eika. Boligkreditt

Annual report 2024

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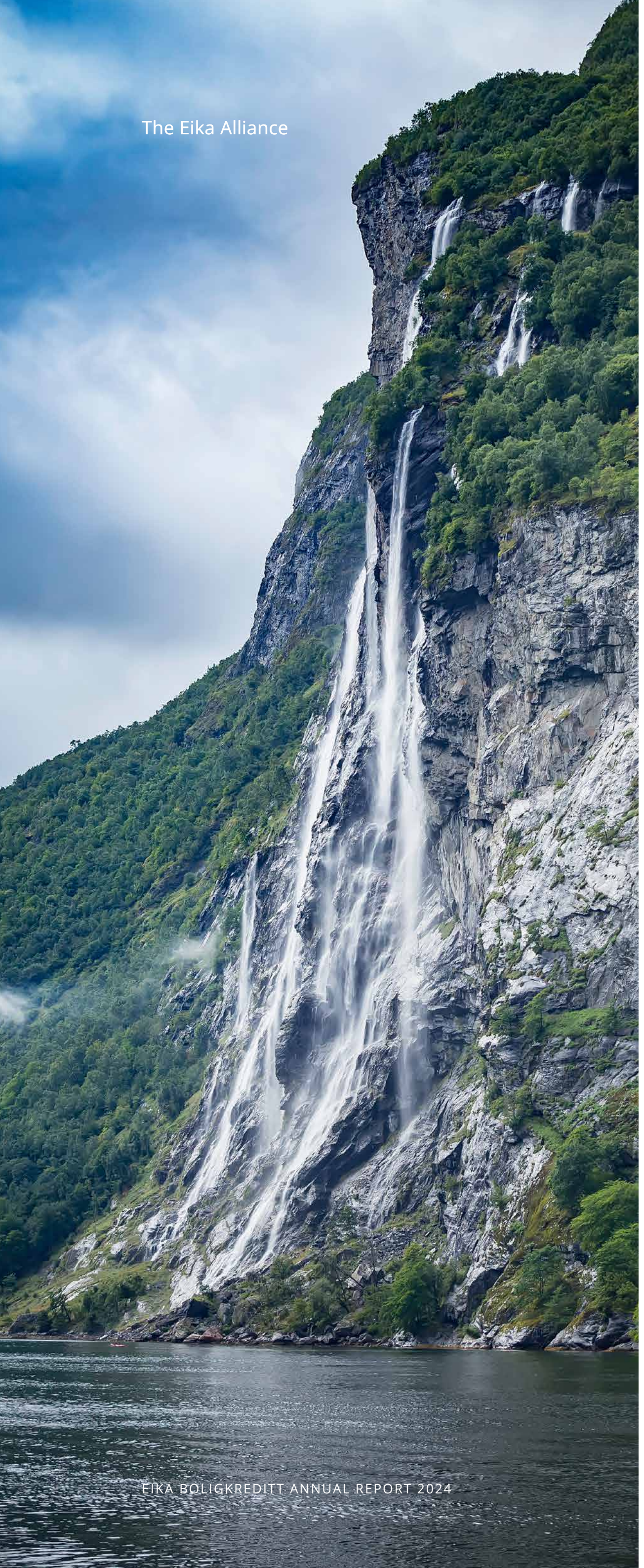


The Eika Alliance

The Eika Alliance comprises of 47 local banks, Eika Gruppen and Eika Boligkreditt (EBK). 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 a total managed capital of approximately NOK 550 billion, and around 2 200 full-time equivalents distributed across 197 different bank branches. This makes the Eika Alliance one of the largest and most important players in the Norwegian banking sector.

Eika Boligkreditt

Eika Boligkreditt is a credit institution which was owned by 56 local banks at 31 December 2024 . Its principal purpose is to provide the local banks with access to long-term and competitive funding. The company is licensed as a credit institution, and 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 ranks as an important contributor to reducing financing risk for the local banks and to ensuring that customers of the local banks achieve competitive terms for their residential mortgages.

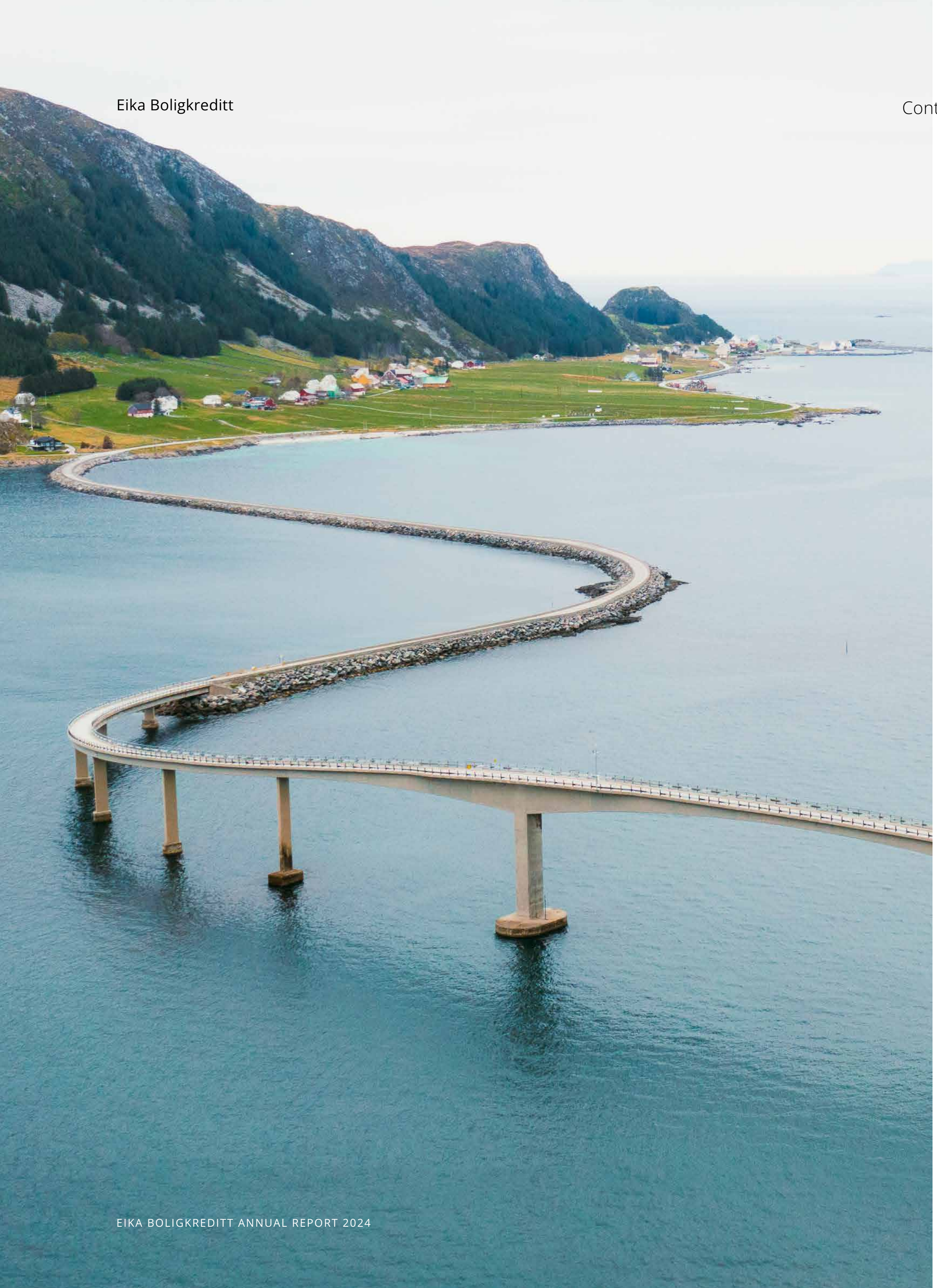
The local banks in Eika

Local savings banks have contributed to population settlement, economic development and security for private customers and the business sector in Norwegian local communities for almost 200 years. The local banks in the Eika Alliance are fully independent and control their own strategy, brand and visual identity.

A local presence, advisers with integrated financial expertise, and a clear commitment to their customers and the local community will also ensure them a strong position in the future. The local bank is, moreover, a trusted and important adviser to the local business community, with the emphasis on small and medium-sized enterprises. Through their philanthropic donations, the banks in the alliance also contribute to innovation, growth and development by financing culture, sports and voluntary organisations. Levels of customer satisfaction with and loyalty to the Eika Alliance banks are among the highest in Norway in both private and business markets.

Eika Gruppen

Eika Gruppen is owned by the banks. Its vision is to strengthen the local banks and to be Norway's most attractive partner for independent savings banks. The group's core business is to deliver good and cost-effective products and services, including a platform for bank infrastructure. Its product areas are insurance, savings, pensions, financing, payment processing and estate agency. Eika Boligkreditt was demerged from the Eika Gruppen financial group in 2012 and is directly owned by the local banks.



Eika Boligkreditt in brief

History

2024

- The company's lending portfolio exceeds NOK 100 billion.
- Skudenes & Aakra Sparebank decides to join the Eika Alliansen, thereby becoming the second DSS bank to join the Eika Alliance in just over a year.
- Eika Kredittbank is renamed Eika Digitalbank and launches a new, fully digital banking concept called Penni. At the same time, it becomes a shareholder and gains access to financing via Eika Boligkreditt.

2023

- All Eika banks complete their transfer to the new core banking solution from Tietoevry.
- Haugesund Sparebank (the largest bank in the DSS alliance) decides to join the Eika Alliance and merge with Tysnes Sparebank.
- EBK's issuer rating is raised from Baa1 to A3.
- An agreement is reached to sell back OBOS Bank's portfolio, which was worth NOK 931 million at the end of August 2023.

2022

- The first banks have their residential mortgage portfolios in Eika Boligkreditt transferred during September from Banqsoft to the new core banking system supplied by Tietoevry.
- Eika Boligkreditt initiates a broadly entrenched project to comply with the internal ratings-based (IRB) standard for its credit framework and models, with the goal of being able to seek IRB approval of its residential mortgage portfolio.

2021

- Run-off agreements are reached with the members of the Local Bank Alliance. They can no longer transfer loans to EBK, and will enter a run-off phase.
- Agreement is reached on selling back the NOK 1.2 billion portfolio to Spb 1 Nordmøre.
- The loan transfer model is significantly updated, and the banks transfer close to NOK 1.5 billion.
- EBK issues its first bond within the green bond framework.

2020

- Norway experiences the full impact of the coronavirus in March, and home working becomes widespread.
- Eika Gruppen cancels its core banking agreement with SDC and enters into an agreement for a new IT platform from Tietoevry.
- EBK's bond committee approves a new green bond framework.
- EBK also launches green residential mortgages, and the first loans in this category were made in December.

2017

- Eika Boligkreditt exceeds NOK 100 billion in total assets.
- Rating of the company's covered bonds is upgraded from Aa1 to Aaa.
- The company receives its first published issuer rating (Baa1).
- Eight owner banks merge to become four. The number of owner banks is correspondingly reduced.

2015

- Eika Boligkreditt introduces individual lending rates for the owner banks.
- New and improved agreement on credit guarantees comes into force on 1 October.
- The company's covered bonds have their rating further strengthened by a notch in leeway.
- Four owner banks merge into two, and the number of owner banks is correspondingly reduced. The number of owner banks is correspondingly reduced.

2012

- Eika Boligkreditt is demerged from Eika Gruppen AS and becomes directly owned by the local banks and OBOS.
- A tighter structure of agreements is established between the new owners and the company.
- Total assets exceed NOK 50 billion during June.
- The company issues its first "jumbo" (EUR 1 billion) bond in the euro market.

2007

- The Norwegian regulations for covered bonds come into force in June.
- Eika Boligkreditt's covered bonds are rated Aaa by Moody's Investors Service in the same month.
- The company issues its first covered bond in Norway during August, while the first international transaction takes place on 24 October.

2005

- The first residential mortgage is disbursed on 28 February to Rørosbanken.
- The mortgage portfolio exceeds NOK 1 billion as early as October.

2024 Highlights

20 employees

Eika Boligkreditt has 20 permanent employees. In addition, the company has an agreement with Eika Gruppen to purchase services in a number of areas.

56 local banks

At the close of 2024, Eika Boligkreditt is owned by 56 local banks.

355 local authorities

Eika Boligkreditt's cover pool includes mortgagees in 355 Norwegian local authorities

127 billion in total assets

At the close of 2024, total assets stood at NOK 126.6 billion.

54 thousand mortgages

Eika Boligkreditt has 54 190 residential mortgages in its cover pool.

666 million in commission

Distributor commissions to the owner banks totalled NOK 665.9 million in 2024, compared with NOK 459.7 million in 2023.

15.9 billion in new issues

Eika Boligkreditt issues bonds worth NOK 15.9 billion in 2024. Of these, 64 per cent were issued in NOK and 36 per cent in euro.

Currency

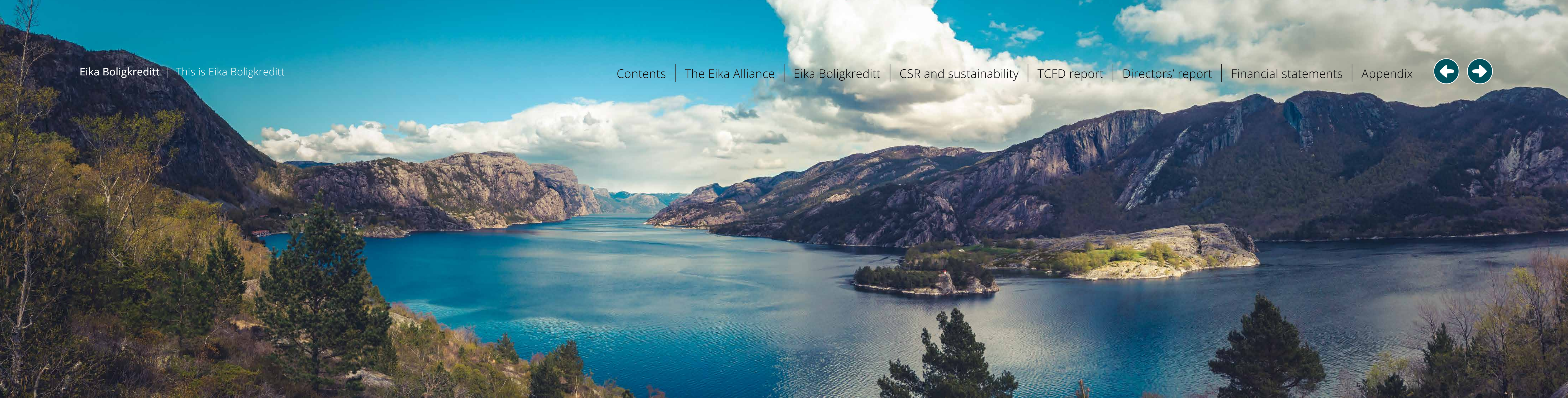
50 per cent of the company's covered bonds are financed in EUR, while 50 per cent are financed in NOK.

Mortgaged property

17.7 per cent of the mortgaged property in the company's cover pool is located in Akershus county.

LTV ratio

The average loan-to-value (LTV) on mortgages in the cover pool is 54 per cent.



This is Eika Boligkreditt

Eika Boligkreditt is a credit institution which, at 31 December 2024, was directly owned by 56 local banks. 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. An important part of Eika Boligkreditt's business idea is to increase the owner banks' competitiveness and reduce their risk. At the close of 2024, the banks had transferred a total of NOK 104.7 billion in residential mortgages to Eika Boligkreditt, thereby easing the banks' own financing requirement by an equivalent amount.

The company is licensed as a credit institution and authorised to raise debt in the market through the issuance of covered bonds. Norwegian regulations for covered bonds were adopted in 2007, and this type of bond has become an important source of financing for the lending activities of banks and credit institutions. By centralising borrowing activity in Eika Boligkreditt, the owner banks have created a player in the bond market whose size enables it to achieve competitive terms in both the Norwegian and international finance markets.

Eika Boligkreditt started operating in February 2005. With its current total assets of NOK 126.6 billion, the company accounts for a substantial portion of the owner banks' external financing. To secure the best possible terms and conditions for the financing of the owner banks, the company is an active issuer in both the Norwegian and international finance markets.

Shareholders

56 local banks [1]

47 local banks

Ownership structure and mangement

100%

Eika Boligkreditt AS

CEO Odd-Arne Pedersen

Risk manager Haakon Andreas Holtaas

Chief marketing officer Kurt E Mikalsen

Chief credit officer Chris Odden Andersen

Chief accounting officer Hugo J Henriksen

100%

Eika Gruppen AS

Deputy CEO / CFO Anders Mathisen

[1] Haugesund Sparebank only is a shareholder in Eika Gruppen AS. The 10 members of the Local Bank Alliance – Selbu Sparebank, Nidaros Sparebank, Aasen Sparebank, Sparebank 68° Nord, Tolga Os Sparebank, Drangedal Sparebank, Askim & Spydeberg Sparebank, Sparebanken DIN, Stadsbygd Sparebank and Ørland Sparebank – are solely shareholders in Eika Boligkreditt.

Board of directors

Terje Svendsen
Director

Born: 1956.

Position: Consultant at Tercon AS.

Education: Master of Science in Business Administration from the Norwegian School of Economics (NHH).

Other directorships: chair of Tercon AS, Boxwall AS, Trøndertaxi AS

Director since 2011.

Gro Furunes Skårsmoen
Director

Born: 1968.

Position: CEO Oppdalsbanken

Education: Master' of Science in Business Administration from the Norwegian School of Economics (NHH).

Other directorships: director of Oppdal Eiendomsmegling AS and Nasjonalparken Næringshage AS.

Director since 2020.

Rune Iversen
Chair

Born: 1962.

Position: Chair Marker & Eidsberg Sparebank.

Education: Diploma in Business Economics, Master of Management from BI Norwegian Business School.

Other directorships: director of Aktiv Østfold Eiendomsmegling AS.

Director since 2018, Chair since 2024.

Geir Magne Tjåland
Vice chair

Born: 1981.

Position: CEO Jæren Sparebank.

Education: Master of Science in Business Administration from BI Norwegian Business School. MBA in finance, from NHH, AFA, Fixed income Analyst, Portfolio Management.

Other directorships: chair of Bankplassen Bryne AS, director of Eika økonomi and Eika Banksamarbeidet (EBS)

Director since 2024

Lena Jørundland
Director

Born: 1971.

Position: CEO Bien Sparebank ASA.

Education: Master of Science in Business Administration from the University of Agder (UiA), Solstrand leadership development programme, AFF/NHH.

Other directorships: director of Eika Banksamarbeidet (EBS).

Director since 2023.

Kristin Steenfeldt-Foss
Director

Born: 1964.

Position: Vice president Industrial ownership in Statkraft

Education: Master of Science in Business Administration from the Norwegian School of Economics (NHH).

Other directorships: director of Eviny AS, Å Energy AS, Alliance Venture Polaris AS and Statkraft Energy AS

Director since 2024.

Executive management

Hugo J Henriksen
Chief accounting officer

Born: 1969.

Education: Master of Science in Business Administration, University of Bodø.

Previous experience: Terra-Gruppen, Ernst & Young.

Joined the company in 2007.

Kurt E Mikalsen
Chief marketing officer

Born: 1968.

Education: Bachelor's degree, University of Bodø.

Previous experience: DNB, GMAC Commercial Finance.

Joined the company in 2006.

Odd-Arne Pedersen
CEO

Born: 1962.

Education: Master of Science in Business Administration from BI Norwegian Business School, AFA from NHH, Master's Degree in Finance from NHH.

Previous experience: Terra Forvaltning, Terra Securities, Terra Group, Fearnley Fonds, DN Hypotekforening.

Joined the company in 2008.

Anders Mathisen
Deputy CEO / CFO

Born: 1967.

Education: Master of Science in Business Administration from BI Norwegian Business School. CFA.

Previous experience: Terra Forvaltning, SEB, Norges Bank.

Joined the company in 2012.

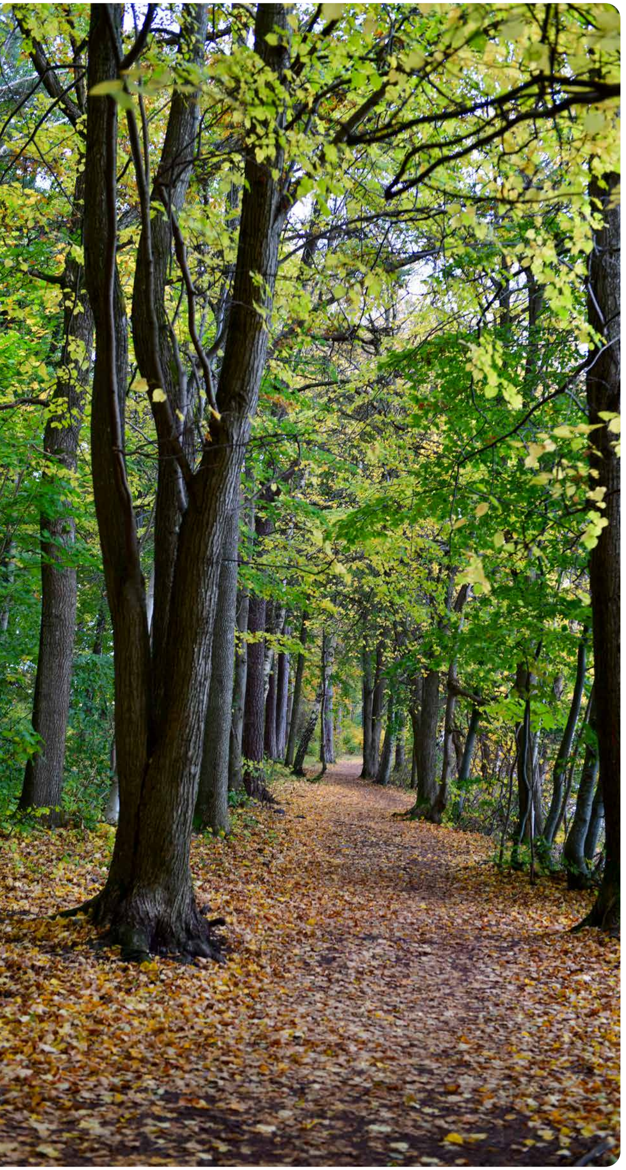
Chris Odden Andersen
Chief credit officer

Born: 1982.

Education: Accounting studies, BI Norwegian Business School.

Previous experience: Eika Boligkreditt

Joined the company in 2011.



A strategically important company for the banks

Common denominators for the local banks in the Eika Alliance are their strong local roots, that they rank among the smallest banks in Norway, and that a generally high proportion of their activity is directed at the private and residential mortgage market.

The decision by the local banks 20 years ago to establish a joint mortgage credit institution was a direct consequence of a trend where they – like all the other banks – experienced a decline in their deposit-to-loan ratio and a corresponding increase in the need for external financing from the bond market.

For small local banks, this meant increased difficulty in achieving competitive borrowing costs and higher risk exposure because they would be subject to price fluctuations in the Norwegian bond market. The most important reasons for establishing Eika Boligkreditt were accordingly to maintain competitiveness in the residential mortgage segment – which was and remains the most important market for the local banks – and to reduce financing and refinancing risk in the bond market.

Through Eika Boligkreditt, the owner banks achieve indirect access to favourable financing in the Norwegian and international markets through the issue of internationally rated covered bonds. The owner banks are active users of the company, and had secured NOK 104.7 billion in overall financing from Eika Boligkreditt at 31 December 2024. At the close of 2024, the Eika banks used Eika Boligkreditt for 64.8 per cent of their total external financing needs. Financing through Eika Boligkreditt involves generally longer tenors at a significantly more favourable rate than any of the owner banks could have achieved individually. That is precisely why Eika Boligkreditt has become a strategically important company for the owner banks – a company which contributes to enhanced competitiveness and lower risk exposure.

Eika Boligkreditt continues working to strengthen the credit quality of its residential mortgage portfolio through further development of today's framework and models for credit risk management. The aim is to achieve an internal ratings-based (IRB) standard for the credit framework and models so that they can be used to seek possible IRB approval for the company's residential mortgage portfolio.

Once the IRB system is operational, it will be possible to secure substantial economies of scale through a common risk management process for granting credit. This will initially cover private customers, but the increased internal expertise will also make it possible to strengthen credit risk management for the business market in the rather longer term. Possible synergies could include reduced losses on lending from improved customer selection and increased earnings in the credit arena through better pricing of credit risk. In the longer term, enhancing the professionalism of credit work throughout the value chain could yield a higher return on equity for the individual Eika bank. If the group also succeeds in raising the IRB models to a level which allows it to secure approval of their use for capital purposes, it could also provide capital savings for the individual Eika bank as an additional contribution to improving their return on equity.

Strategy pyramid

Vision
We strengthen the local bank

Core values
Reliable
Engaged
Brave

Business concept
Eika Boligkreditt will pursue professional cultivation of financial markets, a good international rating, and high-quality collateral and risk management in order to provide the alliance banks with access to long-term and competitive funding through the issue of covered bonds.

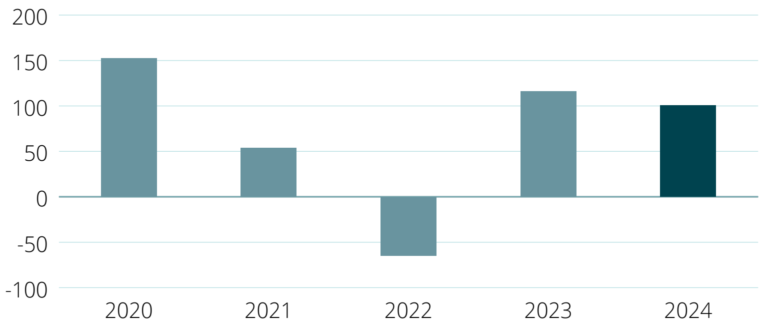
Position
Eika Boligkreditt will be the channel of the owner banks for long-term external funding.

Strategic goals
Increase competitiveness for the owner banks.
Reduce risk for the owner banks.

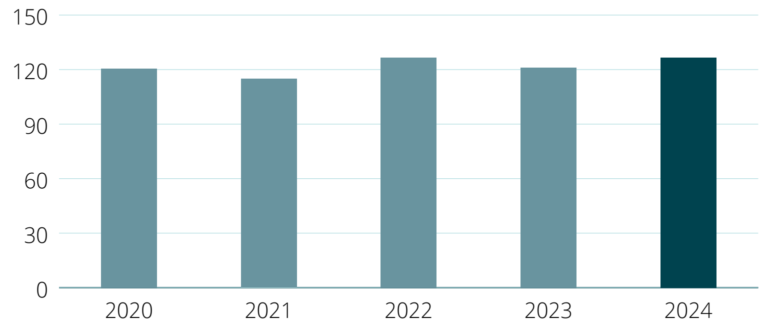
- Optimal use of covered bond financing
- Good international rating
- Profitability and cost-efficiency
- Prudent risk
- Quality at every level

Results and key figures

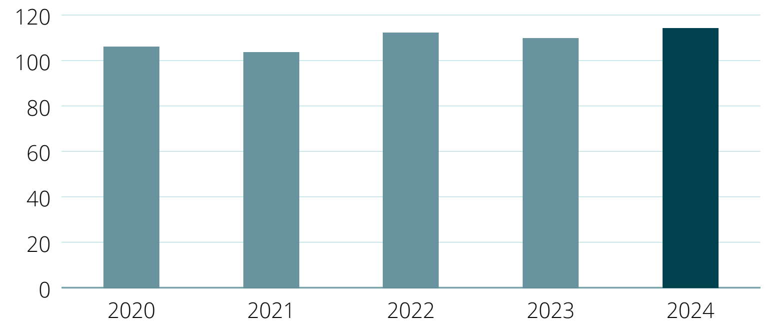
Profit before tax
Amounts in NOK million



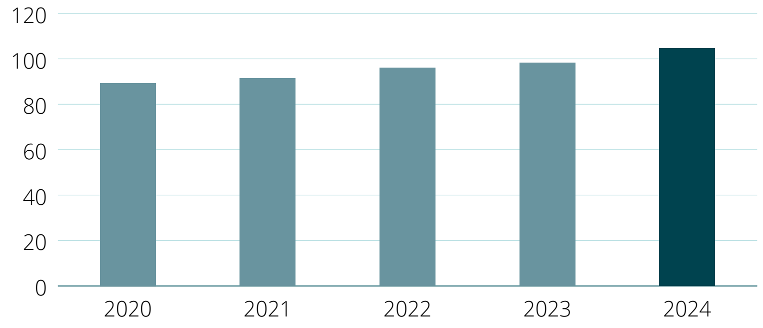
Total assets
Amounts in NOK billion



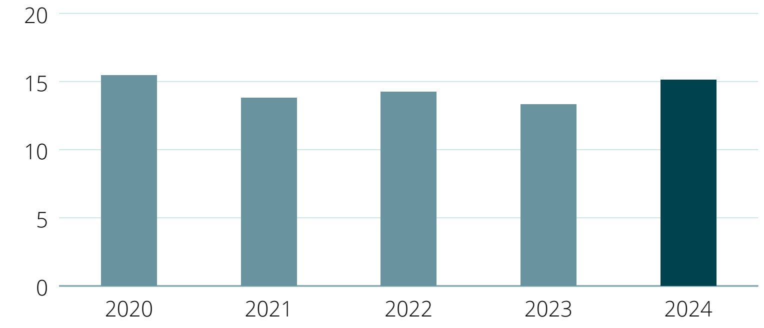
Borrowing portfolio
Amounts in NOK billion



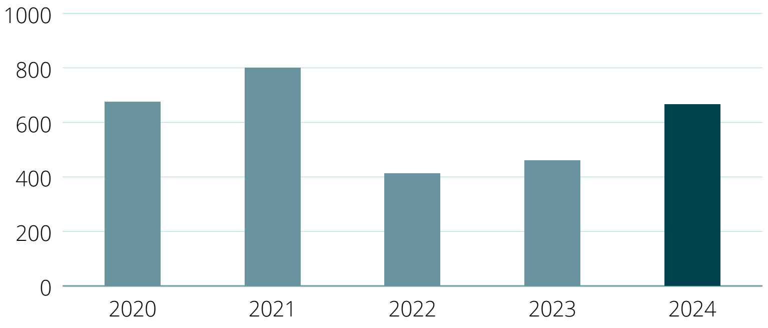
Mortgage portfolio
Amounts in NOK billion



New mortgages
In thousands



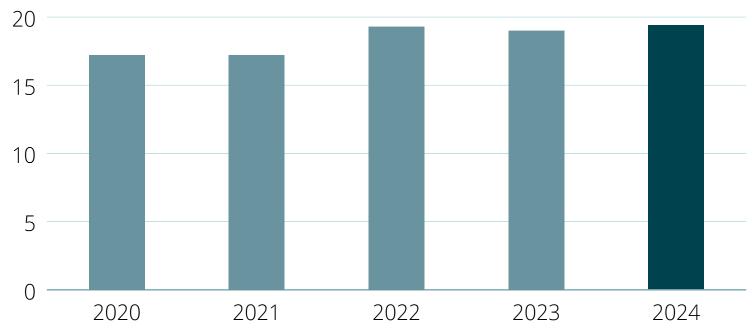
Distributor commissions
Amounts in NOK million



Results and key figures

Capital adequacy ratio[1]

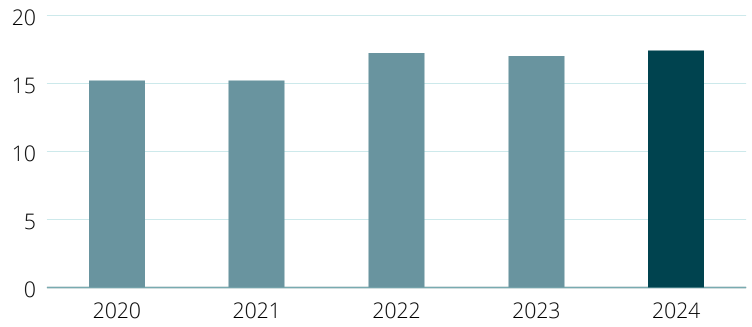
Value in per cent



[1] The company employs the standard method for calculating capital requirements for credit risk.

Common Equity Tier 1 ratio

Value in per cent



Geographical distribution[1]

By county

Agder	7.4%	Rogaland	8.2%
Akershus	17.7%	Telemark	5.0%
Buskerud	4.0%	Troms	1.5%
Finnmark	0.1%	Trøndelag	17.1%
Innlandet	6.0%	Vestfold	4.8%
Møre og Romsdal	4.2%	Vestland	3.9%
Nordland	3.7%	Østfold	7.4%
Oslo	9.0%		

LTV[2]

Specified in per cent and NOK

0-≤40%	NOK	24 904.6	million	23.8%
>40%-≤50%	NOK	17 547.1	million	16.8%
>50%-≤60%	NOK	19 221.7	million	18.4%
>60%-≤70%	NOK	20 148.0	million	19.2%
>70%-≤75%	NOK	11 555.8	million	11.0%
>75%-≤	NOK	11 327.5	million	10.8%

[1] The geographical distribution is based on the portfolio at amortised cost excluding accrued interest.

[2] Eika Boligkreditt does not permit an LTV of more than 75 per cent of the value of the residential property provided as collateral. In subsequent calculations of price trends for housing, statistical methods are used to determine the updated value. Variations could arise during this process between the valuation established by a surveyor/valuer or real estate agent and the valuation determined using statistical methods. The LTV in the table has been determined solely on the basis of statistical methods. This means that the LTV for certain mortgages could exceed 75 per cent.

Corporate social responsibility and sustainability

Sustainability and societal engagement

External impact

Economic growth and prosperity are intrinsic benefits which as many people as possible should have the opportunity to share in. However, activities which contribute much of a positive nature may also have negative aspects. By contributing to growth, new companies, new homes, production and financing in conjunction with the local banks, Eika also helps to reduce greenhouse gas (GHG) emissions, consumption of materials and resources, and pressure on the natural environment.

The cumulative effect of centuries of rising emissions, resource consumption and loss of global biodiversity is reaching a level where people's future livelihoods are under threat. We therefore have a responsibility to reduce the negative consequences of our activities on the world around us in the years ahead in order to ensure that our own wellbeing is not achieved at the expense of coming generations. Nor must our wellbeing come at the expense of the global population's human and labour rights.

Eika has significant opportunities to contribute to sustainable development – and therefore also a great responsibility to ensure the sustainability of its business model. To do so, the group must first understand its impact on the world today.

In 2024, Eika Boligkreditt performed a double materiality assessment (DMA). A DMA assesses a company's impacts on the environment and society (impact materiality) alongside how sustainability issues affect the company's financial performance (financial materiality), Eika Boligkreditt's DMA will form the basis for the company's further sustainability-related efforts and its reporting in accordance with the EU's Corporate Sustainability Reporting Directive (CSRD).

Stakeholder analysis for Eika Gruppen

Banks
- Owners
- Customers
- Distributors

Employees
- In Eika Gruppen
- In the rest of the alliance
- Via partners

Partners
- Suppliers
- Investors
- Partners
- Franchisees

Investors
- Bondholders
- Other external owners
- Rating agencies

Customers
- Of the alliance banks
- Of Eika Gruppen
- Of franchisees in Aktiv
- Via partners

Government agencies
- In Norway
- In Europe

Society at large
- Media
- Interest organisations
- Competitors
- Companies part-owned by EKF
- Academia

Local communities
- Communities where the Eika Alliance is represented

Societal engagement

The local banks in Norway were established to contribute to financial and social sustainability in their respective communities. By creating opportunities for companies, jobs, residential mortgages and savings, they have contributed to vigorous local communities and inclusive economic progress. Both directly and by supporting the efforts of the local banks, Eika's sustainability work builds on more than 150 years of commitment to sustainable development on the part of the local banks, .

Eika's societal engagement is no longer confined to economic and social sustainability. It now involves both safeguarding the local community and overcoming major global problems, such as climate change, loss of biodiversity and lack of respect for human rights. The financial sector plays an important role in the transition to greater sustainability locally, nationally and globally. As one of the largest and most important players in the Norwegian financial sector, Eika is conscious of its duty to make the necessary changes and accept responsibility for the group's impact on the world through its operations and value chain.

The role of the local banks as drivers of growth and development for private customers, businesses and local communities in Norway will be more important than ever in the future. Their advisory services and closeness to customers make them key players in the restructuring of small Norwegian companies, and in securing new economic activity and jobs when unsustainable operations must be replaced. Proximity to their customers also gives the local banks a good starting point for offering relevant products to the growing group of customers for whom sustainability is important.

Eika's stakeholders

Eika has identified its most important stakeholder groups and significant issues for its interaction with these. The most important stakeholders are the local banks, employees, customers, partners, government agencies, investors, local communities and society as a whole. Further important sub-categories of these groups are presented in the stakeholder overview on this page. The stakeholder analysis is the result of a cross-disciplinary collaboration involving all Eika companies, and is endorsed by the group's corporate management and board.

Extensive contacts are maintained through various channels with important stakeholder groups, and the local banks deal with and communicate significant issues of concern to their own customers and communities.

Vision and purpose

Eika's core business strengthens the local banks through good and cost-effective provision of products and services for modern and efficient banking. Eika aims to be Norway's most attractive partner for independent banks. The company's vision – "Eika is the first choice for independent banks" – sums up the company's objective: To ensure strong and caring local banks which can be a driving force for growth and development, on the part of customers and local communities. Its core business thereby supports the moral and ethical compass of the local banks and the social mission that the local savings banks in the Eika Alliance fulfil. The motto is: "Present locally – with people you can meet and forge relationships with. Advisers who create a sense of security between people and an assurance that you are making the financial choices which are right for you."

International and national initiatives supported by Eika

Eika draws on recognised national and international initiatives in its work on sustainability.

- UN Sustainable Development Goals (SDGs)
- UN Principles for Responsible Investment (PRI)
- Eco-Lighthouse
- Guide against Greenwashing
- Women in Finance Charter

UN Sustainable Development Goals (SDGs)

UN SDGs, which represent the world's shared plan for eliminating poverty, combating inequality and halting climate change by 2030. Coming into effect on 1 January 2016, these objectives provide many companies with a roadmap for their strategies on environmental responsibility and corporate social responsibility (CSR).

