



Quarterly report 2024

Q2

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## Key figures SpareBank 1 SR-Bank Group (MNOK)

	Q2 2024	Q2 2023	01.01 - 30.06 2024	30.06 2023	Year 2023
<b>MAIN FIGURES</b>					
Net interest income	1.726	1.424	3.456	2.826	6.136
Net commission and other income	544	522	1.024	977	1.939
Net income on financial investments	148	109	298	180	669
Total income	2.419	2.055	4.778	3.983	8.745
Total operating expenses	844	817	1.670	1.579	3.299
Operating profit before impairment	1.575	1.238	3.108	2.404	5.445
Impairment losses on loans and financial commitments	103	-98	138	-63	-232
Pre-tax profit	1.472	1.336	2.971	2.467	5.677
Tax expense	311	308	618	558	1.202
Profit after tax	1.162	1.028	2.352	1.909	4.475
<b>BALANCE SHEET</b>					
Gross loans to customers	284.621	264.882			272.001
Deposits from customers	154.975	150.758			149.076
Total assets	382.744	361.765			362.186
Average total assets	380.779	366.957	375.399	360.986	362.417
<b>Selected key figures</b> (for further key figures see page 40 of the interim report)					
Return on equity <sup>1)</sup>	14,6 %	14,6 %	14,7 %	13,6 %	15,3 %
Cost to income ratio <sup>1)</sup>	34,9 %	39,8 %	34,9 %	39,6 %	37,7 %
Cost to income ratio Banking Group <sup>1)</sup>	32,0 %	34,7 %	31,5 %	34,4 %	33,7 %
Average net interest margin	1,82 %	1,56 %	1,85 %	1,58 %	1,69 %
<b>Balance growth</b>					
Growth in loans over last 12 months <sup>1)</sup>	7,5 %	9,1 %			7,5 %
Growth in deposits over last 12 months <sup>1)</sup>	2,8 %	3,5 %			0,7 %
<b>Solidity</b>					
Common equity Tier 1 capital ratio	17,66 %	17,83 %			17,61 %
Tier 1 capital ratio	20,06 %	19,90 %			19,72 %
Capital ratio	22,75 %	21,89 %			21,58 %
Tier 1 capital	30.740	27.291			28.864
Risk weighted balance	153.214	137.165			146.371
Leverage ratio	7,3 %	7,0 %			7,2 %
<b>Liquidity</b>					
Liquidity Coverage Ratio (LCR) <sup>2)</sup>	204 %	215 %			207 %
Deposit to loan ratio <sup>1)</sup>	54,4 %	56,9 %			54,8 %
<b>Impairments on loans and financial commitments <sup>1)</sup></b>					
Impairment ratio <sup>1)</sup>	0,15 %	-0,15 %	0,10 %	-0,05 %	-0,09 %
<b>Loans and financial commitments in Stage 3 <sup>1)</sup></b>					
Loans and financial commitments in Stage 3, % of gross loans and financial commitments <sup>1)</sup>	0,70 %	1,02 %	0,70 %	1,02 %	1,01 %
<b>SpareBank 1 SR-Bank share</b>					
	30.06.24	31.12.23	31.12.22	31.12.21	31.12.20
Market price	130,60	128,90	120,70	133,20	91,00
Market capitalisation (MNOK)	34.514	34.064	30.869	34.066	23.273
Book equity per share (including dividends) (group) <sup>1)</sup>	115,81	115,07	106,32	99,05	95,97
Earnings per share, NOK	8,45	16,27	12,88	12,08	5,87
Dividends per share	-	7,50	7,00	6,00	3,10
Price / Earnings per share <sup>1)</sup>	7,68	7,92	9,37	11,03	15,50
Price / Book equity <sup>1)</sup>	1,13	1,12	1,14	1,34	0,95
Effective return <sup>3)</sup>	7,1 %	12,6 %	-4,9 %	55,8 %	-9,0 %

<sup>1)</sup> Defined as alternative performance targets (APMs), see the appendix to the interim report

<sup>2)</sup> High quality liquid assets divided by total net cash outflows in a 30-day, serious stress scenario

<sup>3)</sup> %- change in the market price in the last period, including paid share dividend

## Good underlying operations, increased income and high lending growth

### Q2 2024

- Pre-tax profit: NOK 1,472 million (NOK 1,336 million)
  - Net profit for the period: NOK 1,162 million (NOK 1,028 million)
  - Return on equity after tax: 14.6% (14.6%)
  - Earnings per share: NOK 4.20 (NOK 3.90)
  - Net interest income: NOK 1,726 million (NOK 1,424 million)
  - Net commission and other income: NOK 544 million (NOK 522 million)
  - Net income from financial investments: NOK 148 million (NOK 109 million)
  - Operating costs: NOK 844 million (NOK 817 million)
  - Impairments on loans and financial liabilities: NOK 103 million (NOK -98 million)
  - Total lending growth over past 12 months: 7.5% (9.1%)
  - Growth in deposits over past 12 months: 2.8% (3.5%)
  - Common Equity Tier 1 capital ratio: 17.7% (17.8%)
  - Capital ratio: 22.8% (21.9%)
- (As at Q2 2023 figures in brackets)

### H1 2024

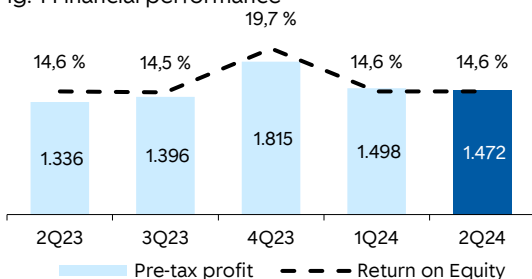
- Pre-tax profit: NOK 2,971 million (NOK 2,467 million)
  - Net profit for the period: NOK 2,352 million (NOK 1,909 million)
  - Return on equity after tax: 14.7% (13.6%)
  - Earnings per share: NOK 8.45 (NOK 7.21)
  - Net interest income: NOK 3,456 million (NOK 2,826 million)
  - Net commissions and other income: NOK 1,024 million (NOK 977 million)
  - Net income from financial investments: NOK 298 million (NOK 180 million)
  - Operating expenses: NOK 1,670 million (NOK 1,579 million)
  - Impairments on loans and financial liabilities: NOK 138 million (NOK -63 million)
- (H1 2023 figures in brackets)

### The group's results for Q2 2024

The group made an operating profit before tax of NOK 1,472 million for the second quarter of 2024, NOK 137 million higher than for the same quarter last year. Operating profit before tax decreased by NOK 26 million compared with the first quarter of 2024.

The return on equity after tax was 14.6% for the quarter.

Fig. 1 Financial performance



Net interest income increased by NOK 303 million from the second quarter of 2023, mainly due to better margins, increased volumes in both the corporate and retail market and higher interest on equity. Net interest income decreased by NOK 3 million compared with the previous quarter.

The average interest margin was 1.82% in the second quarter of 2024, compared with 1.56% in the second quarter of 2023 and 1.88% in the first quarter of 2024.

Net commissions and operating income amounted to NOK 544 million in the second quarter of 2024, NOK 22 million higher than in the corresponding quarter last year. Compared with the previous quarter, net commissions and other income increased by NOK 64 million.

Net income from financial investments was NOK 148 million in the second quarter of 2024, an increase of NOK 39 million compared with the same quarter last



year. Net income from financial investments remained virtually unchanged compared with the previous quarter.

Operating expenses amounted to NOK 844 million in the second quarter of 2024, NOK 26 million higher than in the second quarter of 2023. Merger costs accounted for NOK 13 million of total expenses in the quarter. Compared with the first quarter of 2024, expenses increased by a total of NOK 18 million. Merger expenses were NOK 7 million higher than in the previous quarter.

The group's cost to income ratio was 34.9% in the second quarter of 2024, compared to 39.8% in the second quarter of 2023 and 35.0% in the first quarter of 2024. The banking group's cost to income ratio<sup>1</sup> was 32.0% in the second quarter of 2024, compared with 34.7% in the same quarter last year and 30.9% in the previous quarter.

Impairments on loans and financial liabilities amounted to NOK 103 million for the second quarter of 2024, compared with income recognition of NOK 98 million for the second quarter of 2023. Compared with the previous quarter, impairments on loans and financial liabilities increased by NOK 68 million.

## Consolidated profit for the first half of 2024

The group made a profit before tax of NOK 2,971 million in the first half of 2024, NOK 503 million higher than in the first half of 2023. The main reason for the improvement in profit was a NOK 630 million increase in net interest income due to a higher return on equity, good growth in lending volumes and better margins. The operating profit also benefited from a NOK 118 million increase in income from financial investments due to better financial performance from associated companies and a NOK 47 million increase in net commissions and other income from increased commissions from subsidiaries, customer fees and money transfer services.

Operating expenses totalled NOK 1,670 million for the second quarter of 2024, an increase of NOK 91 million compared with the same period last year. Of the total operating expenses, NOK 19 million were merger expenses from 2024. Total operating expenses in the first half of 2023 included NOK 29

million related to complaints in Monio and NOK 24 million from the capital market division, which was transferred to SpareBank 1 Markets AS in the fourth quarter of 2023. Corrected for these items, expenses rose by NOK 125 million. The increase was mainly attributable to inflation, wage growth and higher level of activity.

The group's cost to income was 34.9% for the first half of 2024, compared with 39.6% for the same period last year. The banking group's cost to income ratio was 31.5% for the first half of 2024, compared with 34.4% for the first half of 2023.

Impairment provisions on loans and financial liabilities amounted to NOK 138 million for the first half of 2024, compared with income recognition of NOK 63 million for the first half of 2023. Impairment provisions on loans and financial liabilities for the year to date are primarily linked to losses on individual commitments.

The group's return on equity after tax for the first half of 2024 was 14.7%, compared with 13.6% for the same period last year.

## Important events in Q2

In June, the Financial Supervisory Authority of Norway and the Ministry of Finance issued the permits necessary to complete the merger of SpareBank 1 SR-Bank ASA and SpareBank 1 Sørøst-Norge to form SpareBank 1 Sør-Norge ASA, on certain conditions. The planned date for implementing the legal merger is 1.10.2024.

In connection with the approval from the Norwegian FSA of the merger between SpareBank 1 SR-Bank ASA and SpareBank 1 Sørøst-Norge, the merged bank (SpareBank 1 Sør-Norge ASA) received an increased Pillar 2-requirement of 1.9 percentage-point in addition to the temporary Pillar 2-requirement of 0.5 percentage-point. The increased Pillar 2-requirement of 1.9 percentage-point applies until the Norwegian FSA has set a new Pillar 2-requirement. The merged bank (SpareBank 1 Sør-Norge ASA) must have a capital adequacy margin of 1.25 per cent.

On 27.6.2024, the Financial Supervisory Authority approved the merger between Fremtind Forsikring AS and Eika Forsikring AS, on certain conditions. The transaction was completed on

<sup>1</sup>The consolidated cost to income ratio equals total income less net income from financial investments divided by costs in the

banking group. The banking group includes SpareBank 1 SR-Bank (parent bank) and SR-Boligkreditt AS.

1.7.2024 and the two insurance companies will be sister companies in Fremtind Holding until the merger is completed on 1.10.2024. Based on the figures as at 31.12.2023, the transaction will increase SpareBank 1 Gruppen's equity as a group by about NOK 7 billion. The majority interest's (the SpareBank 1 banks and the Norwegian Federation of Trade Unions) share of this increase will be NOK 2.6 billion. SpareBank 1 SR-Bank ASA's share of this increase amounts to around NOK 510 million.

In the second quarter of 2024, EiendomsMegler 1 SR-Eiendom AS signed an agreement to acquire Kaland & Partners in Bergen and Ullevål EiendomsMegling in Oslo. The acquisitions are being made to strengthen and develop the group's strategic position in the retail markets in Bergen and Oslo.

On 23.5.2024, it was announced that Benedicte Schilbred Fasmer would resign from her position as CEO of SpareBank 1 SR-Bank ASA from 1.12.2024. The board of SpareBank 1 SR-Bank ASA has commenced the process of finding her replacement.

## Regulatory changes

### Countercyclical buffer unchanged

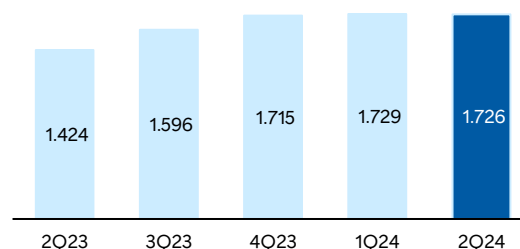
In May, Norges Bank decided to leave the countercyclical buffer rate for banks unchanged at 2.5%.

## The group's results for Q2 2024

### Net interest income

The group's net interest income totalled NOK 1,726 million in the second quarter of 2024, an increase of NOK 303 million from the same quarter last year. The increase was mainly driven by increased margins, larger volumes and higher interest on equity. Compared with the previous quarter, this represents a reduction of NOK 3 million. The decrease was mainly attributable to weaker margins and interest on equity, which was to a large extent offset by strong lending growth in the second quarter (2.3%).

Fig. 2 Net interest margin



## Net commission and other income

Table 1, Commission and other income

	2Q24	1Q24	2Q23
Payment facilities	88	81	82
Savings/placements	47	35	49
Insurance products	65	64	64
Commission income EM1	134	91	120
Guarantee commission	24	30	29
Arrangement- and customer fees	63	54	64
Commission income ForretningsPartner	116	114	108
Other	6	10	7
Net commission and other income	544	480	522

Net commission and other income amounted to NOK 544 million for the second quarter of 2024, NOK 22 million higher than for the same quarter last year. The main reason for the improvement was a NOK 14 million increase in commissions from real estate brokerage and a NOK 8 million increase in customer fees from SpareBank 1 SR-Bank ForretningsPartner.

Compared with the first quarter of 2024, income increased by NOK 64 million, of which NOK 43 million was due to increased real estate brokerage commissions due to seasonal variation and a good property market. In addition, income from savings and investments grew by NOK 12 million, customer fees by NOK 9 million and income from money transfer services by NOK 7 million.

## Net income on financial investments

Table 2, Income on financial investments

	2Q 24	1Q 24	2Q 23
Dividends	33	6	25
Investment income, associates	120	143	53
Net gains/losses on financial instruments	-4	1	32
- shares and equity certificates	-24	24	-25
- certificates and bonds	34	-7	-20
- interests and currency trading	32	34	54
- basiswap and IFRS-effects	-46	-51	22
Net income on financial investments	148	149	109

Net income from financial investments was NOK 148 million in the second quarter of 2024, an increase of NOK 39 million compared with the same quarter last year. Income from associated companies developed positively, see table 3. Please also see the later sections for detailed descriptions of the performance of the individual companies.

Table 3, Investment income, associates

	2Q 24	1Q 24	2Q 23
SpareBank 1 Gruppen AS	1	40	-5
BNBank ASA	73	84	58
SpareBank 1 Forvaltning AS	22	17	14
SpareBank 1 Markets AS	22	21	
SpareBank 1 Kreditt AS	1	-3	-1
SpareBank 1 Betaling AS	-2	-10	-10
Others	2	-5	-2
Investment income, associates	120	143	53

Net income from financial investments was NOK -4 million in the second quarter of 2024, compared with NOK 32 million in the same quarter last year. The decrease, compared with last year, was due to a negative change in the value of basis swaps, IFRS effects and poorer income from interest rate and foreign exchange trading. The decrease was partially offset by a positive development in the value of the certificate and bond portfolio held for liquidity purposes.

