Storebrand

Storebrand Boligkreditt AS

Annual report 2024

Company information

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Content

Key figures

Storebrand Boligkreditt AS

NOK million	2024	2023
Profit and loss account:		
Net interest income as % of avg. total assets	1.09 %	0.79 %
Profit before other comprehensive income as % of total assets	0.50 %	0.25 %
Main balance sheet figures:		
Total assets	47,814.0	46,650.0
Average total assets [1)]	45,949.3	41,163.9
Gross loans to customers	46,265.9	45,089.5
Equity	3,865.6	3,626.1
Other key figures:		
Loan losses and provisions as % of average total lending [2)]	0.01 %	0.02 %
Gross non-performing and loss-exposed loans as % of total loans	0.65 %	0.49 %
Cost/income ratio [3)]	36.4 %	49.6 %
Core equity Tier 1 (CET1) capital ratio	22.0 %	21.1 %
LCR [4)]	1,864.0 %	199.0 %

Definitions:
1) Average total assets is calculated on the basis of monthly total assets for the quarter and for the year respectively.
2) Loan losses and provisions consists of total loan loss provisions including change in statistical provisions for the period.
3) Total operating expenses as % of total income.
4) Liquidity coverage requirement.

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(Figures in brackets are the comparative figures for 2023)

Highlights

Storebrand Boligkreditt AS is a wholly-owned subsidiary of Storebrand Bank ASA (parent bank). The company is connected to Storebrand Bank ASA's head office at Lysaker in the municipality of Bærum.

The company is a mortgage credit institution and has a concession from the Financial Supervisory Authority of Norway to issue covered bonds (OMFs). Assets consist primarily of securitized mortgages that are purchased from Storebrand Bank ASA. Storebrand Bank ASA manages the mortgages on behalf of Storebrand Boligkreditt AS. The established loan programme is AAA rated by the rating agency S&P Global Rating Services. At the end of 2024, Storebrand Boligkreditt AS had issued covered bonds worth approximately NOK 37 billion with an average remaining maturity of 2.5 years.

At the end of 2024, the lending volume had increased compared with the end of 2023 and amounted to 16,617 mortgages and residential mortgage products corresponding to NOK 46.3 billion (NOK 45.1 billion). The quality of the portfolio is excellent. At year-end, there were 88 loans in default, corresponding to NOK 302.9 million. This represents 0.65 per cent of the portfolio. The average loan-to-value ratio is 57 per cent.

Macroeconomic impact

Continued high inflation, a weak Norwegian krone and a generally good Norwegian economy have meant that Norges Bank has kept the key policy rate unchanged throughout 2024. However, inflation has fallen throughout the year and central banks in the US, Europe and Sweden are well on their way to cutting interest rates. The first policy rate cuts are now expected in 2025. High inflation and associated higher key rates have influenced the macroeconomic situation in Norway in recent years. For several years now, many Norwegians, including our customers, have faced greater challenges in dealing with higher prices and high interest rates, but a good labour market and low unemployment have contributed to the fact that the personal financial situation has nevertheless been manageable for the vast majority. The housing market in 2024 has held up surprisingly well, with price growth and high turnover in the second-hand housing market. At the same time, there has been little supply of new homes. Into 2025, the housing market is expected to remain strong, driven by announced interest rate cuts, few new homes on the market, good wage settlements and low unemployment.

In the impairment assessments, an overall assessment has been made of the future outlook, where interest rates, inflation and unemployment are some of the factors considered. Developments in non-performing loans, arrears and interest-only loans are being closely monitored.

Financial performance

The company's operating profit before losses for 2024 was NOK 313 million (NOK 162 million). Net losses on lending accounted for a cost of NOK 6 million, compared with NOK 9 million in 2023. The annual profit after tax for Storebrand Boligkreditt AS was NOK 240 million, compared with NOK 119 million for 2023.

Net interest income

Net interest income amounts to NOK 501 million for the year (NOK 327 million).
Revenues are increasing as a result of both increased lending volumes and improved interest margins. The interest margins were negatively impacted by increased NIBOR. Net interest income as a percentage of average total assets amounted to 1.09 per cent in 2024, compared with 0.79 per cent in 2023.

Other operating income

Other operating income is negative NOK 9 million in 2024 against a cost of NOK 6 million in 2023. The negative effect is mainly related to net realized and unrealised losses on financial instruments.

Operating expenses

Operating expenses ended at NOK 179 million in 2024 and increased by NOK 20 million compared with 2023 The increase is mainly due to increased administration costs resulting from increased lending volumes. The company has no employees and buys services, primarily from Storebrand Bank ASA and Storebrand Livsforsikring AS.

Losses and defaults

Losses on loans amounted to NOK 6 million in 2024, compared with NOK 9 million in 2023. At the end of 2024, the default volume amounted to NOK 303 million (NOK 220 million). This volume corresponds to 0.65 per cent (0.49 per cent) of gross lending. All the loans have a loan-to-value ratio within 80 per cent of market value or are mostly written down.

Balance Sheet
The company's total assets under management at the end of 2024 were NOK 47.8 billion, compared with NOK 46.6 billion at the end of 2023.

Borrowing is in the form of covered bonds basically in Norwegian kroner and drawing facilities with Storebrand Bank ASA. The financing structure is balanced and customized to the credit company. In 2024, the company issued NOK 0.6 billion in covered bonds (OMF). At the end of 2024, covered bonds worth NOK 37.1 billion were issued, with an average remaining maturity of 2.5 years.

Risk management
A credit company's core activity is credit exposure with low risk. Storebrand Boligkreditt AS is proactive in managing the risks in its business activities and continuously works to develop its routines and processes for risk management. The risk profile is considered very low.

Risk in Storebrand Boligkreditt AS is monitored in accordance with the Board's adopted guidelines for risk management and internal control. For the individual forms of risk defined in the guidelines, policy documents are established that state the target parameters. The development of these parameters is monitored through risk reports to the company's Board.

Credit risk and liquidity risk are the most significant forms of risk for Storebrand Boligkreditt AS. The company is also exposed to operational risk, including IT risk, compliance risk and, to a lesser extent, market risk.

Credit risk
Storebrand Boligkreditt AS had loans totalling NOK 46.3 billion, in addition to unused credit facilities of NOK 3.2 billion as at 31 December 2024. Non-performing loans accounted for 0.65 per cent of gross lending.

Even though the non-performing volume is low, the default volume is monitored carefully. Storebrand Bank ASA, which administers the loans in Storebrand Boligkreditt AS, assesses the loans in relation to servicing capacity, willingness and collateral. The collateral in the mortgage credit institution is considered to be very good. The average loan-to-value ratio in Storebrand Boligkreditt AS' portfolio is 57 per cent (59 per cent), and at the date of transfer the maximum loan-to-value ratio is 80 per cent. Loan-to-value ratio is calculated based on amounts drawn in the case of flexible secured loans. The risk in the lending portfolio is therefore considered to be very low. Approximately 93 per cent of mortgages have a loan-to-value ratio within 80 per cent. Barely 50 per cent of the mortgages have a loan-to-value ratio within 60 per cent.

The company has not issued any guarantees. Storebrand Boligkreditt AS has not deposited securities as collateral.

Liquidity risk
Liquidity in a credit company must always be sufficient to support balance sheet growth and to redeem loans that fall due. The company controls its liquidity position based on minimum liquid holdings and maximum volume per issue within a 6-month period. There are also requirements for 180-day liquidity and LCR in the company. The requirements are satisfied, and the company's LCR was 1,864 per cent at the end of the year. The company has an LCR requirement of 100 per cent.

Storebrand Boligkreditt AS has two credit facilities with Storebrand Bank ASA. One of these is a normal overdraft facility, with a ceiling of NOK 8 billion. This has no expiry date but can be terminated by the bank on 15 months' notice. The other facility must always have a sufficient ceiling to be able to cover interest and repayment on covered bonds and associated derivatives for the next 31 days. This drawing right may not be terminated by Storebrand Bank ASA until at least 3 months after the maturity date of the covered bond and the associated derivatives with the longest period to maturity.

Storebrand Boligkreditt's covered bond programme received a AAA rating from Standard & Poor's Rating Services.

Market risk
The company's aggregate interest and foreign currency exposure is limited by means of low exposure limits in the risk policies.

Storebrand Boligkreditt AS has limited ceilings for interest risk, and this is assessed to be low, since all lending has administration-determined interest rates and borrowing is either on variable rates or swapped to three-month floating NIBOR.

At the end of 2024, Storebrand Boligkreditt AS had no interest rate risk. The company has one Euro denominated covered bond of 50 million, and a cross currency swap of identical nominal size.

Operational risk
To manage operational risk, the company's administration prioritises the establishment of good work and control routines. Systematic risk reviews are performed every six months, as well as with special transactions or unexpected

events.

Pursuant to the management agreement between Storebrand Bank ASA and Storebrand Boligkreditt AS, the bank is responsible for establishing and managing loans in the company. The agreement is followed up by the company through daily checks of the balance, spot checks of block transfers from the bank to the company, and in connection with monthly reports to the external investigator. In addition, there is follow-up of the development of risk classes and defaults in the monthly risk reports.

The bank's IT systems are vital for credit approval in the bank and for portfolio follow-up and accounting in the company. Errors and disruptions can have consequences for the operation of the company and may impact on customer trust. In the worst case, abnormal situations may result in penalties from supervisory authorities. Operations of the IT systems are outsourced. The bank's system platform that is used by Storebrand Boligkreditt AS is based on purchased standard systems operated and monitored through service agreements. The bank group has established an intra-group management model with close supplier follow-up and internal control activities with the objective of reducing risk associated with the development, administration and operation of IT systems and information security.

Compliance risk
Compliance risk is the risk of the company incurring public sanctions, financial loss, compentastion claims and/or loss of reputation as a result of non-compliance with external or internal regulations. Storebrand Boligkreditt AS is particularly aware of the risk in relation to compliance with and implementation of amendments to applicable laws concerning capital adequacy, liquidity management and the application of international accounting standard.

Capital management

Capital adequacy
Equity in the company at the end of the year amounted to NOK 3.9 billion (NOK 3.6 billion). The net capital base at year-end after giving group contributions amounted to NOK 3.8 billion (NOK 3.6 billion). Storebrand Boligkreditt AS' capital base consists entirely of pure core capital. The pure core capital adequacy ratio was 22 per cent (21.1 per cent) at the end of the year and the company satisfied the combined capital and capital buffer requirements by a good margin at the end of the year.

The Transparency Act

Purpose and delimitation
Storebrand Boligkreditt AS is obliged to conduct due diligence in accordance with the OECD Guidelines for Multinational Enterprises and Work on Fundamental Human Rights and Decent Working Conditions (Transparency Act) 01.07.2022 to conduct due diligence in accordance with the OECD Guidelines for Multinational Enterprises.

Storebrand Boligkreditt AS will comply with universal human and labour rights and minimise the risk of breaches through our own operations and supply chain. By own operations is meant influence through financial services offered and treatment of own employees.

The purpose of this report is to make it easier for consumers, organisations and other stakeholders to gain insight into how Storebrand Boligkreditt works with human and employee rights, and whether we have either caused, contributed to or are directly associated with violations of these.

In addition to this report, reference is made to the Storebrand Group's annual report and joint report pursuant to the Transparency Act. In Chapter 3, the latter describes group-wide guidelines that form the basis for the work on human rights at Storebrand Boligkreditt AS.

Organization
Group organisation
Responsible parties have been identified in each group company to ensure that risk assessments are regularly carried out and due diligence assessments are carried out of the supply chain and business partners, as well as their own operations. Reference is made to the Storebrand Group's annual report and joint report pursuant to chapter 2 of the Transparency Act for more information about the Group's organisation.

Organization and responsibility
Storebrand Boligkreditt AS is a wholly owned company of Storebrand Bank ASA. The company is a mortgage company and is licensed by Finanstilsynet (Financial Supervisory Authority of Norway) to issue covered bonds(OMF). The assets consist mainly of mortgage-backed mortgages purchased from Storebrand Bank ASA. Storebrand Bank ASA sells and manages the mortgages on behalf of Storebrand Boligkreditt AS.

Storebrand Bank ASA is a wholly owned subsidiary of Storebrand ASA, and is a commercial bank with licences under the Securities Trading Act. Storebrand Bank is a digital bank that offers a wide range of banking and savings products to the Norwegian retail market. The offer includes, among other things, mortgages, account and card products, investment advice and the investment app Kron. The bank is the distributor for the product companies Storebrand Asset Management AS and Storebrand Livsforsikring AS.

The CEO of Storebrand Boligkreditt AS is responsible for implementing the work on human rights and decent working conditions in the company. The management team in Storebrand Bank ASA handles risk and due diligence assessments of the supply chain and business partners, as well as operations within respective areas of responsibility and functions, including outsourced operations from Storebrand Boligkreditt AS. The Chief Risk Officer (CRO) and Chief Compliance Officer (CCO) of Storebrand Bank ASA and Storebrand Boligkreditt AS provide ongoing advice and monitor assessments and processes related to human rights and decent working conditions. The Bank also involves key group-wide specialist communities for assistance related to the procurement process, risk assessments, as well as legal and technical issues and requirements, in connection with procurement and entering into new agreements.

A common framework for compliance with the Transparency Act has been established, and Storebrand Boligkreditt follows established guidelines and procedures. The Group also has established systems for complaints and whistleblowing. Employees can notify both internally and externally via a third-party channel, and it is possible to submit a complaint from Storebrand's website or by contacting the customer center.

Supplier relationship
Storebrand has group-wide suppliers within IT and ICT operations, office services and cleaning, accounting and financial services and consultancy services. For a general overview of the Storebrand Group's suppliers, see section 4 of the Storebrand Group's annual report and joint statement pursuant to the Transparency Act.

Storebrand Boligkreditt AS has outsourced its business processes to Storebrand Bank ASA and indirectly uses the same suppliers.

For central system and service deliveries, Storebrand Bank mainly uses large Nordic suppliers, which are established and well-known players in the banking sector in Norway. The deliveries include customer systems, online and mobile banking, system support for advice, payment infrastructure, card services and debt collection services. The bank also buys certain technology services from companies headquartered in the UK and the US. Storebrand Bank has also outsourced certain business processes to a British company with international operations. These services are provided from the company's office in Lithuania.

Storebrand Bank works closely with the major suppliers, and has established follow-up processes for all suppliers, which, through risk and due diligence assessments, ensure that the bank's expectations and requirements relating to human rights and decent working conditions are met.

Guidelines
Storebrand wishes to be open and transparent about its work within human and labour rights. Therefore, we have a high degree of publicly available guidelines and documents. For an overview of governing documents and guidelines, see chapter 3 of the Storebrand Group's annual report and joint statement pursuant to the Transparency Act. These include all group companies.

Risk and due diligence assessments
Storebrand Bank ASA sells and manages the mortgages on behalf of Storebrand Boligkreditt AS. The business processes in Storebrand Boligkreditt AS are therefore similar to those in the bank related to residential mortgages, and with it the same underlying risks and mitigating measures.

Storebrand Bank assesses the risk of human rights violations and decent working conditions through the use of suppliers and their subcontractors and through the distribution of financial services. The following presents the most significant risk areas for Storebrand Bank ASA and associated mitigating measures.

The overall risk level for Storebrand Bank is considered low. In addition to group-wide risks, which are described in more detail in the Storebrand Group's annual report and a joint statement pursuant to the Transparency Act under chapter 4, there is an inherent risk in Storebrand Bank that follows from the choice to be a digital bank Customers get access to information, buy and change products, and perform their own banking and savings services on digital platforms such as mobile and online banking, investment apps and the bank's website. There is a certain risk that customers with limited digital capabilities find it challenging to relate to the bank's digital services. In order to meet this risk and be a publicly available bank, the bank has the possibility of communication over the phone and through digital platforms. In connection with the taking of mortgages and investments, there will always be an advisor available.

Storebrand Bank also has a strong focus on striving for equal treatment and advice to customers, without any form of discrimination based on background. An important measure for this is transparent and easily accessible information about contract terms, and transparency about the implications for the customer in connection with borrowing and purchasing savings products.

Methodology
The assessments are based on the extent to which the rights enshrined in the rights declarations below and the conventions are threatened, and what kind of consequences and harm a breach will entail.

- Universal Declaration of Human Rights (UDHR)
- International Covenant on Civil and Political Rights (ICCPR)
- International Covenant on Economic, Social and Cultural Rights (ICESCR)
- United Nations Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)
- United Nations Convention on the Rights of the Child (CRC)
- The fundamental rights of the International Labour Organization (ILO)

For a detailed description of the framework, see the Storebrand Group's report published in June 2023, chapter 6.

Sustainability
The Storebrand Group offers pensions, savings products, insurance and banking products to personal customers, business customers and public enterprises. Storebrand Boligkreditt AS strive to be closest to the customer and know them so well that we can always help them with what they need. Storebrand offer products and services that will give our customers increased financial security and freedom. The goal is to make it easier for customers to invest in the future by making good financial choices today. Our purpose clearly and simply states what is most important to us: Creating a future to look forward to.