The group influences several of the SDGs, but recognises that its impact may be greater for some selected targets than for others. Eika Boligkreditt supports the following SDGs and considers that the most relevant approach is to give particular emphasis to:

- **SDG 8**: Decent work and economic growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- **SDG 11**: Sustainable cities and communities Make cities and local communities inclusive, secure, resilient and sustainable.
- **SDG 13**: Climate action Act immediately to combat climate change and its consequences.

To operationalise these sustainability goals, Eika Boligkreditt has established a scorecard with 11 key performance indicators.

For details of how the climate footprint of the residential mortgage business has been calculated, see the separate report prepared by Multiconsult (eikbol.no/Investor-relations/green-bonds). Eika Boligkreditt aims to set a target for the climate footprint of its residential mortgage business. In 2024, Eika Banksamarbeid (EBS) adopted a shared ambition to achieve net-zero emissions at all banks by 2050 at the latest. This enabled Eika Boligkreditt to set similar goals. To support the shared ambition, three goals were set. Thus, each bank shall:

- keep an account of its direct emissions and material categories of indirect emissions for the 2024 financial year.
- establish further sub-goals in line with national and international obligations, and draw up action plans to realise them by the close of 2025.
- annually revise and update its climate accounts, sub-goals and action plans in line with the latest climate research

The goals of the banks will help Eika Boligkreditt set its own sub-goals and implement measures to achieve the goal of net zero emissions in the business by 2050 at the latest.

KPI	Sustainability targets	Status 2024	Status 2023	Target
Employee satisfaction, index 0–100	8	**88**	83	≥80
Sickness absence	8	**7.1%**	5.1%	≤2.5%
Ambition for internal promotion to managerial positions	8	**1 of 1**	1 of 1	Qualitative assessment
Gender balance employees	8	**5/20=25%**	4/19=21.1%	Short-term: ≥30% / Long-term: ≥40%
Gender balance directors	8	**3/6=50%**	2/6=33.33%	40%
Serious HSE incidents	8	**–**	–	–
Alliance satisfaction, index 0–100	11	**88**	86	≥80
Achieve approx. the same credit spread on covered bond financing as comparable issuers would have done with the same tenor, the same issued volume and the same issue date.	11	**0.69 bp**	0.75 bp	< +3 bp.
Percentage of loans with green collateral added to the cover pool	13	**21.4%**	23.4%	≥20%
GHG emissions, CO_2 equivalents from the residential mortgage business	13	**Market-based emissions: 479 500 tonnes CO_2e** **Location-based emissions: 12 100 tonnes CO_2e**	Market-based emissions: 420 000 tonnes CO_2e Location-based emissions: 17 300 tonnes CO_2e	Net zero emissions of greenhouse gases by 2050 at the latest
GHG emissions, CO_2 equivalents from other business activity	13	**20.6 tonnes CO_2e**	12.1 tonnes CO_2e	≤14.9 tonnes CO_2e in 2030, decrease of 50% from a historic average (2012–19)

UN principles for responsible investment (PRI)

Eika Kapitalforvaltning has adopted the UN PRI in order to prepare and formalise its work on sustainable investment. The UN PRI represents the biggest global reporting project for responsible investment, and can be regarded as the global norm for best practice in the area. The principles challenge and inspire enterprises to take further account of environmental, social and governance (ESG) considerations in investment activities. The annual reporting will also be useful for customers wishing to make sustainable choices.

Eco-Lighthouse

The Eco-Lighthouse is a Norwegian national standard for environmental management, with EU recognition. While work on the UN principles deals with the way the world at large is affected by Eika's products, services and value chain, Eco-Lighthouse certification ensures a properly-anchored concentration on environmental management, reducing and handling waste, and energy use and transport, in addition to sustainability processes within the group's own operations and products. In 2021, Eika was certified in accordance with the Eco-Lighthouse scheme's common criteria set as well as the criteria sets for tenants, banking and finance, and insurance. In 2024, Eika underwent a process of recertification. As a result, Eika obtained Eco-Lighthouse certification at its premises in Oslo, Trondheim and Gjøvik for a further three years. Annual climate and environmental reports are also prepared for the business.

Guide against Greenwashing

Eika has signed the Guide against Greenwashing, as one of several measures to firmly entrench how the group will work on sustainability and communicate about its efforts. The guide provides advice on decision-making, and can be a source of new, sustainable ideas and working methods. Eika will give priority to measures which have real impact.

Women in Finance Charter

The Women in Finance Charter aims to help increase the proportion of women in senior positions in Norway's financial sector. Eika recognises the importance of this, and signed the charter in the autumn of 2021. Its goal is for women to hold 40 per cent of its managerial and specialist posts.

Strengthening the banks as a driving force for sustainable growth and development

Eika has the greatest impact on the world at large through the local banks. By raising awareness, enhancing insight and facilitating the banks' sustainability efforts, the group can help to reduce its value chain's actual adverse impacts on the climate/environment and social conditions.

The group will contribute to sustainability work at the local banks in such areas as bank systems and services, customer interfaces, procurement, expertise and insight. This requires that deliveries to the banks accord with ever-growing demands for and expectations of sustainability. Eika will offer relevant courses and competence enhancement for advisers, and communicate well and effectively with the banks about sustainability in the group's products. It will equip the banks to provide good sustainability-related advice and insights to customers, and to communicate relevant requirements in this area to the customer. The banks will receive regular information on where demands and expectations are expected to increase in the future, and Eika will promote experience-sharing within the alliance on the topic of sustainability.

The local banks account for the bulk of the alliance's direct contact with customers and society. Offers to customers, risk management in the customer relationship and other contributions to each bank's local community are important components in the alliance's sustainability work. Eika's contribution is largely indirect, through the provision of systems, tools and expertise to the banks and their staff. With its deliveries, Eika will support the local banks' sustainability-related endeavours, both those directed at their customers and within their own operations.

An important precondition for Eika's ability to strengthen the local banks is the way it discharges its role as a reliable financial player with good management and control.

Important milestones:

- Launch of green residential mortgage products (2020 and 2021).
- Incorporating sustainability assessments in credit evaluations for the banks' business customers, with associated courses and webinars.
- Environment, Social and Governance (ESG) courses for employees throughout the alliance, with several banks making these compulsory for staff members.
- Eika's sustainability week was staged for the fourth time in January 2025. During this event, all employees at Eika Gruppen, Eika Boligkreditt and the local banks are offered daily professional updates, articles and activities. The objective is to increase employees' knowledge of and engagement with sustainability.
- In June 2024, Eika Banksamarbeid (EBS) adopted a shared ambition to achieve net-zero emissions at all banks by 2050 at the latest.
- Launch of support tools to help the banks calculate their financed emissions.
- Project management in support of double materiality analyses (DMAs) and compliance with the EU's Corporate Sustainability Reporting Directive (CSRD).

In 2024, Eika continued its project to help the banks meet their CSRD reporting requirements. Considerable resources have been invested in this project, which aims to develop and implement solutions that will enable the alliance to comply with the new reporting requirements in a structured and efficient manner. The project, which includes 24 banks, represents a strategic measure to build competence, share experience and create shared systems to strengthen sustainability-related reporting throughout the alliance. Eika Gruppen has also supported the banks in connection with the Norwegian Transparency Act, provided advice on sustainability reporting and furnished conversation templates relating to sustainability for corporate advisers, held webinars and otherwise shared relevant insights and knowledge. Priorities are set on the basis of extensive dialogue with the local banks and knowledge about the expectations of customers, investors and the public authorities.

Driver for climate and environment-friendly value creation

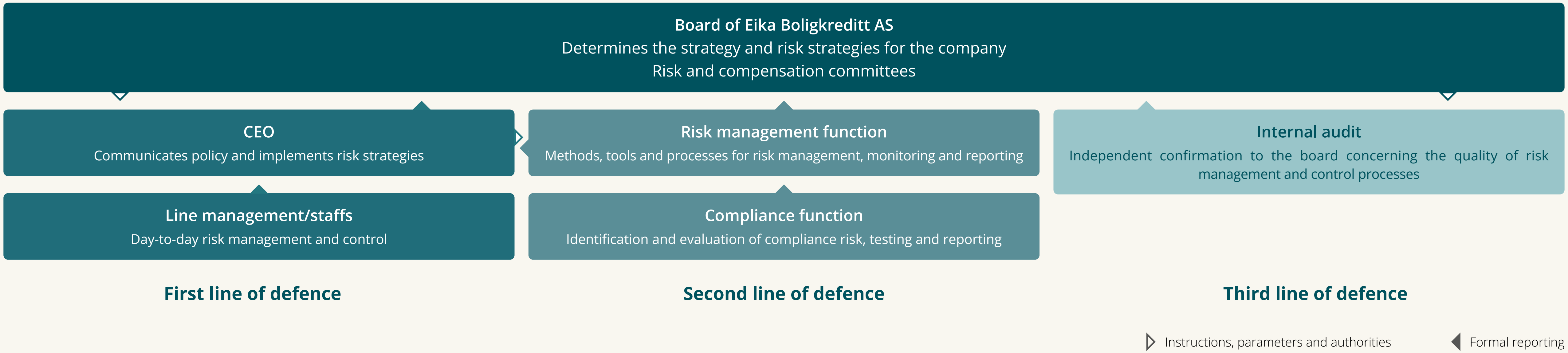
The world is facing an acute climate and environmental crisis. As a financial institution, Eika has great opportunities – and responsibilities – to promote climate- and environment-friendly value creation. Through the design of its services and products, as well as conscious choices for the value chain, the group can reduce emissions and other adverse impacts on the natural environment. The ambition is to comply with the Paris Agreement on net zero emissions in Eika's operations and products by 2050 at the latest, while also respecting the planet's other tolerance thresholds.

Eika prepares annual climate accounting. In the past few years, the group has participated in a working group established by Finance Norway to develop guidance for calculating financed emissions. In 2024, Eika Gruppen helped the banks to set up individual climate accounts. This was one of the goals supporting the alliance's shared climate ambition of achieving net-zero emissions at all the banks no later than 2050.

Management and control

Eika Boligkreditt will be impacted by the increasing focus on and requirements for risk assessment, procedures and reporting in the sustainability area. This includes the EU Taxonomy, the CSRD and a growing focus on sustainability in the capital requirement regulations and the authorities' supervisory practices.

Effective risk management and good internal control are crucial for ensuring that goals are met, and form part of the ongoing management and follow-up of the business. Through good risk management and control, Eika Boligkreditt will be able at all times to identify, assess, deal with, monitor and report risks which could



prevent its attainment of its goals. The company's parameters for risk management and control define its willingness to accept risk and its principles for managing risk and capital. Risk management and control cover all types of risks which Eika Boligkreditt might be exposed to. The way risk is dealt with and controlled depends on its materiality. Risk management covers control, avoidance, acceptance, sharing or transfer of the risk to a third party. Controls embrace the organisation and division of labour, monitoring, reporting, and system-based and manual controls. They also cover values, attitudes, organisational culture, training and expertise, ethical guidelines, routines and procedures.

Eika Boligkreditt has established an independent risk management and compliance function, which continuously monitors and reports on whether risk management is complied with, functions as intended and is kept within approved limits. This function is organised in accordance with the principle of three lines of defence. Eika Boligkreditt's business is subject to extensive legislation, which regulates its various governance bodies and their composition.

Focus areas in 2024

Eika Boligkreditt focuses unceasing attention on money laundering and the financing of terrorism. It has revised its overarching guidelines, performed business-appropriate risk assessments and updated its in-house compliance procedures to encompass everything from risk drivers to control mechanisms.

In 2024, efforts were made to establish a comprehensive framework to safeguard data security at Eika Boligkreditt. New procedures were implemented in February 2024, after the project came to a close.

Changes in the Capital Requirement Regulation 3 (CRR3) have resulted in a new standard methodology for calculating capital requirements for credit risk. The new method is more risk sensitive than the current model, which has a lower capital requirement for loans with a low loan-to-value ratio. In addition, the changes will alter the method for calculating credit valuation adjustment (CVA) risk and operational risk. In 2024, efforts were made to clarify relevant issues which the new regulations may entail.

At the same time, a project was initiated to comply with the EU's Digital Operational Resilience Act (DORA). DORA's purpose is to strengthen the digital operational resilience of financial institutions in the EU/EEA. It includes detailed requirements for digital security and emergency preparedness.

A project is currently underway to implement the EU's new Corporate Sustainability Reporting Directive (CSRD). The main purpose of the CSRD is to push the economic "flow" towards more sustainable business models across the EU. The CSRD amends the Accounting Directive and specifies in more detail what kind of sustainability-related information a company must report on via the various European Sustainability Reporting Standards (ESRS). The first time enterprises will have a legal duty to report in accordance with the CSRD will be in connection with their annual reports for 2025.

Day-to-day management and follow-up

Eika Boligkreditt's vision is to strengthen the local bank. The company's main purpose is to ensure the local banks in the Eika Alliance have access to long-term and competitive funding by issuing covered bonds. An important part of the company's

business concept is to increase the competitiveness of the owner banks by improving their access to external funding in the Norwegian and international financial markets, with regard to the tenor of loans, their terms and the depth of access. Financing through Eika Boligkreditt involves generally longer tenors at a significantly more favourable rate than any of the owner banks could have achieved individually. That is precisely why Eika Boligkreditt has become a strategically important company for the owner banks – a company which contributes to enhanced competitiveness and lower risk exposure.

The strategic direction being taken by Eika Boligkreditt applies the balanced scorecard approach and provides a basis for implementing that approach alongside projects and action plans. In addition, the company prepares budgets and forecasts, financial and non-financial measurement criteria, authorisations, policies and routines which are reported on and followed up as part of the company's management. Action plans and the status of risk and measures are carefully monitored and incorporated in ongoing reporting to management and the board through the year. Eika Boligkreditt is managed in accordance with approved risk

strategies, and guidelines have been developed for risk reviews, which are intended to ensure that the company and outsourced activities manage risk in a satisfactory manner. Eika Boligkreditt's values – reliable, engaged and brave – reflect the fundamental characteristics of the company. Risk management and control in the company are rooted in these values, together with approved strategies. The strategies are further broken down into operational action plans, which provide specifications, priorities, allocation of responsibilities and deadlines. Given the guidance and parameters in the strategy and action plans, risk management and control are built up around and within the business processes established to deliver the strategy. Management and control are thereby tailored to the business processes and specific requirements. This focuses risk management and control on the contribution to value, the commercial benefit and the most significant conditions for meeting the targets.

Role of the board

The board has adopted a set of instructions which set out the rules governing its work and decision-making. Its annual plan covers duties specified in legislation, statutory regulations, official requirements, the company's articles of association and so forth. The board is responsible for determining the company's overall goals and strategies, including risk strategies and risk profile, as well as other key principles and guidelines, in addition to the company's management and proper organisation. The board has established a separate set of instructions for the CEO. Board meetings are held in accordance with the annual plan, and as and when required. The board has appointed risk and compensation committees to prepare matters for consideration in these areas.

Role of the CEO

The CEO conducts day-to-day management of Eika Boligkreditt and is in overall charge of all the company's operations. Responsibility for implementing strategies and policies approved by the board rests with the CEO. The CEO ensures that risk management and control are implemented, documented, monitored and followed up in an acceptable manner, and ensures that the necessary resources, expertise and independence are provided for the risk management and compliance function. In addition, the CEO ensures that Eika Boligkreditt's risks are managed within the board's approved parameters. The CEO must continuously follow up management and control in all parts of the company's business.

Risk management function

The risk management function ensures that management and the board are at all times adequately informed about the company's risk profile through quarterly risk reporting and annual assessments of risk and capital requirements. It is responsible for continued development and implementation of an integrated framework for risk management, and for ensuring that this accords with external and internal requirements. That means policies and strategies must be in place which ensure the company is managed with the aid of goals and parameters for the desired level of risk, and that such policies and strategies are operationalised in an efficient manner. Ensuring clear responsibilities and roles plays a key role in management and control, along with follow-up of compliance through risk parameters and operational guidelines. The risk management function reports on a quarterly basis to Eika Boligkreditt's executive management and board.

Compliance function

The compliance function is charged with identifying and preventing risk posed by failure to comply with the regulations. Compliance risk is part of Eika Boligkreditt's operational risk, defined as the risk that the company incurs government sanctions or suffers financial or reputational loss because it fails to comply with legislation, statutory regulations and/or standards. The compliance function is intended to have a preventive, advisory and monitoring role in the company, with responsibility for plans and testing in accordance with annual risk-based controls. It reports on a quarterly basis to Eika Boligkreditt's executive management and board of directors.

Internal audit function

The internal audit function provides independent confirmation that risk is dealt with in a satisfactory manner and that communication and interaction between the various lines of defence work as intended. It is the company's third line of defence. Eika Boligkreditt's independent internal audit function has been outsourced to PwC. The board approves annual plans for the internal audit function, which reports directly to the board. These reports are considered on a continuous basis by the directors.

IT security

Eika Security is a department which manages incidents related to cybersecurity and cybercrime. Based in Gjøvik, it shares premises with the Eika Service Centre.

All network traffic in Eika is monitored by systems which can pick up and detect malicious activity. Threat actors are constantly coming up with new tactics and techniques to circumvent these protections. This calls for personnel with the expertise to handle incidents and keep systems updated, and who are familiar with the threat picture. Eika Security is staffed by highly competent security personnel who deal with security incidents on a daily basis and who are familiar with the threats directed at the banking sector. The department also works in the area of cybercrime, with all payments made via online and mobile banking monitored to prevent fraud.

Eika Security is also part of an industry collaboration within the relevant disciplines, which means it stays informed at all times on current trends in both security and fraud.

Eika Boligkreditt will be subject to the Digital Operational Resilience Act (DORA) when it is transposed into Norwegian law. Among other things, DORA aims to make enterprises more resilient to cybersecurity threats and sets standards for the assessment and management of ICT risk. The company is working with Eika Gruppen to ensure that it has a robust ICT framework, which is resilient to cybersecurity threats.

Data protection

Eika Boligkreditt processes large volumes of personal data and is subject to the relevant regulations. Requirements for such processing are defined in Norway's Personal Data Act, which implements the EU's General Data Protection Regulation (GDPR). The company has developed guidelines for processing personal data which ensure compliance with the overall parameters in this area. Furthermore, a number of operative routines have been drawn up to ensure compliance with the overall guidelines during day-to-day operations.

The processing of personal data is defined in the GDPR as "any information that relates to an identified or identifiable natural person." This includes, for example, the gathering, recording, collation, storage and transfer of such data, or any combination thereof. The company is required to document how it processes data and the assessments made in relation to this. Company managers are responsible for ensuring that their employees have sufficient knowledge of the regulations and that the guidelines are complied with.

In 2024, a total of two data protection non-conformances were recorded, compared with one in 2023. Neither of the incidents was reported to the Norwegian Data Protection Authority. The Authority has imposed no data protection-related orders or sanctions on Eika Boligkreditt.

Eika Boligkreditt's customers have the right to access their personal data held by the company. A specific routine has been developed for access to personal information stored about an individual. The routine for enquiries from the data subject is intended to ensure that the company complies with its duty to provide information under the individual's right of access pursuant to the Personal Data Act, and in particular that their personal data is protected against unauthorised access. Eika Boligkreditt's website contains information about data protection, including its data privacy policy, and contact details concerning enquiries by the data subject.

Green bond framework

Eika Boligkreditt introduced a green bond framework on 4 February 2021. The framework was updated on 2 October 2024. ING Bank was used as an adviser for the framework, ISS ESG conducted a third-party assessment, and Multiconsult has been the adviser for the climate-footprint analyses of the mortgage collateral in the cover pool that is subject to the framework's reporting requirements.

The purpose of the framework is to finance the most energy-efficient mortgage collateral in the cover pool through the issue of green bonds. Identification of the most energy-efficient mortgage collateral is based on the following criteria:

1. Newer residential properties – built in 2021 or later
   a. Apartments with a calculated primary energy requirement that is at least 10 per cent lower than the requirement for a near-zero-energy building
   b. Other small houses with a calculated primary energy requirement that is at least 10 per cent lower than the requirement for a near-zero-energy building
2. Older residential properties – built in 2020 or before
   a. Residential units with a primary energy requirement among the best 15 per cent. Based on the building statistics for 2023, this includes buildings erected in accordance with the technical building regulations applicable from 2010 (TEK10) and those from 2017 (TEK17), as well as buildings with an energy rating of A or B.

Eika Boligkreditt has identified just over 8 304 residential mortgages, worth a total of NOK 20.7 billion, which meet these criteria. 21.4 per cent of the residential mortgages added to the cover pool in 2024 met the criteria set for energy-efficient residential units. The company has established a strategic target that more than 20 per cent of new residential mortgages will finance energy-efficient residential units.

Clarification of the national definition of a near-zero-emission building was provided by the Norwegian government on 31 January 2023. The EU taxonomy distinguishes between requirements for existing (year of construction 2020 or earlier) and new (year of construction 2021 and later) buildings under the environmental goal of limiting GHG emissions. Where new buildings are concerned,

the requirement in the EU taxonomy is an energy efficiency corresponding to near-zero-emission buildings minus 10 per cent. The distinction in the requirements for new and older buildings is the reason we updated our green bond regulations in 2024.

Eika Boligkreditt has issued its first two bonds within the green bond framework. 57 per cent of the green assets in the company's cover pool have been financed via these two bonds. The green bond framework builds on a portfolio principle, which states that the company must have more green assets in its balance sheet than bonds issued under the framework. The last time Eika Boligkreditt issued a bond under the green bond framework was on 14 September 2022.

Responsible investment

At any given time, Eika Boligkreditt has a substantial portfolio of liquid investments held as part of the requirements it is subject to as a credit institution.

These holdings largely comprise bonds issued by states, banks, financial institutions, local authorities and county councils, in addition to repurchase agreements and deposits in banks with a minimum A-/A3 rating.

Eika Boligkreditt has chosen not to invest in enterprises which the Council on Ethics for the Norwegian Government Pension Fund Global (GPFG) has placed on its list of excluded companies. These fall into the following categories:

- serious violations of human rights
- severe environmental damage
- serious violations of the rights of individuals in war or conflict
- gross corruption
- other serious breaches of fundamental ethical norms
- unacceptable GHG emissions
- cluster weapons
- nuclear weapons
- anti-personnel mines
- tobacco production
- sale of military materials to certain states

More information on companies excluded from investment by the GPFG may be found here: www.nbim.no/en/the-fund/responsible-investment.

Eika Boligkreditt has also chosen to extend its exclusion list to include all companies in the following industries and sub-industries specified by the global industry classification standard (GICS).

- **Coal** – fossil fuels are significant contributors to adverse climate impacts. Coal-based electricity generation makes a negative contribution to the climate as well as being associated with uncertainties over working conditions and safety in many parts of the world. The company also distances itself from the establishment of new coal mines.
- **Tobacco** – globally, tobacco kills more than 7 million people a year (NHI.no). In addition, it imposes huge health costs and lost production revenues.
- **Gambling** – some people suffer serious problems from an addiction to gambling, which often affects families and children. A large, unregulated and highly opaque gambling market exists internationally. In addition, casino and gambling activities pose a high risk of criminal behaviour, such as money laundering and bribery.
- **Arms production** – armed conflicts are a constant threat in large parts of the world. The arms trade also gives rise to corruption and serious human rights abuses. Eika Boligkreditt will actively disassociate itself from all companies involved in producing, trading and/or maintaining nuclear, biological or chemical weapons, cluster munitions or anti-personnel mines. The same applies to producing, trading and/or maintaining important components for such weapons. Exporting arms to areas where human rights are violated is unacceptable. Nor must profits be made from arms sales at the expense of the primary needs of the inhabitants.

Fund management in Eika is pursued under the vision "So we don't invest in just anything". Daily efforts are made to promote sustainability in funds and saving products. This work reflects a long-term strategy and investment philosophy anchored in the UN PRI.

The main purpose of the strategy is to reduce sustainability-related risk in the savings products. It will also ensure that the funds invest in companies which operate responsibly, and which Eika believes offer the best basis for providing a good long-term return for its customers. This also means that Eika does not contribute to financing companies which breach important and fundamental sustainability principles.

Eika Kapitalforvaltning signed the UN PRI in 2021. Together with existing ESG guidelines, this provides a solid foundation and a clear ambition and direction for its sustainability work. Signing the UN PRI commits the company to integrate ESG at all levels in managing and reporting Eika Kapitalforvaltning's activities, and to implement ESG in the savings and investment products Eika manages. The companies in which the companies invest must also provide satisfactory ESG reports. Furthermore, Eika must be an active owner and collaborate with other investors to promote responsible investments.

Eika Kapitalforvaltning's ESG guidelines contain more detailed requirements with respect to the companies and business sectors in which it is permitted to invest. This ensures consistency in the requirements set for the various companies in different markets, and documents that Eika is actually doing what it claims to do. The ESG strategy ensures clearer communication concerning ESG

in Eika's funds and buttresses the goal that the company's funds will, over time, be competitive with respect to ESG, compared with equivalent funds and purely environmental funds. In 2024, 99 per cent of Eika Kapitalforvaltning's investments in shares had in-depth ESG data. In 2023, this figure was 98.5 per cent. The carbon footprint for share investments, measured in tonnes of CO_2 per million USD in revenue, came to 88.0 in 2024, down from 92.1 in 2023. This corresponds to a decrease of 4.1 per cent.

An ESG policy has been drawn up for the liquidity portfolio owned by the alliance banks. This policy is endorsed by 84 per cent of the banks.

Eika Kapitalforvaltning shares information with Eika Boligkreditt about companies and issuers which it has excluded and which do not figure in the list of companies excluded by the GPFG. Eika Boligkreditt also excludes these companies from the management of its liquidity portfolio.

Also excluded via Eika Kapitalforvaltning's investment process are companies that:

- do not endeavour to comply with the following international norms and standards:
- UN Global Compact (UNGC)
- UN Guiding Principles on Business and Human Rights (UNGPs)
- OECD Guidelines for Multinational Enterprises
- have a substantial ESG risk, as classified by Sustainanalytics
- have a high or very high carbon footprint, as classified by Sustainanalytics
- have been excluded by another major Norwegian equity fund manager This is a requirement for the distribution of Eika funds through the associated group's pension savings platform.

More on the guidelines for ethical investment may be found at https://www.eika.no/spare/ansvarlige-investeringer.

Responsible credit

Eika Boligkreditt aims to be a responsible lender and help the local banks adequately fulfil their role as caring advisers for their customers. Responsible lending is important to prevent borrowers assuming greater liabilities than they can service, and to help the local banks support the energy transition by providing their clients with information about sustainability and competitive solutions. Eika Boligkreditt provides residential mortgages to private individuals and mortgages to housing cooperatives. However, its approach to the two customer groups is slightly different.

The fundamental principle of sustainable mortgage lending in the private market is further established in the local banks' sustainable lending strategies and their credit policies with respect to private customers. These requirements are operationalised through Eika Boligkreditt's credit strategy, which describes specific requirements relating to anti-money laundering (AML), the black economy, loan-to-value (LTV) ratio and the customer's risk classification. In this way, the local banks – in partnership with Eika Boligkreditt – help ensure that customers do not take on more debt than they are able to bear.

The local banks also advise customers not to take out loans for certain purposes. This applies, for example, if the customer wishes to borrow money to send to a person or persons unknown, to trigger payment of lottery prizes and inheritances, or other typical scamming methods.

Non-performing engagements

Pursuant to IFRS 9, provision for losses must be recognised on the

basis of the expected credit loss indicated by relevant information available at the reporting date. The retail market is less exposed to losses on lending than other sectors. The company's lending is confined to residential mortgages with a generally low LTV ratio, and is therefore less exposed to loss.

According to Article 178 of the Capital Requirements Regulation (EU) No. 575/2013, an engagement shall be deemed to be in default if a claim is overdue by more than 90 days and the amount is not immaterial (payment default), or if the counterparty is highly unlikely to be able to meet their obligations with respect to the bank (other delinquency). The company had no engagements overdue by more than 90 days at 31 December 2024. Other delinquencies at 31 December 2024 totalled NOK 7.6 million, equivalent to 0.01 per cent of gross lending.

Loss in the accounts is calculated on the basis of the loss model set out in IFRS 9. Non-performing engagements are presented in step 3, where an individual impairment is to be carried out per customer without the use of models. Credit guarantees provided by the owner banks, in combination with the low LTV ratio in the cover pool, reduce the provision for loss. The company has calculated an expected loss on residential mortgages of NOK 2.7 million at 31 December 2024, compared with NOK 4.4 million at 31 December 2023. As a result of credit guarantees from the owner banks, amounting to NOK 1.7 billion at 31 December 2024, the company recognised no accounting loss in the fourth quarter 2024.

Green residential mortgages

The Norwegian banking market is highly competitive. If the banks are to win the competition for customers, Eika Boligkreditt must offer competitive products that encourage customers to behave in a climate- and environment-friendly way. Eika Boligkreditt offers green residential mortgages. This product will be continuously developed to ensure it is always relevant in the market. To qualify for one of our green residential mortgages, the property in question must meet the following requirements: energy class A or B. We offer green residential mortgages in connection with the purchase or construction of environment-friendly homes. At 31 December 2024, Eika Boligkreditt's cover pool contained 1 427 green residential mortgages, with a total of NOK 4.74 billion. Green residential mortgages for the upgrading of existing homes to a higher environmental standard, as well as for environment-friendly initiatives resulting in a reduction in energy consumption of at least 30 per cent, were launched in the first quarter of 2021. These are also included in the above-mentioned figure.

Shared credit handbook

The banks in the Eika Alliance have established a shared credit handbook, whose purpose is to reduce the volume of work and the risk of the individual bank not being sufficiently up to date with respect to compliance with laws and regulations. Eika Boligkreditt and the banks began using the shared credit handbook when it was launched at the start of 2023. The credit handbook is updated regularly and as needed, most recently in the fourth quarter of 2024.

Norwegian Lending Regulation

Both the banks and Eika Boligkreditt are subject to the Norwegian Lending Regulation and follow up their compliance with it. The Lending Regulation's main requirements are:

- **Debt servicing capacity** – the lender must calculate the borrower's ability to service the debt, based on their income and all relevant expenses, including interest and loan principal repayments, and normal living expenses. In assessing the mortgagor's ability to service the mortgage, the mortgagee must allow for an increase of a minimum of three percentage points from the relevant interest rate. The mortgagor's payable interest rate and the increase in the interest rate included in the calculation cannot be less than 7 per cent.
- **Debt-to-asset ratio** – total debt must not exceed five times the mortgagor's annual income.
- **Loan-to-value ratio** – on the date granted, mortgages may not exceed 85 per cent of a reasonable valuation of the residence concerned. With effect from 31 December 2024, this has been amended to 90 per cent of a reasonable valuation of the residence concerned.
- **Instalments** – where a mortgage exceeds 60 per cent of the value of the mortgaged residence, the mortgagee must require an annual repayment of at least 2.5 per cent of the mortgage principal.

The flexibility quota allows a mortgagee to grant mortgages which fall short of the requirements in the Norwegian Lending Regulation for up to 10 per cent of the total mortgages it grants per quarter outside Oslo, and 8 per cent in Oslo. This is followed up and reported at an aggregated level, which means the reporting must cover both mortgages carried on the bank's balance sheet and those which are placed with Eika Boligkreditt.

The Eika School

The alliance has its own Eika School, which is a service for all employees at member banks. Over many years, the Eika School has built up a course programme for bank employees and managers, with a strong focus on active customer care. At the same time, through relevant and targeted tuition, in partnership with the banks and the product companies, students are provided with training that supports Eika's vision as well as broader, sector-wide requirements. The Eika School both produces itself and purchases from third parties training courses relevant for alliance employees. The Eika School offers courses in leadership, anti-money laundering, data privacy and IT security.

Customer complaints

As a general rule, Eika Boligkreditt is not in direct contact with the end customer. By agreement, the bank is the intermediary between Eika Boligkreditt and the customer and thereby the point of contact for the latter. If a customer of the bank wants to make a complaint about aspects of a mortgage held by Eika Boligkreditt, they must do so in writing to the bank. If requested, the bank is required to give the customer information in writing about its complaints-handling procedures, including details about how to complain.

A complaint received by the distributor bank which concerns Eika Boligkreditt must be forwarded in writing to the latter. If the customer has completed the complaint form made available by the individual bank, this is passed on in its entirety to Eika Boligkreditt. The complaint must include the grounds for making it and other possible details relevant to the case.

Eika Boligkreditt has well-established complaints procedures, which are readily accessible to customers. All cases are dealt with by dedicated complaints staff. The banks also conduct quarterly reviews of lessons learnt from complaints in their own internal complaints committees. These assess the need to change policies, routines, marketing and products.

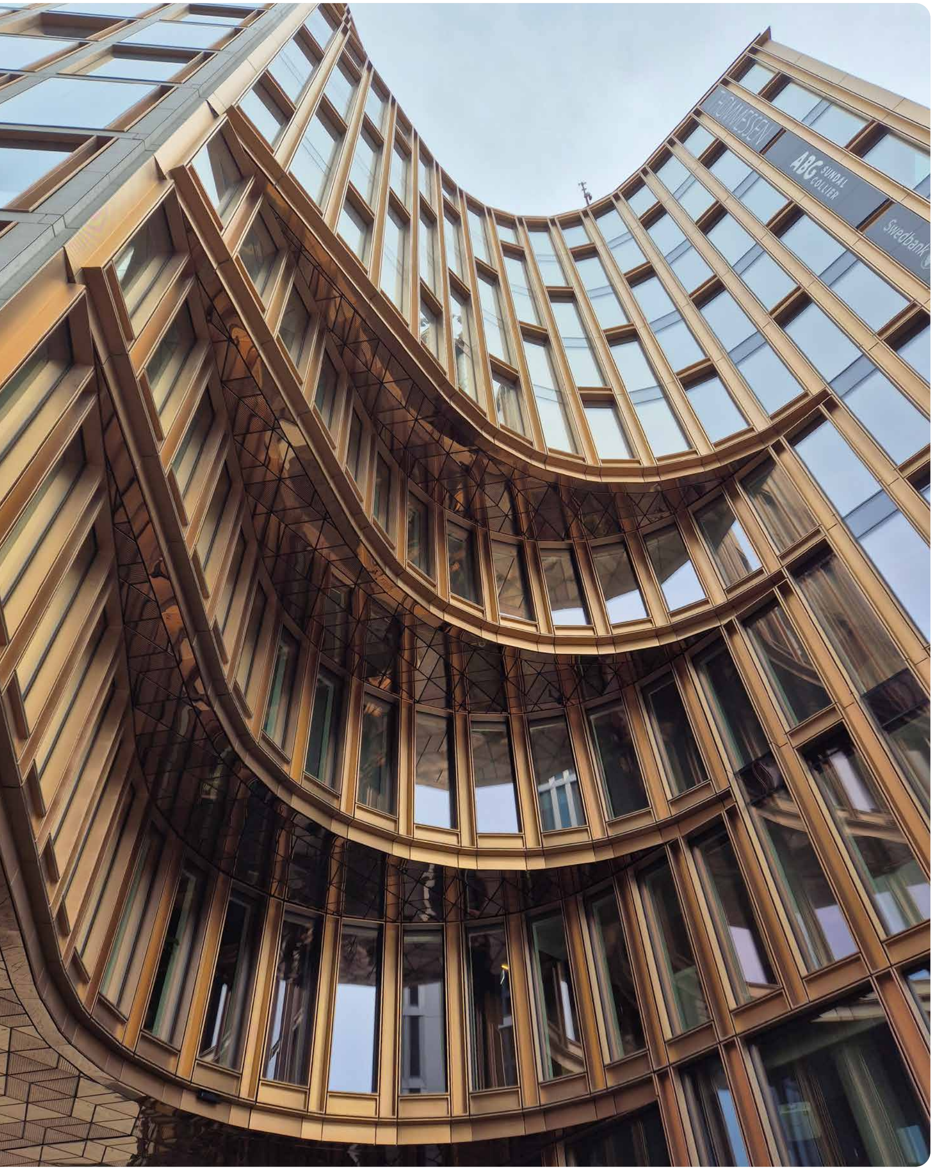
The management system for the product areas is evaluated annually, on the basis of complaints and incidents in the preceding year. There were no customer complaints in 2024, compared with one in 2023.

Loan-to-value (LTV) ratio

As a general rule, loans must be secured with a first preferred mortgage on the main mortgaged property. To the extent that a second preferred mortgage is involved, the sum of the first and second preferred mortgages must not exceed 75 per cent of the mortgaged property's value for residential properties and 50 per cent for holiday homes. At 31 December 2024, the average LTV ratio in the cover pool was 54.0 per cent.

Residence in Norway

The company's credit handbook specifies that, as a general rule, all mortgagors in Eika Boligkreditt must be private customers, but



mortgage finance can also be extended in exceptional circumstances to housing cooperatives. A further condition is that lending must be for residential mortgages, and must therefore be defined separately from commercial finance. Where private mortgagors are concerned, a fundamental requirement is that the mortgage sought can be serviced from income which does not derive from the mortgaged property.

Pursuant to Norwegian law, the mortgagor(s) must be an adult and legally competent at the origination of the mortgage. This means that a mortgagor cannot be under 18 years of age (a minor) or placed under legal guardianship (see section 1 of the Norwegian Guardianship Act). No absolute upper age limit has been set for mortgagors. Mortgagors must also be permanently resident in Norway.

Mortgages for housing cooperatives

Eika Boligkreditt also finances mortgages for housing cooperatives, but these differ in certain respects from ordinary residential mortgages for private individuals. That includes the possibility of a somewhat higher risk concentration. As one of the few issuers of covered bonds offering this type of financing, Eika Boligkreditt has therefore chosen to maintain strict standards related to a good financial position, many residential units and a very low LTV ratio. At 31 December 2024, the average LTV ratio for this type of mortgage in Eika Boligkreditt was 31.0 per cent.

