

# SR-Bank

## SR-Boligkreditt



## Green Bond Impact Report

### Q1 2024

# SR-Bank & SR-Boligkreditt Green Bond Impact Report

Year: 2024

In accordance with the SR-Bank Green Bond Framework, this document provides:

1. A description of Green Projects
2. The breakdown of Green projects by nature of what is being financed
3. Metrics regarding projects' environmental impacts

## **Description of Green Projects**

SR-Bank intends to allocate the net proceeds of the Green Bonds to a loan portfolio of new and existing loans in the following categories:

- **Green Buildings**: New or existing residential and commercial buildings belonging to the top 15% most energy-efficient buildings of the local building stock (for buildings built <2021), residential and commercial buildings compliant with NZEB-10% (for buildings built  $\geq$  2021), and commercial buildings which received at least one or more relevant qualifications, and refurbished buildings which achieved energy savings of at least 30% in comparison to the baseline performance of the building before the renovation.
- **Renewable Energy**: Loans to finance or refinance equipment, development, manufacturing, construction, operation, distribution and maintenance of renewable energy generation sources from hydro, solar and wind power in Norway, limited direct emissions of less than 100g CO<sub>2</sub>e / KWh
- **Clean Transportation**: Loans to finance or refinance production, establishment, acquisition, expansion, upgrades, maintenance and operation of low carbon vehicles (with zero direct emissions) and related infrastructures such as charging stations for electric vehicles

Eligibility Criteria to select the Eligible Green Project Portfolio are set out in the SR-Bank Green Bond Framework.

SR-Bank has relied on the support the external specialised consultant Multiconsult to calculate the impact indicators of the Eligible Portfolio.

**Breakdown of Green projects by nature of what is being financed:** 100% Financial Assets

**Metrics regarding projects' environmental impacts: Portfolio based green bond report in accordance with the ICMA Harmonized Framework for Impact Reporting (version June 2022)**

Portfolio date: 31/03/2024

Eligible Project Category	Eligible Total Portfolio (NOK m)	Eligible Green Covered Portfolio (NOK m)	Eligible Green Senior Portfolio (NOK m)	Share of Total Green Portfolio for Green Covered Funding <sup>1</sup>	Share of Total Green Portfolio for Senior Funding <sup>1</sup>	Eligibility for Green Covered Bonds	Eligibility for Green Senior Bonds	Estimated reduced energy (in GWh/year)	Direct emissions avoided vs baseline in tons of CO2/year (Scope 1)	Indirect emissions avoided vs baseline in tons of CO2/year (Scope 2) <sup>2</sup>	Expected power production (in GWh/year)	Total annual reduced emissions in tons of CO2/year
a/	b/	bi/	bii/	c/	d/	ei/	eii/	f/	f/	f/	f/	f/
<b>Green Residential Buildings</b>	43,147	27,193	37,300	100.00%	81.21%	63.02%	86.45%	318 <sup>3</sup>	N/A	N/A	N/A	5,920 <sup>3</sup>
<b>Green Commercial Buildings</b>	2,582	-	2,582	0.00%	5.62%	0.00%	100%	23.5	N/A	N/A	N/A	438 <sup>4</sup>
<b>Renewable Energy</b>	4,296	-	4,296	0.00%	9.36%	0.00%	100%	N/A	N/A	N/A	1,956	76,599 <sup>5</sup>
<b>Clean Transportation</b>	1,750	-	1,750	0.00%	3.81%	0.00%	100%	N/A	5,401	-227 <sup>2</sup>	N/A	5,174 <sup>6</sup>
<b>Total</b>	<b>51,775</b>	<b>27,193</b>	<b>45,928</b>	<b>100%</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>341.5</b>	<b>5,401</b>	<b>-227</b>	<b>1,956</b>	<b>88,131</b>

Portfolio based green bond report in accordance with the ICMA Harmonized Framework for Impact Reporting (version June 2022)

a/ Eligible Category

b/ Signed amount represents the amount legally committed by the issuer for the portfolio or portfolio components eligible for Green Bond financing

c/ This is the share of the total portfolio cost that is financed by the issuer for green covered bonds

d/ This is the share of the total portfolio cost that is financed by the issuer for green senior bonds

e/ This is the share of the total portfolio costs that is Green Bond eligible

f/ Impact indicators

- Estimated reduced energy (in GWh/year)
- Direct and indirect emissions avoided in tons of CO2/year (clean transportation only)
- Expected power production (in GWh/year)
- Estimated annual reduced emissions in tons of CO2/year

<sup>1</sup> Green covered bonds are allocated solely to green residential buildings situated within the boligkredit entity and green senior bonds are allocated to all Use of Proceeds categories (minus any green residential buildings already allocated to green covered bonds). SR will ensure on a best efforts basis that Green Covered Bonds will be allocated to assets within the covered bond cover pool. For Senior Green Bonds, SR may allocate towards Eligible Green Loans situated within the SR-Boligkredit subsidiary, as per the guidance laid out in the Green Bond Principles 2021 regarding pledged assets (<https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/The-GBP-Guidance-Handbook-June-2021-140621.pdf>).

<sup>2</sup> Calculated based on Norwegian physically delivered electricity in 2022 [as provided by the NVE](#) (emissions factor of 19g CO2/KWh). This is a different emissions factor than used in previous impact reports, where a European mix (EU27+ UK+ Norway) emissions factor was used to account for cross-border trade in electricity with the European grid. Using this European mix grid factor, indirect (scope 2) emissions = -1,913 tonnes CO2/year, and total (scope 1 + scope 2) avoided emissions = 3,487 tonnes CO2/year, scaled by bank's share of financing equates to 3,222 ton CO2/yr.

<sup>3</sup> Calculated based on Norwegian physically delivered electricity in 2022 [as provided by the NVE](#) (emissions factor of 19g CO2/KWh). This is a different emissions factor than used in previous impact reports, where a European mix (EU27+ UK+ Norway) emissions factor was used to account for cross-border trade in electricity with the European grid. Using this European mix grid factor, avoided emissions = 36,500 tCO2/yr. Impact measured by total annual reduced emissions in tons of CO2/yr scaled by bank's share of financing equates to 2,887 ton CO2/yr for Norwegian physically delivered electricity in 2022 and 17,799 ton CO2/yr for European mix. Estimated energy reduction scaled by banks financing = 155 GWh/year

<sup>4</sup> Calculated based on Norwegian physically delivered electricity in 2022 [as provided by the NVE](#) (emissions factor of 19g CO2/KWh). This is a different emissions factor than used in previous impact reports, where a European mix (EU27+ UK+ Norway) emissions factor was used to account for cross-border trade in electricity with the European grid. Using this European mix grid factor, avoided emissions = 2,696 tCO2/yr. Impact measured by total annual reduced emissions in tons of CO2/yr scaled by bank's share of financing equates to 229 ton CO2/yr for Norwegian physically delivered electricity in 2022 and 1,411 ton CO2/yr for European mix.

<sup>5</sup> Calculated based on Norwegian physically delivered electricity in 2022 [as provided by the NVE](#) (emissions factor of 19g CO2/KWh). Using this European mix grid factor, avoided emissions = 1,200,605 tCO2/yr. Impact measured by total annual reduced emissions in tons of CO2/yr scaled by bank's share of financing equates to 10,101 ton CO2/yr for Norwegian physically delivered electricity in 2022 and 237,798 ton CO2/yr for European mix.

<sup>6</sup> Impact measured by total annual reduced emissions in tons of CO2/yr scaled by bank's share of financing equates to 4,781 ton CO2/yr.

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