Compared with the first quarter of 2024, net income from financial investments was stable. A slight decrease in income from associated companies was counteracted by higher dividends.

## Operating expenses

Table 4, Operating expenses

	Q2 24	Q1 24	Q2 24
Total personnel expenses	513	508	488
IT expenses	122	117	114
Consulting	37	30	34
Marketing	24	22	23
Operating expenses from real estate	18	19	22
Administrative expenses	16	19	20
Travel and meeting	13	13	13
Other operating expenses	45	48	63
Merger expenses	13	6	0
Depreciation and impairments	42	43	41
Total operating expenses	844	826	817

The group's operating expenses amounted to NOK 844 million in the second quarter of 2024, an increase of NOK 27 million compared with the corresponding period last year. Operating expenses in the second quarter of 2023 included NOK 29 million related to complaints in Monio and NOK 10 million from the capital market division, which was transferred to SpareBank 1 Markets AS in the fourth quarter of 2023. Merger-related costs amounted to NOK 13 million in the second quarter of 2024. Corrected for the above items, expenses increased by NOK 52 million. The increase was mainly due to higher personnel expenses due to more FTEs and wage growth. In addition to this, IT expenses increased by NOK 8 million, primarily due to increases in both licensing expenses and Alliance expenses in the parent bank.

Compared with the previous quarter, expenses increased by NOK 18 million, of which NOK 7 million was due to increased merger expenses. The NOK 5 million increase in personnel expenses was primarily related to wage growth.

## Impairment losses on loans and financial commitments, and loans and financial commitments in Stage 3

The group's net impairment provisions on loans and financial liabilities amounted to NOK 103 million as at the end of the second quarter of 2024, compared with income recognition of NOK 98 in the same quarter last year. Individual losses of NOK 87 million were recognised as costs, and IFRS

9 impairment provisions increased by NOK 16 million in the quarter.

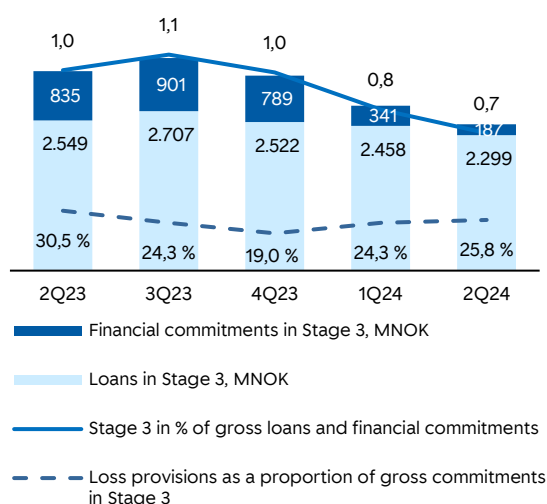
Compared with the first quarter of 2024, impairment provisions on loans and financial liabilities increased by NOK 68 million.

The group's impairments on loans and financial liabilities amounted to 0.15% of gross loans in the second quarter of 2024, compared with -0.15% in the second quarter of 2023 and 0.05% in the first quarter of 2024.

The group's loans and financial liabilities are classified into three groups: Stage 1, Stage 2 and Stage 3. Stage 3 is used for loans and financial liabilities that have seen a significant rise in credit risk since being granted and where there is objective evidence of a loss event on the balance sheet date. The loss provision must cover expected losses over their lifetime for these loans and financial liabilities.

Gross loans and financial liabilities classified as Stage 3 amounted to NOK 2,299 million at the end of the second quarter of 2024, compared with NOK 2,549 million in the second quarter of 2023. The reduction compared with the same period last year was mainly due to an improvement in credit quality within oil and offshore.

Fig. 3 Gross loans and financial commitments in Stage 3

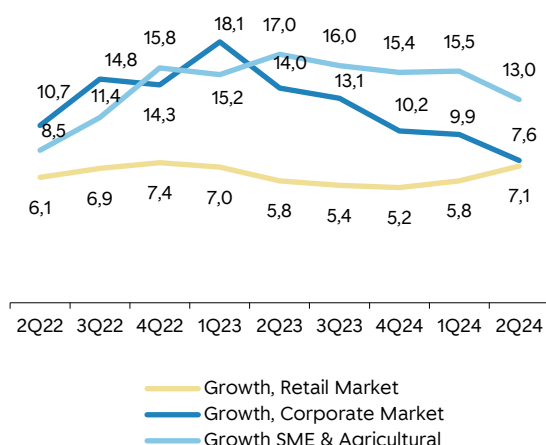


## Loans to and deposits from customers

Gross lending amounted to NOK 284.6 billion as at 30.6.2024. Gross lending growth in the past 12 months was 7.5% (9.1%).

In the past 12 months, Retail Market (incl. staff loans), SME & Agriculture and Corporate Market have seen lending growth of 7.1%, 13.0% and 7.6% (7.7% adjusted for foreign exchange effects), respectively.

Fig. 4 12 month lending growth (percentage)



Loans to the retail market accounted for 59.8% of total loans at the end of the second quarter of 2024 (60.0%).

The group's total loan exposure of NOK 284.6 billion included a majority of exposures with a probability of default of less than 0.5%. These commitments accounted for 62.8% (62.7%) of the portfolio. The overall loan portfolio largely consisted of exposures of less than NOK 10 million. These accounted for 61.4% (62.5%) of loan exposure and 97.4% (97.7%) of customers. Of the total loan exposure, 23.9% (23.0%) was to customers with exposures in excess of NOK 100 million.

Deposits from customers amounted to NOK 155.0 billion at the end of the second quarter of 2024 (NOK 150.8 billion). Deposits have grown by 2.8% in the past 12 months (3.5%). Deposit growth was affected by a reduction in public sector deposits. Excluding deposits from customers in the public sector, deposits have grown by 5.1% overall in the past 12 months, with growth of 4.0% in Retail Market, -0.9% in SME & Agriculture and 5.8% in Corporate Market. See the section on business areas for further information. As at 30.6.2024, deposits in Retail Market accounted for 47.9% (46.6%) of the group's deposits.



The deposit-to-loan ratio was 54.4% (56.9) at the end of the second quarter of 2024.

## Business areas

SpareBank 1 SR-Bank ASA is split into different business areas, which are defined on the basis of their form of distribution, products, and customers. The reporting format is based on the risk and return profile of the assets and is split into Retail Market, SME & Agriculture, Corporate Market and significant subsidiaries. Retail Market's result and balance sheet items include the figures from SR-Boligkreditt AS.

## Retail Market<sup>2</sup>

Retail Market posted an operating profit before impairment provisions of NOK 624 million for the second quarter of 2024, compared with NOK 528 million for the second quarter of 2023 and NOK 527 million for the first quarter of 2024.

Table 5, Retail Market

	2Q 24	1Q 24	2Q 23
Interest income	595	569	491
Commission and other income	175	154	167
Income on investment securities	6	5	4
Total income	775	729	662
Total operating expenses	151	202	134
Operating profit before impairments	624	527	528
Impairments on loans and financial commitments	25	12	3
Pre-tax profit	599	515	525

Net interest income increased by NOK 104 million compared with the second quarter of 2023, mainly due to an increase in lending margins and volumes. Compared with the previous quarter, net interest income increased by NOK 25 million as a result of increased lending margins and balance sheet growth. Other income increased by NOK 21 million compared with the first quarter of 2024, mainly due to an increase in income from money transfer services.

Total operating costs amounted to NOK 151 million in the second quarter of 2024, compared with NOK 134 million in the second quarter of 2023. The

<sup>2</sup> The interest on intercompany receivables for retail market, SME & agriculture and corporate market is fixed based on expected observable market interest rates (NIBOR) plus expected additional costs for the Group's long-term funding (credit premium). Differences between the Group's actual funding costs and the applied interest on intercompany receivables are eliminated at the Group level.

increase was mainly due to general wage and price inflation. The decrease in expenses compared to the previous quarter is due to the payment of holiday pay in June and lower personnel expenses in the business area.

The volume of lending in Retail Market was NOK 166.7 billion at the end of the second quarter of 2024. Retail Market is experiencing very good demand for loans, and lending has grown by 7.1% in the past 12 months (NOK 11.0 billion). On a national basis, the 12-month growth figure for Norwegian household debt was 3.3% as at the end of June. The deposit volume was NOK 74.3 billion at the end of the second quarter of 2024, corresponding to growth over the past 12 months of 5.8%.

The quality of the retail market portfolio is considered very good and the potential for losses low. The proportion of loan exposure within 85% of the loan to value ratio was 94.3% at end of the second quarter of 2024 (94.8%). The model-calculated IRB risk weights<sup>3</sup> for residential mortgages was 19.3% at the end of the quarter (18.7%).

## SME & Agriculture<sup>2</sup>

SME & Agriculture posted an operating profit before impairment provisions of NOK 267 million for the second quarter of 2024, compared with NOK 240 million for the second quarter of 2023 and NOK 258 million for the first quarter of 2024.

Table 6, SME & Agriculture

	2Q 24	1Q 24	2Q 23
Interest income	247	250	224
Commission and other income	37	35	34
Income on investment securities	10	11	7
Total income	294	296	265
Total operating expenses	27	37	25
Operating profit before impairments	267	258	240
Impairments on loans and financial commitments	-7	66	-15
Pre-tax profit	274	192	255

<sup>3</sup> The IRB rules define residential mortgage loans as exposures secured by collateral in residential/real property where the collateral in the real property amounts to at least 30%. The figures include the portfolio in SR-Boligkreditt AS.

Net interest income increased by NOK 23 million compared with the second quarter of 2023 due to good lending growth and strong deposit margins.

Costs were NOK 2 million higher than in the second quarter of 2023 due to general wage growth and inflation. Expenses decreased by NOK 10 million compared with the previous quarter. The decrease in expenses compared to the previous quarter is primarily due to the payment of holiday pay in June and lower personnel expenses in the business area.

NOK 7 million was recognised as income in relation to impairment provisions on loans and financial liabilities in the second quarter of 2024, compared with income recognition of NOK 15 million in the same quarter last year and NOK 66 million in the previous quarter. The increase in impairment provisions on loans and financial liabilities last quarter was mainly due to bankruptcies and provisions for customers who have been monitored closely over time and was partially reversed in the second quarter of 2024.

The lending volume in the division amounted to NOK 22.8 billion at the end of the second quarter of 2024. SME & Agriculture is experiencing high demand for loans and credit, and lending growth over the past 12 months was 13.0%. The deposit volume was NOK 21.1 billion, corresponding to growth in the past 12 months of -0.9%. The negative growth in deposits was due to companies drawing on their savings.

The quality of the SME & Agriculture portfolio is considered good. The proportion of commitments with a probability of default of less than 2.5% through a full loss cycle was 84.0% of the portfolio at the end of the second quarter of 2024 (85.1%).

## Corporate Market<sup>2</sup>

Corporate Market posted an operating profit before impairment provisions of NOK 643 million for the second quarter of 2024, compared with NOK 596 million for the second quarter of 2023 and NOK 612 million for the first quarter of 2024.

Table 7, Corporate Market

	2Q 24	1Q 24	2Q 23
Interest income	566	555	524
Commission and other income	104	97	101
Income on investment securities	15	19	15
Total income	685	671	640
Total operating expenses	42	59	44
Operating profit before impairments	643	612	596
Impairments on loans and financial commitments	85	-43	-85
Pre-tax profit	558	655	682

Interest income increased by NOK 42 million compared with the same period last year and NOK 11 million compared with the previous quarter. The increases in interest income compared with last year and the last quarter were primarily due to lending growth. The increase in net commissions and other income, in relation to both the second quarter of 2023 and the first quarter of 2024, was due to higher customer fees, which were partially offset by slightly lower guarantee provisions.

Expenses were on a par with the same quarter last year, while the decrease of NOK 17 million compared with the previous quarter was due to the payment of holiday pay in June and lower personnel expenses in the business area.

Impairment provisions on loans and financial liabilities amounted to NOK 85 million in the second quarter of 2024, compared with income recognition of NOK 85 million in the same quarter last year and NOK 43 million in the previous quarter. The increase in impairment provisions for loans and financial liabilities was primarily due to an impairment provision for a single commitment, which was partially offset by a reversal for another individual commitment.

The lending volume in the division amounted to NOK 91.1 billion at the end of the second quarter of 2024. Exchange rate effects accounted for NOK -0.2 billion of the total growth of NOK 6.4 billion. There was solid lending growth in all market areas. Of the division's total lending volume, NOK 12.7 billion (14.0%) was classified as green or sustainability-linked loans. The deposit volume was NOK 54.8 billion, corresponding to growth in the past 12 months of -1.8%. The lower deposit volume was due to a decrease in the public sector.

The quality in Corporate Market is considered good. The proportion of exposures with a probability of default of less than 2.5% through a full loss cycle was 86.2% of the portfolio at the end of the second quarter of 2024 (85.3%). The property sector portfolio represents the group's largest concentration in a single sector and accounted for 13.8% (14.0%) of total loan exposure. A large portion of this portfolio consists of financing commercial properties for leasing.

## Subsidiaries

### EiendomsMegler 1 SR-Eiendom AS

The company posted earnings of NOK 137 million for the second quarter of 2024, compared with NOK 123 million for the second quarter of 2023. Its profit before tax increased from NOK 22 million to NOK 33 million, NOK 11 million, in the same period. The improvement in profit was due to increased income and good cost control. Compared with the first quarter, income increased by NOK 39 million and its profit before tax by NOK 30 million. The improvement in profit was primarily due to seasonal variations and a good real estate market.

In the second quarter of 2024, 1,967 properties were sold with a total value of around NOK 7.6 billion, compared with 1,928 properties in the second quarter of 2023 with a total value of round NOK 7.0 billion. It sold 1,356 properties in the first quarter.

Overall, the company is the largest real estate broker in the counties of Rogaland, Vestland and Agder, with a stable market share of around 20%. In the second quarter of 2024, EiendomsMegler 1 SR-Eiendom AS signed an agreement to acquire Kaland & Partners in Bergen and Ullevål EiendomsMegling in Oslo. The acquisitions are being made to strengthen the Group's presence in Hordaland and Oslo.

### SpareBank 1 SR-Bank ForretningsPartner AS

The group posted a profit before tax of NOK 20 million for the second quarter of 2024, compared with NOK 18 million for the second quarter of 2023 and NOK 9 million for the previous quarter. The improvement in profit from the last quarter was due to seasonal variation.

SpareBank 1 SR-Bank ForretningsPartner AS has a solid market position in accounting services, with offices in Rogaland, Vestland, Agder and Oslo.

### SR-Boligkreditt AS

The company's purpose is to purchase residential mortgages from SpareBank 1 SR-Bank ASA, and it funds this by issuing covered bonds. SR-Boligkreditt AS enables the parent company to diversify and optimise its funding. Moody's has given SR-Boligkreditt AS its best rating, Aaa.

At the end of the second quarter of 2024, the company had issued covered bonds with a nominal value of NOK 96.0 billion (NOK 83.2 billion) and bought loans worth NOK 108.4 billion (NOK 94.3 billion) from SpareBank 1 SR-Bank ASA.

The company posted a profit before tax of NOK 49 million for the second quarter of 2024, compared with NOK 174 million for the second quarter of 2023 and NOK 177 million for the first quarter of 2024. The decrease in result was primarily due to adjustments of the market value of basis swaps. Net interest income increased by NOK 65 million in the second quarter of 2023 to NOK 231 million in the second quarter of 2024 due to higher lending margins. Net interest income rose by NOK 3 million compared with the previous quarter.

