Annual report
2024

Rogaland Sparebank

The year 2024

Tomas Nordbø, CEO

Sandnes Sparebank and Hjelmeland Sparebank merged in 2024 and became Rogaland Sparebank.

The bank will remain yellow, but now as Rogaland Sparebank. Hjelmeland Sparebank had a strong presence in Ryfylke, as did Sandnes Sparebank in Nord-Jæren. Rogaland Sparebank's overall market area covers one of Norway's most attractive regions: the energy and food county of Rogaland.

The merger between the banks was finalised in the autumn. All of its customers are now on the same technical platform, employees have been well integrated into the new organisation and the brand, Rogaland Sparebank, is already well-established in the market.

Despite high interest rates and international unrest, 2024 was a good year for Rogaland's economy. Demand for labour was high and the activity in the business sector was good. House prices also developed positively over the course of the year. The bank's customers are faring well, despite high but stable interest rates throughout 2024.

2024 marked the end of the current strategy period, and the bank will be starting a new 4-year strategy period in 2025.

The bank can point to healthy customer growth, increased market share, good profitability and satisfied customers. The strategy from 2025 onwards will again be characterised by a bank that is focused on its local area. Simply put, there is an ever-growing need for a local bank that is present where local decisions are made. We live in an increasingly digitalised banking ecosystem, which means that Rogaland Sparebank must, and will, have good digital solutions for both businesses and private customers. It also means that the need to have local advisers available when people are making important decisions will be even more important in the future. That bank will be Rogaland Sparebank, just as we have been for 148 years.

Rogaland Sparebank offers a comprehensive range of financial services for both corporate and retail customers. In addition to loans, deposits and payments, the bank offers real estate broking, leasing, accounting services, insurance and investment funds for savings. Common to all of the products offered by the bank is that the bank is closely integrated, both as a long-term owner and with customer advisers with specialist expertise in the various areas. Overall, the bank wants to offer customers comprehensive and well-integrated banking services.

Rogaland Sparebank, launched on 01.08.2024.

The bank has delivered a record profit of NOK 458 million for 2024. It is the policy of the bank to share its profits with customers, local communities and owners. Being an owner and customer of Rogaland Sparebank should be an attractive prospect. The bank was one of the first in Norway to distribute customer dividends, which it did as early as 2017. The bank will again pay out customer dividends in 2024. This will be the eighth year in a row, and the customer dividends will be record high. An average family with NOK 4 million in loans and moderate deposits throughout the year will receive a payout of about NOK 13 500. Meanwhile, customer dividends must not be paid out at the expense of distributing gifts to good causes. Allocations from the Gift Fund will rise to NOK 16 million in 2024, which is also a record. The bank's equity certificate should be attractive for investors. This year, the bank will pay out a total dividend of NOK 9.50 per equity certificate, which represents a dividend payout ratio of 75% of the year's profits.

It looks like 2025 will be a good year for Rogaland. Norges Bank is indicating that interest rates will be cut, which will be good news for many people. It also looks like it will be a good year for business; unemployment is low and the housing market is seeing high levels of activity.

Rogaland Sparebank is well-positioned to contribute to local value creation when it comes to both developing local businesses and helping people make their housing dreams a reality. The bank has capable and motivated employees who will also spend 2025 working to provide customers with good local banking services.

Tomas Nordbø
CEO

Key figures as at 31.12.2024

Group: Full year 2024	Group: Full year 2023	Profit summary (amounts in NOK thousands)	Parent bank: Full year 2024	Parent bank: Full year 2023
718 833	615 567	Net interest income	589 654	529 650
255 239	159 563	Other operating income	307 872	182 005
414 977	368 707	Other operating costs	363 761	321 947
23 626	10 634	Net loss/impairments	23 458	11 899
535 469	**395 789**	**Operating profit before tax**	**510 307**	**377 809**
77 874	65 899	Tax expense	53 821	50 333
457 595	**329 890**	**Operating profit after tax**	**456 486**	**327 476**
-14 400	100 666	Other comprehensive income (OCI) (after tax)	-14 565	100 821
443 195	**430 556**	**Comprehensive income**	**441 920**	**428 298**
442 859	431 457	Controlling interest’s share of the profit		
336	-901	Non-controlling interest’s share of the profit		

31.12.2024	31.12.2023	Excerpts from balance sheet (amounts in NOK millions)	31.12.2024	31.12.2023
39 702	34 415	Total assets	25 927	22 550
36 822	33 318	Average total assets	23 658	21 981
34 012	29 391	Loans to customers	18 891	15 389
34 599	29 391	Loans to customers, incl. Eika Boligkreditt	19 478	15 389
17 335	14 562	Deposits from customers	17 555	14 775
3 688	3 481	Certificates and bonds	3 292	2 869
93	97	Financial derivatives	127	117
4 278	3 625	Equity	3 929	3 276

31.12.2024	31.12.2023	Key figures[1]	31.12.2024	31.12.2023
		Performance past 12 months		
15,4 %	6,8 %	- Asset management	15,0 %	5,3 %
15,7 %	9,0 %	- Lending	22,7 %	2,3 %
19,0 %	9,0 %	- Deposits	18,8 %	10,5 %
51,0 %	49,5 %	Deposit-to-loan ratio	92,9 %	96,0 %
235,7 %	264,7 %	Liquidity coverage ratio (LCR)	196,3 %	233,4 %
		Profitability		
1,95 %	1,85 %	Net interest income as % of average total assets	2,49 %	2,41 %
42,6 %	47,6 %	Cost-to-income ratio	40,5 %	45,2 %
1,1 %	1,1 %	Total costs as % of average total assets	1,5 %	1,5 %
14,3 %	11,9 %	Return on equity before tax	15,2 %	12,7 %
12,2 %	9,9 %	Return on equity after tax	13,6 %	11,1 %
11,9 %	9,6 %	Return on equity after tax, interest on hybrid capital	13,2 %	10,7 %
		Financial strength[2]		
20,6 %	20,4 %	Capital adequacy ratio	26,5 %	22,8 %
18,2 %	18,5 %	Tier 1 capital ratio	23,4 %	20,3 %
17,1 %	17,8 %	CET1 capital ratio	22,0 %	19,5 %
20 794	17 410	Risk-weighted capital	14 920	12 421
		Human resources		
181	154	No. of full-time equivalents (FTEs) on balance sheet date	149	127
		Equity certificates		
126,0	91,4	Market price	126,0	91,4
62,3 %	63,6 %	Equity certificate percentage	62,3 %	63,6 %
12,4	10,0	Earnings per equity certificate	12,4	9,9
12,4	10,0	Diluted earnings per equity certificate	12,4	9,9
110,8	106,6	Book equity per equity certificate	101,3	96,1
1,14	0,86	Price/book equity (P/B)	1,24	0,95

1 The Group’s financial strength key figures (capital adequacy) include the consolidated share of capital for owner institutions in a cooperating group.
2 Several of the bank’s key figures are defined as alternative performance measures (APMs) and are defined in an appendix.

Organisation and management group

Organisation

The Committe of Representatives

External auditor

The Nomination Committe

Internal auditor

Board of Directors

Tomas Nordbø
CEO

Erik Kvia Hansen
Director Retail Market

Lars Kristiansen
Director Corporate Market

Lene Nordahl
Director Customers and Markets

Bjørn Tjensvold
Director Strategy

The board of directors


(1)


(2)


(3)


(4)


(5)


(6)


(7)


(8)

Harald Espedal (1)

Chair of the Board

Harald Espedal holds a bachelor's in commerce/ business studies from NHH Norwegian School of Economics, where he also took a master's in accounting and auditing. He is the chair of the board of the investment firm Espedal & Co AS. Former CEO and director of investments at SKAGEN. Chair of the board since 2015. *Espedal holds 886 861 equity certificates through his investment firm. Espedal also manages 680 000 equity certificates through the company Salt Value AS.*

Frode Svaboe (2)

Deputy Chair

Svaboe holds an MBA from BI Norwegian Business School and a master's in accounting and auditing from NHH Norwegian School of Economics. He is currently a partner/CEO of SVAL Rådgivning AS. Svaboe's previous experience includes being an auditor for KPMG and a partner/CEO in KPMG South/West. Member of the board since 2010. *Svaboe holds 10 200 equity certificates through the investment firm FS Invest AS.*

Bjørg Tomlin (3)

Board member

Holds an MBA from Copenhagen Business School (CBS). She also holds a master's in telecommunications from BI Norwegian Business School. She is the CEO of Upheads AS. She has worked as the director corporate market in Altibox/Lyse. She also has 15 years of experience from various management positions in Telenor, 5 years of which were spent as Regional Director South/West. Member of the board since 2019. *Tomlin holds no equity certificates.*

Øyvind Lundbakk (4)

Board member

Lundbakk holds a master's degree in Strategic Management (MBA) from NHH - Norwegian School of Economics. He is currently the head of IT and digitalisation in the GMC industrial group. He has senior management experience from various companies and was the former product director at Altibox. Former chair of the board of Hjelmeland Sparebank. Former board member of Altibox Danmark AS, Smartly AS, Stayon AS and Peanuts AS. Lundbakk also has extensive experience from public administration and regional business development. *Lundbakk holds no equity certificates.*

Astrid Rebekka Norheim (5)

Board member

Astrid Rebekka Norheim has been the EVP Customer & Market of Lyse AS since 2021. She holds a bachelor's in business administration from BI Norwegian Business School, supplemented with several management development programmes from the same institution. She has 21 years' experience from various roles in SpareBank 1 SR-Bank, including Director of High Net Worth Individuals and Agriculture and Director of Savings, Investments and Pensions. Member of the board since 2020. *Norheim holds 6 827 equity certificates.*

Wenche Drønen Christenssen (6)

Board member

Holds a bachelor's in banking/finance, as well as a master's in management and organisational psychology from BI Norwegian Business School. Currently the HR Director at Kuehne + Nagel Norway. Has senior management experience from various companies, including as EVP market and organisation at Fremtind Forsikring AS. Former CEO of SpareBank 1 Regnskapshuset AS. Member of the board since 2021. *Christenssen holds 2 240 equity certificates.*

Ingunn Ruud (7)

Employee representative

Holds a bachelor's in business administration from the University of Stavanger. Previously worked as an authorised financial adviser at SpareBank 1 SR-Bank. Joined Rogaland Sparebank in 2012. Chief employee representative, deputy leader of the Finance Sector Union of Norway in the Eika Group and board member of the Finance Sector Union of Norway, Region Rogaland. Member of the board since 2020. *Ruud holds 1 756 equity certificates.*

Øystein Bergøy Tungland (8)

Employee representative

Bachelor's degree in Economics and Administration from the University of Stavanger. Joined Rogaland Sparebank in 2016. Currently works as a retail market team leader. From 2022 to 2023, Tungland was the employee-elected representative on the board of Hjelmeland Sparebank. *Bergøy Tungland holds 419 equity certificates.*

The management group


(1)

(2)

(3)

(4)

(5)

Tomas Nordbø (1)

CEO

Nordbø holds a bachelor's in commerce/business studies, is an authorised financial analyst and holds an MBA in Finance from NHH Norwegian School of Economics. He joined Rogaland Sparebank after 7 years at SKAGEN Fondene: 5 years as a portfolio manager and 2 years as a risk manager. Spent 4 years as a senior consultant within financial services in Statoil.
Nordahl holds 34 976 equity certificates.

Lars Kristiansen (2)

Director Corporate Market

Kristiansen was educated at Harstad University College, BI Norwegian Business School and IMD in Switzerland. Joined Rogaland Sparebank after 16 years as manager in the Danske Bank Group. He spent the last 6 years of this period as Regional Director Corporate Market South/West and Regional Manager for Danske Bank in Stavanger. He also spent 4 years as a regional manager at Storebrand, and has held several other management roles in the business world.
Kristiansen holds 5 430 equity certificates.

Erik Kvia Hansen (3)

Director Retail Market

Kvia Hansen has an Executive MBA from UiS School of Business and Law and graduated in marketing from BI Norwegian Business School. He has 10 years' experience in the retail market in Nordea in Rogaland, including as a customer adviser, branch manager and regional manager in the retail market with a primary focus on new sales. He also has 7 years of experience as a project manager within CRM and product department from the markets department in GE Money Bank.
Kvia Hansen holds 5 411 equity certificates.