Green residences

Eika Boligkreditt has analysed its cover pool to identify the energy-efficient properties that meet the requirements set in the green bond framework, popularly called "green residences". These criteria are based on building standards, energy certificates and refurbishments which provide a minimum 30 per cent improvement in the unit's energy efficiency. Based on this analysis, there were 8 270 green residential units at 31 December 2024 (8 759 at 31 December 2023), as well as 34 green housing cooperatives, out of a total of 53 964 residential units and 226 housing cooperatives in the cover pool. When analysing the climate footprint of the residential mortgage business, account has been taken of the company's LTV ratio in each residence. This provides a more accurate picture of the company's climate footprint and improvements in energy efficiency. Eika Boligkreditt's overall portfolio had an estimated annual energy requirement of 805 GWh in 2024 (2023: 930 GWh). The mortgage-financed share of the green residences in the cover pool reduced the carbon footprint of the residential units funded by mortgages from Eika Boligkreditt by 8 331 tonnes of CO_2 per annum in 2024 (2023: 9 600 tonnes), compared with if they had been as energy efficient as the average in Norway. Click here to access the full analysis.

Eika Boligkreditt has performed this analysis primarily because measuring the status of the climate footprint of the assets financed by its mortgages represents a first step towards fulfilling an ambition to reduce this footprint for residential units financed by the company over time. The analysis results will provide input to processes under way in the Eika Alliance with the aim of incorporating climate risk and climate footprint in its credit processes. A secondary motive for such an analysis is to provide a key element in a green framework which the company can use for issuing green bonds.

Measuring climate footprint and risk associated with the residences in the cover pool

In 2020, Eika Boligkreditt started working to establish an internal measurement and reporting regime for continuous monitoring of developments both in the climate footprint mentioned above and in the physical climate risk facing residences in the cover pool. The climate footprint of homes in the cover pool is calculated using the method set out in Finance Norway's "Guide to the Calculation of Financed Greenhouse Gas Emissions" for residential mortgages. The guide has been prepared by Finance Norway's central administration in partnership with a number of the organisation's members. The purpose of the guide is to help standardise the way in which Norwegian financial institutions calculate their financed greenhouse gas emissions.

Eika Boligkreditt utilises energy and climate risk data supplied by Eiendomsverdi in its analyses. Every quarter, the residential mortgage portfolio is run against Eiendomsverdi's registers to obtain updated market values for the residences as well as data on such variables as energy class, area, TEC standard and selected environmental factors per residence. Climate risk data provided by Eiendomsverdi are, in turn, sourced from the Norwegian Mapping Authority, the Norwegian Water Resources and Energy Directorate (NVE) and the Norwegian Geotechnical Institute (NGI).

As mentioned in the previous section, both the total climate footprint and the energy saving made by green residences in the portfolio are estimated on the basis of Eika Boligkreditt's LTV share in the residence. If the company finances 50 per cent of the LTV in a residence, for example, its climate footprint is estimated as half of that residence's total footprint. This method is also used to estimate the energy saving from green residences. This method reflects a desire to highlight the marginal climate footprint and energy saving contributed by each mortgage krone covered through Eika Boligkreditt.

The company also works actively to map the physical climate risk posed by the mortgage collateral in its cover pool. This work aims initially to identify which residences are vulnerable to damage today and in the future as a result of natural disasters such as floods, landslides and extreme weather events.

Hazard maps are prepared by the Norwegian Water Resources and Energy Directorate (NVE) for quick clay, flooding and landslides in steep terrain, and by the Norwegian Mapping Authority for storm surges (sea levels). The table below breaks down the overall loan value of the mortgage collateral in Eika Boligkreditt's residential mortgage portfolio by the various hazard zone categories.

Physical climate risk

(Figures in NOK million)		2024	Accumulated
Flood zone		2 808	2 808
Flood zone	20 years	620	620
Flood zone	50 years	143	763
Flood zone	100 years	188	951
Flood zone	200 years	818	1 769
Flood zone	500 years	211	1 980
Flood zone	1000 years	828	2 808
Sea level		1 263	1 263
Storm surge	20 years	660	660
Storm surge	200 years	396	1 056
Storm surge	1000 years	207	1 263
Landslide		657	657
Mountain hazard zone	100 years	29	29
Mountain hazard zone	1000 years	243	272
Mountain hazard zone	5000 years	385	657
Quick clay		3 312	3 312
Hazard level high		253	253
Hazard level medium		1 539	1 792
Hazard level low		1 520	3 312

Where a year is stated in the hazard zone maps, it denotes how often the risk concerned is expected to materialise and affect buildings in this zone. As demonstrated in the overview above, the collateral in the company's portfolio has a relatively low exposure to climate-related risks with the highest probability factor.

In areas where climate change is expected to lead to water levels rising by more than 20 per cent, flood zones corresponding to a 200-year flood in 2100 are drawn up. The company's exposure rises by NOK 677 million (from NOK 1 769 million to NOK 2 446 million), an increase of some 40 per cent. Similar calculations are made for storm surge hazard zones in 2050 and 2090. Exposure to a 200-year storm surge in 2090 is calculated at NOK 1 608 million, which corresponds to a rise of NOK 552 million from today's level of NOK 1 056 million. This is an increase of just over 50 per cent. To help the banks make informed decisions, an overall risk score is awarded on the basis of a comprehensive assessment of all the factors involved. This score makes it easy to compare the risk related to the various properties. The aim is for this to help the banks make sustainable decisions. Eiendomsverdi has allocated a risk score to the various physical risk scenarios, as well as a total risk score for physical risk. The scale runs from zero to 6, with 6 representing the highest level of risk. The score is based primarily on 1) the extent to which the property is impacted, and 2) the probability of the various scenarios coming to pass. Damage from natural perils covered by the Norwegian Natural Perils Pool is distributed pro rata between the member insurance companies in accordance with their market share. This method ensures that individual insurance companies are not heavily impacted by natural disasters. However, this arrangement also prevents premiums being differentiated by the risk posed to real property. The Norwegian Natural Perils Pool was established by the government in 1979. It covers damage to real property as a result of storms, floods, landslides, storm surges, earthquakes and volcanic eruptions. The insurance companies settle claims between themselves through the scheme, while insurance customers deal exclusively with their own insurance provider. Rapid rain bursts have become more common in recent years and are not covered by the Norwegian Natural Perils Pool. According to a report on the climate published by Finance Norway in March 2024, rapid rain bursts have cost almost as much as the damage covered by the Norwegian Natural Perils Pool over the past decade. In the period 2014–2023, compensation for damage caused by natural and weather events totalled NOK 35 billion, CPI-adjusted for buildings and contents. Damage resulting directly from rapid rain bursts is differentiated by price. For example, insurance premiums are higher for houses with flat roofs than for those with pitched roofs. This is because flat-roofed houses suffer more water damage. If rapid rain bursts cause rivers to break their banks, claims arising from such flooding will be settled through the Norwegian Natural Perils Pool.

The Norwegian Mortgagee Guarantee Pool is a collaboration in the insurance sector which aims to safeguard mortgagees (financial or residential mortgage institutions) if a mortgagor has failed to secure the insurance they are required to hold. The guarantee replaces insurance certificates for real property with a normal sales value of NOK 12 million or below, and provides the mortgagee with compensation even if the mortgagor has neglected to secure or maintain insurance. This scheme evens out this risk between the insurance companies. Most companies offering fire insurance are pool members.

According to Eika Boligkreditt's mortgage terms, the mortgaged property must be insured. As a consequence of the insurance pools described above, the general rule is that the financial risk associated with natural perils falls on the insurance sector and that proactive risk management related to physical climate risk for real property should be pursued by the insurance companies rather than by the mortgagee. The exception will be claims made on mortgage collateral where no insurance is in place and which is not covered by the mortgagee guarantee pool. No cases in Eika Boligkreditt have led to identified loss. The company wants the residual physical risk in its residential mortgage portfolio to be low, and feels this has been achieved through a requirement in its mortgage terms that the mortgaged property be insured.

EU taxonomy

The EU taxonomy for sustainable activities is a classification system that defines which activities support a sustainable economic transition. The taxonomy is intended to guide Eika Boligkreditt's efforts to transition its portfolio and is an important element in its endeavours to move the flow of capital in a more sustainable direction. The company will be encompassed by reporting requirements relating to the EU taxonomy with effect from the 2025 reporting year, when it will also be obliged to comply with the CSRD. The reporting that the company has prepared for the year to 31 December 2024 is voluntary.

The taxonomy comprises six overarching environmental objectives, with each objective having a set of sectors and activities with specific technical criteria. These criteria describe how an activity may make a material positive contribution to the environmental objective. The objectives are:

1. climate change mitigation (reduce and prevent greenhouse gas emissions);
2. climate change adaptation;
3. sustainable use and protection of water and marine resources;
4. transition to a circular economy, waste prevention and recycling;
5. pollution prevention and control; and
6. the protection and restoration of biodiversity and ecosystems.

To classify an activity as sustainable, it must meet the following criteria:

- Make a substantial contribution to at least one of the six environmental objective;
- Do no significant harm to any of the other five environmental objectives (Do No Significant Harm or DNSH);
- Comply with minimum safeguards
- Comply with the technical screening criteria established by the EU Commission.

The Green Asset Ratio (GAR) is the primary performance indicator for credit institutions like Eika Boligkreditt. GAR is calculated on the basis of the company's gross assets. The bulk of the company's assets comprise residential property mortgages, which will largely be encompassed by the taxonomy regulations. Other assets also covered are the company's derivatives and substitute assets. Exposure to state and supranational issuers must not be included in the calculation of the company's GAR.

The company's lending portfolio aligns with the environmental objectives to mitigate climate change under the EU taxonomy categories 7.2 Renovation of existing buildings and 7.7 Acquisition and ownership of real property. Lending that aligns with building category 7.2 has been kept out of the company's taxonomy, since it would be difficult to determine that these activities do not cause significant harm to any of the other five environmental objectives.

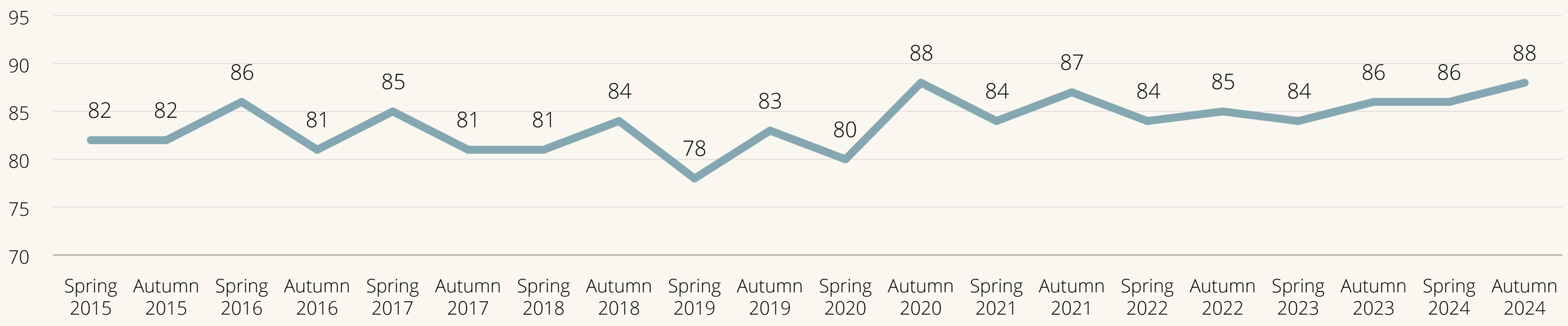
To determine how large a proportion of the residential lending portfolio is taxonomy aligned with building category 7.7, the following method has been used:

- Homes built in or after 2021 must meet the requirement for near-zero-emission buildings, less 10 per cent. Homes larger than 5 000 m^2 are not included in this criterion.
- Homes built before 2021 must have an energy classification of at least A or be among the 15 per cent most energy efficient homes in Norway.

For both criteria, estimated energy classifications have been taken into account. Each year, Multiconsult helps the company to calculate which homes fulfil the criteria for the company's green lending programme. For more information about the methodology used, see: "Report on Green Residential Buildings": https://www.eikbol.no/Investor-relations/green-bonds. This methodology has also been used when calculating Eika Boligkreditt's GAR. Lending with a high climate risk score (6 on a scale of 0–6) is not included in

I am well pleased with the products and services our bank receives from Eika Boligkreditt

Best score is 100



taxonomy-aligned activities when making assessments relating to the Do No Significant Harm (DNSH) criterion.

The table below shows a list of the company's sustainable activities and Green Asset Ratio (GAR).

	2024
Company assets encompassed by the taxonomy – Taxonomy eligible (NOK mill.)	101 375
Company assets compliant with the taxonomy – Taxonomy aligned (NOK mill.)	20 903
Green Asset Ratio (GAR) (%)	17.59

For more information about the EU taxonomy, see the KPI reporting forms in Annex VI on page 115.

Eika Boligkreditt as a supplier

The company has a clear goal of being predictable and providing a high level of transparency with regard to the processes and changes which occur within the applicable parameters. This is achieved in part through good and clear communication and through placing the needs and risk exposure of the banks at centre stage. A high level of availability and good correspondence between promise and performance are also crucial factors. Eika Boligkreditt works actively to maintain a high score in the annual alliance survey, which measures the satisfaction of the owner banks with the company's deliveries in terms of product and service quality.

Measures are given priority where areas for improvement have been identified. Eika Boligkreditt's ambitious goal for overall satisfaction by the owner banks is a score of 80 points or more out of 100. The most recent assessment, carried out in the autumn of 2024, gave the company a score of 88 points.

Financial crime

Eika Boligkreditt regards combating financial crime as an important part of its CSR. The purpose of this work in financial institutions is to protect the integrity and stability of the international financial system, undermine the funding of terrorism, and make it harder for criminals to benefit from their crimes. As a credit institution, Eika Boligkreditt has a statutory reporting obligation pursuant to the anti-money laundering (AML) regulations and is also subject to the statutory regulations relating to economic and other sanctions. In its collaboration agreement with the owner banks, the company has outsourced the implementation of customer measures and associated services related to the AML and sanctions regulations in order to ensure that its obligations pursuant to these regulations are discharged by the owner banks as distributors. Eika Boligkreditt has established policies to combat money laundering and the funding of terrorism as well as internal routines for continuous follow-up of customer relationships and transactions in order to identify possible suspicious transactions pursuant to the AML regulations. The company has established electronic monitoring which regularly provides notification of suspicious transactions. These are then followed up, initially with the relevant bank, and if necessary reported to the National Authority for Investigation and Prosecution of Economic and Environmental Crime in Norway (Økokrim). The company reported 26 cases to Økokrim in 2024. Eika Boligkreditt has appointed its own AML officer, who has special responsibility for following up the AML and sanctions regulations.

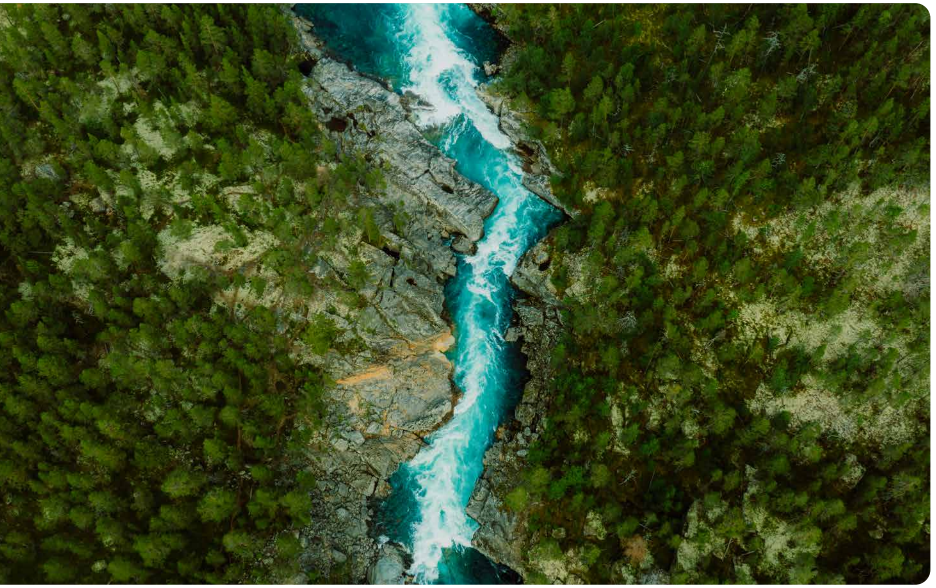
Employees, equal opportunities and diversity

Eika Boligkreditt had 20 permanent, full-time employees at 31 December 2024. In addition, the company has an agreement with Eika Gruppen to purchase services in a number of areas. Eika Boligkreditt's mortgage customers are primarily serviced by the owner banks. The working environment is regarded as good, and no personal injuries or occupational accidents were recorded in the workplace during 2024.

The Eika Alliance has a common digital learning platform (learning management system – LMS), which makes courses and training programmes available to employees. Its own curricula and the finance industry's certification schemes form the basis for the alliance's goals on and responsibility for developing employee competence. Together with good adviser practice, the industry's procedures and rules as well as the bank's personnel manual form the basis for policies, guidelines and commitments.

The Eika Alliance belongs to the certification scheme for financial advisers, which requires the use of specific programmes for employee development.

Performance and development reviews, as well as competence surveys are important instruments for ensuring employee follow-up



and professional development. The company's personnel manual specifies that all employees will discuss their development and performance with their immediate superior twice a year.

Eika Boligkreditt strives to maintain a good internal working environment and to ensure that employee rights are safeguarded. This is achieved through extensive cross-departmental work and information flow where appropriate. An employee satisfaction survey (MTU) is also conducted annually. The survey measures performance in 12 different areas. The average score in 2024 was 88, with sub-sector scores ranging from 77 to 94. Survey scores have been very high, and the findings are reviewed and evaluated with a view to further improvements.

In order to be an attractive employer, Eika Boligkreditt offers or covers the cost of a number of benefits over and above those required by law:

- The company covers the difference between full pay and benefits paid by the Norwegian Labour and Welfare Administration (NAV) while on parental leave.
- The company practises flexible working hours.
- Employees are covered by employer's liability, health and travel insurance paid by the company.
- The company belongs to the AFP early retirement scheme.

Overall sickness absence in 2024 amounted to 7.1 per cent of total hours worked, including long-term sick leave. Eika Boligkreditt aims to be a workplace which:

- is forward-looking and development-oriented.
- contributes to resolving important social challenges.
- contributes to higher participation in work.
- increases value creation and provides a competitive working environment.
- reflects the expectations of the market and society, and is open to new business opportunities.

As a result, the company works actively, purposefully and in a planned manner to promote equal opportunities and prevent discrimination, regardless of gender, pregnancy, parental or adoption leave, carer responsibilities, ethnicity, religion, beliefs, disabilities or medical conditions, union membership, social background, age, political affiliation or sexual orientation. The company's policy includes regulations on equal opportunities which aim to prevent discriminatory treatment in such areas as pay, promotion and recruitment.

Average female pay as a percentage of the male average is as follows:

All employees	
Women	62%
Specialists and support functions	
Women	95%

Women earn on average 62 per cent of the average salary paid to men in the company. This constitutes a pay gap of 38 per cent. The sub-category "specialists and support functions" comprises 15 full-time equivalents, of whom five are women. Here, women earn on average 95 per cent of the average salary paid to their male counterparts. The remaining five employees are members of the company's executive management team (five men). Lower average pay for women in the company reflects differences in length of service and level of responsibility. The company also has relatively few employees, which may produce substantial variations in average pay for each group.

Eika Boligkreditt has concluded a company-specific agreement in addition to the main agreement and the central agreement negotiated between Finance Norway and the Finance Sector Union of Norway. The company agreement covers all employees except the CEO and other senior executives. 15 per cent of the company's employees are members of the Finance Sector Union of Norway. Most of the company's senior executives are men (five men and no women). Among specialists and support functions, there are 10 men and five women. As described above, Eika Boligkreditt aims to promote equality and diversity. Its specialised mandate on behalf of the owner banks requires leading-edge expertise. Most of the company's employees therefore have higher education, and qualifications corresponding to a master's degree are sought when recruiting staff.

Because it also has relatively few directly-employed personnel, Eika Boligkreditt has chosen the following KPIs in relation to equality and diversity – gender balance for employees in the company in the short term ≥ 30 percent and in the long term ≥ 40 percent, gender balance in the board at 40 percent, and an ambition of internal promotion to senior positions where qualitative assessments are made.

One internal promotion was made in 2024. At the end of the year, women accounted for 25 per cent of the workforce and 50 per cent of the board. All other things being equal, it would be desirable to increase these proportions when making new appointments and when electing new directors. This could help to increase the gender balance in the company's management, control bodies and board sub-committees.

Three new employees joined the company in 2024 and one employee resigned their position. The age and gender composition was as follows:

Appointments	< 30 years	30–40	41–50	< 50 years
Women	1	–	–	–
Men	–	2	–	–

Resignations	< 30 years	30–40	41–50	< 50 years
Women	–	–	–	–
Men	–	1	–	–

Since one employee resigned their position in 2024, the staff turnover at Eika Boligkreditt came to 5.2 per cent. At the close of 2024, Eika Boligkreditt employed 20 FTEs.

The age distribution between women and men by job category breaks down as follows:

Senior executives	< 30 years	30–40	41–50	< 50 years
Women	–	–	–	–
Men	–	–	1	4

Specialists and support functions	< 30 years	30–40	41–50	< 50 years
Women	1	2	–	2
Men	3	5	2	–

Board members	< 30 years	30–40	41–50	< 50 years
Women	–	–	–	3
Men	–	–	1	2

Ethics and anti-corruption

Along with the rest of the Eika Alliance, Eika Boligkreditt depends on maintaining public trust and a good reputation. A great responsibility accordingly rests both on the company and on the individual employee to act ethically towards customers, owner banks, investors, partners, colleagues and the world at large. The purpose of the ethical guidelines (code of conduct) is to describe the company's ethical standards.

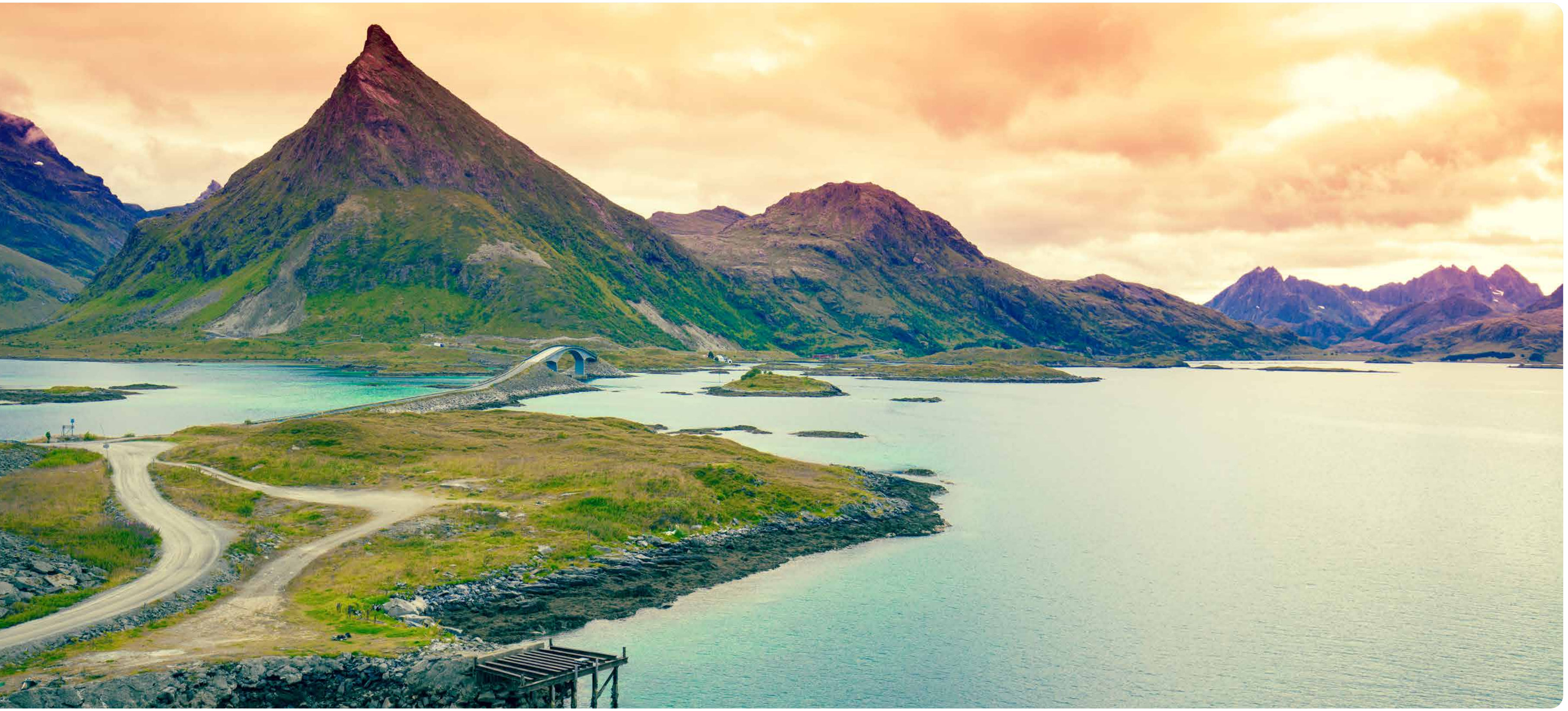
All Eika Boligkreditt's employees must behave and work in compliance with applicable legislation, statutory regulations and internal guidelines. They are all expected to perform their work in an ethical and socially acceptable manner, and in line with the company's core values of being reliable, engaged and brave.

In any given situation, the ethical response is often not entirely clear cut. As a possible guide, the following questions should be answered with an unqualified "yes":

- Would I dislike it if management and my co-workers found out about this?
- Could this in any way undermine trust in Eika Boligkreditt or the alliance if it were to be reported in the media?
- Could the action conflict with the interests I am charged with protecting as an employee of EBK, or be perceived as a benefit I am receiving by virtue of my position?

The guidelines regulate such matters as the individual employee's relationship with customers, suppliers, competitors and the world at large. All employees must avoid forming any kind of dependent relationship with customers or business connections, and must be fully conscious of attempts at corruption or forms of influence-peddling. The ethical guidelines make the company's zero tolerance of corruption clear, and employees must in no circumstances give or receive any form of inappropriate benefit – direct or indirect – through or in connection with Eika Boligkreditt's business operations. All new employees are required to familiarise themselves with the ethical guidelines as part of their induction process. Click here to access the guidelines.

In addition to the ethical guidelines, the company has established a separate whistleblowing policy. Eika Boligkreditt believes that



openness and good communication in the organisation promote the workplace culture. The company therefore wishes to facilitate a corporate culture where wrongdoing (also known as censurable conditions) and irregularities are reported, discussed and resolved. The whistleblowing procedure, which complies with the requirements of Norway's Working Environment and Transparency Acts, helps to support an open culture where trust and dialogue prevail between employees and managers. This procedure is updated as required to comply with new provisions for notifying irregularities in the business. Its purpose is to reduce the risk of internal wrongdoing and to take care of the employee's right and duty to voice their concerns and blow the whistle on censurable conditions in the workplace. The procedure can therefore help to promote respect for fundamental human rights and decent working conditions in the company. Examples of irregularities which could form the basis for whistleblowing are provided in the procedure. These include inappropriate behaviour, corruption, illegal acts, financial crime, unethical or damaging activity, or breaches of other ethical norms, fundamental human rights and decent working conditions. The whistleblowing procedure also makes provision for employees to notify anonymously if they so wish. Eika Boligkreditt received no whistleblowing notifications in 2024. A breakdown of the whistleblowing notifications received in the past three years is presented below.

Notifications received	2022	2023	2024
No.	1	–	–

Environment- and climate-friendly operations

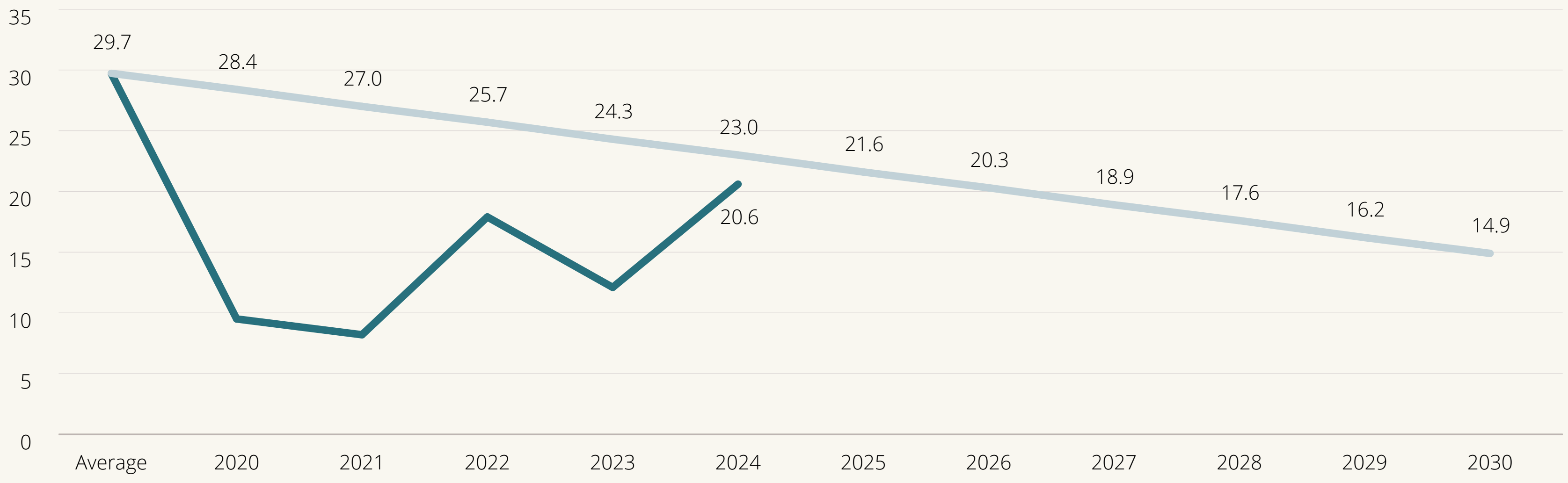
Eika Boligkreditt wishes to have the smallest possible adverse impact on the natural environment, and entered into an agreement in 2013 with Cemasys.

The company leases premises from Eika Gruppen, which obtained Eco-Lighthouse certification for its offices for the first time in 2021. Among other things, the Eco-Lighthouse scheme sets standards for HSE, procurements, energy consumption and waste management. Eco-Lighthouse certification must be renewed every three years. Eika Gruppen was recertified in 2024.

The owner banks are widely spread geographically, which has been a contributory factor in Eika Boligkreditt's extensive and growing use of video and web conferencing in connection with training and information flow. This not only safeguards the environment but also reduces unnecessary travel time and strain in a busy day.

Goal annual GHG emissions towards 2030

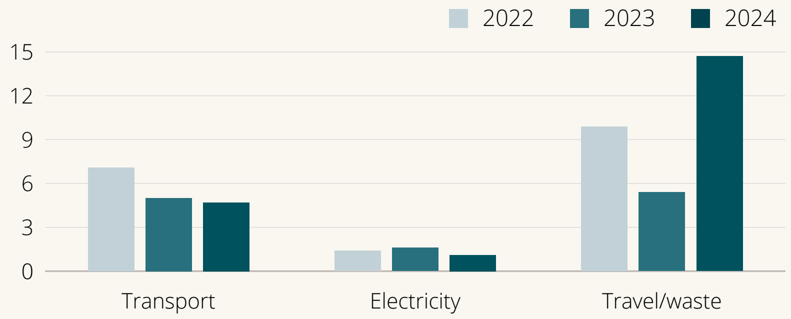
Tonnes of carbon equivalent



Annual GHG emissions

Tonnes of carbon equivalent

	2022	2023	**2024**
Transport	7.1	5.0	**4.7**
Electricity	1.4	1.6	**1.1**
Travel/waste	9.9	5.4	**14.7**
Total	18.4	12.1	**20.6**



Eika Boligkreditt has a conscious attitude to the use of paper and electronic templates and documents, as well as to postage costs. Reducing paper consumption to a necessary minimum is a clear objective.

Overviews of the company's GHG emissions and energy consumption have been prepared for 2022, 2023 and 2024. These analyses are based on direct and indirect usage related to Eika Boligkreditt's activities. The company's total GHG emissions in 2024 are estimated to equal 20.6 tonnes of CO_2 equivalents. This represents an increase of 70 per cent compared with 2023. The change relates primarily to an increase in business travel. The board has established a management indicator for the company's overall GHG emissions (Scope 1, Scope 2 and Scope 3 business travel and waste), in which the desired development trajectory represents a 50 per cent reduction in emissions in the years to 2030 compared with the average for the period 2012–2019. Click here to access the full analysis. The company includes its funded emissions in the climate analysis.

To ensure that the goal for 2030 is reached, the company has specified an annual sub-goal. This was set at 23 tonnes of CO_2 equivalents for 2024. The climate footprint provides a general overview of the organisation's GHG emissions, converted into tonnes of CO_2 equivalents, and rests on information sourced from both internal and external systems. This analysis has been conducted in accordance with the GHG Protocol Initiative (GHG Protocol), an international standard developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). It ranks today as the most important standard for measuring an enterprise's GHG emissions. The protocol divides the amounts released into three main segments or scopes, which include both direct and indirect emissions. Reporting takes account of the following GHGs: CO_2, CH_4 (methane), N_2O (nitrous oxide), SF_6, NF_3, HFCs and PFCs.

Responsible procurement

Eika Boligkreditt has established a procurement policy which requires all purchasing agreements entered into to include documented CSR. The policy also covers the purchase of goods and services for use by Eika Boligkreditt. Eika Gruppen has established procurement procedures that also cover purchases made on behalf of Eika Boligkreditt.

The company's procurement must accord with the following general principles:

- Purchases must be environment-friendly and sustainable, and must focus on the product's lifespan and lifecycle, for example with respect to recycling.
- The company must ensure that contracts for the purchase of goods and services are entered into on the best possible terms, and its purchases must be as cost-efficient as possible.
- Eika Boligkreditt must maintain the integrity of its procurement processes in relation to applicable regulations, and primarily make purchases on the basis of competitive tendering.
- Procurement processes must meet requirements for equal treatment, predictability, transparency and verifiability.
- In its procurement processes, Eika Boligkreditt must ensure that no questions can be raised concerning conflicts of interest arising from the relationship between its employees and the supplier company or their personal interests. The company has established a policy for dealing with conflicts of interest.

Eika Boligkreditt's suppliers must comply with national and international legislation and regulations, as well as internationally recognised principles and guidelines. These include provisions related to human and labour rights, the environment, corruption, AML and the funding of terrorism. They must also see to it that any subcontractors comply with the same principles and rules.

Suppliers must self-certify that they comply with the obligations specified in the guidelines, and have a duty to notify Eika Boligkreditt in the event of actual or suspected breaches of these. Breach of these provisions may be grounds for cancelling the contract concerned. Click here to access the guidelines.

Eika Gruppen is both a major supplier to Eika Boligkreditt and the local banks, and responsible for substantial procurements on their behalf. Eika Gruppen is certified in accordance with the Eco-Lighthouse scheme. Part of the certification process relates to procurement processes and suppliers. As a result of the Eco-Lighthouse certification of Eika Gruppen AS, a substantial proportion of purchases made in the Eika Alliance will be quality-assured to this standard.

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. Due diligence may be described as a process where a company identifies, prevents, restricts and accounts for its handling of existing and potential negative consequences of its business. Such assessments must be carried out regularly and be proportionate to the undertaking's size and nature, the context in which it operates, and the level of seriousness and probability of negative consequences for fundamental human rights and decent working conditions. 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 value chain or business partners.

Eika Boligkreditt has a low risk profile, and its business is conducted exclusively in Norway, with strict requirements applied for environmental protection and social rights. The company wishes to contribute to sustainable development of the environment, people and society, which includes taking responsibility for fundamental human rights and decent working conditions being respected in connection with its business. Eika Boligkreditt's suppliers and business associates provide written confirmation that they will comply with its procurement policy. Furthermore, business associates receive a questionnaire when a commercial relationship is established, which is reassessed regularly and ensures that Eika Boligkreditt is able to conduct a detailed survey of the associate's impact. Due diligence assessments by the company have not identified actual negative consequences or significant risk of such outcomes for fundamental human rights and decent working conditions in the business.

The due diligence processes are broadly entrenched in the company, and all managers provide annual confirmation that the requirements of the Transparency Act have been met in their area of activity. Overleaf, you can read the company's statement on due diligence, pursuant to the Norwegian Transparency Act.

Eika Boligkreditt AS'

Statement on due diligence pursuant to the Norwegian Transparency Act

for 1 January–31 December 2024

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

a. Organisation

Eika Boligkreditt is a credit institution which, at 31 December 2024, was owned by 56 banks. Its main purpose is to ensure that 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 47 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 respective market areas. Collaboration through the alliance provides them with substantial economies of scale. The Eika Alliance is therefore one of the biggest players in the Norwegian financial market and an important corporate citizen in many local communities in Norway.

An important aspect of Eika Boligkreditt's business concept is to increase the owner banks' competitiveness and reduce their risk. At the close of 2024, the banks had transferred a total of NOK 104.7 billion in residential mortgages to Eika Boligkreditt, thereby easing the banks' own financing requirements by an equivalent amount.

Eika Boligkreditt had 20 permanent employees at 31 December 2024. In addition, the company has entered into an agreement with Eika Gruppen AS concerning the purchase of services in a number of areas.

b. Products and services

The company's main purpose is to ensure that its 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 mortgage 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 its owner 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, while helping to ensure that their customers achieve competitive residential mortgage terms, by securing competitive financing for its owner banks.

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

Eika Boligkreditt is subject to the Norwegian Transparency Act, which went into force in 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 to confirm in writing that they comply with the company's guidelines. 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. 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.

The company's Whistleblowing Policy has been adopted to ensure transparency and good communication within the organisation, which also promotes a good corporate culture. Eika Boligkreditt wishes to facilitate a corporate culture where wrongdoing (also known as censurable conditions) and irregularities 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 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.