The Corporate Sustainability Reporting Directive (CSRD) was introduced into Norwegian law in 2024 and expands the reporting requirements in the current sections 2-9 of the Accounting Act. Sustainability information must be provided in the annual report and will to a greater extent be equated with financial information. The CSRD contains the European Sustainability Reporting Standards (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG). Storebrand Boligkreditt does not have an independent reporting obligation for 2024 in accordance with the CSRD as they fall outside the threshold values. The company is included in the Storebrand Group's sustainability report, which has been prepared in accordance with (ESRS). Storebrand Boligkreditt is expected to have an independent reporting obligation as of the financial year 2025.

Sustainability is of great importance to the Group, the customers and the outside world, and we contribute to financial security and freedom through good management of the customers' funds, disbursement of life, disability and P&C insurances and financing of home purchases. We believe that good work with sustainability contributes to the Group being able to deliver the best possible risk-adjusted future return to customers and owners, and is therefore important to achieving the commercial goals.

Storebrand's Group strategy is built around our purpose and vision to deliver financial security and freedom to private individuals and businesses. We want to motivate customers to make good financial choices for the future. By offering sustainable solutions so that customers can have a future to look forward to, we create value for customers, owners and society.

Our work with sustainability is threefold:

- Storebrand in society
- Sustainability in own business
- Sustainability in products and services

Storebrand must take sustainability into account, both through our products and services and through our collaboration with suppliers and partners. In our work, we base ourselves on these principles:

- Through our operations, we shall contribute to achieving the UN's sustainability goals, as well as the associated national and international goals to which the authorities where we operate have committed themselves.
- We shall prioritize work with selected sustainability goals where we can have a significant influence - and which significantly influence us.
- We will help our customers to make more sustainable choices, through the products and services we offer.
- We are a responsible employer.
- We must take sustainability into account in all processes and decisions – from the boards and group management, who have overall responsibility, to every manager and employee.
- We collaborate with customers, suppliers, authorities and partners in our work with sustainability.
- We are open about our sustainability work and about the results we achieve.

Storebrand Boligkreditt AS, as an integral part of the Storebrand Group, has the same principles for working with sustainability as the Group as a whole.

The Storebrand Group is open about our sustainability work and reports in accordance with several leading reporting standards, including CSRD, Task Force on Climate-Related Financial Disclosures (TCFD) and CDP (formerly the Carbon Disclosure Project), in line with the expectations of key stakeholders. Strategic ambitions, specific goals, reporting and communication about sustainability are important success criteria in our work. In addition, we engage in national initiatives such as Skift Næringslivet's climate leaders and international initiatives such as the Net Zero Asset Owner Alliance, Net Zero Asset Manager Alliance, UN Principles for Responsible Investments (PRI) and Climate Action 100+ to collaborate with other like-minded actors to find solutions to global sustainability challenges and set requirements to reach zero emission targets.

Sustainable finance
Storebrand actively participates in the public debate and has a dialogue with the authorities, in order to speed up and improve the transition and the conditions for us to contribute to the transition as an investor, insurance player and lender.

Climate and environment
Storebrand's biggest impact on climate change comes from financed emissions through our investments. Because we are a significant asset owner with global positions, we see climate change as one of the areas where we can indirectly contribute positively or negatively to society - and this can affect us negatively. In order to reduce the negative impact on climate change, we have defined science-based and verified targets for investments and our own operations. Storebrand's overall ambition is to contribute to achieving the Paris Agreement.

We have set targets for 2030 for our own operations to reduce our greenhouse gas emissions through measures in energy, waste, air travel and procurement. We have the following science-based goals. These have been verified by the Science Based Targets Initiative.

- Storebrand is commited to reduce absolute emissions (scope 1-2) by 52 per cent by 2030, with 2018 as the base year
- Storebrand commits to continue with annual purchases of 100% renewable electricity until 2030 [1)]

For waste, we have a goal of an 80% sorting rate by 2030 and are working on measures to reduce the amount of waste and increase the proportion of waste that is sorted at source in our offices.

We will reduce absolute Scope 3 greenhouse gas emissions from air travel in the period 2019-2030 by 40% by a combination of reduced travel and the purchase of biofuels. We will have an overall carbon framework for the period that is distributed among the various business units. An updated travel policy was launched in 2024 to clarify Storebrand's approach to travel. Travel must be followed up regularly by managers. The Group uses a tool that displays flights and emissions data to follow the organisation's status for the target. An internal CO_2 tax per tonne of CO_2e emissions is charged to the departments when purchasing flights, and the money from the tax is used to purchase carbon credits and other compensatory activities. In procurement, our ambition is for suppliers to reach net-zero emissions from their operations by 2050. Our goal is that at least 80% of our suppliers with an annual turnover at contract level above NOK 5 million sign a commitment to either set science-based targets in line with relevant industry standards, or document that significant parts of the company's deliveries to Storebrand contribute to our strategy of increased reuse and repair. Circular measures could be recycling of materials, reuse, repair and rehabilitation/improvement rather than the use of new materials. The supplier must report annually on the status, progress and measures taken to achieve the ambitions. We annually follow up progress on the commitments for suppliers with a turnover with us above NOK 10 million. Towards 2030, the ambition is to increase follow-up to suppliers with a turnover of more than NOK 5 million. The follow-up takes the form of surveys, analysis of these and subsequent dialogue with the suppliers. Suppliers with lower turnover at Storebrand are checked through annual spot checks.

Priority will be given to financing and raising capital for the Group through the issuance of bonds, including green bonds and sustainability-linked bonds. The Group's framework for green bonds is being considered to be updated, as well as the establishment of a framework for sustainability-linked bonds.

For investments Storebrand has committed to an investment portfolio with net zero greenhouse gas emissions by 2050. Storebrand has its own climate policy for investments that sets the framework for this goal. We expect companies to address the effect their operations have on the climate, in terms of both risks and opportunities. We prioritize work with the companies in the portfolio with the most significant emissions across scope 1-3, as well as the companies with the highest climate risk. In order to realize the overall goal, several sub-goals have been established for investments:

- 60 per cent reduction in scope 1-2 emissions [2)] from listed equities and corporate bonds 2018-2030
- 20 percent of invested funds in «solutions [3)]» by 2030
- Dialogue and special follow-up of the 20 largest emitters up to and including 2025 and the 30-50 largest from 2026-2030

1) We have used a location-based method for our scope 1-2 emission targets for our own operations, but also included a market-based target for the procurement of renewable electricity
2) Calculated as Weighted Average Carbon Intensity
3) Solutions are defined as shares in solution companies, green bonds, green real estate and green infrastructure

We also have the following science-based targets for the investments verified by the Science Based Targets Initiative:

- 42 per cent of listed shares and corporate bonds (based on invested funds) must have defined validated, science-based targets (SBTi) by 2027
- 64 per cent reduction of scope 1-2 market-based emission intensity (kgCO2e per m2) from residential buildings 2019-2030 [4)]
- 71 per cent reduction of scope 1-2 market-based emission intensity (kgCO2e per m2) from commercial buildings 2019-2030

Storebrand's work with climate is described in more detail in the chapter ***Climate change*** in Storebrand's annual report.

Customers and end users
We offer long-term savings and insurance products that help individuals and companies achieve financial security and freedom. This is how we can influence society in a positive way. Storebrand's ability to deliver financial security and freedom is crucial to attracting customers. When customers take action to secure their financial future with Storebrand, they should feel confident that they have made good choices. Customers should feel that we offer relevant and good products.

The principle »customer first« is the starting point for all customer contact. This is reflected in our service standards:

Credible – I keep my promises and I am professional
Care – I treat everyone individually, help them and provide advice
Enthusiastic – I am positive and exceed expectations
Effective – I make the customer journey easy and improve the organization

We want to increase the number of satisfied and loyal customers through good, digital customer experiences. The interaction between digital services and automated processes is the key to efficient distribution and service, and a prerequisite for a profitable and forward-looking Storebrand in the years to come. Through investments in technology and defined digitization programs in each business area, we ensure competitiveness in the market.

Storebrand's work with customer relations is described in more detail in the chapter ***Customers and end users*** in Storebrand's annual report.

Corporate governance and compliance
In order to build and preserve the trust our customers, shareholders, authorities and the rest of society have in us, we are aware of how mechanisms for management and control contribute to shaping the business culture at Storebrand. This is both about the values we promote, how each individual employee behaves and how we facilitate compliance with internal and external regulations. Our culture affects, among other things, how we interact, make decisions and how we behave in everyday work. All employees must take compulsory courses in sustainability, ethics, anti-corruption, privacy, information security, money laundering and terrorist financing and sustainability every year.

We have an approach of working purposefully to develop employees' skills, identify risks and opportunities, and develop our internal regulations. This helps to build a culture of open communication, trust and respect, while promoting diversity and inclusion, learning and accountability. Storebrand works actively to build and preserve an open business culture.

Privacy and digital trust
The digital development creates an increasing risk that personal data can go astray, be stolen or shared with unauthorized persons. The customers and our employees must be able to trust that we manage their personal data in a responsible manner. It requires that we have good security measures, a well-established framework for personal protection and good compliance with this. In addition, our employees must know how personal data must be handled properly in their daily work, and in general in our business.

Work against money laundering and terrorist financing
Storebrand must act consistently and in accordance with relevant legislation in matters relating to money laundering, terrorist financing and other financial crimes, and avoid our companies being misused for such purposes. This requires systematic and continuous work. We seek to achieve this through good routines, training and ongoing follow-up of our customers and partners.

4) Market-based methodology is used, but the priority will be to decarbonize managed properties through direct interventions in energy reduction and on-site renewable energy production, and ultimately to procure renewable energy in the market

Work against corruption
At Storebrand, we have zero tolerance for corruption and other financial fraud. Corruption can lead to economic instability and is punishable in all countries where Storebrand operates. The trust our customers and the wider world have in us, but also in the financial industry in general, will be negatively affected by a possible corruption case. It is therefore important for us to help promote ethics, active ownership and accountability because it helps to fight corruption. We continuously work to identify internal areas with a high risk of corruption. We also have a number of measures to prevent fraud.

Information security
As a financial institution, our digital solutions and our infrastructure are critical for society. We manage large amounts of information and assets for our customers. We can be an attractive target for a number of threat actors because of our market position, our customers, suppliers, partners and employees. We work with information security by seeing people, processes and technology as a whole. In order for Storebrand to be able to run a good financial business and increase our innovation power in the years to come, secure and stable IT solutions and infrastructure are a prerequisite. We therefore work continuously and strategically with information security to manage risk and to strengthen our resilience.

A responsible value chain
Procurement is an area where we can influence our suppliers in a more responsible direction. In our business, we have a significant proportion of outsourcing. This requires stricter procedures for monitoring working conditions, safeguarding human rights and handling environmental impacts in the value chain. A key objective is to avoid agreements with suppliers where production processes or products violate international agreements, national legislation or internal guidelines. Through our own operations and purchasing operations, we must contribute to sustainable development, and to ensure that human rights and workers' rights are not violated. Since 2020, we have set ambitious climate requirements for our suppliers. In 2023, we adjusted these requirements. We maintain high ambitions, while the requirements encourage suppliers to a greater extent to take concrete measures in their own operations rather than buying climate quotas in their work towards net zero, as well as reducing the risk of greenwashing. Our updated concrete targets mean that by 2050 the suppliers will achieve net zero greenhouse gas emissions from their operations through:

1. Measure and report the emissions of greenhouse gases from the business
2. By the end of 2025, set science-based climate targets in line with the relevant industry standard to reduce greenhouse gas emissions
3. Reduce emissions as much as possible through own actions and introduce appropriate measures to compensate for own emissions that cannot be avoided

Storebrand's work with business management is described in more detail in the chapter ***Business management and compliance*** in Storebrand's annual report.

Insurance for board members and company management
The Board and senior executives are covered by the company's ongoing directors' liability insurance. This has been placed with insurers with a solid rating.

Within the framework of the insurance coverage, the insurer will pay compensation for economic loss resulting from claims brought against the insured persons for personal management liability during the insurance period.

Corporate Governance Statement
Storebrand Boligkreditt AS's systems for internal control and risk management in connection with the accounting process comply with the Storebrand Group's guidelines. The guidelines are decided by the board annually. Storebrand Boligkreditt AS has established service agreements with Storebrand Livsforsikring AS that include the acquisition of all accounting expertise, accounting and reporting from Storebrand Livsforsikring AS.

The management and board of Storebrand ASA review the principles of corporate governance annually. Storebrand ASA established principles for corporate governance in 1998. Storebrand ASA, in accordance with section 3-3b of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance published by the Norwegian Corporate Governance Board (NUES), (which was most recently revised on 14 October 2021), presents a report on principles and practice for corporate governance. For a more detailed account of Storebrand's corporate governance and corporate governance and corporate governance pursuant to Section 3-3b of the Accounting Act, please refer to the chapter Corporate governance in the Storebrand Group's annual report for 2024. The Code of Practice from the Norwegian Corporate Governance and Corporate Governance Board is available on www.nues.no

Storebrand Boligkreditt AS publishes four quarterly financial statements in addition to the ordinary annual financial statement. The financial reports must satisfy the requirements of laws and regulations and must be prepared in accordance with adopted accounting principles, as well as following deadlines set by the Board of Directors of Storebrand ASA. The company accounts for Storebrand Boligkreditt AS are prepared by the Group Accounts department of Storebrand Livsforsikring AS, which is organised under the Storebrand Group's CFO. Key managers in the Consolidated Financial Statements receive fixed annual compensation that is not affected by the Group's financial results. A number of risk assessment and control measures have been established in connection with the presentation of the financial reports. Internal meetings, as well as meetings attended by the external auditor, are held to identify risk conditions and measures related to material accounting items or other matters. Corresponding quarterly meetings are also held with various specialist communities in the Group, which are key in connection with the assessment and valuation of loans and financial instruments and other valuation items. In these meetings, particular focus is placed on any market changes, specific factors related to default trends, individual loans and individual investments, transactions and operational factors, etc. Assessments related to significant accounting items, as well as any changes in principles, etc., are described in a separate document (Assessment item memo). The external auditor participates in board meetings as required and at least annually, and in meetings of the audit committee of Storebrand ASA. Monthly and quarterly operating reports are prepared where results per business area and product area are analysed and assessed against predetermined budgets budgets. The operational reporting is reconciled with other financial reporting. In addition, there are regular reconciliations of professional systems etc. with the accounting system.

The Board's working method is regulated in separate instructions for the Board. The articles of association stipulate that between four and eight members are elected by the general meeting. The members of the board are elected for one year at a time. The Board of Directors of Storebrand ASA has also established an overarching "Management document for management and control in the Storebrand Group" as well as instructions for subsidiary boards. These documents describe how guidelines, plans and strategies adopted by the Group Board are expected to be followed and how risk management and control shall be implemented in the Group. The Board of Directors of Storebrand ASA has four advisory and preparatory working committees: the Strategy Committee, the Compensation Committee, the Audit Committee and the Risk Committee. The remuneration committee, the audit committee and the risk committee meet the requirements set for working committees in subsidiaries.

The company has no provisions in its articles of association and authorisations that permit the board to decide that the company shall buy back or issue its own shares or equity certificates. Guidelines for gender equality and diversity, including goals, implementation and effect, are discussed in the chapter ***"Own employees"*** in the annual report.

Changes in board composition
Aud Lysenstøen is new to the board from 2 July 2024 and replaces Thor Bendik Weider.

Going concern
The Board confirms that the basis for continued operation as a going concern is in place and the annual financial report has been presented on this assumption.

Events after the balance date
The Board is not aware of any events that have occurred after the end of the financial year that have any significant effect on the annual financial statements that have been presented.

Strategy and outlook for 2025
In 2025, Storebrand Boligkreditt AS will continue its core activity, which is the acquisition and management of home mortgages from Storebrand Bank ASA. The company is aiming for growth in collateralisation during 2025.

The housing market and developments in total non-performing loans will be closely monitored after market rates have risen sharply in recent years. Efforts to ensure good working procedures and high data quality will continue. This will thereby ensure continued compliance with market, government, and rating requirements. Developments in the Norwegian and international capital markets, interest rates, unemployment and the property market are regarded as the key risk factors that can affect the results of Storebrand Boligkreditt AS in 2025.

New covered bonds will be issued when the company finds it favourable and there is sufficient security. Storebrand Boligkreditt AS will continue to contribute to Storebrand Bank ASA having diversified financing.