### FinStart Nordic AS

FinStart Nordic AS invests in, and contributes to the development and growth of, innovative financial technology companies. The aim is to strengthen and expand the group's value chains and help streamline the group by supplying innovative products and services. At the same time, FinStart Nordic AS is looking to achieve a financial return on the company portfolio. The company also manages the portfolio of a former subsidiary that primarily had investments linked to the oil industry.

Profit before tax was NOK 4.5 million for the second quarter of 2024, compared with NOK -1.0 million for the same quarter last year and NOK -14.2 million for the previous quarter.

## Key associated companies of significant importance

The share of comprehensive income from associated companies is incorporated using the equity method and amounted to a total of NOK 120 million in the second quarter of 2024, compared with NOK 53 million in the same quarter last year. In the first quarter of 2024, NOK 143 million was recognised as income.

### SpareBank 1 Alliance

The SpareBank 1 Alliance is Norway's second largest financial group and is a banking and product partnership in which the SpareBank 1 banks in Norway cooperate in order to keep them strong and independent. The purpose of the Alliance is to procure and provide competitive financial services and products, and to exploit economies of scale in the form of lower costs and/or higher quality. The Alliance is run through its ownership and participation in SpareBank 1 Utvikling DA, while the development and operation of product companies is organised through the banks' ownership of the holding company SpareBank 1 Gruppen AS.

### SpareBank 1 Gruppen AS

SpareBank 1 Gruppen AS owns 100% of the shares in SpareBank 1 Forsikring AS, SpareBank 1 Factoring AS, and SpareBank 1 Spleis AS. SpareBank 1 Gruppen AS also owns 65% of the shares in Fremtind Forsikring AS, 50% of the shares in Kredinor AS, and 49% of the shares in LO Favør AS. SpareBank 1 SR-Bank ASA owned a 19.5% stake in SpareBank 1 Gruppen AS at the end of the second quarter of 2024.

SpareBank 1 Gruppen AS posted a profit after tax of NOK 145 million for the second quarter of 2024, compared with NOK -21 million for the second quarter of 2023 and NOK 271 million for the previous quarter. The controlling interest's share in the second quarter of 2024 was NOK 6 million, compared with NOK 19 million for the same quarter last year and NOK 199 million for the first quarter of 2024. The main reason for the poorer result compared with the previous quarter was a further NOK 234 million write-down of the shares in Kredinor. Otherwise, the financial return and the insurance result for the second quarter of this year were good.

SpareBank 1 Forsikring AS posted a profit after tax of NOK 78 million for the second quarter of 2024,

compared with NOK 35 million for the same quarter last year and NOK 112 million for the first quarter of 2024. The improvement in profit compared with the same quarter last year was mainly due to better financial results and a good return in the company portfolio. The reduction in profit after tax compared with the previous quarter was due to less profit from insurance contracts and the return on the company portfolio.

The Fremtind Group posted a profit after tax of NOK 388 million for the second quarter of 2024, compared with NOK 19 million for the same quarter last year and NOK 206 million for the first quarter of 2024. The claims ratio has developed positively compared with the same quarter last year. Furthermore, the results from investments linked to equity investments and interest yield improved. The increase in profit after tax compared with the previous quarter was primarily due to an improvement in the profit from insurance services.

The annualised return on equity after tax was 6.6% (3.9%) as at 30.6.2024.

### SpareBank 1 Utvikling DA

SpareBank 1 Utvikling DA delivers business platforms and common management and development services to the Alliance banks. The company contributes to joint activities that provide the banks with benefits in the form of economies of scale and expertise. The company also owns and manages the Alliance's intangible assets under a common brand name, SpareBank 1. SpareBank 1 SR-Bank ASA owned an 18.0% stake in SpareBank 1 Utvikling DA at the end of the second quarter of 2024.

### SpareBank 1 Forvaltning AS

SpareBank 1 Forvaltning AS delivers products and services designed to streamline and simplify savings for its customers. The company consists of the subsidiaries ODIN, SpareBank 1 Kapitalforvaltning AS, and SpareBank 1 Verdipapirservice AS. SpareBank 1 Forvaltning AS is owned by the SpareBank 1 banks and the Norwegian Confederation of Trade Unions (LO). SpareBank 1 SR-Bank ASA's stake was 35.8% at the end of the second quarter of 2024.

SpareBank 1 Forvaltning AS posted a profit after tax of NOK 61 million for the second quarter of 2024, compared with NOK 39 million for the same quarter last year and NOK 44 million for the first



quarter of 2024. The increase compared with the previous quarter and the same period last year was due to increases in management fees. Assets under management in funds have increased by NOK 13 billion in the past 12-months and totalled NOK 122 billion at the end of the second quarter of 2024.

### **BN Bank ASA**

BN Bank ASA is a nationwide bank with its head office in Trondheim. The bank is owned by the banks in the SpareBank 1 Alliance. SpareBank 1 SR-Bank ASA's stake was 35.0% at the end of the second quarter of 2024.

BN Bank ASA achieved a profit after tax of NOK 220 million for the second quarter of 2024, compared with NOK 172 million for the same quarter last year. The improvement was due to increased income and a reduction in loss provisions. Compared with the previous quarter, the profit after tax decreased by NOK 27 million due to poorer income from financial investments.

The return on equity after tax was 15.1% compared with 12.9% for the second quarter of 2023 and 22.7% for the first quarter of 2024.

### **SpareBank 1 Markets AS**

SpareBank 1 Markets is a leading Norwegian investment firm offering services within equity and credit analysis and trading in equities and bonds, as well as services within corporate finance, including raising capital in the equity and debt market, mergers and acquisitions, restructuring and advice. The investment firm is owned by banks in the SpareBank 1 Alliance. In December 2023, SpareBank 1 SR-Bank ASA and SpareBank 1 Nord-Norge AS increased their stakes in SpareBank 1 Markets AS. SpareBank 1 SR-Bank ASA's stake following the transaction is 33.3%.

As at the end of the second quarter of 2024, SpareBank 1 Markets AS posted a profit after tax of NOK 65 million, compared with NOK 62 million the first quarter of 2024. Structural changes in SpareBank 1 Markets AS during 2023 mean that the accounting figures for 2023 are not directly comparable.

### **SpareBank 1 Kreditt AS**

SpareBank 1 Kreditt AS is owned by the SpareBank 1 banks. SpareBank 1 SR-Bank ASA owned a stake of 16.8% at the end of the second quarter of 2024. The

company offers unsecured financing to the retail market and offers credit cards and repayment loans to SpareBank 1 banks.

The company posted a result after tax of NOK 6 million for the second quarter of 2024, compared with NOK -8 million for the corresponding quarter last year. Higher net interest income was counteracted by higher costs and impairment provisions than in the same period last year. The result after tax for the first quarter of 2024 was NOK -19 million.

The total portfolio in the company was NOK 9.3 billion at the end of the second quarter of 2024, compared with NOK 8.3 billion for the same period last year and NOK 9.2 billion for the last quarter.

### **SpareBank 1 Betaling AS**

The SpareBank 1 banks jointly own SpareBank 1 Betaling AS. SpareBank 1 SR-Bank ASA's stake is 19.1%. SpareBank 1 Betaling AS owns a 23.9% stake in Vipps AS. Vipps AS is enjoying strong growth and is a strategic venture for the company's owner banks.

SpareBank 1 Betaling AS posted a result after tax of NOK -24.2 million for the second quarter of 2024, compared with NOK -53.2 million for the same period last year. The result after tax for the first quarter of 2024 was NOK -53.9 million. The negative results were due to the share of the operating loss in Vipps AS. The improved result in the second quarter of 2024 was due to an accounting correction in Vipps AS in 2023.

For more information about the accounts of the various companies, please refer to their quarterly reports, which are available on the websites of the various companies.

### **Funding and liquidity**

SpareBank 1 SR-Bank ASA had good liquidity at the end of the second quarter of 2024 and believes it will continue to have good access to long-term funding at competitive prices. The group strives to achieve an even maturity structure for funding and believes it is important to have good relations with Norwegian and international investors and banks. The liquidity buffer was NOK 67.1 billion at the end of the second quarter of 2024 (NOK 66.8 billion) and would cover normal operations for 35 months (36 months) in the event of closed markets and without net lending growth. NOK 19.1 billion of the bank's external funding will come due in the next

12 months. In addition to the liquidity buffer, the bank has NOK 35.7 billion in residential mortgages ready for covered bond funding.

The group has continued to enjoy a high proportion of long-term funding in the past 12 months. The group's net stable funding ratio (NSFR<sup>4</sup>) was 136% at the end of the second quarter of 2024 (135%), which confirms the group's good funding situation. SpareBank 1 SR-Bank ASA has an Aa3 (stable) long-term rating and a P-1 short-term rating from Moody's.

## Capital adequacy

Table 8, Capital adequacy

	2Q24	1Q24	4Q23	3Q23	2Q23
CET1 capital ratio	17,66	17,62	17,61	17,88	17,83
Tier 1 capital ratio	20,03	19,70	19,72	20,11	19,90
Capital ratio	22,75	22,05	21,58	22,03	21,89
Leverage ratio	7,33	7,14	7,19	7,12	6,98

The Common Equity Tier 1 capital ratio was 17.66%, while the capital adequacy ratio was 22.75% at the end of the second quarter of 2024. This is higher than the required capital adequacy ratio of 20.82%.

The total requirement for SpareBank 1 SR-Bank ASA's Common Equity Tier 1 capital ratio was 16.40% at the end of the second quarter of 2024. The requirement includes the systemic risk buffer (4.47%), the countercyclical buffer (2.50%), the Pillar 2 premium (0.90%), the temporary Pillar 2 premium (0.28%) and the capital adequacy margin (1.25%).

In June 2023, the Ministry of Finance decided that SpareBank 1 SR-Bank ASA should be regarded as a systemically important institution. This will result in a 1-percentage point higher Common Equity Tier 1 capital ratio requirement with effect from 30.9.2024.

## New crisis management directive and MREL

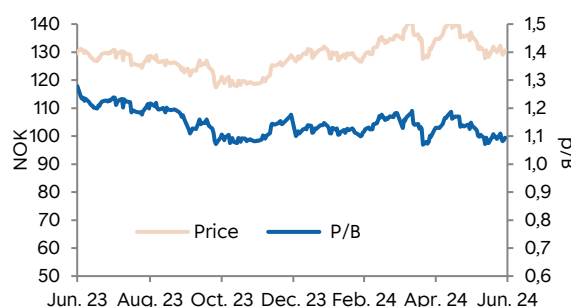
Based on the EU Crisis Management Directive (BRRD), the group must meet a minimum requirement for own funds and eligible liabilities (MREL). SpareBank 1 SR-Bank ASA has an effective MREL requirement of 36.6% of the adjusted risk-

weighted assets. In addition, subordinated capital and non-preferred liabilities must account for at least 29.7%. At the end of the second quarter of 2024, SpareBank 1 SR-Bank ASA had issued senior non-preferred debt equivalent to NOK 17.1 billion and thus satisfies the subordination requirement, NOK 9.6 billion, by a good margin.

## The bank's share

The price of the bank's share (SRBNK) was NOK 130.60 at the end of the second quarter of 2024. This resulted in an effective return of 7.1% since the end of 2023. The Oslo Børs's main index rose by 8.7% in the corresponding period (not corrected for dividends). Some 4.0% of outstanding SRBNK shares were traded in the second quarter of 2024 (4.0%).

Fig.6, Development in Price/Book



There were 18,943 shareholders of SRBNK at the end of the second quarter of 2024 (18,526). The proportion owned by foreign companies and individuals was 20.7% (21.2%), while 63.3% (65.0%) were resident in Rogaland, Agder, Vestland, Oslo and Akershus. The 20 largest shareholders owned a combined total of 58.4% (57.5%) of the shares. The bank held 47,733 treasury shares, while employees of the group owned 1.8% (1.8%).

The table below shows the 20 largest shareholders as at 30.6.2024:

Table 9, 20 largest shareholders	Number of shares (1,000)	%
Sparebankstiftelsen SR-Bank	78.677	29,8 %
Folketrygdfondet	19.570	7,4 %
SpareBank 1-stiftinga Kvinnherad	6.527	2,5 %
State Street Bank and Trust Co, U.S.A.	5.359	2,0 %
Pareto Aksje Norge	4.236	1,6 %
JPMorgan Chase Bank NA, U.S.A.	3.994	1,5 %
Brown Brothers Harriman & Co, U.S.A.	3.858	1,5 %

<sup>4</sup> NSFR is calculated in accordance with guidelines from the Financial Supervisory Authority of Norway and is calculated as available stable funding relative to necessary stable funding.

Odin Norge	3.736	1,4 %
Swedbank AB	3.401	1,3 %
Verdipapirfondet Alfred Berg Gambak	3.302	1,2 %
J.P.Morgan SE, Luxembourg	2.983	1,1 %
Danske Invest Norske Instit. II	2.566	1,0 %
Pareto Invest Norge AS	2.502	0,9 %
State Street Bank and Trust Co, U.S.A.	2.272	0,9 %
AS Clipper	2.234	0,8 %
KLP AksjeNorge Indeks	2.065	0,8 %
Westco AS	1.957	0,7 %
Vpf Nordea Norge Verdi	1.893	0,7 %
Verdipapirfondet Alfred Berg Norge	1.654	0,6 %
J.P.Morgan SE, Luxembourg	1.603	0,6 %
<b>Total 20 largest</b>	<b>154.388</b>	<b>58,4 %</b>

The group has had a special share savings scheme for the group's employees since 2019. All permanent employees have an opportunity to purchase shares for a specified savings amount, limited to a maximum of NOK 3,000 per employee per month, at a 30% discount and with a lock-in period of 2 years. Around 1,300 of the group's almost 1,750 employees have signed a regular savings agreement for the share savings scheme in 2024.

## Sustainable development

The sustainability strategy forms part of the corporate strategy. The ambition is for sustainability to form an integral part of everything the group does. SpareBank 1 SR-Bank ASA will work to help achieve the Paris Agreement's goal of limiting global warming to 1.5°C. To underpin this ambition, the group is working to cut emissions from its own operations and has set itself a goal of achieving net zero emissions from the group's lending and investment activities by 2050. A target of funding NOK 50 billion in sustainable activities by 2030 has also been set. At the end of the second quarter of 2024, the bank had financed around NOK 32 billion (NOK 27 billion) in sustainable activities.

In the first quarter of 2024, the group adopted a climate transition plan with the aim of cutting emissions for the key industries in the loan portfolio. The first version of the transition plan covers four of the industries with the highest greenhouse gas emissions and energy consumption: shipping, oil and gas, commercial property and agriculture. In the second quarter of 2024, the transition plan was updated with emissions reduction targets for residential properties and the group's own operations.

## Outlook

Norges Bank decided to keep its policy rate unchanged at 4.50% in June 2024 and indicated that the policy rate would remain at this level for some time to come.

The housing market has performed strongly, and house prices have risen by 6.6% in July 2024. SpareBank 1 SR-Bank ASA expects slower growth in house prices this autumn.

The growth in Norwegian households' and businesses' debt has slowed in line with the interest rate hikes over the past year. In spite of this, SpareBank 1 SR-Bank ASA has seen solid growth and is capturing market share in a highly competitive market.

The companies included in SpareBank 1 SR-Bank ASA's Business Barometer have become more optimistic since the previous report in January 2024. The optimism in companies in Southern Norway has been driven by the energy industry and demand for labour is expected to be high in the coming year.