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 this 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 have been 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. New 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

As mentioned above, Eika Boligkreditt has several internal guidelines which describe the whistleblowing procedures the company applies in different situations. The whistleblowing procedures are updated as required to take account of new provisions for reporting suspected wrongdoing in the enterprise.

Third parties wishing to report wrongdoing or make a complaint can send their submission to Eika Boligkreditt at compliance.ebk@eika.no. Eika Boligkreditt's contact details may always be found at the bottom of the company's website www.eikbol.no, or at www.eikbol.no/Contact-us/Address.

2. Negative consequences and risk

In 2024, the company's due diligence processes did not identify any actual negative consequences, or material risks thereof, with respect to 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's due diligence assessments show a consistently low risk for all the evaluated risk factors/areas. Since the company has exclusively identified a low risk, this is also reflected in the level of the investigations and inquiries that it has found necessary to perform. The company conducts annual due diligence assessments, and all managers provide confirmation that the requirements of the Transparency Act have been met in their areas of activity.

3. Initiatives

The company has not identified any actual negative consequences, or material risks thereof, with respect to fundamental human rights and decent working conditions in the reporting period. The company has therefore not been obliged to take steps to deal with cases involving negative consequences or material risk.

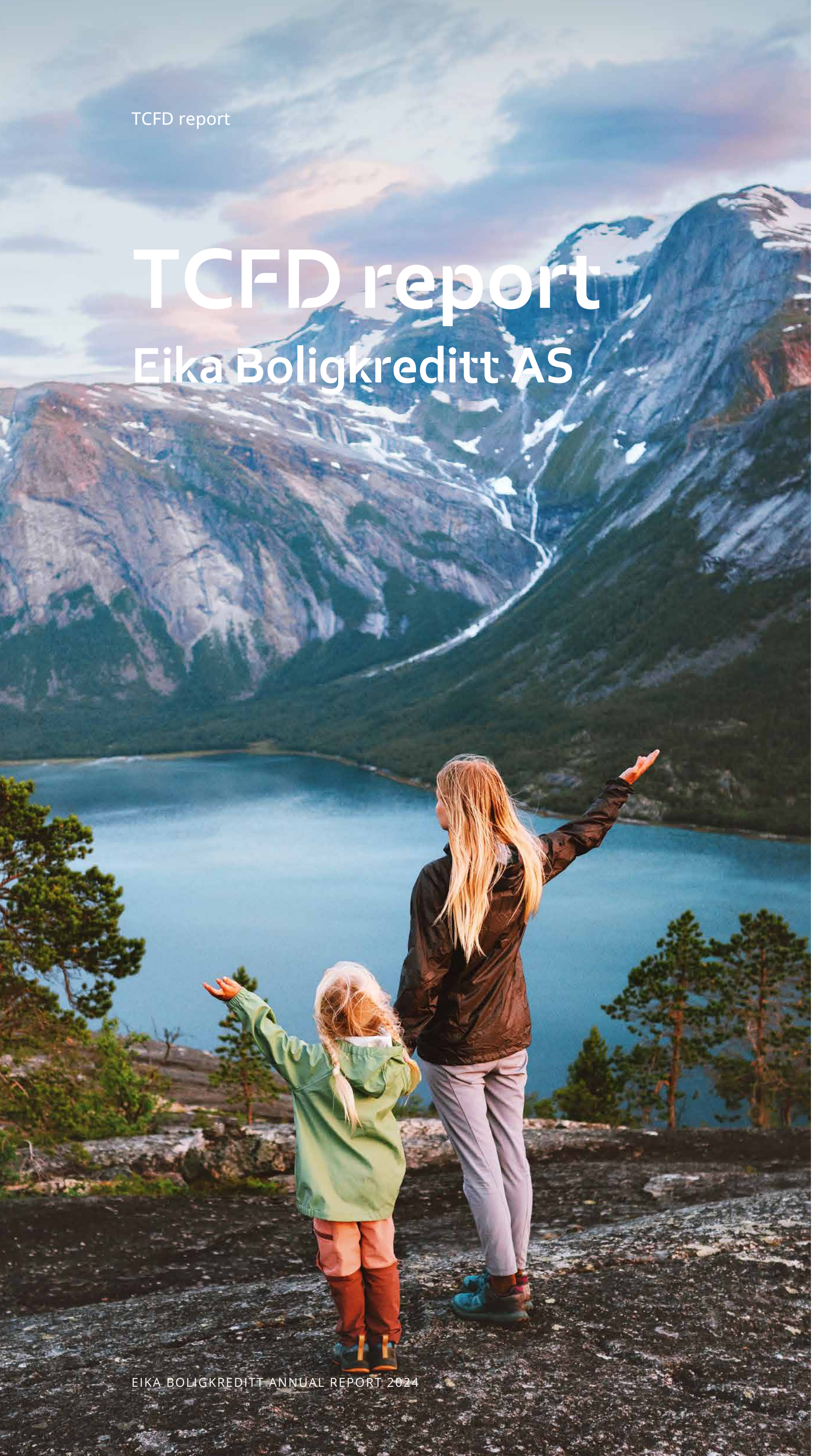
The company's due diligence assessments show the risk relating to all the risk areas evaluated areas is low. The fact that the company operates exclusively in Norway, where there are high environmental and social standards, also contributes to its low risk profile.

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: compliance.ebk@eika.no.

This statement on due diligence was considered and adopted by the Board of directors on 12 March 2025.

Rune Iversen *Chair*	Geir Magne Tjåland	Terje Svendsen	Gro Furunes Skårsmoen	Lena Jørundland	Kristin Steenfeldt-Foss	Odd-Arne Pedersen *CEO*



Climate and climate risk

Sustainability and climate risk have attracted increased attention in recent years. Good sustainability reporting is needed so that the company's clients, owner banks, investors, partners, workforce and other stakeholders can assess the impact of the business on society and the environment, and how sustainability influences its risk assessments and decision-making processes.

Together with the local banks in the Eika Alliance, Eika Boligkreditt has put climate risk on the agenda with a goal of reducing the climate footprint (CO_2 emissions) of both its residential mortgage portfolio and its own activities.

Eika Boligkreditt wishes to work towards several of the UN Sustainable Development Goals (SDGs), which represent the world's shared plan for eliminating poverty, combating inequality and halting climate change by 2030. It has chosen SDG 13 – act urgently to combat climate change and its impacts – as a priority area and roadmap for its strategy. Promoting this goal is relevant because it is here that the company and the Eika Alliance can apply their influence and take action to help reduce CO_2 emissions.

Climate risk is particularly prominent in three areas where the banking and finance sector can play an important role:

Physical risk, costs related to physical harm caused by climate changes such as rapid rain bursts, surface water runoff, flooding and landslide damage to buildings and infrastructure, as well as failing harvests.

Transition risk, the economic risk associated with the transition to a low-emission society, such as new laws and regulations limiting the use of natural resources or pollution pricing.

Liability risk, compensation claims directed, for example, against businesses which have failed to take the necessary decisions to reduce negative climate changes.

Task Force on Climate-related Financial Disclosures (TCFD)

To be able to describe its climate risks and opportunities in greater detail, Eika Boligkreditt is working to identify how it can reduce its greenhouse gas (GHG) emissions in the coming years. The company has therefore chosen to report in accordance with the TCFD's recommended framework for climate reporting. This leading global disclosure optimisation tool was published by the Financial Stability Board (FSB) in 2017. Its objective is to obtain standardised information for banks, financial institutions and other stakeholders on significant financial risks and opportunities related to climate change and the transition to a low-emission society.

The TCFD proposes that businesses report how they take account of climate risk in strategy processes and how this risk is identified, measured and managed. Reporting is recommended in four areas: governance, strategy, risk management, and metrics and targets.

Governance

Disclose the organisation's governance around climate-related risks and opportunities.

A. Describe the board's oversight of climate-related risks and opportunities.

CSR and ESG have been considered at the board's strategy meeting since 2018. Climate risk has also been on the agenda at board meetings since 2020 in connection with strategy discussions and to establish systems for measuring the climate footprint. The board also incorporated climate risk in its risk strategy in 2020, and chose SDG 13 – act immediately to combat climate change and its consequences – as a focus area.

Eika Boligkreditt's board of directors has also discussed climate and sustainability risk in connection with the company's internal capital adequacy assessment process (ICAAP) and publication of its Pillar 3 disclosure.

Climate risk will continue to be a topic for the company's board, where specific targets for KPIs related to CO_2 reductions in the company's residential mortgage business will also be set. Eika Boligkreditt aims to set a target for the climate footprint of its residential mortgage business. In 2024, Eika Banksamarbeid (EBS) adopted a shared climate ambition to achieve net-zero emissions at all banks by 2050 at the latest. This enabled Eika Boligkreditt to set similar goals. To support the shared ambition, three goals were set. Thus, each bank shall:

- keep an account of its direct emissions and material categories of indirect emissions for the 2024 financial year.
- establish further sub-goals in line with national and international obligations, and draw up action plans to realise them by the close of 2025.
- annually revise and update its climate accounts, sub-goals and action plans in line with the latest climate research

The goals of the banks will help Eika Boligkreditt set its own sub-goals and implement measures to achieve the goal of net zero emissions in the business by 2050 at the latest.

The risk committee, which prepares matters for consideration by the board, places emphasis on climate risk in quarterly reviews of the company's risk reporting. This reporting utilises the results of relevant climate scenarios when calculating climate risk, including the proportion of the residential mortgage portfolio included in the various hazard-zone categories. The proportion of green residences in the cover pool is also reported.

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.

A. Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long terms.

The business is exposed to climate risk primarily through its residential mortgage portfolio in the form of physical and transition risk to properties included in the company's cover pool. Physical risk relates to the extent to which a residential property held by Eika Boligkreditt as collateral in its cover pool is exposed to such climate changes as sea-level rises, floods, landslides and extreme weather, which could damage the properties and thereby cause the value of the mortgaged property to decline. Transition risk could involve government or market requirements which cause a fall in the value of properties with high energy consumption or a large climate footprint. The company could also be exposed to liability risk following compensation claims related to decisions, or failure to make decisions, which in one way or another can be related to climate policy or climate changes.

Through the distribution agreement, Eika Boligkreditt has contracted out the role of loan intermediary to the owner banks. This means that it is the owner banks as distributors who have all communication and contact with the customer. They are also responsible for ensuring that necessary services are provided, so that Eika Boligkreditt's obligations pursuant to applicable regulations are handled by the owner banks.

As distributors, the latter have an important role in raising customer awareness about how energy-efficient homes can contribute to sustainable development and reduce the climate footprint by offering green residential mortgages. The most energy-efficient residences can be offered such financing on more favourable terms for customers. Green mortgages are therefore expected to attract more customers. In that way, the banks reward good choices while also helping to make homebuyers in general more aware of the significance of energy efficiency. An energy-efficient home uses less power, thereby reducing electricity bills, which benefits the homeowner's personal economy.

Risk management

Disclose how the organisation identifies, assesses, and manages climate-related risks.

A. Describe the organisation's processes for identifying and assessing climate-related risks.

In connection with its annual updating of the company's risk strategy, the risk and compliance department has also conducted an analysis of climate-related risk. The board of Eika Boligkreditt has considered and approved the risk strategy. The following assessment of physical and transition risk has been made in the strategies for credit risk on loans and for financing risk.

Strategy for credit risk on loans

The business is exposed to climate risk in its residential mortgage portfolio. This takes the form of transition and physical risk, primarily through the properties accepted as collateral by the company when providing a residential mortgage. Government or market requirements could lead to a fall in value for properties with high energy consumption or a large climate footprint. Physical risk from climate change could damage properties, which may in turn increase the likelihood of defaults because of financial loss and the reduction in the value of the mortgaged property. Typically, this will apply to damage to the mortgage collateral where no insurance is in place and the mortgage collateral is not covered by the mortgagee guarantee pool.

Strategy for financing risk

Climate risk is attracting ever greater attention from financial investors. A perception that Eika Boligkreditt or the Eika Alliance is particularly exposed to transition risk could be significant for the price and availability of financing. In this way, climate risk – including transition risk – could represent a financing risk for the company.

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

A. Describe the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

Work on sustainability and CSR in Eika has already had a positive effect on the way its sustainability efforts are assessed by rating agencies. It is therefore also expected to strengthen the company's reputation with investors, banks and so forth. But much work remains to be done in terms of setting specific goals and defining KPIs for monitoring the attainments of goals in this area within Eika.

In order to slow climate changes, the natural long-term goal for Eika Boligkreditt is to be climate neutral in accordance with the Paris Agreement. As a first step, it has established an ambition to gradually reduce GHG emissions from its internal operations by 50 per cent in the years to 2030, compared with the average emission level in the period 2012–2019. The company will also set further goals in the longer term as well as associated measure for ensuring climate neutrality in the long term. The main aim of the latter is to keep global warming below 2°C, and preferably limit the rise in temperature to 1.5°C.

Eika Boligkreditt wants to operate in an environmental and climate-friendly way, with the smallest possible adverse impact on the natural environment. The company has therefore carried out an analysis of green residences in its cover pool with the aim of reducing CO_2 emissions from the residential mortgage portfolio. Another goal is to reduce the climate footprint of Eika Boligkreditt's own activities, measured through a separate environmental report – with energy and climate accounting supplied by Cemasys.

Governance

B. Describe management's role in assessing and managing climate-related risks and opportunities.

Each department manager in Eika Boligkreditt is responsible for identifying and implementing measures to ensure prudent risk management in the sustainability area for their department. The company has chosen not to produce a separate risk management strategy for sustainability, but instead to incorporate this aspect as an integrated part of the various risk management strategies and routines in its work processes. Eika Boligkreditt believes this to be the best way of ensuring adequate progress and driving implementation in its sustainability efforts. The risk and compliance department also has a responsibility to check that the risk framework is being complied with as specified in company's risk strategy.

To enable specific target levels to be set for the annual rise in CO_2 savings from the residential mortgage portfolio and in the company's internal operations, Eika Boligkreditt must be able to measure its footprint continuously for both residential mortgages which enter the cover pool and activities related to its internal operations. Quarterly measurement of the lending business's climate footprint was implemented in 2020. The banks' establishment of sub-goals in line with national and international obligations could, in the longer term, enable Eika Boligkreditt itself to set its own goals and implement emission-related measures in its residential mortgage portfolio.

Annual measurements of the company's internal climate footprint have been conducted since 2012. In 2020, it was decided that the internal climate footprint should be reduced by 50 per cent in the years to 2030, from a benchmark defined as the average for the years 2012–2019.

Strategy

B. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.

Eika Boligkreditt can obtain long-term green financing in the international financial market. The company has issued two successful green covered bonds, the first in June 2021 and the second, worth EUR 500 million, in September 2022.

These are bonds where Eika Boligkreditt, as issuer, guarantees that the money borrowed will be used for green residential mortgages or investments, thereby helping to reduce the CO_2 footprint.

A green mortgage is a mortgage granted for a green residence. In other words, it is not the mortgage itself that is green, but the home or mortgaged property to be financed. A green residence is defined by Eika Boligkreditt as particularly energy-efficient – in other words, it uses little electricity or other energy source in relation to its floor area. Other definitions of a green residence exist, such as being constructed of particularly climate-friendly materials or upgraded by its owner with new insulation or heating technology which makes an old, energy-inefficient home more energy-efficient. For more information about what qualifies as an energy-efficient home in Norway, see the section "Green bond framework" under "CSR and sustainability". Eika Boligkreditt has identified 8 304 residential mortgages, worth NOK 20.7 billion, as meeting these criteria. 21.4 per cent of the residential mortgages added to the cover pool in 2024 met the criteria set for energy-efficient residential units. The company has established a strategic target that more than 20 per cent of new residential mortgages will finance energy-efficient residential units.

The difference in interest rates between green and ordinary covered bonds is currently small. However, this differential may increase in the future if continued growth in demand for green assets increases the price difference. Furthermore, establishing a green framework is deemed to reduce risk for the company. This is primarily because it provides broader access to investors, which in turn helps to lower the issuer risk when the company offers green covered bonds. It is in any event important for the climate that attention be focused on energy-efficient homes, since this can help to make both customers and investors more aware of residential property's climate footprint.

Several Norwegian banks are active in the market for green covered bonds, and a substantial volume of these have been issued for financial players in Norway. Investor appetite for buying green bonds has been good, and the market appears to be well-functioning. Many investors in the international market also wish to buy these instruments. In 2021, the EU introduced new and stricter regulations for what may be called a sustainable fund, and other regulatory changes are on the way in this area. This could encourage even more people to buy green bonds. A number of customers want to place their savings with funds which invest in green enterprises. Demand for green bonds is therefore expected to rise in coming years.

Risk management

B. Describe the organisation's processes for managing climate-related risks.

Eiendomsverdi can carry out analyses to identify which Norwegian homes lie in areas exposed to risk of flooding, landslides and sea-level changes. Climate risk data provided by Eiendomsverdi are, in turn, sourced from the Norwegian Mapping Authority, the Norwegian Water Resources and Energy Directorate (NVE) and the Norwegian Geotechnical Institute (NGI). For an additional description of physical climate risk, see the section on measuring the climate footprint and risk associated with the residences in the cover pool in the presentation on sustainability and societal engagement. Running the mortgage collateral in the cover pool against Eiendomsverdi every quarter makes it possible to identify, quantify and estimate the value of residential mortgages exposed to physical risk. With this information about the mortgaged property, the company can handle climate-related risk in its ongoing work and can describe what this could mean for its residential mortgage business and strategy for credit risk. Eika Boligkreditt can also take the necessary decisions to counteract, restructure, control and accept these risk factors. Although its energy sources largely involve climate-friendly hydropower, there is still much to be gained from greater energy efficiency. When less power is used to heat homes and offices, more clean electricity is available for other purposes, such as the electrification of cars and pleasure boats or industries based on clean power. As distributors, the owner banks therefore play an important role for Eika Boligkreditt's credit risk by making customers aware of how energy-efficient homes can contribute to sustainable development and reduce climate risk.

Provision has been made in the credit portal for distributors to grant green residential mortgages. Applicable to energy-efficient homes, these are a separate product in the Eika credit portal.

Metrics and targets

B. Companies should report Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.

The company describes its measurement of the climate footprint of the residences in its cover pool and prepares a climate accounting for its own activities on the basis of analyses carried out in accordance with the GHG Protocol. See the description in the chapter on environment- and climate-friendly operation in the separate section on sustainability and societal engagement which forms part of Eika Boligkreditt's annual report for 2024. The climate accounting can be divided into three levels or scopes which comprise both direct and indirect emission sources. The company has defined the following reporting for the three scopes:

Scope 1
Mandatory reporting of emission sources relates to business assets under the company's operational control. This includes reporting related to emissions which result from transport requirements with both owned and leased vehicles.

Scope 2
Reporting here is mandatory. Reporting typically covers indirect emissions related to purchases of electricity and energy for heating/cooling. Where Eika Boligkreditt is concerned, this applies to leased vehicles and office premises it sublets from Eika Gruppen.

Scope 3
Voluntary reporting of indirect emissions related to purchased goods or services. These are emissions which can be tied indirectly to the company's activities, but which are outside its own control and are therefore indirect. Scope 3 reporting will cover GHG emissions both from the company's residential mortgage portfolio and from its own climate footprint through air travel, hotel accommodation, transport and waste.

Governance

Strategy

C. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Incidents such as cloudbursts, stormwater runoff, floods, landslides, extreme weather, increased precipitation and inundations may damage residences, which can in turn reduce the value of mortgage collateral in the cover pool and increase capital requirements. Government and market expectations and requirements related to the energy consumption or climate footprint of residences could also cause their value to fall.

Eika Boligkreditt started mapping the climate risk of mortgage collateral in the cover pool in 2021. When the Financial Supervisory Authority of Norway produces a framework for relevant scenarios to be used in scenario analyses and stress tests for climate risk, the company will conduct analyses of it climate risk, seek to implement their findings in its risk management, and set parameters for the amount of climate risk it can accept. The company will then be able to highlight both transition and physical risk if mortgage collateral in the cover pool is exposed to climate change.

Risk management

C. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.

The company's strategy requires sustainability (ESG) and climate risk to be included as a permanent feature of its risk management in all business areas. Together with the local banks in the Eika Alliance, Eika Boligkreditt has placed climate risk on the agenda, with the aim of eventually reducing the climate footprint (CO_2 emissions) of the company's residential mortgage portfolio.

Good risk management and control will ensure that Eika Boligkreditt is able to identify, assess, manage, monitor and report risk which could prevent it reaching its targets. Each department manager is responsible for ensuring responsible risk management and for seeing to it that climate-related risk is integrated in the various risk strategies and other relevant areas. The company's risk strategy is updated and approved by the board at least once a year. The risk strategy provides overall guidelines for the priority areas and sets out the principles for risk management and internal control in the company. The strategy describes Eika Boligkreditt's risk universe and specifies its overall risk profile.

The company's risk management is crucial for its ability to reach strategic goals in the various priority areas. The risk strategy reveals that Eika Boligkreditt is exposed to various types of risks. Climate risk covers many aspects – from the physical climate risk to the financial risk associated with the transition to a low-emission society. To this must be added the liability risk associated with compensation claims because the company has failed to take the necessary action to reduce its climate footprint.

The business is currently in the process of identifying, assessing and dealing with climate-related risk. Eika Boligkreditt regards climate risk as a key area in its risk management. Going forward, the company will ensure it has the resources needed to focus even more intently on this issue in its future work on reducing the climate footprint. At the same time, climate risk is also expected to be considered at the board's strategy meetings, and be the subject of training courses and professional seminars.

The Eika Alliance initiated an ESG project in 2023, with a view to implementing the EU's new Corporate Sustainability Reporting Directive (CSRD). The objective of the project is to ensure that the Eika Alliance is equipped to implement CSRD reporting no later than the date on which it becomes compulsory, in connection with the 2025 annual report. The CSRD introduces mandatory reporting requirements as well as a set of European Sustainability Reporting Standards (ESRS). The project will focus on the extent to which the company's operations impact the world around it and which impacts the various sustainability topics have on the company's financial results. The primary purpose of the ESRS is to ensure the meaningful and standardised reporting of sustainability-related information by companies, specified by risks, opportunities and impacts.

Metrics and targets

C. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

The company's efforts in the area of climate-related threats rest on SDG 13 – act immediately to combat climate change and its consequences.

Within this SDG, the company has chosen two appropriate KPIs:

1. The share of green mortgaged property added to the cover pool will exceed 20 per cent.
2. By 2025, Eika Boligkreditt will reduce its own climate footprint by 50 per cent from the average for the years 2012–2019. This development trajectory means that GHG emissions from its own activities will total less than 14.9 tonnes of CO_2 in 2030.

Eika Boligkreditt will also determine sub-goals for CO_2 in its lending business in conjunction with such targets being set by the owner banks.

The company may also set several different sub-goals for reducing its climate footprint. Eika Boligkreditt's targets and follow-up with respect to reducing CO_2 emissions from the residential mortgage portfolio and its own climate footprint are described in the chapter on environment- and climate-friendly operation in the section on CSR and sustainability.

In both its ICAAP and Pillar 3 disclosures, the company's capital targets are assessed as being sufficient to manage its climate and sustainability-related risks.

In the short term, the transitional risk with respect to climate risk in the lending portfolio is considered to be low. The physical risk is also considered to be low, due to the existence of good natural hazards insurance arrangements and the fact that climate change will have only modest impacts in the short term.

Efforts are currently being made to obtain information on climate risk for residential property in order to improve the precision of future assessments.

Directors' report

Financial highlights 2024

101 million
Pre-tax profit of NOK 100.7 million, compared with pre-tax profit of NOK 116.2 million in 2023.

776 million
Net interest income in 2024 totalled NOK 775.8 million, compared with NOK 601 million in 2023.

127 billion
At the close of 2024, the company had total assets of NOK 126.6 billion, compared with NOK 121 billion a year earlier.

666 million
Distributor commissions to the owner banks totalled NOK 665.9 million in 2024, compared with NOK 459.7 million in 2023.

114 billion
Total borrowing portfolio of NOK 114.3 billion, a net increase of NOK 3.7 billion or 3.3 per cent from 31 December 2023.

54 per cent
The average loan to value (LTV) for the entire cover pool was 54 per cent.

6.5 per cent
Total financing (nominal value) stood at NOK 104.7 billion, a net increase of NOK 6.4 billion or 6.5 per cent from 31 December 2023.

19.4 per cent
At the close of 2024, the company's capital adequacy ratio stood at 19.4 per cent, compared with 19 per cent a year earlier. The capital adequacy ratio is calculated in accordance with the standardised method specified in the CRR/CRD IV regulations.

Board of directors' report 2024

The company's business

The nature of the business

Eika Boligkreditt's main purpose is to ensure the local banks in the Eika Alliance (owner banks) have access to long-term and competitive funding by issuing covered bonds. An important part of the company's business concept is to increase the competitiveness of the owner banks by improving their access to external financing in the Norwegian and international financial markets with regard to tenor, terms and depth. The company's business purpose also includes reducing risk for the owner banks. At 31 December 2024, the owner banks had received total financing in the amount of NOK 104.7 billion from Eika Boligkreditt and had thereby reduced their need for market financing on their own account by a corresponding amount.

The company is licensed as a credit institution and authorised to raise debt in the market through the issuance of covered bonds. Norwegian regulations for covered bonds were adopted in 2007, and this type of bond has become an important source of financing for the lending activities of banks and credit institutions.

Concentrating funding activities related to covered bonds in Eika Boligkreditt has secured the owner banks in the Eika Alliance a player in the bond market with the necessary wherewithal to obtain competitive terms in both Norway and internationally. With total assets of NOK 126.6 billion, the company ranks as one of the largest bond-issuing credit institutions in Norway.

Ownership structure

Eika Boligkreditt was demerged from Eika Gruppen AS in May 2012, and became directly owned by the local banks in the Eika Alliance and the OBOS housing association. In conjunction with the changes to the ownership structure, a shareholder agreement was entered into with all the owners. The agreement included the stipulation that ownership of the company is to be rebalanced on an annual basis. With effect from 2024, this has been changed to twice a year. This will ensure an adjustment so that the holding of each owner bank corresponds to its share of the bank financing from the company. OBOS exited as an owner in connection with the rebalancing of the ownership structure in April 2024. This followed OBOS's buyout of its remaining portfolio in September 2023.

Agreements on liquidity and capital support

Agreements were entered into in 2012 to regulate support for liquidity and capital respectively from the owner banks to Eika Boligkreditt. This liquidity support is regulated by an agreement concerning the purchase of covered bonds which came into effect on 10 May 2012. The agreement comprised a primary liability and a secondary liability. Each owner bank's primary liability with respect to liquidity is limited to its pro rata share of the issued amount, which is calculated on the basis of each owner bank's share of the company's bank financing. Should one or more owner banks fail to fulfil their liquidity liability pursuant to the agreement, the liquidity liability of the other owner banks may be increased to an amount no higher than twice their original pro rata share. This is the secondary liability.

During the second quarter 2024, the terms of the agreement with the owner banks were renegotiated in order to ensure that the purchase obligation does not actually increase the owner banks' future capital requirement. In the revised agreement, the secondary liability has been removed and the owner banks' primary liability is limited such that the total amount of covered bonds issued under the liquidity support agreement cannot exceed 20 per cent of the total amount of the covered bonds issued by the company. The main features of this agreement are that the owner banks, for as long as they have residential mortgage portfolios in the company and under given circumstances, are committed to provide Eika Boligkreditt with liquidity. To the extent that covered bonds have been purchased by the owner banks under the liquidity agreement and have not been redeemed, these are deducted from the calculation of each owner bank's outstanding liquidity liability.

Capital support from the owner banks is regulated by a shareholder agreement dated 10 May 2012. This includes a commitment by the owner banks that, under given circumstances, they will have to provide the company with the capital required to maintain the company's tier 1 capital and total capital ratios at levels required or recommended by the Financial Supervisory Authority of Norway. The present capital targets, which have applied from 31 December 2023, are set at a minimum of 14.78 per cent for the Common Equity Tier 1 capital, 16.37 per cent for the Tier 1 ratio, and at least 18.50 per cent for the total capital ratio. The individual owner bank's capitalisation obligation is primarily limited to its pro rata share of capital issues, calculated on the basis of each owner bank's share of the company's bank financing. Should one or more owner banks fail to fulfil their capitalisation obligation pursuant to the agreement, the capitalisation obligation of the remaining owner banks can be raised to an amount no more than twice their original pro rata share. The agreement regarding the purchase of covered bonds and the shareholder agreement can be terminated under certain conditions.

Rating

Covered bonds issued by Eika Boligkreditt have an Aaa rating from Moody's Investor Service (Moody's).

The rating status for covered bonds issued by Eika Boligkreditt is robust. These now have an Aaa rating with a rating buffer of three notches on the rating scale, in the event of a downgrading of the issuer rating/CRA. This means that the rating assessment of the owner banks and the strength of their support for Eika Boligkreditt, as reflected through the issuer rating, can be reduced from A3 to Baa3 while Eika Boligkreditt will retain a covered-bond rating on its covered-bond programme corresponding to Aaa.

In its Euro Medium Term Cover Note (EMTCN) programme, Eika Boligkreditt has pledged to maintain an overcollateralisation of at least 2.75 per cent. However, the precondition for an overcollateralisation below five per cent is that the Aaa rating for the bonds is maintained. The latest available update from Moody's shows an overcollateralisation requirement consistent with the Aaa rating of 2 per cent. This requirement has come down by 2 percentage points, from 4 per cent, after our issuer rating was upgraded to A3 in October 2023. Section 11-7 of the Regulations relating to Financial Institutions, which came into effect on 8 July 2022, requires overcollateralisation of at least 5 per cent of the value of covered bonds in the cover pool. The 5 per cent requirement is calculated on the basis of nominal values (nominal value of hedged foreign exchange rates, not including accrued interest), while the company's own holding of covered bonds is also taken into account. At 31 December 2024, overcollateralisation stood at 8.88 per cent (based on nominal values excluding retained bonds). The owner banks have provided guarantees against defaults on transferred residential mortgages.

Development of bank financing

At the close of 2024, the owner banks had a total financing (residential mortgages to customers in nominal value without accrued interest) from Eika Boligkreditt of NOK 104.7 billion. This represents an increase of NOK 6.4 billion or 6.5 per cent over the year, exclusive of changes in the fair value of residential mortgages. Standalone residential mortgages accounted for 97.1 per cent of the mortgages in the cover pool, with mortgages to residential cooperatives accounting for the remaining 2.9 per cent. Standalone residential mortgages also include mortgages for holiday homes. The share of mortgages granted to housing cooperatives has decreased from 3.3 per cent to 2.9 per cent through 2024. The average loan-to-value (LTV) ratio for the mortgages in the cover pool was 54.9 per cent, based on the value of the properties at origination. Adjusted for subsequent price developments affecting the mortgaged objects, the average LTV ratio for mortgages in the company's cover pool was 54.0 per cent at 31 December 2024. Since Eika Boligkreditt's funding activity began in 2005, the company has experienced no defaults exceeding 90 days, provisions for loss or losses related to its mortgage business. Guarantees issued by the owner banks reduce the risk of loss.

About the Eika Alliance

The Eika Alliance comprises 47 local banks, the Eika Gruppen financial group and Eika Boligkreditt. The Eika Alliance has total assets of approx. NOK 550 billion and employs around 2 200 full-time equivalents at 197 bank branch offices. The Eika Alliance is therefore one of the biggest players in the Norwegian financial market and an important contributor to many Norwegian local communities.

Customer satisfaction with banks in the Eika Alliance is among the highest in Norway for both private and corporate customers. That reflects a conscious commitment to a good customer experience through personal service and advice, an intelligent bank for day-to-day transactions and a genuine combination of local presence and comprehensive digital solutions.

Developments in the alliance collaboration

The Financial Supervisory Authority of Norway has approved Haugesund Sparebank and Tysnes Sparebank's application to merge. Both banks are members of the Eika Alliance. The merger process has taken somewhat longer than originally anticipated because the swap ratio between the banks had to be renegotiated to properly safeguard the interests of Haugesund Sparebank and Tysnes Sparebank's owners. The swap ratio has now been agreed and the plan is for the banks to merge on or before 1 September, but no later than the close of the third quarter 2025.

On 15 May, Skudenes & Aakra Sparebank and Eika Gruppen signed an agreement that will result in the bank joining the Eika Alliance by the end of 2025. The agreement is contingent on the approval of the Financial Supervisory Authority of Norway. The bank is currently affiliated with DSS and is the second bank to leave DSS and join Eika in the past year.

Sandnes Sparebank and Hjelmeland Sparebank merged on 1 August. The merged bank is now called Rogaland Sparebank. Rogaland Sparebank is the largest bank in the Eika Alliansen.

Skue Sparebank and Hjartdal og Gransherad Sparebank merged on 1 August. The merged bank is known as Skue Sparebank.

On 9 January 2024, the merger was agreed between Eika Forsikring and Fremtind Forsikring. The agreement was endorsed by the companies' respective owners Eika Gruppen, SpareBank 1 Gruppen and DNB Bank. The merger was carried out as a business transfer, with the merged company now called Fremtind Forsikring. As a result, Eika Forsikring has been transferred to Fremtind and has ceased to exist as a separate brand. After completion of the transaction, Fremtind Holding AS has the following shareholder structure: SpareBank 1 Gruppen AS 51.44 per cent, DNB Bank ASA 28.46 per cent and Eika Gruppen AS 20.10 per cent. Fremtind Holding AS is a subsidiary of SpareBank 1 Gruppen AS. The transaction was completed on 1 October 2024.

SpareBank 1 Østlandet and Totens Sparebank merged as planned on 1 November 2024, with SpareBank 1 Østlandet as the acquiring bank.

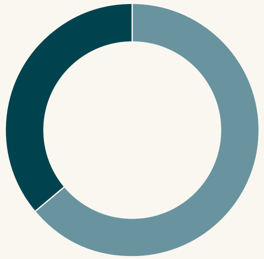
On 9 December 2024, the Financial Supervisory Authority of Norway consented to the merger of Marker Sparebank and Eidsberg Sparebank. The merger was implemented on 3 February 2025, with the merged bank now called Marker og Eidsberg Sparebank. Both banks were members of the Eika Alliance. The merged bank will have business capital of close to NOK 19 billion.

On 19 December 2024, the general meetings of Sunndal Sparebank and Romsdal Sparebank approved the plan to merge the banks that had been adopted by their boards of directors on 14 November. The merger remains contingent on the approval of the Financial Supervisory Authority of Norway. Both banks are members of the Eika Alliance. Based on figures at the close of the second quarter 2024, the merged bank will have business capital of around NOK 18 billion.

Issues by sector
(Amounts in NOK million)

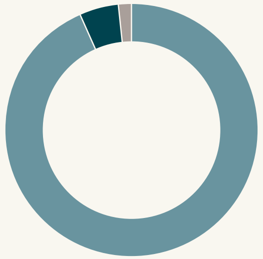
	2024	2023	2022
Covered bonds (issued in EUR)	**5 715**	5 922	10 194
Covered bonds (issued in NOK)	**9 120**	7 500	14 200
Senior unsecured bonds (issued in NOK)	**800**	1 000	–
Subordinated loans (issued in NOK)	**250**	–	375
Total issued	**15 885**	14 422	24 769

Issues by currency
(in NOK mill) in 2024



NOK	10 170
EUR	5 715

Issues by sector
(in %) in 2024



Covered bonds	93%
Senior unsecured bonds/certificates	5%
Subordinated loans	2%

On 7 January 2025, Eika Kredittbank changed its name to Eika Digitalbank. At the same time, the credit card and consumer lending business was transferred to the newly established Kredittbanken ASA in partnership with Sparebank 1 Kreditt. Eika Digitalbank will continue to provide services relating to vehicle financing to the banks and their customers. It will also expand its operations to include a new digital banking concept called Penni, which was launched in late January 2025.

Borrowing

The company's total borrowing (liabilities established through the issue of securities) amounted to NOK 114.3 billion at 31 December 2024, up NOK 3.7 billion from 1 January. Eika Boligkreditt issued bonds and certificates corresponding to NOK 15.9 billion in 2024. Of these, 36.0 per cent were issued in euro (EUR) and 64.0 per cent in Norwegian kroner (NOK). Covered bonds accounted for 93.4 per cent of the total issue volume. In 2024, repurchases of the company's own bonds before their call date and bonds redeemed at their call date amounted to NOK 14.8 billion. The company issues covered bonds under its Euro Medium Term Cover Note (EMTCN) programme, which is listed on the Irish Stock Exchange. This programme was last revised in October 2024. The borrowing limit in the programme is EUR 20 billion. Issues in 2024 and the two previous years by sector are presented in the table above. The volume issued in 2024 was slightly lower than expected at the start of the year because the size of the liquidity portfolio decreased through the year.

In 2024, credit spreads narrowed for covered bonds issued in NOK. The credit spread that Eika Boligkreditt pays when issuing new covered bonds in NOK with a five-year tenor narrowed in 2024 by around 10 basis points to a level equivalent to 0.45 percentage points. For an equivalent tenor in EUR, credit spreads have narrowed by almost 10 basis points, giving a credit spread of just over 0.44 percentage points. The cross currency basis for hedging EUR financing back into NOK over a five-year period narrowed by as much as 19 basis points in 2024 to a level of minus 8 basis points. Given this development, the financial cost, in NOK, of currency and interest-hedged financing denominated in EUR and with a five-year tenor was practically the same in 2024 as financing with the same tenor in NOK. Expectations for 2025 indicate that credit spreads for covered bonds denominated in EUR with longer tenors could continue to widen in response to their weakened relative value compared with alternative investments in government bonds and national and multinational development banks. In particular, German and French government bonds, which were previously priced considerably lower than the swap rates, fared poorly through 2024. This has been driven by expectations of higher borrowing levels, political turbulence and that the ECB is gradually reducing its holdings of government bonds. The credit spreads for covered bonds in EUR with a tenor of up to five years are not expected to widen significantly from the levels noted at the start of 2025. The average tenor of the covered bonds issued in 2024 was 5.6 years. At the close of 2024, the average tenor for the company's borrowing portfolio was 3.62 years, compared with 3.89 at 1 January. The table below shows the breakdown of the company's borrowing in various instruments.