Allocation of profit
The company's profit for the year amounted to NOK 239.8 million. The Board proposes to pay a group contribution of NOK 237.7 million before tax (NOK 185.4 million after tax) to Storebrand Bank ASA. The Board considers the company's capital situation to be good in relation to the risk profile and proposes the following allocation of the profit for the year to the company's general meeting:

Amounts in NOK million:	
Group contribution paid to parent company (after tax)	-185.4
Transferred to/from other equity	-54.3
Total allocation	**-239.8**

Lysaker, 11 February 2025
The Board of Directors of Storebrand Boligkreditt AS

Translation - not to be signed

Bernt Uppstad *Chairman of the Board*		Camilla Leikvoll
Jan Birger Penne	Aud Lysenstøen	Einar A. Leikanger *CEO*

Income statement

Storebrand Boligkreditt AS

1 January - 31 December

NOK million	Note	2024	2023
Interest income and similar income			
Interest income calculated by using the effective interest method		2,585.7	1,928.0
Other interest income		61.5	33.7
Total interest income and similar income	10	**2,647.2**	**1,961.7**
Interest expenses and similar expenses			
Interest expenses calculated by using the effective interest method		-2,120.1	-1,619.0
Other interest expenses		-26.2	-16.1
Total interest expenses and similar expenses	10	**-2,146.3**	**-1,635.2**
Net interest income	10	**500.9**	**326.5**
Fee and commission income from banking services		0.6	0.6
Fee and commission expense for banking services		-1.2	-0.3
Net change in fair value and gain/loss on foreign exchange and financial instruments	10,28	-8.2	-6.0
Total other operating income		**-8.8**	**-5.6**
Staff expenses	12	-0.4	-0.2
Other operating cost	11, 12	-178.6	-158.9
Total operating expenses excl. credit loss on loans, etc.		**-179.1**	**-159.1**
Profit before credit loss on loans, etc.		**313.0**	**161.8**
Credit loss on loans, guarantees etc. and interest bearing secuirities	13	-5.6	-9.3
Profit before tax for continued operations		**307.4**	**152.5**
Tax on profit from continued operations	14	-67.6	-33.5
Profit before other comprehensive income		**239.8**	**118.9**
Other income and expenses that may be reclassified to profit/loss			
Change in unrealised gain/loss on loans valued at fair valute through other comprehensive income (OCI)		-0.3	0.2
Tax on other income and expenses that may be reclassified to profit/loss		0.1	0.0
Total other income and expenses		**-0.3**	**0.1**
Total comprehensive income for the period		**239.5**	**119.1**

Statement of financial position

Storebrand Boligkreditt AS

31 December

NOK million	Note	2024	2023
Loans to and deposits with credit institutions	9, 15	90.6	69.5
Loans to customers	4, 9, 15, 20, 21, 22, 23, 24, 25, 26	46,240.2	45,069.4
Interest bearing securities	4, 9, 15, 16, 17	1,378.6	1,413.1
Derivatives	5,9,15,18,28	78.3	53.1
Other current assets	15, 27	26.2	44.8
Total assets		**47,814.0**	**46,650.0**
Loans and deposits from credit institutions	5, 9, 15	6,292.1	5,580.0
Debt securities issued	5, 9, 15, 28	37,391.6	37,287.2
Derivatives	5,9,15,18,28	69.4	42.8
Other current liabilities	5, 15, 29	81.5	55.7
Tax payable	14	52.3	13.2
Deferred tax	14	60.3	45.0
Provisions for guarantees and unused credit facilities	23	1.2	
Total liabilities		**43,948.4**	**43,023.9**
Share capital		496.8	496.8
Share premium		1,993.3	1,993.3
Other paid-in equity		952.0	905.3
Total paid-in equity		**3,442.1**	**3,395.3**
Other equity		423.5	230.8
Total retained earnings		**423.5**	**230.8**
Total equity	32	**3,865.6**	**3,626.1**
Total liabilities and equity		**47,814.0**	**46,650.0**

Lysaker, 11 February 2025
The Board of Directors of Storebrand Boligkreditt AS

Translation - not to be signed

Bernt Uppstad
Chairman of the Board

Camilla Leikvoll

Jan Birger Penne

Aud Lysenstøen

Einar A. Leikanger
CEO

Statement of changes in equity

Storebrand Boligkreditt AS

31 December

NOK million	Share capital	Share premium	Other paid-in capital	Total paid-in capital	Other equity	Total other equity	Total equity
Equity at 31.12.2022	**494.2**	**1,445.9**	**633.1**	**2,573.2**	**133.8**	**133.8**	**2,707.0**
Profit for the period					118.9	118.9	118.9
Other comprehensive income					0.1	0.1	0.1
Total other comprehensive income	**0.0**	**0.0**	**0.0**	**0.0**	**0.1**	**0.1**	**0.1**
Total comprehensive income for the period	**0.0**	**0.0**	**0.0**	**0.0**	**119.1**	**119.1**	**119.1**
Equity transactions with the owner:							
Capital contribution	2.6	547.4		550.0			550.0
Group contribution received			272.1	272.1			272.1
Group contribution paid					-22.1	-22.1	-22.1
Equity at 31.12.2023	**496.8**	**1,993.3**	**905.3**	**3,395.3**	**230.8**	**230.8**	**3,626.1**
Profit for the period					239.8	239.8	239.8
Other comprehensive income					-0.3	-0.3	-0.3
Total other comprehensive income	**0.0**	**0.0**	**0.0**	**0.0**	**-0.3**	**-0.3**	**-0.3**
Total comprehensive income for the period	**0.0**	**0.0**	**0.0**	**0.0**	**239.5**	**239.5**	**239.5**
Equity transactions with the owner:							
Group contribution received			46.7	46.7			46.7
Group contribution paid					-46.7	-46.7	-46.7
Equity at 31.12.2024	**496.8**	**1,993.3**	**952.0**	**3,442.1**	**423.5**	**423.5**	**3,865.6**

Storebrand Boligkreditt AS is 100% owned by Storebrand Bank ASA. Number of shares are 35.483.333 at nominal value NOK 14,- per share.

The equity changes with the result for the individual period, equity transactions with the owners and items that are entered directly on the balance sheet. Share capital, the share premium reserve and other equity is evaluated and managed together. The share premium fund may be used to cover a loss, and other equity may be used in accordance with the provisions of the Company Act.

Storebrand Boligkreditt AS actively manages the level of equity in the company. The capital level is tailored to the economic risk and capital requirements in which the composition of its business areas and their growth will be an important driver. The goal of the capital management is to ensure an effective capital structure and secure an appropriate balance between internal goals in relation to regulatory and the rating companies' requirements. If there is a need for new capital, this must be issued by the parent bank Storebrand Bank ASA.

Storebrand Boligkreditt AS is a credit institution subject to statutory requirements regarding primary capital under the capital adequacy regulations. Primary capital encompasses both equity and subordinated loan capital. For Storebrand Boligkreditt AS, these legal requirements are most important in its capital management.

For further information on the company's fulfilment of the capital requirements, see note 32.

Statement of cash flow

Storebrand Boligkreditt AS

1 January - 31 December

NOK million	Note	2024	2023
Cash flow from operations			
Net receipts of interest, commissions and fees from customers		2,559.4	1,876.2
Net disbursement/payments on customer loans		-1,169.8	-7,537.0
Net receipts/payments on securities		74.5	117.5
Payments of operating costs		-149.7	-126.7
Net cash flow from operating activities		**1,314.4**	**-5,669.9**
Cash flow from financing activities			
Payments - repayments of loans and issuing of bond debt	5	-5,500.0	-4,000.0
Receipts - new loans and issuing of bond debt	5	5,648.2	11,761.0
Payments - interest on loans		-2,140.4	-1,532.2
Receipts - new loans from credit institutions	5	712.1	
Repayments of loans from credit institutions	5		-1,308.1
Receipts - issuing of share capital and other equity			550.0
Receipts - group contribution		46.7	272.1
Payments - group contribution		-59.9	-28.4
Net cash flow from financing activities		**-1,293.3**	**5,714.5**
Net cash flow in period		**21.1**	**44.6**
Net movement in cash and bank deposits		21.1	44.6
Cash and bank deposits at the start of the period		69.5	25.0
Cash and bank deposits at the end of the period		**90.6**	**69.5**

The company has a credit arrangement (drawing facility) with Storebrand Bank ASA that is included in the item »Liabilities to credit institutions« as at 31.12.2024. See also Note 5.

See note 30 for information about undrawn credit limits.

Notes to the account Storebrand Boligkreditt AS

Notes

Storebrand Boligkreditt AS

Note 1 - Company information and accounting policies

1. Company information
Storebrand Boligkreditt AS is a Norwegian limited company with bonds listed on the Oslo Stock Exchange. The company's financial statements for 2024 were approved by the Board of Directors on 11 February 2025.

Storebrand Boligkreditt AS offers home mortgages to the Norwegian retail market. Storebrand Boligkreditt AS consists of the retail market business area. Storebrand Boligkreditt AS is headquartered at Professor Kohts vei 9, Lysaker.

2 – Essential accounting policies
2.1 Basis for preparation of the accounts
The accounting policies applied in the company's financial statements are described below. The policies are applied consistently to similar transactions and to other events involving similar circumstances.

The consolidated financial statements of Storebrand Boligkreditt AS have been prepared in accordance with International Financial Reporting Standards (IFRS®) as adopted by the EU and appurtenant interpretations, as well as other Norwegian disclosure obligations pursuant to the law and regulations.

Use of estimates in preparing the annual financial statements
The preparation of the annual financial statements in accordance with IFRS requires the management to make judgements, estimates and assumptions that affect assets, liabilities, revenue, expenses, the notes to the financial statements and information on potential liabilities. Actual amounts may differ from these estimates. See Note 2 for further information.

2.2. Changes in accounting policies
In 2024, no new accounting standards have been implemented that have had a significant effect on Storebrand Boligkreditt AS's financial statements.

There are no new standards or changes to standards that have not been made applicable in the preparation of the 2024 financial statements that are expected to have a material effect on the company's accounts.

2.3. New accounting standards that have not entered into force
New IFRSs that are not in force:

IFRS 18
IFRS 18 replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new categories in the income statement, new requirements for reporting Management Performance Measures. The purpose is to provide increased transparency and comparability between companies' presentations. The standard will be implemented from 01.01.2027 and requires reworking comparative figures for 2026.

Storebrand has reviewed the new standard and assessed the effect these may have on the consolidated financial statements. Based on a preliminary assessment, it is not expected that the implementation of the standard will have a material effect on the Group's accounting policies, financial position or profit. Storebrand will continue to monitor any further updates or clarifications that may affect the ratings.

There are no other new or amended accounting standards that have not entered into force that are expected to have a material effect on Storebrand Boligkreditt AS's financial statements.

2.4. Income recognition
Net interest income
Income recognition of interest according to the effective interest method is used for interest-bearing balance sheet items that are valued at amortised cost and balance sheet items that are valued at fair value through other income and costs. The effective interest rate is the interest rate that causes the present value of future cash flows within the loan's expected term to be equal to the book value of the loan on initial recognition. Cash flows include start-up fees, as well as any residual value at the end of the expected term. Interest income on commitments that are credit impaired is calculated using the effective interest rate on impaired value. Interest income on commitments that have not been impaired by credit is calculated using the effective interest rate on gross amortised cost (amortised cost before provision for expected losses).

For interest-bearing balance sheet items that are valued at fair value through profit or loss, interest income is recognised based on nominal interest.

2.5. Financial assets and liabilities

2.5.1. Recognition

Ordinary purchases and sales of financial assets are booked on the transaction date and financial liabilities are booked on the settlement date.

2.5.2. Fair value

Fair value is the amount for which an asset could be exchanged between well-informed, willing parties in an arm's length transaction. The fair value of financial assets listed on a stock exchange or on another regulated market in which regular trading takes place is determined as the bid price on the last trading day up to and including the reporting date.

If a market for a financial instrument is not active, fair value is determined by using recognised valuation techniques. Such valuation techniques make use of recent arm's length market transactions between knowledgeable and independent parties, where available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis, and options pricing models. If a valuation technique is in common use by participants in the market for pricing the instrument and this method has proved to provide reliable estimates of prices actually achieved in market transactions, this method is used.

When calculating the fair value of loans, the current market rate on similar loans is used. Changes in credit risk are taken into account.

2.5.3. Classification and measurement of financial assets and financial liabilities

Financial assets are classified and measured into one of the following categories:
- Financial assets measured at amortised cost
- Financial assets measured at fair value with change in value through other income and costs with a reclassification of accumulated gains and losses for the profit or loss.
- Financial assets measured at fair value through profit or loss

Financial assets classified and measured at amortised cost
A financial asset is classified and measured at amortised cost if it is:
- primarily procured or established to hold the asset in order to collect contractual cash flows, which are only payment of principal and interest on given dates.

Financial assets measured at amortised cost are recognised at amortised cost using the effective interest method.

Storebrand Boligkreditt AS uses this category for lending to credit institutions, interest-bearing securities in a long-term investment portfolio and all items included in Other Assets.

Financial assets classified and measured at fair value through other comprehensive income, with a reclassification of accumulated gains and losses for the profit or loss
A significant share of the Storebrand Boligkreditt AS's financial instruments is classified under the category of fair value through other comprehensive income. A financial asset is classified and measured at fair value through other comprehensive income if the following condition is met:
- primarily procured or established to hold the asset in order to collect contractual cash flows, which are only payment of principal and interest on given dates and for sale.

Financial assets in this category are recognised at fair value with change in value through other comprehensive income. Associated interest income, foreign currency translation differences and any impairments are recognised in the ordinary profit or loss.

The Storebrand Boligkreditt AS uses this category for all mortgages to customers with variable interest rates.

Financial assets classified and measured at fair value through profit or loss
Storebrand Boligkreditt AS has financial instruments that are classified under the category of fair value through profit or loss for the following reasons:
- the financial assets are included in a portfolio that is continuously measured and reported at fair value,
- the financial assets have cash flows generated not only by interest and instalments on the principal, or that
- such classification reduces the mismatch in the measurement or recognition that would otherwise arise as a result of the different rules for measuring assets and liabilities.

Interest income is recognised as income based on nominal interest, while other changes in value are presented as "Net change in value and gains/losses on currency and financial instruments".

Storebrand Boligkreditt AS uses this category for all derivatives and interest-bearing securities that are part of a short-term liquidity portfolio.

Financial liabilities
After initial recognition, all financial liabilities at amortised cost are measured by an effective interest rate method.

See also classification of financial instruments in note 15.

2.5.4. Impairment
Pursuant to IFRS 9, loss provisions are recognised based on expected credit loss (ECL).
To estimate expected credit loss, models have been developed to calculate three indicators: probability of default (PD), loss given default (LGD) and exposure at default (EAD). These models have been derived from similar models used for internal assessments of capital needs. The models used for IFRS 9 purposes are based on the current macroeconomic situation and forecasts, and the models for PD, LGD and EAD are thus point in time (PIT) models, as opposed to through the cycle (TTC) models, which are used for capital needs purposes. The risk parameters in IFRS 9 have also been calibrated to be more forward-looking. Since the future is always uncertain, different future scenarios are used to compute PD, LGD and EAD for the bank's financial instruments. The various future scenarios have different weights determined by their position in the economic cycle and the forecasts of future events and economic conditions. The final expected credit loss per financial instrument will be a weighted average of the expected credit losses in the various scenarios. Total expected credit loss for the portfolio is the sum of the weighted credit losses per financial instrument.

In the PD model, financial circumstances are a significant predictor, combined with behavioural data on the individual customer. The model is a statistical model based on logistic regression. Loan-to-value ratio is a significant factor in the LGD model. For EAD, the most significant factors are loan size for downpayment loans and credit limit for lines of credit. The models are validated annually.

Forecasts affect the PD and LGD estimates in particular.

Storebrand Boligkreditt AS uses future scenarios to calculate expected credit losses. Storebrand Boligkreditt AS bases its future scenarios on the future scenarios presented by Norges Bank in its Financial Stability Report and assessments by Statistics Norway. The scenarios build on the current macroeconomic situation, economic forecasts, and the impact the macroeconomic situation is expected to have on the credit risk of the bank's financial instruments. These expectations affect the probability of default, exposure at default, and loss given default.

Among other things, PD is affected by unemployment, wage growth and interest rates. Higher unemployment and interest rates result in weaker capacity to service debt in the portfolio, and lower wage growth also entails weaker capacity to service debt and thus increased probability of default. Macrovariables will have different effects on the risk parameters, and the impact will vary significantly for the individual customers in the portfolio. Average PD will increase during periods of economic downturn.

Periods of economic downturn will, in isolation, result in weaker growth in house prices, which will in turn impact the loan-to-value ratio and thus also LGD. For many financial instruments, the losses will be very small, given the existing market prices. The increase in loss given default as a result of falling house prices is greater than the reduction in loss given default when house prices are rising. Nonlinearities in expected credit loss are taken into account by estimating expected credit loss in a variety of scenarios.

Stress tests and sensitivity tests are used in the assessment of expected credit loss. Sensitivity assessments of stage migration are carried out by assessing the change in expected credit losses if certain commitments migrate from stage 1 to stage 2. Sensitivity analyses are carried out in ICAAP on a regular basis.