Lene Nordahl (4)

Director Customers and Markets

Lene Nordahl studied Economics and Informatics at the University of Stavanger. She has 11 years of experience from various roles in GE Money Bank and 6 years in Lyse Dialog AS, where she had was the Strategic Customer Service Manager.
Nordahl holds 6 383 equity certificates.

Bjørn Tjensvold (5)

Director Strategy

Tjensvold graduated in economics from Oslo University College, holds a master's in project management BI Norwegian Business School and undertook management training via the NHH/AFR Solstrand Programme. Has been a bank manager at DNB, regional director at Sparebanken Vest and the CEO of Hjelmeland Sparebank. Tjensvold has also worked as a general manager within oil services and held a number of board positions within technology and fintech companies. Chair of the board of Aktiv Eiendomsmegling Ryfylke.
Tjensvold holds 1 050 equity certificates.

Corporate Social Responsibility
Corporate governance
Investor information

Sustainability and social responsibility

The bank's ethical and social responsibility principles and policies are available in full from our website https://www.rogalandsparebank.no/Barekraft-og-samfunnsansvar.

The bank's social role presents us with opportunities to encourage our customers and other companies to make systematic improvements. Rogaland Sparebank wants to be a contributor and driving force behind sustainable value creation in society by practising responsible banking.

The Board of Trustees is the bank's supreme body and supervises the Board of Directors' management of the bank. The Board of Trustees approves the bank's articles of association and financial statements, and also elects the bank's Board of Directors, Nomination Committee and external auditor. In addition, the Board of Trustees allocates the amounts that may be used for good causes pursuant to section 10-7 of the Financial Institutions Act and determines whether to raise subordinated loan capital.

Responsible business conduct is ensured by incorporating sustainability and social responsibility into our business processes. All bank employees review **the bank's policies** in the area of sustainability and social responsibility every year. The policies are designed to ensure that the bank does not contribute to breaches of human and labour rights, corruption, serious environmental damage and other unethical acts, and that we contribute to the transition to a more sustainable society. Sustainability and social responsibility have been integrated into the bank's **key policies**, such as our credit policy, investment policy for asset managers, and risk assessment procedures.

The bank's strategic objective is: "We shall contribute to a better and more sustainable future for our employees, our customers and our region".

The **regulatory framework** for defining and reporting on sustainability is evolving. Regulations via the taxonomy and Corporate Sustainability Reporting Directive (CSRD) will ensure the SDGs are achieved, reduce greenwashing, ensure comparability and channel capital towards defined sustainable activities. The Directive was enacted in Norwegian law on 01.11.2024, although pursuant to the provisions of the applicable statute, Rogaland Sparebank will not have to report in line with it until 2025. In February 2025, the European Commission published the first of three planned simplification packages, called the Omnibus Packages. The proposal involves extensive simplifications of the Corporate Sustainability Reporting Directive (CSRD), Supply Chain Due Diligence Directive (CSDDD) and the EU Taxonomy Regulation. If the proposal is approved, it will significantly reduce the number of organisations obliged to report under the CSRD, postpone the reporting requirements for many companies and significantly simplify the EU Taxonomy's requirements.

The Omnibus Packages may also affect whether or not Rogaland Sparebank will be obliged to report in line with the CSRD. However, as of February 2025, this remains uncertain. Therefore, the bank is currently complying with the legislation enacted in November 2024, while closely monitoring developments.

The bank conducted a double materiality analysis in preparation for reporting in line with the CSRD. While this was started in 2023, it was updated in 2024 for the new bank, Rogaland Sparebank. Meanwhile, the reporting for the 2024 financial year is based on the materiality matrix prepared in connection with GRI reporting. Rogaland Sparebank's

double materiality analysis and associated material topics will provide the basis for CSRD reporting for the 2025 financial year.

As part of our commitment to sustainability, we participate in the Eika Alliance's joint project designed to fulfil the requirements of the CSRD. As part of this project, we have invested substantial resources in developing and implementing solutions that enable us to comply with the new reporting requirements in a structured and efficient manner. The project, which includes 24 banks, represents a strategic measure designed to build expertise, share experience and produce common systems that strengthen sustainability reporting throughout the Alliance.

By starting early (in 2023), we have ensured that we have taken a thorough approach that includes comprehensive analyses of materiality, collaboration with leading research institutions such as NINA and CICERO and the preparation of roadmaps for implementing the EU Taxonomy. This work enables us to understand and manage our impacts on climate, nature and society in a meaningful way.

Our approach to CSRD is an example of our commitment to creating long-term value for our customers and local communities, while taking a leadership role in meeting future demands for transparency and accountability. We consider this project a sustainability measure in of itself because its long-term perspective enables us to lay the groundwork for the comprehensive integration of sustainability into our strategy, operations and reporting. For 2024 financial year, the Sustainability Report is based on the Global Reporting Initiative (GRI) Standard. Rogaland Sparebank has voluntarily reported in line with this standard since 2019. This year's report is the last time the bank will report in line with the GRI standard, since next year it will be obliged to report in line with the CSRD.

On 01.08.2024, Sandnes Sparebank and Hjelmeland Sparebank successfully merged with accounting effect from the same date. Sandnes Sparebank was the acquiring bank and at the same time changed its business name to Rogaland Sparebank. This affects the bank's climate report for 2024. The bank's own emissions have been affected by our increase in employees and branches, as well as new employee commuting habits. Furthermore, the bank's total financed emissions have also been affected by the merger. The former Hjelmeland Sparebank had a relatively large agricultural portfolio, and this helps explain much of the change in financed emissions from 2023 to 2024.

Last year was the first time Rogaland Sparebank reported financed emissions, and this is therefore considered the base year in the bank's climate report. With a larger customer base and more financed customers, Rogaland Sparebank is reporting an increase in financed emissions, which is reflected in the bank's Scope 3. The merger increased the bank's total number of branches, which in turn increased the amount of waste. Furthermore, we are reporting an increase in the number of kilometres of commuting between work and home, due to more employees and changed travel patterns compared with 2023. The base year has not been adjusted to take account of these changes.

In Rogaland Sparebank, ethics and sustainability are incorporated into policies and procedures. We comply with a number of internationally recognised principles and initiatives. These guide our actions when it comes to granting credit to our customers, internal conditions and decisions, as well as investments in our liquidity portfolio. An exhaustive list of the principles and initiatives the bank complies with is available in the bank's policies, which are available on our website: https://www.rogalandsparebank.no/Barekraft-og-samfunnsansvar

Stakeholder engagement

Rogaland Sparebank is committed to openness and engagement with our stakeholders, which allows us to get their input and take account of it in our operations. The bank has several points of contact with our stakeholders over the course of the year. An overview of the bank's engagement with stakeholders in 2024 is provided below:

STAKEHOLDERS	POINTS OF CONTACT	KEY TOPICS	ACTIONS
Customers	• Advice and dialogue via all of the bank's channels (including in-person visits, phone calls, email, letters, social media channels and text messages). • Regular customer surveys in the retail and corporate market segments. • Customer communication in the online and mobile banks, social media channels and the bank's website. • Customer events.	• Advice • Customer service experience. • Availability and response times. • Products and services. • Prices and terms and conditions. • Responsible saving and responsible lending. • Green loan products. • Sustainable reporting.	• Continuous development and improvement of the bank's products and services. • Continuous coaching and guidance of the bank's employees. • Evaluation and improvement of customer processes. • Introduction of sustainability plans for corporate customers.
Employees	• Annual employee surveys. • Semi-annual employee performance and career development reviews. • Cooperation and working environment committees. • Regular meetings with unions. • Management development, development of corporate culture. • Yellow Days. • Strategy meetings. • Sustainability Technical Committee.	• Ensure committed, competent and result-oriented employees. • Ensure good working environments. • Co-determination. • Organisational development. • Materiality analyses, priorities for strategic plans.	• Development goals for employees. • Ensure high attendance rates for employees. • Training plan and course packages via the Eika Academy. • Common monthly KPI reporting for all managers. • Status reporting based on materiality analysis and strategic plan.
Equity certificate holders **Investors**	• Capital Market Days/webcasts. • Market announcements and quarterly reports. • Meetings of the Board of Trustees. • Ongoing contact with the largest owners and analysts.	• Results • ESG • Ensure transparency regarding financial statements and corporate governance. • Predictable dividends over the long term.	• Update estimates and inform the market of extraordinary events.
Other Eika banks **Eika Alliance**	• In-person and online meetings. • Participation in technical committees, e.g. the sustainability and governance group for the CSRD project in Eika.	• Joint activities, including competence, system and product development. • Strategy, policies and actions – sustainability.	• Follow-up of recommended actions. • Updating of double materiality analysis.
Government	• Ongoing dialogue with the Financial Supervisory Authority of Norway, etc.	• Operations, security, privacy. • Anti-money laundering. • Capital situation.	• Measures that ensure compliance with laws and regulations.
Special interest organisations **Society in general**	• Finance Norway, including its sustainability reference group. • Hosting the Sandnes business community through cooperation with the Stavanger Chamber of Commerce. • Norwegian Green Building Council, Klimaselskap SA, via Eika Gruppen. • Various special interest organisations through the work of the Rogaland Sparebank Gift Fund.	• Responsible investments, granting of credit, relationships with fund providers. • Relevant topics within sustainable finance. • Local business community, equal opportunities, sustainability • Contributing to a sustainable community with engaged and responsible people who promote well-being and solidarity within education, training, sports and culture.	• Active participation in reference groups. • Continued development of internal policies, tools for ESG assessments. • Input for politicians in public consultation processes. • Presentations and contributions, including for the Stavanger Chamber of Commerce and the KÅKÅnomics Conference. • Distribution of funds from the bank's profits to sustainable and good causes.

Materiality analysis

Rogaland Sparebank's sustainability reporting for the 2024 financial year complies with the requirements of the Global Reporting Initiative (GRI) standard for reporting sustainability data. The materiality analysis that provides the basis for year's reporting was prepared with input from our engagement with several external stakeholders, including Finance Norway, customers, suppliers, the public authorities and the Eika Alliance. Please also refer to the GRI Content Index appended to the annual report, which specifies the GRI standards deemed essential for the bank's operations.

The materiality analysis describes our material topics. Our reporting is based on these. The topics are grouped and discussed in various sections. The bank's own energy consumption, financed emissions and reduction targets are discussed under *Energy consumption, emissions targets and financed emissions*. Working conditions, diversity, equality and our employees' skills development are discussed under *Working conditions, diversity and equality*. Our work on supplier follow-up and work on the Transparency Act is explained under *Responsible purchasing*. Finally, we have compiled the descriptions of our work on combating economic crime, responsible communication and marketing, the Gift Fund and how we integrate ESG into the bank's corporate governance under *Responsible banking*.

SIGNIFICANCE WITH RESPECT TO THE ASSESSMENT AND DECISION MAKING OF OUR STAKEHOLDERS

Contributing to sustainable transition via donations from the Gift fund. Energy consumption and our reduction goals.	Climate change due to financed emissions. Responsible banking. Combating economic crime.
Responsible communication and marketing. Working conditions, diversity and equality. Responsible purchasing.	Integrate ESG into the bank's corporate governance. Training, including in sustainability and climate-related risk in particular.

Other subjects have been assessed and found to be less significant – and are not activities which we report according to GRI. Subjects that remain in the matrix are considered the most material and will be reported according to GRI.

SIGNIFICANCE FOR CLIMATE RELATED/ENVIRONMENTAL AND ETHICAL/SOCIAL VALUE

Rogaland Sparebank prioritises goals and measures for our operations and corporate culture, for the bank's customers and for the bank's role as a socially responsible stakeholder. The following sections describe the status of our goals for 2024, as well as what we have done, and our priorities for 2025:

Energy consumption, emissions targets and financed emissions

The bank wants to reduce its climate and environmental footprint. Rogaland Sparebank is an environmentally conscious bank and causes little environmental pollution. The bank recognises that how financial institutions contribute to transition through responsible lending and responsible investment is of far greater importance. Nevertheless, the bank still wants to operate in as sustainable and resource efficient a manner as possible and strives to reduce its own climate and environmental footprint.

What the bank has done:

The annual climate report has been a useful tool for measuring the bank's emissions. It has also contributed to greater awareness in the bank and ensured that we have throughout the year focused on identifying and proactively implementing resource saving measures.

