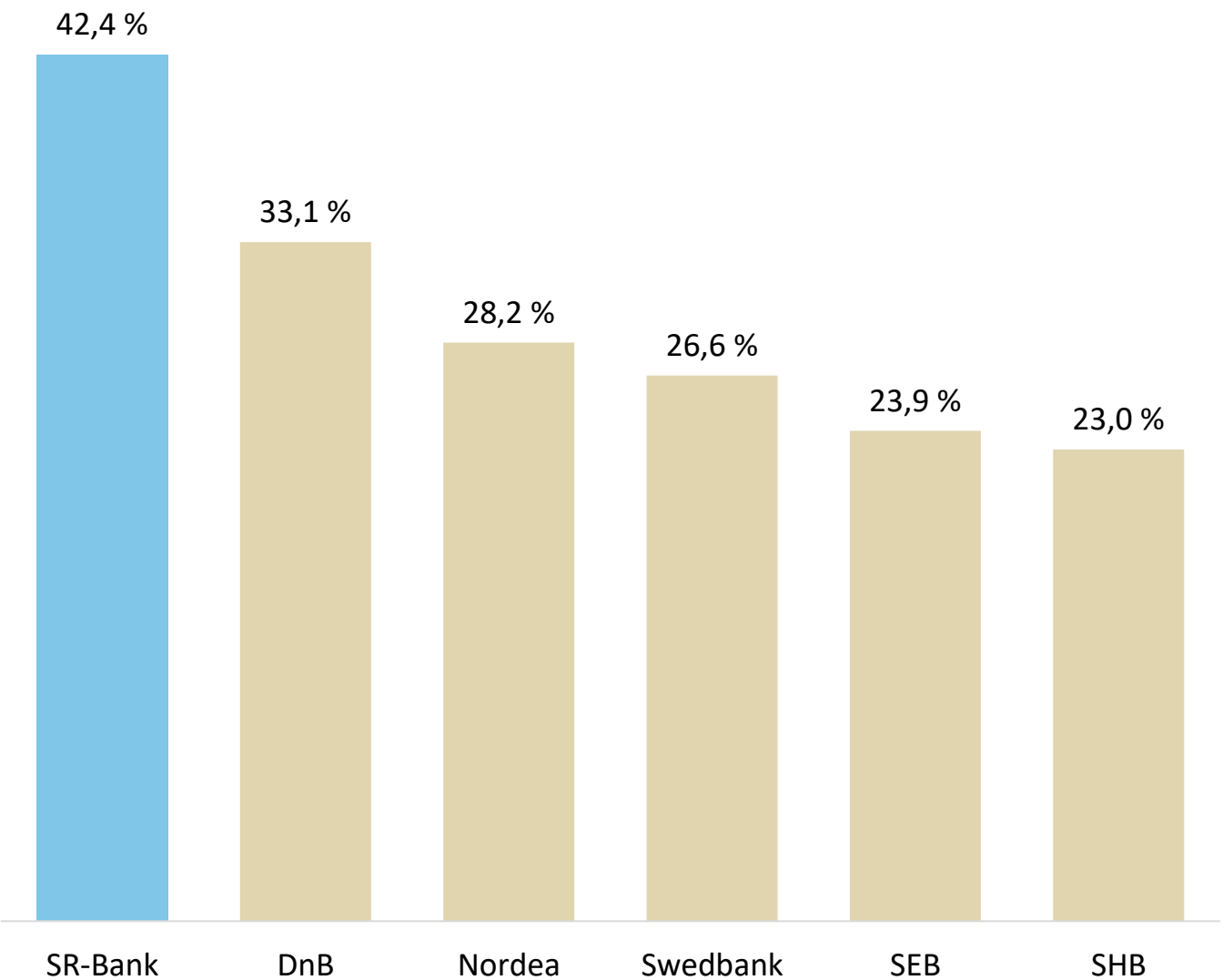
** A decision was made in April 2020 not to pay a dividend for 2019 at that time. The figures reported as at 31 December 2019 have not been restated. The board was granted special authorisation by the general meeting on 28 April 2021 to approve a dividend for the 2020 financial year of up to NOK 3.10 per share, in line with the applicable regulations. This authorisation is valid up to ordinary general meeting in 2022.*

Solid capital

Leverage ratio



Risk weighted density



Peer figures as of 31 December 2020

Funding

- NSFR* 122%
- LCR** 167%
- NOK 21.6 billion net refinancing need over the next 12 months
- Deposit to loans ratio 60.3%
- MREL requirement 34.4%
- The Norwegian FSA recognize that there is uncertainty regarding the MREL subordination requirement, and until clarification they maintain full subordination.

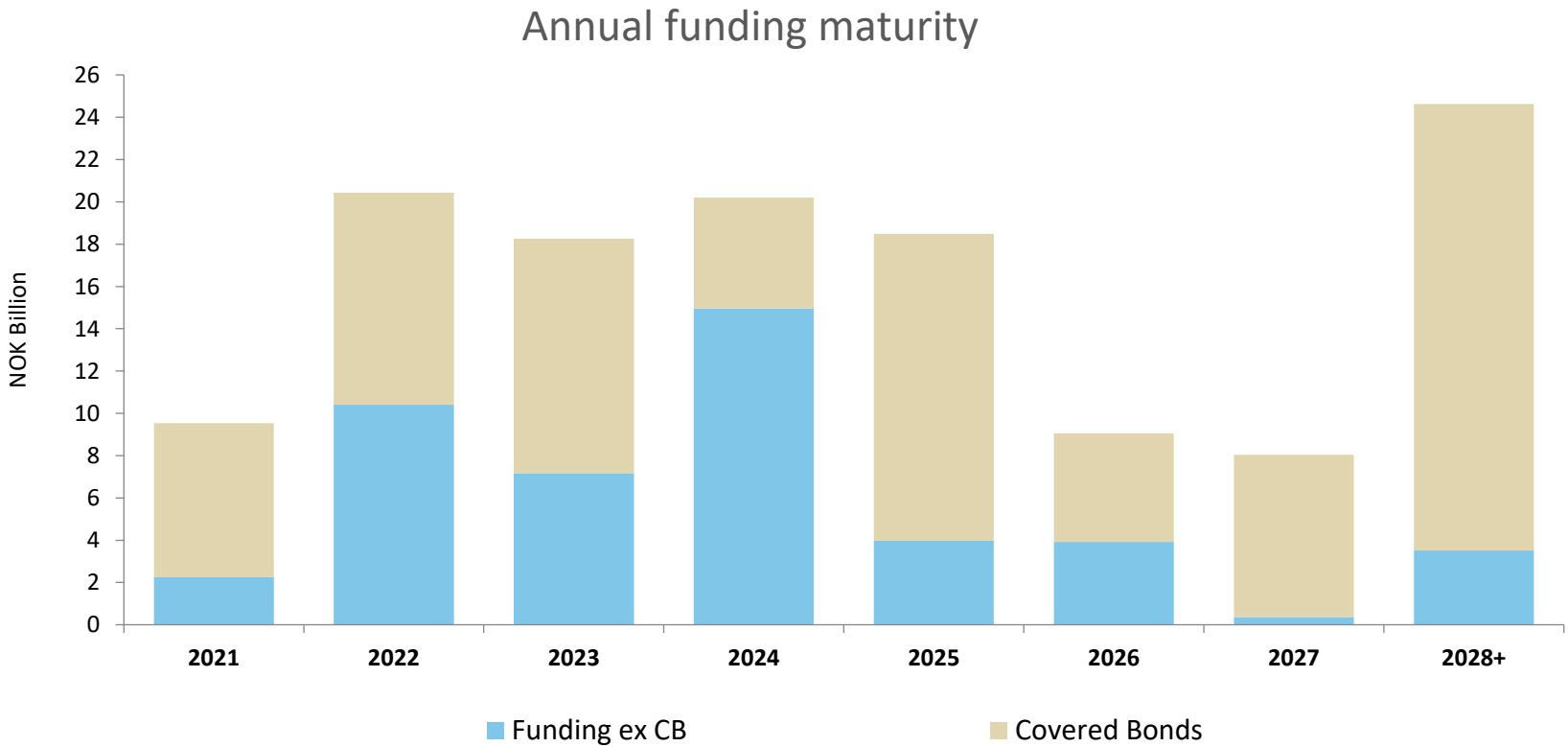
SRBANK

SPAREBANK 1 SR-BANK ASA

(incorporated with limited liability in Norway)

€10,000,000,000

Euro Medium Term Note Programme



SR-Boligkreditt

SR-BOLIGKREDITT AS

(incorporated with limited liability in Norway)

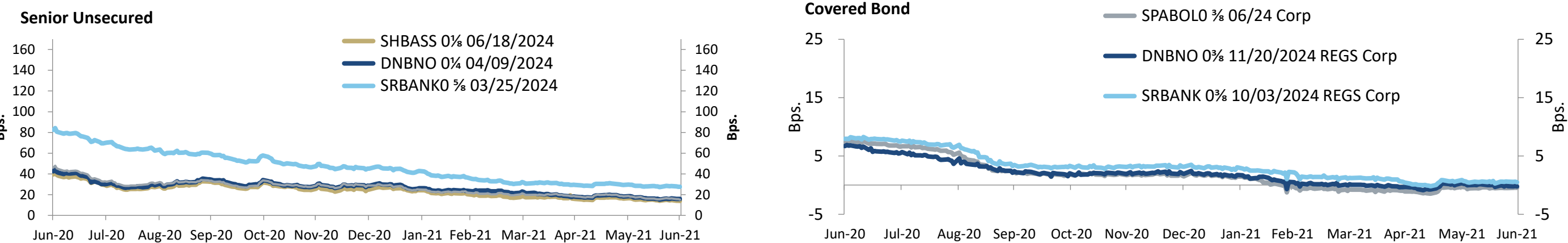
€10,000,000,000

Euro Medium Term Covered Note Programme

*The net stable funding ratio (NSFR) is defined as available stable funding relative to necessary stable funding. NSFR is calculated in accordance with guidelines from the Financial Supervisory Authority of Norway.

**High quality liquid assets divided by total net cash outflow in a 30-day, serious stress scenario.

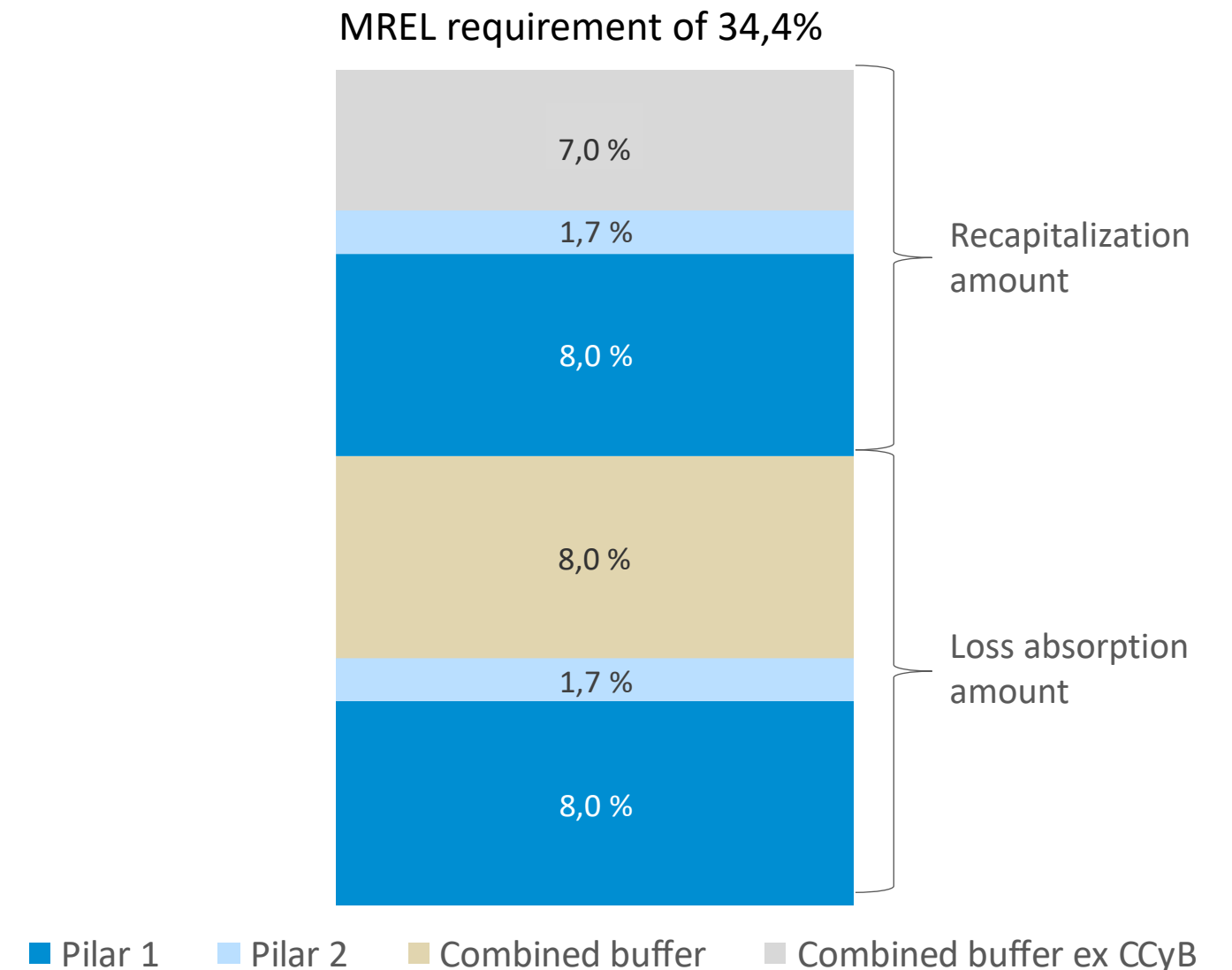
An established borrower in the Euromarket



Issuer / Ticker	Coupon	Amount	Maturity	ISIN
SR-Bank / SRBANK	0.375%	EUR500mn	10-February-2022	XS1516271290
SR-Bank / SRBANK	0.625%	EUR750mn	25-March-2024	XS1967582831
SR-Bank / SRBANK	0.375%	EUR500mn	15-July-2027	XS2363982344
SR-BOL / SRBANK	0.125%	EUR750mn	8-September-2021	XS1429577791
SR-BOL / SRBANK	0.750%	EUR600mn	18-January-2023	XS1344895450
SR-BOL / SRBANK	0.375%	EUR500mn	3-October-2024	XS1692489583
SR-BOL / SRBANK	0.750%	EUR750mn	17-October-2025	XS1894534343
SR-BOL / SRBANK	0.01%	EUR500mn	08-October-2026	XS2063288190
SR-BOL / SRBANK	0.01%	EUR750mn	26-June-2027	XS2194373077
SR-BOL / SRBANK	0.01%	EUR500mn	25-February-2030	XS2124046678
SR-BOL / SRBANK	0.01%	EUR1.000mn	10-March-2031	XS2312584779
SR-BOL / SRBANK	2,500%	USD600mn	12-April-2022	XS1596016847
SR-BOL / SRBANK	Nibor3m +29	NOK5.000mm	17-November-2022	NO0010841380
SR-BOL / SRBANK	Nibor3m +29	NOK5.000mm	29-May-2023	NO0010823255
SR-BOL / SRBANK	Nibor3m +24	NOK 6.000mm	5-February-2024	NO0010891286

MREL

- SR-Bank must meet a minimum requirement for own funds and eligible liabilities (MREL) of 34.4%.
- The requirement applies from 31 March 2020. SR-Bank can include senior debt until the requirement comes into effect 1. January 2024.
- Estimated need for MREL eligible debt is approximately NOK 20 billion.
- Ministry of Finance has proposed a cap on the subordination requirement (public hearing 15 Oct 2020):
Highest of:
- 2x (Pillar 1 + Pillar 2) + Combined Buffer (27.4 %)
- 8 % of total liabilities, including own funds
- If the cap on the subordination requirement is implemented the need for senior non-preferred debt is approximately NOK 13 billion.