SpareBank 1 SR-Bank ASA wants to be a bank for Southern Norway and in October 2023, the boards of SpareBank 1 SR-Bank ASA and SpareBank 1 Sørst-Norge AS approved a plan to merge and establish SpareBank 1 Sør-Norge ASA. The new bank will be Norway's largest savings bank, with greater capacity to serve people and businesses throughout the region. The integration of SpareBank 1 Sør-Norge is proceeding as planned with the implementation date for the legal merger being 1.10.2024. Full integration is expected from the middle of 2025.

The group's long-term return on equity target is a minimum of 13%. The target is achieved through customer growth in Southern Norway, growth in other income, cost efficiency and a diversified portfolio. The group's cost to income ratio target is less than 40%.

Based on the authorities' Common Equity Tier 1 capital ratio requirements and expectations concerning the capital adequacy margin, the group's Common Equity Tier 1 capital ratio target is at least 16.40% as at 30.6.2024. The target will increase to 17.40% in the third quarter and 17.57% in the fourth quarter.

SpareBank 1 SR-Bank ASA is a solid, profitable group and has in recent years increased its financial strength in line with the authorities' requirements. This was achieved through earnings via a business model involving good breadth in earnings and efficient operations.

SpareBank 1 SR-Bank ASA's dividend policy is to distribute around 50% of the profit for the year. Consideration must be given to financial needs, including capital adequacy requirements and the group's targets and strategic plans, when determining the annual dividend.

Stavanger, 7 August 2024  
The Board of Directors of SpareBank 1 SR-Bank ASA



## Income statement

Parent bank					Note	Group				
01.01.23 - 2023	30.06.23	01.01.24 - 30.06.24	Q2 2023	Q2 2024		Q2 2024	Q2 2023	01.01.24 - 30.06.24	01.01.23 - 30.06.23	2023
					Income statement (MNOK)					
11,764	5,158	6,767	2,751	3,417	Interest income using effective interest method	4,825	3,720	9,513	7,087	15,964
2,534	1,129	1,554	590	779	Other interest income	797	588	1,590	1,112	2,551
8,819	3,812	5,333	2,083	2,706	Interest expense	3,895	2,884	7,648	5,374	12,378
5,480	2,475	<b>2,987</b>	1,259	<b>1,490</b>	<b>Net interest income</b>	<b>1,726</b>	<b>1,424</b>	<b>3,456</b>	2,826	6,136
1,305	620	653	331	339	Commission income	571	545	1,074	1,020	2,040
111	48	54	25	28	Commission expense	28	25	54	48	111
16	8	8	4	4	Other operating income	1	2	4	5	9
1,210	580	<b>607</b>	311	<b>315</b>	<b>Net commission and other income</b>	<b>544</b>	<b>522</b>	<b>1,024</b>	977	1,939
31	30	26	9	26	Dividends	33	25	38	57	66
1,475	1,421	276	1,421	276	Income from ownership interests	120	53	263	148	288
497	-79	157	-78	125	Net gains/losses on financial instruments	11 -4	32	-4	-24	315
2,003	1,372	<b>459</b>	1,351	<b>427</b>	<b>Net income on financial investments</b>	<b>148</b>	<b>109</b>	<b>298</b>	180	669
8,692	4,427	<b>4,054</b>	2,921	<b>2,232</b>	<b>Total income</b>	<b>2,419</b>	<b>2,055</b>	<b>4,778</b>	3,983	8,745
1,471	686	730	355	368	Salaries and other personell expense	513	488	1,021	969	2,053
851	406	468	209	245	Other operating expense	289	289	564	528	1,081
130	65	66	32	33	Depreciation and impairment of fixed and intangible assets	42	41	84	82	166
2,453	1,157	<b>1,264</b>	596	<b>646</b>	<b>Total operating expense</b>	<b>844</b>	<b>817</b>	<b>1,670</b>	1,579	3,299
6,239	3,271	<b>2,790</b>	2,325	<b>1,586</b>	<b>Operating profit before impairment</b>	<b>1,575</b>	<b>1,238</b>	<b>3,108</b>	2,404	5,445
-235	-68	131	-104	99	Impairment losses on loans and other financial liabilities	3, 4 103	-98	138	-63	-232
6,475	3,339	<b>2,659</b>	2,428	<b>1,487</b>	<b>Pre-tax profit</b>	10 <b>1,472</b>	<b>1,336</b>	<b>2,971</b>	2,467	5,677
1,158	479	549	261	282	Tax expense	311	308	618	558	1,202
5,317	2,860	<b>2,110</b>	2,167	<b>1,205</b>	<b>Profit after tax</b>	<b>1,162</b>	<b>1,028</b>	<b>2,352</b>	1,909	4,475
5,142	2,794	1,991	2,137	1,152	Shareholders' share of the profit	1,109	998	2,233	1,844	4,300
175	66	119	30	53	Hybrid capital owners' share of the profit	53	30	119	66	175
5,317	2,860	<b>2,110</b>	2,167	<b>1,205</b>	<b>Profit after tax</b>	<b>1,162</b>	<b>1,028</b>	<b>2,352</b>	1,909	4,475
6	-0	0	0	0	<b>Other comprehensive income</b>					
-1	0	0	0	0	Unrecognised actuarial gains and losses	0	0	0	-0	4
4	-0	0	0	0	Deferred tax concerning changed estimates/pension plan changes	0	0	0	0	-1
-3	-3	-1	-4	1	<b>Total items not reclassified through profit or loss</b>	<b>0</b>	<b>0</b>	<b>0</b>	-0	3
					Change in ECL <sup>1)</sup> 12 months	-0	-0	-0	-0	-0
					Basis swap spread	-59	7	-72	-27	-113
					Deferred tax concerning basis swap spread	15	-2	18	7	28
					Share of profit associated companies and joint ventures	6	3	10	4	6
-3	-3	<b>-1</b>	-4	<b>1</b>	<b>Total items reclassified through profit or loss</b>	<b>-38</b>	<b>8</b>	<b>-44</b>	-16	-78
2	-3	<b>-1</b>	-4	<b>1</b>	<b>Other comprehensive income</b>	<b>-38</b>	<b>8</b>	<b>-44</b>	-16	-76
5,319	2,857	<b>2,110</b>	2,163	<b>1,205</b>	<b>Total comprehensive income</b>	<b>1,124</b>	<b>1,036</b>	<b>2,308</b>	1,893	4,400
					<b>Earnings per share (group)</b>	<b>4,20</b>	3,90	8,45	7,21	16,27

<sup>1)</sup> ECL - Expected credit loss

## Balance sheet

Parent bank			Note	Group		
2023	30.06.23	30.06.24		30.06.24	30.06.23	2023
88	93	101	Cash and balances with central banks	101	93	88
20.044	17.833	21.430	Balances with credit institutions	10.783	8.871	5.536
170.704	169.313	175.125	Loans to customers	4, 6 283.403	263.357	270.757
56.065	58.328	59.285	Certificates and bonds	60.991	59.957	57.681
23.210	30.007	22.957	Financial derivatives	8 15.049	19.846	16.179
381	478	403	Shares, ownership stakes and other securities	13 699	790	680
3.895	2.959	4.006	Investment in associates	6.210	4.989	6.000
7.354	7.556	7.354	Investment in subsidiaries	0	0	0
70	70	70	Intangible assets	366	454	368
2.538	1.132	2.538	Deferred tax assets	2.617	1.074	2.612
301	305	324	Fixed assets	962	955	948
900	900	964	Right-of-use assets	350	368	366
553	484	712	Other assets	1.214	1.009	971
286.102	289.461	295.269	<b>Total assets</b>	10 <b>382.744</b>	361.765	362.186
3.560	1.059	826	Balances with credit institutions	775	662	3.188
149.309	151.067	155.217	Deposits from customers	5 154.975	150.758	149.076
55.146	64.890	60.939	Listed debt securities	9 156.187	147.335	138.353
22.475	29.164	22.354	Financial derivatives	8 12.569	17.547	13.697
2.557	478	549	Taxes payable	618	552	2.706
956	952	1.026	Lease liabilities	374	392	390
253	243	254	Pension liabilities	262	249	261
128	138	116	Impairment provisions on financial commitments	4 116	139	129
739	472	1.067	Other liabilities	1.376	786	1.024
17.017	10.747	17.143	Senior non-preferred bonds	9 17.143	10.747	17.017
2.784	2.857	4.225	Subordinated loan capital	9 4.225	2.857	2.784
254.925	262.068	263.715	<b>Total liabilities</b>	<b>348.620</b>	332.025	328.626
6.607	6.394	6.607	Share capital	6.607	6.394	6.607
2.354	1.587	2.354	Premium reserve	2.354	1.587	2.354
1.982	0	0	Proposed dividend	0	0	1.982
3.155	2.704	3.525	Hybrid capital	3.525	2.704	3.155
17.078	16.708	19.068	Other equity	21.637	19.055	19.462
31.176	27.393	31.554	<b>Total equity</b>	<b>34.124</b>	29.740	33.561
286.102	289.461	295.269	<b>Total liabilities and equity</b>	10 <b>382.744</b>	361.765	362.186

## Statement of changes in equity

SpareBank 1 SR-Bank Group (MNOK)	Share-capital	Premium reserve	Hybrid-capital	Value of basis swap defined as hedging instrument	Other equity	Total equity
Equity as at 31.12.22	6.394	1.587	1.700	65	18.941	28.687
Profit after tax			66		1.844	1.909
Basisswap spread after tax				-20		-20
Share of profit associated companies and joint ventures <sup>1)</sup>					4	4
Total comprehensive income			66	-20	1.847	1.893
Hybrid capital			1.004			1.004
Interest on hybridcapital			-66		-	-66
Transactions against equity in subsidiaries and associated companies					14	14
Dividend 2021, resolved in 2022					-1.790	-1.790
Trade in treasury shares					-2	-2
Transactions with shareholders					-1.792	-1.792
<b>Equity as at 30.06.23</b>	<b>6.394</b>	<b>1.587</b>	<b>1.700</b>	<b>45</b>	<b>19.010</b>	<b>29.740</b>
<b>Equity as at 31.12.23</b>	<b>6.607</b>	<b>2.354</b>	<b>3.155</b>	<b>-19</b>	<b>21.463</b>	<b>33.561</b>
Profit after tax			119		2.233	2.352
Basisswap spread after tax				-54		-54
Share of profit associated companies and joint ventures					10	10
Total comprehensive income			119	-54	2.243	2.308
Hybrid capital			370			370
Interest on hybridcapital			-119		-	-119
Transactions against equity in subsidiaries and associated companies					-13	-13
Transactions with shareholders	-	-			-1.982	-1.982
<b>Equity as at 30.06.24</b>	<b>6.607</b>	<b>2.354</b>	<b>3.525</b>	<b>-73</b>	<b>21.711</b>	<b>34.124</b>

## Cash flow statement

Parent bank			Cash flow statement	Group		
2023	01.01.23 - 30.06.23	01.01.24 - 30.06.24		01.01.24 - 30.06.24	01.01.23 - 30.06.23	2023
-23.276	-22.165	-4.317	Change in gross lending to customers	-12.620	-8.874	-19.045
10.470	4.583	6.048	Interest receipts from lending to customers	9.051	6.694	15.104
867	2.625	5.835	Change in deposits from customers	5.899	2.659	977
-4.526	-1.946	-2.794	Interest payments on deposits from customers	-2.788	-1.940	-4.512
-340	-2.180	-4.492	Change in receivables and debt from credit institutions	-8.035	-1.287	6.126
1.087	461	640	Interest on receivables and debt to financial institutions	380	483	669
-1.183	-3.446	-3.220	Change in certificates and bonds	-3.311	-5.968	-3.691
2.529	1.125	1.540	Interest receipts from commercial paper and bonds	1.584	1.115	2.559
1.221	585	599	Commission receipts	1.019	959	1.937
6.666	-13	67	Capital gains from sale of trading	45	-13	6.892
-2.136	-1.050	-1.231	Payments for operations	-1.641	-1.483	-3.187
-1.206	-1.206	-2.549	Taxes paid	-2.698	-1.343	-1.355
6.109	13.286	-185	Other accruals	-83	12.126	6.188
-3.717	-9.341	<b>-4.058</b>	<b>A Net change in liquidity from operations</b>	<b>-13.199</b>	3.129	8.663
-96	-65	-56	Investments in tangible fixed assets	-56	-74	-124
0	-0	0	Receipts from sale of tangible fixed assets	0	-0	0
-1.323	-367	-61	Change in long-term investments in equities	-85	-376	-439
233	0	0	Receipts from sales of long-term investments in equities	17	11	253
1.506	1.451	302	Dividends from long-term investments in equities	125	-605	660
320	1.019	<b>185</b>	<b>B Net cash flow, investments</b>	<b>2</b>	-1.043	349
17.846	11.656	18.192	Debt raised by issuance of securities and senior non-preferred bonds	29.829	11.656	17.846
-10.805	-1.291	-13.064	Repayments - issued securities and senior non-preferred bonds	-13.064	-10.118	-19.632
-3.774	-1.604	-2.250	Interest payments on securities issued and senior non-preferred bonds	-4.577	-3.199	-7.381
1.500	1.500	2.000	Additional subordinated loan capital issued	2.000	1.500	1.500
-925	-853	-570	Repayments - additional capital instruments	-570	-853	-925
-161	-71	-123	Interest payments on subordinated loans	-123	-71	-161
2.150	1.100	525	Issued hybrid capital	525	1.100	2.150
-695	-96	-155	Repayments in debt established by issuing hybrid capital	-155	-96	-695
-175	-74	-119	Interest payments on debt established by issuing hybrid capital	-119	-74	-175
-83	-41	-46	Lease payments	-33	-35	-66
981	0	0	Private placement	0	0	981
-1.790	-1.790	-1.982	Dividend to share holders	-1.982	-1.790	-1.790
4.068	8.436	<b>2.407</b>	<b>C Net cash flow, financing</b>	<b>11.729</b>	-1.979	-8.349
671	114	<b>-1.465</b>	<b>A+B+C Net cash flow during the period</b>	<b>-1.468</b>	106	663
1.400	1.400	2.071	Cash and cash equivalents as at 1 January	2.082	1.419	1.419
2.070	1.514	<b>605</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>614</b>	1.525	2.082
			<b>Cash and cash equivalents specified</b>			
88	93	101	Cash and balances with central banks	101	93	88
1.983	1.421	505	Balances with credit institutions	514	1.431	1.995
2.071	1.514	<b>605</b>	<b>Cash and cash equivalents</b>	<b>614</b>	1.525	2.082

The cash and cash equivalents includes cash and claims on central banks, plus the share of the total of claims on credit institutions that pertains to placement solely in credit institutions. The cash flow statement shows cash provided and used by the parent bank and the group.



## Notes to the financial statements

### Note 1 Accounting policies

#### 1.1 Basis of preparation

These interim financial statements for SpareBank 1 SR-Bank ASA cover the period 1 January - 30 June 2024. The interim financial statements were prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements are unaudited. These interim financial statements were prepared in accordance with the applicable IFRS® Accounting Standards as determined by the EU.

The interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements for 2023.

#### **New and amended standards applied:**

There are no other new standards, amendments to standards or interpretations which has been implemented since 01.01.2024 with material effect on the group or parent bank's financial statements.

#### **New standards and interpretations that have not been adopted yet:**

There are a number of new standards, changes to the standards and interpretations that are mandatory for future annual accounts. There are no standards or interpretations that have not been adopted yet, that are expected to have any material effects on the group's statements.