Since 2023, the bank published its report on due diligence in accordance with the Transparency Act. These reports are available from the bank's website at: https://www.rogalandsparebank.no/Barekraft-og-samfunnsansvar/apenhet. It is important to Rogaland Sparebank that our suppliers take a conscious approach to human rights, labour rights, working conditions, environmental protection, anti-money laundering and tax.

In June 2024, Eika Banksamarbeid adopted a common climate ambition for the banks in the Eika Alliance in response to both market expectations and the new EU Corporate Sustainability Reporting Directive (CSRD). The ambition aims to position the banks more clearly in the financial markets, while providing support and a framework for the work on the climate report, objectives and action plans. The overall ambition is for all of the banks in the Alliance to achieve net zero emissions by the end of 2050.

A number of milestones have been set to achieve this goal: By the end of 2024, each bank must establish a climate report that includes direct emissions and material categories of indirect emissions. Furthermore, by the end of 2025, the banks must establish secondary goals in line with international and national obligations, and develop action plans to achieve these secondary goals. The climate report, measures and secondary goals must be audited and updated annually in line with the latest climate research. Establishing these tools is essential for ensuring that the banks, both individually and as an alliance, can measure and reduce their emissions. Therefore, in the short term, the work will focus on putting in place the necessary tools, which will also be an important element of preparing for CSRD reporting.

Rogaland Sparebank is represented in the steering group for Eika's CSRD project and is also a member of the Alliance's sustainability committee, which is working on establishing climate reports, setting secondary goals and developing action plans to cut emissions. With its participation, Rogaland Sparebank is helping to ensure that both the bank's own goals and the Alliance's overarching climate ambitions are achieved in line with national and international commitments.

Energy consumption and emissions targets

The greatest impact the bank can have in terms of reducing emissions from our operations is to cut our emissions from transport, i.e. commuting and other work-related travel.The bank is part of the joint HjemJobHjem ("HomeWorkHome") scheme, which gives employees access to affordable public transport to and from work. The proportion of employees using tickets via this scheme is stable, and it is considered an important scheme when it comes to encouraging eco-friendly business travel for the bank's employees. To avoid emissions from external customer meetings, the bank has acquired two electric cars that can be used by employees.

The bank conducted a new commuter survey to map the travel habits of employees in 2024. It was based on the GHG Protocol's methodology. A commuter survey was also conducted in 2021. The results of this survey were used in 2022 and 2023 and adjusted for the number of employees. Employees from the former Hjelmeland Sparebank were also included in the survey in 2024, and this helps explain parts of the increase in emissions from commuting.

We have ensured that our own house in order. Rogaland Sparebank's headquarters is the first commercial building to achieve the passive house standard in Rogaland. The office building is BREEAM In-Use certified with an asset performance rating of 48.9%. The energy consumed is 100% renewable energy and supplied with guarantees of origin. Furthermore, our office in Hjelmeland (the former head office of Hjelmeland Sparebank) is Eco-Lighthouse certified.

The bank's climate report is available on page 17 of the annual report. The report includes all recorded greenhouse gas emissions from Rogaland Sparebank, which consists of the departments in Sandnes (head office) and Stavanger, as well as 5 months' (August-December inclusive) worth of the emissions of the departments that became part of the organisation following the merger with Hjelmeland Sparebank on 01.08.2024. Rogaland Sparebank's own emissions were compensated for through carbon credits as at 31.12.2024. There were increases in several emission categories in 2024, mainly due to the merger with Hjelmeland Sparebank. For 2024, Rogaland Sparebank is reporting financed emissions in the loan portfolios for mortgages, agriculture, commercial property and motorised vehicles in Scope 3, Category 15: Investments.

Rogaland Sparebank has calculated the financed emissions based on the best quality source data it could obtain. Overall, our reported emissions cover some 85 per cent of the bank's total outstanding loans as at 31.12.2024. The calculations are equivalent to data quality 4 as defined by PCAF's data quality score for commercial property loans and residential mortgages, while agricultural loans meet the criteria for data quality 3. For car loans the quality achieved is data quality 5. Mortgages were calculated based on option 2c, commercial property loans based on options 2b and 3a, while option 2a was used for agricultural loans. Option 3a was used for car loans.

A single loan can be linked to multiple objects, and a single object can be linked to multiple loans. Therefore, in order to avoid counting lending, market value and emissions twice, we have had to make adjustments to the calculations. When a loan has collateral in two objects, the total loan is distributed between them equally, without weighting based on stake or asset distribution. This affects the distribution factor, which in turn affects the bank's share of financed emissions. This method was chosen due to the complexity of alternative weighting models. However, we aim to improve the distribution method for reporting next year.

Estimated energy consumption and CO_2 emissions per home were used for 2024. The data was provided by Eiendomsverdi. These estimates are considered more accurate than the calculations of averages based on energy label and construction year used in 2023. Overall, the quality of the financed emissions data is, therefore, considered to be better in 2024 than it was in 2023. With this methodology, we can also include a larger number of homes in the portfolio. In 2024, 90 per cent of the bank's mortgages were included in the basis for calculating financed emissions related to mortgages. The 10 per cent not included in the calculation basis are loans for residential properties without estimated energy consumption and holiday homes for which no data is currently provided. In order to determine the bank's share of the emissions from the homes in the portfolio, outstanding commitments related to homes are distributed according to the value of the home when the contract was signed. Should it prove impossible to obtain the original value of the building, the most recently available value of the property was used. For commercial and agricultural properties, this would likely be the appraisals prepared in connection with credit applications. For retail customers, this will largely be Eiendomsverdi's estimated value of the property at year end.

Financed emissions from commercial properties include financed commercial properties used for commercial purposes, defined as income-generating activities through leasing as, for example, offices, hotels, warehouses or rental homes. Investments or loans where the property has been pledged as collateral for purposes other than the commercial leasing of commercial properties and rental homes are not included in the category commercial properties. In total, 69 per cent of the lending volume for commercial properties has been included in the basis for calculating financed emissions related to commercial properties.

For agriculture, 77 per cent of the total lending volume was included in the basis for calculation. Financed emissions related to agriculture include people or companies that are active producers. The financed emissions related to agriculture were calculated in line with guidance from Finance Norway, data on corporate customers from production and waste grants for agricultural enterprises from the Norwegian Agriculture Agency (Data Norway) and the bank's own accounting figures from the portfolio. Emission factors were taken from the Plato Report 5/2022, which is in line with the recommendations of Finance Norway.

The financed emissions related to motorised vehicles were calculated using Eika's tool, which is based on four different types of purchased vehicle: passenger cars, buses, small goods vehicles and heavy goods vehicles, as well as four different types of fuel: petrol, diesel, electricity, and rechargeable hybrids (plug-in hybrids). Non-rechargeable hybrid vehicles are considered petrol or diesel vehicles depending on the fuel used by the vehicle. Mileage data is sourced from Statistics Norway and updated annually, while the emission factors were taken from the Norwegian Environment Agency (for petrol and diesel). The emission factor for electricity (electric vehicles) is sourced from NVE and updated annually.

Key metrics – Energy and climate disclosures

Name	Unit	2024	2023	2022[1]
tCO_2e/ turnover		66 422.7	41 700.2	119.40
tCO_2e/ FTE		431 349.0	255 508.5	511.60
$kgCO_2e$/ m^2		11 504.7	8 816.6	19.5
Turnover	Mill NOK	974.1	775.1	600.0
FTEs	Antall	149	126.5	140

1 2022 emissions figures do not include financed emissions in the loan portfolio.

Energy and Climate Report, total emissions Rogaland Sparebank

Category	Unit	2024	2023	2022	Change from previous year
SCOPE 1 [1]					
Transport					
Diesel (NO)	tCO_2e				
Scope 1 Total emissions	**tCO_2e**				
SCOPE 2					
District heating/cooling					
District cooling	tCO_2e	0.3	0.2	1.4	50.0 %
District heating	tCO_2e	0.3	0.1		200.0 %
Electricity					
Electricity Nordic Mix	tCO_2e	11.8	10.4	9.1	13.5 %
Electric car total					
Electric car Nordic					
Scope 2 Total emissions	**tCO_2e**	**12.5**	**10.7**	**10.6**	**16.8 %**
SCOPE 3					
Commuting home - office [1]					
Bus	tCO_2e	2.3	3.4	0.6	-32.4 %
Train	tCO_2e	0.8	0.6	1.1	33.3 %
Car, fossil	tCO_2e	13.0	4.0	4.9	225.0 %
Electric car, hybrid and motorcycle	tCO_2e	1.8	1.8	1.9	0.0 %
Ferry without car	tCO_2e	0.2			
Total, commuting	**tCO_2e**	**18.1**	**9.8**	**8.6**	**84.7 %**
Flights					
Domestic	tCO_2e	31.8	32.6	15.7	-2.5 %
Nordics	tCO_2e	0.3	0	5.7	
Europe	tCO_2e	2.7	0.7	29.8	285.7 %
Total, flights	**tCO_2e**	**34.8**	**33.3**	**51.2**	**4.5 %**
Business travel					
Train	tCO_2e	0.1	0.1	0.1	0.0 %
Car, Taxi	tCO_2e	2.6	0.8	0.7	225.0 %
Nights in hotel	tCO_2e	1.7	0.8		112.5 %
Total, business travel, excl. air	**tCO_2e**	**4.4**	**1.7**	**0.8**	**158.8 %**
Waste					
Paper waste, recycling	tCO_2e	0.8	0.2	0.4	300.0 %
Loan portfolio					
Mortgages	tCO_2e	1 757.8	2 753.6		-36.2 %
Agriculture	tCO_2e	61 505.0	27 963.0		120.0 %
Commercial properties	tCO_2e	1 220.4	1 548.9		-21.2 %
Car loans	tCO_2e	146.8			
Scope 3 Total emissions	**tCO_2e**	**64 689.9**	**32 311.0**	**61.1**	**100.2 %**
Total (S1+S2+S3)	**tCO_2e**	**64 702.3**	**32 321.8**	**71.6**	**100.2 %**

1 The bank had no Scope 1 emissions in 2024.

Category	Unit	2024	2023	2022
Annual market-based emissions				
Electricity total (Scope 2) with market-based calculations	tCO_2e	17.1	0	0
Total Scope 2 with market-based power calculations	tCO_2e	17.7	0.3	1.4
Scope 1+2+3 Total with market-based electricity calculations	tCO_2e	64.707.6	32.311.5	62.5

Scope 2 emissions include purchased electricity and the consumption of district heating and district cooling in the bank's own premises based on the location-based method. The bank buys guarantees of origin for the electricity consumed in the office premises in Sandnes and Stavanger. Rogaland Sparebank bought guarantees of origin (OG/REC) for all the electricity consumed in the Sandnes and Stavanger premises in 2024, and the emissions related to electricity, calculated using a market-based factor, were thus 17.1 tCO_2e. No guarantees of origin were purchased for the electricity consumed in the premises of the former Hjelmeland Sparebank. Nor were any guarantees of origin purchased for the electricity consumed by electric vehicles reported in Scope 2. This explains why the emissions are higher than zero using the market-based method. In the climate accounts above, electricity was calculated using the reported Electricity Nordic Mix location-based emission factor. Rogaland Sparebank's total electricity consumption in the Sandnes and Stavanger premises was 437.9 MWh in 2024, which resulted in emissions of 11.8 tCO_2e.

In 2024, Rogaland Sparebank consumed 223 MWh of district heating in its head office in Sandnes. The energy used for the district's district heating is sourced from recovered heat and bioenergy, which resulted in emissions of 0.3 tCO_2e. In 2024, the bank consumed 45.9 MWh of district cooling in its head office in Sandnes, which resulted in emissions of 0.3 tCO_2e.

The location-based method was used for Scope 3 reporting. Emissions increased in the employee commuting category. This is partly due to the fact that the bank has gained more employees following the merger with Hjelmeland Sparebank, but is also due to the fact that the bank is now spread across more locations than it was the last time the bank conducted the commuter survey. This has resulted in a greater degree of commuting between offices.

Two international trips were made on behalf of the bank in 2024. The corporate market department visited Amsterdam, while the bank's running team took part in the Copenhagen Half Marathon. These two trips help explain the increase in emissions from flights and accommodation outside the Nordic region. Besides these, the emissions from flights were reasonably stable compared with 2023.