Sustainability and Green Bond framework

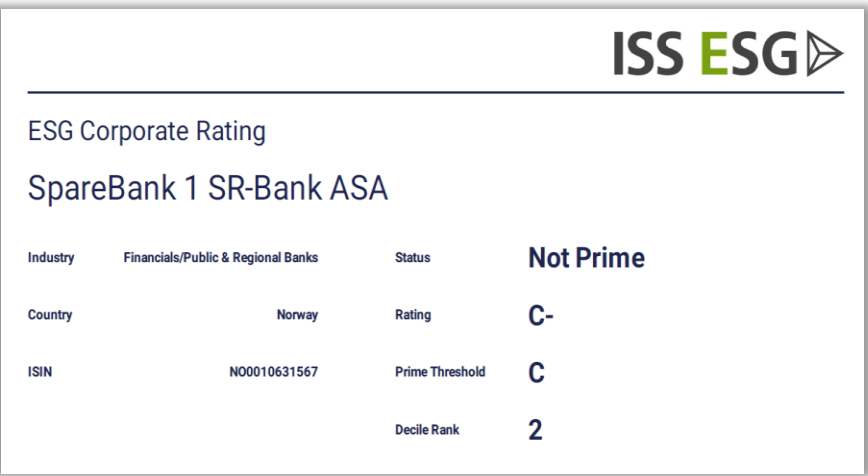


SR-Bank

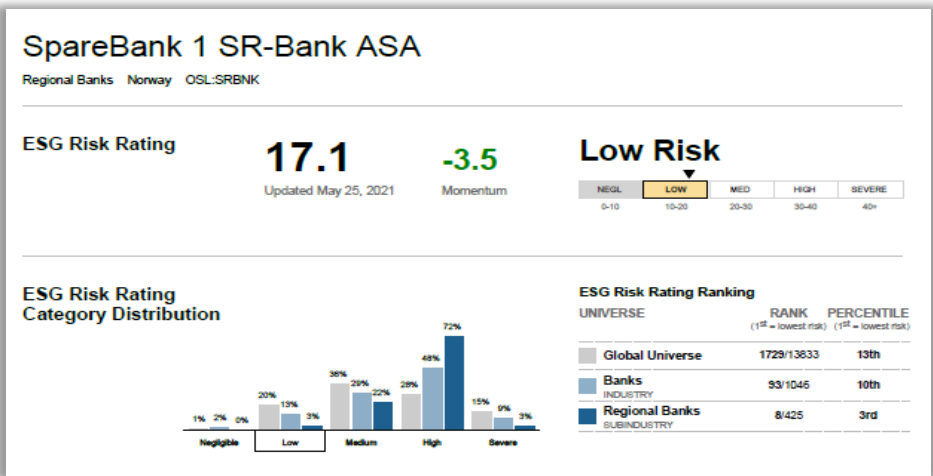
SR-Boligkreditt

ESG ratings

CDP	B
Sustainalytics	17.1 (low risk)
ISS	C- (2 nd decile)
MSCI	A



In ISS's latest ESG assessment of SR-Bank they awarded a score of **C-**. SR-Bank is ranked **in the 2nd decile** indicating high relative performance to those in the same industry. We score **particularly high in the Social and Governance, staff and suppliers and corporate governance and business ethics categories**.

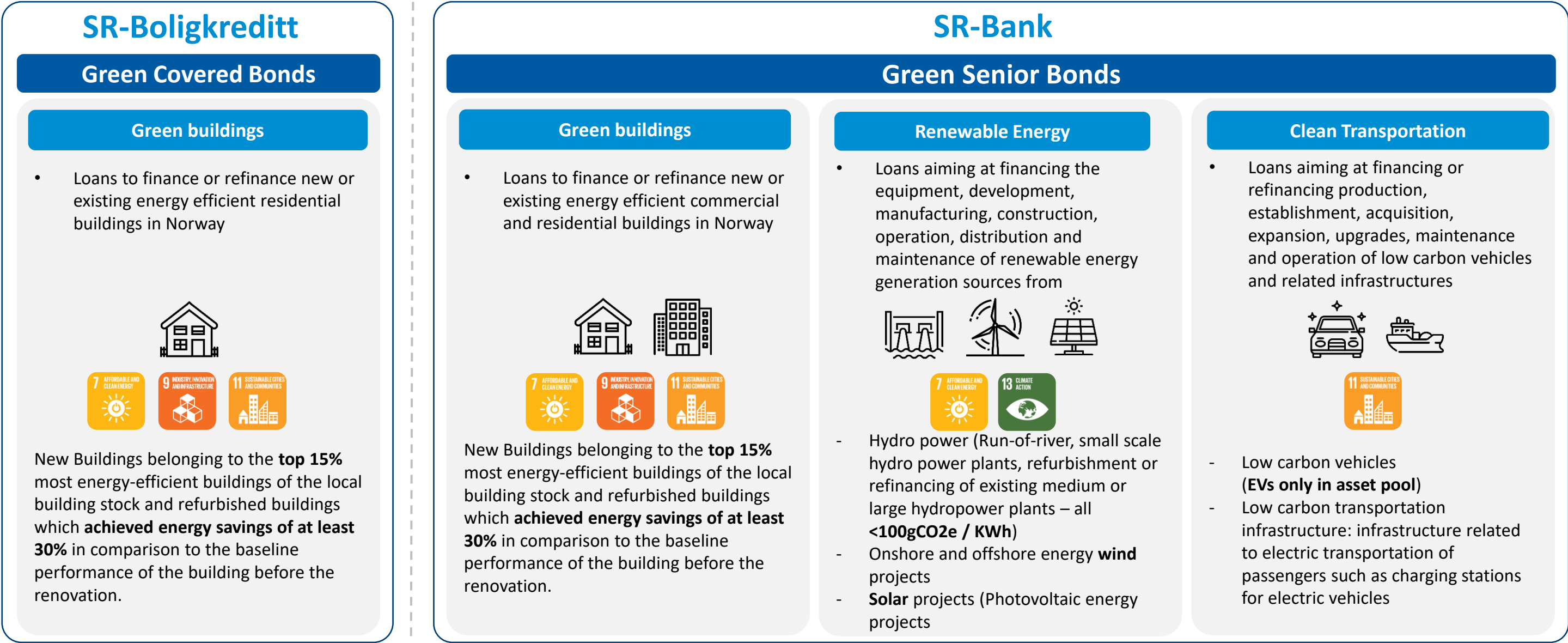


In May 2021, Sustainalytics rated SR-Bank's Overall **ESG Score at 17.1**. SR-Bank is ranked **in 8th position within the Regional Banks subindustry for ESG Risk** and 93/1046 position within the Banks industry group. SR-Bank is located within the **10th Percentile** for banks **13th Percentile** for regional banks.



In April 2021, MSCI rated SR-Bank's Overall **ESG Score at A** an **improvement from its last ranking of BBB**. SR Bank scored **particularly high in the areas of corporate governance and human capital development**.

Use of Proceeds overview



1 **SR-Bank**

2 **SR-Boligkreditt**

3 **Norwegian economy**

4 **Appendix**

Overview SR-Boligkreditt



- SR-Boligkreditt is a wholly owned subsidiary of SR-Bank and a dedicated covered bond company. Its objective is to purchase mortgages and to finance these by issuing covered bonds.
- Loans are transferred to SR-Boligkreditt as true sale on a non-recourse basis.
- **Rated Aaa by Moody's**
 - Cover Bond anchor: SR-Bank, rated A1 (stable)
 - CR assessment: A1, TPI leeway of 3 notches
 - Minimum OC-requirement 3.5%
 - The minimum level of over-collateralization is set at 2.0% in SR-Boligkreditt's Covered Bond Programme
- SR-Boligkreditt has implemented the common Harmonised Transparency Template of the European Covered Bond Council which is available on website: www.sr-bank.no/sr-boligkreditt

Eligibility criteria

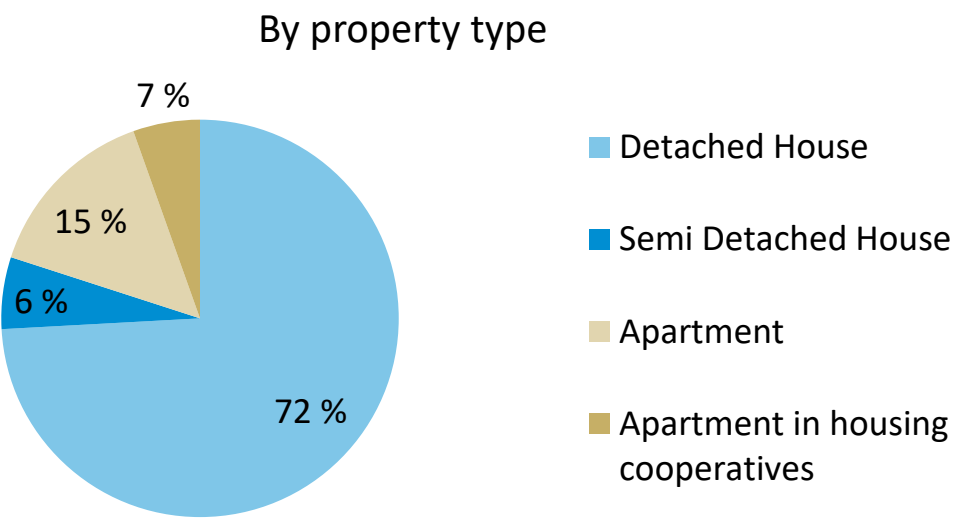
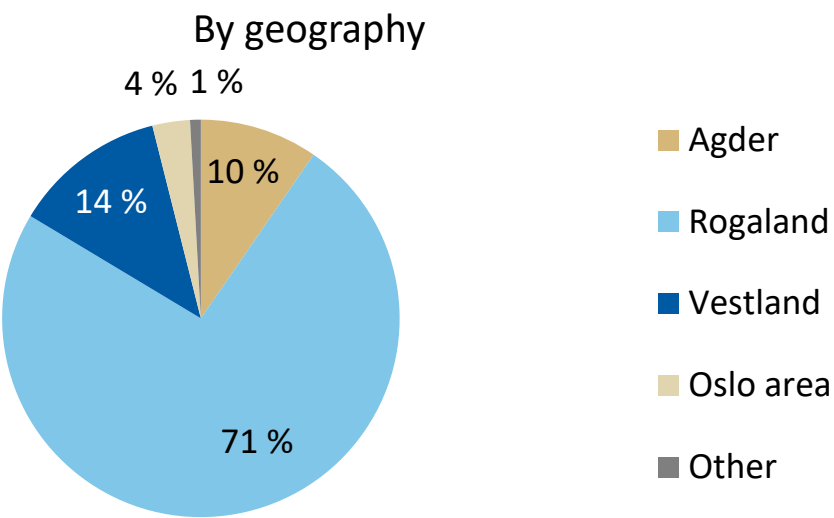
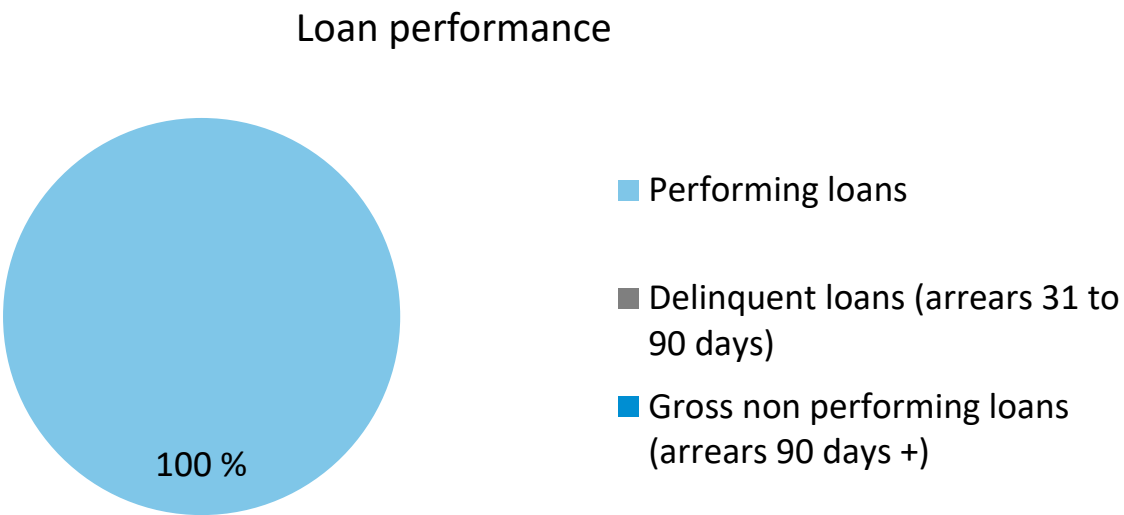
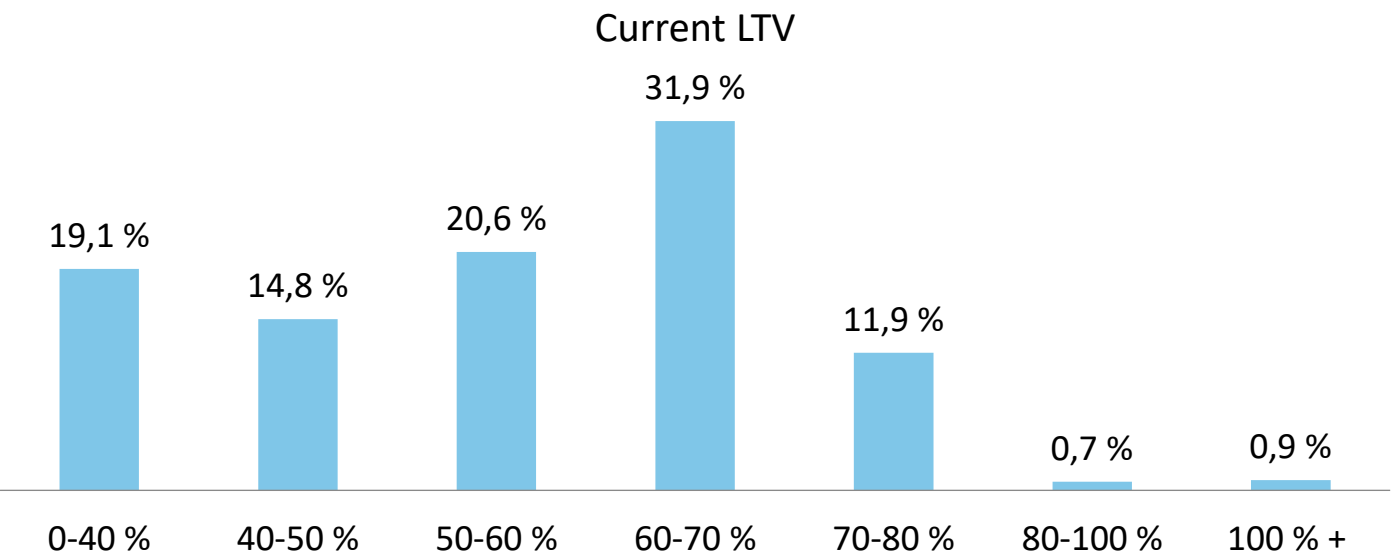