The portfolio's ECL is considered to be sensitive to changes in observed default, loss and expected maturity of the financial assets. There is also model uncertainty associated with the individual estimates. Among other things, the uncertainty relates to estimates of size and development of different macrovariables in the future in each macro-scenario, as well as the impact the different outlooks have on individual parameters.

Definition of default
Storebrand Boligkreditt AS has determined the definition of default in line with the recommendation given in the European Banking Authority's (EBA's) guide to implementing the default definition in accordance with Article 178 (EU Regulation 575/2013).

The definition of default is applied at debtor level with absolute and relative thresholds for arrears/overdrafts. Arrears/overdrafts for each individual commitment are measured in relation to the total debtor exposure. The absolute threshold is set at NOK 1,000 (per commitment), and the relative threshold is 1% of total debtor exposure. Joint commitments (commitments with multiple debtors) are defined as a separate risk point and are not included in the overall exposure for the respective individual customers.

Default occurs after 90 days with arrears/overdrafts above both absolute and relative thresholds. All debtor commitments are considered defaulted if default has occurred for at least one of these. In line with the guidance provided by the European Banking Authority (EBA), a probation period of 3 months is used. The probation period starts when default criteria are no longer in place. For the probation period to end, the arrears/overdrafts must be below the threshold values for the entire probation period.

A customer is deemed to be in default if one of the following criteria is met (unlikeliness to pay (UTP) criteria):
- the customer is in personal bankruptcy,
- the customer is in or has been placed in debt settlement proceedings,
- the bank has conducted an enforced sale of the customer's security,
- the customer no longer has an income that will adequately service the loan.

Definition of credit loss

Credit loss is a loss that arises from a credit risk where the loss is the difference between the value of the contractual cash flow and the expected cash flow discounted by the original effective interest rate.

The expected credit loss is the difference between the present value of the contractual cash flow and the expected probability-weighted cash flow.

An expected credit loss is estimated either by means of an individual assessment (individual impairment) or by using statistical models (model-based impairment) to calculate the expected probability-weighted cash flow.

An individual assessment with subsequent booking of individual impairments is carried out for commitments with objective evidence of loss and that the loss reduces the future cash flows of the commitment. Individually assessed commitments are moved to stage 3 (see a more detailed description of stage 3 below). Objective loss incidents can be significant financial problems involving a debtor, defaults, debt and/or bankruptcy proceedings for the debtor, or that this is likely, or forbearance caused by financial problems. The calculation of cash flow and the impairments are assessed based on the expected values.

For other commitments, expected credit loss is estimated using model-based impairment. The commitments are divided into different stages (see the section below on calculating expected credit loss). Model-based impairment depends on the stage to which the commitment belongs, parameter estimates for PD, EAD, LGD and expected maturity.

Calculating expected credit losses

The classification and changing of stages are described below.

Stage 1

The starting point for all financial assets is stage 1. Stage 1 encompasses all financial assets that do not have substantially higher credit risk than at initial recognition. Financial assets with low credit risk can be exempted and will still always be in stage 1 even if the credit risk is significantly higher. Storebrand Boligkreditt AS does not currently apply this exemption rule. In stage 1, expected credit loss is calculated over 12 months.

Stage 2

Stage 2 consists of financial assets where there has been a significant increase in credit risk since initial recognition, but that are not in default or where there is objective evidence of loss. For financial assets in stage 2, expected credit loss is calculated over the expected term of the loan. The expected term deviates from the contractual term and is estimated on the basis of historically observed performance.

Stage 3

Stage 3 includes financial assets that are in default and/or which have objective evidence of loss. For commitments that have objective evidence of loss, an assessment of whether there must be individual impairment is carried out. For other commitments without individual impairment, the expected credit loss is calculated over the expected maturity of the asset.

Migrating to a lower stage

A commitment that no longer meets the criterion for stage 2 is moved to stage 1. The risk models ensure that there has been a sufficiently long period of payment before reducing and returning the risk to stage 1. A commitment in stage 3 can be moved both to stage 2, if stage-2 criteria are met, or directly to stage 1 once the criteria for stage 3 are no longer met.

Substantial increase in credit risk

Substantial increase in credit risk is assessed on the basis of the financial instrument's probability of default (PD) at the time of measurement compared with at initial recognition. The assessment is based on both changes in probability of default during the expected lifetime (lifetime PD) and changes in probability of default in the next 12 months (12 months PD). The assessments are based on absolute changes and relative changes.

For commitments where the 12-month probability of default (PD) upon initial recognition is less than 0.5 per cent, both a relative and an absolute criterion must be satisfied for the commitment to be considered to have a significant increase in credit risk. The relative criterion is a relative increase in lifetime PD of 150 per cent or more from initial recognition until the measurement date. The criterion is equivalent to the lifetime PD at the measurement date being greater than 2.5 multiplied by the lifetime PD at the recognition date. The absolute criterion is that the 12-month PD at the measurement date is 0.6 percentage points higher than the 12-month PD upon initial recognition.

For commitments where the 12-month probability of default (PD) upon initial recognition is more than or equal to 0.5 per cent, either a relative or an absolute criterion must be satisfied for the commitment to be considered to have a significant increase in credit risk. The relative criterion is identical to that stated above, i.e. an increase in lifetime PD of 150 per cent or more from initial recognition until the measurement date. The absolute criterion is that 12-month PD at the measurement date is 1.5 percentage points higher than 12-month PD upon initial recognition.

Commitments for which scheduled payment is overdue by 30 days or more are assessed, irrespective of whether this has caused a significant increase in the credit risk. The same applies to commitments for which forbearance has been granted on the basis of the customers' deteriorating financial situation, however is not serious enough to classify commitments as credit impaired.

Expected maturity
Expected maturity is estimated for various financial instruments. Expected maturity is significant because for commitments with a substantial increase in credit risk, i.e. commitments in stage 2, expected credit loss shall be calculated over the expected maturity of the commitments. The overall probability of default increases over the time horizon being measured, and the expected credit loss over the expected maturity of the commitment is therefore higher than the expected credit loss over one year, provided that the loan's remaining expected maturity is more than 12 months.

For stage 3 commitments, the agreed (contractual) maturity is used to measure expected losses.

Expected maturity is calculated for different products. Expected maturity is estimated at around five years for downpayment loans and six years for lines of credit. Expected maturity is also contractual maturity for top-up loans (loan share greater than LTV of 70%), building credit and bridging loans. Expected maturity is reassessed and validated regularly.

For ongoing commitments, expected maturity is adjusted by a maturity coefficient: The maturity coefficient is the ratio of expected maturity to contractual maturity. The remaining expected maturity is the expected maturity of the product multiplied by the maturity coefficient.

Categorisation into portfolios
Storebrand Boligkreditt AS only has a retail portfolio, housing loans and housing credit.

2.5.5. Derivatives
Derivatives that do not meet the criteria for hedging are classified and measured at fair value through profit or loss. The fair value of such derivatives is classified as either an asset or a liability with changes in fair value through profit or loss.

The majority of the derivatives used routinely for asset management fall into this category.

2.5.6. Hedge accounting
Fair value hedging
Storebrand Boligkreditt AS uses fair value hedging. The items hedged are financial assets and financial liabilities measured at amortised cost. Derivatives are recognised at fair value through profit or loss. Changes in the value of the hedged item that are attributable to the hedged risk adjust the carrying amount of the hedged item and are recognised through profit or loss. See Note 28.

2.5.7. Statement of cash flows
The statement of cash flows is prepared using the direct method and shows cash flows grouped according to sources and uses. Cash is defined as cash, receivables from central banks and receivables from credit institutions with no agreed period of notice.

The statement of cash flows is classified according to operating, investing and financing activities.

Note 2 - Key accounting estimates and judgements

In preparing the company's financial statements the management are required to make judgements, estimates and assumptions of uncertain amounts. The estimates and underlying assumptions are reviewed on an ongoing basis, and they are based on historical experience and expectations of future events and represent the management's best judgement at the time the financial statements were prepared.

Actual results may differ from these estimates.

The company's critical estimates and judgments that could result in material adjustment of recognised amounts are discussed below.

Continued high inflation, a weak Norwegian krone and a generally good Norwegian economy have meant that Norges Bank has kept the key policy rate unchanged throughout 2024. However, inflation has fallen throughout the year and central banks in the US, Europe and Sweden are well on their way to cutting interest rates. The first policy rate cuts are now expected in 2025. Many Norwegians, including our customers, have faced greater challenges in dealing with higher prices and high borrowing rates for several years, but a good labour market and low unemployment have contributed to the fact that the personal financial situation has nevertheless been manageable for the vast majority. The housing market in 2024 has been surprisingly good, with price growth and high turnover in the second-hand housing market. At the same time, there has been little supply of new homes. Into 2025, the housing market is expected to remain strong, driven by announced interest rate cuts, few new homes on the market, good wage settlements and low unemployment.

When assessing impairment, overall evaluations have been made of future prospects, which have considered factors such as interest rates, inflation and high energy prices. Developments in non-performing loans, loans in arrears and loans with grace periods are being closely monitored.

Loan loss provisions

For loans valued at amortised cost or at fair value through other comprehensive income, loss provisions are recognised based on the Expected Credit Loss (ECL) in accordance with the general method. The models in IFRS9 are based on present values ("Point In Time") of PD and LGD, which are estimated based on default and loss history. In the projections, PD and LGD are adjusted according to three scenarios. The three scenarios are weighted by a specified percentage:

- «base case» scenario that is expected development, 60 percent probability,
- «worst-case» scenario which is economic downturn, 20 percent probability,
- «best case» that is better than expected developments, 20 percent probability.

The models used for IFRS 9 are based on the current macroeconomic situation and forecasts, and the models for probability of default (PD), loss given default (LGD) and exposure at default (EAD) are thus point in time (PIT) models. Future scenarios are used to calculate PD, LGD and EAD for the commitments.

Forecasts affect the PD and LGD estimates in particular.

Among other things, PD is affected by unemployment, wage growth and interest rates. Periods of economic downturn will, in isolation, result in weaker growth in house prices, which will in turn impact the loan-to-value ratio and thus also LGD.

Scenario-adjusted PD and LGD are included in the expected loss (ECL) calculation.

The portfolio's ECL is considered to be sensitive to changes in observed default, loss and expected maturity of the financial assets. There is also model uncertainty associated with the individual estimates. Among other things, the uncertainty relates to estimates of size and development of different macro variables in the future in each macro-scenario, as well as the impact the different outlooks have on individual parameters.

A sensitivity analysis has been carried out of the expected loss for commitments in stages 1 and 2 in the event of a change in all 12-month PD estimates. If all 12-month PD estimates had increased by 10 per cent, expected losses would have increased by approximately 14 per cent. Similarly, with a 10 per cent reduction of all 12-month PD estimates, expected losses would have been reduced by about 6 per cent.

See also section 2.5.4. of Note 1 - Company information and accounting policies, for more information regarding impairment.

Financial instruments at fair value

There will be some uncertainty associated with the pricing of financial instruments not priced in an active market. This is particularly true of the types of securities priced on the basis of non-observable assumptions. Various valuation techniques are applied to these investments to determine the fair value. They include fixed-rate loans and other financial instruments where theoretical models are used for pricing. Any changes to the assumptions could affect recognised amounts.

Reference is also made to Note 9 in which the valuation of financial instruments at fair value is described in more detail.

Contingent liabilities
The company can be a party in legal disputes. Contingent liabilities are assessed in each case and will be based on legal considerations.

Note 3 - Risk Management

Continuous monitoring and active risk management are core areas of the bank's activities and organisation. The strategy and planning process provides guidance for the business for the next few years. The board determines the risk appetite and risk limits for the different forms of risk on an annual basis.

Organisation of Risk Management
The board of Storebrand Boligkreditt AS has ultimate responsibility for monitoring and managing the organisation's risks. The board determines the annual risk appetite and risk strategy as well as ceilings and guidelines for the risks taken by the business, receives reports of actual risk levels and provides a forward assessment of risks.

The CEO is responsible for operationalising the risk management and internal control system, including ensuring that the enterprise is within the risk limits set by the board. The CEO has overall responsibility for implementing risk management routines.

The Storebrand Group's organisation of risk management responsibility follows a model based on three lines of defence. The objective of the model is to safeguard the responsibility for risk management at both company and group level.

First line of defence
Storebrand Boligkreditt AS has entered into an agreement with Storebrand Bank ASA regarding terms and conditions for the purchase, transfer and management of loans. The company's tasks are performed by employees of Storebrand Bank ASA and other companies in the Storebrand Group. The services purchased are regulated through service agreements and price agreements that are updated annually.

At the Storebrand Group, responsibility for risk management and internal control is an integral part of management responsibility. Managers at all levels of the company are responsible for risk management within their own area of responsibility. Good risk management requires targeted work on objectives, strategies and action plans, identification and assessment of risks and events, documentation of processes and routines, prioritisation and implementation of improvement measures, and good communication, information and reporting.

A high level of awareness of risks and risk management are vital elements of the group's culture.

The CEO of Storebrand Boligkreditt AS submits an annual confirmation documenting the unit's risk management activities.

Second line of defence
Storebrand Boligkreditt AS has independent control functions for the company's risk management (Chief Risk Officer, CRO) and for compliance (Chief Compliance Officer, CCO). The CRO and CCO are directly subordinate to the CEO and both report directly to the board of the company. CCO also holds the role of compliance officer according to money laundering regulations. In terms of function the independent control functions are affiliated with the Group CRO in the Storebrand Group, who is responsible to the Group CEO and reports to the board of Storebrand ASA.

Third line of defence
Internal auditing is under the direct authority of the board and is intended to give the board confirmation of the appropriateness and effectiveness of the organisation's risk management, including how the lines of defence are functioning.

Note 4 - Credit risk

Credit risk is the risk of loss associated with customers or counterparties not fulfilling their debt obligations. The risk includes risk associated with lending to customers and counterparty risk on loans to credit institutions, securities and financial derivatives. Credit risk includes potential concentration risk in the loan portfolio. Credit risk is the most significant risk in Storebrand Boligkreditt AS. Credit risk for loans, guarantees and unused credits is most important both in terms of volume and risk level in general. This risk is discussed in the tables below. There is limited credit risk in connection with other exposure. See notes 16 and 17 for more information on the composition of the liquidity portfolio and note 18 for information on derivatives.

Risk Management
All loans of Storebrand Boligkreditt AS are granted in Storebrand Bank ASA. Credit risk is assessed in relation to the capacity and willingness of customers, including any co-participants, to service debt and potential security. The bank uses credit risk models to conduct risk classifications of customers with regard to probability of default (PD) and loss given default (LGD) and expected exposure resulted in default (EAD). The credit assessments are mainly assessed in automated and semi-automated processes with automatic calculations.

The bank's routines for credit management are set forth in credit manuals. The credit manuals are primarily designed for account managers and others who are involved in case management processes. The credit manuals contain common guidelines for the bank group's credit activities, and are intended to ensure uniform and consistent credit management practices.

The loan portfolio is assessed in terms of sustainability risk on the basis of double materiality, i.e. where risk is assessed both for the bank and for the rest of the world. Environmental risk is considered to be the Bank's greatest sustainability risk, and it is climate risk that is assessed highest in the environmental risk. Climate risk is divided into physical risk and transition risk. For physical risk, the safety objects are assessed in relation to physical climate risk. For transition risk, energy classification is assessed, as well as estimated energy consumption and CO2 consumption.

Counterparty risk in connection with bank deposits, securities and financial derivatives with counterparties is included under credit risk and is managed according to a specific policy on the basis of an assessment of the counterparty's repayment capacity, rating and amount under management.

The CRO reports to the board on credit risk trends on an ongoing basis.

Maximum credit exposure

NOK million	Book value	Guarantees, unused credits and loan commitments	2024 Maximum credit exposure	2023 Maximum credit exposure
Loans to and deposits with credit institutions	90.6		90.6	69.5
Interest-bearing securities at amortised cost	974.6		974.6	103.9
Total financial instruments at amortised cost	**1,065.2**	**0.0**	**1,065.2**	**173.5**
Interest-bearing securities at fair value through profit and loss	404.0		404.0	1,309.2
Interest swaps	78.3		78.3	53.1
Total financial instruments at fair value through profit and loss	**482.4**	**0.0**	**482.4**	**1,362.2**
Loans to customers at fair value through other comprehensive income (OCI)	46,240.2	3,151.9	49,392.1	47,468.1
Total financial instruments at fair value through other comprehensive income (OCI)	**46,240.2**	**3,151.9**	**49,392.1**	**47,468.1**
Total exposure for credit risk 1), 2), 3)	**47,787.8**	**3,151.9**	**50,939.7**	**49,003.8**
1) of which financial assets in stage 1:				
Loans to and deposits with credit institutions	90.6		90.6	69.5
Loans to customers	39,437.8	3,112.6	42,550.5	43,014.2
Interest-bearing securities	974.6		974.6	103.9
Total exposure to credit risk on financial assets in stage 1	**40,503.1**	**3,112.6**	**43,615.7**	**43,187.7**
2) of which financial assets in stage 2:				
Loans to customers	6,517.5	39.3	6,556.7	4,246.1
Total exposure to credit risk on financial assets in stage 2	**6,517.5**	**39.3**	**6,556.7**	**4,246.1**
3) of which financial assets in stage 3:				
Loans to customers	284.9		284.9	207.7
Total exposure to credit risk on financial assets in stage 3	**284.9**	**0.0**	**284.9**	**207.7**

Storebrand Boligkreditt AS has no financial assets that are purchased or originated credit-impaired financial assets.