Financed emissions

The bank's main source of emissions is financed emissions in the loan portfolio. Rogaland Sparebank, used Finance Norway's "Guidelines for calculating financed emissions" to calculate these emissions. The guidelines are based on the method issued by the Partnership for Carbon Accounting Financials (PCAF) for calculating financed emissions from loan portfolios. The English version of the "Guidelines for calculating financed emissions" is available on Finance Norway's website: https://www.finansnorge.no/dokumenter/maler-og-veiledere/veileder-for-beregning-av-finansierte-klimagassutslipp/.

Emissions from car loans in the loan portfolio are being reported for the first time for 2024. The emissions associated with just the agricultural portfolio account for 61 505 tCO_2e, or 95.1% of Rogaland Sparebank's total emissions. Much of the increase in emissions from agricultural loans was due to the merger with Hjelmeland Sparebank, which had a relatively large agricultural portfolio.

The increase in financed emissions from lending to agricultural customers is attributable to both the growth of the portfolio and the greater financial exposure. Overall, the total financial exposure ratio increased from 66.8% for 2023 to 77% for 2024. Better data capture and a larger customer portfolio mean that we have also increased the number of customers taken account of in the calculation from 93 to 202 customers, and the financial exposure from NOK 821 million to NOK 1 330 million.

The emissions from the loan portfolio were distributed as follows:

Residential mortgages: 1 757.8 tCO_2e (2.7% of total emissions)
Agricultural loans: 61 505.0 tCO_2e (95.1% of total emissions)
Commercial property mortgages: 1 220.4 tCO_2e (1.9% of total emissions)
Car loans: 146.8 tCO_2e (0.2% of total emissions)

Category	Unit	2024	2023
Households	tCO_2e	1 757.8	2 753.6
Agriculture	tCO_2e	61 505	27 963
Commercial properties	tCO_2e	1 220.4	1 548.9
Cars and motorised vehicles	tCO_2e	146.8	

Future priorities:

The bank will continue to facilitate eco-friendly transport provision for employees and reduce flights to a minimum. Significantly reduced travel and more digital meetings had positive effects in the form of lower costs and GHG emissions, as well as more efficient time use. We continue to encourage the use of digital meetings where appropriate and the most eco-friendly transport possible when travel is required.

Furthermore, we continuously work on improving ESG assessments in the bank's credit processes. The credit strategy was updated in 2024, and ESG risk is now assessed in the same way as other risk drivers. Double materiality must be considered in such assessments. This means the impact the customers and operations have on the environment and climate, as well as the impact the environment and climate have on customers, customers' ability to pay and the value of any collateral. A new model for ESG assessments for the corporate market will be introduced in 2025 to support credit strategy guidelines.

Responsible purchasing

What the bank has done:

The bank has focused on sustainability in all of its purchasing processes. We require our suppliers to proactively comply with human rights, labour rights and working conditions, environmental protection and anti-money laundering regulations. The bank's purchasing policy describes the applicable principles for purchasing in more detail. The bank maintained a dialogue with several suppliers in 2024 to ensure that their business operations were as sustainable as possible. Eika Gruppen was Eco-Lighthouse certified in 2021 and carries out ESG assessments of suppliers in line with the certification criteria, as well as due diligence assessments in line with the Transparency Act. The assessments cover many of the bank's largest suppliers. Since the Transparency Act entered into force, the bank has reviewed it suppliers and conducted assessments of each supplier's impact with respect to the climate, environment, social conditions, ethics and responsible business conduct. Both new and existing suppliers have had to sign a self-declaration, and this is set out in the bank's purchasing policy.

In connection with the due diligence in 2024, the bank's 97 existing suppliers were surveyed. The survey showed that 17 suppliers had a moderate or elevated risk of having an adverse impact on environmental, social and business conditions.

In its assessment, the bank's greatest risk of having adverse impacts on fundamental human rights and decent working conditions is in relation to business partners and its supply chain. The bank's use of loan agents has been identified as one of the activities with the greatest inherent risk. Rogaland Sparebank has practised a conservative approach to loan agents and imposed strict documentation requirements for their operations to ensure that they comply with applicable laws and regulations, as well as the bank's internal policies. That being said, the institution's suppliers are mainly companies that are subject to Norwegian law, including the Working Environment Act and the Transparency Act.

In accordance with the bank's purchasing and outsourcing policy, Rogaland Sparebank carries out risk-based due diligence of suppliers and business partners before concluding new purchasing agreements, when revising existing agreements and at regular intervals in contractual relationships that are judged to require closer monitoring, for example due to a high contract sum or the supplier's geographical location and/or industry. As a general rule, suppliers have to sign a self-declaration based on the principles of the UN Global Compact for responsible business. Alternatively, contractual requirements must be stipulated for the supplier.

Rogaland Sparebank has not identified any actual adverse impacts or significant potential for adverse impacts on fundamental human rights and decent working conditions in the supply chain or at business partners. Suppliers assessed by the bank as having an elevated risk have been sent a new self-declaration form and have been asked to sign it. The bank has not terminated any contracts with suppliers based on ESG-related factors either.

Future priorities:

We are also working to ensure our suppliers are complying with environmental requirements, including by collecting signed self-declarations regarding supplier conduct in connection with purchasing and outsourcing. Regular engagement with key suppliers and annual internal due diligence in line with the Transparency Act's criteria help ensure that the bank has access to sustainable products and services.

Working conditions, diversity and equality

We are seen, heard and consulted. There is room for everyone in Rogaland Sparebank, and that is how it should be! The bank constantly strives to ensure that the goals related to gender distribution, equal pay and diversity are achieved.

What the bank has done:

- **Employees and co-determination:** At the end of the year, the bank had 162 employees. Of these, 14 employees (8.6%) work in part-time positions. 12 of the part-time employees are women. We recruited 11 new permanent employees in 2024. Employee turnover in the bank amounted to 7.3%. The bank did not use any temporary staff from staffing agencies in 2024. The bank uses some external consultants. In 2024, this amounted to 1 135 hours, which is equivalent to 0.6 FTEs at 1 700 hours.

Some 98 of the bank's employees are members of the Finance Sector Union of Norway and the bank is a member of the employer organisation Finance Norway. 95% of the employees are covered by collective bargaining agreements.

A quarter of the members of the bank's supreme body, the Board of Trustees, are employees. Additionally, two of the members of the bank's Board of Directors are elected from among the employees.

Age distribution in the bank as at 31.12.2024

Age	Percentage of employees
10-19	1 %
20-29	11 %
30-39	29 %
40-49	29 %
50-59	21 %
60+	9 %

It is important that each individual employee is seen and followed up by their manager in relation to job performance, motivation and satisfaction. Employees are offered, and are entitled to, at least one annual performance and career development review.In 2024, 97% of all employees in a permanent position had a formal performance and career development review with their manager. This means that all available employees, those not on sick or long-term leave, underwent a performance and career development review. Furthermore, a "senior interview" was conducted with employees who turned 60 in 2024. This is a key part of the bank's senior policy, where the aim is to motivate employees to work up until ordinary retirement age (70).

Diversity and equality are part of our HR strategy and are operational priorities in our personnel policy. The bank has set both goals and targets for our work in this area. The equality work is well embedded in the organisation and the bank is committed to working towards equality on a broad basis.

Gender balance: Rogaland Sparebank's gender balance in the various job categories was on a par with that reported for 2023. This means that 43.5% of middle management level employees are women. The bank's biggest challenge is the gender balance at director level – where at the end of the year only 33% were women – this is not sustainable over time. For the organisation as a whole, the gender distribution was on a par with previous years. We still have a very skewed gender balance within customer service and day-to-day banking where women make up 78% of the employees. This represents a slight improvement on last year when it was 85%.

Rogaland Sparebank is a signatory to "Women in Finance" where the purpose is to increase the proportion of women in management positions in the financial services industry.

Gender distribution in Rogaland Sparebank

	2024		2023	
	Women	Men	Women	Men
Total in Rogaland Sparebank	64 %	36 %	65 %	35 %
Directors	33 %	67 %	43 %	57 %
Intermediate managers	44 %	57 %	47 %	53 %
Expert level	71 %	29 %	94 %	6 %
Senior expert	75 %	25 %	77 %	23 %
Financial advisers, Retail Market	64 %	36 %	54 %	46 %
Corporate market	46 %	54 %	39 %	62 %
Customer service	78 %	22 %	85 %	15 %

The bank's CFO, the head of the department for advisers in the retail market and the HR Manager have a specific responsibility to follow up the work under the auspices of "Women in Finance". Based on this work, the bank has sharpened its goals and aims to achieve a full gender balance at management level and in specialist functions. This is not a goal that will be achieved overnight. However, the direction of travel is clear, and it is a visible ambition for the work on equality. Rogaland Sparebank has set the following goals for diversity and equality:

- We want to achieve a 50/50 gender balance at all management levels
- We want to achieve a minimum 60/40% gender balance in the customer service department
- We want to have one candidate of each gender in all final recruitment processes
- We want to attract a variety of candidates when recruiting.

Training: Rogaland Sparebank organises training that ensures the bank can provide good advice to customers and make a positive contribution to the green transition. Parts of the bank's training provision is delivered by the Eika Academy and here the average time spent on training per employee was 83 hours in 2024. All advisers undergo an annual professional refresher via FINAUT, and the Finance Sector Union of Norway's webinar series "JustAddFinance" is available to, and recommended for, the bank's employees.

Ensuring the bank's employees understand sustainability is the key to good sustainability work and advice. In Retail Market, advisers authorised to advise on non-life insurance and personal insurance receive annual refreshers via FinAut. All candidates seeking authorisation, irrespective of the scheme, must satisfy competence requirements that include a greater insight into fundamental sustainability issues, climate-related risk, ESG criteria and the EU's work on sustainable finance.

The bank has access to several courses and training programmes via Eika:

- Sustainability courses for all roles in the bank
- Course on ESG risks
- Course with four films on different sustainability topics
- Course on sustainability in agriculture.

In 2024, both bank employees and board members participated in courses, technical meetings and networking events related to sustainability. These were important activities intended to improve competence in the area of sustainability, both internally in the organisation and at management level. They helped improve the awareness of how sustainability can be integrated into the bank's strategic decision-making processes and compliance with the CSRD.

Participating in the sustainability network for banks in Western Norway also gave our employees an opportunity to share experience and learn from other stakeholders in the industry. These types of network meetings have provided us with insights into best practice and relevant sustainability measures that can help strengthen our own sustainability strategy.

Members of the Board of Directors hold management roles in various companies in the region, each of which has its own approach to sustainability. All credit cases discussed by the Board of Directors include a description of the associated sustainability risk. Sustainability was a separate agenda item in several board meetings in 2024.

Zero tolerance of discrimination: Rogaland Sparebank fully respects the rights of our employees. We therefore practise zero tolerance of any form of discrimination. No instances of discrimination by or among employees were reported in the year just ended.

Gender and equal pay: As at 31.12.2024, Rogaland Sparebank employed 149 FTEs. Female employees account for 63.6% of the bank's employees. The bank is of the opinion that this is not an optimal gender balance, and we are working to achieve a more even gender balance overall. Two of the six members of the bank's management group are women, and the bank had a female CEO as at 31.12.2024. In January 2025, a male CEO was appointed. 12 of the 29 managers with personnel responsibilities in the bank are women. Of the bank's Board of Directors, four members are women and four are men.

To the extent possible, employee pay reflects current market rates and the individual's education, qualifications and responsibilities. The bank's female middle managers earn 88% of what male managers earn. The corresponding ratio is 113% in the bank's senior management group. Overall in the bank, women earn 85% of what men earn. The bank's calculations have been adjusted for fewer hours worked, but differences in position, seniority and other factors affect the ratio. The bank takes a conscious approach to equal pay and implements measures to ensure it. For example, equal pay forms part of the comprehensive assessment in pay negotiations. The CEO's total remuneration compared with the median total remuneration for other employees is 422%. The corresponding figure for 2023 was 410%. There is no direct connection between remuneration and results within sustainability.

The majority of employees in Rogaland Sparebank are permanent ones. The bank has 159 permanent employees and three temporary employees, of whom two are women. Of the temporary employees in the bank, all of them work in the bank's customer service centre. Of the bank's full-time employees, 56 are men and 87 are women. In total the bank has 16 employees in part-time positions, 14 of whom are women.