Type of properties	<ul style="list-style-type: none"> • Primary residential property in Norway (including detached houses, terraced houses, apartments and cooperative housing units) • The mortgage property shall not be "buy-to-let" (mortgages to individuals owning more than 3 properties)
Collateral	<ul style="list-style-type: none"> • Max 75% LTV or less at the time of transfer (max 60% LTV for flexible loans/revolving credits) • The valuation of the mortgage property must be no less than 36 months old and carried out by an independent third party • Quarterly valuation of the mortgages in the pool from an independent source
Credit criteria	<ul style="list-style-type: none"> • No adverse credit history the previous year • Probability of default max 2.5%
Type of products	<ul style="list-style-type: none"> • Amortising loans (straight line or annuity) • Non-amortising loans (flexible loans/revolving credits)

Cover pool characteristics (nominal values)

Assets/status	<ul style="list-style-type: none"> 100 % mortgages on Norwegian private residential properties 100 % performing loans
Cover pool	<ul style="list-style-type: none"> NOK 92.6 bn: Residential mortgages 91.2 (98.5%), Substitute assets 1.4 bn (1.5%)
Mortgages and rate	<ul style="list-style-type: none"> 49,545 loans at a weighted average interest rate of 1.8%
Average loan balance	<ul style="list-style-type: none"> 1,843,830
Weighted average original LTV	<ul style="list-style-type: none"> 61.5%
Weighted average current LTV	<ul style="list-style-type: none"> 54.8%
Weighted average seasoning	<ul style="list-style-type: none"> 8.5
Weighted average life	<ul style="list-style-type: none"> 15.1 years
Principal payment frequency	<ul style="list-style-type: none"> Amortizing 78.0%, non-amortizing 22.0%
Rate type	<ul style="list-style-type: none"> 100 % floating rate loans
OC-level	<ul style="list-style-type: none"> 17.1%
OC-level if house prices drop 20 %	<ul style="list-style-type: none"> 11.3%

Cover pool characteristics



1 **SR-Bank**

2 **SR-Boligkreditt**

3 **Norwegian economy**

4 **Appendix**

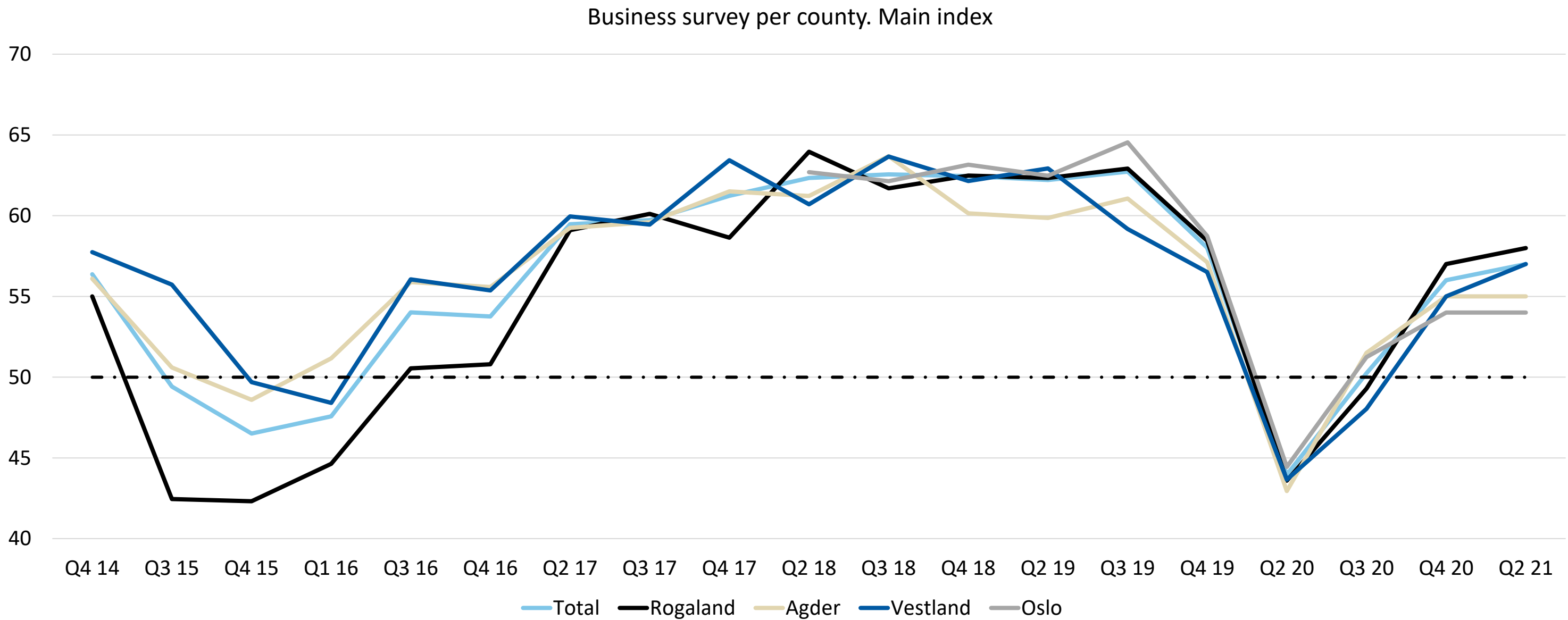


Robust economy supported by a large sovereign wealth fund

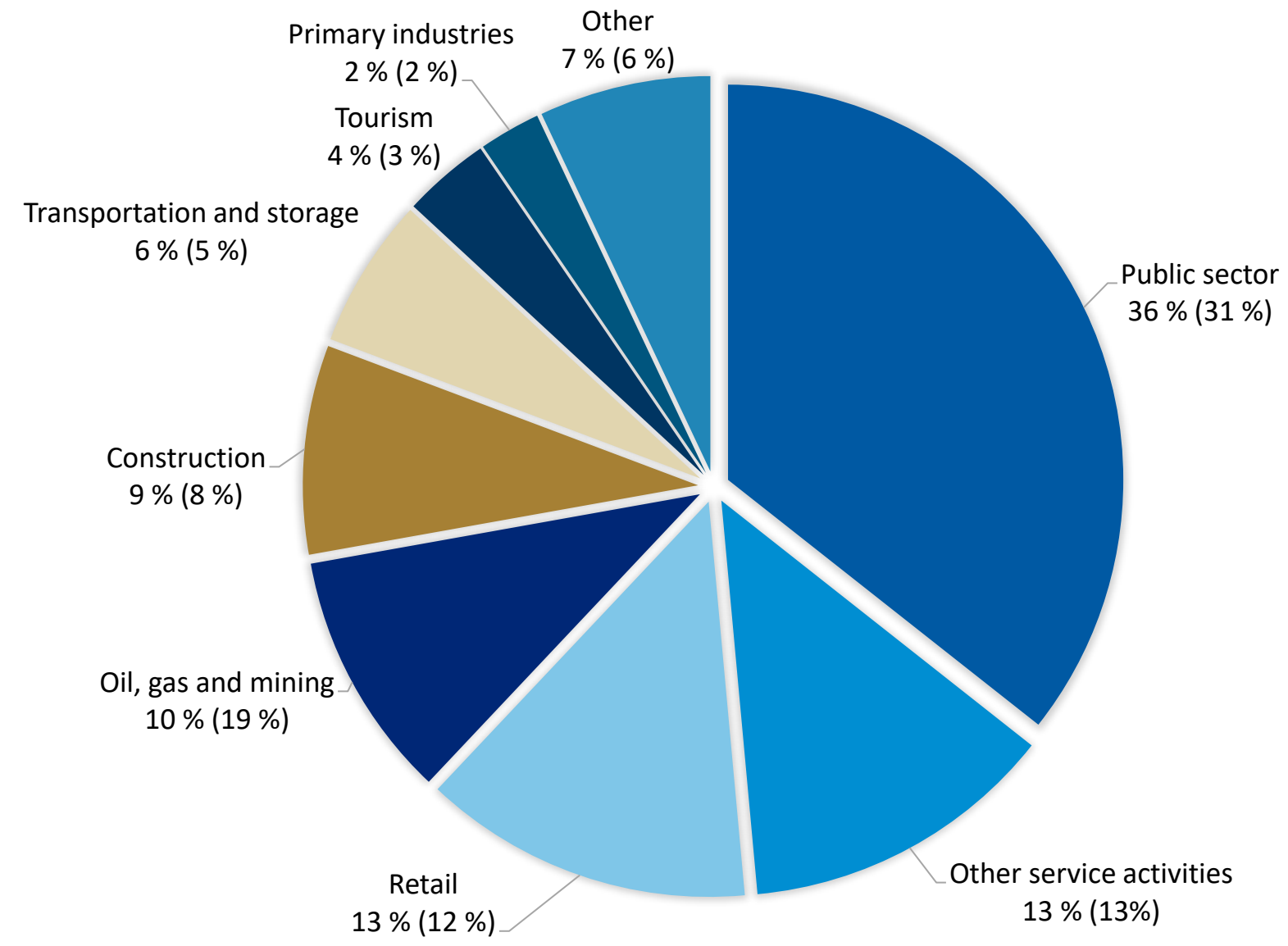
Economic Indicators (%)	2012	2013	2014	2015	2016	2017	2018	2019	2020P	2021P	2022P	2023P
GDP mainland, annual change (%)	3,7	2,3	2,2	1,4	0,9	2,0	2,2	2,3	-2,5	3,1	4,1	2,4
Household consumption, annual change (%)	3,5	2,8	2,1	2,7	1,1	2,2	1,6	1,4	-6,9	5,1	7,9	3,3
Public consumption, annual change (%)	1,5	1,0	2,7	2,4	2,3	1,9	0,5	1,9	1,7	2,7	1,6	1,2
Investment mainland, annual change (%)	7,4	2,9	0,4	-0,2	9,0	6,8	1,5	4,0	-4,1	0,9	3,2	1,6
Investment public sector	-1,8	11,8	4,5	0,2	6,4	2,6	8,1	7,2	-1,0	1,1	1,3	1,1
Investment offshore oil and gas, annual change (%)	14,6	19,0	-1,8	-12,2	-16,0	-5,4	0,7	12,6	-4,1	-1,0	-6,0	10,0
Housing prices, annual change (%)	6,8	4,0	2,7	6,1	7,0	5,0	1,4	2,5	3,9	9,2	3,3	2,0
Oil price, USD/bbl. Actual	112	109	100	53,0	45,0	55,0	72,0	64,0	43,0	66,0	65,0	62,0
Inflation rate (CPI) %	0,8	2,1	2,0	2,1	3,6	1,8	2,7	2,2	1,3	3,1	1,8	1,8
3 month NIBOR %	2,2	1,8	1,7	1,3	1,1	0,9	1,1	1,6	0,7	0,5	1,1	1,7
Mortgage rate %	3,9	4,0	3,9	3,2	2,6	2,6	2,7	3,0	2,6	2,0	2,3	2,8
Household savings ratio	6,9	7,2	7,7	9,8	6,9	6,6	5,9	7,6	15,4	11,9	7,9	7,5
Unemployment rate (registered at labour office)*	2,6	2,7	2,7	3,0	3,0	2,7	2,5	2,3	5,0	3,3	2,3	2,2
HH sector real disposable income, annual change (%)	4,4	4,0	2,3	5,4	-1,6	2,0	1,0	2,3	2,5	0,9	3,5	2,2
Current account surplus, share of GDP (%)	12,6	10,3	10,8	8,0	4,5	5,5	8,0	2,8	1,9	8,3	9,2	9,2
Sovereign Wealth Fund, share of mainland-GDP (%). Actual	160	190	230	270	270	290	290	310	350	350		

Sources: Statistics Norway, Thomson Reuters Datastream and Central Bank of Norway