### Note 2 Critical estimates and judgements concerning use of the accounting policies

The preparation of the consolidated financial statements entails the group executive management making estimates, judgements and assumptions that affect the effect of the application of the accounting policies and thus the amounts recognised for assets, liabilities, income and costs. Note 3 of the annual financial statements for 2023 explains in more detail the use of critical estimates and judgements when applying the accounting policies.

#### **Impairments on loans**

The Group's assessment of critical estimates and judgements concerning the use of the accounting policies has not changed since 31.12.2023.

The Group conducts annual evaluation of its corporate market portfolio. High-risk exposures in the corporate market portfolio are evaluated on a quarterly basis. Loans to retail customers are subject to evaluation when they are more than 90 days past due; larger exposures in default are evaluated on a quarterly basis.

The Group's risk classification systems are described under financial risk management in the annual report.

The Group carries out an impairment if there is objective evidence that can be identified for an individual exposure, and the objective evidence entails a reduction in future cash flows for servicing the exposure. Objective evidence may be default, bankruptcy, insolvency or other significant financial difficulties.

Individual impairment provisions are calculated as the difference between the loan's book (carrying) value and the present value of future cash flows based on the effective interest rate at the time of the calculation of the initial individual impairment. Account is taken of subsequent changes in interest rates for loan agreements with variable rates if these changes affect the expected cash flow. For smaller exposures, the general rule is that the difference between the actual exposure at the time of impairment and the realisation value (underabsorption) of the pledged collateral is written down, and that the impairment is based on one scenario. For larger exposures, the general rule is that the difference between the actual exposure and the bank's assessment of the discounted value of the customer's future cash flow is written down, and the impairment is based on three scenarios.

According to IFRS 9, loss provisions are recognised for all exposures based on expected credit loss (ECL). The measurement of the provisions for expected losses on exposures that are not individually impaired

depends on whether or not the credit risk has increased significantly since initial recognition. Upon initial recognition and when the credit risk has not increased significantly after initial recognition, provisions must be made for 12 months' expected losses. If the credit risk has increased substantially after initial recognition, provisions must be made for expected losses over the entire lifetime. Expected credit loss is calculated on the basis of the present value of all cash flows over the remaining expected lifetime.

Climate related issues are given increased attention in the credit assessments, and the related risks are first and foremost uncovered through the utilisation of an ESG-module in the credit related work. A need for specific, climate related impairment provisions has so far not been deemed necessary. The scoring from the ESG-module is included in the stress test-model that is utilised as part of ICAAP and other stress testing. Further development and clarifications regarding how expectations of climate related credit losses are to be included in the impairment provisions/IFRS 9-model are still needed. Also refer to note 6 in the annual financial statements for 2023.

A probability weighted average is calculated for three different scenarios: an upside scenario, a base scenario and a downside scenario, respectively. The upside scenario is based on data from a historically representative period of strong economic expansion and the base scenario and downside scenario are based on internally prepared prognoses and stress tests linked to the group's periodic internal capital adequacy assessment process (ICAAP) for various given scenarios. The mutual weighting of the scenarios is considered and determined by a specially established internal working group composed of people at a management level. The scenarios have been updated in the 2nd quarter of 2024.

The choice of scenarios and their weighting are regularly reviewed (at least once a year) by the aforementioned working group. As at 30.06.2024, the base case scenario had an 80% weighting, the adverse scenario had 15% weighting and the stress scenarios had a weighting of 5%. The weighting is the same for all portfolios and reflects the uncertainty associated with economic developments going forward. In order to illustrate the associated weight sensitivity, a simulation of the effects of a more conservative scenario weighting was conducted in which the weight of the base scenario was reduced to 70% and the adverse scenario and stress scenario were both increased to 15%. Such a change in the scenario weighting would, all else equal, increase the group's expected impairment losses for commitments without individual impairment by NOK 128 million.

Sensitivity Calculations (NOK millions)	Base scenario	Adverse scenario	Stress scenario	Corporate market	SME and agriculture	Retail market	SR-Bolig-kreditt	Not distributed	Total Group	Change in applied scenario
<b>Weights used as at 30.06.2024</b>										
ECL in Base scenario				364	180	71	38	1	654	
ECL in Adverse scenario				636	297	105	65	1	1.104	
ECL in Stress scenario				1.110	491	184	145	2	1.932	
ECL with applied scenario weighting (current, used from second quarter of 2024)	80,0 %	15,0 %	5,0 %	442	213	82	47	1	785	
Alternative scenario weighting I (used second and third quarter of 2023)	80,0 %	12,5 %	7,5 %	454	218	84	49	1	806	21
Alternative scenario weighting II	80,0 %	10,0 %	10,0 %	465	223	86	51	1	826	41
Alternative scenario weighting III	75,0 %	15,0 %	10,0 %	480	229	87	52	1	849	64
Alternative scenario weighting IV	75,0 %	10,0 %	15,0 %	503	239	91	56	1	890	105
Alternative scenario weighting V	70,0 %	15,0 %	15,0 %	517	244	93	58	1	913	128
<b>Weights used as at 31.03.2024</b>										
ECL in Base scenario				387	208	56	33	1	685	
ECL in Adverse scenario				478	248	86	68	1	881	
ECL in Stress scenario				1.004	486	150	137	2	1.779	
ECL with applied scenario weighting (current, used in fourth quarter of 2023 and first quarter of 2024)	80,0 %	15,0 %	5,0 %	431	228	65	44	1	769	
Alternative scenario weighting I (used second and third quarter of 2023)	80,0 %	12,5 %	7,5 %	445	234	67	45	1	792	23
Alternative scenario weighting II	80,0 %	10,0 %	10,0 %	458	240	68	47	1	814	45
Alternative scenario weighting III	75,0 %	15,0 %	10,0 %	462	242	70	49	1	824	55
Alternative scenario weighting IV	75,0 %	10,0 %	15,0 %	489	254	73	52	1	869	100
Alternative scenario weighting V	70,0 %	15,0 %	15,0 %	494	256	74	54	1	879	110

## Note 2 Critical estimates and judgements concerning use of the accounting policies (continued)

Closely monitoring customers and prevention work are important measures actively employed by the Group to maintain its good risk profile in the Group's loan portfolio.

### Fair value of financial derivatives and other financial instruments

The fair value of derivatives is determined using valuation methods where the price of the underlying instrument, for example, interest rate or currency rate, is obtained from the market. When measuring financial instruments for which observable market data is not available, the group makes assumptions regarding what market actors would base their valuation on for equivalent financial instruments. Valuations require extensive use of discretion, including when calculating liquidity risk, credit risk and volatility. Any change in the aforementioned factors will affect the fair value determined for the group's financial instruments. For more information see note 25 on the classification of financial instruments in the annual financial statements for 2023. In the case of options, volatility will be either observed implicit volatility or calculated volatility based on historical price movements for the underlying object.

### IT-infrastructure

Furthermore, several measures have been implemented to secure the bank's IT infrastructure and to prevent potential cyber-attacks on the most critical systems and processes.

The group's assessments of critical estimates and judgements regarding its use of accounting policies are challenging but are currently considered to be the best estimate.

## Note 3 Impairments on loans and financial commitments recognised in the income statement

Parent bank						Group				
2023	01.01.23 - 30.06.23	01.01.24 - 30.06.24	Q2 2023	Q2 2024		Q2 2024	Q2 2023	01.01.24 - 30.06.24	01.01.23 - 30.06.23	2023
-444	-164	-33	-92	-12	Change in impairments on loans	-9	-86	-26	-159	-441
-9	1	-13	14	-21	Change in impairments on financial commitments	-21	14	-12	1	-9
370	146	180	19	133	Actual loan losses on commitments	133	19	180	146	370
6	2	4	2	2	Change in accrued interest	2	2	4	2	6
-1	-0	-0	-0	0	Change in assets taken over for the period	0	-0	-0	-0	-1
-157	-53	-7	-46	-3	Recoveries on commitments previously written-off	-3	-46	-7	-53	-157
-235	-68	131	-104	99	Total impairments on loans and financial commitments	103	-98	138	-63	-232

## Note 4 Impairments on loans and financial commitments recognised on the balance sheet

Parent Bank		Changes in impairment provisions on loans	Changes in impair- ment provisions on financial commitments	Total
2024	01.01.24			30.06.24
<b>Impairment provisions on loans and financial commitments</b>				
Impairment provisions after amortised cost, corporate market	967	-85	-19	863
Impairment provisions after amortised cost, SME & ariculture	261	31	1	294
Impairment provisions after amortised cost, retail market	54	5	5	65
Mortgages at FVOCI <sup>1)</sup>	50	16	0	66
<b>Total impairment provisions on loans and financial commitments</b>	<b>1.333</b>	<b>-33</b>	<b>-13</b>	<b>1.287</b>
<b>Presented as</b>				
Impairment provisions on loans	1.204	-33	0	1.172
Impairment provisions on financial commitments	128	0	-13	116
<b>Total impairment provisions on loans and financial commitments</b>	<b>1.333</b>	<b>-33</b>	<b>-13</b>	<b>1.287</b>
<b>2023</b>	<b>01.01.23</b>			<b>Total 30.06.23</b>
<b>Impairment provisions on loans and financial commitments</b>				
Impairment provisions after amortised cost, corporate market	1.430	-151	-2	1.277
Impairment provisions after amortised cost, SME & ariculture	235	6	-5	235
Impairment provisions after amortised cost, retail market	63	-10	8	61
Home mortgages at FVOCI <sup>1)</sup>	58	-9	0	49
<b>Total impairment provisions on loans and financial commitments</b>	<b>1.786</b>	<b>-164</b>	<b>1</b>	<b>1.622</b>
<b>Presented as</b>				
Impairment provisions on loans	1.648	-164	0	1.484
Impairment provisions on financial commitments	138	0	1	138
<b>Total impairment provisions on loans and financial commitments</b>	<b>1.786</b>	<b>-164</b>	<b>1</b>	<b>1.622</b>
<b>Group</b>		<b>Changes in impairment provisions on loans</b>	<b>Changes in impair- ment provisions on financial commitments</b>	<b>Total</b>
<b>2024</b>	<b>01.01.24</b>			<b>30.06.24</b>
<b>Impairment provisions on loans and financial commitments</b>				
Impairment provisions after amortised cost, corporate market	967	-85	-19	863
Impairment provisions after amortised cost, SME & ariculture	262	31	1	294
Impairment provisions after amortised cost, retail market	145	28	5	177
Mortgages at FVOCI <sup>1)</sup>	0	0	0	0
<b>Total impairment provisions on loans and financial commitments</b>	<b>1.373</b>	<b>-26</b>	<b>-12</b>	<b>1.335</b>
<b>Presented as</b>				
Impairment provisions on loans	1.244	-26	0	1.218
Impairment provisions on financial commitments	129	0	-12	116
<b>Total impairment provisions on loans and financial commitments</b>	<b>1.373</b>	<b>-26</b>	<b>-12</b>	<b>1.335</b>
<b>2023</b>	<b>01.01.23</b>			<b>Total 30.06.23</b>
<b>Impairment provisions on loans and financial commitments</b>				
Impairment provisions after amortised cost, corporate market	1.430	-151	-2	1.277
Impairment provisions after amortised cost, SME & ariculture	235	6	-5	236
Impairment provisions after amortised cost, retail market	158	-14	8	152
Home mortgages at FVOCI <sup>1)</sup>	0	0	0	0
<b>Total impairment provisions on loans and financial commitments</b>	<b>1.823</b>	<b>-159</b>	<b>1</b>	<b>1.664</b>
<b>Presented as</b>				
Impairment provisions on loans	1.685	-159	0	1.526
Impairment provisions on financial commitments	138	0	1	139
<b>Total impairment provisions on loans and financial commitments</b>	<b>1.823</b>	<b>-159</b>	<b>1</b>	<b>1.664</b>

<sup>1)</sup> FVOCI - Fair value other comprehensive income



**Note 4 Impairments on loans and financial commitments recognised in the balance sheet (continued)**

**Parent Bank**

Impairment provisions on loans per stage	01.01.24 - 30.06.24				01.01.23 - 30.06.23			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment provisions on loans 01.01	225	396	584	1,204	278	292	1,078	1,648
Changes 01.01 - 30.06								
Transfer to (from) stage 1	-6	6	0	0	-9	9	0	0
Transfer to (from) stage 2	51	-57	6	0	39	-40	1	0
Transfer to (from) stage 3	4	2	-6	0	4	11	-14	0
Net new measurement of impairment provisions	-45	37	99	91	-64	16	-113	-161
New issued or purchased loan	64	13	5	83	59	21	24	105
Loans that have been derecognised	-30	-108	-68	-206	-42	-57	-9	-108
<b>Impairment provisions on loans 30.06</b>	<b>262</b>	<b>289</b>	<b>620</b>	<b>1,172</b>	<b>265</b>	<b>251</b>	<b>968</b>	<b>1,484</b>
Impairment provisions on financial commitments per stage	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment provisions on financial commitments 01.01.	42	44	43	128	45	59	34	138
Changes 01.01 - 30.06								
Transfer to (from) stage 1	-1	1	0	-0	-1	1	0	0
Transfer to (from) stage 2	6	-7	0	0	11	-11	0	-0
Transfer to (from) stage 3	0	4	-4	0	0	1	-1	0
Net new measurement of impairment provisions	-6	2	-1	-5	-23	-11	15	-18
New issued or purchased loan	29	7	0	36	21	2	17	40
Loans that have been derecognised	-14	-11	-18	-43	-7	-10	-3	-20
<b>Impairment provisions on financial commitments 30.06</b>	<b>56</b>	<b>39</b>	<b>20</b>	<b>116</b>	<b>47</b>	<b>30</b>	<b>62</b>	<b>138</b>

**Group**

Impairment provisions on loans per stage	01.01.24 - 30.06.24				01.01.23 - 30.06.23			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment provisions on loans 01.01	234	426	585	1,244	288	318	1,079	1,685
Changes 01.01 - 30.06								
Transfer to (from) stage 1	-7	6	0	0	-10	10	0	0
Transfer to (from) stage 2	57	-63	6	0	46	-47	1	-0
Transfer to (from) stage 3	4	2	-6	0	4	11	-15	0
Net new measurement of impairment provisions	-51	47	99	95	-71	31	-112	-152
New issued or purchased loan	67	20	5	92	60	23	25	108
Loans that have been derecognised	-31	-114	-68	-213	-44	-62	-9	-115
<b>Impairment provisions on loans 30.06</b>	<b>272</b>	<b>325</b>	<b>621</b>	<b>1,218</b>	<b>273</b>	<b>284</b>	<b>969</b>	<b>1,526</b>
Impairment provisions on financial commitments per stage	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment provisions on financial commitments 01.01.	42	44	43	129	46	59	34	138
Changes 01.01 - 30.06								
Transfer to (from) stage 1	-1	1	0	-0	-1	1	0	0
Transfer to (from) stage 2	6	-7	0	0	11	-11	0	-0
Transfer to (from) stage 3	0	4	-4	0	0	1	-1	0
Net new measurement of impairment provisions	-6	2	-1	-5	-23	-11	15	-18
New issued or purchased loan	29	7	0	36	21	2	17	40
Loans that have been derecognised	-14	-11	-18	-43	-7	-10	-3	-20
<b>Impairment provisions on financial commitments 30.06</b>	<b>57</b>	<b>39</b>	<b>20</b>	<b>116</b>	<b>47</b>	<b>30</b>	<b>62</b>	<b>139</b>

## Note 5 Customer deposits

Parent bank			Customer deposits by industry <sup>1)</sup>	Group		
31.12.23	30.06.23	30.06.24		30.06.24	30.06.23	31.12.23
628	796	601	Aquaculture	601	796	628
1.472	1.282	1.377	Industry	1.377	1.282	1.472
1.701	1.868	1.990	Agriculture/forestry	1.990	1.868	1.701
4.926	4.635	5.088	Financial and insurance services	4.845	4.325	4.693
2.782	4.166	3.091	Administrative and support services	3.091	4.166	2.782
35.096	40.343	38.298	Other service industry	38.298	40.343	35.096
3.736	3.334	3.795	Wholesale and retail trade, hotels and restaurants	3.795	3.334	3.736
8.531	3.427	8.195	Offshore, oil and gas E&P	8.195	3.427	8.531
2.700	948	1.608	Oil services	1.608	948	2.700
5.773	5.836	3.928	Building and construction	3.928	5.836	5.773
5.263	7.387	5.656	Renewable energy, water, and waste collection	5.656	7.387	5.263
6.988	7.779	7.803	Commercial real estate	7.803	7.779	6.988
4.916	3.673	4.415	Shipping and other transport	4.415	3.673	4.916
84.511	85.474	<b>85.845</b>	<b>Total corporate market</b>	<b>85.603</b>	85.165	84.278
64.798	65.593	<b>69.372</b>	<b>Retail customers</b>	<b>69.372</b>	65.593	64.798
149.309	151.067	<b>155.217</b>	<b>Deposits from customers</b>	<b>154.975</b>	150.758	149.076

<sup>1)</sup> Updated classification of certain industries in 4th quarter 2023 effects historical figures.