Credit exposure for lending activities

Mortgage customers are assessed in relation to their ability and willingness to repay the loan. Ability to pay is calculated and a risk assessment of customers is made at the time of application. The loan-to-value ratio for customers of Storebrand Boligkreditt AS is less than 80% at the time of transfer from Storebrand Bank ASA.

Storebrand Boligkreditt AS provides loans with residential property as security. There is some volume where some or all of the security is in holiday and leisure property. For this type of security, the maximum loan-to-value ratio at the time of transfer is 60%.

When loans are entered into, information of significance to the value of the home is obtained. Updated, independent valuations of homes are obtained every quarter from the property valuation company Eiendomsverdi AS. For homes where Eiendomsverdi AS does not have an up-to-date valuation (such as housing cooperative apartments, owner-tenant apartments and some leisure properties) the most recent updated market value is used until further notice. Where Eiendomsverdi AS cannot determine the market value of a property with a high degree of certainty, a "haircut" is used so as to reduce the risk of giving an inflated estimate of market value. If Eiendomsverdi AS has never had information about the home's market value, the value registered on entering into the contract will be used. A list of collateral that has had no value update in the last three years is regularly reviewed so as to initiate measures to reduce the number of items on the list.

Average loan-to-value ratio in Storebrand Boligkreditt AS' portfolio is 56.8 percent, and approximately 93 percent of mortgages have a loan-to-value ratio within 80 percent. Nearly 50 percent of mortgages have a loan-to-value ratio within 60 percent in the company. The credit quality in the lending portfolio is therefore considered to be good.

The security in Storebrand Boligkreditt AS is security on residential property. Security for the portfolio is assessed as being extremely good.
Security for matured loans is also considered good.

Security for private-customer defaulted loans without value loss is good. Average weighted loan-to-value ratio for these loans is approximately 69.7 %, and the largest observed loan-to-value ratio for loans in default at the end of December 2024 is 105.5 %. Security pledged in the retail market is sold. It is not overtaken by the bank.

Storebrand Boligkreditt AS has a volume of NOK 237 million of loans with forbearence at the end of 2024. In exeptional cases, the company grants relief for commitments with mortgages in the form of a grace period for loans with a loan-to-value ratio above 60%.

Loan-to-value ratio, secured loans

	2024			
NOK million	**Distribution in per cent**	**Book value (gross)**	**Unused credit limits**	**Total commitments**
0% - 40%	20.3 %	7,597.3	2,428.5	10,025.8
40% - 60%	30.7 %	14,524.3	625.6	15,149.8
60% - 80%	41.4 %	20,375.4	87.7	20,463.1
80% - 90%	6.9 %	3,404.2	9.1	3,413.4
90% - 100%	0.6 %	272.0		272.0
> 100%	0.2 %	92.2	1.0	93.2
Total secured loans	**100.0 %**	**46,265.4**	**3,151.9**	**49,417.3**
Loan commitments and financing certificates, secured				
Total secured loans incl. loan commitments and financing certificates		**46,265.4**	**3,151.9**	**49,417.3**

	2023			
NOK million	**Distribution in per cent**	**Book value (gross)**	**Unused credit limits**	**Total commitments**
0% - 40%	19.4 %	7,269.0	1,924.8	9,193.9
40% - 60%	28.1 %	12,900.6	438.8	13,339.4
60% - 80%	44.0 %	20,861.4	34.4	20,895.7
80% - 90%	7.4 %	3,523.9		3,523.9
90% - 100%	0.9 %	407.9		407.9
> 100%	0.3 %	126.2	0.6	126.8
Total secured loans	**100.0 %**	**45,089.0**	**2,398.6**	**47,487.6**
Loan commitments and financing certificates, secured				
Total secured loans incl. loan commitments and financing certificates		**45,089.0**	**2,398.6**	**47,487.6**

Risk related to secured loans

	2024			
NOK million	**Distribution in per cent**	**Book value (gross)**	**Unused credit limits**	**Total commitments**
Low risk	85.7 %	39,244.1	3,112.7	42,356.8
Medium risk	12.7 %	6,243.7	38.2	6,281.9
High risk	1.0 %	475.2	1.0	476.2
Non-performing and loss-exposed loans incl. loans with evidence of impairment	0.6 %	302.4		302.4
Total secured loans	**100.0 %**	**46,265.4**	**3,151.9**	**49,417.3**
Loan commitments and financing certificates, secured				
Total secured loans incl. loan commitments and financing certificates		**46,265.4**	**3,151.9**	**49,417.3**

NOK million	2023			
	Distribution in per cent	Book value (gross)	Unused credit limits	Total commitments
Low risk	89.4 %	40,119.1	2,348.6	42,467.7
Medium risk	9.5 %	4,458.1	49.7	4,507.9
High risk	0.6 %	292.6	0.3	292.9
Non-performing and loss-exposed loans incl. loans with evidence of impairment	0.5 %	219.1		219.1
Total secured loans	**100.0 %**	**45,089.0**	**2,398.6**	**47,487.6**
Loan commitments and financing certificates, secured				
Total secured loans incl. loan commitments and financing certificates		**45,089.0**	**2,398.6**	**47,487.6**

Financial assets at fair value through profit and loss (FVTPL)

NOK million	Interest-bearing securities	
	2024	2023
Book value maximum exposure for credit risk	404.0	1,309.2
Book value of related credit derivatives that reduce credit risk		
Collateral		
This year's change in fair value of financial assets due to change in credit risk	1.5	2.6
Accumulated change in fair value of financial assets due to change in credit risk	2.7	3.0
This year's change in value of related credit derivatives		
Accumulated change in value of related credit derivatives		

Lending to customers is measured at fair value based on valuation techniques. The valuation techniques use interest rate curves from Reuters and credit spreads for equivalent new loans as per the end of December.

Financial assets are designated at fair value through the profit and loss account (FVTPL) the first time they are recognised where another measurement would result in an inconsistency in the profit and loss account. Objective market prices are used for papers where these exist. Valuation techniques involving the use of interest rate curves from Reuters and credit spreads from external providers are used for the remaining papers.

Note 5 - Liquidity risk

Liquidity risk is the risk that the company will be unable to refinance its obligations or that the company will not be able to refinance its obligations without incurring substantial additional expenses.

The company's policy for liquidity risk describes principles for liquidity management and specifies stress testing, minimum liquidity holdings and indicators for measuring liquidity risk. Stress tests are used to identify anticipated effects of various scenarios in the balance sheet and cash flows.
Results of the stress tests are applied when assessing the framework for liquidity risk. A contingency plan is drawn up annually to safeguard proper management of the liquidity situation during stressful periods.

The company's liquidity is affected by relatively few large amounts falling due for payment on bonds. In order to ensure a sound liquidity situation, the company will as far as possible take up so-called soft bullet bonds, on which the due date can be extended by up to a year. There will also be limits to how large each amount due for payment can be. Due dates for new borrowing by Storebrand Boligkreditt AS must always be planned in such a way that no breach of any of the liquidity targets in any future period may be anticipated.

The Treasury function at Storebrand Bank ASA is responsible for the bank group's liquidity management and the bank's Middle Office monitors utilization of the ceilings in accordance with liquidity policy, while the CRO group reports to the board of Storebrand Boligkreditt AS.

Non-discounted cash flows - financial liabilities

NOK million	0 - 6 months	7 - 12 months	2 - 3 years	4 - 5 years	More than 5 years	Total	Book value 2024	Book value 2023
Loans and deposits from credit institutions	6,292.1					6,292.1	6,292.1	5,580.0
Debt securities issued	6,974.3	735.6	21,439.8	9,904.1	1,513.7	40,567.5	37,391.6	37,287.2
Derivatives	-7.9	30.3	37.1	32.6	24.2	116.3	69.4	42.8
Other liabilities	81.5					81.5	81.5	55.7
Undrawn credit limits	3,151.9					3,151.9		
Total financial liabilities 2024	**16,491.9**	**765.9**	**21,476.9**	**9,936.8**	**1,537.9**	**50,209.4**	**43,834.5**	
Total financial liabilities 2023	14,022.2	793.2	18,350.8	14,709.0	1,389.9	49,265.0		42,965.6

The overview of non-discounted cash flows includes interest. Implicit forward interest rates based on the yield curve on 31 December 2024 are used to calculate interest for lending with FRN conditions. The maturity overview does not take account of the fact that the loans have extended due date, i.e. the original maturity date is used.

Loans to and deposits with credit institutions

NOK million	2024	2023
Loans to and deposits with credit institutions without fixed maturity	6,292.1	5,580.0
Total loans to and deposits with credit institutions	**6,292.1**	**5,580.0**

Loans to and deposits with credit institutions consist of drawn amount on the credit facility in Storebrand Bank ASA. Storebrand Boligkreditt AS has two credit facilities with Storebrand Bank ASA. One of these is a normal overdraft facility, with a ceiling of NOK 8 billion. This has no expiry date, but can be terminated by the bank on 15 months' notice. The other facility may not be terminated by Storebrand Bank ASA until at least 3 months after the maturity date of the covered bond and the associated derivatives with the longest period to maturity. Both agreements provide a minimum capacity to cover at least interests and payments on covered bonds and derivatives the following 31 days. In 2024 all covenants are fulfilled.

Covered bonds

NOK million ISIN code	Nominal value	Currency	Interest	Maturity 1)	Book value 2024	Book value 2023
NO0010894198	5,000.0	NOK	Floating	19.06.2024		5,008.5
NO0010894199	6,000.0	NOK	Floating	25.06.2025	6,025.5	6,574.3
NO0011073140	10,000.0	NOK	Floating	03.06.2026	10,108.7	10,152.0
NO0012526211	9,000.0	NOK	Floating	20.05.2027	9,061.5	7,544.4
XS2553532255	50.0	EUR	Floating	11.11.2027	606.3	583.1
NO0012807413	9,550.0	EUR	Floating	19.04.2028	9,648.0	6,160.9
NO0010936917	800.0	NOK	Floating	21.02.2031	818.8	821.0
NO0010951528	480.0	NOK	Fixed	15.04.2031	429.3	443.1
NO0013161968	700.0	NOK	Fixed	22.02.2038	693.5	0.0
Total commercial papers and bonds issued 2)					**37,391.6**	**37,287.2**

1) Maturity date in this summary is the first possible maturity date (Call date).
2) For covered bonds (OMFs) that are allocated to the company's security, regulatory requirements for over-collateralisation of 5 per cent apply. In 2024 all covenants are fulfilled.

Financing activities - changes during the year

NOK million	2024	
	Liabilities to credit institutions	Commercial papers and bonds issued
Book value 01.01.2024	5,580.0	37,287.2
New loans / bond debt issued	712.1	5,648.2
Repayment of loans/liabilites		-5,500.0
Changes in accrued interest		57.9
Exchange differences foreign currency		27.4
Other		-129.1
Book value 31.12.2024	**6,292.1**	**37,391.6**

NOK million	2023	
	Liabilities to credit institutions	Commercial papers and bonds issued
Book value 01.01.2023	6,888.1	29,420.7
New loans / bond debt issued		11,761.0
Repayment of loans/liabilites	-1,308.1	-4,000.0
Changes in accrued interest		112.2
Exchange differences foreign currency		9.1
Other		-15.8
Book value 31.12.2023	**5,580.0**	**37,287.2**

Note 6 - Market risk

Market risk is risk of a change in value due to financial market prices (such as interest rates, exchange rates, credit spreads) or volatility differing from what was expected.

Risk policies for interest rate and currency risk set ceilings for market risk. Credit spread risk is regulated through ceilings on investments. The company may be exposed to currency risk to a minor extent. Storebrand Boligkreditt AS has issued a covered bond of EUR 50 million, see note 5, which is secured by a base swap. The company's net liability is in NOK, since the EUR interest liability has been swapped to NOK. For interest rate risk, all assets and liabilities have an interest maturity of 3 months or less.

The company's market risk is mainly managed and controlled through daily monitoring of risk exposure with regard to the policies and ongoing analyses of outstanding positions.

The ceilings for exposure are reviewed and renewed by the board at least once per year. The positioning of the ceilings is determined on the basis of stress tests and analyses of market movements.

Middle Office in the bank is responsible for the ongoing, independent monitoring of market risk. Risk control of market risk is performed, among other things, by monthly reports on indicators of market risk. Market risk indicators that are followed are described in the interest rate risk policy and currency risk policy and are included in the CRO's ongoing reporting to the board.

For changes in market risk that occur during the first year, the effect on the result and equity will be as shown below based on the balance sheet as of 31 December 2024:

Effect on accounting income

NOK million	2024	2023
Interest -2,0%	-39.3	50.2
Interest +2,0%	39.3	-50.2

Effect on accounting profit/equity [1)]

NOK million	2024	2023
Interest -2,0%	-39.3	50.2
Interest +2,0%	39.3	-50.2

1) Before taxes.

Fiancial interest rate risk

NOK million	2024	2023
Interest -2,0%	59.0	14.5
Interest +2,0%	-59.0	-14.5

The note presents the accounting effect over a 12-month period and the direct financial effect of an immediate parallel change in interest rates of +2.0% and -2.0% respectively. In calculating the accounting effect, consideration has been given to the one-time effect such an immediate interest rate change has on the items recognised at fair value and hedging value, and to the effects the interest rate change has on the result for the remainder of the interest rate duration before the interest rate change has income and costs-related effects.

Items that would be affected by the one-time effects and which are recorded at fair value are the investment portfolio and derivatives. Items that would be affected by the one-time effects and which are recorded using hedging accounting are borrowings with fixed interest rate. When calculating the financial effect, consideration has been given to the effect such an immediate change in interest rates would have on the market value of all items recorded in the statement of financial position.

See also note 19 regarding foreign exchange risk.

Note 7 - Operational risk

Operational risk

The assessment of operational risks is linked to the ability to achieve targets and to implement plans. Operational risk is defined as the risk of financial loss or damaged reputation due to inadequate or failing internal processes, control routines, systems, human error, or external events.

Risk Management

The company seeks to reduce operational risk through an effective system for internal control with (1) clear descriptions of responsibilities, (2) clear routines, and (3) documented powers of attorney/authority. Risks are monitored through the management's risk review, with documentation of risks, measures and follow-up of events. In addition, internal audit carries out an independent control in accordance with audit projects adopted by the Board.

Risk Control

The CRO supports the risk review process and is responsible for compiling and reporting the area's risk scenario, following up on improvement measures and checking that risk registration is up to date in Easy Risk Manager (ERM). The results of the process are reported to the board of the company.

In order to be able to identify problem areas internally, the Storebrand Group has implemented routines for ongoing reporting of events to the CRO, who is responsible for logging and follow-up of reported events. The CRO reviews significant events with the board of the company.

In connection with monthly, quarterly and annual accounts, the bank's staff functions perform various checks and reconciliations so as to control and reduce operational risk. The compliance function performs control activities in order to ensure compliance with significant regulations. The compliance function and internal auditor also make spot checks in a number of the bank's most important work processes. The results of these are reported to the company's board.

Pursuant to the management agreement between Storebrand Bank ASA and Storebrand Boligkreditt AS, the bank is responsible for establishing and managing loans in the company. The agreement is followed-up by the company through daily controls of the balance, random checks of batch transfers from the bank to the company and in connection with monthly reports to the external investigator. In addition, there is follow-up of the development of risk classes and defaults in the monthly risk reports.

The bank group's IT systems are vital for credit approval in the bank and for portfolio follow-up and accounting in the company. Errors can have consequences for the operation of the company and may impact on customer trust. In the worst case, abnormal situations may result in penalties from supervisory authorities. Operations of the IT systems are outsourced. The bank's system platform that is used by Storebrand Boligkreditt AS is based on purchased standard systems operated and monitored through service agreements. The bank group has established an intragroup management model with close supplier follow-up and internal control activities to ensure that development, management and operations provide complete, precise and reliable financial reporting.

Compliance risk
Compliance risk is the risk of the company incurring public sanctions or financial loss, compentastion claims and/or loss reputation as a result of non-compliance with external or internal regulations. The bank's independent control function for regulatory compliance (CCO) is responsible for supporting the company's board and management in the work on complying with relevant laws and regulatory provisions.