PMI

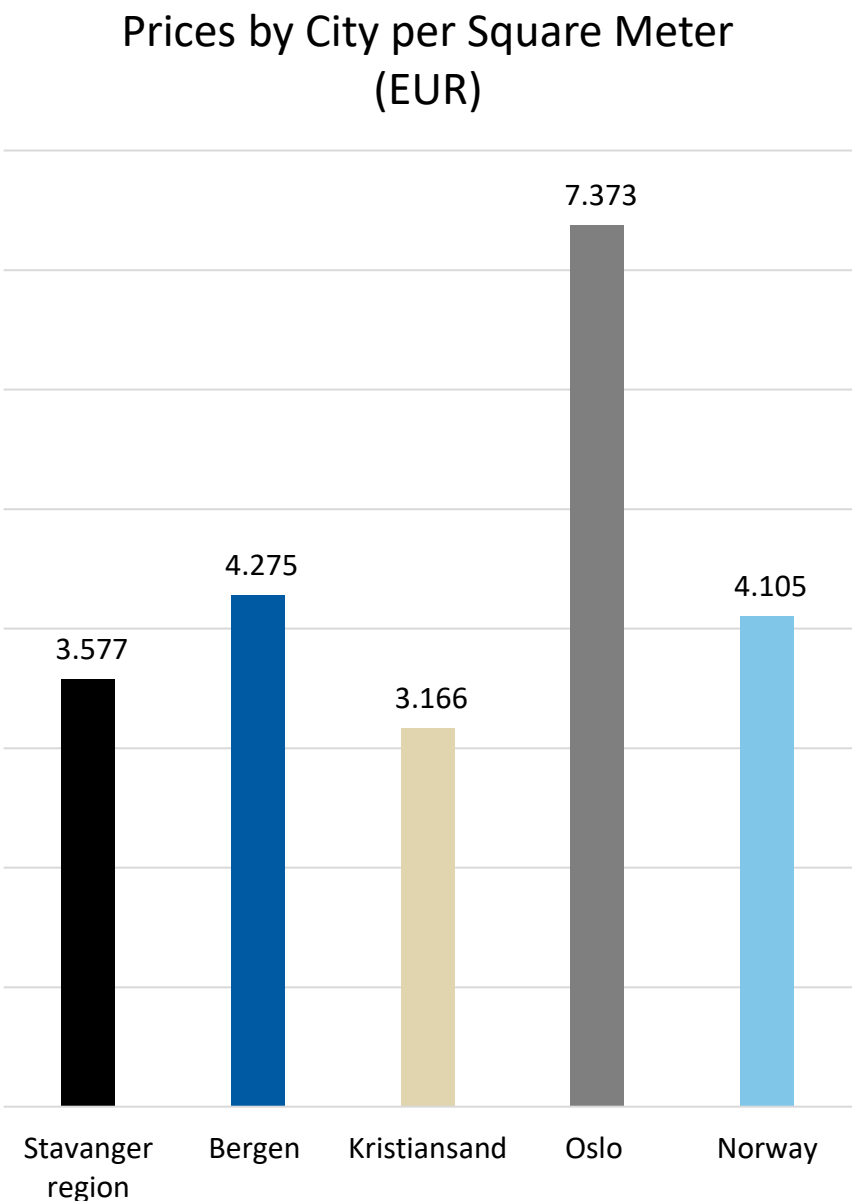
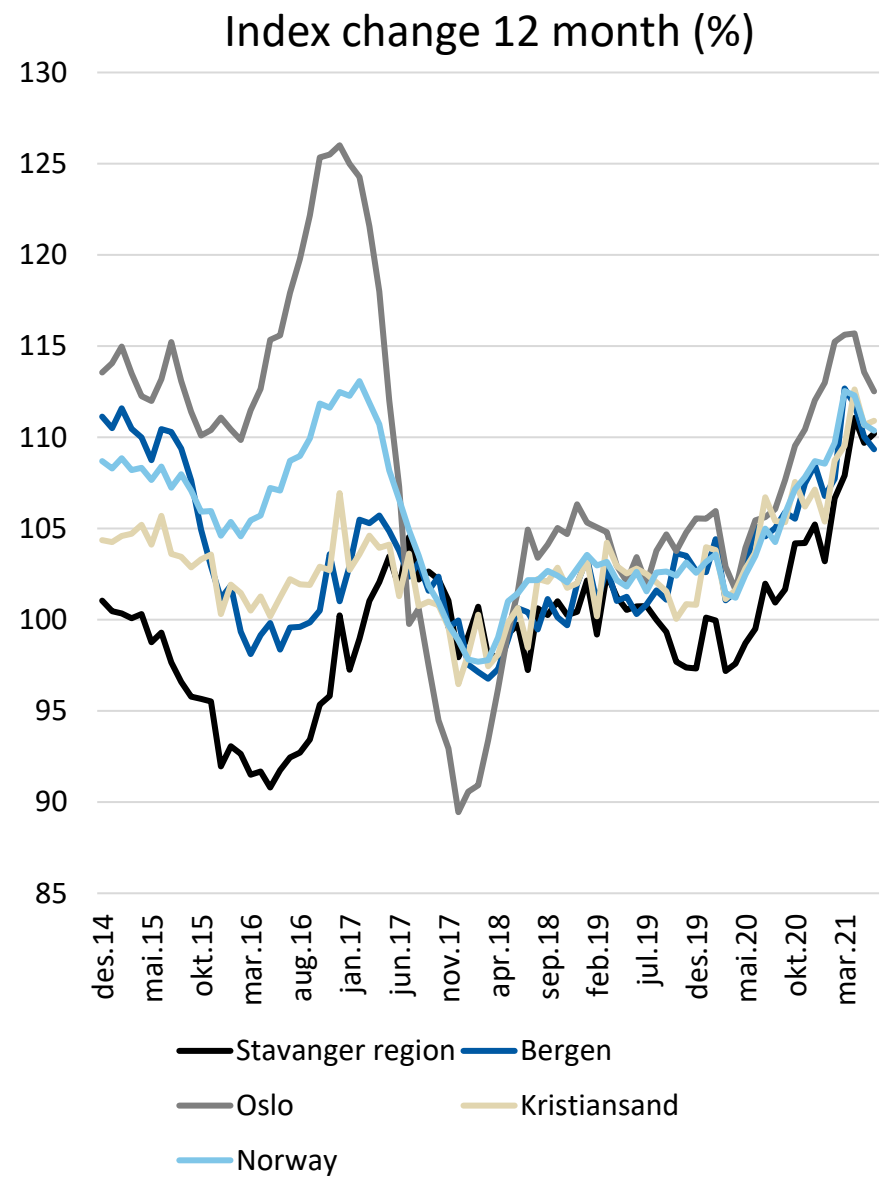
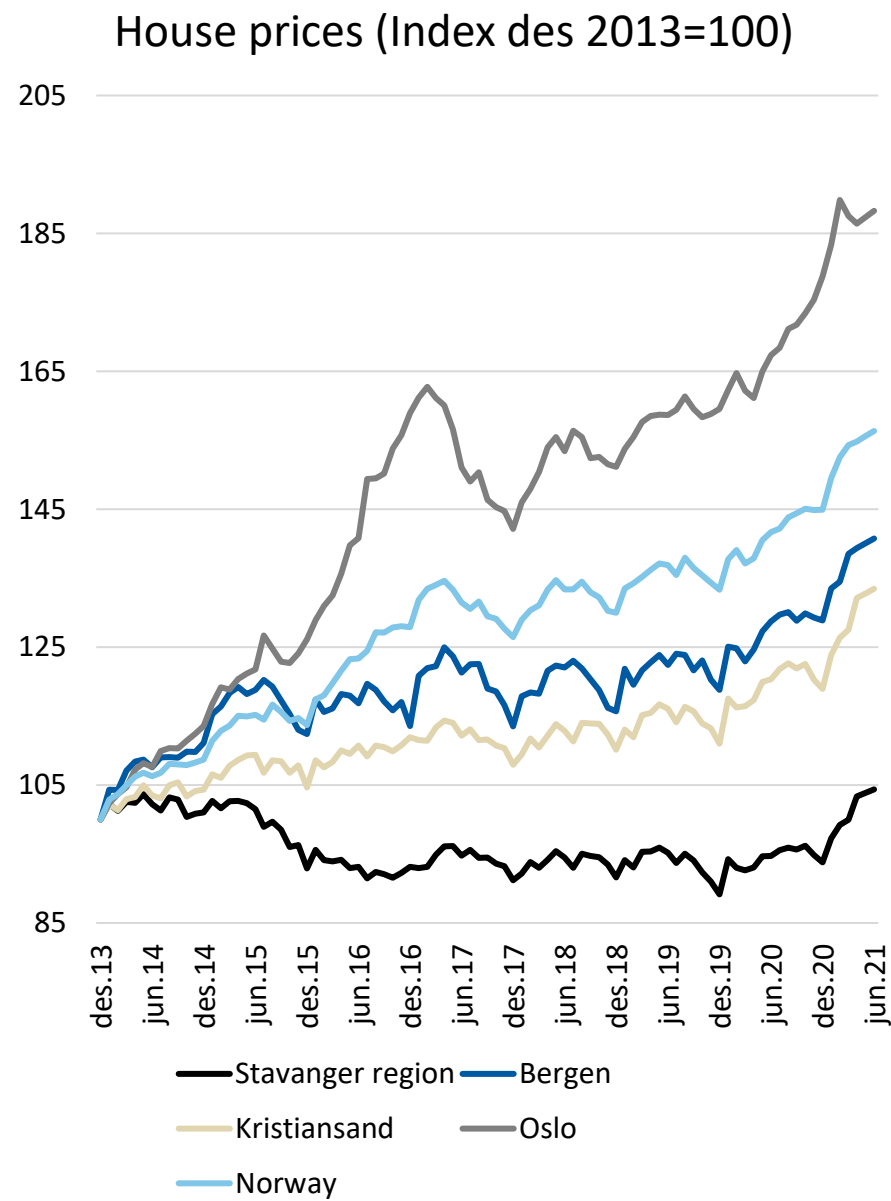


Employment in Norway versus the Southwest region (Rogaland, Vestland and Agder)



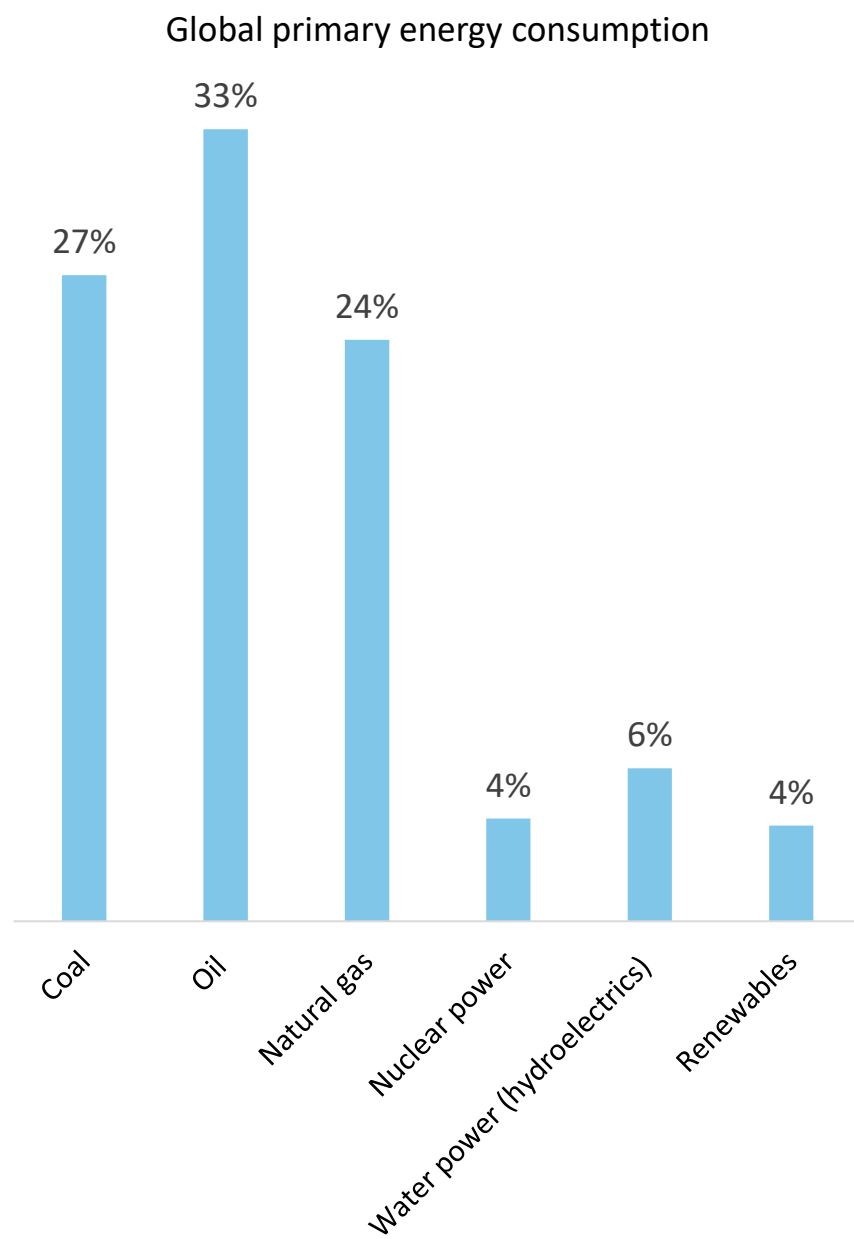
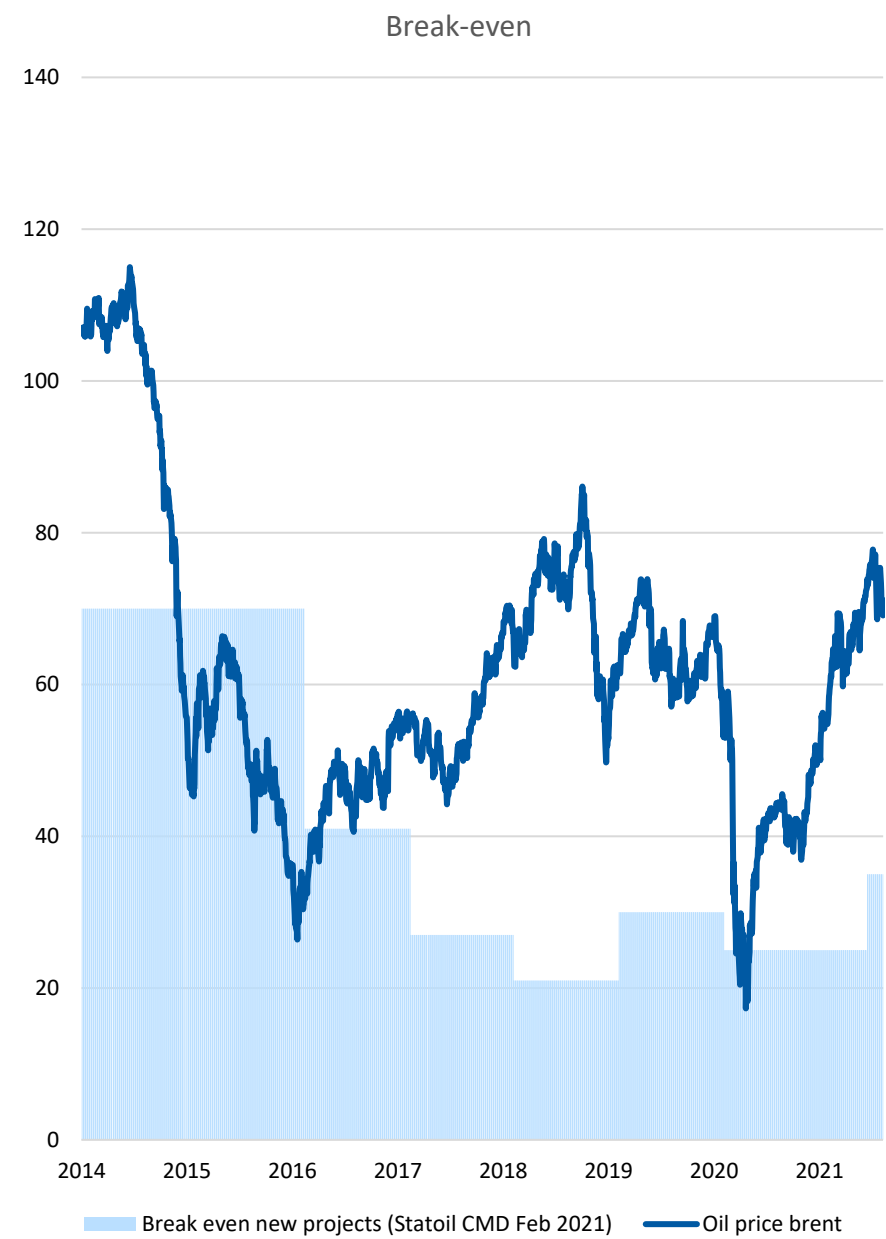
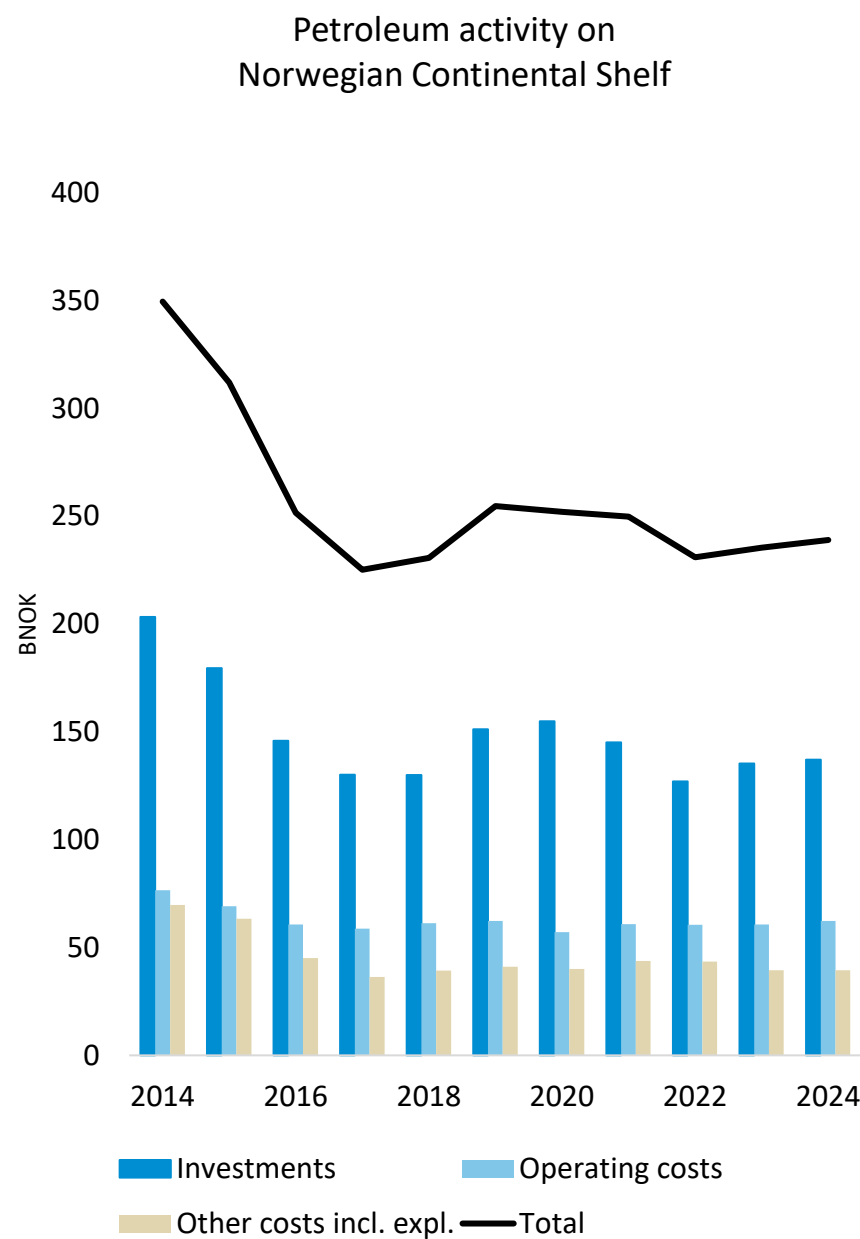
Source: Statistics Norway (2018)