Borrowing via various instruments

Book value in NOK million	31 Dec 2024	31 Dec 2023
Covered bonds	**110 962**	106 573
Senior unsecured bonds	**2 592**	3 303
Senior unsecured certificates	**–**	–
Subordinated loans	**779**	779
Total borrowing including accrued interest	**114 333**	110 655

Profit and loss account

Pre-tax profit/loss

Eika Boligkreditt posted a pre-tax profit of NOK 100.7 million in 2024, compared with a pre-tax profit of NOK 116.2 million the year before. Profit was affected by changes in the value of financial instruments, which yielded a net gain of NOK 19 million (2023: net gain of NOK 8 million), such that the profit before tax excluding changes in the value of financial instruments totalled NOK 81.7 million (2023: NOK 108.2 million). A total of NOK 51.9 million in interest on tier 1 perpetual bonds in 2024 is not presented as an interest expense in the income statement, but as a reduction in equity (2023: NOK 53 million).

Comprehensive income

In 2024, the company made a comprehensive loss of NOK 222.1 million (2023: a comprehensive loss of NOK 71.5 million). This figure includes mark-to-market changes on basis swap agreements that were negative at NOK 419 million (2023: negative at NOK 262.4 million) and other mark-to-market changes recognised in other income and expenses. Comprehensive income for 2024 was significantly affected by changes in the value of basis swaps on the company's derivatives. Eika Boligkreditt is an active issuer of bonds in foreign currencies, principally in euro but occasionally in others. All borrowing in foreign currencies is hedged to Norwegian kroner in the derivative market through currency swaps. A pricing and risk component in these derivative contracts is the cross currency basis, which is a premium (or deduction) for swapping cash flow in one currency with cash flow in another. Changes to this premium could give unrealised changes in the value of the currency swap contracts. Over the term of the derivatives, the effect of such changes in value will be zero. The accounting effect will therefore be reversed in the period to the derivative's maturity, and changes in the value of basis swaps only impact accruals on unrealised gains or losses in the financial statements. Unless Eika Boligkreditt realises the derivative prematurely, such mark-to-market effects do not therefore result in realised gains or losses over the term of the derivative.

Income

The company's total interest income amounted to NOK 6 726 million in 2024, compared with NOK 5 575 million the year before. The change is attributable primarily to the company raising its mortgage interest rates in line with rises in money-market rates, combined with a higher lending volume.

Net interest income

Net interest income amounted to NOK 775.8 million in 2024, compared with NOK 601 million the year before. The increase is attributable to higher lending margins as a result of interest rates on residential mortgages payable by customers increasing more than the rates payable on borrowings. Expensing NOK 27.7 million in contributions to the Norwegian Banks Guarantee Fund's resolution fund in 2024 also reduced net interest income. Over 90 per cent of the residential mortgages in Eika Boligkreditt's portfolio have a floating interest rate. This means that the company, in consultation with the owner banks, can adjust the interest rate on its mortgages in line with interest-rate fluctuations in the market.

Distributor commissions

Distributor commissions to the owner banks, including arrangement commissions, amounted to NOK 665.9 million in 2024, compared with NOK 459.7 million the year before. The increase is attributable to the banks having higher lending margins as a result of changes in the money market rates, as well as an improved competitive situation and a higher lending volume.

Balance sheet and liquidity

Balance sheet

Assets on the company's balance sheet amounted to NOK 126.6 billion at 31 December 2024, an increase of NOK 5.5 billion over the year. Lending to customers rose by NOK 6.4 billion, excluding accrued interest and changes in the fair value of residential mortgages. This is equivalent to a net growth in lending of 6.5 per cent in 2024. Looking exclusively at the Eika banks and excluding running-down by the Local Bank Alliance (LBA), the portfolio showed net growth of NOK 8.5 billion in 2024, excluding accrued interest and changes in the fair value of residential mortgages. This is equivalent to a net growth in lending of 9.4 per cent year-on-year.

Borrowing

The company's total borrowing (liabilities established through the issue of securities) amounted to NOK 114.3 billion at 31 December 2024, up by NOK 3.7 billion from 1 January.

Liquidity

In 2024, Eika Boligkreditt raised NOK 15.6 billion in new financing, in the form of covered and senior unsecured bonds. During the same period, the lending portfolio grew by NOK 6.4 billion, while loans falling due for payment and the premature buyback of covered and senior unsecured bonds totalled NOK 14.5 billion. NOK 250 million in subordinated loans also matured during the year. In 2024, the company received a NOK 300 million capital increase from its owners, and raised subordinated loans worth NOK 250 million.

At the close of the year, the company's liquidity portfolio totalled NOK 16.3 billion, down around NOK 2.7 billion from the start of the year. The company received the equivalent of NOK 5.0 billion in cash collateral from counterparties to derivative agreements during 2024. This represents an increase of NOK 2.3 billion through the year. Cash collateral is held as bank deposits, repo agreements and investments in various high-quality securities.

In keeping with the regulations relating to covered bonds, these funds have been invested exclusively in ways that ensure low risk and a high level of liquidity. At the close of 2024, the company's liquidity was placed in Norwegian and European government bonds, municipal securities, covered bonds, repo agreements and bank deposits with an international rating of A-/A3 or better. The size of the company's liquidity reserve, combined with a relatively low rate of return due to an extremely conservative investment universe, represents a not inconsiderable cost to the company. Nevertheless, the company has elected to maintain a relatively high rate of liquidity, based on continuous growth in its lending portfolio and a conservative liquidity policy. The company has an agreement with the owner banks concerning the purchase of covered bonds. The purpose of this facility is to ensure the company has access to liquidity should it be unable to borrow in the financial market.

Risk management and capital adequacy

At the close of the fourth quarter 2024, the company had subordinate capital totalling NOK 7.7 billion, a net increase of approx. NOK 0.4 billion since the start of the year, taking into account the allocation of funds. The change in subordinate capital is further attributable to the maturing of a subordinated loan of NOK 250 million, the issue of a subordinated loan in the amount of NOK 250 million and an equity issue which raised proceeds of NOK 300 million. Eika Boligkreditt has residential mortgages secured by up to 75 per cent of the mortgaged property's value at initial recognition. The basis for calculating the capital adequacy ratio rose by NOK 1.3 billion from 1 January to reach NOK 39.9 billion at 31 December. This amount represents a quantification of Eika Boligkreditt's risk, where credit risk is calculated in accordance with the standardised method in the (EU) 575/2013 (CRR) regulation. Taking into account growth in overall lending and changes in the company's liquidity portfolio, operational risk and CVA risk (Credit Valuation Adjustment)., the company's capital targets are set as follows.

		(at 31 Dec)
Common Equity Tier 1 ratio	14.78%	(16.0%)
Tier 1 ratio	16.37%	(17.4%)
Total capital ratio	18.50%	(19.4%)

These targets are adequate in relation to legal provisions, the company's Pillar 2 requirement of 0.5 per cent, and capital requirements based on the company's internal risk assessment. As shown in the table above, the applicable buffer requirements were fulfilled at 31 December 2024. The requirement for a countercyclical buffer stands at 2.5 per cent. This buffer is intended to improve the banks' capital adequacy and prevent their credit practice from strengthening an economic downturn. The company's systemic risk buffer was increased from 3 per cent to 4.5 per cent with effect from 31 December 2023.

The Capital Requirement Regulations III (CRR3) introduce a new standard method for calculating the capital required to cover credit risk. This method is more risk sensitive than the current model, which will result in a lower capital requirement for loans with a low LTV ratio. In addition, CRR3 will change the method for calculating credit valuation adjustment (CVA) risk and operational risk. CRR3 is being transposed into Norwegian law by means of an amendment to the CRR/CRD regulations issued by the Norwegian Ministry of Finance. CRR3 will go into effect in Norway on 1 April 2025. To meet the expected continued growth in lending, the company will seek capital expansions in order to satisfy its targets for common equity tier 1, tier 1 and tier 2 capital. In addition to capital provided by the owner banks, Eika Boligkreditt will seek to use the financial market to satisfy its capital targets. The table below presents developments in capital adequacy.

Change in capital adequacy

(Amounts in NOK million)	31 Dec 2024		31 Dec 2023	
Risk-weighted assets	**39 918**		38 644	
Common equity tier 1 capital	**6 389**	**16.0%**	5 978	15.5%
Tier 1 capital	**6 964**	**17.4%**	6 553	17.0%
Total capital	**7 738**	**19.4%**	7 327	19.0%

Risk exposure

Eika Boligkreditt AS is exposed to various forms of business risk. The company places great emphasis on effective day-to-day management and control of all the risks to which it is exposed. The board has implemented a framework for risk management and control which builds on the COSO framework for coherent risk management. This defines the company's willingness to accept risk and the principles for managing risk and capital, which build on the Basel II regulations. Strategies, routines and instructions have been developed in connection with risk reviews to ensure that the company handles various risk factors in a satisfactory manner. Periodic checks are conducted to ensure that risk management routines are complied with and function as intended. The company is primarily exposed to the following risks: strategic and commercial, credit and counterparty, market, liquidity and refinancing, and operational – including compliance.

Strategic and commercial risk

Strategic and commercial risk is the risk of weakened profitability because of changes in external conditions, such as the company's market position or government regulations. It comprises rating, reputational, owner, and reward and incentive risk. The fact that the banks which transfer mortgages are also the company's shareholders reduces its strategic risk. Risk is further reduced because the costs of the company's distribution system depend directly on the size and quality of the portfolio. Agreements with non-shareholder banks will moderately increase the strategic risk. Rating risk relates to the financing and rating risk to which the company is exposed. In addition to the company's own reputation, reputational risk is linked to a considerable extent to Eika as a brand.

Credit and counterparty risk

Eika Boligkreditt is exposed to credit risk from granting credit to its customers. This risk relates primarily to the mortgages included in the company's cover pool. Credit is granted in accordance with strategies for the management of asset liability and credit risk on loans, the credit manual, an established authorisation structure and a well-developed set of rules for processing and documentation which help to ensure proper consideration is given to each application. Portfolio risk is continuously monitored in order to expose possible defaults and to ensure rapid and adequate treatment of non-performing engagements. The risk of loss is further reduced through credit guarantees from the owner banks. The company otherwise has counterparty risk in established derivative contracts with other financial institutions. Extensive frameworks have been established for managing counterparty risk, related both to capital management and derivatives. A credit support annex has also been established in association with ISDA agreements with all derivative counterparties, which limits Eika Boligkreditt's counterparty risk in that the counter-party unilaterally provides cash collateral when changes occur in the market value of the derivatives. The company is exposed to climate risk, including transition, physical and liability risk, primarily through the properties accepted by the company as collateral for residential mortgages. Government or market requirements could lead to a fall in value for properties with high energy consumption or a large climate footprint. Physical risk could mean that extreme weather causes damage to properties, which may in turn increase the likelihood of defaults because of financial loss and the reduction in the value of the mortgaged property.

Market risk

The market risk included in the company's risk limits consists of interest-rate risk on the balance sheet and credit spread risk related to securities. Risk associated with net interest income on the balance sheet arises from differences between interest terms for borrowing and lending as well as from the company borrowing in different markets than those it lends to, so that the borrowing interest rate may change without the company being able to adjust the lending rate equally quickly. This risk is reduced by coordinating the interest terms for borrowing and lending. The company is also exposed to credit spread risk on its investment of surplus liquidity. Through strategies for asset liability and capital management, exposure limits have been established for the total credit spread and interest-rate risk, maximum and average duration in the balance sheet, and maximum and average tenors for investments.

Currency risk

The company is not exposed to significant currency risk through its borrowings in foreign currencies. Because the company exclusively lends in Norwegian kroner, significant currency risk related to borrowing in foreign currencies will be hedged through the use of financial derivatives in line with the company's strategy for asset liability management.

Liquidity held in euro may generate a surplus or deficit against the corresponding liability item (cash collateral provided by derivate counterparty or borrowing in euro). Over time, this will produce an excess or shortfall of euro. This shortfall must be covered by purchasing euro. The scope of the shortfall in euro is EUR 5 million.

Operational risk

This type of risk and source of loss relates to day-to-day operations, including failures in systems and routines, lack of competence or mistakes by suppliers, staff and so forth. Operational risk includes compliance, legal, default and data protection risk, as well as risk associated with money laundering and the funding terrorism. The company has developed strategies for operational and IT risks, descriptions of routines, formal approval procedures and so forth. Together with a clear and well-defined division of responsibility, these measures are designed to reduce operational risk. The company has relevant contingency plans for dealing with emergencies.

Refinancing and liquidity risk

The company is exposed to liquidity risk, including refinancing risk, in its business operations. This is the risk that the company will not be able to meet its liabilities when they fall due without incurring heavy costs in the form of expensive refinancing or facing the need to realise assets prematurely. Eika Boligkreditt has substantial external funding and expects growth in its mortgage portfolio.
In order to keep liquidity risk at an acceptably low level, the company's financing strategy emphasises a good spread of financial instruments, markets and maturities for its borrowings and for investments made in connection with the management of surplus liquidity. As described above in the section covering agreements on liquidity and capital support, the company has an agreement with the owner banks concerning the purchase of covered bonds which reduces the company's liquidity and refinancing risk.

Climate risk, including transition risk, also represents a refinancing risk for the company. Financial investors are paying ever-greater attention to climate risk, and the company’s green bond programme contributes to reducing the refinancing risk.

Internal control for financial reporting and the audit committee

Eika Boligkreditt has established frameworks for risk management and internal control related to its financial reporting process. These are considered by the board on an annual basis or as and when required. The purpose of risk management and internal control is to reduce risk to an acceptable level. The company is organised with a chief accounting officer (CAO) responsible for the company’s accounting function. In addition, the company purchases accounting services, such as bookkeeping and financial reporting, from Eika Gruppen AS. The company’s finance and accounts department is responsible for the compliance of all financial reporting with applicable legislation, accounting standards and board guidelines. Furthermore, the department has established routines to ensure that financial reporting meets acceptable quality standards. All transactions are registered in the front office system and detailed reconciliation checks are conducted on a daily and monthly basis, while control measures such as reasonableness and probability checks have been established. These measures help to ensure that the company’s reporting is accurate, valid and complete.

Pursuant to applicable legal regulations, Eika Boligkreditt is not required to have a separate audit committee. Given the scope, complexity and structure of the company’s business and financial reporting, the board does not consider it appropriate to establish such a committee. The board of Eika Boligkreditt has the necessary capacity and time to follow up financial reporting, corporate management and the independence of the auditor pursuant to the Norwegian Accounting Act, as well as the company’s systems for internal control and risk management – including its internal audit function. Risk management has been assigned to the risk committee, which prepares matters for consideration by the board.

Election and replacement of directors

Candidates for seats on the board are proposed by the company’s nomination committee. This body is enshrined in the articles of association, and the general meeting has established guidelines for its work. Fees for members of the nomination committee are determined by the general meeting. Pursuant to the company’s articles, the composition of the nomination committee must represent the interests of the shareholders. It has not been the tradition to appoint members to the nomination committee from the company’s board or executive management. The nomination committee recommends candidates to sit on the board and the nomination committee, as well as fees payable to the members of these bodies. The committee has traditionally explained its recommendations orally at the general meeting. The nomination committee consults the chair and the CEO, and encourages contributions to the nomination process from the regional networks in the Eika Alliance. In this way, the alliance regions function as a channel for proposals to the committee without preventing shareholders from contacting the committee directly should they so desire.

Directors and Officers (D&O) liability insurance

Insurance has been taken out to cover the possible liability of the directors and the CEO towards the company and third parties.

Working environment, sustainability and corporate social responsibility in Eika Boligkreditt

Eika Boligkreditt’s clear intention is to have a good and secure working environment, and to be a positive contributor to society in general and to the many local communities where its owner banks are located in particular. The company’s strategy makes it clear that Eika Boligkreditt’s vision is to strengthen the local banks. Eika Boligkreditt therefore works closely with the Eika Alliance at a strategic level to ensure a common standard for ambitions and goals, based on a suitable framework for dealing with environmental, social and governance (ESG) aspects. In that connection, the company has drawn up a separate document on sustainability and societal engagement. This reports on the company’s specific efforts to ensure sustainable societal development and a healthy working environment. It forms part of the annual report for 2024, and can be found from page 17. The company has also issued a statement pursuant to section 5 of the

Norwegian Transparency Act, which may be found as a separate section under "sustainability and societal engagement" on page 46. This statement is also published on Eika Boligkreditt's website: https://www.eikbol.no/Aboutus/ESG/apenhet

Comments on annual financial statements

The financial statements for 2024 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. The board is of the opinion that the financial statements, including the balance sheet, provide a true and fair representation of the performance and financial position of the company at 31 December. The directors' report also provides a true and fair representation of the development and results of the business and of the company's financial position. Interest income totalled NOK 6 726 million, interest expenses totalled NOK 5 950 million and net interest income came to NOK 775.8 million in 2024. Net interest income after commission costs totalled NOK 144.4 million in 2024. No losses on loans or guarantees were incurred in 2024. The financial statements for 2024 show a comprehensive loss of NOK 222 103 000 for the period, compared with a comprehensive loss of NOK 71 497 000 in 2023.

Going concern

Pursuant to section 3-3 of the Norwegian Accounting Act, the board confirms that the financial statements for the year have been compiled on the assumption that the company is a going concern. No significant events have occurred since the balance sheet date which are expected to affect the company's business.

Balance sheet, liquidity and capital adequacy

At 31 December, the book value of the company's equity was NOK 6 603 million. Eika Boligkreditt had a capital adequacy ratio of 19.4 per cent at that date. The capital adequacy ratio is calculated using the standard method in accordance with the current regulations of CRR/CRD.

Allocation of funds

Taking account of mark-to-market currency swaps that were negative at NOK 419 million, the total comprehensive loss for 2024 came to NOK 222.1 million. Since the company made a total comprehensive loss, the board is proposing that no dividend be paid to the owner banks for 2024. The total comprehensive loss of NOK 222.1 million is transferred from other equity. NOK 51.9 million is attributable to the tier 1 perpetual bond investors. A provision of NOK 18.9 million has been made to the fund for valuation differences in respect of a positive difference between the book value of investments in associated companies and the investments' cost price. Furthermore, the company has received dividends from associated companies in the amount of NOK 17.4 million. Other equity decreased by NOK 275.5 million in 2024.

The payment of a dividend is also explained by the contractual capitalisation commitments which apply to the owner banks, and which are outlined in the section above concerning agreements on liquidity and capital support.

Outlook

The company's net financing of the owner banks increased by NOK 2.0 billion in the fourth quarter 2024, and by NOK 6.4 billion over the past four quarters. The past year's net portfolio increase corresponded to a 12-month growth of 6.5 per cent. The credit indicator for December 2024 from Statistics Norway showed a 12-month increase of 3.7 per cent in Norwegian household debt, slightly up from 3.4 per cent at 31 December 2023. The growth in debt marks a clear increase from the low point of 3.0 per cent noted in March/April 2024.

In Norges Bank's latest lending survey, the banks reported that demand for residential mortgages in the fourth quarter 2024 remained unchanged after rises in the previous two quarters. Demand for fixed-interest mortgages continued to rise in the fourth quarter, after a substantial increase in the third quarter. The banks expect demand for residential mortgages to remain largely unchanged in the first quarter 2025, while demand for fixed-interest mortgages is expected to fall slightly. Lending practices with respect to households and the use of interest-only repayments remained largely unchanged in the fourth quarter. While the banks expect no change in the first quarter 2025, they do anticipate a slight easing of lending practices relating to first-time buyers due to changes in the Regulations on Financial Institutions' Lending Practices (Lending Regulations) which reduced the equity requirement for borrowers. Overall, the banks reported unchanged financial expenses, interest rates and interest margins on residential mortgages in the fourth quarter. They expect the situation to remain unchanged in the first quarter 2025. In keeping with the second and third quarters in 2024, the banks reported slightly increased competition in the fourth quarter. They expect this to continue in the first quarter 2025.

The house price report published by Real Estate Norway (Eiendom Norge) showed that the average price for residential property in Norway increased by 0.1 per cent in December. Adjusted for seasonal variations, prices rose by 1.0 per cent. In 2024, house prices in Norway rose by 6.4 per cent, which exceeded what most analysts had envisaged at the start of the year. Prices rose most in Bergen, with an increase of 13.1 per cent in 2024. Prices rose least in Fredrikstad/Sarpsborg, with an increase of 1.8 per cent in 2024. A total of 99 295 homes were sold in Norway in 2024, up 8.8 per cent on 2023. The volume of sales in the second-hand market was extremely high. An equivalent level has not been seen since 2021, when the pandemic was at its height. A record number of homes came onto the market in 2024, with the number of homes sold not quite reaching the record set in 2021. This demonstrates that the second-hand market for residential property is both strong and stable. We expect that house prices will continue to rise in 2025, driven primarily by expected interest-rate reductions, good growth in real wages and a continued low level of housebuilding.

The credit spread for the company's covered bonds with a five-year tenor in Norwegian kroner narrowed by 9 basis points in 2024 to a level 0.45 percentage points above the three-month Nibor. Credit spreads indicated by potential arrangers for a new-issue transaction with a similar tenor in the euro market widened by an estimated 8 basis points in 2024, giving a spread of 0.44 percentage points at 31 December. The cross currency basis for a five-year tenor to hedge the amount from euro back to Norwegian kroner is approx. minus 8 basis point, a narrowing of 19 basis points in 2024.

For 2024, it was expected that the credit spreads for covered bonds in euro could widen slightly more. The development in credit spreads through the year was more or less as expected at the start of 2024. Expectations for 2025 indicate that credit spreads for covered bonds denominated in EUR with longer tenors could continue to widen in response to their weakened relative value compared with alternative investments in government bonds and national and multinational development banks. In particular, German and French government bonds, which were previously priced considerably lower than the swap rates, fared poorly through 2024. This has been driven by expectations of higher borrowing levels, political turbulence and that the ECB is gradually reducing its holdings of government bonds. The credit spreads for covered bonds in euro with a tenor of up to five years are not expected to widen significantly from the levels noted at the start of 2025.

Economic growth has been moderate since mid-2022. Repeated interest-rate rises, high inflation and weak demand from abroad have dampened activity levels. Since the end of the year, the company has experienced increasing geopolitical and security-related unrest in Europe, which has contributed to increased volatility in the interest rate markets. Unemployment has risen from a low level to just under 4 per cent at the moment, the same level as the average for the 2010s. The rate of inflation, which peaked at 7.5 per cent in October 2022, has subsequently more than halved. The 12-month inflation rate stood at 2.4 per cent in November. Going forward, Statistics Norway expects that higher growth in real wages, lower interest rates and continued growth in public sector demand will boost activity in the Norwegian economy. Based on this, Statistics Norway expects that GDP in mainland Norway will rise to what it considers a cyclically neutral position with effect from 2026.

There was an active market for new covered-bond issues in both euro and Norwegian kroner in 2024. About NOK 202 billion in covered bonds was issued in the Norwegian market, with EUR 156 billion issued in the euro market. Norwegian residential mortgage lenders issued covered bonds worth EUR 6.25 billion in 2024. This means that just over 70 per cent of the covered bonds issued by Norwegian residential mortgage companies was in NOK. Compared with 2024, activity relating to the issue of covered bonds in both EUR and NOK is expected to be slightly higher in 2025. In 2025, NOK 161 billion is due to mature in the Norwegian market, while EUR 136 billion is due to mature in the euro market. The level of issues denominated in NOK in 2025 is expected to end somewhere between NOK 210 billion and NOK 220 billion, compared with around EUR 165 billion in the euro market.

Eika Boligkreditt, issued covered bonds in the amount of EUR 500 million and NOK 6 billion in the first quarter 2024; NOK 250 in subordinated loans and NOK 300 million in senior unsecured bonds in the second quarter; and NOK 3.12 billion in covered bonds and NOK 500 million in senior unsecured bonds in the fourth quarter. In 2023, it issued NOK 13.4 billion in covered bonds, NOK 1 billion in senior unsecured bonds and NOK 275 million in tier 1 perpetual bonds. In total, the company issued NOK 14 835 billion in covered bonds, NOK 800 million in senior unsecured bonds and NOK 250 million in subordinated loans in 2024.

Oslo, 12 March 2025
The board of directors for Eika Boligkreditt AS

Rune Iversen
Chair

Geir Magne Tjåland

Terje Svendsen

Gro Furunes Skårsmoen

Lena Jørundland

Kristin Steenfeldt-Foss

Odd-Arne Pedersen
CEO

Declaration pursuant to section 5-5 of the Norwegian Securities Trading Act

We hereby confirm that the company’s financial statements for the period from 1 January to 31 December 2024 have been prepared to the best of our knowledge in accordance with prevailing accounting standards, and that the information provided in the financial statements gives a true and fair representation of the company’s assets, liabilities, financial position and performance as a whole.

To the best of our knowledge, the annual report provides a true and fair representation of important events during the accounting period and their influence on the financial statements, plus a description of the most important risk factors and uncertainties facing the company during the next accounting period.

Oslo, 12 March 2025
The board of directors for Eika Boligkreditt AS

Rune Iversen *Chair*	Geir Magne Tjåland	Terje Svendsen	Gro Furunes Skårsmoen	Lena Jørundland	Kristin Steenfeldt-Foss	Odd-Arne Pedersen *CEO*

Financial statements and notes

Statement of comprehensive income

Amounts in NOK 1 000	Notes	2024	2023
Interest income			
Interest from loans to customers at amortised cost		**5 375 830**	4 269 825
Interest from loans to customers at fair value		**423 683**	399 891
Interest from loans and receivables on credit institutions		**106 837**	79 689
Interest from bonds, certificates and financial derivatives		**781 389**	789 111
Other interest income at amortised cost		**35 417**	33 888
Other interest income at fair value		**2 391**	2 487
Total interest income		**6 725 547**	5 574 890
Interest expenses			
Interest on debt securities issued		**5 742 193**	4 812 138
Interest on subordinated loan capital		**54 017**	45 437
Contribution to the Norwegian Banks' Guarantee Fund's Resolution Fund		**27 706**	23 242
Other interest expenses		**125 837**	93 091
Total interest expenses		**5 949 753**	4 973 908
Net interest income		**775 794**	600 982
Commission costs	4	**631 353**	432 293
Net interest income after commissions costs		**144 441**	168 689
Income from portfolio sale	5	**–**	5 358
Income from shares in associated company		**18 938**	15 991
Total income from shares	6	**18 938**	15 991

Amounts in NOK 1 000	Notes	2024	2023
Net gains and losses on financial instruments at fair value			
Net gains and losses on bonds and certificates	7	**30 838**	(1 941)
Net gains and losses of fair value hedging on debt securities issued	7, 8	**(305)**	5 038
Net gains and losses on financial derivatives	7	**(676)**	(74 774)
Net gains and losses on loans at fair value	7	**(10 863)**	79 682
Total gains and losses on financial instruments at fair value		**18 993**	8 006
Salaries and general administrative expenses			
Salaries, fees and other personnel expenses	9, 10	**35 509**	33 135
Administrative expenses	11	**39 084**	41 202
Total salaries and administrative expenses		**74 593**	74 337
Depreciation	12	**3 613**	3 754
Other operating expenses	11	**3 422**	3 752
Losses on loans and guarantees	13	**–**	–
Profit before taxes		**100 743**	116 201
Taxes	14	**7 647**	11 941
Profit for the period		**93 096**	104 260
Items transferable to profit and loss			
Net gains and losses on bonds and certificates	7	**(1 295)**	28 065
Net gains and losses on basis swaps	7	**(418 971)**	(262 407)
Taxes on other comprehensive income	14	**105 067**	58 586
Comprehensive income for the period		**(222 103)**	(71 497)
Price per share		**4.01628**	4.20184

The total comprehensive loss of NOK 222.1 million is transferred from other equity. NOK 51.9 million is attributable to the tier 1 perpetual bond investors, while NOK 18.9 million is attributable to the fund for valuation differences.

Balance sheet

Amounts in NOK 1 000	Notes	31 Dec 2024	31 Dec 2023
ASSETS			
Lending to and receivables from credit institutions	13, 15, 16	**1 169 415**	1 032 100
Lending to customers	13, 15, 16, 17, 18	**104 638 294**	98 261 282
Other financial assets	13, 15, 19	**36 637**	90 488
Bonds and certificates at fair value	13, 17	**15 138 786**	17 939 199
Financial derivatives	8, 13, 17	**5 349 407**	3 578 984
Shares	6, 15, 17	**1 650**	1 650
Shares in associated company	6	**61 171**	59 673
Deferred tax assets	14	**161 289**	63 869
Intangible assets	12	**141**	392
Right-of-use assets	12	**9 032**	11 643
Total assets		**126 565 822**	121 039 280

Amounts in NOK 1 000	Notes	31 Dec 2024	31 Dec 2023
LIABILITIES AND EQUITY			
Loans from credit institutions	13, 20	**5 054 806**	2 750 578
Financial derivatives	8, 15, 17, 20	**480 095**	962 500
Debt securities issued	15, 16, 20, 21, 23	**113 554 108**	109 875 931
Other liabilities	15, 20, 24	**84 448**	82 460
Pension liabilities	25	**1 177**	605
Lease obligations	12	**9 379**	11 746
Subordinated loan capital	15, 16, 20, 23	**779 280**	779 252
Total liabilities		**119 963 293**	114 463 071
Equity			
Share capital	26	**1 501 040**	1 428 559
Share premium		**4 309 343**	4 081 824
Other paid-in equity		**477 728**	477 728
Fund for unrealised gains		**–**	–
Fund for valuation differences		**17 641**	16 143
Other equity		**(278 222)**	(3 044)
Tier 1 capital		**575 000**	575 000
Total equity	27	**6 602 530**	6 576 209
Total liabilities and equity		**126 565 822**	121 039 280

Oslo, 12 March 2025
The board of directors for Eika Boligkreditt AS

Rune Iversen *Chair*	Geir Magne Tjåland	Terje Svendsen	Gro Furunes Skårsmoen	Lena Jørundland	Kristin Steenfeldt-Foss	Odd-Arne Pedersen *CEO*

Statement of changes in equity

Amounts in NOK 1 000	Share capital [1]	Share premium [1]	Other paid in equity [2]	Fund for unrealised gains [3]	Fund for valuation differences [4]	Other equity [5]	Tier 1 perpetual bonds [6]	**Total equity**
Balance sheet as at 1 January 2022	1 225 496	3 384 886	477 728	33 862	14 033	62 478	575 000	**5 773 484**
Result for the period	–	–	–	–	222	(71 802)	35 374	**(36 206)**
Other income and expenses	–	–	–	89 843	–	79 124	–	**168 967**
Equity issue	179 657	620 343	–	–	–	–	–	**800 000**
Accrued unpaid interest tier 1 capital	–	–	–	–	–	79	(35 374)	**(35 295)**
Hybrid capital	–	–	–	–	–	–	117 000	**117 000**
Dividends for 2021	–	–	–	–	–	(61 900)	–	**(61 900)**
Balance sheet as at 31 December 2022	1 405 153	4 005 230	477 728	123 706	14 255	7 979	692 000	**6 726 050**
Result for the period	–	–	–	–	1 887	49 350	53 023	**104 260**
Other income and expenses	–	–	–	(123 706)	–	(52 054)	–	**(175 760)**
Equity issue	23 406	76 594	–	–	–	–	–	**100 000**
Accrued unpaid interest tier 1 capital	–	–	–	–	–	(595)	(53 023)	**(53 618)**
Hybrid capital	–	–	–	–	–	–	(117 000)	**(117 000)**
Dividends for 2022	–	–	–	–	–	(7 728)	–	**(7 728)**
Balance sheet as at 31 December 2023	1 428 559	4 081 824	477 728	–	16 143	(3 044)	575 000	**6 576 209**
Result for the period	–	–	–	–	1 498	39 709	51 889	**93 096**
Other income and expenses	–	–	–	–	–	(315 199)	–	**(315 199)**
Equity issue	72 481	227 519	–	–	–	–	–	**300 000**
Accrued unpaid interest tier 1 capital	–	–	–	–	–	314	(51 889)	**(51 575)**
Hybrid capital	–	–	–	–	–	–	–	**–**
Dividends for 2023	–	–	–	–	–	–	–	**–**
Balance sheet as at 31 December 2024	1 501 040	4 309 343	477 728	–	17 641	(278 222)	575 000	**6 602 530**

The specification of equity comprises accounting items pursuant to the provisions in the Norwegian Private Limited Liability Companies Act:

[1] Share capital and the share premium comprises paid-in capital.

[2] Other paid-in capital comprises paid-in capital which has earlier been taken from the share premium reserve.

[3] The fund for unrealised gains comprises value changes on financial instruments at fair value.

[4] The fund for valuation differences comprises the positive difference between the carried amount in the balance sheet and the acquisition price for investments in shares in associated companies.

[5] Other equity comprises earned and retained profits.

[6] Tier 1 perpetual bonds form part of tier 1 capital pursuant to section 3a of the Norwegian regulations concerning the calculation of regulatory capital. A regulatory right of redemption also exists. Should government regulations introduce changes which affect the extent to which the capital can be regarded as tier 1 capital, the bonds can be redeemed at a price equal to 100 per cent plus accrued interest. The company has recognised the following tier 1 perpetual bonds as equity:

- Tier 1 perpetual bond, issued NOK 100 million in 2022, with interest terms of three months Nibor plus 3.15 per cent. The loan provides for a call at 11 May 2027, and thereafter on each banking day in the subsequent interest period and thereafter on each interest payment date.
- Tier 1 perpetual bond, issued NOK 200 million in 2022, with interest terms of three months Nibor plus 4.40 per cent. The loan provides for a call at 14 September 2027, and thereafter on each banking day in the subsequent interest period and thereafter on each interest payment date.
- Tier 1 perpetual bond, issued NOK 275 million in 2023, with interest terms of three months Nibor plus 4.25 per cent. The loan provides for a call at 21 September 2028, and thereafter on each banking day in the subsequent interest period to 21 December 2028, and thereafter on each interest payment date.

Eika Boligkreditt has the right to pay no interest to the investors. Interest is not recognised as interest expense in the profit and loss account, but as a reduction to equity.

Statement of cash flow

Amounts in NOK 1 000	2024	2023
Cash flow from operating activities		
Profit for the period	**(222 103)**	(71 497)
Taxes	**(97 420)**	(46 645)
Income taxes paid	**(12 299)**	(13 063)
Ordinary depreciation	**251**	437
Non-cash pension costs	**572**	605
Change in loans to customers	**(6 377 012)**	(2 290 236)
Change in bonds and certificates	**2 800 413**	6 581 873
Change in financial derivatives and debt securities issued	**297 157**	488 626
Interest expenses	**5 771 858**	4 837 034
Paid interest	**(5 666 494)**	(4 848 199)
Interest income	**(6 687 738)**	(5 538 504)
Received interests	**6 652 822**	5 654 145
Changes in other assets	**88 766**	(177 761)
Changes in short-term liabilities and accruals	**(90 833)**	33 361
Net cash flow relating to operating activities	**(3 542 061)**	4 610 175

Amounts in NOK 1 000	2024	2023
Investing activities		
Payments related to acquisition of fixed assets	**–**	–
Share of profit/loss in associated companies	**(18 938)**	(15 991)
Payments from shares in associated companies	**17 440**	14 104
Net cash flow relating to investing activities	**(1 498)**	(1 887)
Financing activities		
Gross receipts from issuance of bonds and commercial paper	**15 762 237**	14 622 882
Gross payments of bonds and commercial paper	**(14 634 044)**	(18 566 553)
Gross receipts on issue of subordinated loan capital	**–**	–
Gross payments of subordinated loan capital	**28**	(34 004)
Gross receipts from issue of loan from credit institution	**2 304 228**	–
Gross payments from loan from credit institution	**–**	(363 295)
Gross receipts from issuing tier 1 perpetual bonds	**–**	275 000
Gross payments from issuing tier 1 perpetual bonds	**–**	(392 000)
Interest to the hybrid capital investors	**(51 578)**	(53 615)
Payments of dividend	**–**	(7 728)
Paid-up new share capital	**300 000**	100 000
Net cash flow from financing activities	**3 680 871**	(4 419 313)
Net changes in lending to and receivables from credit institutions	**137 312**	188 975
Lending to and receivables from credit institutions at 1 January	**1 032 100**	843 126
Lending to and receivables from credit institutions at end of period	**1 169 415**	1 032 100

Notes to the accounts

Note 01 Accounting policies

General

Eika Boligkreditt AS (EBK) is licensed as a Norwegian credit institution and permitted to issue covered bonds. The company was established on 24 March 2003, and commenced its lending operations on 15 February 2005. The company offers only residential mortgages for up to 75 per cent of the collateral value (loan to value) at origination, and these loans are distributed via the local banks (the owner banks). Residential mortgages also include mortgages for holiday homes. The company's main purpose is to ensure access for the owner banks in the Eika Alliance to long-term and competitive funding by issuing covered bonds, while simultaneously reducing future refinancing risks for the company's owner banks. EBK has prepared its financial statements for 2023 in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Financial assets and liabilities are measured at amortised cost, at fair value through profit or loss or at fair value through other comprehensive income.

The annual financial statements are prepared on the assumption that the entity is a going concern. The financial statements were approved by the board of directors and authorised for issue on 12 March 2025.

Foreign currency

Functional and presentation currency

The financial statements of EBK are presented in NOK, which is also the company's functional currency.

Foreign currency translation

In preparing the financial statements of the company, transactions in currencies other than its functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Revenue recognition

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate which discounts estimated future cash receipts or expenses through the expected life of the financial asset or liability to the net carrying amount of that asset or liability at initial recognition. When calculating the effective interest rate, the cash flows are estimated and all fees and remunerations paid or received between the parties to the contract are included as an integrated part of the effective interest rate. Dividends on investments not treated as an associated company are recognised from the date the dividends were approved at the general meeting.

Financial assets and liabilities

Recognition, derecognition and measurement

Financial assets and liabilities are recognised in the balance sheet when EBK becomes party to the contractual provisions of the instrument. Normal purchase or sale of financial instruments is recognised at the trade date.