Employee satisfaction and health: The annual employee survey shows that the bank's employees are very satisfied with working for Rogaland Sparebank and that we have a good working environment.

All of the bank's employees are covered by the bank's HSE management system with respect to their physical working conditions, psychosocial working environment and safety measures. The bank reported no work-related injuries or ill health in the year just ended.

In 2024, 11 of the bank's employees took parental leave. Four of these were men and seven were women. On average, the women took 22.6 weeks of parental leave, while the corresponding number for the men was 16.5 weeks. All employees returned to work after their leave ended.

In addition to their agreed salary and remuneration, the bank's employees enjoy a series of benefits. These are offered to both permanent and temporary employees. In addition, there are schemes for saving in equity certificates and loans on employee terms and conditions that are only offered to permanent employees.

Code of conduct for employees: All of the bank's employees have to sign our code of conduct every year. This is designed to help ensure that a high degree of integrity and professionalism is exercised in all activities in Rogaland Sparebank.

Reporting wrongdoing: The bank has a specific whistleblowing procedure. Please refer to the bank's personnel manual for the detailed procedure. The Board of Directors did not receive or deal with any whistleblowing cases in 2024.

The bank's complaints procedure: The bank's goal is to have satisfied customers. However, occasionally situations can arise that make our bank customers feel less than satisfied. The bank therefore has a complaints procedure that can be accessed via our website by customers, other people, companies and organisations that want to lodge a complaint. Complaints can concern customer services and other activities that the bank's stakeholders believe are having a negative impact on individuals or other parts of society.

Mechanisms for seeking advice and raising concerns: The bank's personnel manual has a specific procedure for reporting unwanted incidents, bullying, harassment and sexual harassment.

All employees and contract workers (including pupils/students and people under training and participants in labour market measures) therefore have a responsibility to register adverse events in the incident database. Adverse events mean:

- Errors resulting in or that could have resulted in loss or extra cost
- Breaches of mandates, procedures and policies
- Incidents that have a negative impact on health, the environment or security
- Breaches of instructions concerning security, maintenance and hygiene.

Reports are forwarded to a compliance officer for further follow-up. Usually, a suitable person is assigned to the case who can decide on any follow-up and measures.

The bank has implemented a warning system to avoid adverse events in relation to the General Data Protection Regulation (GDPR). This involves the sender receiving a policy alert when external emails contain, for example, a national identification number. The bank has also conducted campaigns aimed at raising awareness, including highlighting alternative secure communication channels that should be used, such as online banking, encrypted lines (TLS) and email password protection.

Sustainability and the environment: Sustainable operations and development are integral to all business areas and the bank's corporate culture. This has been clearly demonstrated in recent years through measures designed to streamline operations, product development and advice, and through the greater understanding of ESG risk, and climate-related risk.

Evaluation of the performance of the Board of Directors: The Board of Directors evaluates its own performance every year. The process covers all subject areas, including sustainability. As far as social initiatives are concerned, the bank's grants from the Gift Fund are approved and reported to the Board on an ongoing basis, including with respect to the goal of at least 10% of the Gift Fund being allocated to local green initiatives.

Future priorities:

Rogaland Sparebank will organise further training in sustainability and climate-related risk to ensure that customers receive good advice and to make a positive contribution to the green transition. Besides training through FinAut, Eika Gruppen will continue to focus on ensuring adequate sustainability training provision for various roles in the bank.

The bank will continue to focus on how to further ensure diversity and equal pay. In early 2022, Rogaland Sparebank signed up to the Women in Finance Charter and we want to strengthen our focus and help increase the proportion of women in senior positions and specialist roles in the financial services sector. The gender balance in the management group is not in line with the bank's goals. However, this is due to extraordinary circumstances and, therefore, considered temporary. Over time, the bank expects to achieve a gender balance consistent with its overarching goal.

Responsible banking

Rogaland Sparebank wants to help increase positive impacts and reduce negative impacts from our investment and funding activities.

What the bank has done:

The bank's green framework was expanded in October 2022. This has enabled the bank to issue green senior bonds, as well as map the bank's loan portfolio in relation to the EU's taxonomy, and this has been an important contribution to providing a basis for reporting on the bank's green ratio. Following the establishment of the green framework, the bank issued two green bonds and one green senior bond. When the bank's financial strategy was updated in 2024, we included a requirement that management of the Group's liquid assets comply with the applicable requirements for responsible investments stipulated in Rogaland Sparebank's framework for corporate social responsibility and sustainability. The bank also strives to increase its proportion of green and social bonds year-on-year to support the bank's net zero goal by 2050.

Green bonds: Rogaland Sparebank has a specific programme for green bonds. The framework applies to both Rogaland Sparebank and Rogaland Sparebank Boligkreditt. Funds covered by the green framework are used to finance energy-efficient residential and commercial properties, building renovation, renewable energy, energy efficiency measures, sustainable agriculture and green transport.

Rogaland Sparebank's green framework was reviewed and approved by Sustainalytics in 2022. In 2024, Rogaland Sparebank has issued one green senior bond. Rogaland Sparebank Boligkreditt (ROGBO) has also issued a green covered bond. As at 31.12.2024, the Group had three outstanding green bonds totalling NOK 3 600 million.

Covered bonds

ISIN	Ticker	Face value	Due date
NO0010886237	ROGBO20 PRO ESG	300.000.000	16.06.2025
NO0013132993	ROGBO26 PRO ESG	3.000.000.000	05.03.2029

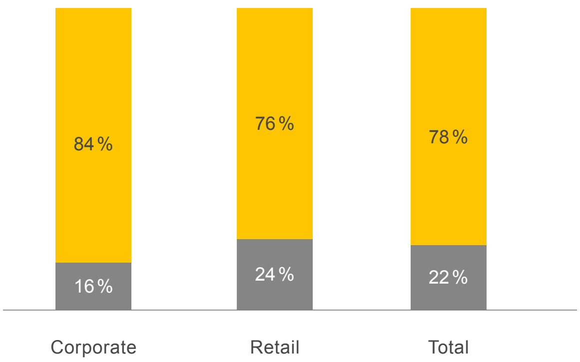
Senior

ISIN	Ticker	Face value	Due date
NO0013354704	ROGS94 PRO ESG	300.000.000	01.10.2029

Green deposits. By the end of 2024, the bank had received NOK 58.7 million in green deposits via the deposit portal, Fixrate. The funds are earmarked for financing sustainable business and energy efficiency improving investments in the corporate market.

Green loans. As at 31.12.2024, sustainability-related loans accounted for 22% of the bank's total lending volume, ref. figure below. This includes loans defined as green in line with the bank's updated green framework from October 2022. The volume of the bank's green lending products grew well. In Retail Market, the total lending volume increased from NOK 139.5 million in 2023 to 337.7 million in 2024. As at 31.12.2024, Rogaland Sparebank's lending for mortgages in green homes amounted to approximately NOK 6.2 billion. Similarly, in Corporate Market, the increase was from NOK 885 million to NOK 1 326 million. These loans can be used as collateral for our green bonds. The bank has established KPIs based on the volume of sustainable financing for the bank's various segments. These indicators have been updated for 2025 and are followed up through the various divisions' scorecards. This is expected to continue contributing to a growing proportion of sustainable financing in the bank.

Green asset ratio in Rogaland Sparebank



Avoided energy consumption. The calculation of avoided energy consumption was based on Multiconsult Impact Assessment 2023. From this report, we obtained the following expected energy consumption for office buildings and multi purpose buildings.

Building category	Average for all buildings (kWh/m²)	Average TEK10 and TEK17 (kWh/m²)	Average BREAM-NOR
Office buildings	246	139	110.5
Multi purpose building	285	160	136.5

For the green senior bond, we selected three commercial property loans as collateral with total lending of just over NOK 300 million, of which one loan is for a BREAM-NOR classified office building and two loans are for multi purpose buildings built after 2012.

Once we have estimated a reduction in energy consumption, we can also estimate the equivalent number of tonnes of CO_2 the reduced energy consumption represents. Again, we based this on Multiconsult Impact Assessment 2023, which indicates that on average CO_2 emissions were cut by 110 gCO_2 per kWh. This figure was estimated based on the European energy mix (EU27 + UK + Norway) at 136 gCO_2 per kWh and then adjusted for bioenergy and district heating in the Norwegian energy mix.

Compared with the average commercial building stock in Norway, these three buildings consumed 3.1 GWh less energy, which reduces the estimated CO_2 emissions by 340 tonnes a year.

	Energy consumption avoided compared with average (GWh)	Reduction in CO_2 emissions compared with average (tCO_2/year)
TEK10 og TEK17	2.4	263
BREEAM-NOR	0.7	77
Total	**3.1**	**340**

For the green covered bond (ROGBO26 PRO ESG), we selected green mortgages equivalent to NOK 3.3 billion of total lending. We have chosen to compare the energy consumption of these loans against our entire mortgage portfolio, based on figures obtained from Eiendomsverdi. All figures for expected energy consumption related to mortgages were obtained from Eiendomsverdi. The reduction in CO_2 emissions was again taken from Multiconsult Impact Assessment 2023 and set at 110 gCO_2 per kWh. Compared with the average homes in Rogaland Sparebank's portfolio, these homes used 9.6 GWh less energy, which reduces the estimated CO_2 emissions by 1 056 tonnes a year.

	Energy consumption avoided compared with average (GWh)	Reduction in CO_2 emissions compared with average (tCO_2/year)
A	0.5	55
B	3.5	385
TEK10	2.7	297
TEK17	2.9	319
Total	**9.6**	**1 056**

In total, the loans for commercial and residential properties used as collateral for our green bonds consume approximately 12.7 GWh less energy than the average. This reduces the estimated CO_2 emissions by 1 396 tonnes annually.

The bank's investment strategy. Our investment strategy provides clear guidelines regarding what the bank is allowed to own. As at 31.12.2024, the bank held a total of NOK 204 million in bonds defined as ESG bonds.

Future priorities:

The bank will continue the work we have started within contributing to positive environmental impact through our investment and financing activities. The green framework will be used to finance energy-efficient residential and commercial properties, building renovation, renewable energy, energy efficiency measures, sustainable agriculture and green transport.

Responsible lending

Rogaland Sparebank is committed to contributing to a green and sustainable transition for customers. We want our customers to make good financial and sustainable choices in their everyday lives.

What the bank has done:

We do not lend money to just anybody! The bank sets additional requirements for companies that are a higher risk with respect to environmental, social and governance issues.

ESG assessments in credit granting processes. The bank requires all of our corporate customers, regardless of sector, to comply with Norwegian laws, respect human rights and actively oppose discrimination, harassment and money laundering. Customers sign up to this via a customer declaration. The bank assesses ESG factors and climate-related risk in credit granting processes for corporate customers using a tool developed by Eika Gruppen for this purpose. An ESG assessment is now conducted for all corporate customers regardless of the size of their credit commitment, which means that the proportion of customers subject to an ESG assessment is expected to increase. All advisers have undergone training in sustainability and climate-related risk.

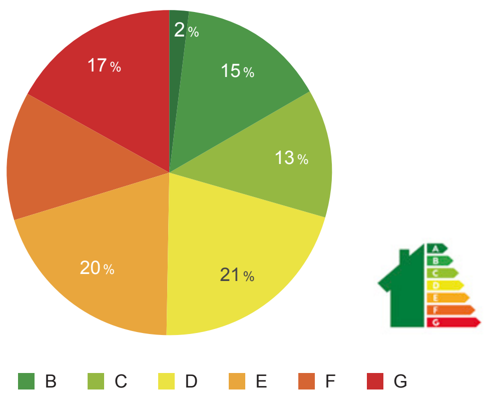
ESG matters are assessed as an integral part of the overall credit rating process for financing applications. They are assessed on a par with other risk drivers and are given weight in the question of whether the credit will be granted. Double materiality must be considered in such assessments. This means the impact the customers and operations have on the environment and climate, as well as the impact the environment and climate have on customers, customers' ability to pay and the value of any collateral.