Housing market



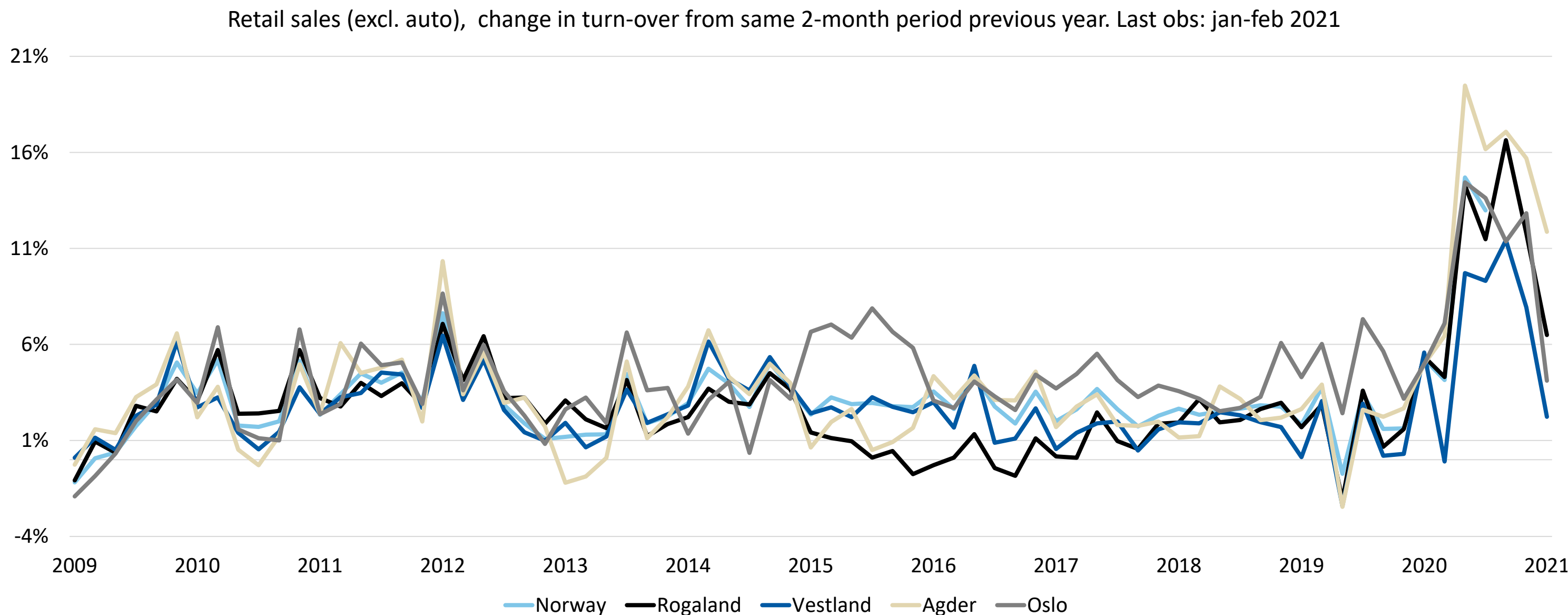
Source: Eiendom Norge and Eiendomsverdi

Petroleum activity in Norway



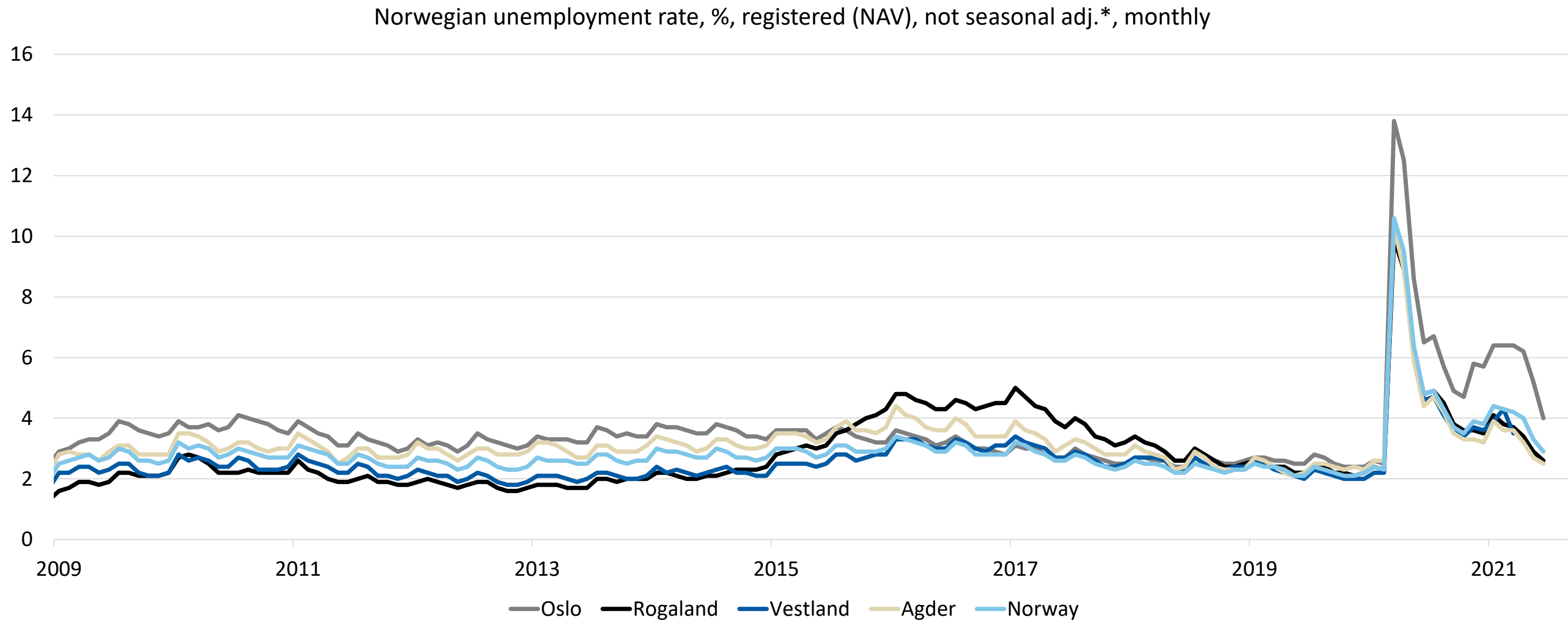
Source: Norwegian Petroleum Directorate / BP Statistical review of World Energy 2019

