

Eika Boligkreditt AS'

Statement on due diligence pursuant to the Norwegian Transparency Act

for 1 January–31 December 2023

1. General information about Eika Boligkreditt AS (Eika Boligkreditt)

a. Organisation

Eika Boligkreditt is a credit institution which was owned by 58 local banks and the OBOS housing association at 31 December 2023. Its main purpose is to ensure the local banks in the Eika Alliance have access to long-term and competitive funding by issuing covered bonds in the Norwegian and international financial markets.

Eika Boligkreditt is part of the Eika Alliance. The Eika Alliance comprises just under 50 local banks, the Eika Gruppen AS financial group and Eika Boligkreditt. The banks are spread over much of Norway, and contribute to economic growth, security and development in their market areas. Collaboration through the alliance provides them with substantial economies of scale. The Eika Alliance has total assets under management of approx. NOK 480 billion and employs around 3 500 people at 170 bank branches in 114 different municipalities. The Eika Alliance is therefore one of the biggest players in the Norwegian financial market and an important corporate citizen in many local Norwegian communities.

An important aspect of Eika Boligkreditt's business idea is to increase the owner banks' competitiveness and reduce their risk. At the close of 2023, the banks had transferred a total of NOK 98.3 billion in residential mortgages to Eika Boligkreditt, thereby easing the banks' own financing requirements by an equivalent amount.

Eika Boligkreditt had 19 permanent employees at 31 December 2023. In addition, the company has entered into an agreement with Eika Gruppen concerning the purchase of services in a number of areas.

b. Products and services

The company's main purpose is to ensure the owner banks have access to long-term and competitive funding by issuing covered bonds in the Norwegian and international financial markets. The company is licensed as a credit institution and authorised to raise debt in the market through the issuance of covered bonds.

The company exclusively offers residential mortgages with a loan-to-value (LTV) ratio of no more than 75 per cent for houses/ apartments and 60 per cent for joint debt in housing cooperatives. The company offers two different lending products: mortgages at a variable rate of interest, or alternatively at a fixed rate with a lock-in period of three, five or ten years.

c. The company's markets

The company finances the local banks by issuing internationally rated covered bonds. By virtue of its size, Eika Boligkreditt is able to raise loans in both Norwegian and international financial markets, and to seek financing wherever the best market terms can be obtained at any given time. Eika Boligkreditt ensures that the local banks have access to financing on roughly the same terms as the major banks in the Norwegian market. Eika Boligkreditt consequently plays an important role in reducing financing risk for the local banks and to ensuring that customers of the local banks achieve competitive terms for their residential mortgages.

d. Foundation for the work relating to human rights and decent working conditions

Eika Boligkreditt is subject to the Norwegian Transparency Act, which came into force on 1 July 2022. The company's board of directors, as the company's highest management authority, is responsible for ensuring compliance with the Transparency Act's provisions.

Eika Boligkreditt is working actively to ensure it has a responsible value chain. Since 2020, the company has had a Procurement Policy, with associated self-declaration forms that suppliers and business partners must complete. As a consequence of the Transparency Act, and to ensure compliance with its provisions, Eika Boligkreditt revised its Procurement Policy and Whistleblowing Policy in advance of the Act coming into force on 1 July 2022. The policies are adopted by the board of directors. The company's Procurement Policy and Whistleblowing Policy may be found at www.eikbol.no/About-us/ESG. The company also has a Privacy Policy covering the processing of personal data.

Pursuant to the Norwegian Transparency Act, the company is required to conduct due diligence assessments in line with the OECD's Guidelines for Multinational Enterprises in order to safeguard fundamental human rights and decent working conditions in its operations. As part of the process, Eika Boligkreditt identifies and assesses actual and potential negative consequences for fundamental human rights and decent working conditions which its business has either caused or contributed to, or which are directly related to its business, products or services through the supply chain or business partners. The company therefore takes

a risk-based approach to its due diligence processes, which cover Eika Boligkreditt's in-house operations and those of its external supply chain and business partners. These due diligence processes are broadly entrenched in the company, and all managers provide annual confirmation that the requirements of the Transparency Act are met in their area of activity.

Eika Boligkreditt requires that suppliers and business partners (in the following collectively referred to as "suppliers") comply with national and international laws and regulations, as well as internationally recognised principles and guidelines. All suppliers are also required to help Eika Boligkreditt obtain the information it needs to follow up and perform due diligence on suppliers. This may, for example, include responding to questionnaires on ESG-related matters. Suppliers must self-certify their compliance with internationally recognised principles and guidelines, laws or regulations relating to human and labour rights, environmental protection, corruption prevention and anti-money laundering (AML). Suppliers also have a duty to notify Eika Boligkreditt of any violation or suspected violation these provisions. In the event of any serious violation, Eika Boligkreditt is entitled to cancel its contract with the supplier concerned. If necessary, Eika Boligkreditt may ask suppliers to document their compliance.

The company has opened a page on its website called "Transparency", which contains relevant information concerning the Norwegian Transparency Act. For further details, see www.eikbol.no/About-us/ESG/apenhet. This page includes a list of Eika Boligkreditt's key suppliers.

e. Whistleblowing channels and grievance mechanisms

Eika Boligkreditt adopted an updated code of conduct in March 2019. In addition to the code, the company has established a separate whistleblowing policy. The company believes that openness and good communication in the organisation promote its work culture. As a result, Eika Boligkreditt wishes to make provision for a corporate culture where censurable conditions are reported, discussed and resolved. The whistleblowing routines, which comply with the requirements of Norway's Working Environment and Transparency Acts, help to support an open culture, where trust and dialogue prevail between employees and managers. The whistleblowing routines are updated as required to take account of new provisions for reporting irregular conditions in the enterprise.

The company also has internal routines to ensure protection of employees' personal data.

Third parties who wish to blow the whistle or file a complaint will find Eika Boligkreditt's contact details at the bottom of the company's home page www.eikbol.no, as well as at www.eikbol.no/Contact-us/Address.

2. Negative consequences and risk

The company wishes to contribute to the sustainable development of the environment, people and society, which includes taking responsibility for ensuring that fundamental human rights and decent working conditions are respected in connection with its business.

In 2023, the company's due diligence processes did not identify actual negative consequences or material risk of such outcomes for

fundamental human rights and decent working conditions in the business. This is based on an assessment of both the company's in-house operations and those of its suppliers.

The company conducts regular due diligence processes, and all managers provide annual confirmation that the requirements of the Transparency Act are met in their area of activity.

3. Initiatives

The company has not identified actual negative consequences or material risk of such outcomes for fundamental human rights and decent working conditions during the reporting period. The

company has therefore not been obliged to take steps to deal with cases involving negative consequences or material risk.

The company finds that the Transparency Act and its associated legal obligations have been incorporated into its governing documents and management tools. Nevertheless, the company considers further practical experience and training in the implementation of due diligence processes and the follow up of relevant initiatives to be important. This is an area for continuous endeavour in the company's business operations and procurement processes.

For further information, please contact the company at the following email address: boligkreditt@eika.no.

This statement on due diligence was considered and adopted by the Board of directors on 12 March 2024.

Dag Olav Løseth
Chair

Rune Iversen

Terje Svendsen

Gro Furunes Skårsmoen

Lena Jørundland

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