## Note 6 Loans and other financial commitments to customers<sup>1</sup>

Parent bank			Gross loans to customers by industry	Group		
31.12.23	30.06.23	30.06.24		30.06.24	30.06.23	31.12.23
4.924	4.330	5.133	Aquaculture	5.133	4.330	4.924
3.989	3.364	4.464	Industry	4.464	3.364	3.989
6.370	5.969	6.606	Agriculture/forestry	6.606	5.969	6.370
7.376	6.702	8.307	Financial and insurance services	8.307	6.702	7.376
5.162	5.076	5.073	Administrative and support services	5.073	5.076	5.162
8.168	9.722	9.373	Other service industry	9.218	9.509	8.008
3.642	3.624	3.974	Wholesale and retail trade, hotels and restaurants	3.974	3.624	3.642
4.405	4.225	5.405	Offshore, oil and gas E&P	5.405	4.225	4.405
2.992	3.168	3.176	Oil services	3.176	3.168	2.992
12.270	11.904	12.524	Building and construction	12.524	11.904	12.270
5.094	4.075	5.355	Renewable energy, water, and waste collection	5.355	4.075	5.094
35.036	33.317	36.316	Commercial real estate	36.316	33.317	35.036
9.394	10.657	8.757	Shipping and other transport	8.757	10.657	9.394
108.821	106.133	<b>114.463</b>	<b>Total corporate sector</b>	<b>114.307</b>	105.920	108.662
63.078	64.655	<b>61.826</b>	<b>Retail customers</b>	<b>170.314</b>	158.963	163.340
171.900	170.789	<b>176.289</b>	<b>Gross loans</b>	<b>284.621</b>	264.882	272.001
-1.204	-1.484	-1.172	- Impairment provisions after amortised cost	-1.218	-1.526	-1.244
8	9	8	- Home mortgages at FVOCI <sup>2)</sup>	0	0	0
170.704	169.313	<b>175.125</b>	<b>Loans to customers</b>	<b>283.403</b>	263.357	270.757

### Financial commitments <sup>3)</sup>

17.782	20.445	19.459	Guarantees customers	19.493	20.480	17.816
20.356	20.382	21.422	Unused credit lines for customers	31.345	28.725	29.590
9.979	16.317	17.783	Approved loan commitments	17.783	16.317	9.979
48.116	57.143	<b>58.665</b>	<b>Total financial commitments</b>	<b>68.622</b>	65.522	57.384

### Other guarantees issued and liabilities

5.335	10.808	9.109	Unused credit lines for financial institutions	0	0	0
515	589	500	Guarantees other	500	589	515
82	30	1	Letters of credit	1	30	82
5.932	11.427	<b>9.609</b>	<b>Total other guarantees issued and liabilities</b>	<b>501</b>	619	597

<sup>1)</sup> Updated classification of certain industries in 4th quarter 2023 effects historical figures

<sup>2)</sup> FVOCI - Fair value other comprehensive income

<sup>3)</sup> Financial liabilities not on the balance sheet that are the basis for impairments

Note 6 Loans and other financial commitments to customers (continued)<sup>1</sup>

Parent bank

2024						
Loans to customers by industry and stages	Gross loans at amortised cost	Stage 1	Stage 2	Stage 3	Loans at fair value	Net loans 30.06.24
Aquaculture	5.113	-14	-4	-14	20	5.101
Industry	4.417	-12	-5	-13	47	4.434
Agriculture/forestry	4.348	-1	-4	-0	2.258	6.601
Financial and insurance services	8.330	-26	-22	-44	-22	8.216
Administrative and support services	4.999	-34	-11	-93	74	4.934
Other service industry	8.901	-37	-23	-107	472	9.206
Wholesale and retail trade, hotels and restaurants	3.816	-8	-9	-71	157	3.886
Offshore, oil and gas E&P	5.404	-11	-4	-7	1	5.383
Oil services	3.174	-6	-26	-56	2	3.089
Building and construction	12.315	-27	-26	-106	209	12.365
Renewable energy, water, and waste collection	5.346	-10	-5	-7	9	5.333
Commercial real estate	36.183	-60	-98	-35	133	36.123
Shipping and other transport	8.658	-10	-14	-3	99	8.731
<b>Total corporate market</b>	<b>111.005</b>	<b>-254</b>	<b>-251</b>	<b>-556</b>	<b>3.458</b>	<b>113.402</b>
<b>Retail customers</b>	<b>4.614</b>	<b>-8</b>	<b>-38</b>	<b>-64</b>	<b>57.212</b>	<b>61.716</b>
Mortgages at FVOCI <sup>1)</sup>					8	8
<b>Loans to customers</b>	<b>115.619</b>	<b>-262</b>	<b>-289</b>	<b>-620</b>	<b>60.678</b>	<b>175.125</b>

2023						
Loans to customers by industry and stages	Gross loans at amortised cost	Stage 1	Stage 2	Stage 3	Loans at fair value	Net loans 30.06.23
Aquaculture	4.306	-11	-3	0	24	4.316
Industry	3.311	-10	-5	-112	53	3.236
Agriculture/forestry	3.690	-1	-3	-0	2.280	5.965
Financial and insurance services	6.699	-29	-20	-17	3	6.637
Administrative and support services	5.011	-29	-12	-3	65	5.032
Other service industry	9.249	-39	-24	-16	473	9.643
Wholesale and retail trade, hotels and restaurants	3.480	-9	-12	-17	145	3.587
Offshore, oil and gas E&P	4.225	-4	-9	-595	0	3.617
Oil services	3.168	-11	-23	-57	0	3.077
Building and construction	11.724	-28	-27	-45	180	11.803
Renewable energy, water, and waste collection	4.066	-8	-4	-1	9	4.063
Commercial real estate	33.180	-57	-60	-45	137	33.156
Shipping and other transport	10.541	-20	-18	-0	116	10.620
<b>Total corporate market</b>	<b>102.648</b>	<b>-256</b>	<b>-219</b>	<b>-908</b>	<b>3.485</b>	<b>104.750</b>
<b>Retail customers</b>	<b>4.796</b>	<b>-9</b>	<b>-32</b>	<b>-60</b>	<b>59.859</b>	<b>64.554</b>
Mortgages at FVOCI <sup>1)</sup>					9	9
<b>Loans to customers</b>	<b>107.444</b>	<b>-265</b>	<b>-251</b>	<b>-968</b>	<b>63.353</b>	<b>169.313</b>

Note 6 Loans and other financial commitments to customers (continued)<sup>1</sup>

Group

2024						
Loans to customers by industry and stages	Gross loans at amortised cost	Stage 1	Stage 2	Stage 3	Loans at fair value	Net loans 30.06.24
Aquaculture	5.133	-14	-4	-14	0	5.101
Industry	4.456	-12	-5	-13	8	4.434
Agriculture/forestry	6.021	-1	-4	-0	585	6.601
Financial and insurance services	8.330	-26	-22	-44	-22	8.216
Administrative and support services	5.064	-34	-12	-93	9	4.934
Other service industry	9.160	-37	-24	-108	58	9.049
Wholesale and retail trade, hotels and restaurants	3.937	-8	-9	-71	37	3.886
Offshore, oil and gas E&P	5.405	-11	-4	-7	0	5.383
Oil services	3.176	-6	-26	-56	0	3.088
Building and construction	12.501	-27	-27	-106	23	12.365
Renewable energy, water, and waste collection	5.350	-10	-5	-7	5	5.333
Commercial real estate	36.234	-60	-98	-35	82	36.123
Shipping and other transport	8.747	-10	-14	-3	10	8.731
<b>Total corporate market</b>	<b>113.513</b>	<b>-254</b>	<b>-253</b>	<b>-556</b>	<b>795</b>	<b>113.244</b>
<b>Retail customers</b>	<b>163.635</b>	<b>-18</b>	<b>-72</b>	<b>-65</b>	<b>6.679</b>	<b>170.159</b>
<b>Loans to customers</b>	<b>277.148</b>	<b>-272</b>	<b>-325</b>	<b>-621</b>	<b>7.473</b>	<b>283.403</b>

2023						
Loans to customers by industry and stages	Gross loans at amortised cost	Stage 1	Stage 2	Stage 3	Loans at fair value	Net loans 30.06.23
Aquaculture	4.328	-11	-3	0	3	4.316
Industry	3.362	-10	-5	-112	1	3.236
Agriculture/forestry	5.166	-1	-3	-0	803	5.965
Financial and insurance services	6.702	-29	-20	-17	0	6.637
Administrative and support services	5.069	-29	-12	-3	7	5.032
Other service industry	9.450	-39	-25	-16	59	9.428
Wholesale and retail trade, hotels and restaurants	3.597	-9	-12	-17	27	3.587
Offshore, oil and gas E&P	4.225	-4	-9	-595	0	3.617
Oil services	3.168	-11	-23	-57	0	3.077
Building and construction	11.885	-28	-28	-45	19	11.803
Renewable energy, water, and waste collection	4.069	-8	-4	-1	5	4.063
Commercial real estate	33.220	-57	-60	-45	97	33.156
Shipping and other transport	10.646	-20	-18	-0	11	10.619
<b>Total corporate market</b>	<b>104.888</b>	<b>-256</b>	<b>-221</b>	<b>-908</b>	<b>1.032</b>	<b>104.535</b>
<b>Retail customers</b>	<b>152.149</b>	<b>-17</b>	<b>-63</b>	<b>-61</b>	<b>6.814</b>	<b>158.822</b>
<b>Loans to customers</b>	<b>257.037</b>	<b>-273</b>	<b>-284</b>	<b>-969</b>	<b>7.846</b>	<b>263.357</b>



## Note 6 Loans and other financial commitments to customers (continued)

### Parent bank

Gross loans per stage	01.01.24 - 30.06.24				01.01.23 - 30.06.23			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross loans 01.01.	152.119	17.298	2.483	171.900	134.441	11.090	3.093	148.624
Transfer to (from) stage 1	-3.958	3.789	169	0	-4.070	4.039	31	0
Transfer to (from) stage 2	2.385	-2.533	148	0	1.746	-1.767	21	0
Transfer to (from) stage 3	345	68	-414	0	25	566	-591	0
Net increase/(decrease) balance existing loans	5.412	337	134	5.883	2.481	-68	54	2.467
Originated or purchased during the period	42.953	882	529	44.364	47.288	1.241	508	49.037
Loans that have been derecognised	-41.102	-3.978	-777	-45.857	-27.522	-1.224	-592	-29.339
<b>Gross loans 30.06</b>	<b>158.154</b>	<b>15.863</b>	<b>2.272</b>	<b>176.289</b>	<b>154.389</b>	<b>13.877</b>	<b>2.523</b>	<b>170.789</b>

### Financial commitments per stage <sup>1) 2)</sup>

Financial commitments 01.01.	44.499	2.832	785	48.116	46.358	2.515	1.084	49.957
Net increase / (decrease) during period	11.817	-668	-601	10.548	7.952	-515	-252	7.186
<b>Financial commitments 30.06</b>	<b>56.315</b>	<b>2.165</b>	<b>184</b>	<b>58.665</b>	<b>54.311</b>	<b>2.000</b>	<b>833</b>	<b>57.143</b>

### Group

Gross loans per stage	01.01.24 - 30.06.24				01.01.23 - 30.06.23			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross loans 01.01.	246.544	22.935	2.522	272.001	235.168	14.677	3.112	252.957
Transfer to (from) stage 1	-6.036	5.864	172	0	-7.215	7.173	42	-0
Transfer to (from) stage 2	3.757	-3.910	153	0	2.658	-2.679	21	0
Transfer to (from) stage 3	350	89	-439	0	26	569	-595	0
Net increase/(decrease) balance existing loans	7.398	481	134	8.012	5.058	-10	54	5.102
Originated or purchased during the period	49.656	870	520	51.046	50.477	1.173	506	52.156
Loans that have been derecognised	-41.502	-4.174	-762	-46.438	-43.031	-1.711	-590	-45.332
<b>Gross loans 30.06</b>	<b>260.167</b>	<b>22.155</b>	<b>2.299</b>	<b>284.621</b>	<b>243.140</b>	<b>19.193</b>	<b>2.549</b>	<b>264.882</b>

### Financial commitments per stage <sup>1) 2)</sup>

Financial commitments 01.01.	53.242	3.353	789	57.384	53.672	2.775	1.086	57.532
Net increase / (decrease) during period	11.817	-668	-601	11.237	8.544	-303	-251	7.990
<b>Financial commitments 30.06</b>	<b>65.059</b>	<b>2.685</b>	<b>188</b>	<b>67.932</b>	<b>62.216</b>	<b>2.472</b>	<b>835</b>	<b>65.522</b>

<sup>1)</sup> Other financial liabilities include guarantees, undrawn credit and loan commitments

<sup>2)</sup> Financial liabilities provide the basis for impairment losses under IFRS 9

## Note 7 Capital adequacy

Capital adequacy is calculated and reported in accordance with the EU's capital requirements for banks and securities undertakings (CRD IV/CRR). SpareBank 1 SR-Bank ASA has permission from the Financial Supervisory Authority of Norway to use internal measurement methods (Internal Rating Based Approach) for quantifying credit risk. The use of IRB requires the bank to comply with extensive requirements relating to organisation, expertise, risk models and risk management systems.

The total requirement for SpareBank 1 SR-Bank ASA's Common Equity Tier 1 capital ratio was 16,40% at the end of the second quarter of 2024.