Retail trade in Norway



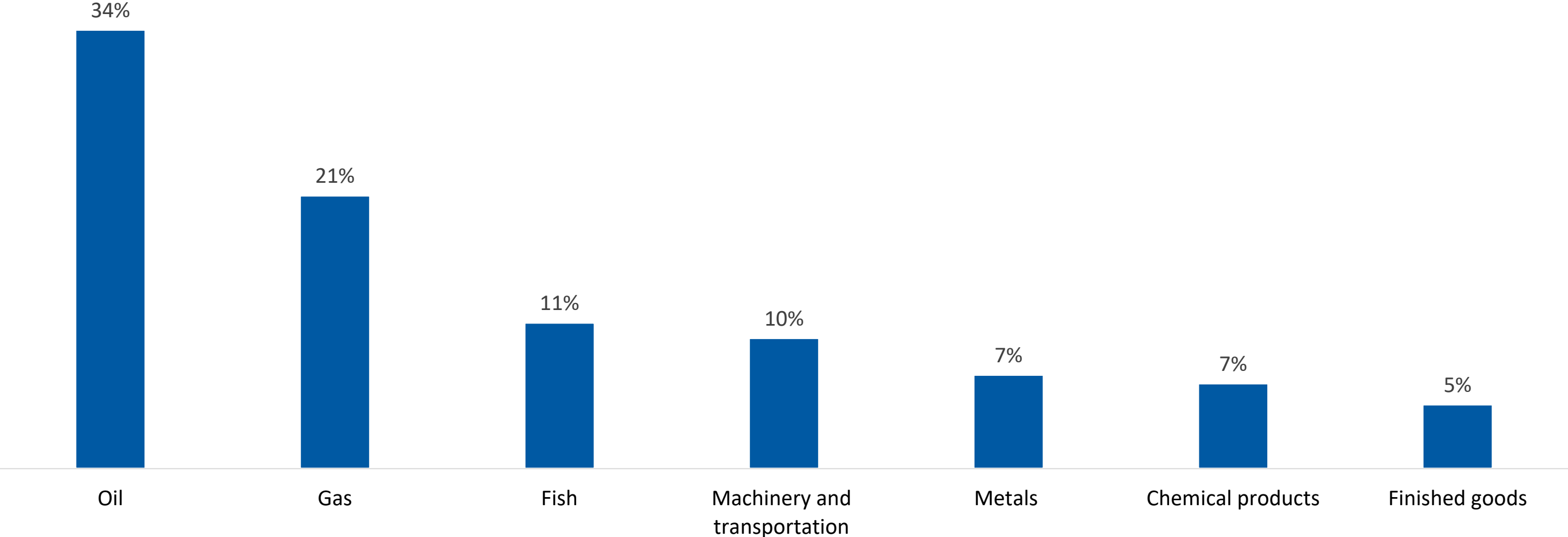
Source: SSB

Lower unemployment due to reopening of the economy

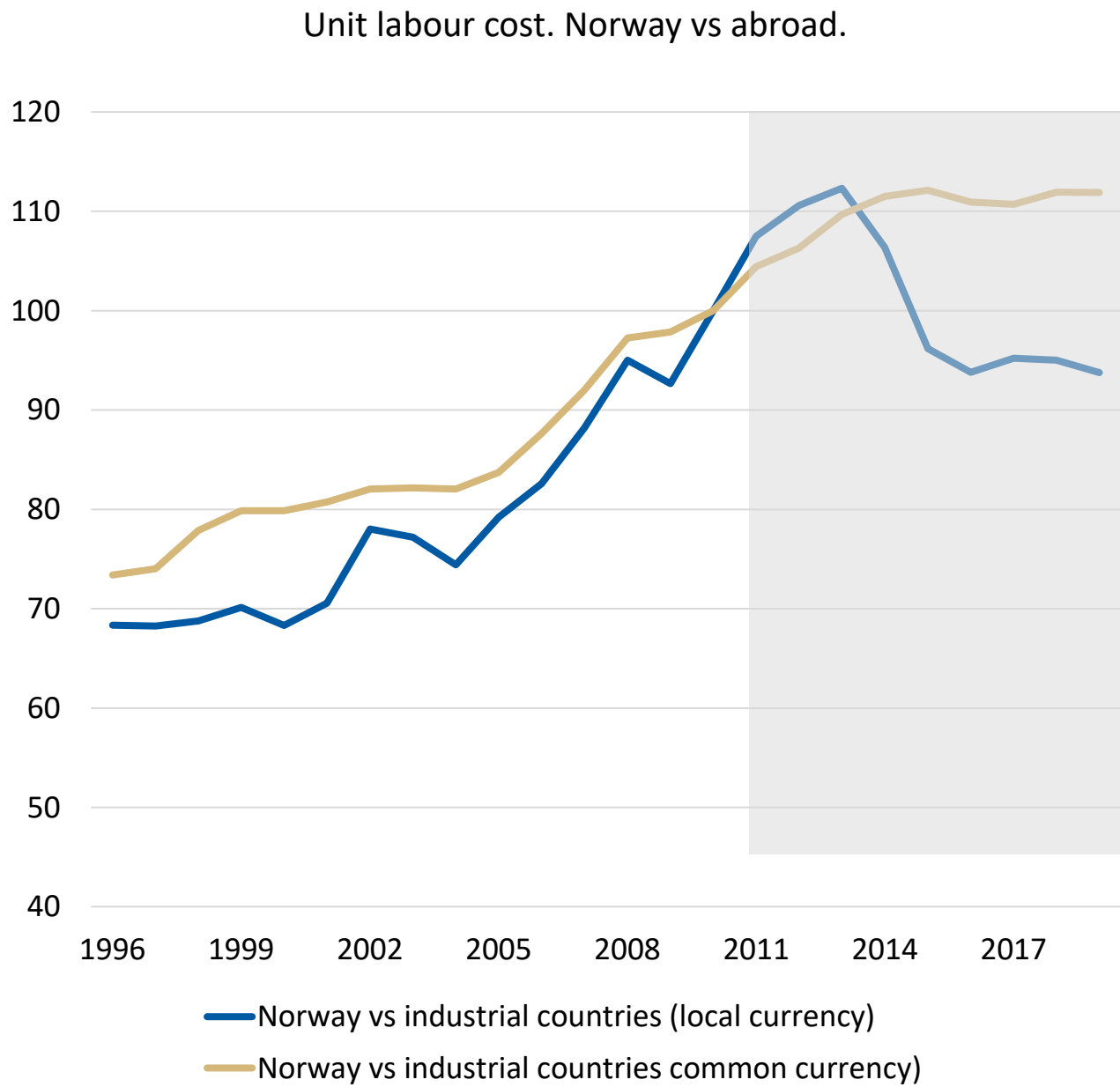


Norwegian exports

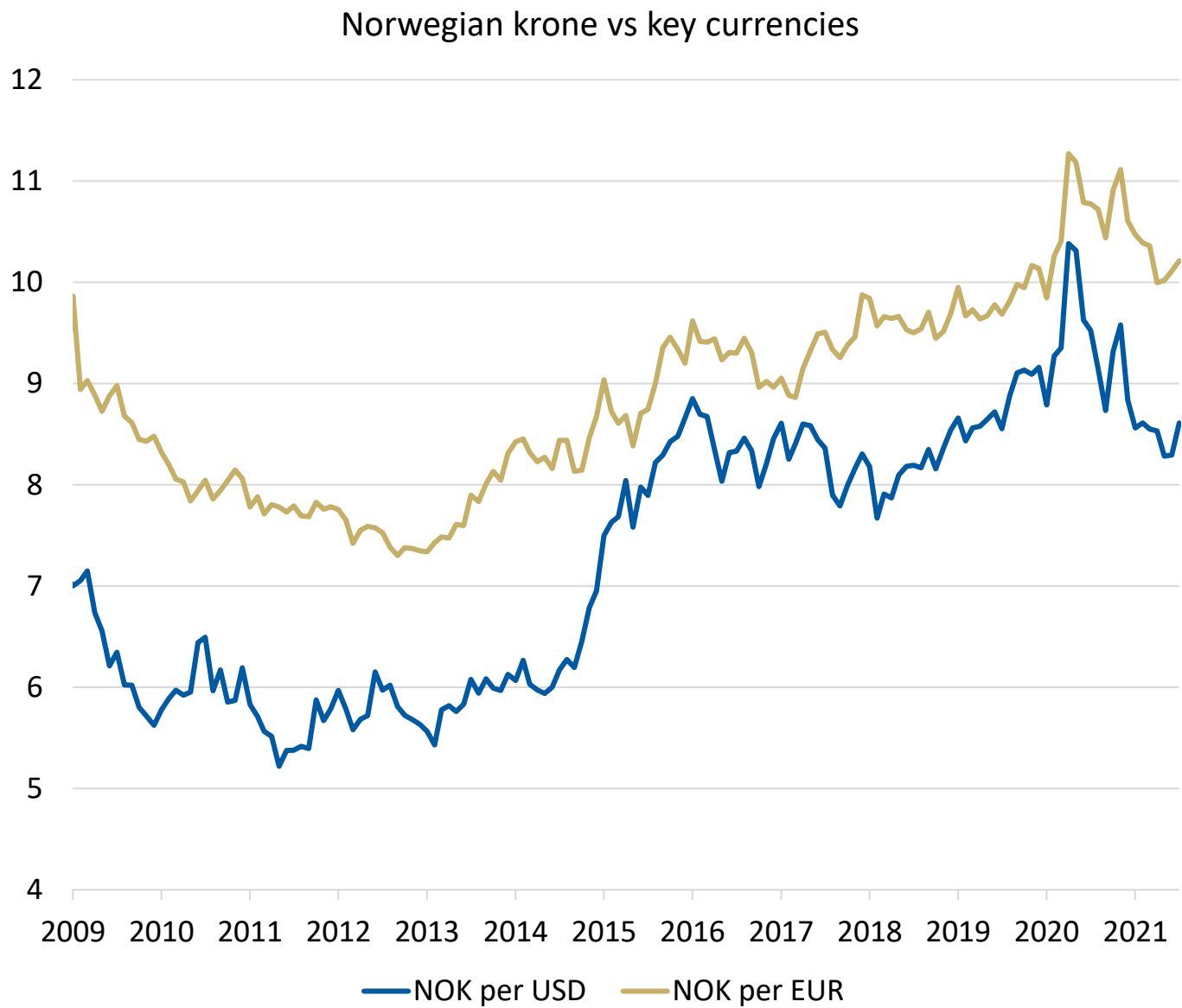
Norwegian exports 2019



Weak NOK increases competitiveness



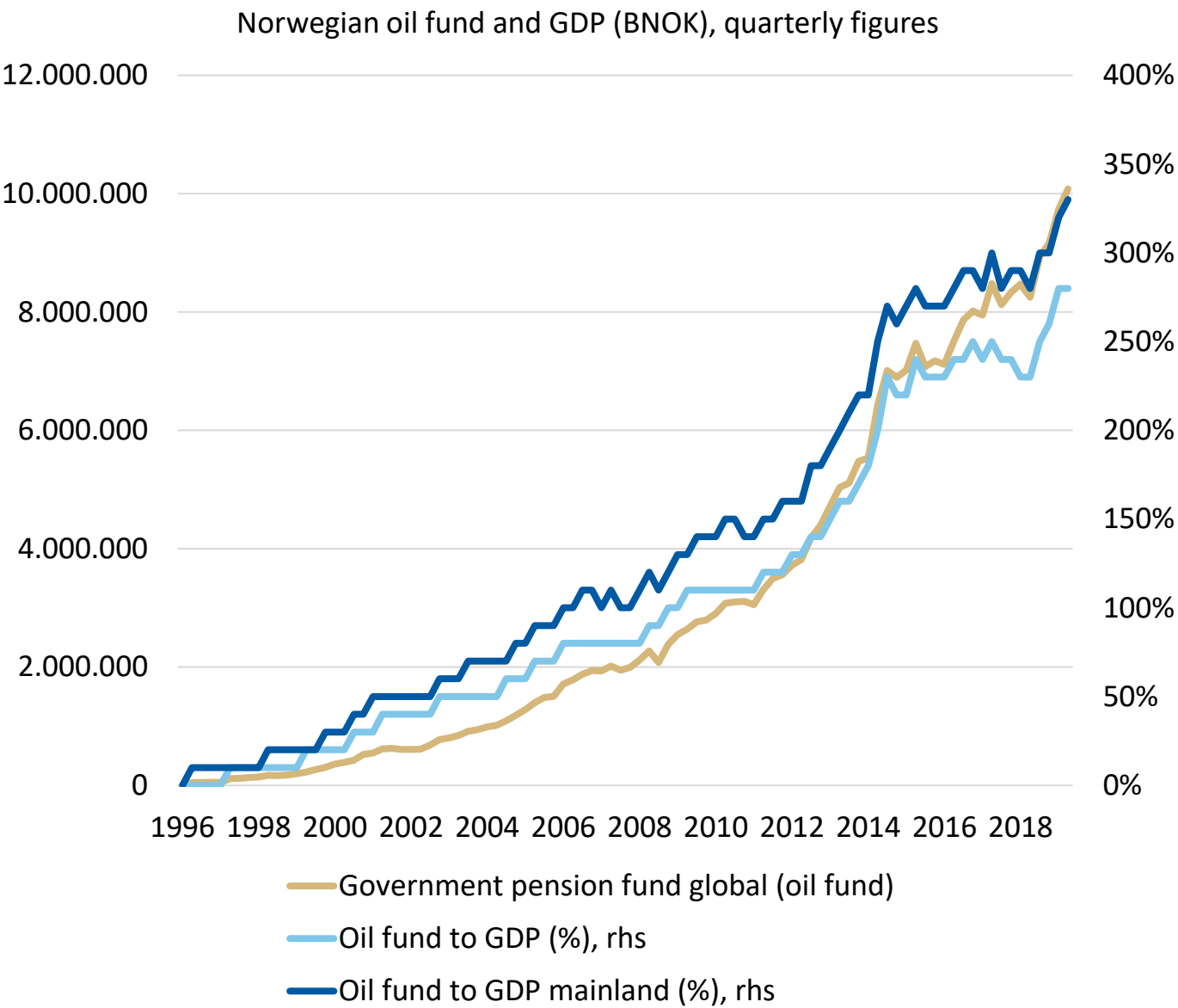
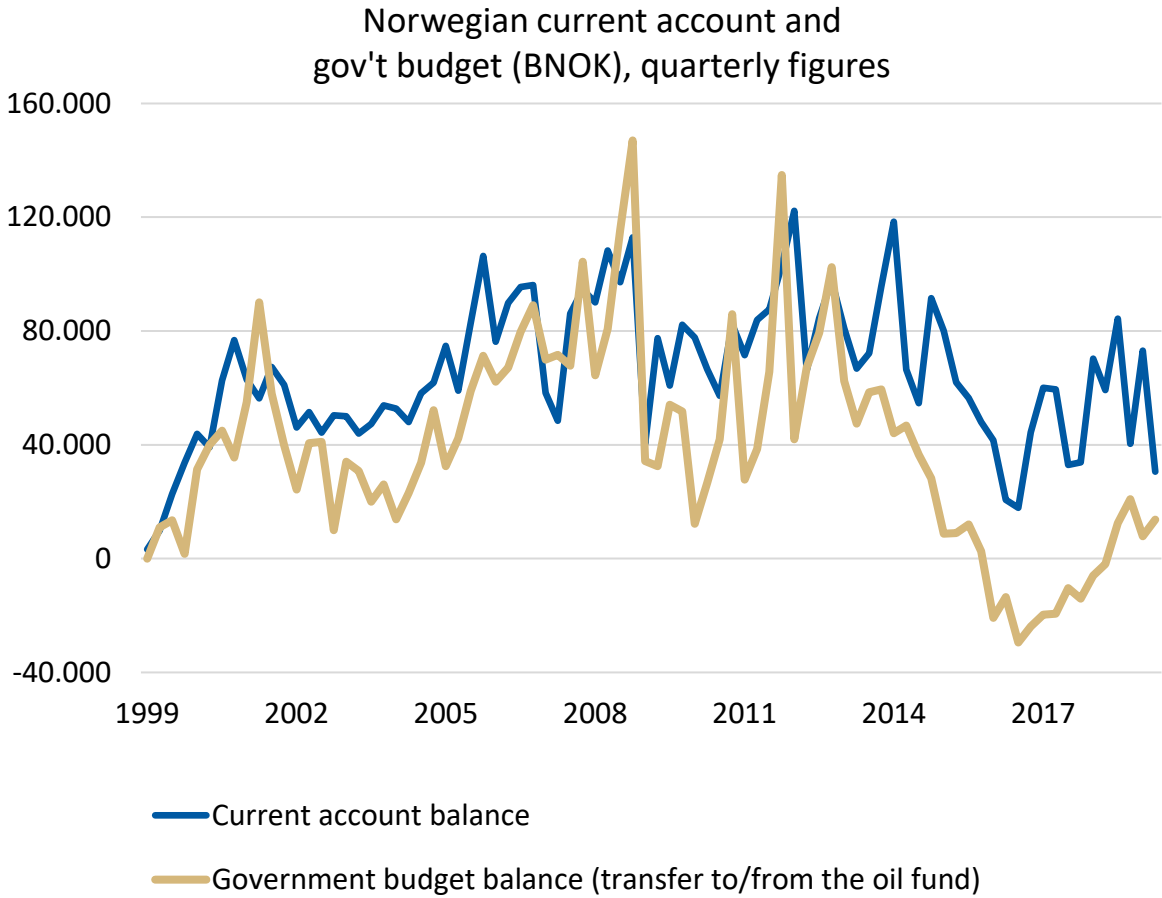
Source: Central Bank of Norway



Source: Thomson Reuters Datastream

Government finances and the sovereign wealth fund

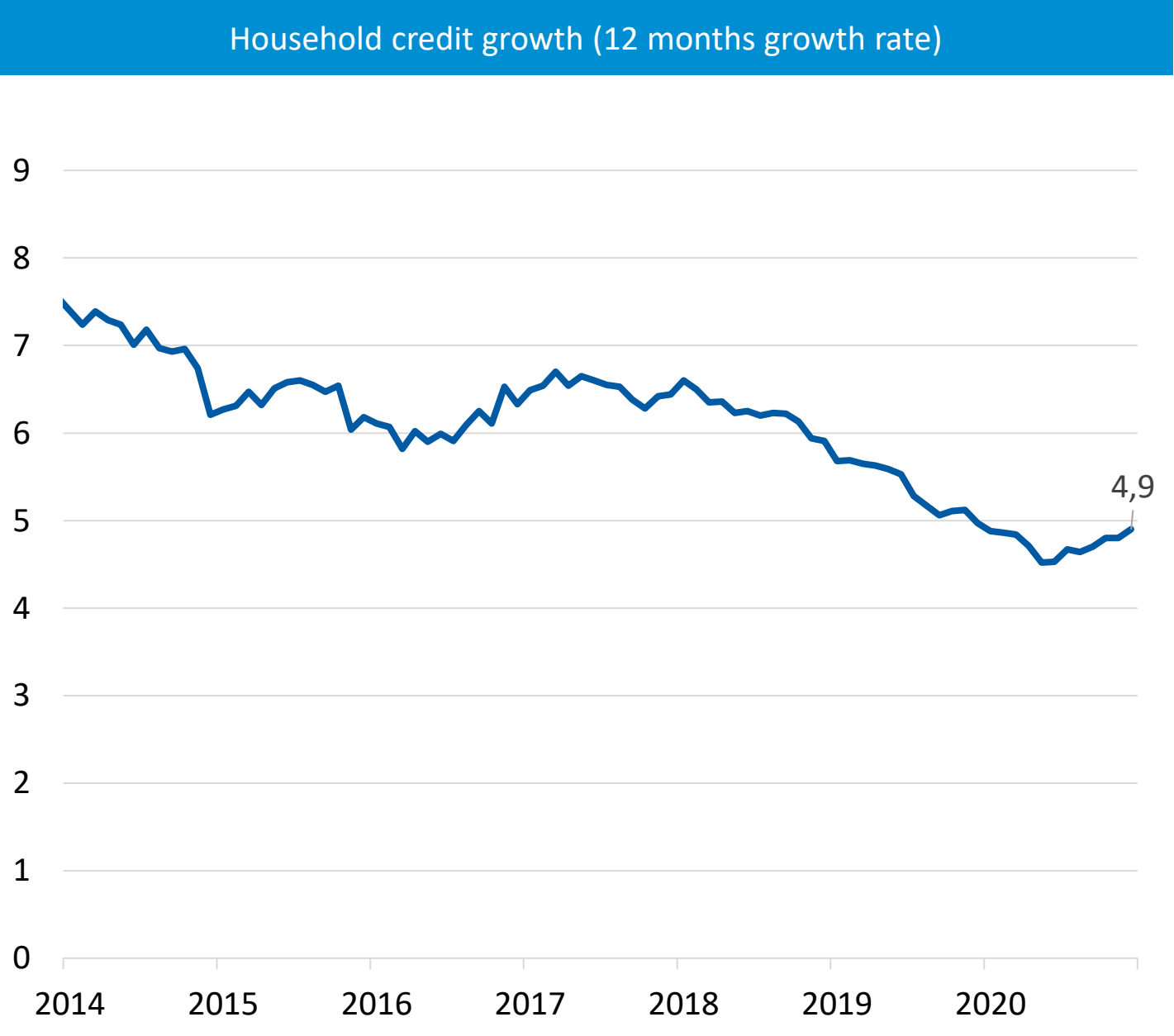
- Cash flow from the petroleum sector (taxes, ownership) is channeled into the sovereign wealth fund
- Fiscal spending rule is 3 % of the fund.