Note 8 - Climate risk

Risk of increased loan losses as a result of climate change or the transition to low emissions
The macroeconomy in some areas/regions is weaker, particularly as a result of transition risks. The debtor risk increases as a result. The value of security objects develops relatively weaker than other objects as a result of physical risk (market values develop weaker in areas where, for example, there is a greater risk of flooding, landslides, precipitation than the market in general) and/or transition risk (market values fall more in areas with greater transition risk due to weaker economic development). The risk may materialise in higher loan losses. Developments in climate risk in the portfolio are monitored in order to be able to act in the event of undesirable changes. Climate risk has not affected the loss provisions in the accounts for 2024. Reference is made to a further description of climate risk in the annual report.

Note 9 - Valuation of financial instruments

Storebrand Boligkreditt AS conducts a comprehensive process to ensure that financial instruments are valued as closely as possible to their market value. Publicly listed financial instruments are valued on the basis of the official closing price on stock exchanges, supplied by Reuters and Bloomberg. Bonds are generally valued based on prices collected from Reuters, Bloomberg and Nordic Bond Pricing. Bonds that are not regularly quoted will normally be valued using recognised theoretical models. The latter is particularly applicable to bonds denominated in Norwegian kroner. Discount rates composed of the swap rates plus a credit premium are used as a basis for these types of valuations. The credit premium will often be specific to the issuer, and will normally be based on a consensus of credit spreads quoted by a selected brokerage firm.

Unlisted derivatives, including primarily interest rate and foreign exchange instruments, are also valued theoretically. Money market rates, swap rates, exchange rates and volatilities that form the basis for valuations are supplied by Reuters, Bloomberg and Norges Bank.

Storebrand Boligkreditt AS carries out continual checks to safeguard the quality of market data that has been collected from external sources. These types of checks will generally involve comparing multiple sources as well as controlling and assessing the likelihood of unusual changes.

The Storebrand Group categorises financial instruments into three different levels which are described in more detail below. The levels express the differing degrees of liquidity and different measurement methods used. The company has established valuation models to gather information from a wide range of well-informed sources with a view to minimising the uncertainty of valuations.

Level 1: Financial instruments valued on the basis of quoted prices in active markets for identical assets
Bonds, certificates or equivalent instruments issued by nation states are generally classified as level 1.

Level 2: Financial instruments valued on the basis of observable market information not covered by level 1
This category encompasses financial instruments that are valued based on market information that can be directly observable or indirectly observable. Market information that is indirectly observable means that the prices can be derived from observable related markets. Level 2 covers bonds and equivalent instruments. Moreover, interest rate and foreign exchange swaps, non-standardised interest rate and foreign exchange derivatives are classified as level 2.

Level 3: Financial instruments valued on the basis of information that is not observable according to the definition for level 2
Investments classified as level 3 comprises variable home loans and loans to and deposits with credit institutions.

The value of home loans with a floating interest rate are valued at nominal value less expected credit loss. Loans without any substantially higher credit risk than at initial recognition are valued at nominal value. Loans where there has been a significant increase in credit risk since initial recognition or loans where there is objective evidence of loss, are valued at nominal value less expected credit loss over the lifetime of the loan.

Valation of financial instruments at fair value

Valuation of financial instruments at fair value through profit and loss

NOK million	LEVEL 1 Quoted prices	LEVEL 2 Observable assumptions	LEVEL 3 Non-observable assumptions	Book value 31.12.2024	Book value 31.12.2023
Mortgage and asset backed bonds		404.0		404.0	1,309.2
Total bonds 31.12.2024		**404.0**		**404.0**	
Total bonds 31.12.2023		1309.2			
Interest rate derivatives		9.0		9.0	10.3
Total derivatives 31.12.2024		**9.0**		**9.0**	
Derivatives with a positive fair value		78.3		78.3	53.1
Derivatives with a negative fair value		-69.4		-69.4	-42.8
Total derivatives 31.12.2023		10.3			10.3

There have not been any changes between quoted prices and observable assumptions on the various financial instruments in the year.

Valuation of financial instruments at fair value through other comprehensive income (FVOCI)

NOK million	LEVEL 1 Quoted prices	LEVEL 2 Observable assumptions	LEVEL 3 Non-observable assumptions	Book value 31.12.2024	Book value 31.12.2023
Net loans to customers - retail market			46,240.2	46,240.2	45,069.4
Total net loans to customers			**46,240.2**	**46,240.2**	**45,069.4**

Financial instruments at fair value - level 3

NOK million	Loans to customers at fair value through other comprehensive income (OCI)
Book value 01.01.2024	45,069.4
Net gains/losses on financial instruments	-5.6
Supply / disposal	15,890.3
Sales / due settlements	-14,713.9
Book value 31.12.2024	**46,240.2**

NOK million	Loans to customers at fair value through other comprehensive income (OCI)
Book value 01.01.2023	37,470.3
Net gains/losses on financial instruments	-9.4
Supply / disposal	19,520.7
Sales / due settlements	-11,912.2
Book value 31.12.2023	**45,069.4**

Valuation of financial instruments at amortised cost

NOK million	LEVEL 1 Quoted prices	LEVEL 2 Observable assumptions	LEVEL 3 Non-observable assumptions	Fair value 31.12.2024	Book value 31.12.2024	Fair value 31.12.2023	Book value 31.12.2023
Financial assets							
Loans to and deposits with credit institutions			90.6	90.6	90.6	69.5	69.5
Interest-bearing securities		974.3		974.3	974.6	103.4	103.9
Total financial assets 31.12.2024		**974.3**	**90.6**	**1,064.9**	**1,065.2**		
Total financial assets 31.12.2023		103.4	69.5			173.0	173.5
Financial liabilities							
Loans and deposits from credit institutions		6,292.1		6,292.1	6,292.1	5,580.0	5,580.0
Debt securities issued		37,374.0		37,374.0	37,391.6	37,276.9	37,287.2
Total financial liabilities 31.12.2024		**43,666.2**		**43,666.2**	**43,683.7**		
Total financial liabilities 31.12.2023		42,856.9				42,856.9	42,867.2

The fair value of interest-bearing securities, debt securities issued and subordinated loans is based on normal valuation techniques. Cash flows are discounted over the remaining term with the current discount factor. The discount factor used is based on a swap rate (mid swap) with a maturity that corresponds to the maturity of the underlying financial instrument.

For the items loans to and deposits with credit institutions and deposits from credit institutions fair value is approximately equal to amortised cost.

Sensitivity analysis of financial instruments valued at fair value

Loans to customers at fair value through other comprehensive income (OCI)
The value of home loans with a floating interest rate are valued at nominal value less expected credit loss. Loans without any substantially higher credit risk than at initial rcognitaion are valued at nominal value. Loans where there has been a significant increase in credit risk since initial recognitation or loans where there is objective evidence of loss, are valued at nominal value less expected credit loss over the lifetime of the loan.

	Floating loans to customers Fair value through other comprehensive income (OCI)		Floating loans to customers Fair value through other comprehensive income (OCI)	
	Change in market spread		Change in market spread	
NOK million	+ 10 bp	- 10 bp	+ 25 bp	- 25 bp
Increase/reduction in fair value at 31.12.2024	**(5.3)**	**5.3**	**(13.3)**	**13.3**
Increase/reduction in fair value at 31.12.2023	(5.2)	5.2	(12.9)	12.9

Note 10 - Net income from financial instruments

Net interest income

NOK million	2024	2023
Interest on loans to credit institutions	0.8	0.8
Interest on loans to customers - loans valued at fair value with change in value through other comprehensive income (OCI)	2,551.2	1,919.1
Interest on interest-bearing securities valued at amortised cost	33.7	8.0
Total interest income calculated by using the effective interest method	**2,585.7**	**1,928.0**
Interest on interest-bearing securities valued at fair value with change in value through profit and loss	61.5	33.7
Total other interest income	**61.5**	**33.7**
Total interest income	**2,647.2**	**1,961.7**
Interest on loans from credit institutions	-215.3	-110.7
Interest on debt securities issued	-1,904.8	-1,508.4
Total interest expenses calculated by using the effective interest method	**-2,120.1**	**-1,619.0**
Interest on derivatives	-19.9	-10.5
Other interest expenses	-6.3	-5.7
Total other interest expenses	**-26.2**	**-16.1**
Total interest expenses calculated by using the effective interest method	**-2,146.3**	**-1,635.2**
Net interest income	**500.9**	**326.5**

Net income and gains from financial assets and liabilities

NOK million	2024	2023
Unrealised gain/loss on loans and receivable	0.1	-0.2
Net change in value and gain/loss on loans and receivables	**0.1**	**-0.2**
Realised gain/loss on interest-bearing securities	2.5	0.1
Unrealised gain/loss on interest-bearing securities	-0.3	2.2
Net change in value and gain/loss on interest-bearing securities	**2.2**	**2.3**
Realised gain/loss on financial liabilities	-3.9	-4.6
Unrealised gain/loss on financial liabilities	42.7	-4.1
Net change in value and gain/loss on financial liabilities (except financial derivatives)	**38.7**	**-8.7**
Realised gain/loss on foreign exchange and financial derivatives	34.6	8.3
Unrealised gain/loss on foreign exchange and financial derivatives	-83.9	-7.6
Net change in value and gain/loss on foreign exchange and financial derivatives	**-49.3**	**0.7**
Total change in value and net gain/loss on financial assets and financial liabilities	**-8.2**	**-6.0**

Note 11 - Remuneration paid to auditor

Remuneration incl. valued added tax:

NOK thousand	2024	2023
Statutory audit	-469	-242
Other reporting duties	-168	-374
Other non-audit services		-119
Total	**-637**	**-734**

Note 12 - Operating expenses

NOK million	2024	2023
Employer's social security contributions	-0.1	
Other staff expenses	-0.4	-0.2
Total staff expenses	**-0.4**	**-0.2**
IT costs	-0.3	-0.3
Foreign services	-0.8	-1.0
Purchase from group companies	-177.3	-157.4
Other operating expenses	-0.2	-0.2
Total other operating expenses	**-178.6**	**-158.9**
Total operating expenses	**-179.1**	**-159.1**

Note 13 - Losses on loans, guarantees and unused credits

	2024		
NOK million	Loans and securities valued at amortisert cost and loans valued at fair value through other comprehensive income (OCI)	Guarantees and unused credit limits	Total
The periods change in impairment losses stage 1	1.0		1.0
The periods change in impairment losses stage 2	-0.5	-0.1	-0.6
The periods change in impairment losses stage 3	-6.1	-1.0	-7.2
Realised losses	-0.1		-0.1
Other changes	1.3		1.3
Loss expense for the period	**-4.4**	**-1.2**	**-5.6**

The company has no outstanding contractual amounts for realised losses during 2024 that are still subject to enforcement activities.

	2023		
NOK million	Loans and securities valued at amortisert cost and loans valued at fair value through other comprehensive income (OCI)	Guarantees and unused credit limits	Total
The periods change in impairment losses stage 1	0.6		0.6
The periods change in impairment losses stage 2	-0.2		-0.2
The periods change in impairment losses stage 3	-9.8		-9.8
Other changes	0.1		0.1
Loss expense for the period	**-9.3**	**0.0**	**-9.3**

The company has no outstanding contractual amounts for realised losses during 2023 that are still subject to enforcement activities.

Note 14 - Tax

Tax charge for the year

NOK million	2024	2023
Tax payable for the period	52.3	13.2
Changes in deferred tax/deferred tax asset	15.3	20.4
Total tax charge	**67.6**	**33.6**

Tax base for the year

NOK million	2024	2023
Ordinary pre-tax profit	307.4	152.5
Change in temporary differences	-69.3	-92.7
Tax base for the year	**238.1**	**59.8**

Reconciliation of expected and actual tax charge

NOK million	2024	2023
Ordinary pre-tax profit	307.4	152.5
Expected tax on income at nominal rate (22%)	-67.6	-33.5
Tax charge	**-67.6**	**-33.5**
Effective tax rate	22 %	22 %
Tax payable		
Tax payable	52.3	13.2
- tax effect of group contribution paid	-52.3	-13.2
Tax payable in the balance sheet	**0.0**	**0.0**

The company has provided a group contribution with tax effect for 2024. The group contribution will be recognised after the general meeting is held in 2025. Taking the group contribution into consideration, tax payable will be NOK 0.

Analysis of the tax effect of temporary differences and tax losses carried forward

NOK million	2024	2023
Tax-increasing temporary differences		
Securities	304.1	213.1
Total tax-increasing temporary differences	**304.1**	**213.1**
Tax-reducing temporary differences		
Derivatives	-14.1	5.2
Other	-15.9	-13.6
Total tax-reducing temporary differences	**-30.0**	**-8.4**
Net base for deferred tax/tax assets	**274.1**	**204.7**
Net deferred tax/deferred tax asset in the balance sheet	**-60.3**	**-45.0**
Booked in the balance sheet:		
Deferred tax	-60.3	-45.0

Storebrand Boligkreditt AS has activities within "Section K" (financing and insurance activities as defined in Standard Industrial Classification 2007) which exceed 30 per cent and are therefore subject to the financial tax, but since the company does not have any employees it is not subject to finance tax. A tax rate of 22 per cent has been used for capitalizing deferred tax asset in the balance sheet.

Pillar two – minimum taxation

During January 2024 Norwegian authorities adopted changes to tax legislation with effect from the income year 2024. The new legislation introduces a supplementary tax, a global minimum taxation which is intended to prevent profit movement between countries, and ensure an effective tax rate of at least 15 percent.

Storebrand is covered by the new regulations, but it appears that Norwegian companies can make use of the exemption rules in Safe Harbour. Deferred tax related to the new regulations has therefore not been recognised in the accounts for 2024.

Note 15 - Classification of financial assets and liabilities

NOK million	Amortised cost	Fair value through profit and loss	Fair value through other comprehensive income (OCI)	Total book value 2024	Total book value 2023
Financial assets					
Loans to and deposits with credit institutions	90.6			90.6	69.5
Interest bearing securities	974.6	404.0		1,378.6	1,413.1
Derivatives		78.3		78.3	53.1
Net loans to customers			46,240.2	46,240.2	45,069.4
Other assets	26.2			26.2	44.8
Total financial assets 2024	**1,091.4**	**482.4**	**46,240.2**	**47,814.0**	
Total financial assets 2023	218.3	1,362.2	45,069.4		46,650.0
Financial liabilities					
Loans and deposits from credit institutions	6,292.1			6,292.1	5,580.0
Debt securities issued	37,391.6			37,391.6	37,287.2
Derivatives		69.4		69.4	42.8
Other liabilities	81.5			81.5	55.7
Total financial liabilities 2024	**43,765.2**	**69.4**	**0.0**	**43,834.5**	
Total financial liabilities 2023	42,922.9	42.8			42,965.6

Note 16 - Interest-bearing securities at fair value through profit and loss account

NOK million	2024 Fair value	2023 Fair value
Mortgage and asset backed bonds	404.0	1,309.2
Total interest-bearing securities at fair value	**404.0**	**1,309.2**
Modified duration	0.17	0.18
Average effective yield per 31.12.	5.05 %	5.01 %

The portfolio is in NOK. Calculated effective yields are weighted to give an average effective yield on the basis of each asset's share of the total interest rate sensitivity.

Note 17 - Interest-bearing securities at amortised cost

	2024		2023	
NOK million	Book value	Fair value	Book value	Fair value
Public issuers and Government Guaranteed Bonds	974.6	974.3	103.9	103.4
Total interest-bearing securities at amortised cost	**974.6**	**974.3**	**103.9**	**103.4**
Modified duration		0.17		0.16
Average effective yield per 31.12.		4.90 %		4.91 %

All securities are denominated in NOK. Calculated effective yields are weighted to give an average effective yield on the basis of each asset's share of the total interest rate sensitivity.

Note 18 - Financial derivatives

Financial derivatives are linked to underlying amounts which are not recognised in the statement of financial position. In order to quantify the volume of derivatives, reference is made to underlying amounts like underlying principal, nominal volume, etc. Different calculation methods are applied to nominal volume for different types of financial derivatives, and this figure gives some expression of the scope and risk of the positions of financial derivatives.

Gross nominal volume primarily provides information on the scope, while net nominal volume provides a certain expression of risk positions. However, the nominal volume for different instruments is not necessarily comparable, considering the risk exposure. As opposed to gross nominal volume, the calculation of net nominal volume also takes into account the sign for the instrument's market risk exposure, by differing between so-called asset positions and liability positions.

An asset position in a currency derivative generates a positive change in value if the exchange rate against the NOK increases. The average gross nominal volume is based on daily calculations of gross nominal volume.

NOK million	Gross nom. volume 1)	Gross recognised fin. assets	Gross recognised debt	Net fin assets/ debt in the statement of financial position	Net amounts taken into account netting agreements		Net amount
					Fin. assets	Fin. debt	
Interest derivatives 2)	1,769.3	78.3	69.4				9.0
Total derivatives 31.12.2024	**1,769.3**	**78.3**	**69.4**	**0.0**	**0.0**	**0.0**	**9.0**
Total derivatives 31.12.2023	1,041.8	53.1	42.8				10.3

1) Values as at 31.12:
2) Interest derivatives include accrued, not due, interest.