Parent bank				Group		
31.12.23	30.06.23	30.06.24		30.06.24	30.06.23	31.12.23
6.607	6.394	6.607	Share capital	6.607	6.394	6.607
2.354	1.587	2.354	Premium reserve	2.354	1.587	2.354
1.982	0	0	Allocated to dividend	0	0	1.982
3.155	2.704	3.525	Hybrid capital	3.525	2.704	3.155
17.078	16.708	19.068	Other equity	21.638	19.055	19.462
31.176	27.393	31.554	<b>Total equity</b>	<b>34.124</b>	29.740	33.561
<b>Deductions</b>						
-70	-70	-70	Deferred taxes, goodwill and other intangible assets <sup>1)</sup>	-1.289	-738	-1.382
-1.982	0	0	Deduction for allocated dividends	0	0	-1.982
-764	-456	-449	Deduction in expected losses IRB less loss provisions	-688	-570	-929
-4	0	-5	Insufficient coverage for non-performing exposures	-5	0	-4
-3.155	-2.704	-3.525	Hybrid capital that cannot be included in CET 1 capital	-3.525	-2.704	-3.155
0	-1.430	-1.115	Profit for the period that cannot be included in total Tier 1 capital	-1.236	-955	0
0	0	0	Deduction for CET 1 capital in essential investments in financial institutions	0	0	0
-277	-237	-320	Deduction for CET 1 capital in not essential investments in financial institutions	-232	-224	-243
-72	-76	-75	Value adjustments due to the requirements for prudent valuation	-91	-93	-89
24.852	22.419	25.996	<b>Common equity Tier 1 capital</b>	<b>27.059</b>	24.456	25.777
3.155	2.704	3.525	Hybrid capital	3.730	2.882	3.290
-155	0	0	Hybrid capital that cannot be included in Tier 1 capital	0	0	-155
-48	-47	-48	Deduction for essential investments in financial institutions	-48	-47	-48
27.804	25.076	29.472	<b>Tier 1 capital</b>	<b>30.740</b>	27.291	28.864
<b>Tier 2 capital</b>						
2.672	2.744	3.972	Term subordinated loan capital	4.310	2.919	2.916
-193	-188	-195	Deduction for essential investments in financial institutions	-195	-188	-193
2.479	2.556	3.777	<b>Tier 2 capital</b>	<b>4.115</b>	2.731	2.724
30.283	27.632	33.249	<b>Own funds</b>	<b>34.855</b>	30.022	31.587

## Note 7 Capital adequacy (continued)

Parent bank			Credit risk	Group		
31.12.23	30.06.23	30.06.24		30.06.24	30.06.23	31.12.23
17.677	18.320	17.965	Corporates - SME	17.978	18.327	17.684
21.331	20.750	22.874	Corporates - Specialised Lending	26.316	23.823	24.867
11.635	10.655	12.317	Corporates - Other	12.566	10.960	11.953
1.123	1.069	1.125	Retail - Secured by real estate SME	1.654	1.487	1.584
14.232	13.864	13.334	Retail - Secured by real estate non-SME	37.987	34.507	37.019
160		175	Retail - Other SME	177	152	161
1.551	1.456	1.768	Retail - Other non-SME	1.882	1.533	1.609
13.868	13.203	13.990	Equity positions	0	0	0
81.577	79.467	83.548	<b>Total credit risk, IRB approach</b>	<b>98.559</b>	90.789	94.878
21	37	7	Central governments or central banks	51	54	29
82	76	89	Regional governments or local authorities, Public sector entities	270	176	288
4.716	3.042	4.079	Institutions	2.047	1.454	1.967
11.266	11.173	12.229	Corporates	12.933	11.614	11.906
3.498	3.983	4.453	Retail	5.613	5.015	4.630
0	0	0	Secured by mortgages on immovable property	615	638	652
1	4	1	Exposures in default	59	43	49
0	0	0	Items associated with particular high risk	461	488	469
2.557	2.459	2.365	Covered bonds	2.576	2.640	2.775
0	0	0	Collective investments undertakings (CIU)	2	2	2
6.000	6.000	6.000	Equity positions	5.573	5.653	5.476
8.331	4.524	8.453	Other assets <sup>1)</sup>	9.550	5.232	9.090
36.474	31.297	37.677	<b>Total credit risk, standardised approach</b>	<b>39.751</b>	33.008	37.332
			Settlement risk	5	0	0
			Debt risk	7	0	6
			Equity risk	93	0	69
			Foreign Exchange risk	31	0	18
576	212	597	Credit value adjustment risk (CVA)	729	384	753
8.903	7.377	8.903	Operational risk	13.386	11.217	13.243
0	0	0	Other risk exposures <sup>2)</sup>	654	1.767	74
127.529	118.353	130.726	<b>Total risk exposure amount</b>	<b>153.214</b>	137.165	146.371
5.739	5.326	5.883	Minimum requirement for common equity Tier 1 capital ratio 4.5 %	6.895	6.172	6.587
			<b>Buffer requirement</b>			
3.188	2.959	3.268	Capital conservation buffer 2.5 %	3.830	3.429	3.659
5.688	5.279	5.846	Systemic risk buffer 4.5 %	6.849	6.118	6.528
3.175	2.947	3.255	Countercyclical capital buffer 2.5 %	3.830	3.429	3.659
12.052	11.184	12.369	Total buffer requirement to common equity Tier 1 capital ratio	14.509	12.976	13.847
7.062	5.909	7.744	<b>Available common equity Tier 1 capital ratio after buffer requirement</b>	5.655	5.308	5.344
19,49 %	18,94 %	19,89 %	<b>Common equity Tier 1 capital ratio</b>	17,66 %	17,83 %	17,61 %
21,80 %	21,19 %	22,55 %	<b>Tier 1 capital ratio</b>	20,06 %	19,90 %	19,72 %
23,75 %	23,35 %	25,43 %	<b>Capital ratio</b>	22,75 %	21,89 %	21,58 %
9,46 %	8,77 %	9,85 %	<b>Leverage Ratio</b>	7,33 %	6,98 %	7,19 %

1) Common equity Tier 1 capital is affected by deductions linked to deferred tax assets (DTA). In addition, the total risk exposure amount under the item other assets is affected. DTA arise due to temporary differences between accounting and tax results. These differences will even out over time, but can significantly impact taxes payable and DTA recognised in the the balance sheet in certain periods, and thereby negatively affect the capital adequacy.

2) Risk weights for residential mortgages are subject to a regulatory floor of 20%.

## Note 8 Financial derivatives

### Group

	Contract amount	Fair value at 30.06.24	
At fair value through profit and loss	30.06.24	Assets	Liabilities
<b>Currency instruments</b>			
Currency futures (forwards)	4.087	66	73
Currency swaps	14.139	170	76
Currency swaps (basis swaps)	76.852	-28	941
Currency swaps (basis swaps hedging)	40.403	-80	549
<b>Total currency instruments</b>	<b>135.481</b>	<b>127</b>	<b>1.640</b>
<b>Interest rate instruments</b>			
Interest rate swaps	74.128	2.263	976
Other interest rate contracts	5.898	33	33
<b>Total interest rate instruments</b>	<b>80.026</b>	<b>2.297</b>	<b>1.009</b>
<b>Interest rate instruments, hedging</b>			
Interest rate swaps	154.627	388	9.105
<b>Total interest rate instruments, hedging</b>	<b>154.627</b>	<b>388</b>	<b>9.105</b>
<b>Security</b>			
Security		12.237	815
<b>Total security</b>		<b>12.237</b>	<b>815</b>
<b>Total currency and interest rate instruments</b>			
Total currency instruments	135.481	127	1.640
Total interest rate instruments	234.653	2.684	10.113
Total collateral		12.237	815
<b>Total financial derivatives</b>	<b>370.134</b>	<b>15.049</b>	<b>12.569</b>
<b>Counterparty risk:</b>			
Netting agreements		2.427	
Considered collateral		13.053	
<b>Total exposure to financial derivatives</b>		<b>-431</b>	

Counterparty risk associated with derivatives is reduced via ISDA agreements and CSA supplements. The CSA supplement regulates the counterparty risk through payments of margins in relation to exposure limits.

### IBOR reform

Reforming and alternatives to IBOR rates have become a priority area for governments around the world in recent years. However, there is uncertainty surrounding which methods will be used for any changes and when they will be introduced. All of SpareBank 1 SR-Bank's interest rate derivatives use IBOR rates as a reference, and may thus be affected by changes. The most important positions are in EURIBOR and NIBOR. The bank is monitoring developments in the market closely, and is participating in several projects to monitor the changes and facilitate any changes. The table below shows nominal amount and weighted average remaining maturity for derivatives in hedging relationships that may be affected by IBOR reform, categorised by the relevant IBOR rate.

## Note 8 Financial derivatives (continued)

	Contract amount	Weighted maturity
<b>Interest rate instruments</b>		
CIBOR DKK (3 months)	1.052	7
CIBOR DKK (6 months)	1.067	2
EURIBOR EUR (3 months)	150.610	4
EURIBOR EUR (6 months)	422	5
LIBOR USD (3 months)	547	2
NIBOR NOK (1 month)	18	3
NIBOR NOK (3 months)	74.819	4
NIBOR NOK (6 months)	740	1
STIBOR SEK (3 months)	288	2
<b>Total interest rate instruments</b>	<b>229.563</b>	
<b>Currency instruments</b>		
EURIBOR EUR (3 months)	4.599	0
EURIBOR EUR (3 months) to LIBOR USD (3 months)	10.095	1
EURIBOR EUR (3 months) to NIBOR NOK (3 months)	79.408	4
LIBOR USD (3 months) to NIBOR NOK (3 months)	2.196	0
LIBOR USD (6 months) to FIXED NOK	91	2
EURIBOR EUR (3months) to SOFR USD	10.261	2
NIBOR NOK (3 months) to SOFR USD	10.604	2
<b>Total currency instruments</b>	<b>117.255</b>	
<b>Total exposure to financial derivatives</b>	<b>346.818</b>	
<b>Assets</b>		
<b>Certificates and bonds</b>		
NIBOR NOK (3 months)	31.591	3
<b>Total exposure certificates and bonds</b>	<b>31.591</b>	
<b>Liabilities</b>		
<b>Securities issued</b>		
EURIBOR EUR (3 months)	2.679	1
EURIBOR EUR (6 months)	570	6
NIBOR NOK (3 months)	33.425	9
STIBOR SEK (3 months)	251	1
<b>Total exposure securities issued</b>	<b>36.925</b>	

The bank also has loans to customers in GBP and USD LIBOR and EURIBOR, respectively, as well as loans to and deposits from customers linked to NIBOR.



## Note 9 Securities issued, non-preferred bonds and subordinated loan capital

### Group

	Balance as at	Issued/ sale	Past due/	FX rate- and	
Change in debt raised through securities issued	30.06.24	own 2024	redeemed	other changes	31.12.23
			2024	2024	
Bonds and certificates, nominal value	61.233	18.192	-13.064	521	55.584
Covered bonds, nominal value	101.144	11.636	0	905	88.603
Adjustments and accrued interests	-6.190	0	0	-356	-5.835
<b>Total debt raised through securities issued</b>	<b>156.187</b>	<b>29.829</b>	<b>-13.064</b>	<b>1.070</b>	<b>138.353</b>

	Balance as at	Issued/ sale	Past due/	FX rate- and	
Change in debt raised by issuing non-preferred senior debts	30.06.24	own 2024	redeemed	other changes	31.12.23
			2024	2024	
Senior non-preferred bonds	17.402	0	0	131	17.271
Adjustments and accrued interests	-258			-5	-254
<b>Total senior non-preferred bonds</b>	<b>17.143</b>	<b>0</b>	<b>0</b>	<b>126</b>	<b>17.017</b>

	Balance as at	Issued/ sale	Past due/	FX rate- and	
Change in debt raised through subordinated loan capital issued	30.06.24	own 2024	redeemed	other changes	31.12.23
			2024	2024	
Term subordinated loan capital, nominal value	4.189	2.000	-570	-4	2.763
Adjustments and accrued interests	36			15	21
<b>Total additional Tier 1 and Tier 2 capital instruments</b>	<b>4.225</b>	<b>2.000</b>	<b>-570</b>	<b>11</b>	<b>2.784</b>

## Note 10 Segment reporting

The executive management team has assessed which segments are reportable based on the form of distribution, products and customers. The primary reporting format is based on the risk and return profile of the assets, and it is divided between retail market, corporate market and SME & agriculture. Other activities covers all staff departments including treasury, subsidiaries and associated companies.

SpareBank 1 SR-Bank Group Q2												
Income statement (MNOK)	Retail market		Corporate market		SME & agriculture		Other activities		Eliminations		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net commission and other income	595	491	566	524	247	224	322	191	-2	-6	1,726	1,424
Net income on investment securities	175	167	104	101	37	34	248	238	-19	-18	544	522
	6	4	15	15	10	7	118	83	-0	0	148	109
Total net income	775	662	685	640	294	265	687	512	-22	-24	2,419	2,055
Total operating expenses	151	134	42	44	27	25	646	639	-22	-24	844	817
Operating profit before losses	624	528	643	596	267	240	41	-127	-0	0	1,575	1,238
Impairment losses on loans and other financial liabilities	25	3	85	-85	-7	-15	-0	-0	0	0	103	-98
<b>Pre-tax profit</b>	<b>599</b>	<b>525</b>	<b>558</b>	<b>682</b>	<b>274</b>	<b>255</b>	<b>41</b>	<b>-127</b>	<b>-0</b>	<b>0</b>	<b>1,472</b>	<b>1,336</b>

SpareBank 1 SR-Bank Group 01.01 - 30.06												
Income statement (MNOK)	Retail market		Corporate market		SME & agriculture		Other activities		Eliminations		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net commission and other income	1,164	1,005	1,121	1,036	496	437	680	354	-5	-7	3,456	2,826
Net income on investment securities	329	316	200	183	73	68	460	445	-37	-35	1,024	977
	11	8	34	32	21	14	232	126	-0	0	298	180
Total net income	1,503	1,330	1,356	1,250	590	519	1,371	925	-42	-41	4,778	3,983
Total operating expenses	353	320	101	100	64	59	1,194	1,142	-42	-41	1,670	1,579
Operating profit before losses	1,151	1,010	1,255	1,151	525	460	178	-217	-0	0	3,108	2,404
Impairment losses on loans and other financial liabilities	37	5	42	-71	59	3	0	-0	0	0	138	-63
<b>Pre-tax profit</b>	<b>1,114</b>	<b>1,005</b>	<b>1,213</b>	<b>1,221</b>	<b>466</b>	<b>458</b>	<b>178</b>	<b>-217</b>	<b>-0</b>	<b>0</b>	<b>2,971</b>	<b>2,467</b>

Balance sheet items (MNOK)												
Loans to customers	166,674	155,646	91,114	84,716	22,758	20,136	4,230	4,599	-156	-214	284,621	264,882
Impairment provisions on loans	-162	-139	-789	-1,169	-267	-217	0	0	0	0	-1,218	-1,526
Deposits from customers	74,288	70,192	54,819	55,770	21,111	21,307	5,000	3,797	-243	-309	154,975	150,758

<sup>1)</sup> Net interest income contains allocated arrangements between the segments. The interest on intercompany receivables for the retail market, corporate market and SME & agriculture is determined on the basis of expected observable market interest rates (NIBOR) plus expected additional costs in connection with the group's long-term funding (credit premium). Deviations between the Group's actual funding costs and the applied interest on intercompany receivables are eliminated in the parent bank.