- 1** **SR-Bank**
- 2** **SR-Boligkreditt**
- 3** **Norwegian economy**
- 4** **Appendix**

Mortgage market – characteristics

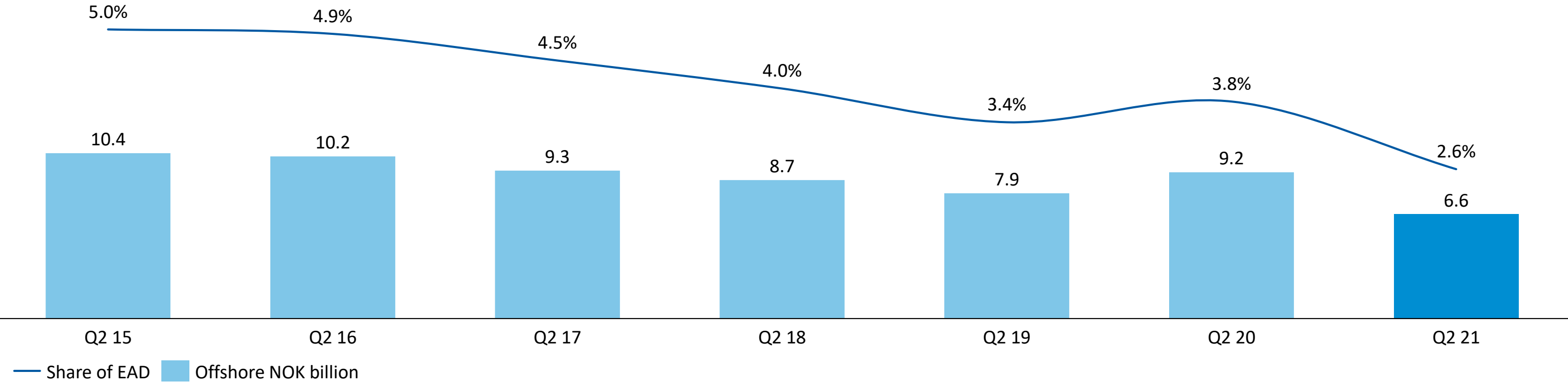
Mortgage market	<ul style="list-style-type: none"> Scheduled repayment mortgages: 83.4%, flexible: 16.6% Typical maturity: 25-30 years First priority security market with high doc. standard
Home ownership	<ul style="list-style-type: none"> Approx. 80% of households owner occupied (little buy to let) Between 50 and 60% are detached one-family houses
Social security	<ul style="list-style-type: none"> Generous unemployment benefits Unemployment benefit represents ca 60% of final salary for 2 years
Regulation	<ul style="list-style-type: none"> Loan to value: 85% (75% legal limit for cover pool) <ul style="list-style-type: none"> 60% for flexible mortgages / revolving credits Stress test: 5% mortgage interest rate increase Repayment minimum 2.5% p.a. (LTV > 60%) Max total debt of 5x a borrower's income before tax
Interest payments	<ul style="list-style-type: none"> 90-95% of mortgages are variable rate Interest rates can be reset at the lender's discretion by giving the debtor 6 weeks notice
Tax incentives	<ul style="list-style-type: none"> 22% of interest paid is tax deductible Low effective real estate tax (lower net worth tax on real estate than financial assets)



Reduced exposure against offshore sector

Total EAD related to offshore is reduced to 2.6% in 2. quarter 2021 from 5.0% in 2. quarter 2015

- Offshore
 - EAD NOK 6.6 billion (NOK 9.2 billion), 2.6% of the bank's total EAD
 - Exposure primarily to industrial oriented shipping companies with integrated organization (Offshore service vessels, Rig and Seismic vessels)



**EAD: Exposure at default.*

Net commission and other income

MNOK	30.06.2021	30.06.2020	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Payment facilities	111	130	56	55	64	54	61
Savings/placements	114	96	61	53	51	48	48
Insurance products	112	101	56	56	54	53	50
Commission income real estate broking	242	189	132	110	100	107	104
Guarantee commission	48	48	24	24	26	22	23
Arrangement- and customer fees	74	33	23	51	28	11	13
Commission income ForretningsPartner	145	83	95	50	38	33	42
Other	10	7	7	3	4	2	3
Net commission and other income excl. covered bond company	856	687	454	402	365	330	344
Commission income SB1 Boligkreditt	0	3	0	0	5	6	0
Net commission and other income incl. covered bond company	856	690	454	402	370	336	344

Net income on investment securities

MNOK	30.06.2021	30.06.2020	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Dividends	9	17	9	0	39	1	17
Investment income, associates	302	387	193	109	129	147	145
Securities gains/losses	132	-176	26	106	-1	36	122
- of which capital change in shares and certificates	173	-94	68	105	7	38	27
- of which capital change in certificates and bonds	-280	190	-113	-167	-137	-23	104
- of which derivatives; certificates and bonds	239	-272	71	168	129	22	-9
Currency/interest gains/loans	16	41	15	1	73	6	13
- of which currency customer- and own-account trading	63	61	36	27	41	36	52
- of which value change basiswap spread	-56	16	-32	-24	29	-32	-48
- of which counterparty risk derivatives including CVA	3	-50	0	3	2	1	-42
- of which IFRS-effects	6	14	11	-5	1	1	51
Net income on investment securities	459	269	243	216	240	190	297

When a basis swap is designated a hedging instrument for hedging a specifically identified loan, changes in the value of the hedging instrument linked to changes in the "basis spread" are recognized through other comprehensive income.

Subsidiaries

Subsidiaries	MNOK	30.06.2021	30.06.2020
EiendomsMegler 1 SR-Eiendom AS	Number of sales	4,096	3,184
	Operating profit before tax	46	26
SR-Forvaltning AS	Capital under management (BNOK)	15	12
	Operating profit before tax	16	10
FinStart Nordic AS	Operating profit before tax	69	-87
SpareBank 1 SR-Bank ForretningsPartner AS*	Operating profit before tax	18	15
SR-Boligkreditt AS	Operating profit before tax	254	349
Monner AS	Operating profit before tax	58	-8
Rygir Industrier AS and other	Operating profit before tax	-13	17
Total subsidiaries	Profit before tax	448	322

**SpareBank 1 SR-Bank ForretningsPartner have acquired Fast Solutions with effect from 1 September 2020 and Tveit Regnskap with effect from 15 April 2021. The result in ForretningsPartner includes amortization of intangible assets of NOK 2.3 million (NOK 1.4 million as at 30 June 2020).*

Ownership interests

Companies	MNOK	30.06.2021	30.06.2020
SpareBank 1 Gruppen AS	Interest ownership	19.5%	19.5%
	Profit after tax	215	-7
	Profit effect merger	0	340
BN Bank ASA	Interest ownership	35.0%	35.0%
	Profit after tax	82	50
SpareBank 1 Forvaltning*	Interest ownership	19.5%	-
	Profit after tax	6	0
SpareBank 1 Næringskreditt AS	Interest ownership	15.3%	15.6%
	Profit after tax	4	3
SpareBank 1 Boligkreditt AS**	Interest ownership	0.0%	2.2%
	Profit after tax	2	1
SpareBank 1 Kreditt AS	Interest ownership	17.1%	17.7%
	Profit after tax	1	2
SpareBank 1 Betaling AS	Interest ownership	19.8%	19.8%
	Profit after tax	-5	-2
Total ownership interests	Profit after tax	305	387
FinStart Nordic AS***	Profit shares	-3	0
Total ownership interests in the Group	Profit after tax	302	387

*The establishment of the SpareBank 1 Forvaltning Group was approved by Finanstilsynet in the spring of 2021, and the company was transferred from SpareBank 1 Gruppen to the alliance banks in May 2021.

**SR-Bank has no assets in SpareBank 1 Boligkreditt in 2021 but has received dividends related to its assets in 2020.

***Companies in which FinStart Nordic AS owns stakes of between 20-50% must, because of accounting rules, be measured as associated companies in the consolidated financial statements. The profit contribution here is included in the company's results on the previous page.

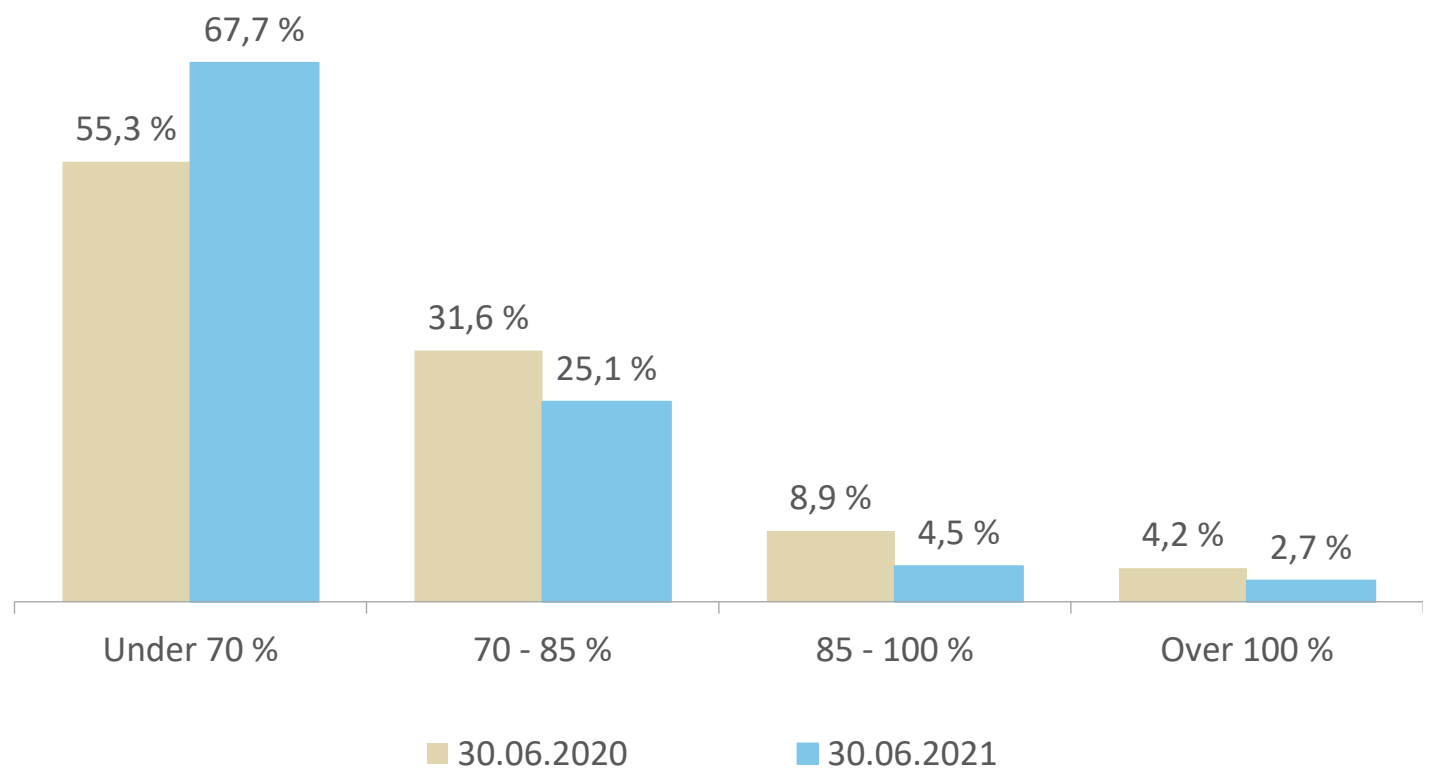
Operating expenses

MNOK	30.06.2021	30.06.2020	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Payroll and pensions	610	555	326	284	332	297	277
Other staff expenses	195	123	97	98	69	60	53
Total personnel expenses	805	678	423	382	401	357	330
IT expenses	189	190	97	92	88	95	98
Marketing	37	36	19	18	19	16	17
Administrative expenses	28	42	15	13	14	15	15
Operating expenses from real estate	17	16	9	8	8	7	8
Other operating expenses	127	117	72	55	54	46	60
Total other operating expenses	398	401	212	186	183	179	198
Depreciation and impairments	90	83	46	44	45	59	42
Total operating expenses	1,293	1,162	681	612	629	595	570

Loan to value ratio and RWA on home mortgage loans

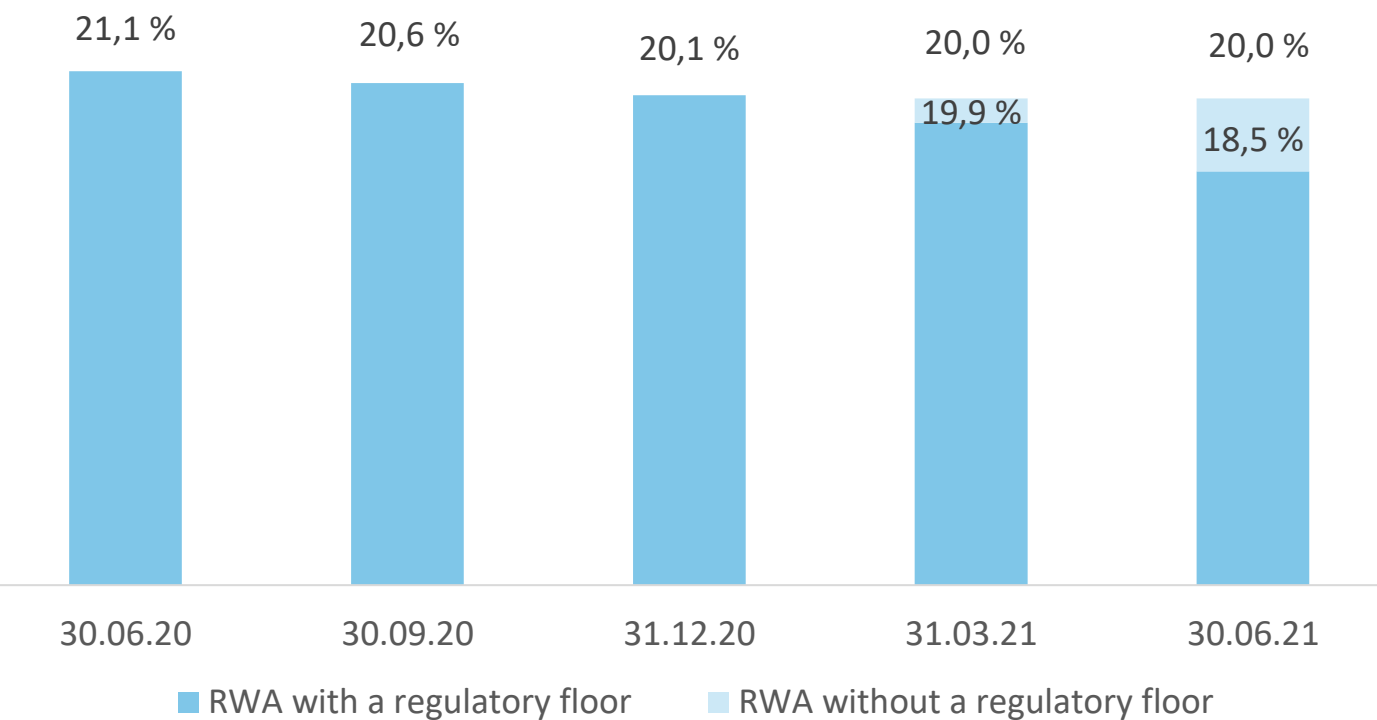
Loan to value ratio on home mortgage loans

- The reduction in LTV is due to higher market value of collateral (housing).
- The proportion of loans with a loan-to- value ratio of less than 85% is high.
 - 92.9% of the exposure is within 85% of the assessed value of collateral.



RWA home mortgages

- RWA on home mortgages reflects a solid portfolio with a moderate loan-to-value ratio and low potential loss.
- Risk weights on home mortgage loans are subject to a regulatory floor of 20%. Without this floor, the risk weight of these mortgages would have been lower than 20% in the last two quarters.