As part of its responsible lending practices, the bank has also identified industries and purposes for which it will not provide loans. These include:

- Tax-motivated investments
- Companies that fail to prevent land rights conflicts and that acquire natural resources without consulting local communities and users of the land.
- Companies with activities within tobacco, pornography or gaming
- Cultivation of marshland and peat areas with high carbon storage capacity
- Companies that dispose of mining waste in rivers or on the seabed
- Coal-based power generation, coal mining or oil and gas exploration or extraction.

Climate-related risk. Periodic assessments are made of the bank's exposure to climate-related risk and its impact on our operations. Analysing and managing exposure to climate-related risk have been incorporated into the bank's strategy and governing documents, including our credit policy. For further details, see the reporting on the TCFD's recommendations in the appendix.

Proportion of homes by estimated energy label



NOK millions	Retail customers	Corporate customers	Total lending	Share
Not exposed to risk	25 852	5 382	31 235	97.4 %
Exposed to risk:				
Rising sea level	211	171	383	1.2 %
Flooding	15	17	32	0.1 %
Quick clay landslide	57	1	58	0.2 %
Avalanche	69	234	303	0.9 %
Scree slide				0.0 %
Rockslide	35	13	47	0.1 %
Total exposed to risk	**387**	**436**	**824**	**2.6 %**
Total loans for property	**26 239**	**5 819**	**32 058**	**100 %**

Rogaland Sparebank analyses the physical climate-related risk linked to financing real estate where the bank is the mortgagee. The data was obtained through data washing property data and retrieving data from Property Value. The physical risk is grouped into the following risk categories:

- **Rising sea level:** 20-year flood scenario
- **Flood:** 20-year flood, now scenario
- **Quick clay slide:** moderate probability, now scenario
- **Avalanche and stone slide:** inspected special caution zone, now scenario
- **Major rockslide:** danger zone, now scenario.

Some less serious risk scenarios have been excluded from reporting. The most important involve moderately high water and special caution zones for flooding and landslides.

The table shows that 97.4% of the properties where the bank is the mortgagee are not exposed to physical climate-related risk and, therefore, that 2.6% are exposed to such risk. Rising sea level is the highest category with 46% of risk-exposed loans.

Green loans that reward the environmentally conscious. Rogaland Sparebank wants to reward customers who do something for a greener environment. Over the past few years, the bank has developed green products to offer customers great incentives to make sustainable choices. The bank offers green transition loans and green energy loans aimed at financing transition and sustainable investments. The bank also offers green agricultural loans to agricultural customers. As at 31.12.2024, green agriculture loans accounted for NOK 57.4 million of the loan portfolio. The bank also offers green mortgages for financing energy efficient homes. As at 31.12.2024, green mortgages accounted for NOK 337.7 million of the loan portfolio, which is more than twice as much as they did for 2023. The bank is working on increasing the proportion of green loans in all segments, ref. the introduction of scorecards for green loans in the section entitled *Responsible financing*.

The bank also offers green car loans to finance eco-friendly cars through Eika. As at 31.12.2024, green car loans accounted for NOK 24 million, or 50%, of the total volume of car loans for the bank's customers.

Responsible advice and loan products. Rogaland Sparebank must offer good responsible financial advice. The bank offers standard deposit and loan products to both corporate and retail customers, and also offers investment funds and insurance through Eika Kapitalforvaltning and Fremtind.

Buying your first home is challenging. Rogaland Sparebank offers BSU saving and favourable mortgage schemes specifically designed for young people and young first-timer buyers in order to help them save and finance their first home. As at 31.12.2024, the bank lending to the young mortgage segment amounted to NOK 3.06 billion.

Our Balansebank ("Balance Bank") is a special department in the bank that provides close, personal follow-up and bespoke solutions designed especially for those whose personal finances are strained for various reasons. The goal is to restore customers' financial health so they can become ordinary bank customers again.

Future priorities:

The bank will continue to prioritise product development and training in order to contribute to sustainable transition for customers. The bank's ambition is to increase the annual volume and scope of green loan products in the portfolio. By systematically working on identifying, understanding and managing risk in customer relationships, the bank manages the risk in our portfolio and helps customers improve their understanding of risk and make sustainable choices.

Responsible insurance

What the bank has done:

Fremtind and Eika Forsikring merged on 01.10.2024. Fremtind's long-term ambition is to create sustainable value. It aims to make insurance circular and encourage climate mitigation and prevention measures. By offering insurance we create predictability and security for Rogaland Sparebank's customers and protect customers' assets. Fremtind has prioritised measures designed to address sustainability considerations in these areas: the environment and climate (E), social conditions (S) and responsible and ethical business governance (G). Fremtind's goal of making insurance more circular is about contributing to more prevention, reuse and repair throughout the customer journey.

Damage prevention. Fremtind takes a systematic approach to loss prevention through advice on preventing losses, and Fremtind's suppliers also provide loss prevention advice in loss processes. Efforts to prevent loss have been replicated in several cooperation agreements and projects, for example in relation to Trygg Trafikk, where the aim is to prevent traffic accidents, and life skills courses for disabled customers. Furthermore, a maintenance plan for homeowners, a guide to communal work for housing cooperative and joint ownership boards, and a specific guide for car owners on preventing damage and car maintenance have all been produced. The guides are designed to make it easier for customers to take effective action.

Green claims settlement. Fremtind is proactively working on the role of claims settlement within sustainable transition. All suppliers with a partnership agreement, and where Fremtind' actively manages damage repair, are assessed on the basis of environmental management and social conditions criteria. In the case of all new and renegotiated agreements, the supplier is required to be certified according to Eco-Lighthouse, ISO14001 or an equivalent standard, or to start the process within 6 months, and complete it within 18 months, of signing the agreement. All suppliers are also required to provide fair pay conditions in the form of collective agreements. Circular solutions are emphasised in loss settlements, as long as quality and safety are not compromised.

Responsible management. Fremtind's policy for responsible investments in asset management aims to ensure that Fremtind is a responsible investor and owner, and that it contributes to sustainable development in line with the UN Sustainable Development Goals. The policy can be found on Fremtind's website and describes how account is taken of sustainability in asset management and what is specifically done to comply with this responsibility.

Future priorities:

Fremtind's overarching goal of making insurance more circular is about contributing to greater prevention, reuse and repair throughout the customer journey. Fremtind's insurance policies are not just about replacing loss. They are also about knowing where things can go wrong, predicting loss and preventing it from happening. Fremtind contributes both data and expertise. It provides ongoing advice on loss prevention to customers and is clear to the authorities about what it believes they should do to strengthen their climate mitigation efforts.

Responsible investment

Sustainable investment fund products. *We do not invest in just anything*! All of the products Rogaland Sparebank offers must comply with requirements for corporate social responsibility, sustainability, good business conduct, ethics and transparency. The bank offers fund product management via Eika Kapitalforvaltning (EKF). A good cooperative relationship has been established with Eika Kapitalforvaltning to ensure that the bank does not contribute to breaches of human and labour rights, corruption, serious environmental damage and other unethical acts.

What the bank and Eika Kapitalforvaltning have done:

Eika Kapitalforvaltning has carried out negative screening of its investment universe prior to investing fund capital since 2010. The is done by excluding all companies from investment that are in sectors Eika Kapitalforvaltning does not want to invest in, or companies that sell products that are deemed unethical. In 2020, Eika Kapitalforvaltning expanded its methods to also include the positive screening of companies in its equity funds. This means that Eika Kapitalforvaltning also seeks to invest in those companies that are among the best within sustainability in their respective sectors. This two-tier approach ensures that EKF's portfolios consist of sustainable companies, and all Eika's equity funds have lower ESG risk ratings than their respective indices.

In recent years, Eika Kapitalforvaltning has built up an extensive ESG database of almost 10 000 companies. The database contains detailed information about the companies' organisation, products and any historical controversies, as well as various sustainability evaluations. At the end of 2024, the ESG database covered 98% of the companies in which Eika's equity funds are invested. The work that has been done on ESG in the past few years has produced clear results and reduced the ESG risk in funds. More information is available on the websites of the bank and Eika Kapitalforvaltning.

Future priorities:

Eika Kapitalforvaltning's savings products let the bank's customers become investors in a large number of companies in different sectors and countries. Going forward, Eika Kapitalforvaltning will prioritise the work on policies, governance and excluding sectors and individual companies, which will ensure that the savings products Eika Kapitalforvaltning offers our customers meet comprehensive requirements regarding social responsibility, sustainability, ethics and transparency. In line with MiFID II, Eika and the bank will ensure that the requirements for surveying customers' sustainability preferences are met.

Responsible communication and marketing

Properly informing the public about the bank's products and services and marketing them responsibly are crucial to the integrity of, and confidence in, the bank and the sector. Rogaland Sparebank signed up to the Guide Against Greenwashing in 2020. The bank fully endorses the contents of the decree and wants to help implement genuine measures, avoid greenwashing and help speed up the green transition. The bank's supplier of merchandising gifts is ISO certified for environmental management and quality management. The bank sets stringent requirements concerning responsible and sustainable products. We did not experience any unfortunate incidents concerning mislabelled products and services or breaches of the marketing rules in 2024.

Sustainable transition through grants from the Gift Fund

Rogaland Sparebank's vision is to be the best in class when it comes to good, personal customer experiences. The bank's ambitious goal is to achieve profitable growth, highly satisfied customers and an excellent reputation. For us, social responsibility means that we focus on, among other things, sustainability.

It is natural for our work on sustainability to focus on local conditions. In our market area, we want to help both organisations and enterprises in the transition to more sustainable local communities.

What the bank has done:

- **Responsible community dividends.** One important aspect of the bank's social responsibility is to give back part of the bank's profits for good causes. The bank distributes millions of Norwegian kroner every year for the benefit of projects large and small. As a minimum, Rogaland Sparebank's Gift Fund earmarks 10% of the funds for purposes designed to combat climate and environmental challenges.

- **Partnerships.** The bank recognises that in order to achieve the SDGs and help ensure that locally we are moving in the right direction fast enough, we need partnerships, to share expertise and to all help each other achieve success in the transition. Rogaland Sparebank is involved in local and regional network groups in order to promote a focus on, and encouragement of, sustainable development and compliance with regulatory requirements within sustainability.

Future priorities:

Earmarking funds from Rogaland Sparebank's Gift Fund for green purposes will continue. Rogaland Sparebank, and the Gift Fund want to particularly focus on purposes that contribute to SDG 13: Climate Action. The bank will also continue its work on ensuring cooperation with relevant stakeholders with the aim of achieving the greatest and fastest possible positive impact for the climate, environment and society.

Our work on combatting economic crime

Economic crime is a serious social problem and helping to protect the financial system's integrity and stability, and contributing to a law-abiding local business community, constitutes an important part of the bank's social responsibility. Rogaland Sparebank actively works to detect and prevent economic crimes such as money laundering, terrorist financing, tax evasion and corruption.

Rogaland Sparebank conducts an annual assessment of our risk of being exploited in relation to money laundering, terrorist financing and sanction busting. All of the bank's products, services, customer groups, transaction types, etc. are assessed and risk mitigation measures identified. This provides a basis for the bank's procedures for managing the assessed risk.

The bank's main tasks besides conducting risk assessments are to carry out customer checks and continuously monitor customer relationships, as well as to investigate and, if necessary, report suspicious transactions and customers to the National Authority for Investigation and Prosecution of Economic and Environmental Crime (Økokrim).

What the bank has done:

A series of measures has been implemented to reduce the risk of being exposed to, or misused for, economic crime, including:

- **Anti-money laundering:** The improved organisation and clarification of roles and responsibilities within anti-money laundering. The setting up of an internal expert group for the work on anti-money laundering. The bank has also Increased the number of resources assigned to anti-money laundering work. New and revised procedures have been established for implementing measures for preventing and detecting money laundering. Furthermore, more reporting to the management group and the Board of Directors has been introduced, including on the status of anti-money laundering work to the Board. The bank has its own skills plan that is designed to strengthen professional competence. This specifies the competence required for different roles in the bank and how this must be addressed. The Board of Directors is included in this and receives regular training.

The bank has also focused on systemising and streamlining work processes and customer follow-up. Specific targets for this area are monitored on a monthly basis, including targets related to the advisers' bonus model. The customer portfolio is periodically reviewed and new documentation obtained if necessary.

The so-called 'lawyer scandal' in Rogaland in June 2024 clarified the banks' role in the efforts to prevent economic crime. Rogaland Sparebank subsequently conducted an internal investigation that concluded that the bank had had no systemic deficiencies in its compliance with the Money Laundering Act.