Investments subject to netting agreements /CSA

NOK million	Recognised assets	Recognised liabilities	Net assets	Collateral		Net exposure
				"Cash (+/-)"	Securities (+/-)	
Total 2024	**78.3**	**69.4**	**9.0**	**77.7**		**-68.7**
Total 2023	53.1	42.8	10.3	55.3		-45.0

Note 19 - Foreign exchange risk

Financial assets and liabilities in foreign currency

NOK million	Balance sheet items excluding currency derivatives			Currency forwards	Net position 2024		Net position 2023
	Assets	Liabilities	Net in the balance sheet	Net sales	in currency	in NOK	in NOK
EUR	6.6	6.6	0.0	0.0	0.0	0.0	0.0
Total net currency positions			**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Storebrand Boligkreditt AS has issued a covered bond of EUR 50 million, see note 5, which is secured by a base swap. The company's net liability is in NOK, since the EUR interest liability has been swapped to NOK. The baseswap is from derivative counterparty secured with cash collateral of EUR 6.6 million as of 31.12.2024. That amount is included in the company's net position.

Note 20 - Loan to value ratios and collateral

NOK million	2024	2023
Gross lending [1]	46,265.9	45,089.5
Average loan balance	3.5	3.4
No. of loans	16,617.0	16,506.0
Weighted average seasoning (months)	31	29
Weighted average remaning term (months)	291	281
Average loan to value ratio	57 %	59 %
Over-collateralisation [2]	24 %	24 %
Cover pool:		
Residential mortgages [1]	45,758.1	44,568.8
Derivatives		8.3
Supplementary security [3]	2.9	1,307.3
Total	**45,761.1**	**45,884.4**

1) In accordance with the Regulation for credit institutions that issue covered bonds, lending cannot exceed 80% of the value of collateral (i.e. value of properties pledged as collateral). As per 31 December 2024, the company had NOK 207 million that exceeds the loan to value limit and has therefore not been included in the cover pool. As per 31 December 2024, the company has 58 non-performing loans without evidence of impairment, equivalent to NOK 122.7 million. There are 30 non-performing loans with evidence of impairment of about NOK 180 million where the impairment is assessed to be about NOK 17 million. Non-performing loans with and without evidence of impairment, are not included in the cover pool. A total of NOK 301 million are not included in the cover pool.
2) Over-collateralisation has been calculated based on total volume of issued covered bonds of NOK 37 billion (nominal value).
3) Supplementary security is loans to and deposits with credit institutions and interest-bearing securities.

Note 21 - Loans, guarantees and unused credits

NOK million	2024 Book value	2023 Book value
Loans to customers at fair value through other comprehensive income (OCI)	46,265.9	45,089.5
Total gross lending to customers	**46,265.9**	**45,089.5**
Provision for expected loss stage 1	-0.7	-1.7
Provision for expected loss stage 2	-7.0	-6.5
Provision for expected loss stage 3	-18.0	-11.9
Net lending to customers	**46,240.2**	**45,069.4**

See note 22 for analysis of engagement by customer groups and geographical area and note 23 for specification of loan loss provisions.

Change in gross loans to customers valued at fair value through other comprehensive income (OCI)

	2024			
NOK million	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2024	40,653.1	4,216.8	219.6	45,089.5
Transfer to stage 1	902.3	-899.9	-2.3	
Transfer to stage 2	-2,869.2	2,890.1	-20.9	
Transfer to stage 3	-35.5	-92.1	127.6	
New loans	14,124.8	1,743.0	22.4	15,890.3
Derecognition	-12,530.1	-1,285.6	-49.7	-13,865.4
Other changes	-806.7	-47.8	6.1	-848.4
Gross loans 31.12.2024	**39,438.6**	**6,524.4**	**302.9**	**46,265.9**

NOK million	2023			
	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2023	34,986.2	2,457.0	37.8	37,481.0
Transfer to stage 1	597.4	-594.7	-2.7	
Transfer to stage 2	-1,502.6	1,503.6	-1.0	
Transfer to stage 3	-83.4	-77.4	160.7	
New loans	17,849.2	1,629.5	42.0	19,520.7
Derecognition	-10,449.6	-668.6	-14.8	-11,133.0
Other changes	-744.1	-32.6	-2.5	-779.3
Gross loans 31.12.2023	**40,653.1**	**4,216.8**	**219.6**	**45,089.5**

Change in maximum exposure for guarantees and unused credits

NOK million	2024			
	Stage 1	Stage 2	Stage 3	Total exposure
Maximum exposure 01.01.2024	2,362.8	35.9		2,398.6
Transfer to stage 1	18.5	-18.5		
Transfer to stage 2	-53.5	53.5		
Transfer to stage 3	-1.3		1.3	
New guarantees and unused credits	1,228.3	26.1		1,254.4
Dereceognition	-520.3	-12.3		-532.6
Other	78.1	-45.4	-1.3	31.5
Maximum exposure 31.12.2024	**3,112.6**	**39.3**	**0.0**	**3,151.9**

NOK million	2023			
	Stage 1	Stage 2	Stage 3	Total exposure
Maximum exposure 01.01.2023	1,352.6	16.5		1,369.2
Transfer to stage 1	4.2	-4.2		
Transfer to stage 2	-18.4	18.4		
Transfer to stage 3	-0.1		0.1	
New guarantees and unused credits	1,218.7	25.6		1,244.3
Dereceognition	-232.6	-8.5		-241.1
Other	38.3	-12.0	-0.1	26.2
Maximum exposure 31.12.2023	**2,362.8**	**35.9**	**0.0**	**2,398.6**

Total engagements amount by remaining term to maturity

NOK million	2024		
	Loans to customers at fair value through other comprehensive income (OCI)	Undrawn credit limits	Total engagements
Up to 1 month	39.9	41.0	81.0
From 1 month up to 3 months	49.1	6.5	55.6
From 3 months up to 1 year	136.8	49.8	186.6
From 1 year to 5 years	645.0	292.6	937.6
More than 5 years	45,395.1	2,762.0	48,157.0
Total	**46,265.9**	**3,151.9**	**49,417.8**

NOK million	2023		
	Loans to customers at fair value through other comprehensive income (OCI)	Undrawn credit limits	Total engagements
Up to 1 month	9.3	7.1	16.4
From 1 month up to 3 months	120.5	16.1	136.5
From 3 months up to 1 year	178.9	54.7	233.6
From 1 year to 5 years	751.6	316.0	1,067.6
More than 5 years	44,029.3	2,004.8	46,034.0
Total	**45,089.5**	**2,398.6**	**47,488.1**

Note 22 - Engagement by customer groups and geographical area

Engagement by customer group

NOK million	2024		
	Loans to customers at fair value through other comprehensive income (OCI)	Undrawn credit limits	Total engagements
Wage-earners	46,266.0	3,151.9	49,417.9
Other			
Total	**46,265.9**	**3,151.9**	**49,417.8**
Provision for expected loss stage 1	-0.7		-0.7
Provision for expected loss stage 2	-7.0	-0.2	-7.1
Provision for expected loss stage 3	-18.0	-1.0	-19.0
Total loans, guarantees and undrawn credit limits	**46,240.2**	**3,150.7**	**49,390.9**
Distribution by geographical area			
Eastern Norway	40,810.0	2,784.3	43,594.3
Western Norway	3,107.1	241.0	3,348.1
Southern Norway	498.9	30.4	529.3
Mid-Norway	910.6	58.5	969.2
Northern Norway	760.2	24.1	784.3
Rest of world	179.0	13.5	192.6
Total	**46,265.9**	**3,151.9**	**49,417.8**
Provision for expected loss stage 1	-0.7		-0.7
Provision for expected loss stage 2	-7.0	-0.2	-7.1
Provision for expected loss stage 3	-18.0	-1.0	-19.0
Total loans, guarantees and undrawn credit limits	**46,240.2**	**3,150.7**	**49,390.9**

Engagement by customer group

NOK million	2023 Loans to customers at fair value through other comprehensive income (OCI)	Undrawn credit limits	Total engagements
Wage-earners	45,086.2	2,398.6	47,484.9
Other	3.3		3.3
Total	**45,089.5**	**2,398.6**	**47,488.1**
Provision for expected loss stage 1	-1.7		-1.7
Provision for expected loss stage 2	-6.5		-6.6
Provision for expected loss stage 3	-11.9		-11.9
Total loans, guarantees and undrawn credit limits	**45,069.4**	**2,398.6**	**47,468.0**
Distribution by geographical area			
Eastern Norway	39,254.5	2,094.3	41,348.9
Western Norway	3,323.4	195.2	3,518.6
Southern Norway	523.6	26.6	550.2
Mid-Norway	1,030.7	37.0	1,067.8
Northern Norway	800.2	31.5	831.6
Rest of world	157.0	14.1	171.1
Total	**45,089.5**	**2,398.6**	**47,488.1**
Provision for expected loss stage 1	-1.7		-1.7
Provision for expected loss stage 2	-6.5		-6.6
Provision for expected loss stage 3	-11.9		-11.9
Total loans, guarantees and undrawn credit limits	**45,069.4**	**2,398.6**	**47,468.0**

Undrawn credit limits relate to the unused portion of lending limits on flexible mortgages.

The classification into customer groups is based on Statistics Norway's standard for sector and business classification. The individual customer's classification is determined by the customer's primary activity.

Note 23 - Loss provisions of loans, guarantees and unused credits

NOK million	2024 Stage 1 12-month ECL	Stage 2 Lifetime ECL - no objective evidence of impairment	Stage 3 Lifetime ECL - objective evidence of impairment	Total
Loan loss provisions at 01.01.2024	1.7	6.6	11.8	20.1
Transfer to stage 1 (12-month ECL)	1.0	-1.0		
Transfer to stage 2 (lifetime ECL - no objective evidence of impairment)	-0.2	0.6	-0.4	
Transfer to stage 3 (lifetime ECL - objective evidence of impairment)		-0.6	0.6	
Net remeasurement of loan losses	-1.0	2.1	4.2	5.3
New financial assets originated or purchased	0.4	2.2	0.2	2.7
Financial assets that have been derecognised	-0.7	-1.7	-2.0	-4.4
ECL changes of balances on financial assets without changes in stage in the period	-0.5	-0.9	4.6	3.1
Loan loss provisions at 31.12.2024	**0.7**	**7.2**	**19.0**	**26.9**
Loan loss provisions on loans to customers valued at fair value through other comprehensive income (OCI)	0.7	7.0	18.0	25.7
Loan loss provisions on guarantees and unused credit limits		0.2	1.0	1.2
Total loans loss provisions	**0.7**	**7.1**	**19.0**	**26.9**

NOK million	2023			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL - no objective evidence of impairment	Stage 3 Lifetime ECL - objective evidence of impairment	Total
Loan loss provisions at 01.01.2023	2.3	6.4	2.1	10.7
Transfer to stage 1 (12-month ECL)	1.0	-1.0		
Transfer to stage 2 (lifetime ECL - no objective evidence of impairment)	-0.3	0.3		
Transfer to stage 3 (lifetime ECL - objective evidence of impairment)	-0.1	-1.4	1.5	
Net remeasurement of loan losses	-1.0	1.9	5.8	6.7
New financial assets originated or purchased	1.3	3.0	3.4	7.7
Financial assets that have been derecognised	-0.7	-1.9	-0.1	-2.7
ECL changes of balances on financial assets without changes in stage in the period	-0.8	-0.6	-0.9	-2.3
Loan loss provisions at 31.12.2023	**1.7**	**6.6**	**11.8**	**20.1**
Loan loss provisions on loans to customers valued at fair value through other comprehensive income (OCI)	1.7	6.5	11.9	20.1
Total loans loss provisions	**1.7**	**6.6**	**11.9**	**20.1**

Periodical changes in individual impairments and expected credit loss on loans, unused credit limits and guarantees are shown above. Storebrand Boligkreditt AS has not any expected loan loss provisions relatet to loans to credit institutions and interest-bearing securities. Recognised losses on loans, unused credits and guarantees in the profit and loss account are shown in note 13.

Loan loss provions by customer group

NOK million	2024			
	Stage 1	Stage 2	Stage 3	Total
Wage-earners	0.7	7.1	19.0	26.9
Total loan loss provions 31.12.2024	**0.7**	**7.1**	**19.0**	**26.9**

NOK million	2023			
	Stage 1	Stage 2	Stage 3	Total
Wage-earners	1.7	6.5	11.9	20.1
Total loan loss provions 31.12.2023	**1.7**	**6.6**	**11.9**	**20.1**

Note 24 - Distribution of loan loss provisions and exposure on secured and unsecured retail exposures

Distribution of loan loss provisions

NOK million	2024			
	Stage 1	Stage 2	Stage 3	Total loan loss provisions
Retail exposures secured by mortgages on immovable property	0.7	7.1	18.5	26.4
Other exposures including SME exposures			0.5	0.5
Total loan loss provisions	**0.7**	**7.1**	**19.0**	**26.9**

NOK million	2023			
	Stage 1	Stage 2	Stage 3	Total loan loss provisions
Retail exposures secured by mortgages on immovable property	1.7	6.6	11.4	19.6
Other exposures including SME exposures			0.5	0.5
Total loan loss provisions	**1.7**	**6.6**	**11.9**	**20.1**

Distribution of exposure incl. unused credit facilities and guarantees

NOK million	2024			
	Stage 1	Stage 2	Stage 3	Total exposure
Retail exposures secured by mortgages on immovable property	42,551.2	6,563.7	302.4	49,417.3
Other exposures including SME exposures			0.5	0.5
Total exposure	**42,551.2**	**6,563.7**	**302.9**	**49,417.8**

NOK million	2023			
	Stage 1	Stage 2	Stage 3	Total exposure
Retail exposures secured by mortgages on immovable property	43,015.9	4,252.6	219.1	47,487.6
Other exposures including SME exposures			0.5	0.5
Total exposure	**43,015.9**	**4,252.7**	**219.6**	**47,488.1**

Note 25 - Non-performing and loss-exposed loans

NOK million	2024	2023
Non-performing loans		
Non-performing loans without evidence of impairment	122.7	163.0
Loss-exposed loans with evidence of impairment	180.2	56.6
Gross non-performing and loss-exposed loans	**302.9**	**219.6**
Loan loss provisions stage 3	-18.0	-11.9
Net non-performing and loss-exposed loans	**284.9**	**207.7**

Non-performing loans per customer group

NOK million	2024				
	Non-performing loans without evidence of impairment	Loss-exposed loans with evidence of impairment	Gross non-performing and loss-exposed loans	Expected loan loss provisions stage 3 *)	Net non-performing and loss-exposed loans
Wage-earners	122.7	180.2	302.9	18.0	284.9
Total	**122.7**	**180.2**	**302.9**	**18.0**	**284.9**

*) Individual and model based provisions are included. Only provisions on defaulted loans with and without impairment.

NOK million	2023				
	Non-performing loans without evidence of impairment	Loss-exposed loans with evidence of impairment	Gross non-performing and loss-exposed loans	Expected loan loss provisions stage 3 *)	Net non-performing and loss-exposed loans
Wage-earners	56.6	163.0	219.6	11.9	207.7
Total	**56.6**	**163.0**	**219.6**	**11.9**	**207.7**

*) Individual and model based provisions are included. Only provisions on defaulted loans with and without impairment.

Non-performing and loss-exposed loans by geographical area

NOK million	2024				
	Non-performing loans without evidence of impairment	Loss-exposed loans with evidence of impairment	Gross non-performing and loss-exposed loans	Expected loan loss provisions stage 3 *)	Net non-performing and loss-exposed loans
Eastern Norway	113.5	113.1	226.6	8.6	218.0
Western Norway	6.3	21.2	27.5	4.0	23.5
Southern Norway	2.8	30.8	33.7	4.8	28.8
Mid-Norway		0.5	0.5	0.5	
Rest of world		14.6	14.6		14.6
Total	**122.7**	**180.2**	**302.9**	**18.0**	**284.9**

*) Individual and model based provisions are included. Only provisions on defaulted loans with and without impairment.

NOK million	2023				
	Non-performing loans without evidence of impairment	Loss-exposed loans with evidence of impairment	Gross non-performing and loss-exposed loans	Expected loan loss provisions stage 3 *)	Net non-performing and loss-exposed loans
Eastern Norway	147.0	22.2	169.2	6.1	163.1
Western Norway	9.7	19.4	29.0	2.9	26.1
Southern Norway	2.9	14.5	17.4	2.4	15.0
Mid-Norway		0.5	0.5	0.5	
Northern Norway	3.5		3.5		3.5
Total	**163.0**	**56.6**	**219.6**	**11.9**	**207.7**

*) Individual and model based provisions are included. Only provisions on defaulted loans with and without impairment.