When a financial asset or liability is recognised initially, it is measured at its fair value plus, in the case of a financial asset or liability not at fair value through profit or loss, transaction costs directly attributable to the acquisition or issue of the financial asset or liability.

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets have expired or when the company has transferred the financial asset in a transaction where all or substantially all risks and opportunity for reward related to ownership of the asset are transferred. Financial liabilities are derecognised from the balance sheet when they have terminated – in other words, when the obligation specified in the contract is discharged, cancelled or expires.

Classification – financial assets

Pursuant to IFRS 9, financial assets must be classified in three different measurement categories:

- amortised cost
- fair value through profit and loss
- fair value through other comprehensive income.

The measurement category is determined on initial recognition on the basis of an assessment of both
a. the enterprise's business model for managing its financial assets (the business model test)
b. the characteristics of the financial asset's contractual cash flow (the SPPI test).

A business model says something about how groups of financial assets are managed to achieve a specific commercial goal. A company can therefore have several different business models for managing its financial instruments. The business model test assesses whether the financial asset is held within a business model in order to receive the contractual cash flows instead of selling the asset before maturity in order to realise fair value changes. IFRS 9 groups business models in three categories:

- held to receive contractual cash flows
- held to receive contractual cash flows and for sale
- other business models.

Other business models is a residual category used to classify and measure financial assets held for trade or which do not fall into one of the two prescribed business models.

The solely payments of principal and interest (SPPI) test is applied at the instrument level and focuses on assessing whether the contractual terms for the individual financial asset on specified dates solely involve payment of principal and interest on the outstanding principal. Only financial assets which are debt instruments qualify for measurement at amortised cost on the basis of the SPPI test, since neither derivatives nor investment in equity instruments will meet the requirements of this test.

A financial asset is classified at amortised cost if it meets the following criteria and is not classified at fair value through profit and loss:

- the asset is held grouped in a business model where the purpose is to receive contractual cash flows
- the asset passes the SPPI test.

Where EBK is concerned, this applies to floating-rate lending to customers, lending to credit institutions and other financial assets.

An exception to the above-mentioned description is provided by cases where financial assets which would be measured on the basis of the SPPI test and an assessment of the business model at either amortised cost or fair value through other comprehensive income can be designated for measurement at fair value through profit and loss if such designation provides more relevant and reliable information to the users of the financial statements. In such cases, the company may at initial recognition classify a financial asset which otherwise meets the requirements for measurement at amortised cost or at fair value through other comprehensive income at fair value through profit and loss if such a classification eliminates or significantly reduces the accounting inconsistency which would otherwise have arisen from measuring assets and liabilities on different bases. In this case, the fair value option will be an alternative to hedge accounting. EBK has therefore opted to classify fixed-rate lending to customers at fair value through profit and loss in the same way as the interest swap agreements.

Financial assets which are debt instruments

The classification of financial assets which are debt instruments depends on the outcome of the business model and SPPI tests. If the instrument's cash flows pass the SPPI test and the business model test groups the instruments as held to receive contractual cash flows and for sale, the financial assets must be classified at fair value through other comprehensive income. EBK has assessed that the above-mentioned criteria in IFRS 9 mean that bonds and certificates can be classified at fair value with value changes through other comprehensive income.

Financial assets which are derivatives

All derivatives must basically be measured at fair value through profit and loss, but special rules apply for derivatives designated as hedging instruments.

Financial assets which are equity instruments

Investments in equity instruments do not have cash flows which are confined to payment of principal and interest on the outstanding principal, and must therefore be measured at fair value through profit and loss unless they are designated as measured at fair value through other comprehensive income. EBK has recognised such investments at fair value through profit and loss.

Associated companies

Associated companies are companies where EBK has substantial influence – in other words, can influence financial and operational decisions in the company – but does not have control over the company alone or with others. EBK has basically assumed that substantial influence is exercised in companies where the company has an investment with a shareholding of 20–50 per cent. Associated companies are recognised in accordance with the equity method. When using the equity method, the investment is recognised at the overall acquisition cost and adjusted for subsequent changes to the company's share of profit/loss in the associated company.

Other financial assets

Other financial assets not assessed to be derivatives, debt instruments or equity instruments as mentioned above must be classified at amortised cost. This applies to the items concerning lending to and receivables from credit institutions, floating rate lending to customers and other financial assets.

Classification – financial liabilities

The main rule is that financial liabilities are measured at amortised cost with the exception of financial derivatives, which must be measured at fair value, financial instruments held for trade purposes, with measurement at fair value through profit and loss, and financial liabilities where the fair value option with measurement through other comprehensive income is applied. EBK only has financial derivatives held for risk management purposes, which are measured in the balance sheet at fair value with value changes recognised through profit and loss. Other liabilities are measured at amortised cost. The company has therefore classified liabilities to credit institutions, debt securities issued, subordinated loan capital and other debt in the amortised-cost measurement category.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when EBK

- has a legally enforceable right to offset the recognised amounts, and
- intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

EBK does not have financial assets and liabilities which are offset.

Subsequent measurement of financial assets and liabilities

Fair value

Financial assets classified at fair value through profit and loss or through other comprehensive income are measured at fair value on the reporting date. Fair value is the amount which an asset could be exchanged for between knowledgeable, willing parties in an arm's-length transaction.

The fair value of certificates and bonds traded in an active market is based on the quoted bid price on the final day of trading up to and including the reporting date. Where certificates, bonds, shares and derivatives not traded in an active market are concerned, fair value is determined by using valuation techniques. These include the use of recently undertaken market transactions conducted at arm's length between knowledgeable and independent parties if such transactions available, referring to the current fair value of another instrument which is substantially the same in practice, and using discounted cash flow analysis. Should there be a valuation method which is in common use by market participants for pricing the instrument, and this method has proved to provide reliable estimates of prices obtained in actual market transactions, this method is used. Pursuant to IFRS 9, changes in fair value for bonds and certificates are recognised with fair value changes through other comprehensive income.

Amortised cost

Subsequent to initial recognition, financial instruments classified as loans and receivables as well as financial liabilities are measured at amortised cost using the effective interest method. The effective interest method is described in the section on revenue recognition.

Impairment of financial assets

Pursuant to IFRS 9, provisions for loss must be recognised on the basis of an expected credit loss model. The impairment rules apply to financial instruments measured at amortised cost or at fair value through other comprehensive income. Where EBK is concerned, this applies primarily to lending to customers. The combination of the lending portfolio's loan-to-value ratio and the credit guarantees provided by the owner banks means that the standard has not had significant effects for EBK's results or equity.

Cash and cash equivalents

Cash and cash equivalents include lending to and receivables from credit institutions.

Cash collateral

Pursuant to agreements with counterparties which regulate trades in OTC derivatives, collateral must be provided in certain cases. During 2024, EBK was provided with such collateral in the form of cash. These cash sums are managed by EBK for the duration of the collateral provision, and are recognised in the balance sheet as an asset with an associated liability. Both the cash asset and the liability are thereafter measured at amortised cost.

Hedge accounting

EBK uses fair value hedging of fixed-rate financial liabilities, where the hedged item is the swap interest element in the financial liabilities. Value changes in the hedged item attributable to the hedged risk will adjust the carrying amount of the hedged item and be recognised in profit or loss. Value changes in the hedged item and associated hedge instruments are presented under "net gains and losses of fair value hedging on debt securities issued". IFRS 9 permits the basis margin on foreign currency to be separated from a financial instrument and excluded from the designation of the financial instrument as a hedge instrument.

The company separates out the basis margin related to foreign currency from financial instruments by excluding this from ear-marking of the fair-value hedge, and has identified the currency element in the hedging as a cash flow hedge. This means that the fair value changes which arise in basis swaps when utilising currency swap agreements with the company's borrowing in foreign curren-cies in order to convert the cash flow from (EUR) euros to Norwegian kroner (NOK) are recognised as a cash flow hedge. Changes in fair value related to the basis margin will therefore be recognised in other comprehensive income.

This means that changes in fair value related to the basis margin are recognised in value changes through other comprehensive income instead of in the item "net gains and losses of fair value hedging on debt securities issued" in the statement of comprehensive income, and will be accumulated in a separate component of equity.

IFRS 16 Leases

The standard requires a lessee to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. EBK has two types of leases – for office premises and company cars – which are subject to this standard. The right-of-use and lease obligation are recognised in the company's balance sheet as the present value of future lease payments over the term of the lease. The term of the lease, which forms the basis for calculating future lease payments, corresponds to the remaining period until the termination of the lease. Possible options are not added to the lease's term. The right-of-use is depreciated over the term of the lease, while interest on the lease obligation is expensed. Depreciation is presented together with other depreciation in the statement of comprehensive income, while interest is included in financial expenses in the statement of comprehensive income. Interest expenses are calculated by applying the discount rate (the company's incremental borrowing rate) to the lease obligation.

Intangible assets

Intangible assets consist of purchased software and are carried at acquisition cost less accumulated amortisation and possible impair-ment losses. Depreciation in the accounts is classified as ordinary depreciation under a depreciation schedule with a useful economic life of five years.

Commission costs

The owner banks are paid commissions for arranging and managing residential mortgages. Such commissions are expensed on a current basis and presented in the item "commission costs" in the statement of comprehensive income. Accrued, unpaid costs to the owner banks at 31 December are accrued and recognised as liabilities in the balance sheet.

Segment

The loans are made to private individuals and housing cooperatives. The company's business therefore comprises only one segment.

Pensions

Defined contribution plans

Defined contribution plans are accounted for in accordance with the matching principle. Contributions to the pension plan are expensed.

AFP – early retirement plan

The AFP is an early retirement pension plan for the Norwegian private sector enshrined in collective pay agreements. To benefit from the scheme, an employee must have been employed in a company affiliated to the AFP for seven of the nine years before they reach the age of 62. Premiums are calculated as a fixed percentage of annual pay between one and 7.1 times the average National Insurance Scheme's base rate (G). No premiums are paid for employees after the year they reach the age of 61. All employees in the company are members of the scheme. The premium paid is expensed.

Taxation

Income tax expense represents the sum of the tax payable and deferred tax, and is recognised in the statement of comprehensive income.

Tax payable

The tax payable is calculated on the basis of the taxable profit for the year. Taxable profit differs from the profit reported in the statement of comprehensive income because of income or expense items which are taxable or deductible in other years, and items which are not taxable or deductible.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are normally recognised in the balance sheet for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which these deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Note 02 Use of estimates and discretion

In the application of the accounting policies described in Note 1, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Lending, non-performing/doubtful loans and writedowns

Pursuant to IFRS 9, provisions for losses will be recognised on the basis of expected credit losses in the light of relevant information available at the reporting date. The combination of the low loan-to-value ratio for the residential mortgage portfolio and the credit guarantees provided by the owner banks means that the company does not expect significant effects on EBK's profit or equity. See Note 13.2.2 for further information.

No loans were written down at 31 December 2024. For more information about lending, see Note 13.

Fair value of financial instruments

The company applies various measurement methods to determine the fair value of financial instruments that are not traded in an active market. The chosen measurement methods are based on market conditions at the end of the reporting period. This means that, if observable market data are unavailable, the company will make assumptions and apply discretion as to what the market will base its evaluation of corresponding financial instruments on. More information about the financial instruments can be found in Notes 7, 8, 13, 15, 17, and 20.

Note 03 Financial risk

Eika Boligkreditt has established a framework for risk management and control in the company to define risk willingness and principles for managing risk and capital. The company is obliged to review its risk pursuant to the regulations relating to CRR/CRD IV regulation and the internal control regulations.

The company's key strategy is, through the issuance of covered bonds in the Norwegian and the international markets, to meet a substantial portion of the local banks' funding requirements and to reduce their refinancing risk. The company's risk management is intended to help attain this objective through tailored growth, good international rating, profitability and cost-efficiency, prudent risk and quality at every level.

Routines and instructions have been established with the aim of ensuring that the company handles the various risk factors in a satisfactory manner. The company's cooperation with the local banks contributes significantly to the management of risk through its customer selection processes. The company is exposed to the following risks: credit and counterparty, including climate (for more information, see the sections on sustainability and societal engagement and the TCFD), market (including interest and currency), liquidity and operational, in addition to its overarching commercial risk, which involves strategic and reputational risk.

The company has implemented risk strategies based on the company's risk management of the balance sheet composition. The strategy for managing assets and liabilities forms the basis for ensuring that collateral for outstanding covered bonds is in compliance with regulatory requirements. Total risk limits have been established for managing the credit and counterparty risk linked to lending, risk related to capital management, liquidity risk related to borrowing, and operational risk.

For additional description of financial risk, see Notes 13, 20 and 21.

Note 04 Commission costs

Amounts in NOK 1 000	2024	2023
Portfolio commission[1]	**615 369**	416 446
Instalment commission	**15 335**	14 150
Banking services	**650**	1 697
Total commission costs	**631 353**	432 293

[1] The company's distributors have the right to a portfolio commission for mortgages included in the mortgage portfolio. This commission equals the lending interest rate on the individual mortgage less a specified net interest rate. Distributors qualify for commission on the basis of the same calculation principles applied when calculating the mortgage interest rate to be paid by the mortgagee.

Note 05 Income from portfolio sale

Amounts in NOK 1 000	2024	2023
Total income from portfolio sale	**–**	5 358

On 13 September 2023, the board of Eika Boligkreditt approved an agreement with OBOS-banken and OBOS BBL on the purchase of the residential mortgage portfolio held by OBOS-banken in Eika Boligkreditt AS. At its meeting of 9 February 2016, Eika Boligkreditt resolved to terminate its distribution agreement with OBOS-banken following the decision by OBOS to establish a wholly-owned residential mortgage company. An agreement was entered into in October 2016 on continued distribution responsibility pursuant to the distribution agreement. At 31 August 2023, OBOS-banken had a portfolio in Eika Boligkreditt corresponding to NOK 931 million. In addition to the principal of the residential mortgages, the bank paid NOK 5.4 million in compensation for early redemption of its financing with Eika Boligkreditt.

Note 06 Shares at fair value recognised in profit and loss and shares in associated company

Shares classified at fair value recognised in profit or loss

Amounts in NOK 1 000	Number of shares	Cost price	Book value 31 Dec 2024	Owner share
Nordic Credit Rating AS	10 000	2 500	1 650	1.67%
Total	10 000	2 500	1 650	

Shares in associated company

Assets in associated companies are recognised using the equity method.

Amounts in NOK 1 000	Number of shares	Owner share
Eiendomsverdi AS[1]	470 125	25.00%
Total	470 125	

Beløp i 1000 kroner	2024	2023
Carrying amount at 1 January 2024	**59 673**	57 785
Addition/disposal	**–**	–
Revalulation at acquisition cost	**–**	–
Share of profit/loss	**18 938**	15 991
Dividend paid	**(17 440)**	(14 104)
Carrying amount at 31 December 2024	**61 171**	59 673

[1] EBK's investment in Eiendomsverdi is treated as an associated company and calculated in accordance with the equity method. The shareholding in Eiendomsverdi is valued at the overall acquisition price on the basis of a staged acquisition adjusted for EBK's share of the profit and dividend received. The positive difference between the carried amount in the balance sheet and the acquisition price is recognised in fund for valuation differences.

Note 07 Net gains and losses on financial instruments at fair value

Full year 2024

Amounts in NOK 1 000	Fair value through profit and loss	Fair value through other comprehensive income	Fair value hedge through profit and loss	Cash flow hedge through other comprehensive income	Total	Of which realised	Of which unrealised
Lending to customers (fixed rate)	(10 863)		–	–	(10 863)	(15 974)	5 111
Bonds and certificates [1]	30 838	(1 295)	–	–	29 543	(72 308)	101 851
Debts from issuance of securities	–	–	(2 131 013)	–	(2 131 013)	–	(2 131 013)
Financial derivatives	(676)	–	2 130 707	(418 971)	1 711 060	–	1 711 060
Total	19 298	(1 295)	(305)	(418 971)	(401 273)	(35 437)	(365 837)

Full year 2023

Amounts in NOK 1 000	Fair value through profit and loss	Fair value through other comprehensive income	Fair value hedge through profit and loss	Cash flow hedge through other comprehensive income	Total	Of which realised	Of which unrealised
Lending to customers (fixed rate)	79 682		–	–	79 682	(13 073)	92 756
Bonds and certificates [1]	(1 941)	28 065	–	–	26 124	(636 527)	662 651
Debts from issuance of securities	–	–	(1 121 617)	–	(1 121 617)	–	(1 121 617)
Financial derivatives	(74 774)	–	1 126 654	(262 407)	789 473	–	789 473
Total	2 968	28 065	5 038	(262 407)	(226 337)	(649 601)	423 264

[1] The accounting line comprises the net realised gain and loss on bonds and certificates, and currency effects related to cash collateral received and reinvested cash collateral in foreign currencies.

Note 08 Financial derivatives and hedge accounting

The purpose of all derivative transactions in Eika Boligkreditt is to reduce the interest rate and currency risk. Interest rate swaps, where Eika Boligkreditt receives a fixed interest rate and pays a floating interest rate, entered into to convert issues of bonds and certificates from a fixed interest rate to a floating interest rate exposure. Financing at a floating interest rate would reduce the risk for the company, since most lending is done at a floating interest rate. Interest rate swaps where Eika Boligkreditt receives a floating interest rate and pays a fixed interest rate are entered into to hedge the interest rate margin of bonds and certificates and lending at a fixed interest rate.

Assets	31 Dec 2024		31 Dec 2023	
Amounts in NOK 1 000	Nominal amount	Fair value	Nominal amount	Fair value
Interest rate swap lending[1]	**6 678 100**	**284 640**	6 236 527	303 732
Interest rate and currency swap[2]	**53 647 750**	**5 051 204**	35 540 225	3 262 324
Interest rate swap placement	**276 727**	**13 563**	268 188	12 928
Total financial derivative assets including accrued interest	**60 602 577**	**5 349 407**	42 044 940	3 578 984

Liabilities	Nominal amount	Fair value	Nominal amount	Fair value
Interest rate swap lending[1]	**469 000**	**1 523**	849 565	18 227
Interest rate and currency swap[2]	**10 270 500**	**472 067**	25 990 925	943 221
Interest rate swap placement	**217 963**	**6 505**	39 244	1 052
Total financial derivative liabilities including accrued interest	**10 957 463**	**480 095**	26 879 734	962 500

[1] The hedging instruments related to the lending portfolio with a fixed interest rate are rebalanced when necessary.

[2] The nominal amount is converted to the historical currency exchange rate.

Fair value and cash flow hedging on debt securities issued

Eika Boligkreditt applies fair value hedging on fixed-rate financial liabilities. The hedge object is the swap interest element of the financial liabilities. Interest and currency swaps are used as hedging instruments.

The company separates out the basis margin related to foreign currency from financial instruments by excluding this from earmarking of the fair value hedge, and has identified the currency element in the hedging as a cash flow hedge. This means that the fair value changes which arise in basis swaps when utilising currency swap agreements with the company's borrowing in foreign currencies in order to convert the cash flow from euros to Norwegian kroner are recognised as a cash flow hedge. Changes in fair value related to the basis margin will therefore be recognised in other comprehensive income.

	31 Dec 2024		31 Dec 2023	
Amounts in NOK 1 000	Nominal amount	Value recognised in balance sheet	Nominal amount	Value recognised in balance sheet
Hedging instruments: interest rate and currency swaps[1,2]	**63 918 250**	**4 266 791**	61 531 150	2 153 715
Hedged items: financial commitments incl foreign exchange[2]	**63 918 250**	**(4 768 404)**	61 531 150	(2 218 419)
Net capitalised value without accrued interest	**–**	**(501 612)**	–	(64 705)

[1] The nominal amount is converted to historical currency exchange rate excluding accrued interest.

[2] The book value of the hedging instruments is its net market value. The book value of the hedged objects excludes accrued interest and the cumulative change in value associated with the hedged risk, and is an adjustment of financial liabilities at amortised cost.

Gains/losses on fair value hedging recorded in profit and loss

Amounts in NOK 1 000	2024	2023
Hedging instruments	**2 130 707**	1 126 654
Hedged items	**(2 131 013)**	(1 121 617)
Net gains/losses (inefffectiveness) recorded in profit and loss	**(305)**	5 038

The change in the value of financial instruments related almost entirely to negative NOK 419.0 million in change to basis swaps (NOK negative 262.4 million), recognised in other income and costs. Basis swaps are derivative contracts entered into in connection with long-term borrowing in foreign currency, whereby the foreign currency is converted to Norwegian kroner. These are hedging instruments, and the effect is zero over the term of the instrument. The accounting effects will thereby reverse over time, so that the unrealised change in value at 31 December 2024 will be reversed until the derivatives mature. This means that changes in margins only have an accrual effect with regard to unrealised gains and losses in the financial statements, but no realised gains or losses over the term of the derivative unless Eika Boligkreditt realises the derivative early. Gains or losses related to basis swaps will be reclassified to profit and loss if the hedge is terminated early.

Eika Boligkreditt utilises interest rate and currency swaps in order to convert borrowing in foreign currency to Norwegian kroner. A typical example is when a loan raised in euros is converted to Norwegian kroner through an interest rate and currency swap which includes a basis swap. In this case, Eika Boligkreditt would pay a Norwegian interest rate with a margin of three months Nibor in the swap and receive a euro interest rate in the swap which corresponds to the coupon it pays on the loan in euros. The derivatives are valued at fair value, while the hedged bond is valued in accordance with the principles which apply for hedge accounting.

Interest rate benchmark reform (IBOR reform)

The IASB published Interest rate benchmark reform – amendments to IFRS 9 and IFRS 7 in September 2019. These changes mean that the assumption is interest rates will not alter as a result of the interbank offered rate (Ibor) reform, and hedge accounting will continue as before without alterations to hedge documentation.

At 31 December, Eika Boligkreditt is exposed to a single benchmark interest rate (Nibor) which will be subject to this reform in its hedge accounting. The table below shows the company's hedge position by hedge type, maturity structure and currency.

Hedge type	Hedging instruments	Maturity	Nominal value (millions)		Hedged item
Fair value and cash flow hedges	Interest and currency swaps: Receive fixed rate in euros and pay three month NIBOR in Norwegian kroner.	2025	EUR	1 000	EUR fixed rate issued debt of the same maturity and nominal value of the swaps
		2027	EUR	500	
		2028	EUR	1 000	
		2029	EUR	1 000	
		2030	EUR	500	
		2031	EUR	500	
		2033	EUR	500	
		2039	EUR	75	
Fair value hedges	Interest rate swap: Receive fixed rate and pay three month NIBOR in Norwegian kroner.	2025	NOK	300	NOK fixed rate issued debt of the same maturity and nominal value of the swaps
		2026	NOK	1 800	
		2027	NOK	700	
		2028	NOK	1 150	
		2031	NOK	850	
		2032	NOK	2 000	
		2033	NOK	1 600	
		2034	NOK	1 700	
		2036	NOK	500	
		2039	NOK	620	

Note 09 Payroll costs

Amounts in NOK 1 000	2024	2023
Pay, fees, etc	**24 656**	23 355
National insurance contributions	**6 106**	5 775
Pension costs	**3 346**	3 222
Other personnel costs	**1 401**	782
Total	**35 509**	33 135
Average number of employees (full-time equivalent)	**20.0**	19.0

Note 10 Renumeration of senior executives, governing bodies, auditors, etc

Amounts in NOK 1 000		Pay [1]	Other [2]	Pension costs ordinary scheme	Pension costs additional scheme
Odd-Arne Pedersen	CEO	3 418	353	184	464

[1] Includes pay and holiday pay in 2024.

[2] Fringe benefits and other benefits.

The CEO is a member of the company's ordinary pension plan. In addition, it has been agreed that a fixed monthly contribution shall be paid into a supplementary (personal) defined-contribution pension for the CEO. Such contributions will be made up until the vesting age (67 years) or an earlier date. The contribution comprises an amount corresponding to 25.1 per cent of salary in excess of 12 times the Norwegian National Insurance Scheme's basic amount (G) and is invested in securities funds. The pension shown in the table above is expense for the year. The company has no bonus schemes. An agreement with the CEO entitles him to nine months of severance pay.

Directors

Amounts in NOK 1 000	Fees
Dag Olav Løseth	219
Rune Iversen	147
Terje Svendsen	147
Pål Ringholm	147
Gro F Skårsmoen	147
Lena Jørundland	147
Geir Magne Tjåland	72
Åse Kjersti Øverdal	50
Total directors' fees	1 076

Risk committee

Amounts in NOK 1 000	Fees
Terje Svendsen	57
Gro F Skårsmoen	50
Pål Ringholm	50
Total risk committee	158

Nomination committee

Amounts in NOK 1 000	Fees
Glenn M Haglund	75
Eirik Kavli	38
Nina Holte	38
Åse Kjersti Øverdal	38
Rolf E Delingsrud	9
Total nomination committee	196

Remuneration committee

Amounts in NOK 1 000	Fees
Rune Iversen	14
Lena Jørundland	14
Total remuneration committee	29

Auditor

Remuneration to Deloitte AS and their associates is as follows:

Amounts in NOK 1 000	2024	2023
Statutory audit	**628**	1 142
Other assurance services	**296**	151
Other services unrelated to audit	**–**	–
Total	**924**	1 292

The figures above exclude VAT.

Note 11 Administrative and other operating expenses

Amounts in NOK 1 000	2024	2023
IT costs	**9 215**	13 368
Marketing	**243**	102
External services	**18 949**	16 398
Other administrative expenses	**10 678**	11 335
Total administrative expenses	**39 084**	41 202
Phone, postage, etc	**286**	1 019
Accessories and equipment	**636**	471
Insurance cost	**756**	439
Other operating expenses	**1 744**	1 823
Total other operating expenses	**3 422**	3 752

Note 12 Tangible and intangible assets

Amounts in NOK 1 000	Software	Total
Original cost 1 January	24 177	**24 177**
Additions	–	**–**
Disposals	–	**–**
Original cost 31 December	24 177	**24 177**
Accumulated depreciation 1 January	23 786	**23 786**
Accumulated depreciation 31 December	24 037	**24 037**
Book value 31 December	141	**141**
Depreciation charge for the year	251	**251**
Useful economic life	5 years	
Depreciation schedule	Linear	

Depreciaton recognised through profit and loss	
Depreciation charge for the year other intangible assets	251
Depreciation charge of right-of-use assets for the year (IFRS 16)	3 362
Total	3 613

IFRS 16 – Leases

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Balance sheet		
Right-of-use assets	**9 032**	11 643
Lease obligations	**9 379**	11 746
Statement of comprehensive income		
Depreciation	**3 362**	3 317
Interest expenses	**625**	540
Total	**3 988**	3 857
Effects relating to IFRS 16		
Reduction in operating costs relating to IAS 17	**3 744**	3 759
Increase in costs after implementing IFRS 16	**3 988**	3 857
Change in profit before taxes in the period	**(244)**	(97)

IFRS 16 on lease accounting requires a lessee to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. EBK has leases covering office premises and car leasing which are subject to this standard. The right-of-use asset and lease obligation are recognised as NOK 9 million and NOK 9.4 million, respectively, in the company's balance sheet at 31 December 2024, representing the present value of future lease payments over the term of the lease. The term of the lease, which forms the basis for calculating future lease payments, corresponds to the remaining period until the termination of the lease (as of 31 December 2024, this was about 2.5 years for leasing of office premises and about 1.5 years for car leasing). Possible options are not added to the lease's term. In January 2025 leasing of office premises was extended to 2032. In addition, the right-of-use asset is depreciated over the term of the lease, while interest on the lease obligation is expensed. Depreciation is presented together with other depreciation in the statement of comprehensive income, while interest is included in financial expenses in the statement of comprehensive income. Interest expenses are calculated by applying the discount rate (the company's incremental borrowing rate) to the lease obligation.

Note 13 Credit and counterparty risk

Credit risk is the risk of loss posed by customers or counterparties failing to meet their payment obligations. Credit risk encompasses all claims on customers/counterparties, lending, and counterparty risk that arises through derivatives and foreign exchange contracts. The credit risk related to lending must be low, and the same applies to counterparty risk. Credit risk is managed through the company's strategy for credit risk on lending. A credit manual and other routines have been prepared and implemented, including preparation of documentation requirements and clarification of the ability of customers who have been granted loans to service their debt, and requirements for collateral for residential mortgage loans of up to 75 per cent of the value of the property at origination. Established requirements to be satisfied by customers and mortgaged objects are considered to entail low risk. In addition, the owner banks have ceded a case guarantee and loss guarantee. This contributes to reducing Eika Boligkreditt's credit risk. See Note 13.2 related to lending to customers.

The company is also exposed to credit risk through its investments in bonds and certificates, bank deposits and counterparties to derivative contracts.

When investing in bonds and certificates, the company is subject to laws and regulations related to the types of investments that may be included in the company's cover pool as substitute assets. The company has also established counterparty limits to reduce counterparty risk related to the issuers to which the company wishes to be exposed. The counterparty risk related to all counterparties in derivative contracts is reduced through the Credit Support Annex to the Schedule to the ISDA Master Agreement. Eika Boligkreditt manages counterparty risk through its investment strategy.

Note 13.1 Maximum exposure to credit risk

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Financial assets recognised in balance sheet		
Lending to and receivables on credit institutions[1]	**1 169 415**	1 032 100
Lending to customers	**104 638 294**	98 261 282
Others financial assets	**36 637**	90 488
Bonds and certificates at fair value	**15 138 786**	17 939 199
Financial derivatives	**5 349 407**	3 578 984
Total credit risk exposure	**126 332 539**	120 902 053
Off-balance sheet financial assets		
Overdraft facility	**50 000**	50 000
Note Purchase Agreement[2]	**21 100 000**	–
Granted, but undisbursed loans	**280 185**	327 058

[1] Restricted funds for tax withholdings were NOK 1 370 000 in 2024 and NOK 1 337 000 in 2023.

[2] The owner banks have assumed a liquidity liability (agreement to purchase covered bonds) with respect to Eika Boligkreditt in connection with the renegotiation of the liquidity support agreement's terms in the second quarter 2024, see Note 23. At 31 December 2024, the banks' liquidity liability with respect to the company totalled NOK 21.1 billion.

Note 13.2 Lending to customers

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Instalment loans - retail market	**101 648 426**	95 143 338
Instalment loans - housing cooperatives	**3 056 175**	3 183 494
Accrued interest instalment loans	**254 127**	259 995
Adjustment fair value lending to customers[1]	**(320 434)**	(325 545)
Total lending before specific and general provisions for losses including accrued interest	**104 638 294**	98 261 282
Individual impairments	**–**	–
Unspecified group impairments	**–**	–
Total lending to and receivables from customers including accrued interest	**104 638 294**	98 261 282

[1] The table below shows fair value lending to customers

All lending concerns residential mortgage loans with a loan-to-value ratio of up to 75 per cent at origination. The company had no non-performing loans where the outstanding instalment was more than 90 days overdue at 31 December 2024.

31 December 2024

Amounts in NOK 1 000	Nominal value	Fair value
Variable rate loans	97 554 037	97 554 037
Fixed rate loans	7 404 691	7 084 257
Toal lending including accrued interest	104 958 728	104 638 294

31 December 2023

Amounts in NOK 1 000	Nominal value	Fair value
Variable rate loans	91 118 736	91 118 736
Fixed rate loans	7 468 090	7 142 545
Toal lending including accrued interest	98 586 827	98 261 282

Calculation of the fair value of loans to customers: The margin on the loans is considered to be on market terms. The market value of residential mortgages with floating interest rates which have experienced no significant increase in credit risk since origination are considered to have a value equal to their amortised cost. The market value of fixed-rate loans is correspondingly measured as equal to amortised cost adjusted for the present value of the difference between the loans' fixed rate of interest and the interest rate at the reporting date.

Guarantees and provision of cover

All lending involves residential mortgages with a loan-to-value ratio of up to 75 per cent at origination. Guarantees furnished by the company's distributors (banks) reduce the risk for Eika Boligkreditt. Upon transfer to Eika Boligkreditt, the distributors assume mandatory guarantees for the mortgages they have transferred.

The main features of these guarantees are as follows:

a) Case guarantee

The bank which has transferred the loan to the cover pool guarantees the entire amount of the mortgage over the period from payment until the mortgage's collateral has been perfected (achieved legal protection). The case guarantee is limited to a maximum of the whole principal of the loan plus interest charges and costs.

b) Loss guarantee

The bank guarantees to cover any loss suffered by Eika Boligkreditt was a result of non-performing loans, subject to the restrictions specified below. "Loss" means the residual claim against the mortgagee related to the relevant mortgage after all associated collateral has been realised, and it is to be regarded as recognised at the point when all collateral associated with a non-performing loan has been realised and paid to Eika Boligkreditt. The bank's loss guarantee covers up to 80 per cent of the loss recognised on each loan. The total loss guarantee is limited to 1 per cent of the bank's overall mortgage portfolio in Eika Boligkreditt at any given time, but nevertheless such that the loss guarantee is (i) equal to the value of the mortgage portfolio for portfolios up to NOK 5 million and (ii) amounts to a minimum of NOK 5 million for mortgage portfolios which exceed NOK 5 million, calculated in all cases over the previous four quarters on a rolling basis.

This means that, if the distributor's total share of the recognised losses for each mortgage exceeds the above-mentioned limit, Eika Boligkreditt will cover the excess. As a result, the bank's share of the loss covered by the loss guarantee cannot exceed 80 per cent but, if the overall recognised loss exceeds the framework, the share of total will be lower than 80 per cent.

c) Right to offset against commission due to the bank

The bank's liability for the case and loss guarantees falls due for payment on demand, but Eika Boligkreditt can also choose to offset its claim against the distributor's future commissions and commissions due but not paid pursuant to the commission agreement. This offsetting right applies for a period of up to four quarters from the date when the loss was recognised.

d) Right to offset against commissions due to the bank and all authorised distributors

The bank is jointly liable with all other banks for offsetting losses on mortgages not covered by the loss guarantee – in other words, that part of the loss which exceeds the bank's share. This offsetting right is limited to the bank's pro rata share of the credit loss in Eika Boligkreditt over and above the amount covered by the loss guarantee, up to a maximum of four quarter's commission from the date the loss was recognised. The bank's pro rata share corresponds to the bank's proportionate share of the total residential mortgage portfolio in Eika Boligkreditt transferred by all the distributors at the date the loss was realised.

Defaults

Pursuant to section 7 of the CRR/CRD IV regulation, cf. CRR article 178.1, an engagement is to be regarded as being in default if a claim has fallen due more than 90 days earlier and the amount is not insignificant. Doubtful loans are not necessarily in default, but the customer's financial position and the value of the collateral indicate a risk of loss.

The company had no non-performing loans where the outstanding instalment was more than 90 days overdue at 31 December 2024. According to the EBA recommendation regarding the definition of default, the company is required to carry out various supplementary evaluations related to the probability of default. This evaluation must take account of the client's overall indebtedness, possible infection between agreements with the same debtor, the level of materiality limits and the duration of quarantine after being declared healthy.

Should an instalment due on a mortgage be four weeks in arrears, Eika Boligkreditt has the right to request the bank in writing to take over the mortgage. Should the mortgage not be repaid or taken over by the bank within eight weeks of going into default, the mortgage will be transferred for normal enforcement of payment via a debt recovery service, and the distributor could become liable pursuant to the case and loss guarantees as well as the offsetting right as specified above. Should the bank meet the loss guarantee in full, its recourse claim will be on an equal footing with Eika Boligkreditt's residual claim for restitution.

The owner bank's net interest rate

The supplement to the distribution agreement incorporates regulations which mean that the net interest rate for the bank– in other words, the price it pays for financing through Eika Boligkreditt – will be influenced by the market price for new borrowing in the covered bond market and by whether the bank increases or reduces its financing through Eika Boligkreditt. In this way, the terms achieved by the bank as a result of securing finance through Eika Boligkreditt will be influenced by the bank's own use of Eika Boligkreditt, and only affected to a limited extent by the increase in or reduction of financing by other banks in Eika Boligkreditt.

The bank is committed to maintaining an overall financing in Eika Boligkreditt which accords with the maturity profile for the bank's financing in Eika Boligkreditt. The bank's financing in Eika Boligkreditt is the overall value of the bank's share of the mortgage portfolio in Eika Boligkreditt. If the overall value of the bank's share of the mortgage portfolio in Eika Boligkreditt falls at any time below 75 per cent of the bank's commitment pursuant to the supplementary agreement, the bank is obliged – after a written warning – to pay Eika Boligkreditt the present value of the company's estimated costs for a corresponding redemption of its borrowing in the market.

If the bank's overall financing in Eika Boligkreditt is reduced in a way which means that Eika Boligkreditt must conduct an overall repurchase of its borrowing in the market during a calendar year which corresponds to five per cent or more of the mortgage portfolio, the bank's obligation to pay costs pursuant to the agreement can be triggered by a shortfall smaller than the level of 75 per cent of the bank's commitment. This means that the lower limit is moved up. A claim against the bank pursuant to the agreement can be offset by Eika Boligkreditt against commission payments due to the bank.

Loan-to-value (LTV) for residential mortgages

With effect from 10 December 2019, Eika Boligkreditt increased its maximum LTV for residential mortgages from 60 per cent to the legal limit of 75 per cent. Should house prices for mortgaged properties with an LTV above 60 per cent calculated on the original base value fall so significantly that certain mortgages exceed an LTV of 75 per cent, the bank will either have to replace such mortgages or make a credit framework available to Eika Boligkreditt.

Past-due loans not subject to impairment

The table below shows overdue amounts on loans that are not due to delays in payment transfers from Eika Boligkreditt.

Past-due loans are subject to continual monitoring.