- **Privacy and IT security.** Rogaland Sparebank has its own data protection officer whose main job is to be a point of contact for customers, employees, the Norwegian Data Protection Authority and others who want access to personal data or have questions about how the bank processes it. In addition to a data protection officer, a data protection group has also been established that is tasked with addressing the various technical areas in the bank. Procedures and processes have been developed to ensure compliance with the GDPR and that all data processing agreements are updated. There were no serious breaches of privacy legislation in 2024, although we did record 10 other breaches of the GDPR in 2024, one of which was reported to the Norwegian Data Protection Authority. All employees received training in digital privacy in 2024. Such training is tailored to the employee's role and level in the bank to ensure they have the right skills.

Rogaland Sparebank takes information security extremely seriously and good security is a prerequisite for maintaining confidence in the bank. It should be safe to be a customer of Rogaland Sparebank and customers must be able to use both the online and mobile banks without worrying that personal data and customer data will go astray. Rogaland Sparebank has access to a large expert environment through Eika, which expends a lot of resources on security solutions, monitoring and information. The bank also provides mandatory IT security courses and training for all employees.

- **Combatting corruption.** Rogaland Sparebank has zero tolerance for corruption. This includes internally and at the bank's customers, suppliers, companies the bank invests in and investment fund providers. The bank is not aware of any incidents involving corruption among the bank's employees, customers or suppliers in 2024.

- **Financial sanctions:** In November 2021, the bank was fined NOK 1 million because the Norwegian Police Security Service (PST) believes that the bank negligently breached the regulations concerning financial sanctions by not technically freezing funds in a customer account fast enough. The bank rejected the fine and the case was considered by the district court in May 2024. Rogaland Sparebank was acquitted in the district court, but the prosecution has lodged an appeal. The appeal will be heard before the court of appeal in spring 2025.

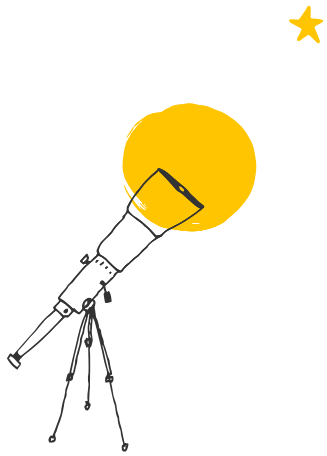
Future priorities:

Continuous assessments will be made of what measures must be implemented to prevent and combat money laundering and terrorist financing. These will be based on, for example, external threat assessments such as the National Risk Assessment (NRA) issued by the PST and the National Police Directorate. The bank also constantly focuses on managing privacy and IT security. Good, transparent privacy, as well as good routines for IT security, builds trust and is a prerequisite if we are to achieve our strategic goals.

Appendix related to sustainability reporting

TCFD-table – See appendix, page 167 / GRI Index – See appendix, page 169

Corporate governance



This chapter describes how Rogaland Sparebank is governed and how its operations are supervised. Good governance and management should ensure the effective and efficient use of the bank's resources and optimal value creation. The value created by Rogaland Sparebank should benefit the bank's owners, depositors, customers, employees and society as a whole. The bank's corporate governance must ensure prudent management and result in greater confidence that the established objectives and strategies will be achieved and realised.

Implementation and reporting on corporate governance

The Board of Directors complies with the framework set out in the "Norwegian Code of Practice for Good Corporate Governance" ("Code of Practice"). In this chapter, the Board wants to, as far as possible, provide a more detailed report that includes the points in this recommendation. The Norwegian Code of Practice for Good Corporate Governance is primarily aimed at limited companies. Rogaland Sparebank is organised as an equity certificate bank and has to take account of the requirements to which the bank is subject pursuant to the legislation on savings banks.

The Board of Directors is responsible for the management of the bank. The Board of Directors must ensure that the bank is properly organised and is responsible for establishing control systems and ensuring that the activities are carried out in accordance with applicable Acts, articles of association and Regulations.

The bank's code of conduct has been reviewed and approved by the Board of Directors. The code of conduct has been communicated to the employees of the bank and is available on the bank's intranet. All new employees have to sign the bank's code of conduct to confirm that they have read it, and their familiarity with the code of conduct is measured in connection with the annual employee survey.

Business

The bank's articles of association state that the institution's objective to promote saving by accepting deposits from an unlimited constituency of depositors. The assets the bank has under its management must be managed prudently and in accordance with the current legislation for savings banks. The bank can perform all normal banking transactions and banking services in compliance with the provisions of the Savings Banks Act.

Through its Gift Fund, Rogaland Sparebank is able to allocate some of its profits to customer dividends and good causes. The Gift Fund is used to promote inspiration, growth and development. Gifts are awarded based on the bank's vision and business concept and are distributed in a way that supports variety and diversity.

The Board of Directors constantly reviews and updates the bank's objectives and strategies. The Board of Directors receives regular risk reports, operations reports, financial statements and status reports in order to monitor that the bank is complying with current strategies and goal attainment.

Equity and dividends

The bank's equity certificate capital is NOK 250 289 410, comprised of 25 028 941 fully paid-up equity certificates, each with a face value of NOK 10. Of these, 2 081 542, corresponding to 8.3% of outstanding equity certificates, are treasury equity certificates. The equity certificates are owned by the bank and are not eligible for dividends.

External injections of equity capital take place through the issuance of equity certificates or other equity instruments that meet statutory requirements.

One of the most important objectives of the Board of Directors is to safeguard the interests of the bank, and thereby also the long-term interests of equity certificate holders, in all contexts and respects. The bank provides equity certificate holders with opportunities to express their views on the bank's activities and development by maintaining a continuous dialogue with them. The bank's profile must ensure credibility and predictability in the market. The bank must seek long-term and competitive returns.

The bank must provide the market with relevant and complete information in order to ensure balanced and correct valuations of its equity certificates. This is ensured through compliance with the act and regulations that apply due to a listing on the Oslo Børs. For further details regarding equity certificates, please refer to the chapter "Investor information".

As a basis for assessing whether the bank's equity capital is appropriate for its current objectives, strategy and risk exposure, the Board of Directors conducts a thorough review of the bank's capital situation (Internal Capital Adequacy Assessment Process (ICAAP)) and receives updated risk reports on a quarterly basis. The bank's ICAAP and capital plan are reviewed by the Financial Supervisory Authority of Norway and as at 31.12.2024 the bank's regulatory requirement for CET1 capital was 15.3%. The bank has a CET1 capital ratio of 17.1% as at 31.12.2024. The bank's CET1 capital ratio target has been set as a minimum of 1.5% above the authorities' regulatory requirement.

The bank's dividend policy is as follows: Rogaland Sparebank's objective is to manage our total resources in such a way as to provide our equity certificate holders with a good, stable and competitive return in the form of dividends and price appreciation. The profit for the year is divided between the equity certificate capital (equity certificate holders) and the primary capital in proportion to their share of the bank's equity capital. Rogaland Sparebank assumes that between 50-75% of the equity certificate capital's share of the profit will be paid out as dividends, and correspondingly that between 50-75% of the primary capital's share of the profit will be paid out as gifts and customer dividends. In the strategy for 2025-2028, the dividend payout ratio has been changed to between 50-100%. In the assessment, weight will be given to ensuring that the equity certificate holders' share of total equity (equity certificate percentage) remains stable. When determining the overall level of distribution, account is taken of expected financial performance, external framework conditions and the Group's estimated requirement for Tier 1 capital.

Of the Group's profit, NOK 344.5 million (75.3%) will be allocated to customer dividends and the Gift Fund. As a result of the allocation, the equity certificate ratio will be reduced from 62.6% to 62.3%.

In addition, the Board of Directors has an authorisation from the Board of Trustees to increase equity capital by up to 10% of the outstanding equity certificate capital. The Board of Trustees has authorised the Board of Directors to increase the bank's registered equity certificate capital by up to NOK 230 million through one or more offerings. This authorisation is valid for 2 years and is contingent on the approval of the Financial Supervisory Authority of Norway.

Equal treatment of equity certificate holders and transactions with close associates

Rogaland Sparebank has one class of equity certificate. Equity certificate holders are ensured equal treatment and the same opportunities for influence within the bank. Rogaland Sparebank provides quarterly earnings presentations to which the bank's equity certificate holders are invited to attend.

The bank's equity certificate percentage was 62.3% at the end of 2024, compared with 63.6% in 2023. The change was primarily due to the merger and buyback of our own equity certificates. The bank's 20 biggest holders represent 64.5% of the equity certificate capital.

The instructions for the Board contain clear rules regarding ethics and competence. The bank's code of conduct applies to both elected representatives and employees, and provides guidance regarding hospitality, benefits/gifts and confidentiality. All transactions with close associates take place according to the arm's length principle.

The instructions for the Board include provisions underscoring the board members' duty of care with respect to ethical conduct, impartiality and integrity. Neither board members nor the CEO can take part in considering or deciding matters that are of particular significance for the person concerned, or any close associates, where the person concerned must be deemed to have a prominent personal or financial special interest in the matter.

For further information about transactions with related parties, please see note 44.

Equity certificates and negotiability

The articles of association contain no form of restrictions on negotiability.

Board of Trustees

The Board of Trustees is the bank's supreme body and supervises the Board of Directors' management of the bank. The Board of Trustees approves the bank's articles of association and financial statements, and also elects the bank's Board of Directors, Nomination Committee and external auditor.

In addition, the Board of Trustees allocates the amounts that may be used for good causes pursuant to section 10-7 of the Financial Institutions Act and determines whether to raise subordinated loan capital.

Meetings of the Board of Trustees must be convened by the bank with at least 21 days' notice, ref. section 8-3 of the Financial Institutions Act and section 5-11 of the Public Limited Companies Act. The Board of Trustees cannot pass resolutions on any other matters than those specifically listed in the notice of the meeting.

The Board of Trustees consists of 40 members and 11 deputy members with the following representation: Equity certificate holders: 15 members with four deputy members. The public sector: five members and two deputy members. Depositors: 10 members with three deputy members and Employees: 10 members with three deputy members.

Minutes from meetings of the Board of Trustees are published on https://www.rogalandsparebank.no/investor-relations.

Nomination committee

The bank's Nomination Committee was established in accordance with the articles of association as are the guidelines for how it should work. The Board of Trustees elects the members of the Nomination Committee from among its members. The Nomination Committee has four members. The equity certificate holders, depositors, publicly elected representatives and employees are represented by one member each. One personal deputy member is elected from each group. Members are elected for terms of 2 years at a time.

The Nomination Committee is tasked with preparing the election of the chair and deputy chair of the Board of Trustees, the chair and deputy chair of the Board of Directors, the other board members and deputy board members, with the exception of the employee representatives, as well as the chair, other members and deputy members of the Nomination Committee. A separate nomination committee has been appointed with responsibility for the election of the employee-elected members and deputy members of the Board of Directors and the Board of Trustees.

The Nomination Committee also prepares the election of members and deputy members of the Board of Trustees who represent the equity certificate holders and depositors. The Nomination Committee must work to ensure that the Board of Trustees, the Nomination Committee and the Board of Directors have the necessary competence, and that both genders are well represented.

Board of directors: composition and independence

The Board of Directors is elected by the Board of Trustees and normally consists of eight board members, of which two are board members elected by the employees. The CEO is not a member of the Board of Directors. The bank's Board of Directors is deemed to meet the requirement for independence and represents a wide range of backgrounds and competence. The legislation regarding the financial services sector provides a framework for the right of representation of various groups of stakeholders. Rogaland Sparebank strives to ensure the greatest possible independence between equity certificate holders, the Board of Directors and the management group. All board members are elected for 2-year terms. Members can be re-elected. For the sake of continuity, half of the board members are elected every second year. As at 31.12.2024, four of the Board of Director's members were women. Information about the bank's board members is presented in a separate chapter of the annual report.

The work of the Board of Directors

The Board of Directors determines the bank's objectives, strategies and plans. These are reviewed and revised at least annually, in line with a fixed meeting calendar.

The Board of Directors is responsible for the appointment and, if warranted, dismissal of the head of the internal audit function. The Board of Directors also bears sole responsibility for the employment and, if warranted, dismissal of the CEO. The Board of Directors supervises the day-to-day management of the bank.