Age distribution of overdue commitments without impairment

NOK million	2024		
	Total loans to customers at fair value through other comprehensive income (OCI)*)	Undrawn credit limits	Total commitments
Overdue 1 - 30 days	72.7		72.7
Overdue 31 - 60 days	13.8	0.4	14.2
Overdue 61- 90 days	6.6		6.6
Overdue more than 90 days**)	122.7		122.7
Total	**215.6**	**0.4**	**216.1**
Commitments overdue more than 90 days by geographical area:			
Eastern Norway	113.5		113.5
Western Norway	6.3		6.3
Southern Norway	2.8		2.8
Total	**122.7**	**0.0**	**122.7**

*) Storebrand Boligkreditt AS has no loans to customers at amortised cost nor at fair value through profit and loss.
**) Only non-performing and loss-exposed loans are classified by geographical area in this overview.

NOK million	2023		
	Total loans to customers at fair value through other comprehensive income (OCI)*)	Undrawn credit limits	Total commitments
Overdue 1 - 30 days	88.4		88.4
Overdue 31 - 60 days	35.7	0.4	36.1
Overdue 61- 90 days	6.6		6.6
Overdue more than 90 days**)	163.0		163.0
Total	**293.7**	**0.4**	**294.1**
Commitments overdue more than 90 days by geographical area:			
Eastern Norway	147.0		147.0
Western Norway	9.7		9.7
Southern Norway	2.9		2.9
Northern Norway	3.5		3.5
Total	**163.0**	**0.0**	**163.0**

*) Storebrand Boligkreditt AS has no loans to customers at amortised cost nor at fair value through profit and loss.
**) Only non-performing and loss-exposed loans are classified by geographical area in this overview.

Overview of loan loss provisions and securities on loans in stage 3

NOK million	2024				
	Gross amount	Loan loss provisions	Net value	Value of collateral	Type of collateral
Non-performing loans without evidence of impairment					
- retail exposures secured by mortgages on immovable property	122.7	-2.0	120.7	212.1	residential property
Total non-performing loans without evidence of impairment	**122.7**	**-2.0**	**120.7**		
Loss-exposed loans with evidence of impairment					
- retail exposures secured by mortgages on immovable property	179.7	-16.5	163.2	223.3	residential property
- other exposures including SME exposures	0.5	-0.5			
Total loss-exposed loans with evidence of impairment	**180.2**	**-17.0**	**163.2**		

Storebrand Boligkreditt AS has loans of NOK 105.9 million in stage 3 where no loan loss provisions have been made due to the value of collateral.

NOK million	2023				
	Gross amount	Loan loss provisions	Net value	Value of collateral	Type of collateral
Non-performing loans without evidence of impairment					
- retail exposures secured by mortgages on immovable property	163.0	-4.8	158.2	300.4	residential property
Total non-performing loans without evidence of impairment	**163.0**	**-4.8**	**158.2**		
Loss-exposed loans with evidence of impairment					
- retail exposures secured by mortgages on immovable property	56.1	-6.6	49.5	80.0	residential property
- other exposures including SME exposures	0.5	-0.5			
Total loss-exposed loans with evidence of impairment	**56.6**	**-7.0**	**49.6**		

Storebrand Boligkreditt AS has loans of NOK 69.9 million in stage 3 where no loan loss provisions have been made due to the value of collateral.

Note 26 - Forbearance

Loans with payment forbearance are loans where relief has been granted as the customer has payment problems, and the bank would not have granted these terms in an ordinary loan issue.

NOK million	31.12.2024			31.12.2023		
	Stage 2	Stage 3	Total	Stage 2	Stage 3	Total
Loans to customers secured:						
Forbearance loans to customers, gross	227.8	9.3	237.0	257.4	2.5	259.9
Expected credit loss (ECL)	-0.1	-0.1	-0.3	-0.2		-0.2
Forbearance loans to customers (secured loans), net	**227.7**	**9.1**	**236.8**	**257.2**	**2.5**	**259.7**

There are no forbearance for unsecured loans.

In exceptional cases, Storebrand Boligkreditt AS grants relief for commitments with mortgages in the form of a grace period for loans with a loan-to-value ratio above 60%.

Note 27 - Other assets

NOK million	2024 Book value	2023 Book value
Due from Storebrand group companies	20.1	35.3
Other current assets	6.1	9.6
Total other current assets	**26.2**	**44.8**

Note 28 - Hedge accounting

Storebrand Boligkreditt AS has chosen IFRS 9 for hedge accounting. The Storebrand Boligkreditt AS's interest rate risk strategy is defined in the interest rate risk policy, which sets frameworks for limiting the company's interest rate risk exposure.

The company uses fair value hedging to reduce the interest rate risk on borrowings with fixed interest terms. The risk that is hedged in accordance with the interest rate risk policy is Nibor. This entails that separate credit risk is not hedged by keeping the credit spread constant as when established. Hedged risk accounts for approximately 90 % of the total interest rate risk exposure in the loans. Fair value hedging of the hedged item is interest rate hedged by entering into an interest rate swap in which we swap from fixed to variable interest to reduce the risk associated with future changes in interest rates. The hedging satisfies the requirements for hedge accounting at individual transaction level by a hedging instrument being directly linked to a hedged item and the hedging relationship being adequately documented.

All hedging relationships are established with an identical fixed interest profile, i.e. fixed interest, principal, coupon dates and maturity, both in the object and the instrument. The instrument swaps from fixed interest to variable interest quoted on Nibor three months. The fixed leg is between 2% to 4.5 %. The hedging relationship is expected to be highly effective in counteracting the effect of changes in fair value due to changes in interest rates. Net recognised changes in value of fair value hedges are due to changes in value resulting from changed market interest rates, i.e. hedged risk. This is entered in the accounts under "Net unrealised changes in value of financial instruments". The hedging efficiency is measured based on the basic "Dollar Offset" method with regard to prospective efficiency.

We have identified the following sources of inefficiency:
- Change in value of the short leg (Nibor 3 months).
- Credit risk for counterparty.

It is not expected that these factors will create significant inefficiency. No other sources of inefficiency were identified during the financial year.

	2024				2023		
	Nominal value		Fair value 1, 2)		Nominal value	Fair value 1, 2)	
NOK million	3 - 6 years	7 - 10 years	Assets	Liabilities	7 - 10 years	Assets	Liabilities
Interest rate swaps	480.0	700.0	91.5		480.0		44.6
Total interest rate derivatives	**480.0**	**700.0**	**91.5**	**0.0**	**480.0**	**0.0**	**44.6**
Total derivatives	**480.0**	**700.0**	**91.5**	**0.0**	**480.0**	**0.0**	**44.6**

	2024				2023		
	Nominal value		Hedging value 1, 2)		Nominal value	Hedging value 1, 2)	
NOK million	3 - 6 years	7 - 10 years	Assets	Liabilities	7 - 10 years	Assets	Liabilities
Underlying objects :							
Bonds issued	480.0	700.0		1,091.7	480.0		436.0
Hedging effectiveness - prospective				104.1 %			101.6 %

1) Book value at 31.12.
2) Includes accrued interest.

Gain/loss on fair value hedging: [3)]

NOK million	2024 Gain/loss	2023 Gain/loss
On hedging instruments	-46.0	4.3
On items hedged	42.7	-4.1

3) Amounts included in the line "Net change in fair value and gain/loss on foreign exchange and financial intruments".

Note 29 - Other liabilities

NOK million	2024 Book value	2023 Book value
Collateral	81.0	55.3
Other liabilities	0.5	0.4
Total other liabilities	**81.5**	**55.7**

Note 30 - Off balance sheet liabilities and contingent liabilities

NOK million	2024	2023
Undrawn credit limits	3,151.9	2,398.6
Total contingent liabilities	**3,151.9**	**2,398.6**

Undrawn credit limits relate to the unused portion of credit limits on residential mortgage loans to customers.

Note 31 - Collateral

Collateral and security pledged

NOK million	2024	2023
Collateral received in connection with derivatives trading	81.0	55.3
Total	**81.0**	**55.3**

Note 32 - Capital Adequacy

Net primary capital

NOK million	2024	2023
Share capital	496.8	496.8
Other equity	3,368.9	3,129.3
Total equity	**3,865.6**	**3,626.1**
Deductions		
AVA justments	-46.8	-46.5
Minimum Loss Coverage for Non Performing Loans	-1.7	
Provision for group contribution	-185.4	-46.7
Addition		
Group contribution received	185.4	46.7
Core capital exc. Hybrid Tier 1 capital	**3,817.1**	**3,579.6**
Additional Tier 1 capital (§3a Beregningsforskrift)		
Additions (§8 Beregningsforskrift)		
Core capital	**3,817.1**	**3,579.6**
Tier 2 capital (§4.3- Beregningsforskrift)		
Tier 2 capital deductions (§7 Beregningsforskrift)		
Net primary capital	3,817.1	3,579.6
Netto ansvarlig kapital	**3 817,1**	**3 579,6**

Minimum capital requirement

NOK million	2024	2023
Credit risk	1,331.5	1,313.7
Of which:		
Institutions	2.1	1.8
Loans secured against real estate	1,296.2	1,265.3
Loans past-due	21.8	17.7
Covered bonds	3.2	10.5
Other	8.2	18.4
Total minimum requirement for credit risk	**1,331.5**	**1,313.7**
Total minimum requirement for market risk	**0.0**	**0.0**
Operational risk	51.0	39.7
CVA risk	2.4	0.7
Minimum requirement for net primary capital	**1,384.9**	**1,354.1**

The standard method is used for credit risk and market risk and the basis method is used for operational risk Total requirement to Core Equity Tier 1 (CET1) and eligible capital (Tier 1 capital + Tier 2 capital) are 14 per cent and 17.5 per cent.

Capital adequacy

NOK million	2024	2023
Capital ratio	22.05 %	21.15 %
Core (tier 1) capital ratio	22.05 %	21.15 %
Core capital ratio excl. Hybrid Tier 1 capital	22.05 %	21.15 %

Basis of calculation (risk-weighted volume)

NOK million	2024	2023
Credit risk	16,643.7	16,421.0
Of which:		
Institutions	26.1	22.4
Loans secured against real estate	16,202.0	15,816.7
Loans past-due	272.7	220.9
Covered bonds	40.4	130.8
Other	102.6	230.2
Total minimum requirement for credit risk	**16,643.7**	**16,421.0**
Total minimum requirement for market risk	**0.0**	**0.0**
Operational risk	637.5	496.5
CVA risk	29.9	9.1
Minimum requirement for net primary capital	**17,311.2**	**16,926.6**

Leverage ratio

NOK million	2024	2023
Tier 1 capital	3,817.1	3,579.6
Total Leverage ratio exposure measure	48,396.6	47,285.9
Leverage ratio	7.9 %	7.6 %

Leverage ratio requirement is 3.0 percentage points as per 31.12.2024.

Note 33 - Remuneration and related parties

Remuneration of senior employees and elected officers

NOK thousand	Ordinary salary	Other benefits [2]	Total remu-neration earned in the year	Pension accrued for the year	Post termination salary (months)	Loans [3]	No. of shares owned [4]
Senior employees							
Einar Leikanger (CEO) [1]	1,656	127	1,783	219	0	7,751	1,159
Total 2024	**1,656**	**127**	**1,783**	**219**		**7,751**	**1,159**
Total 2023	1,477	113	1,590	182	0	7,499	520

1) Einar Leikanger does not receive any remuneration from Storebrand Boligkreditt AS for his appointment as CEO. The company purchases all administrative services including the CEO service from Storebrand Bank ASA. Einar Leikanger is not covered by Storebrand's bonus bank scheme.
2) Comprises company car, telephone, insurance, concessionary interest rate, other taxable benefits.
3) Employees can borrow up to 7 million kroner at subsidized prices and this interest rate is currently 4.89% p.a. Any excess loan amounts follow market interest rates. The loan is repaid in accordance with an instalment plan that follows ordinary market conditions for mortgage loans.
4) The summary shows the number of shares owned by the individual, as well as his or her close family and companies where the individual exercises significant influence, cf. the Accounting Act, Section 7-26.

NOK thousand	Remuneration	Loans	No. of shares owned [1]
Board of Directors			
Bernt Uppstad [2]		299	4,785
Camilla Leikvol[l 2]		3,940	20,544
Thor Bendik Weider [3]	53		
Jan Birger Penne	108		
Aud Lysenstøen	110		
Total 2024	**271**	**4,239**	**25,329**
Total 2023	205	4,403	17,023

1) The summary shows the number of shares owned by the individual, as well as his or her close family and companies where the individual exercises significant influence, cf. the Accounting Act, Section 7-26.
2) Neither Bernt Uppstad nor Camilla Leikvoll receive any remuneration from Storebrand Boligkreditt AS for their appointments as members of the Board.
3) Thor Bendik Weider served on the board until 2 July 2024.

Transactions with group companies

NOK million	2024		2023	
	Storebrand Bank ASA	Other group companies	Storebrand Bank ASA	Other group companies
Interest expense	277.6		180.4	
Services purchased	177.3			
Due from	101.0			
Liabilities to	6,292.1			

Covered bonds are not included in the overview. Storebrand Bank ASA has invested a total of NOK 3.3 billion in covered bonds issued by Storebrand Boligkreditt AS as of 31 December 2024.

Transactions with group companies are based on the principle of transactions at arm's length.

Storebrand Boligkreditt AS does not have any employees, and purchases personnel services from Storebrand Bank ASA and other services including bookkeeping from Storebrand Livsforsikring AS. All loans in the company are purchased from Storebrand Bank ASA after the loan purchase agreement has been signed with Storebrand Bank ASA, and a management agreement has been signed with Storebrand Bank ASA concerning management of the lending portfolio.

In brief, the management agreement involves the company paying a fee to Storebrand Bank ASA for administering the company's lending portfolio. When purchasing the loans, Storebrand Boligkreditt AS assumes all the risks and rewards incidental to ownership of the lending portfolio. Storebrand Boligkreditt AS receives all the cash flows from the borrower.

The bank and Storebrand Boligkreditt AS have not signed agreements for guarantees, options, repurchases or similar in connection with the lending portfolio in Storebrand Boligkreditt AS. It is Storebrand Boligkreditt AS that is exposed to any losses that may result from non-performance. Non-performing loans remain in the company, but are not included in the securities portfolio. The company has also signed an agreement with Storebrand Bank ASA concerning a credit facility for funding purchased loans (see note 5).

Analysis of transferred loans to/from Storebrand Boligkreditt AS

NOK million	2024	2023
To Storebrand Boligkreditt AS - accumulated transfers	46,265.9	45,089.5
From Storebrand Boligkreditt AS - last years transfers	1,534.7	833.1

Storebrand Bank ASA have not granted Storebrand Boligkreditt AS any guarantees related to the transferred loans.

Loans to employees

NOK million	2024	2023
Loans to employees of Storebrand Group	4,034.9	4,017.3

Employees can borrow up to 7 million kroner at subsidized prices while excess loan amounts follow market interest rates.

Headcount and personnel information

There are no employees in the company.

Storebrand Boligkreditt AS

- Statement from the Board of Directors and the CEO

Today the Board members and the CEO have considered and approved the annual report and annual financial statements of Storebrand Boligkreditt AS for the 2024 financial year and as of 31 December 2024 (2024 annual report).

The annual accounts have been prepared in accordance with International Financial Reporting Standards approved by the EU and appurtenant interpretations, as well as the other disclosure obligations stipulated by the Norwegian Accounting Act and the current applicable regulations relating to annual accounts of banks and finance companies etc. The annual report complies with the requirements of the Norwegian Accounting Act and Norwegian Accounting Standard no. 16 as at 31 December 2024

In the best judgement of the Board and the CEO, the annual financial statements for 2024 have been prepared in accordance with the applicable accounting standards, and the information presented in the the financial accounts provides a true and fair view of company's assets, liabilities, financial position and results as a whole as of 31 December 2024. In the best judgement of the Board and the CEO, the annual report provides a true and fair view of the material events that occurred during the accounting period and their effects on the annual financial statements of Storebrand Boligkreditt AS. In the best judgement of the Board and the CEO, the descriptions of the most important elements of risk and uncertainty that the company faces in the next accounting period, and a description of related parties' material transactions, also provide a true and fair view.

Lysaker, 11 February 2025
The Board of Directors of Storebrand Boligkreditt AS

Translation - not to be signed

Bernt Uppstad
Chairman of the Board

Camilla Leikvoll

Jan Birger Penne

Aud Lysenstøen

Einar A. Leikanger
CEO

To the General Meeting of Storebrand Boligkreditt AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Storebrand Boligkreditt AS (the Company), which comprise the statement of financial position as at 31 December 2024, the income statement, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion the financial statements comply with applicable statutory requirements, and the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Storebrand Boligkreditt AS for 7 years from the election by the general meeting of the shareholders on 9 April 2018 for the accounting year 2018.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the

Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion
As part of the audit of the financial statements of Storebrand Boligkreditt AS, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name storebrandboligkreditt-2024-12-31.xhtml, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities
Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities
Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 11 February 2025
PricewaterhouseCoopers AS

Thomas Steffensen
State Authorised Public Accountant
Note: This translation from Norwegian has been prepared for information purposes only.