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
1–29 days	**87 387**	227 303
30–59 days	**41 726**	81 901
60–90 days	**1 183**	3 236
> 90 days	**–**	–
Total past due loans not subject to impairment (principal)	**130 296**	312 440

Note 13.2.1 Lending by geographical area[1]

Amounts in NOK 1 000	Lending 31 Dec 2024	Lending 31 Dec 2023	Lending as a % 2024
Agder	**7 695 537**	6 962 114	**7.3%**
Akershus	**18 561 075**	17 245 717	**17.7%**
Buskerud	**4 216 023**	3 621 376	**4.0%**
Finnmark	**55 112**	59 732	**0.1%**
Innlandet	**6 289 346**	6 923 137	**6.0%**
Møre og Romsdal	**4 346 987**	3 760 235	**4.2%**
Nordland	**3 852 340**	3 794 284	**3.7%**
Oslo	**9 452 687**	8 041 358	**9.0%**
Rogaland	**8 602 494**	8 036 379	**8.2%**
Telemark	**5 247 928**	5 404 722	**5.0%**
Troms	**1 608 533**	1 633 339	**1.5%**
Trøndelag	**17 898 172**	16 992 059	**17.1%**
Vestfold	**5 012 993**	4 842 956	**4.8%**
Vestland	**4 119 957**	3 620 116	**3.9%**
Østfold	**7 745 417**	7 389 257	**7.4%**
Total	**104 704 601**	98 326 782	**100%**

[1] The geographical distribution is based on the portfolio at amortised cost excluding accrued interest.

Note 13.2.2 Provision for losses

The retail market is less exposed to losses on lending than other sectors. Eika Boligkreditt's lending is confined to residential mortgages with a generally low LTV ratio, and it is therefore less exposed to loss.

Under the IFRS 9 accounting standard, provision for losses is recognised on the basis of the expected credit loss indicated by relevant information available at the reporting date. The combination of the residential mortgage portfolio's LTV ratio and the credit guarantees provided by the owner banks means that the standard does not have significant effects on EBK's profits or equity.

On initial recognition in the balance sheet, a provision for loss must be made which corresponds to the 12-month loss projection (PD). The 12-month loss projection is the loss expected to arise over the life of the instrument, but which can be related to events occurring in the first 12 months.

If the credit risk for an asset or group of assets is considered to have risen significantly since initial recognition, a provision for loss must be made which corresponds to the whole expected life of the asset (PD-life). EBK has decided that a quarterly review of such a change is an adequate assessment, since the company does not expect any accounting recognition of loss.

Impairment model

Eika Gruppen has developed its own model for calculating the probability of default (PD), and EBK receives PD values for all its lending to customers. Furthermore, a solution has been developed for exposure at default (EAD) and calculating losses as well as a model for assessing whether the credit risk of an engagement has significantly increased since its initial recognition. Expected credit loss (ECL) is calculated as EAD x PD x LGD (loss given default), discounted by the original effective interest rate.

Description of the PD model

The PD model in Eika Gruppen (internal model) estimates the probability of default by estimating statistical correlations between default and the customer's financial position, demographic data and payment behaviour. Default is defined as an overdraft of at least NOK 1 000 over 90 consecutive days, in addition to other qualitative indicators which suggest that the engagement has become non-performing. See CRR/CRD IV regulation. Pursuant to a new recommendation from the EBA, the company also undertakes to make supplementary assessments related to the probability of default. See Note 13.2 for a further description of the new definition of non-performing loans.

The model distinguishes between private and corporate customers, and measures PD for the next 12 months (PD). Payment behaviour requires six months of history before it can influence the internal model. This means that new customers will have six months with only the external model before the internal model can be used.

The model is validated annually and recalibrated as and when required. When model quality deteriorates, new models are developed.

Significant increase in credit risk

Should a significant increase in credit risk occur, the contract's expected credit loss is assessed over the whole life of the contract (PD-life). A significant increase in credit risk is measured on the basis of the development in PD. EBK has defined a significant increase in credit risk as a rise in the original PD at initial recognition (PD-ini) for different levels, so that the model can identify the relevant development in credit risk. For engagements with a PD-ini of less than 1 per cent, a relative change in PD of > 0.5 per cent and a

PD-ini x 2 are deemed to constitute a material increase in credit risk. If the PD-ini is equal to or higher than 1 per cent, a relative change in PD of > 2 per cent and a PD-ini x 2 are deemed to constitute a material increase in credit risk.

Extra criteria are also defined for engagements to indicate a significant increase in credit risk:

- non-performance for 30 days (moved to step 2)
- forbearance (moved to step 2)
- non-performance for 90 days (moved to step 3)
- customers classified as being in default because they are unlikely to pay (moved to step 3)

Calculation of loss given default (LGD)

EBK's cover pool comprises objects with a low LTV ratio (<=75 per cent LTV at origination), and calculating ECL will be based on information which is current, forward-looking and historical. EBK utilises the expected development of house prices when calculating LGD. The scenarios are given equal weighting and calculated for each contract. Valuation of the collateral is based on its estimated net realisable value.

Exposure at default (EAD)

EAD for agreements comprises mortgages to customers discounted by the effective interest rate for future cash flows. The expected tenor is derived from the engagement's contractual residual tenor multiplied by a tenor factor.

Expected credit loss (ECL) based on future expectations

Eika Boligkreditt adjusts its expected credit loss in light of the macroeconomic factors that are deemed to influence expected losses. In addition, macroeconomic factors will be included in the calculation of PD and PD-life, in the calculation of loss and the stepwise migration model.

Mortgages to customers by steps 1–3 in nominal value

Amounts in NOK 1 000	Step 1	Step 2	Step 3	Total
Mortgages 31 December 2023	98 116 774	193 560	16 497	**98 326 832**
Mortgages 31 December 2024[1]	104 536 511	160 451	7 639	**104 704 601**

[1] EBK had 62 loans in step 2 and 3 in step 3 at 31 December 2024. A low indexed LTV means that these loans will not generate losses in the loss model.

Increased credit risk means that NOK 160.5 million of EBK's residential mortgages are in step 2 and NOK 7.6 million in step 3. The change in credit risk for these relates to forbearance, high risk class, payment delayed by more than 30 days or various supplementary evaluations. Expected loss on residential mortgages was calculated pursuant to IFRS 9 as amounting to NOK 2.7 million at 31 December 2024. Given credit guarantees of NOK 1.7 billion from the owner banks at the same date, however, this will not result in the company incurring any accounting loss at 31 December 2024. Climate risk is not at present included in the company's loss model. The combination of low LTV and credit guarantees issued by the banks will result in the inclusion of this factor having no material impact on Eika Boligkreditt's profit/loss or equity.

Stress-test change from falling house prices and PD value

Price fall	PD values				
(Amounts in NOK 1 000)	1%	2%	3%	4%	5%
10%	3 760	7 520	11 280	15 040	18 800
20%	6 634	13 268	19 902	26 536	33 169
30%	21 272	42 543	63 815	85 087	106 359
40%	66 051	132 102	198 153	264 204	330 255
50%	144 381	288 762	433 143	577 524	721 905

EBK conducted a stress test at 31 December 2024 for expected losses on residential mortgages in the event of changes to the probability of default (PD) from one to five per cent and a fall in house prices from 10 to 50 per cent. A fall in house prices as high as 50 per cent and a calculated PD value of five per cent, for example, would give an expected loss on residential mortgages of NOK 722 million. Given credit guarantees from the owner banks, however, this would not result in the company incurring any accounting loss.

Note 13.3 Derivatives

Counterparty exposure related to derivative contracts

Assets	31 Dec 2024		31 Dec 2023	
Amounts in NOK 1 000	Book value	Net value[1]	Book value	Net value[1]
Financial derivatives	**5 349 407**	**5 123 142**	3 578 984	3 173 365
Received collateral	**5 054 806**	**5 054 806**	2 750 578	2 750 578
Net exposure	**294 601**	**68 336**	828 407	422 788

Liability	31 Dec 2024		31 Dec 2023	
Amounts in NOK 1 000	Book value	Net value[1]	Book value	Net value[1]
Financial derivatives	**480 095**	**253 830**	962 500	556 871
Received collateral	**9 918**	**9 918**	17 648	17 648
Net exposure	**470 176**	**243 911**	944 852	539 223

[1] Net value is the book value of the financial assets less the financial liabilities related to the same counterparty. Similarly, the net value of financial liabilities is adjusted for collateral related to the same counterparty. The company received NOK 5.1 billion in cash collateral from counterparties in hedging contracts during 2024, compared to NOK 2.8 billion in 2023, and provided NOK 9.9 million in collateral during 2024 compared to NOK 17.6 million in 2023. Cash collateral is held as bank deposits, repo agreements and as various high-quality securities.

Note 13.4 Bond and certificates at fair value

Bonds broken down by issuer sector

31 December 2024 (Amounts in NOK 1 000)	Nominal value	Cost price	Fair Value
Municipalities	4 060 000	4 087 431	4 087 647
Credit institutions	3 920 000	3 950 358	3 958 891
Government bonds	7 088 152	7 098 856	7 092 249
Total bonds and certificates at fair value including accrued interest	15 068 152	15 136 645	15 138 786
Change in value charged recognised through profit and loss to other comprehensive income[1]			2 141

The average effective interest rate is 5.16 per cent annualised. The calculation is based on a weighted fair value of NOK 15.6 billion. The calculation takes account of a return of NOK 809.4 million on bank deposits, bonds and certificates. The return on reinvested cash collateral received is excluded from the calculation.

31 December 2023 (Amounts in NOK 1 000)	Nominal value	Cost price	Fair Value
Municipalities	5 171 674	5 217 302	5 218 282
Credit institutions	8 475 000	8 536 742	8 546 464
Government bonds	4 263 533	4 284 177	4 174 454
Total bonds and certificates at fair value including accrued interest	17 910 207	18 038 221	17 939 199
Change in value charged recognised through profit and loss to other comprehensive income[1]			(99 021)

[1] The value change is primarily related to agio effects on bonds denominated in euros (reinvested cash collateral received) recognised through profit and loss. Corresponding agio effects on loans to credit institutions are also recognised through profit and loss as net gains and losses on bonds and certificates.

The average effective interest rate is 4.26 per cent annualised. The calculation is based on a weighted fair value of NOK 19.2 billion. The calculation takes account of a return of NOK 817 million on bank deposits, bonds and certificates. The return on reinvested cash collateral received is excluded from the calculation.

	31 Dec 2024	31 Dec 2023
Average term to maturity	**1.6**	2.0
Average duration	**0.1**	0.1

All the bonds are rated AA-/Aa3 or better if the maturity exceeds 100 days, and A-/A3 if the maturity is 100 days or fewer. The rating is performed by an internationally recognised rating agency.

Note 13.5 Lending to and receivables from credit institutions

When assessing ratings, only those from approved rating agencies are taken into account. Pursuant to the CRR/CRD IV regulations, credit assessments from approved credit rating agencies can be used to determine credit quality for individual engagements. The new European Commission regulations cover a number of credit rating agencies, and ratings from approved agencies can be used for the credit assessments. If a counterparty is rated by at least three of the agencies, the credit quality step is determined on the basis of the two highest ratings. If these two ratings differ, the lowest of these is used to assess the credit quality step. If the counterparty is rated by two agencies, the lowest is applied, and if there is only one rating from an accredited agency, it is applied.

Of the company's lending to and receivables from credit institutions, 52 per cent are in banks with credit quality step 1 and 48 per cent in banks with credit quality step 2.

Note 14 Taxes

Amounts in NOK 1 000	2024	2023
Tax on ordinary profit and loss		
Income tax payable in the balance sheet	**–**	12 299
Change in deferred tax ordinary profit and loss	**(97 420)**	(58 944)
Change in deferred tax other comprehensive income	**105 067**	58 586
Total tax on ordinary profit and loss	**7 647**	11 941
Reconciliation of expected and actual tax - ordinary profit and loss		
Profit before taxes	**100 743**	116 201
Expected tax on income at nominal tax rate (25%)	**25 186**	29 050
Tax effect of permanent differences	**(17 539)**	(17 110)
Total tax on ordinary profit and loss	**7 647**	11 941
Effective tax rate	**7.6%**	10.3%
Tax on other comprehensive income		
Change in deferred tax on net gains and losses on bonds and certificates	**(324)**	7 016
Change in deferred tax on net gains and losses on basis swaps	**(104 743)**	(65 602)
Total tax on other comprehensive income	**(105 067)**	(58 586)
Reconciliation of expected and actual tax - other comprehensive income		
Other comprehensive income before tax	**(420 266)**	(234 343)
Expected tax on income at nominal tax rate (25%)	**(105 067)**	(58 586)
Total tax on other comprehensive income	**(105 067)**	(58 586)
Deferred tax related to the following temporary differences		
Fixed assets	**(1)**	(1)
Pensions	**143**	151
Financial instruments	**46 103**	59 197
Other temporary differences	**61**	(403)
Losses carried forward	**51 113**	–
Total change in deferred tax	**97 420**	58 944

Deferred tax asset and deferred tax in the balance sheet relate to the following temporary differences

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Fixed assets	**8**	12
Net pension commitments	**1 177**	605
Financial instruments	**439 170**	254 758
Other temporary differences	**347**	103
Losses carried forward	**204 453**	–
Total temporary differences	**645 156**	255 478
Deferred taxes before changes to tax rate	**161 289**	63 869
Change in tax rate	**–**	–
Deferred tax assets	**161 289**	63 869

Note 15 Classification of financial instruments

31 December 2024

Amounts in NOK 1 000	Financial instruments at fair value through profit or loss	Financial instruments at fair value through other comprehensive income	Financial instruments at amortised cost	Total
Financial assets				
Lending to and receivables from credit institutions	–	–	1 169 415	**1 169 415**
Lending to customers	7 084 257	–	97 554 037	**104 638 294**
Bonds and certificates	–	15 138 786	–	**15 138 786**
Financial derivatives	5 349 407	–	–	**5 349 407**
Shares classified at fair value recognised in profit or loss	1 650	–	–	**1 650**
Other financial assets	–	–	36 637	**36 637**
Total financial assets	12 435 313	15 138 786	98 760 089	**126 334 189**
Financial liabilities				
Financial derivatives	480 095	–	–	**480 095**
Debt securities issued	–	–	113 554 108	**113 554 108**
Loans from credit institutions	–	–	5 054 806	**5 054 806**
Other liabilities	–	–	84 448	**84 448**
Subordinated loan capital	–	–	779 280	**779 280**
Total financial liabilities	480 095	–	119 472 642	**119 952 737**

31 December 2023

Amounts in NOK 1 000	Financial instruments at fair value through profit or loss	Financial instruments at fair value through other comprehensive income	Financial instruments at amortised cost	Total
Financial assets				
Lending to and receivables from credit institutions	–	–	1 032 100	**1 032 100**
Lending to customers	7 142 545	–	91 118 736	**98 261 282**
Bonds and certificates	–	17 939 199	–	**17 939 199**
Financial derivatives	3 578 984	–	–	**3 578 984**
Shares classified at fair value recognised in profit or loss	1 650	–	–	**1 650**
Other financial assets	–	–	90 488	**90 488**
Total financial assets	10 723 179	17 939 199	92 241 324	**120 903 703**
Financial liabilities				
Financial derivatives	962 500	–	–	**962 500**
Debt securities issued	–	–	109 875 931	**109 875 931**
Loans from credit institutions	–	–	2 750 578	**2 750 578**
Other liabilities	–	–	82 460	**82 460**
Subordinated loan capital	–	–	779 252	**779 252**
Total financial liabilities	962 500	–	113 488 221	**114 450 720**

Note 16 Fair value of financial instruments at amortised cost

	31 Dec 2024		31 Dec 2023	
Amounts in NOK 1 000	Book value	Fair value	Book value	Fair value
Financial assets				
Loans to and deposits with credit institutions	**1 169 415**	**1 169 415**	1 032 100	1 032 100
Lending to customers	**104 638 294**	**104 638 294**	98 261 282	98 261 282
Total financial assets	**105 807 709**	**105 807 709**	99 293 383	99 293 383
Financial liabilities				
Debt securities issued	**113 554 108**	**112 273 395**	109 875 931	108 750 370
Subordinated loan capital	**779 280**	**781 445**	779 252	773 795
Total financial liabilities	**114 333 388**	**105 941 785**	110 655 183	109 524 165

The fair value of lending to customers with floating interest rates and of lending to and receivables from credit institutions is considered to be equal to book value, and is considered to be equal to amortised cost. The fair value of fixed-rate loans is measured as equal to amortised cost adjusted for the present value of the difference between the loans' fixed rate of interest and the interest rate at the reporting date. The share of fixed and floating rate loans is presented in Note 13.2. The fair value of Norwegian debt securities in issue and subordinated loan capital are based on tax-related prices published by the Investment Firm Association (Verdipapirforetakenes forbund). The fair value of foreign debt securities in issue is based on quoted prices provided by Bloomberg.

Note 17 Fair value hierarchy

Eika Boligkreditt AS measures financial instruments at fair value, and classifies the related fair value at three different levels, which are based on the market conditions at the reporting date

Level 1: Financial instruments where the measurement is based on quoted prices in an active market

Included in Level 1 are financial instruments where the measurement is based on quoted prices in active markets for identical assets. Quoted prices are obtained from Bloomberg. The company's investments in government bonds are included in this category.

Level 2: Financial instruments where the measurement is based on observable market data

Level 2 comprises financial instruments which are measured using market information not consisting of quoted prices but which may be either directly or indirectly observable. Indirectly observable market data entail that the price is derived from corresponding financial instruments and commitments on which the market has based its valuation. This category consists of the fair value of interest and currency swaps based on swap curves and investments in certificates and bonds not issued by a national state. Discounted cash flow is used in the valuation. Market data are obtained from an acknowledged provider of market data.

Level 3: Financial instruments where the measurement is based on information other than observable market data

Level 3 includes fixed-interest mortgages and shares at fair value over profit and loss. The fair value of the fixed-interest mortgages is their amortised cost adjusted for the present value of the difference between the mortgage's fixed interest rate and the applicable fixed interest rate offered on the balance sheet date. Shares are valued on the basis of discounted cash flows.

31 December 2024

Amounts in NOK 1 000	Level 1	Level 2	Level 3
Financial assets			
Lending to customers (fixed rate)	–	–	7 084 257
Bonds and certificates	5 242 319	9 896 467	–
Financial derivatives	–	5 349 407	–
Shares classified at fair value recognised in profit or loss	–	–	1 650
Total financial assets	5 242 319	15 245 874	7 085 907
Financial liabilities			
Financial derivatives	–	480 095	–
Total financial liabilities	–	480 095	–

No significant transactions between the different levels took place in 2024.

31 December 2023

Amounts in NOK 1 000	Level 1	Level 2	Level 3
Financial assets			
Lending to customers (fixed rate)	–	–	7 142 545
Bonds and certificates	2 686 804	15 252 395	–
Financial derivatives	–	3 578 984	–
Shares classified at fair value recognised in profit or loss	–	–	1 650
Total financial assets	2 686 804	18 831 380	7 144 195
Financial liabilities			
Financial derivatives	–	962 500	–
Total financial liabilities	–	962 500	–

No significant transactions between the different levels took place in 2023.

Detailed statement of assets classified as level 3

2024

Amounts in NOK 1 000	1 Jan 2024	Purchases/ issues	Disposals/ settlements	Transfers in/out of level 3	Allocated to profit or loss 2024	Other comprehensive income	31 Dec 2024
Lending to customers (fixed-rate loans)	7 142 545	1 598 121	(1 645 546)	–	(10 863)	–	7 084 257
Shares classified at fair value recognised in profit or loss	1 650	–	–	–	–	–	1 650
Total	7 144 195	1 598 121	(1 645 546)	–	(10 863)	–	7 085 907

2023

Amounts in NOK 1 000	1 Jan 2023	Purchases/ issues	Disposals/ settlements	Transfers in/out of level 3	Allocated to profit or loss 2023	Other comprehensive income	31 Dec 2023
Lending to customers (fixed-rate loans)	7 941 705	935 321	(1 814 164)	–	79 682	–	7 142 545
Shares classified at fair value recognised in profit or loss	1 650	–	–	–	–	–	1 650
Total	7 943 355	935 321	(1 814 164)	–	79 682	–	7 144 195

Detailed statement of changes in debt related to currency changes

2024

Amounts in NOK 1 000	1 Jan 2024	Issued/matured	Currency changes	31 Dec 2024
Change in debt securities issued [1]	56 903 438	727 100	2 162 097	59 792 635
Total	56 903 438	727 100	2 162 097	59 792 635

2023

Amounts in NOK 1 000	1 Jan 2023	Issued/matured	Currency changes	31 Dec 2023
Change in debt securities issued [1]	63 891 383	(6 137 300)	(850 646)	56 903 438
Total	63 891 383	(6 137 300)	(850 646)	56 903 438

[1] The table shows currency changes related to bonds issued in foreign currencies. Currency changes related to liabilities with credit institutions are not shown.

Interest rate sensitivity of assets classified as Level 3 at 31 December 2024

A one-percentage point increase in all interest rates would reduce the value of the company's fixed-rate loans at fair value by NOK 171.5 million. The effect of a decrease in interest rates would be an increase of NOK 171.5 million in the value of fixed-rate loans at fair value. The amounts are calculated by duration, which is the remaining portion of the fixed interest period.

Changes in fair value of fixed-rate loans attributable to a change in credit risk

Since the company's fixed-rate lending at fair value has an unchanged credit spread, no change in fair value is attributable to a change in the credit risk. That applies both for 31 December 2024 and cumulatively.

Note 18 Cover pool

Section 11-7 of the Regulations relating to Financial Institutions, which came into effect on 8 July 2022, requires overcollateralisation of at least 5 per cent of the value of covered bonds in the cover pool. The 5 per cent requirement is calculated on the basis of nominal values (nominal value of hedged foreign exchange rates, not including accrued interest), while the company's own holding of covered bonds is also taken into account. Eika Boligkreditt has pledged to maintain an overcollateralisation of at least 2.75 per cent in their EMTCN-programme. But the precondition for an overcollateralisation below five per cent is that the Aaa rating for the bonds is maintained. An overcollateralisation of 2 per cent is also necessary to maintain the Aaa rating from Moody's Investor Service. In the calculation of overcollateralisation in accordance with the rating and the loan programme nominal values have been used.

Calculation of overcollateralisation using nominal value (calculated in accordance with section 11-7 of the Financial institutions regulations)

Cover pool	Nominal values including retained bonds	
Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Loans to customers without accrued interest	**104 704 601**	98 327 079
Loans not qualified for the cover pool[1]	**(836 200)**	(1 023 913)
Substitute assets:		
Substitute assets[2]	**11 194 972**	16 107 448
Substitute assets excluded from calculation of overcollateralisation for LCR purposes[3]	**(300 000)**	(250 000)
Total cover pool	**114 763 374**	113 160 614
The cover pool's overcollateralisation	**108.88%**	109.24%

Covered bonds issued		
Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Covered bonds	**105 404 250**	103 589 150
Retained bonds (covered bonds)[4]	**–**	–
Total covered bonds	**105 404 250**	103 589 150

Calculation of overcollateralisation at nominal values (calculated in accordance with the requirements in the company's borrowing programme and Moody's Investors Service methodology)

Cover pool

	Nominal values	
Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Lending to customers without accrued interest	**104 704 601**	98 327 079
Loans not qualified for the cover pool[5]	**(810 382)**	(976 976)
Substitute assets:		
Substitute assets[2]	**11 194 972**	16 107 448
Total	**115 089 191**	113 457 551
The cover pool's overcollateralisation	**109.19%**	109.53%

Covered bonds issued

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Covered bonds	**105 404 250**	103 589 150
Total covered bonds	**105 404 250**	103 589 150

[1] Residential mortgages without legal protection, non-performing engagements and any share of loans with a loan-to-value (LTV) ratio in excess of 80 per cent are excluded when calculating the carrying amount in the balance sheet.

[2] Substitute assets include loans to and receivables from credit institutions, including underlying security in repo agreements as well as bonds and certificates at nominal value.

[3] Pursuant to the Financial Supervisory Authority's guidance for reporting LCR, the liquidity cover ratio is excluded when calculating the cover pool's overcollateralisation.

[4] When calculating the 5 per cent requirement, account has been taken of the company's retained covered bonds.

[5] Residential mortgages without legal protection have been excluded when calculating the carrying amount in the balance sheet.

Note 19 Other financial assets

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Prepaid expenses	**938**	1 165
Defined contribution pension schemes	**988**	389
Short-term receivables	**34 711**	88 934
Total other financial assets	**36 637**	90 488

Note 20 Liquidity risk

Liquidity risk is the risk of the company failing to meet its commitments at the due date without major costs arising in the form of refinancing or the need for premature realisation of assets. In the worst case, liquidity risk is the risk of the company being unable to obtain sufficient refinancing to meet its commitments on the due date. The company has loans maturing in 2025 of NOK 14.3 billion net when the currency hedge is taken into account. At 31 December 2024, the company had liquid funds in the form of bank deposits amounting to NOK 1.2 billion, a securities portfolio of NOK 15.1 billion and an overdraft facility of NOK 50 million. These assets can be sold to cover the company's liabilities. A Note Purchase Agreement has also been entered into with the owners on buying the company's bonds.

More information and conditions related to the Note Purchase Agreement are provided in note 23. The liquidity risk is managed through set limits for funding structures, requirements for spreads on securities, tenors and markets, and the establishment of contingency facilities.

Liquidity risk

The tables show the undiscounted contractual cash flows of the financial liabilities.

Financial liabilities at 31 December 2024

Amounts in NOK 1 000	Book value 31 Dec 2024	Without predetermined maturity	Term to maturity 0–1 month	Term to maturity 1–3 months	Term to maturity 3–12 months	Term to maturity 1–5 years	Term to maturity > 5 years	Total
Financial liabilities								
Debt securities issued	113 554 108	–	157 766	6 806 688	10 525 248	87 559 554	28 393 774	**133 443 031**
Subordinated loan capital	779 280	–	2 169	10 572	36 314	875 116	–	**924 170**
Financial derivatives (net)	(4 869 312)	–	36 551	(574 925)	224 138	(581 094)	(640 393)	**(1 535 724)**
Loans from credit institutions [1]	5 054 806	5 054 806	–	–	–	–	–	**5 054 806**
Other debt with remaining term to maturity [2]	84 448	–	72 286	3 276	6 350	–	–	**81 913**
Total financial liabilities	114 603 330	5 054 806	268 772	6 245 612	10 792 050	87 853 576	27 753 381	**137 968 196**
Derivatives								
Financial derivatives (gross)								
Incoming flow		–	(78 422)	(5 604 202)	(6 915 551)	(39 209 671)	(13 715 495)	**(65 523 341)**
Outgoing flow		–	41 871	6 179 126	6 691 414	39 790 766	14 355 888	**67 059 065**
Financial derivatives (net)		–	(36 551)	574 925	(224 138)	581 094	640 393	**1 535 724**

Ordinary maturity is used as the basis for classification

[1] Agreements with counterparties regulating trades in OTC derivatives require collateral to be provided in certain cases. Eika Boligkreditt AS has been provided with such collateral in the form of cash in both 2024 and 2023. These cash sums are managed by Eika Boligkreditt AS for the duration of the collateral provision, and are recognised in the balance sheet as an asset with an associated liability. Both the cash asset held as bank deposits and the liability are thereafter measured at amortised cost.

[2] Accrued interest related to debt established through the issue of securities, subordinated loan capital and financial derivatives is included under the respective items in the balance sheet. Other debt with remaining term to maturity at 31 December 2024 relates to accrued interest on tier 1 perpetual bonds.

Financial liabilities at 31 December 2023

Amounts in NOK 1 000	Book value 31 Dec 2023	Without predetermined maturity	Term to maturity 0–1 month	Term to maturity 1–3 months	Term to maturity 3–12 months	Term to maturity 1–5 years	Term to maturity > 5 years	Total
Financial liabilities								
Debt securities issued	109 875 931	–	370 542	6 550 496	7 021 975	88 479 253	25 552 706	**127 974 972**
Subordinated loan capital	779 252	–	2 240	10 579	284 081	598 521	–	**895 422**
Financial derivatives (net)	(2 616 485)	–	32 510	(558 837)	1 431 625	465 691	(274 002)	**1 096 987**
Loans from credit institutions [1]	2 750 578	2 750 578	–	–	–	–	–	**2 750 578**
Other debt with remaining term to maturity [2]	82 460	–	57 164	3 042	19 525	–	–	**79 731**
Total financial liabilities	110 871 736	2 750 578	462 456	6 005 280	8 757 206	89 543 465	25 278 704	**132 797 690**
Derivatives								
Financial derivatives (gross)								
Incoming flow		–	(72 510)	(5 183 752)	(2 154 005)	(37 864 060)	(19 128 704)	**(64 403 031)**
Outgoing flow		–	40 000	5 742 589	722 380	37 398 369	19 402 706	**63 306 044**
Financial derivatives (net)		–	(32 510)	558 837	(1 431 625)	(465 691)	274 002	**(1 096 987)**

Ordinary maturity is used as the basis for classification

[1] Agreements with counterparties regulating trades in OTC derivatives require collateral to be provided in certain cases. Eika Boligkreditt AS has been provided with such collateral in the form of cash in both 2023 and 2022. These cash sums are managed by Eika Boligkreditt AS for the duration of the collateral provision, and are recognised in the balance sheet as an asset with an associated liability. Both the cash asset held as bank deposits and the liability are thereafter measured at amortised cost.

[2] Accrued interest related to debt established through the issue of securities, subordinated loan capital and financial derivatives is included under the respective items in the balance sheet. Other debt with remaining term to maturity at 31 December 2023 relates to accrued interest on tier 1 perpetual bonds.

Note 21 Market risk

Market risk arises through the company's exposure in the interest and foreign exchange market.

Note 21.1 Interest rate risk

The company is also exposed to interest-rate risk related to net interest loss. Eika Boligkreditt finances its loan portfolio through external funding in the form of covered bonds and senior financing. Varying fixed interest rates and benchmark rates of interest on lending and borrowing affect the company's net interest income. The interest-rate risk is reduced to a great extent by adapting borrowing and lending to the same interest terms.

Interest sensitivity

Changes in the level of interest rates will have an effect on profits as a result of changes in both fair value and net interest income.

Effect on profit of a change in fair value

A one percentage point increase in all interest rates, calculated over a period of 12 months on the basis of the portfolio at 31 December 2024, would reduce the value of the company's assets at 31 December by NOK 28.3 million, while the value of liabilities would be cut by NOK 66.4 million. The net effect on pre-tax profit would consequently have been a increase of NOK 38.1 million. The effect of a decrease in interest rates would be an increase of NOK 28.3 million of the value of assets, an increase of NOK 66.4 million in the value of liabilities and an reduction in pre-tax profit of NOK 38.1 million. These amounts are calculated on the basis of duration – in other words, the remainder of the fixed-interest period – for both assets and liabilities. The corresponding interest-rate hedge is taken into account when calculating duration. The valuation comprises the fair value of fixed-interest mortgages, bonds and certificates at fair value through profit and loss, derivatives and debt established through the issue of fixed-interest securities, which are financial instruments not measured at amortised cost.

Effect on profit of change in net interest income

The effect of a one percentage point increase in all interest rates would be to increase interest income at 31 December by NOK 1.17 billion, while interest expense would be increased by NOK 1.09 billion. The effect on net interest income would accordingly have been an increase of NOK 74.4 million. A reduction in interest rates would decrease interest income by NOK 1.17 billion and interest expenses by NOK 1.09 million. That would yield a reduction of NOK 74.4 million in net interest income. When calculating the profit effect on net interest income, the change in interest rates comprises the company's portfolio with floating interest rates and the fair value of fixed-interest mortgages, loans to and receivables from credit institutions, derivatives, bonds and certificates at fair value through profit and loss, debt securities issued and subordinated loans.

Overall effect on profit of changes in fair value and net interest income

A one percentage point increase in all interest rates would produce an overall change through fair value and net interest income of NOK 112.5 million in pre-tax profit. A reduction of one percentage point in all interest rates would produce an overall negative change through fair value and net interest income of NOK 112.5 million in pre-tax profit. It is assumed in the calculation that the distributor commissions are not affected by this change.

Note 21.2 Currency risk

Provision of cash collateral in euros by derivative counterparties yields a shortfall in euros because interest rates on Eika Boligkreditt's alternative investments are lower than the rates it receives on this cash collateral. This shortfall must be covered by purchasing euros. The scope of the shortfall in euros is EUR 5 million. The company has debt through covered bonds issued in euros. The debt are hedged through currency derivatives. Since the debt are fully hedged through currency derivatives, the company has no currency risk when issuing covered bonds. An overview of the book value of financial instruments in foreign currencies is provided below. The table is stated in NOK. Fair value adjustments related to the interest element and changes in basis swap in the currency hedge on debt securities issued are not included in the statement.

Currency risk at 31 December 2024

Amounts in NOK 1 000	Term to maturity 0–1 month	Term to maturity 1–3 months	Term to maturity 3–12 months	Term to maturity 1–5 years	Term to maturity > 5 years	Total
Debt securities issued in EUR	–	5 908 710	5 897 252	29 680 758	18 623 941	**60 110 661**
Currency derivatives in EUR	–	(5 908 710)	(5 897 252)	(29 680 758)	(18 623 941)	**(60 110 661)**
Net currency exposure	–	–	–	–	–	**–**

Currency risk at 31 December 2023

Amounts in NOK 1 000	Term to maturity 0–1 month	Term to maturity 1–3 months	Term to maturity 3–12 months	Term to maturity 1–5 years	Term to maturity > 5 years	Total
Debt securities issued in EUR	–	5 623 910	–	28 147 692	23 332 332	**57 103 934**
Currency derivatives in EUR	–	(5 623 910)	–	(28 147 692)	(23 332 332)	**(57 103 934)**
Net currency exposure	–	–	–	–	–	**–**

Note 22 Other risk

Risk relating to capital management

Borrowing through the issuance of covered bonds means the company will have surplus liquidity in the period immediately after raising such loans. The need for liquid funds increases as a result of balance sheet growth. This means there is a need to increase the number of lines to place liquidity with solvent counterparties pursuant to the regulations governing covered bonds. The company is exposed to risk linked to capital management through securities in Norway, including government securities, municipal bonds, and Norwegian covered bonds. A framework for managing surplus liquidity has been established to limit the interest and credit spread risk on the investments. The management is subject to the reporting and position framework determined by the company's board of directors. This framework is reviewed once a year. The company's total market risk is assessed on the basis of stress scenarios prepared in line with the recommendations of Norway's Financial Supervisory Authority and the Basel Committee. See Note 13.4 relating to certificates, bonds and other securities with a fixed yield.

Management and control of IT systems

The company's IT systems play a crucial role in accounting and reporting of implemented transactions, in providing the basis for important estimates and calculations, and in securing relevant supplementary information. IT systems are standardised, with parts of their management and operation largely outsourced to service providers. Good management and control of the IT systems, both in Eika Boligkreditt and at the service providers, are crucial for ensuring accurate, complete and reliable financial reporting.

Note 23 Liabilities

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Nominal value of bonds	**107 989 250**	106 889 150
Nominal value of certificates	**–**	–
Rate differences and interest, currency hedging, and accrued interest	**5 564 858**	2 986 781
Nominal value of subordinated loan capital	**775 000**	775 000
Rate differences and accrued interest	**4 280**	4 252
Total	**114 333 388**	110 655 183

Eika Boligkreditt has an overdraft facility with DNB Bank ASA (DNB). Amounting to NOK 50 million, this facility was undrawn at 31 December 2024 and 31 December 2023. Equity conditions apply to the overdraft facility.

The provision of liquidity support is regulated by an agreement concerning the purchase of covered bonds which came into effect on 10 May 2012. During the second quarter 2024, the terms of the agreement with the owner banks were renegotiated in order to ensure that the purchase obligation does not actually increase the owner banks' future capital requirement. In the revised agreement, the secondary liability has been removed (see note 23 of the annual report 2023) and the owner banks' primary liability is limited such that the total amount of covered bonds issued under the NPA cannot exceed 20 per cent of the total amount of the covered bonds issued by the company. The main features of this agreement are that the owner banks, for as long as they hold residential mortgage portfolios in the company and under specific circumstances, have an obligation to provide liquidity to Eika Boligkreditt. Any unredeemed covered bonds which the owner banks have purchased under the liquidity agreement will be deducted from the calculation of each owner bank's outstanding liquidity liability.

The agreement on purchasing covered bonds can be terminated under certain conditions.

Conditions also apply to the lender concerning overcollateralisation. For covered bonds ascribed to the company's cover pool, requirements relating to overcollateralisation of 5 per cent apply to loans included in the EMTCN-Programme. This means that the company must at all times have assets in its cover pool that constitute at least 105 per cent of total outstanding covered bonds. See Note 18 for more information.

At 31 December 2024, the company had bonds and certificates in issue with a nominal value of NOK 107 989 250 thousand.