*In a total-distributed loan to value ratio, the entire loan is allocated to one and the same interval.
Home mortgages as defined in the Norwegian IRB framework; residential property must be at least 30% of a loan's security.
The figures include the loan portfolio in the covered bond companies.*

Balance sheet

Balance sheet (MNOK)	30.06.2021	30.06.2020
Cash and balances with central banks	137	645
Balances with credit institutions	9,588	8,752
Net loans to customers	223,457	211,779
Certificates, bonds and other fixed-income securities	50,997	38,921
Financial derivatives	5,396	10,229
Shares, ownership stakes and other securities	1,049	860
Investment in associates	4,592	4,502
Other	4,723	3,027
Total assets	299,939	278,715
Balances with credit institutions	2,690	3,414
Deposit from customers	136,209	127,966
Listed debt securities	122,095	6,976
Financial derivatives	3,515	1,809
Other liabilities	4,315	2,177
Additional Tier 1 and Tier 2 capital instruments	2,139	253,512
Total liabilities	273,520	253,512
Total equity	26,419	25,203
Total liabilities and equity	299,939	278,715

20 largest shareholders as at 30 June 2021

- Ownership interests as at 30 June 2021:
 - From Rogaland, Agder, Vestland, Oslo and Viken: 65.5% (65.9%)
 - International: 22.7% (23.0%)
 - 10 largest: 49.0% (51.3%)
 - 20 largest: 57.1% (58.5%)
- Number of shareholders 30 June 2021: 15,294 (13,140)
- Employees owning 1.7% (1.7%) as at 30 June 2021

Investor		Number	Stake
Sparebankstiftelsen SR-Bank		72,419,305	28.3%
Folketrygdfondet		18,976,426	7.4%
Brown Brothers Harriman & Co, U.S.A.	Nominee	6,612,187	2.6%
SpareBank 1-stiftinga Kvinnherad		6,226,583	2.4%
State Street Bank and Trust Co, U.S.A.	Nominee	4,950,731	1.9%
Verdipapirfondet Alfred Berg Gambak		3,561,467	1.4%
Odin Norge		3,423,133	1.3%
Vpf Nordea Norge Verdi		3,170,227	1.2%
Danske Invest Norske Instit. II		3,014,117	1.2%
JPMorgan Chase Bank N.A., U.S.A.	Nominee	2,911,167	1.1%
Pareto Aksje Norge		2,740,221	1.1%
State Street Bank and Trust Co, U.S.A.	Nominee	2,415,400	0.9%
State Street Bank and Trust Co, U.S.A.	Nominee	2,156,359	0.8%
Clipper AS		2,097,500	0.8%
JPMorgan Bank Luxembourg	Nominee	2,065,862	0.8%
Verdipapirfondet Alfred Berg Norge		2,003,621	0.8%
KLP Aksjenorge Indeks		1,850,101	0.7%
Westco AS		1,796,737	0.7%
JPMorgan Bank Luxembourg	Nominee	1,777,120	0.7%
Pareto Invest AS		1,758,026	0.7%
Top 5		109,185,232	42.7%
Top 10		125,265,343	49.0%
Top 20		145,926,290	57.1%

Figures in parentheses as at 30 June 2020.

Green product offerings

Green Mortgage Product & Renovation Product

- The Green mortgage product was launched in 2021. A Green mortgage is secured by energy efficient housing with favorable loan interest rates. Loan criteria: **EPC A or B label**
- With a green mortgage, customers **typically get lower interest rates of 0,4%** compared to a non-green mortgage
- We also offer **financial support to customers when they improve their energy use** in their home, as part of a renovation

Green Car Loan Product & Insurance Product (EVs)

- Loan criteria: **fully electric vehicles**
- With a green car loan, customers **typically get lower interest rates of 0,3%** compared to a non-green car loan
- We also offer a green insurance product for electric vehicles

Other Products:

- We offer a **green loan for agriculture**, which is primarily designed for investments in solar panel systems
- SR-Forvaltning (asset management arm), assessed the opportunities for green product development and will, in line with SR-Forvaltning's climate strategy, establish its own **green equities fund**.



EU Taxonomy: TSC, DNSH & MS – high level assessment

Eligible green asset category	Wind Power	Hydro Power	Clean Transportation	Green Buildings (Residential & Commercial)
Geography	Norway			
Eligibility criteria	Electricity generation from wind power	Electricity generation from hydro power	Transport by motorbikes, passenger cars and light commercial vehicles	Acquisition & ownership of buildings: <ul style="list-style-type: none"> • Top 15% - (via Building code / EPC) • BREEAM certificate
Alignment with the Technical Screening criteria of the EU Taxonomy Climate Delegated Act (April 2021)	100% TSC alignment	100% TSC alignment (only facilities with <100gCO ₂ e/KWh life cycle emissions)	100% TSC alignment (only EVs)	<ul style="list-style-type: none"> • Top 15% - 100% (all buildings in the pool currently built pre-2021) • BREAAM certificate Excellent/Outstanding = 1,225 NOKm = 19.3% of commercial portfolio ➤ Residential: 100% TSC alignment ➤ Commercial: 80.6% TSC alignment
Do No Significant Harm & Social Safeguards	SR-Bank ensures that all eligible loans comply with official national and international environmental and social standards and local laws and regulations on a best effort basis. It is part of SR-Bank's loan approval process to ensure that all its loans comply with internal environmental and social directives, including those financed with the proceeds of the Green Bonds. These eligibility criteria and minimum requirements and ESG related matters are continuously developed and renewed in our external and internal policy frameworks. SR-Bank's environmental and social policies can be found on: https://www.sparebank1.no/en/sr-bank/about-us/Sustainability/our-sustainability-guidelines.html			

➤ High-level (non-accredited) EU Taxonomy alignment assessment: **97% aligned** (NOK 39.2bn aligned out of NOK 40.5bn total portfolio)

Allocation Report – Q1 2021

Eligible Green Loan Portfolio		Green Funding			
	Amount (NOK m)	Instrument (ISIN)	Issuance Date	Due Date	Amount (NOK m)
Green Residential Buildings	32,496	XS2063288190	Oct-19	Oct-26	5,009
SR Bank	12,287				
SR Boligkreditt	20,209				
Green Commercial Buildings	6,339				
Renewable Energy	1,450				
Clean Transportation	170				
Total	40,455			Total	5,009

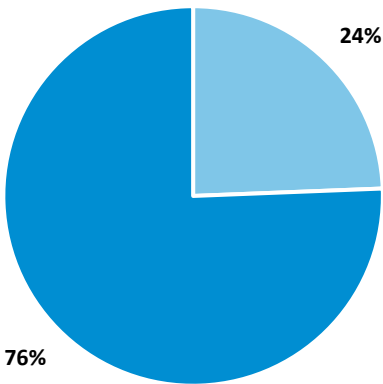
Impact Report – Q1 2021

Eligible Project Category	Eligible portfolio (NOK m)	Share of Total Green Covered Bond Financing	Share of Total Green Senior Bond Financing	Eligibility for Green Bonds	Estimated reduced energy (in GWh/year)	Direct emissions avoided vs baseline in tons of CO2 /year (Scope 1)	Indirect emissions avoided vs baseline in tons of CO2 /year (Scope 2)	Expected power production (in GWh/year)	Total annual reduced emissions in tons of CO2 /year
a/	b/	c/	c/	d/	e/	e/	e/	e/	e/
Green Residential Buildings	32,496	100.00%	77.55%	100%	204	N/A	N/A	N/A	25,500
Green Commercial Buildings	6,339	0.00%	17.88%	100%	46	N/A	N/A	N/A	5,700
Renewable Energy	1,450	0.00%	4.09%	100%	N/A	N/A	N/A	817	105,500
Clean Transportation	170	0.00%	0.48%	100%	N/A	977	-508	N/A	469
Total	40,455	100%	100%	100%	250	977	-508	817	137,169

Green Buildings - Allocation & Impact

Eligible Portfolio - Residential Buildings

Green Residential Buildings Portfolio [NOK m]

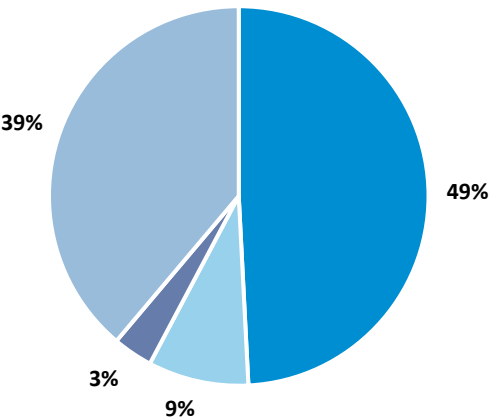


■ Apartments ■ Small residential buildings

Category	Portfolio Value (NOK m)	Reduced energy	Reduced CO ₂ emissions
Eligible portfolio of buildings	32,496	204 GWh / year	25,500 tons / yr

Eligible Portfolio – Commercial Buildings

Green Commercial Buildings portfolio [NOK m]



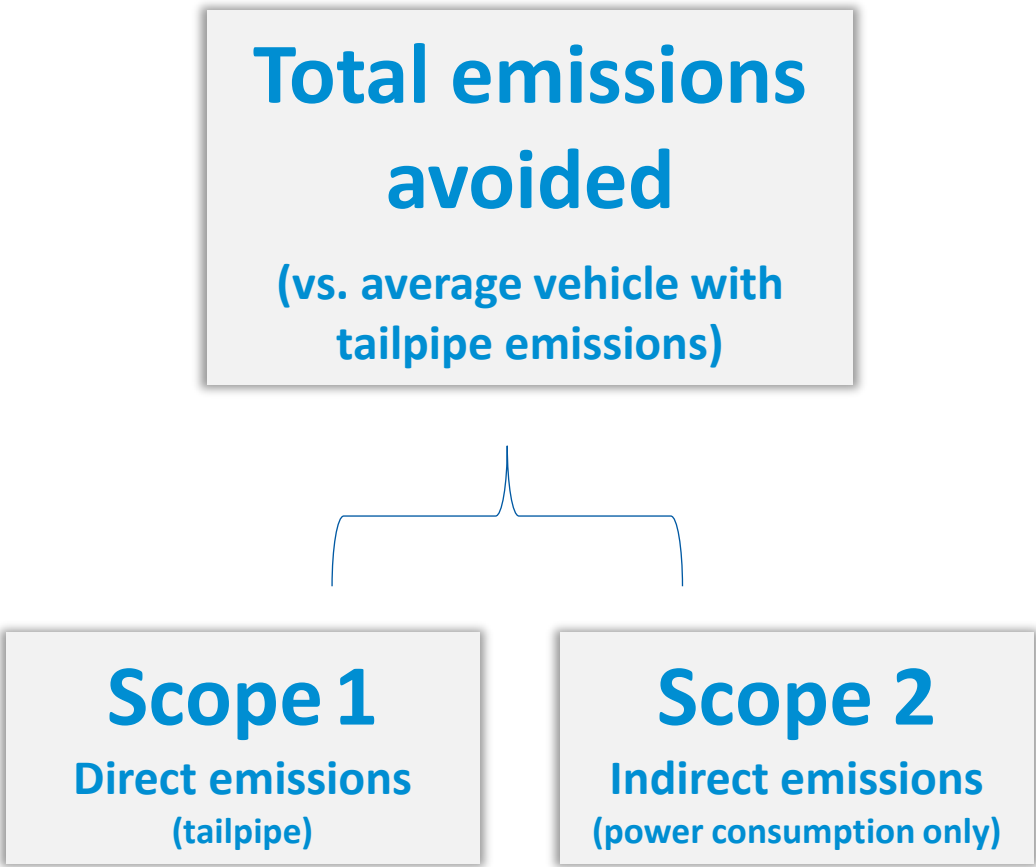
■ Office buildings ■ Commercial buildings ■ Hotel buildings ■ Small industry and warehouses

Category	Portfolio Value (NOK m)	Reduced energy	Reduced CO ₂ emissions
Eligible portfolio of buildings	6,339	46 GWh / year	5,700 tons / yr

31,200 tons CO₂ / year saved
(vs. Norwegian average)

Clean Transportation - Allocation & Impact

Eligible Portfolio – Clean Transport

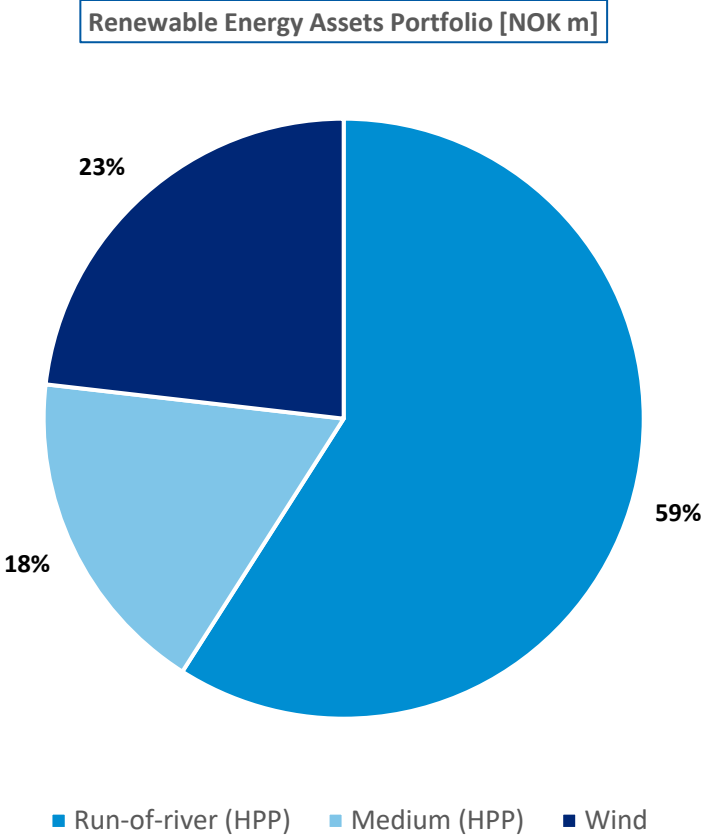


Portfolio of EV vehicles			
Category	Number of vehicles	Portfolio Value (NOK m)	Sum km / year
Passenger vehicles	428	5.14 mill.	5.14 mill.

Impact assessment: Avoided emissions – Electric vehicles	
Category	Sum person km / year
Total Direct emissions only (Scope 1)	977 tons CO ₂ /year
Total Indirect emissions EV's only (Scope 2)	-508 tons CO ₂ /year
Total Avoided emissions	469 tons CO ₂ /year

Renewable Energy - Allocation & Impact

Eligible Portfolio – Renewable Energy



Portfolio of Hydro and Wind Assets

Category	Portfolio Value (NOK m)	Capacity [MW]	Estimated production [GWh / yr]	Expected production [GWh / yr]
Run-of-river (HPP)	856	0.1 – 25	573	458
Medium (HPP)	258	90	311	311
Wind	336		48	48
Total	1,450		932	817

Impact assessment

Category	Produced power compared to baseline (GWh / yr)	Reduced CO ₂ -emissions compared to baseline (tons CO ₂ / yr)
Eligible plants in portfolio	817	105,500

CBI Certification – Inaugural Green Covered Bond



SR-Boligkreditt’s Inaugural Green Covered Bond is certified in line with the Low Carbon Building Criteria of the Climate Bond Standards

Sustainalytics assisted in verifying against the CBI’s criteria



Contact details and financial calendar

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Financial calendar

General assembly	25 March 2021
Q1 21 Interim report	6 May 2021
Q2 21 Interim report	11 August 2021
Q3 21 Interim report	28 October 2021

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