## Note 11 Net income/losses from financial instruments

Parent bank						Group				
01.01.23 - 2023	01.01.24 - 30.06.23	01.01.24 - 30.06.24	Q2 2023	Q2 2024		Q2 2024	Q2 2023	01.01.24 - 30.06.24	01.01.23 - 30.06.23	2023
166	-131	42	-111	4	Net gains/losses on equity instruments <sup>1)</sup>	-24	-25	0	-68	276
256	-432	-103	-441	80	Net gains/losses for bonds and certificates	81	-446	-104	-437	248
-379	334	131	426	-46	Net derivatives bonds and certificates	-46	426	131	334	-379
-1	-1	0	0	1	Net counterparty risk, inclusive of CVA	1	0	0	-1	-1
5	-10	2	-7	4	Net derivatives other assets	4	-7	2	-10	5
27	40	-15	17	-4	Net derivatives liabilities	0	23	-14	65	26
183	5	32	-17	54	Net derivatives basis swap spread	-51	5	-86	-24	-101
241	116	115	54	57	Net gain/losses currency	57	54	115	116	241
0	0	-49	0	-24	Share of income to SPB1 Markets	-24	0	-49	0	0
497	-79	157	-78	125	Net income/losses from financial instruments	-4	32	-4	-24	315

<sup>1)</sup> 2023 includes gains in both the parent bank and the group of NOK 370 million from the sale of business to SpareBank 1 Markets. There is also a loss NOK 66 million in the parent bank and a gain of NOK 26 million in the group from the sale of Monio.

## Note 12 Liquidity risk

Liquidity risk is the risk that the Group is not able to refinance its debt or is not able to finance an increase in assets. The bank's framework for managing liquidity risk shall reflect the bank's conservative risk profile. The board has adopted internal limits such that the bank has as balanced a maturity structure for its borrowing as possible. Stress testing is conducted for the various terms of maturity for bank-specific crises, system crises and combinations of these. A contingency plan has also been put in place to manage liquidity crises. The average remaining term to maturity in the portfolio of senior bond funding and covered bonds was 3.9 years at the end of the second quarter of 2024. The total LCR was 204% at the end of the second quarter, and the average total LCR was 214% in the quarter. The LCR in NOK and EUR at the end of the quarter was 181% and 768%, respectively.

## Note 13 Information about fair value

### Group

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

Level 1: Listed price in an active market for an identical asset or liability

Level 2: Valuation based on observable factors other than listed price (used in level 1) either direct (price) or indirect (deduced from prices) for the asset og liability.

Level 3: Valuation based on factors not obtained from observable markets (non-observable assumptions)

<b>Fair value 30.06.24</b>	Level 1	Level 2	Level 3	<b>Total</b>
<b>Assets</b>				
Net lending to customers <sup>1)</sup>			7.496	<b>7.496</b>
Commercial paper and bonds	32.716	20.014		<b>52.730</b>
Financial derivatives		15.049		<b>15.049</b>
Equities, units and other equity interests	335	14	350	<b>699</b>
<b>Liabilities</b>				
Financial derivatives		12.569		<b>12.569</b>
No transfers between levels 1 and 2				
<sup>1)</sup> Net lending to customers in parent bank, level 3			60.693	

<b>Fair value 30.06.23</b>	Level 1	Level 2	Level 3	<b>Total</b>
<b>Assets</b>				
Net lending to customers <sup>1)</sup>			7.846	7.846
Commercial paper and bonds	27.684	22.952		50.635
Financial derivatives		19.846		19.846
Equities, units and other equity interests	320	82	389	790
<b>Liabilities</b>				
Financial derivatives		17.547		17.547
No transfers between levels 1 and 2				
<sup>1)</sup> Net lending to customers in parent bank, level 3			63.344	

## Note 13 Information about fair value (continued)

### Change in holding during the financial year of assets valued on the basis of factors other than observable market data

Group	Loans to customers	Shares, ownership stakes and other securities
Balance 01.01	7.765	349
Additions	578	26
Disposals	-789	-18
Transferred from or to measurement according to prices in an active market or observable market data		
Change in value <sup>1)</sup>	-58	-7
<b>Balance 30.06.24</b>	<b>7.496</b>	<b>350</b>
Nominal value/cost price	7.814	345
Fair value adjustment	-318	5
<b>Balance 30.06.24</b>	<b>7.496</b>	<b>350</b>

<sup>1)</sup> Value changes are recognised in net income from financial instruments

Other assets are measured using various methods such as last known transaction price, earnings per share, dividend per share, EBITDA and discounted cash flows.

Fixed-rate loans are measured on the basis of the interest rate agreed with the customer. Loans are discounted using the applicable interest curve, having taken into account a market premium, which is adjusted for the profit margin. The conducted sensitivity analyses indicate an increase in the discount rate of 10 basis points would have a negative effect on the result amounting to NOK 21 million.

### Fair value of financial instruments at amortised cost

Group	Balance	Fair value
	30.06.24	
<b>Assets</b>		
Cash and balances with central banks	101	101
Balances with credit institutions <sup>1)</sup>	10.783	10.783
Loans to customers <sup>1)</sup>	275.907	275.907
Certificates and bond	8.261	8.263
<b>Total assets at amortised cost</b>	<b>295.051</b>	<b>295.053</b>
<b>Liabilities</b>		
Balances with credit institutions <sup>1)</sup>	775	775
Deposits from customers <sup>1)</sup>	154.975	154.975
Listed debt securities	156.187	156.302
Senior non-preferred bonds	17.143	17.428
Subordinated loan capital	4.225	4.570
<b>Total liabilities at amortised cost</b>	<b>333.306</b>	<b>334.050</b>

<sup>1)</sup> Loans and deposits at amortised cost, amount to book value best estimate at fair value.

## Note 14 Events after the balance sheet date

On 27.6.2024, the Financial Supervisory Authority approved the merger between Fremtind Forsikring AS and Eika Forsikring AS. The transaction was completed on 1.7.2024 and the two insurance companies will be sister companies in Fremtind Holding until the merger is completed on 1.10.2024. Based on the figures as at 31.12.2023, the transaction will increase SpareBank 1 Gruppen's equity as a group by about NOK 7 billion. The majority interest's (the SpareBank 1 banks and the Norwegian Federation of Trade Unions) share of this increase will be NOK 2.6 billion. SpareBank 1 SR-Bank ASA's share of this increase amounts to around NOK 510 million.

No other material events have been registered after 30.06.2024 that affect the interim financial statements as prepared.



## Statement pursuant to section 5-6 of the Securities Trading Act

### Statement by the Board of Directors and Chief Executive Officer

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We hereby confirm that the half-year financial statements for the period 1 January to 30 June 2023 have, to the best of our knowledge, been prepared pursuant to IAS 34 Interim Financial Reporting and that the information provided presents a true and fair picture of the company's and the Group's assets, liabilities, financial positions and profit as a whole.

We hereby also confirm that, to the best of our knowledge, the half-year financial statements provide a true and fair overview of developments, the financial performance and important events during the accounting period and their effect on the half-year financial statements, the most important risk and uncertainty factors that the Group faces in the next accounting period and material transactions with close associates.

Stavanger, 7 august 2024

The Board of Directors of SpareBank 1 SR-Bank ASA

Dag Mejdell  
(Chair)

Kate Henriksen

Camilla AC Tepfers

Kjetil Skjæveland

Trine Sæther Romuld

Jan Skogseth

Sally Lund-Andersen  
(Employee representative)

Eirik P. Elholm  
(Employee representative)

Benedicte Schilbred Fasmer  
(Chief Executive Officer)

## Results from the interim financial statements

SpareBank 1 SR-Bank Group, MNOK	Q2 2024	Q1 2024	Q4 2024	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Interest income	5.622	5.482	5.355	4.961	4.308	3.892	3.332	2.395	1.951
Interest expense	3.895	3.752	3.639	3.365	2.884	2.490	2.046	1.281	849
<b>Net interest income</b>	1.726	1.729	1.715	1.596	1.424	1.402	1.286	1.115	1.101
Commission income	571	503	502	518	545	476	463	439	486
Commission expenses	28	26	39	24	25	23	22	22	23
Other operating income	1	3	2	2	2	2	12	3	3
<b>Net commission and other income</b>	544	480	465	496	522	455	453	421	466
Dividend income	33	6	8	1	25	32	26	9	16
Income from investment in associates	120	143	93	47	53	94	211	85	82
Net gains/losses on financial instrument	-4	1	377	-37	32	-56	37	97	6
<b>Net income on financial investments</b>	148	149	478	11	109	71	274	191	104
<b>Total income</b>	2.419	2.359	2.659	2.103	2.055	1.927	2.013	1.726	1.671
Personnel expenses	513	508	570	513	488	482	477	429	438
Other operating expenses	289	275	322	231	289	239	234	207	224
Depreciation and impairment of fixed and intangible assets	42	43	43	41	41	41	41	41	40
<b>Total operating expenses</b>	844	826	935	786	817	761	752	677	702
<b>Operating profit before impairment</b>	1.575	1.533	1.724	1.317	1.238	1.166	1.262	1.049	969
Impairment losses on loans and financial commitments	103	35	-91	-78	-98	35	36	5	-52
<b>Pre-tax profit</b>	1.472	1.498	1.815	1.396	1.336	1.131	1.225	1.044	1.021
Tax expense	311	307	311	334	308	250	226	215	225
<b>Profit after tax</b>	1.162	1.191	1.503	1.062	1.028	881	1.000	829	796

### Profitability

Return on equity per quarter <sup>1)</sup>	14,6 %	14,6 %	19,7 %	14,5 %	14,6 %	12,5 %	14,5 %	12,4 %	12,0 %
Cost to income ratio <sup>1)</sup>	34,9 %	35,0 %	35,2 %	37,4 %	39,8 %	39,5 %	37,3 %	39,2 %	42,0 %
Cost to income ratio Banking Group <sup>1)</sup>	32,0 %	30,9 %	34,9 %	31,4 %	34,7 %	34,0 %	36,1 %	36,9 %	37,9 %
Average net interest margin <sup>1)</sup>	1,82 %	1,88 %	1,87 %	1,74 %	1,56 %	1,60 %	1,51 %	1,37 %	1,40 %

### Balance sheet figures from quarterly accounts

Gross loans to customers	284.621	278.184	272.001	269.566	264.882	258.206	252.957	248.237	242.867
Growth in loans over last 12 months <sup>1)</sup>	7,5 %	7,7 %	7,5 %	8,6 %	9,1 %	10,5 %	9,8 %	9,4 %	7,6 %
Deposits from customers	154.975	150.706	149.076	150.534	150.758	152.144	148.100	143.989	145.667
Growth in deposits over last 12 months <sup>1)</sup>	2,8 %	-0,9 %	0,7 %	4,5 %	3,5 %	7,1 %	7,6 %	8,8 %	6,9 %
Total assets	382.744	377.005	362.186	362.823	361.765	364.646	345.931	334.255	318.642
Average total assets	380.779	370.420	363.936	363.341	366.957	355.931	337.947	323.816	316.347

### Impairments on loans and financial commitments

Impairment ratio, annualized <sup>1)</sup>	0,15 %	0,05 %	-0,13 %	-0,12 %	-0,15 %	0,05 %	0,06 %	0,01 %	-0,09 %
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<sup>1)</sup> Defined as alternative performance targets (APMs), see the appendix to the interim report

## Results from the interim financial statements (continued)

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
<b>Loans and financial commitments in Stage 2 and Stage 3 <sup>1)</sup></b>									
Loans and financial commitments in Stage 3 in % of gross loans and financial commitments <sup>1)</sup>	0,70 %	0,82 %	1,01 %	1,10 %	1,02 %	1,23 %	1,35 %	1,39 %	1,38 %
Loans and financial commitments in Stage 2 in % of gross loans and financial commitments <sup>1)</sup>	7,05 %	7,30 %	7,98 %	8,24 %	6,56 %	5,57 %	5,62 %	5,11 %	4,24 %
<b>Solidity</b>									
Common equity Tier 1 capital ratio	17,66 %	17,62 %	17,61 %	17,88 %	17,83 %	17,42 %	17,42 %	17,82 %	17,88 %
Tier 1 capital ratio	20,06 %	19,70 %	19,72 %	20,11 %	19,90 %	19,05 %	18,76 %	19,18 %	19,26 %
Capital ratio	22,75 %	22,05 %	21,58 %	22,03 %	21,89 %	21,05 %	20,31 %	20,76 %	20,87 %
Tier 1 capital	30.740	29.833	28.864	27.809	27.291	26.042	25.193	25.237	24.965
Net primary capital	34.855	33.391	31.587	30.465	30.022	28.771	27.277	27.326	27.050
Risk weighted balance	153.214	151.404	146.371	138.291	137.165	136.685	134.324	131.601	129.618
Leverage ratio	7,3 %	7,1 %	7,2 %	7,1 %	7,0 %	6,8 %	6,8 %	6,8 %	7,1 %
<b>Liquidity</b>									
Liquidity Coverage Ratio (LCR) <sup>2)</sup>	204 %	216 %	207 %	191 %	215 %	244 %	176 %	181 %	151 %
Deposit to loan ratio <sup>1)</sup>	54,4 %	54,2 %	54,8 %	55,8 %	56,9 %	58,9 %	58,5 %	58,0 %	60,0 %
<b>Branches and staff</b>									
Number of branches	36	36	36	36	36	36	35	35	35
Number of man-years	1.590	1.578	1.637	1.616	1.571	1.560	1.543	1.510	1.487
Number of man-years including temps	1.663	1.627	1.686	1.667	1.636	1.612	1.582	1.554	1.543
<b>SpareBank 1 SR-Bank share</b>									
Market price at end of quarter	130,60	136,00	128,90	122,70	130,10	121,00	120,70	102,00	106,70
Market capitalisation	34.514	35.941	34.064	31.381	33.273	30.946	30.869	26.087	27.289
Number of shares issued, millions	264,27	264,27	264,27	255,75	255,75	255,75	255,75	255,75	255,75
Book equity per share(including dividends) <sup>1)</sup>	115,81	119,30	115,07	109,57	105,73	108,77	106,32	102,86	99,49
Earnings per share, NOK (annualised)	4,20	4,26	5,48	3,94	3,90	3,31	3,81	3,16	3,03
Price/earnings per share <sup>1)</sup>	7,74	7,95	5,93	7,85	8,31	9,02	7,98	8,13	8,78
Price / Book equity (group) <sup>1)</sup>	1,13	1,14	1,12	1,12	1,23	1,11	1,14	0,99	1,07
Annualised turnover rate in quarter <sup>3)</sup>	4,0 %	2,8 %	6,8 %	2,7 %	4,0 %	4,7 %	5,5 %	4,1 %	5,2 %
Effective return <sup>4)</sup>	1,5 %	5,5 %	5,1 %	-5,7 %	13,3 %	0,2 %	18,3 %	-4,4 %	-20,6 %

<sup>1)</sup> Defined as alternative performance targets (APMs), see the appendix to the interim report

<sup>2)</sup> High quality liquid assets divided by total net cash outflows in a 30-day, serious stress scenario

<sup>3)</sup> Annualized turnover of the share during the period, measured as a percentage of the number of outstanding shares

<sup>4)</sup> Percentage change in the market price in the last period, including paid share dividend

## Contact information and financial calendar

### Address

Christen Tranes Gate 35  
Postboks 250  
N-4068 Stavanger

Tel. (+47) 915 02 002

[www.sr-bank.no](http://www.sr-bank.no)

### Executive Management



Benedicte Schilbred Fasmer, CEO  
Tel. (+47) 950 60 034  
Email: [benedicte.fasmer@sr-bank.no](mailto:benedicte.fasmer@sr-bank.no)



Inge Reinertsen, CFO  
Tel. (+47) 909 95 033  
Email: [inge.reinertsen@sr-bank.no](mailto:inge.reinertsen@sr-bank.no)

### Investor Relations



Morten Forgaard, Financial Director  
Tel. (+47) 916 21 425  
Email: [morten.forgaard@sr-bank.no](mailto:morten.forgaard@sr-bank.no)

### 2024 Financial Calendar

Q2 2024  
Q3 2024

Thursday 8 August 2024  
Thursday 31 October 2024