Note 23.1 Debt from issuance of securities

Covered bonds

ISIN (Amounts in NOK 1 000)	Nominal amounts	Local currency	Interest rate terms	Interest rate	Establishment	Maturity	31 Dec 2024	31 Dec 2023
NO0010625346	1 500 000	NOK	Fixed	4.60%	2011	2026	**1 515 113**	1 515 204
NO0010669922	1 000 000	NOK	Fixed	4.00%	2013	2028	**1 037 290**	1 036 984
NO0010687023	150 000	NOK	Fixed	4.10%	2013	2028	**151 965**	151 965
NO0010763022	850 000	NOK	Fixed	2.25%	2016	2031	**859 820**	859 279
NO0010780687	700 000	NOK	Fixed	2.60%	2016	2027	**711 418**	711 351
NO0010815376	1 600 000	NOK	Fixed	2.67%	2018	2033	**1 631 597**	1 630 766
NO0010863178	7 250 000	NOK	Floating	3M Nibor + 0.25%	2019	2024	**–**	6 676 002
NO0010881162	6 000 000	NOK	Floating	3M Nibor + 0.41%	2020	2025	**4 113 186**	6 039 914
NO0010921067	10 500 000	NOK	Floating	3M Nibor + 0.75%	2021	2026	**10 599 203**	10 651 773
NO0011135105	6 000 000	NOK	Floating	3M Nibor + 0.50%	2021	2026	**6 035 259**	6 053 125
NO0012475609	6 000 000	NOK	Floating	3M Nibor + 0.42%	2022	2027	**6 004 988**	6 004 786
NO0012708827	2 000 000	NOK	Fixed	4.00%	2022	2032	**2 013 145**	2 012 144
NO0012728643	1 700 000	NOK	Fixed	4.33%	2022	2034	**1 771 199**	1 776 962
NO0012807421	7 500 000	NOK	Floating	3M Nibor + 0.48%	2023	2028	**7 580 477**	7 581 679
NO0013135301	8 000 000	NOK	Floating	3M Nibor + 0.57%	2024	2029	**8 010 700**	–
NO0013386680	500 000	NOK	Fixed	4.15%	2024	2036	**503 512**	–
NO0013401935	620 000	NOK	Floating	3M Nibor + 0.57%	2024	2039	**625 152**	–
XS1566992415	500 000	EUR	Fixed	0.375%	2017	2024	**–**	5 623 910
XS1725524471	500 000	EUR	Fixed	0.375%	2017	2025	**5 908 710**	5 617 586
XS1869468808	500 000	EUR	Fixed	0.50%	2018	2025	**5 897 252**	5 606 708
XS1945130620	500 000	EUR	Fixed	0.875%	2019	2029	**5 914 934**	5 623 707
XS1969637740	10 000	EUR	Fixed	1.245%	2019	2039	**118 939**	113 189
XS1997131591	60 000	EUR	Fixed	1.112%	2019	2039	**711 770**	677 358
XS2085864911	5 000	EUR	Fixed	0.56%	2019	2039	**58 881**	56 032
XS2133386685	500 000	EUR	Fixed	0.01%	2020	2027	**5 918 498**	5 644 322
XS2234711294	500 000	EUR	Fixed	0.01%	2020	2028	**5 937 574**	5 664 344
XS2353312254	500 000	EUR	Fixed	0.125%	2021	2031	**5 869 936**	5 582 597
XS2482628851	500 000	EUR	Fixed	1.625%	2022	2030	**5 920 139**	5 628 551
XS2536806289	500 000	EUR	Fixed	2.50%	2022	2028	**5 906 652**	5 614 732
XS2636611332	500 000	EUR	Fixed	3.25%	2023	2033	**5 944 276**	5 650 898
XS2787826382	500 000	EUR	Fixed	2.875%	2024	2029	**6 003 100**	–
Value adjustments							**(2 312 409)**	(3 233 051)
Total covered bonds including accrued interest[1]							**110 962 274**	106 572 817

[1] For covered bonds linked to the company's cover pool, an overcollateralisation requirement of 2.75 per cent applies in accordance with the company's borrowing programme (Euro Medium Term Covered Note Programme). But the precondition for an over-collateralisation below five per cent is that the Aaa rating for the bonds is maintained. An overcollateralisation of 2 per cent is required to maintain the Aaa rating that Moody's Investors Service has accorded to the company's bonds.

Senior unsecured bonds

ISIN (Amounts in NOK 1 000)	Nominal amounts	Local currency	Interest rate terms	Interest rate	Establishment	Maturity	31 Dec 2024	31 Dec 2023
NO0010834716	500 000	NOK	Fixed	3.01%	2018	2025	**301 650**	301 581
NO0010841620	300 000	NOK	Fixed	2.87%	2019	2026	**308 073**	308 017
NO0010845936	500 000	NOK	Floating	3M Nibor + 0.78%	2019	2024	**–**	300 937
NO0010849433	500 000	NOK	Floating	3M Nibor + 0.74%	2019	2024	**–**	300 194
NO0010874944	300 000	NOK	Floating	3M Nibor + 0.58%	2020	2025	**186 358**	302 101
NO0010904642	500 000	NOK	Floating	3M Nibor + 0.65%	2020	2024	**–**	504 101
NO0010918113	300 000	NOK	Floating	3M Nibor + 0.45%	2021	2024	**–**	302 997
NO0012899915	250 000	NOK	Floating	3M Nibor + 1.25%	2023	2028	**252 594**	252 628
NO0013013979	250 000	NOK	Floating	3M Nibor + 1.24%	2023	2028	**250 636**	250 579
NO0013101576	500 000	NOK	Floating	3M Nibor + 0.87%	2023	2026	**500 883**	500 797
NO0013251207	300 000	NOK	Floating	3M Nibor + 0.60%	2024	2027	**301 135**	–
NO0013383380	500 000	NOK	Floating	3M Nibor + 0.81%	2024	2029	**504 077**	–
Value adjustments							**(13 572)**	(20 817)
Total senior unsecured bonds including accrued interest							**2 591 834**	3 303 114
Total debt securities issued including accrued interest							**113 554 108**	109 875 931

Subordinated loan capital

ISIN (Amounts in NOK 1 000)	Nominal amounts	Local currency	Interest rate terms	Interest rate	Establishment	Maturity	31 Dec 2024	31 Dec 2023
NO0010864333	250 000	NOK	Floating	3M Nibor + 1.55% [2]	2019	2029	**–**	250 145
NO0010917735	150 000	NOK	Floating	3M Nibor + 1.04% [3]	2021	2031	**151 653**	151 617
NO0012618927	375 000	NOK	Floating	3M Nibor + 2.20% [4]	2022	2032	**377 747**	377 491
NO0013265900	250 000	NOK	Floating	3M Nibor + 1.65% [5]	2024	2034	**249 881**	–
Total subordinated loan capital including accrued interest							**779 280**	779 252

[2] Subordinated loan of NOK 250 million maturing on 27 September 2029, with a redemption right (call) on 27 September 2024 and thereafter quarterly at each interest date. A regulatory and a tax related call are also provided. Should official regulation lead to changes which affect how far the capital can be regarded as tier 2 capital, the bond can be redeemed at a price equal to 100 per cent plus accrued interest. Eika Boligkreditt has redeemed the bond in full as of 27 September 2024 (call).

[3] Subordinated loan of NOK 150 million maturing on 20 January 2031, with a redemption right (call) on 20 January 2026 and thereafter quarterly at each interest date. A regulatory and a tax related call are also provided. Should official regulation lead to changes which affect how far the capital can be regarded as tier 2 capital, the bond can be redeemed at a price equal to 100 per cent plus accrued interest

[4] Subordinated loan of NOK 375 million maturing on 18 November 2032, with a redemption right (call) on 18 August 2027 and thereafter on each banking day in the subsequent interest period and thereafter on each interest payment date. A regulatory and a tax related call are also provided. Should official regulation lead to changes which affect how far the capital can be regarded as tier 2 capital, the bond can be redeemed at a price equal to 100 per cent plus accrued interest.

[5] Subordinated loan of NOK 250 million maturing on 27 December 2034, with a redemption right (call) on 27 September 2029 and thereafter on each banking day (including the next interest payment date) in the subsequent interest period and thereafter on each interest payment date. A regulatory and a tax related call are also provided. Should official regulation lead to changes which affect how far the capital can be regarded as tier 2 capital, the bond can be redeemed at a price equal to 100 per cent plus accrued interest.

Note 24 Other liabilities

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Accrued costs		
Commissions on bank lending	**70 335**	55 286
Accrued interest	**2 535**	2 729
Accrued employer's national insurance contributions	**1 686**	1 677
Deferred directors' fees	**835**	938
Accrued holiday pay	**2 525**	2 517
Deferred bonus	**–**	–
Other accrued costs	**2 991**	3 776
Total accrued costs	**80 906**	66 922
Other debt		
Debt to companies in the same group	**–**	–
Accounts payable	**1 952**	1 878
Unpaid withholding tax	**1 309**	1 277
Unpaid VAT	**281**	88
Tax payable	**–**	12 299
Other debt	**(1)**	(5)
Total	**3 542**	15 538
Total other liabilities	**84 448**	82 460

Note 25 Pension cost

The company is required to have an occupational pension scheme in accordance with Norwegian legislation on defined contribution pensions (Lov om innskuddspensjon). The company has arrangements that comply with the statutory requirements. Eika Boligkreditt decided in 2016 to close its defined-benefit pension plan, which means that all employees are now covered by a defined-contribution scheme.

Defined contribution scheme

This scheme is based on an agreement that the company has to provide a contribution of seven per cent of pay rates from zero to 7.1 times the National insurance Scheme's base rate (G) and 20 per cent of pay from 7.1 to 12 G. In addition, the company provides risk insurance that includes disability and children's pensions for those included in the defined contribution scheme.

AFP – early retirement pension

The AFP is an early retirement pension plan for the private sector enshrined in collective pay agreements. To benefit from the scheme, an employee must have been employed in a company affiliated to the AFP for seven of the nine years before they reach the age of 62. Premiums are calculated as a fixed percentage of annual pay between one and 7.1 times the National Insurance Scheme's base rate (G). No premiums are paid for employees after the year they reach the age of 61. All employees in the company are members of the scheme from 1 April 2016. The premium paid is expensed.

Personal pension plan

At 31 December 2024, the company had a personal pension plan for the CEO. In this connection, it has been agreed that a fixed monthly contribution shall be paid into a supplementary (personal) defined-contribution pension.

	2024	2023
Number of employees in the unfunded scheme	**1**	1
Number of employees in the defined contribution pension scheme	**20**	19

Pension expenses

Amounts in NOK 1 000	2024	2023
Defined contribution pension schemes	**3 019**	2 841
Individual plan	**619**	580
AFP – early retirement pension	**348**	372
Net pension expenses	**3 985**	3 794

Pension commitments

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Value of pension funds	**1 177**	605
Pension liability	**1 177**	605

Note 26 Share capital and shareholder information

The share capital consists of 1 501 039 914 shares, each with a nominal value of NOK 1.00.
All shares were authorised, issued and fully paid at 31 December 2024.

List of shareholders at 31 December 2024	Number of shares	Ownership share
JBF Sparebank	134 406 563	8.95%
Skagerrak Sparebank	130 327 846	8.68%
Jæren Sparebank	103 174 280	6.87%
Orkla Sparebank	64 397 598	4.29%
Romerike Sparebank	63 939 709	4.26%
Skue Sparebank	62 005 092	4.13%
Grong Sparebank	56 223 657	3.75%
Odal Sparebank	55 898 329	3.72%
Sparebank 1 Østlandet	54 758 926	3.65%
Sparebanken Narvik	49 201 283	3.28%
Agder Sparebank	44 634 300	2.97%
Aurskog Sparebank	42 052 230	2.80%
Melhus Sparebank	39 720 793	2.65%
Askim & Spydeberg Sparebank	34 272 274	2.28%
Sunndal Sparebank	33 460 199	2.23%
Romsdal Sparebank	31 578 513	2.10%
Eidsberg Sparebank	28 366 355	1.89%
Rørosbanken	27 869 498	1.86%
Marker Sparebank	27 577 908	1.84%

List of shareholders at 31 December 2024	Number of shares	Ownership share
Trøgstad Sparebank	27 126 964	1.81%
Berg Sparebank	24 074 123	1.60%
Bien Sparebank ASA	22 444 239	1.50%
Tysnes Sparebank	21 321 289	1.42%
Strømmen Sparebank	19 559 069	1.30%
Kvinesdal Sparebank	19 260 731	1.28%
Grue Sparebank	18 248 824	1.22%
Trøndelag Sparebank	17 325 893	1.15%
Høland Og Setskog Sparebank	14 899 564	0.99%
Drangedal Sparebank	14 798 931	0.99%
Hegra Sparebank	14 772 778	0.98%
Ørskog Sparebank	14 420 000	0.96%
Evje Og Hornnes Sparebank	13 979 464	0.93%
Sparebank 68° Nord	13 966 865	0.93%
Birkenes Sparebank	13 767 266	0.92%
Sogn Sparebank	12 792 994	0.85%
Valle Sparebank	11 947 819	0.80%
Aasen Sparebank	10 772 074	0.72%
Oppdalsbanken	10 214 752	0.68%

List of shareholders at 31 December 2024	Number of shares	Ownership share
Rogaland Sparebank	9 618 306	0.64%
Selbu Sparebank	9 340 689	0.62%
Soknedal Sparebank	9 174 007	0.61%
Tinn Sparebank	9 071 570	0.60%
Voss Veksel- Og Landmandsbank Asa	8 865 504	0.59%
Rindal Sparebank	8 616 053	0.57%
Stadsbygd Sparebank	7 363 658	0.49%
Haltdalen Sparebank	6 806 961	0.45%
Sparebanken Din Telemark	5 600 072	0.37%
Oslofjord Sparebank	5 033 507	0.34%
Nidaros Sparebank	4 557 309	0.30%
Gildeskål Sparebank	3 718 849	0.25%
Bjugn Sparebank	3 635 716	0.24%
Tolga-Os Sparebank	3 610 171	0.24%
Ørland Sparebank	2 817 916	0.19%
Valdres Sparebank	2 603 059	0.17%
Etnedal Sparebank	1 047 574	0.07%
Eika Kredittbank AS	1	0.00%
Total	1 501 039 914	100%

The shares have full voting rights pursuant to the company's articles of association.

Note 27 Capital adequacy ratio

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Share capital	**1 501 040**	1 428 559
Share premium	**4 309 343**	4 081 824
Other paid-in equity	**477 728**	477 728
Other equity[1]	**(278 222)**	(343)
Total equity recognised in the balance sheet (without tier 1 perpetual bonds)	**6 009 889**	5 987 768
Cash flow hedge reserve[1]	**384 230**	–
Fund for unrealised gains	**–**	–
Fund for valuation differences	**17 641**	16 143
Intangible assets	**(141)**	(392)
Deferred tax assets[2]	**–**	–
Prudent valuation adjustments of fair valued positions without accrued interest	**(23 084)**	(25 371)
Total common equity tier 1 capital	**6 388 534**	5 978 147

Common Equity Tier 1 ratio	31 Dec 2024	31 Dec 2023
Risk-weighted assets	**39 918 094**	38 644 408
Common equity tier 1 capital	**6 388 534**	5 978 147
Common equity tier 1 capital ratio	**16.0%**	15.5%
Total common equity tier 1 capital	**6 388 534**	5 978 147
Tier 1 perpetual bonds	**575 000**	575 000
Total tier 1 capital	**6 963 534**	6 553 147

Tier 1 ratio	31 Dec 2024	31 Dec 2023
Risk-weighted assets	**39 918 094**	38 644 408
Tier 1 capital	**6 963 534**	6 553 147
Tier 1 ratio (%)	**17.4%**	17.0%
Total tier 1 capital	**6 963 534**	6 553 147
Subordinated loans	**774 186**	774 249
Total capital	**7 737 720**	7 327 397

Total capital ratio	31 Dec 2024	31 Dec 2023
Risk-weighted assets	**39 918 094**	38 644 408
Total capital	**7 737 720**	7 327 397
Capital adequacy ratio	**19.4%**	19.0%
Required capital corresponding to eight per cent of calculation basis	**3 193 448**	3 091 553
Surplus equity and subordinated capital	**4 544 272**	4 235 844

The capital adequacy ratio is calculated using the standard method in accordance with the current regulations of CRR/CRD.

31 December 2024

Calculation basis	Risk-weighted assets	Capital requirement
Credit risk[3]	**38 683 438**	3 094 675
Operational risk	**323 042**	25 843
CVA risk[4]	**911 614**	72 929
Total	**39 918 094**	3 193 448

Leverage ratio	31 Dec 2024	31 Dec 2023
Total exposure measure	**128 735 504**	120 787 645
Tier 1 capital	**6 963 534**	6 553 147
Leverage ratio	**5.4%**	5.4%

The company employs the standardised approach for calculating credit risk and the basic indicator approach for calculating operational risk.

[1] Pursuant to the rules for hedge accounting set out in IFRS 9, changes in fair value relating to cross-currency interest rate swaps may be recognised as cash-flow hedging. Because it is possible to disaggregate the basis spread as cash-flow hedging under IFRS 9, changes in value relating to the basis spread are neutralised in line with Article 33(1) of the CRR when calculating common equity tier 1 capital. This is the same as was the case for cash-flow hedging under IAS 39.

[2] Deferred tax assets attributable to temporary differences and amounting to less than 10 per cent of common equity tier 1 capital are not deducted from common equity tier 1 capital, but risk-weighted by 250 per cent. See the changes to the calculation regulations which came into force on 30 September 2014.

[3] The European Banking Authority (EBA) published new recommendations in September 2016 for the definition of default, applicable from 1 January 2021. The general rule has previously been that engagements are regarded as non-performing if payment of a claim is overdue by more than 90 days and the amount is not insignificant. Pursuant to the new EBA recommendation, the company is required to carry out various supplementary evaluations related to the probability of default. This evaluation must take account of the client's overall indebtedness, possible infection between agreements with the same debtor, the level of materiality limits and the duration of quarantine after being declared healthy.

On the basis of this new standard for assessing defaults, these are estimated to amount to NOK 7.6 million at 31 December 2024. This definition of default will affect the company's calculation of capital adequacy, where mortgages defined as in default have their risk weighting in the calculation base changed from 35 to 100 per cent, assuming that the LTV for the defaulting mortgages is below 100 per cent. The mortgages will also be deducted from tier 1 capital pursuant to article 47c of the CRR if the mortgage is entered into after 26 April 2019.

[4] At 31 December 2024, Eika Boligkreditt had taken account of the risk of credit valuation adjustment (CVA) when calculating capital requirements for credit risk. This represents a supplement to the capital requirement for credit risk related to counterparty risk for derivatives.

Risk-weighted assets at 31 December amounted to NOK 39.9 billion, and represents a quantification of the company's risk. After accounting for growth in overall lending and changes in the company's liquidity portfolio, operational risk and CVA risk, the calculation basis for capital adequacy at 31 December 2024 was NOK 1.3 billion higher than at 1 January.

At all times, the company must have a buffer in relation to the minimum capital adequacy requirement of 8 per cent. This buffer must be sufficient to cover relevant risks which could affect the company. The company's internal capital adequacy assessment process (ICAAP) is pursued to ensure that it has an adequate buffer in relation to the minimum requirement. The company plans to capitalise continued growth in the residential mortgage portfolio. The company's capital targets are a common equity tier 1 capital ratio of 14.78 per cent, a tier 1 ratio of 16.37 per cent and a total capital ratio of 18.5 per cent. These targets are adequate in relation to the legal requirements, the company's Pillar 2 demands, and capital requirements based on the company's internal assessment of risk. As can be seen above, the applicable buffer requirement was met at 31 December 2024 with a common equity tier 1 capital ratio of 16 per cent.

Capital support from the owner banks is regulated by a shareholder agreement dated 10 May 2012. This includes a commitment by the owner banks that, under given circumstances, they will have to provide the company with the capital required to maintain the company's applicable targets at any given time for tier 1 capital and total primary capital ratios, or higher tier 1 capital and/or total primary capital ratios as required or recommended by the Financial Supervisory Authority of Norway. The individual owner bank's capitalisation obligation is primarily limited to its pro rata share of capital issues, calculated on the basis of each owner bank's share of the company's mortgage portfolio. Should one or more owner banks fail to fulfil their capitalisation obligation pursuant to the agreement, the capitalisation obligation of the remaining owner banks can be raised to a limit of twice their original pro rata share. The agreement on purchasing covered bonds and the shareholder agreement can be terminated under certain conditions.

The Capital Requirement Regulations III (CRR3) introduce a new standard method for calculating the capital required to cover credit risk. This method is more risk sensitive than the current model, which will result in a lower capital requirement for loans with a low loan-to-value (LTV) ratio. In addition, CRR3 will change the method for calculating credit valuation adjustment (CVA) risk and operational risk. Eika Boligkreditt only grants residential mortgages with a low average LTV.

It is expected that the introduction of CRR3 will result in a lower capital requirement, since the company's risk weighted assets will be reduced. CRR3 will be transposed into Norwegian law by means of an amendment to the CRR/CRD regulations issued by the Norwegian Ministry of Finance. CRR3 will go into force in Norway on 1 April 2025.

Note 28 Ownership

Eika Boligkreditt was demerged from Eika Gruppen AS with effect from 18 May 2012. Following the demerger, the company is owned directly by 56 Norwegian banks (the owner banks). In conjunction with the owner banks becoming the shareholders of Eika Boligkreditt, a shareholder agreement was entered into which stipulates in part that the ownership of the company is to be rebalanced on an annual basis. In 2024, this was changed, and ownership is now rebalanced on a semi-annual basis. This will ensure an adjustment where each bank's ownership share corresponds to its share of the company's residential mortgage portfolio.

Independent auditor's report

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To the General Meeting of Eika Boligkreditt AS

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Eika Boligkreditt AS (the Company), which comprise the balance sheet as at 31 December 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows 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,
- 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.

Our opinion is consistent with our additional report to the Board of Directors.

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 Eika Boligkreditt AS for 22 years from the election by the general meeting of the shareholders on 24. Mars 2003 for the accounting year 2003.

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 2024. 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.

IT-systems and control activities relevant for financial reporting

Description of the Key Audit Matter	How the matter was addressed in the audit
Eika Boligkreditt AS's IT-systems are essential for the accounting and reporting of completed transactions, in order to provide the basis for	Eika Boligkreditt AS has established an overall governance model and control activities related to its IT-systems. We gained an understanding of Eika

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important estimates and calculations, and to provide relevant notes. The IT-systems are standardized, and parts of management and operation is outsourced to service providers. Refer to note 22 Other risk to the financial statements for a more detailed description of development, management and operation of IT-systems in Eika Boligkreditt AS. Effective internal control related to the lending system at Eika Boligkreditt AS is vital to ensure accurate, complete and reliable financial reporting and is therefore a key audit matter.	Boligkreditt AS's overall governance model for IT-systems relevant to financial reporting. We assessed and tested for the lending system the design of selected control activities relevant to financial reporting related to IT- operations, change management, and information security. For a sample of these control activities, we tested if they operated effectively in the reporting period. We assessed and tested the design of selected automated control activities within the lending system related to among other calculations and preventive automated controls. For a sample of these control activities, we tested if they operated effectively in the reporting period. We used our own IT specialists to understand the overall governance model for IT-systems and in the assessment and testing of the control activities related to the lending system.

Valuation of financial instruments

Description of the Key Audit Matter	How the matter was addressed in the audit
Eika Boligkreditt AS has financial derivatives with a net value in the balance sheet of 4,9 billion NOK as per December 31, 2024 whereof combined interest- and currency swaps constitutes 4,6 billion NOK as per December 31, 2024. The estimates and judgmental assessments concerning the valuation of these financial instruments are described in note 2 and 8 to the financial statements. The risk related to valuation of financial derivatives is particularly related to financial derivatives that are not traded in an active market. At Eika Boligkreditt AS this is the case for their combined interest- and currency swaps used to hedge exchange and interest risk related to their funding. Elements of basis swaps are included in the valuation of these derivatives. Net gain and loss from basis swaps result in annual net gain and loss in the income statement as there is no corresponding change in fair value on the funding. Valuation combined interest- and currency swaps is therefore considered a key audit matter in our audit.	Eika Boligkreditt AS has established certain control activities related to the valuation of combined interest- and currency swaps. We have assessed the design of selected key control activities. For a selection of these control activities, we assessed whether they were effectively designed to address the risk and whether they were implemented. The control activities we evaluated were related to the selection of calculation method, determination of assumptions, and assessment of the reasonableness of the impact on results related to value changes from basis swaps. We challenged management's selection of method and the applied assumptions by considering if these were in line with commonly used valuation standards and industry practice. For a sample of combined interest- and currency swaps, we reconciled the applied assumptions with the external sources used by the company. Based on the company's own assumptions we also calculated the accuracy of gain and loss related to value changes from basis swaps. We also assessed whether the information in related notes was adequate.

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 appear 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 statement 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.

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Independent auditor's report
Eika Boligkreditt AS

- 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.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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.

Oslo, 12. March 2025
Deloitte AS

Eivind Skaug
State Authorised Public Accountant
(electronically signed)

Note: This translation from Norwegian has been prepared for information purposes only.

Auditor's assurance report on TCFD reporting

To the Board of Directors of Eika Boligkreditt AS

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON EIKA BOLIGKREDITT AS SUSTAINABILITY REPORTING FOR 2024

We have performed a limited assurance engagement for the Board of Directors of Eika Boligkreditt AS on selected Environmental, Social and Governance ("ESG") information (the "Selected Information") within the Annual Report for the reporting period ended 31 December 2024.

Our limited assurance conclusion

Based on our procedures described in this report, and evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information for the 2024 ended 31 December 2024, as described below, has not been prepared, in all material respects, in accordance with the Applicable Criteria.

Scope of our work

Eika Boligkreditt AS has engaged us to provide independent Limited assurance in accordance with International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ("ISAE 3000 (Revised), issued by the International Auditing and Assurance Standards Board ("IAASB") and our agreed terms of engagement.

The Selected Information in scope of our engagement, as presented in the Annual Report for the 2024 ended 31 December 2024 is as follows:

TCFD Index 2024.	Reporting of the company's status stated in the TCFD index in the Annual Report on page 49 to 52, prepared in accordance with the TCFD recommendations as presented in "Recommendations of the Task Force on Climate-related Financial Disclosures – Final Report", published by the Financial Stability Board at https://fsb-tcfd.org.

In relation to the Selected Information, as listed in the above table, the Selected Information needs to be read and understood together with the Applicable Criteria.

Inherent limitations of the Selected Information

We obtained limited assurance over the preparation of the Selected Information in accordance with the Applicable Criteria. Inherent limitations exist in all assurance engagements.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

Board of Directors responsibilities

The Board of Directors are responsible for:

- Selecting and establishing the Applicable Criteria.
- Preparing, measuring, presenting and reporting the Selected Information in accordance with the Applicable Criteria.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information to ensure that they are free from material misstatement, including whether due to fraud or error.

Our responsibilities

We are responsible for:

- Planning and performing procedures to obtain sufficient appropriate evidence in order to express an independent limited assurance conclusion on the Selected Information.
- Communicating matters that may be relevant to the Selected Information to the appropriate party including identified or suspected non-compliance with laws and regulations, fraud or suspected fraud, and bias in the preparation of the Selected Information.
- Reporting our conclusion in the form of an independent limited Assurance Report to the Board of Directors.

Our independence and quality management

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We apply the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Key procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the description of activities undertaken in respect of the Selected Information is likely to arise. The procedures we performed were based on our professional judgment and included, among others, an assessment of the appropriateness of the Applicable Criteria. In carrying out our Limited assurance engagement on the description of activities undertaken in respect of the Selected Information, we performed the following procedures:

- Through inquiries of relevant personnel, we have obtained an understanding of the Company, its environment, processes and information systems relevant to the preparation of the Selected Information sufficient to identify areas where material misstatement in the Selected Information is likely to arise, providing a basis for designing and performing procedures to respond to address these areas and to obtain limited assurance to support a conclusion.
- Through inquiries of relevant personnel, we have obtained an understanding of the internal processes relevant to the Selected Information and data used in preparing the Selected Information, the methodology for gathering qualitative information, and the process for preparing and reporting the Selected Information.
- Performed procedures on a sample basis to assess whether the Selected Information has been collected and reported in accordance with the Applicable Criteria, including comparing to source documentation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Oslo, 25. March 2025
Deloitte AS

Eivind Skaug
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only

Key figures

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Balance sheet development		
Lending to customers	**104 638 294**	98 261 282
Debt securities issued	**113 554 108**	109 875 931
Subordinated loan capital	**779 280**	779 252
Equity	**6 602 530**	6 576 209
Equity in % of total assets	**5.2**	5.4
Average total assets [1]	**123 986 686**	122 256 092
Total assets	**126 565 822**	121 039 280
Rate of return/profitability		
Fee and commission income in relation to average total assets, annualised (%)	**0.5**	0.4
Sum operating expenses in relation to average lending to customers (%)	**0.080**	0.085
Return on equity before tax, annualised (%) [2]	**1.6**	2.0
Total assets per full-time position	**6 328 291**	6 370 488
Cost/income ratio (%) [3]	**56.5**	48.5
Financial strength		
Common Equity Tier 1 capital	**6 388 534**	5 978 147
Tier 1 capital	**6 963 534**	6 553 147
Total capital	**7 737 720**	7 327 397
Risk-weighted assets	**39 918 094**	38 644 408
Common Equity Tier 1 ratio (%)	**16.0**	15.5
Tier 1 ratio (%)	**17.4**	17.0
Total capital ratio (%)	**19.4**	19.0
Leverage ratio (%) [4]	**5.4**	5.4
NSFR total indicator in % [5]	**115**	115
Defaults in % of gross loans	**0.01**	0.02
Loss in % of gross loans	**–**	–
Staff		
Number of full-time positions at end of period	**20.0**	19.0

Liquidity Coverage Ratio (LCR) [6]

31 December 2024	Total	NOK	EUR
Stock of HQLA	**4 813 303**	**300 000**	**382 645**
Net outgoing cash flows next 30 days	**941 894**	**156 484**	**209 317**
LCR indicator (%)	**511%**	**192%**	**183%**

31 December 2023	Total	NOK	EUR
Stock of HQLA	2 359 377	250 000	187 659
Net outgoing cash flows next 30 days	1 696 792	266 074	161 418
LCR indicator (%)	139%	94%	116%

[1] Total assets are calculated as a quarterly average for the last period.
[2] Annualised profit before tax as a percentage of average equity on a quarterly basis (return on equity).
[3] Total operating expenses in % of net interest income after commissions costs.
[4] Leverage ratio is calculated in accordance with the CRR/CRD IV regulatory.
[5] NSFR total indicator: Is calculated in accordance with the CRR/CRD IV regulations and is based on the Basel Committee recommendations.
[6] Liquidity coverage ratio (LCR):

$$\frac{\text{High-quality liquid assets}}{\text{Net outgoing cash flows next 30 days}}$$

LCR indicators: Pursuant to the Financial Supervisory Authority's guidance for reporting LCR, the liquidity cover ratio is excluded when calculating the cover pool's overcollateralisation. At 31 December 2024, liquid assets totalling NOK 300 million in the form of bonds and certificates were excluded from the calculation of the cover pool's overcollateralisation.

Taxonomy Regulation Annex VI – KPIs for credit institutions

0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		Total environmentally sustainable assets	KPI[4]	KPI[5]	% coverage (over total assets)[3]
Main KPI	Green asset ratio (GAR) stock	20 903	17.59%	N/A	93.87%

		Total environmentally sustainable assets	KPI[4]	KPI[5]	% coverage (over total assets)[3]
Additional KPIs	GAR (flow)	6 225	18.04%	N/A	84.25%
	Trading book[1]	N/A	N/A	N/A	
	Financial guarantees	N/A	N/A	N/A	
	Assets under management	N/A	N/A	N/A	
	Fees and commissions income[2]	N/A	N/A	N/A	

[1] For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR

[2] Fees and commissions income from services other than lending and AuM
Instutitons shall dislcose forwardlooking information for this KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.

[3] % of assets covered by the KPI over banks´ total assets

[4] Based on the Turnover KPI of the counterparty

[5] Based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used

1. Assets for the calculation of GAR (Turnover)

		a	b	c	d	e	f	g	h	I	j	k	l	m	n	o	p
		31 December 2024															
	NOK million	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	112 015	101 375	20 903	–	20 673	230	–	–	–	–	–	101 375	20 903	–	20 673	230
2	**Financial undertakings**	3 959	3 959	230	–	–	230	–	–	–	–	–	3 959	230	–	–	230
3	Credit institutions	3 959	3 959	230	–	–	230	–	–	–	–	–	3 959	230	–	–	230
4	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5	Debt securities, including UoP	3 959	3 959	230	–	–	230	–	–	–	–	–	3 959	230	–	–	230
6	Equity instruments	–	–	–		–	–	–	–		–	–	–	–		–	–
7	Other financial corporations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8	of which investment firms	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	Equity instruments	–	–	–		–	–	–	–		–	–	–	–		–	–
12	of which management companies	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
14	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	Equity instruments	–	–	–		–	–	–	–		–	–	–	–		–	–
16	of which insurance undertakings	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	Equity instruments	–	–	–		–	–	–	–		–	–	–	–		–	–
20	**Non-financial undertakings**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
21	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
22	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	Equity instruments	61	–	–		–	–	–	–		–	–	–	–		–	–
24	**Households**	104 638	97 416	20 673	–	20 673	–	–	–	–	–	–	97 416	20 673	–	20 673	–
25	of which loans collateralised by residential immovable property	104 638	97 416	20 673	–	20 673	–	–	–	–	–	–	97 416	20 673	–	20 673	–
26	of which building renovation loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
27	of which motor vehicle loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
28	**Local governments financing**	3 418	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	3 418	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
31	Collateral obtained by taking possession: residential and commercial immovable properties	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

		a	b	c	d	e	f	g	h	I	j	k	l	m	n	o	p
		31 December 2024															
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
	NOK million	Total gross carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
32	**Assets excluded excluded from the numerator for GAR calculation (covered in the denominator)**	6 789															
33	Financial and non-financial undertakings	–															
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	–															
35	Loans and advances	–															
36	of which loans collateralised by commercial immovable property	–															
37	of which building renovation loans	–															
38	Debt securities	–															
39	Equity instruments	–															
40	Non-EU country counterparties not subject to NFRD disclosure obligations	–															
41	Loans and advances	–															
42	Debt securities	–															
43	Equity instruments	–															
44	**Derivatives**	5 349															
45	**On demand interbank loans**	–															
46	**Cash and cash-related assets**	1 169															
47	**Other assets (e.g. Goodwill, commodities etc.)**	270															
48	**Total GAR assets**	118 804	101 375	20 903	–	20 673	230	–	–	–	–	–	101 375	20 903	–	20 673	230
49	**Assets not covered for GAR calculation**	7 762	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
50	**Central governments and Supranational issuers**	7 762	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
51	**Central banks exposure**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
52	**Trading book**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
53	**Total assets**	126 566	101 375	20 903	–	20 673	230	–	–	–	–	–	101 375	20 903	–	20 673	230
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																
54	Financial guarantees	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
55	Assets under management	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
56	Of which debt securities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
57	Of which equity instruments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

2. GAR – Sector information (Turnover)

		a	b	c	d	e	f	g	h	y	z	aa	ab
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)			
		Non-Financial corporates (Subject to NFRD		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	Breakdown by sector - NACE 4 digits level (code and label)	Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		NOK million	Of which environmentally sustainable (CCM)	NOK million	Of which environmentally sustainable (CCM)	NOK million	Of which environmentally sustainable (CCA)	NOK million	Of which environmentally sustainable (CCA)	NOK million	Of which environmentally sustainable (CCM + CCA)	NOK million	Of which environmentally sustainable (CCM + CCA)
1	–	–	–	–	–	–	–	–	–	–	–	–	–
2	–	–	–	–	–	–	–	–	–	–	–	–	–
3	–	–	–	–	–	–	–	–	–	–	–	–	–
4	–	–	–	–	–	–	–	–	–	–	–	–	–

3. GAR KPI Stock (Turnover)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		31 December 2024															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	% (compared to total covered assets in the denominator)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	90.50	18.66	–	18.46	0.21	–	–	–	–	–	90.50	18.66	–	18.46	0.21	94.29
2	**Financial undertakings**	100.00	5.80	–	–	5.80	–	–	–	–	–	100.00	5.80	–	–	5.80	3.33
3	Credit institutions	100.00	5.80	–	–	5.80	–	–	–	–	–	100.00	5.80	–	–	5.80	3.33
4	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5	Debt securities, including UoP	100.00	5.80	–	–	5.80	–	–	–	–	–	100.00	5.80	–	–	5.80	3.33
6	Equity instruments	–	–		–	–	–	–		–	–	–	–		–	–	–
7	Other financial corporations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8	of which investment firms	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	Equity instruments	–	–		–	–	–	–		–	–	–	–		–	–	–
12	of which management companies	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
14	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	Equity instruments	–	–		–	–	–	–		–	–	–	–		–	–	–
16	of which insurance undertakings	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	Equity instruments	–	–		–	–	–	–		–	–	–	–		–	–	–
20	**Non-financial undertakings**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
21	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
22	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	Equity instruments	–	–		–	–	–	–		–	–	–	–		–	–	0.05
24	**Households**	93.10	19.76	–	19.76	–	–	–	–	–	–	93.10	19.76	–	19.76	–	88.08
25	of which loans collateralised by residential immovable property	93.10	19.76	–	19.76	–	–	–	–	–	–	93.10	19.76	–	19.76	–	88.08
26	of which building renovation loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
27	of which motor vehicle loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
28	**Local governments financing**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	2.88
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
31	Collateral obtained by taking possession: residential and commercial immovable properties	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
49	**Total GAR assets**	85.33	17.59	–	17.59	–	–	–	–	–	–	85.33	17.59	–	17.59	–	100

4. GAR KPI flow (Turnover)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		31 December 2024															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	% (compared to flow of total eligible assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	89.09	18.22	–	18.22	–	–	–	–	–	–	89.09	18.22	–	18.22	–	99.02
2	**Financial undertakings**	100.00	–	–	–	–	–	–	–	–	–	100.00	–	–	–	–	5.69
3	Credit institutions	100.00	–	–	–	–	–	–	–	–	–	100.00	–	–	–	–	5.69
4	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5	Debt securities, including UoP	100.00	–	–	–	–	–	–	–	–	–	100.00	–	–	–	–	5.69
6	Equity instruments	–	–		–	–	–	–		–	–	–	–		–	–	–
7	Other financial corporations	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8	of which investment firms	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	Equity instruments	–	–		–	–	–	–		–	–	–	–		–	–	–
12	of which management companies	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
14	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	Equity instruments	–	–		–	–	–	–		–	–	–	–		–	–	–
16	of which insurance undertakings	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	Equity instruments	–	–		–	–	–	–		–	–	–	–		–	–	–
20	**Non-financial undertakings**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
21	Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
22	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	Equity instruments	–	–		–	–	–	–		–	–	–	–		–	–	–
24	**Households**	97.36	21.40	–	21.40	–	–	–	–	–	–	97.36	21.40	–	21.40	–	84.27
25	of which loans collateralised by residential immovable property	97.36	21.40	–	21.40	–	–	–	–	–	–	97.36	21.40	–	21.40	–	84.27
26	of which building renovation loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
27	of which motor vehicle loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
28	**Local governments financing**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	9.06
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	9.06
31	Collateral obtained by taking possession: residential and commercial immovable properties	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
49	**Total GAR assets**	89.96	18.04	–	18.04	–	–	–	–	–	–	–	18.04	–	18.04	–	100

5. KPI off-balance sheet exposures (Turnover)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		31 December 2024														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which adaptation	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2	Assets under management (AuM KPI)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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