The Board of Directors receives periodic reports on financial performance, market developments, management, personnel and organisational developments, as well as on the bank's risk exposure. The Board of Directors also regularly supervises the bank's impact on the environment and society.

The bank's financial reporting and sustainability reporting is reviewed and approved by the Board of Directors. The Board reviews and approves the bank's credit policy every year. The policy includes the bank's risk limits for customers' credit and sustainability. All credit cases over a certain amount must be reviewed and approved annually by the Board.

Board members are defined as primary insiders and must comply with the bank's rules regarding acquisition of its equity certificates. The same applies to the purchase of shares in certain companies that are customers of the bank.

The Board of Directors' procedures are regulated by special instructions for the Board of Directors. The Board of Directors conducts an annual self-evaluation of its works methods, administrative procedures, meeting structure, and prioritisation of tasks. The Board of Directors normally meets nine times a year.

The Board of Directors has established its own audit committee tasked with ensuring that the bank is subject to sound corporate governance, that it is well and appropriately organised and that is has effective control systems. The Audit Committee consists of four board members, at least one of whom must possess relevant accounting or auditing expertise. The objectives, tasks and functions of the Audit Committee have been established in line with the legislative amendments that followed from implementation of the EU's Audit Regulation and its recommendations.

Among other things, the Audit Committee reviews the bank's financial reporting. In connection with this, the management group presents material issues related to the bank's quarterly financial statements, as well as issues that are subject to individual assessment. As part of its review, the committee consults with managers, the bank's management group and the external auditor.

Besides monitoring the financial reporting process, the Audit Committee is also responsible for ensuring that the Group is subject to independent and effective internal and external auditing, and that the risk management systems are effective. The committee meets with the external and internal auditors at least once a year, separately, without anyone from the management group being present.

The Risk Committee is tasked with ensuring that the quality of risk management and control in Rogaland Sparebank is sufficient to achieve the Group's strategic objectives through prudent management of the Group's assets. The committee consists of four board members.

Of the management group, the Head of Risk Management has a duty to attend meetings, while the CEO and CFO have the right to attend meetings. The committee must meet at least once every quarter. The bank also has a special remuneration committee consisting of four board members. The committee is responsible for the preparatory work in all matters related to remuneration schemes that must be decided by the Board of Directors.

Risk management and internal control

Risk management
Effective risk management is a prerequisite if the bank is to achieve our strategic objectives. Risk management is an integral part of the management group's decision-making processes. The bank has established a separate risk management function that reports directly to the CEO. The bank's risk exposure relative to the set limits and objectives is reported to the Board of Directors on a quarterly basis.

Responsibility for incorporating climate-related risk into risk management lies with the Director Risk Management, in cooperation with the Sustainability Manager, both of whom report to the CFO. Resources and expertise are also drawn on from Corporate Market and the Eika Alliance. Risk appetites and mandates for risk taking, including credit, market, operational and sustainability risk, are adopted by the Board of Directors and managed by the Director Risk Management. The bank's risk management function also coordinates the continuous process that assesses the bank's financial strength relative to its risk exposure. The bank's risk exposure and capital requirements are summarised on an annual basis. This is in turn reviewed by Board of Directors and reported to the Financial Supervisory Authority of Norway.

Accountability
Accountability is ensured through the clear communication of strategic initiatives and goals set for the employees. This is operationalised through clearly defined roles, responsibilities and expectations where the managers of the business areas are held responsible for goal attainment within their areas of responsibility. The development of the risk picture is periodically reported to the CEO and the Board of Directors.

Compliance with laws, rules and ethical standards Rogaland Sparebank has drawn up a code of conduct. A special procedure for whistleblowing has also been produced. The purpose of this is to make it easier for the bank's employees to report issues of an ethical nature and adverse events.

Internal guidelines have been drawn up for trading on one's own account and handling inside information. The guidelines describe the laws and rules that apply to all employees, temps and other representatives. The code of conduct is clearly communicated in the organisation and published on the bank's intranet.

A separate database has been established for adverse events. This database is managed by the Director Risk Management. The bank has organised all compliance activities into a separate function that reports directly to the CEO. The purpose of this function is to check that both the bank and the investment firm operate in line with the applicable regulations.

Internal audit

Rogaland Sparebank has established an internal audit function. The bank has used KPMG as our internal auditor since 2019. The services provided cover the parent bank, subsidiaries subject to the Internal Control Regulations and other significant subsidiaries.

The internal audit function's main task is to evaluate whether internal controls are working as intended. The internal audit function is also tasked with improving the bank's risk management and internal controls.

An annual internal audit plan is prepared based on the internal audit function's risk assessment and discussions with the management group, external auditors and the Audit Committee/ Board of Directors. The internal audit function's annual plan and budget are approved by the Board of Directors. Audit reports containing proposed improvements are written for each internal audit project and presented to the responsible manager and the Group's management group. A summary of the reports, including high priority recommendations, is presented to the Audit Committee. All of the reports are available to the Board of Directors and the Audit Committee. The status of previous recommendations is monitored by the management group and included in the regular reporting to the Audit Committee and the Board of Directors.

The internal audit function does not perform financial audits.

Remuneration of the Board of Directors

Board members receive an annual remuneration set by the bank's Board of Trustees. Information about remuneration and loans to board members is provided in the notes to the annual financial statements.

Remuneration of executive personnel

The CEO's remuneration is set by the Board of Directors. The CEO and the Board of Directors jointly draw up guidelines for the remuneration of other executive persons in the bank. The bank's bonus and remuneration schemes comply with the requirements of the Regulation on Remuneration Schemes in Financial Institutions. No options schemes or similar schemes have been established. The principles for the remuneration of executive employees, as well as information about the actual remuneration of, and loans to, such employees, are set out in a specific remuneration report that is published on the bank's website, as well as in the notes to the annual financial statements.

Information and communications

Rogaland Sparebank strives to provide identical, timely and relevant information to all stakeholders. Financial results are published via the Oslo Børs and presented to investors, analysts and the media on a quarterly basis. The information is also published on the bank's website. Regular presentations are also provided to international partners and lenders. All quarterly reports, press releases and presentations are published on the bank's website on https://www.rogalandsparebank.no/investor-relations.

Takeovers

As a self-owning institution, current legislation does not allow Rogaland Sparebank to be the object of a direct takeover. As far as acquisitions by the bank are concerned, we give a high priority to safeguarding all stakeholders as best as possible, including through the equal treatment of equity certificate holders/owners. The bank will strive to ensure that any takeovers will have the least possible negative impact on the bank's day-to-day activities.

External auditor

The job of the external auditor is to assess whether or not the information provided in the annual report concerning the annual financial statements, the bank's accounting policies, risk management, the going concern assumption, and the proposed allocation of the profit or coverage of a loss comply with Acts and Regulations. The external auditor is also tasked with assessing whether or not the bank's asset management is satisfactorily organised and properly supervised. The external auditor is elected by the Board of Trustees. The external auditor submits a report to the Board of Trustees on these matters.

Investor information

The equity certificate

Return and dividend policy

Rogaland Sparebank's objective is to manage our total resources in such a way as to provide our equity certificate holders with a good, stable and competitive return in the form of dividends and price appreciation. The profit for the year is divided between the equity certificate capital (equity certificate holders) and the primary capital in proportion to their share of the bank's equity capital. In the strategy for 2025-2028, Rogaland Sparebank assumes that between 50% and 100% of the equity certificate capital holders' share of the profit will be paid out as dividends, and correspondingly that between 50-100% of the primary capital's share of the profit will be paid out as gifts and customer dividends. In the assessment, weight will be given to ensuring that the equity certificate holders' share of total equity (equity certificate percentage) remains stable. When determining the overall level of distribution, account is taken of expected financial performance, external framework conditions and the Group's estimated requirement for Tier 1 capital.

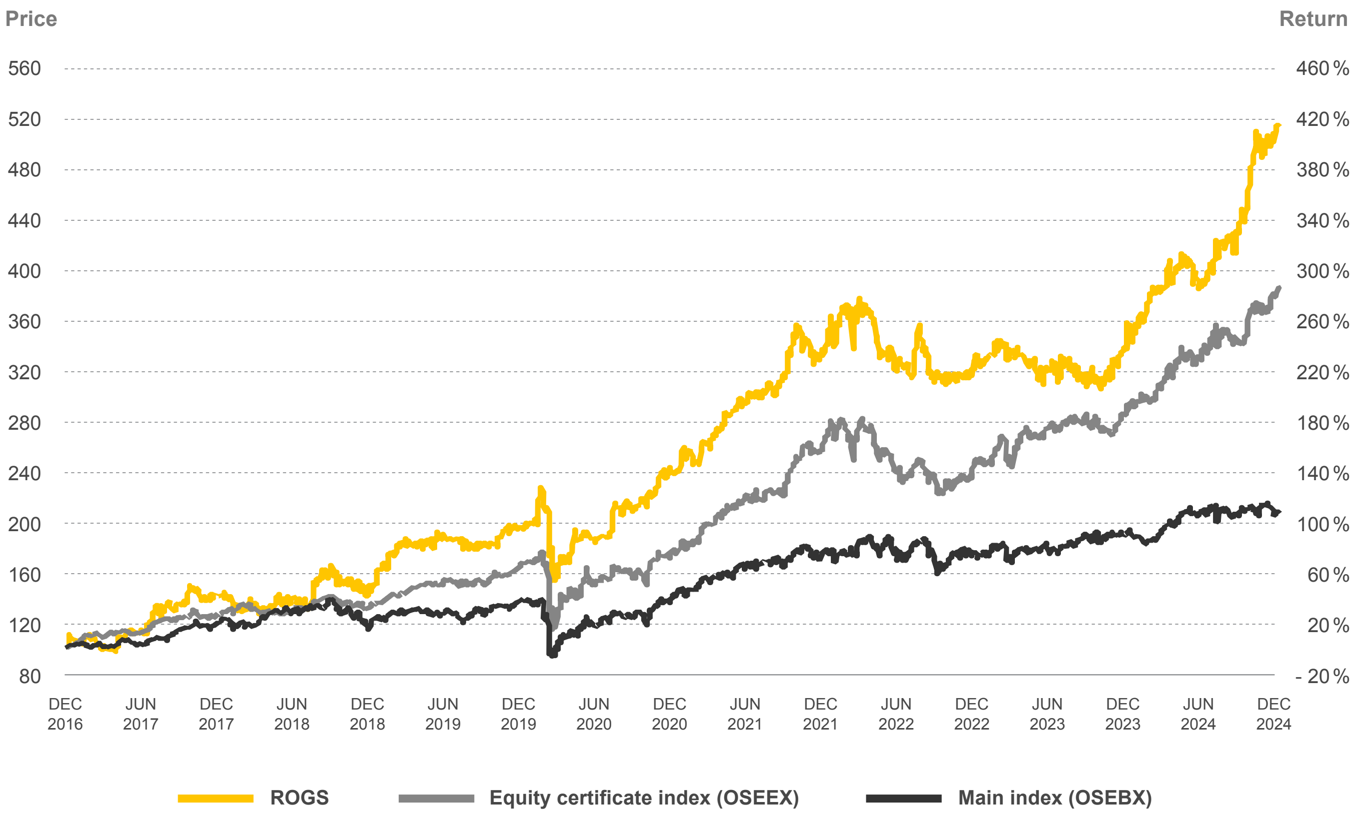
Historical development of the equity certificate capital since the stock exchange listing in 1995

Year	Type of change	Subscription price	Number	Face value	Equity certificate capital (NOK '000)
1995	Primary capital issue (stock exchange listing)	110.00	1 300 000	100	130 000
1997	Rights issue (holders)	130.00	1 300 000	100	260 000
2001	Private placement (employees)	102.13	50 000	100	265 000
2001	Rights issue (holders)	110.00	1 250 000	100	390 000
2003	Rights issue (holders)	125.00	1 300 000	100	520 000
2007	Rights issue (holders)	166.00	1 500 000	100	670 000
2008	Dividend issue	115.00	405 811	100	710 581
2016	Change of nominal value		7 105 811	10	71 058
2016	Rights issue	22.00	15 909 091	10	230 149
2024	Capital increase (merger Hjelmeland Sparebank)	104.91	2 014 039	10	250 289

Price performance of ROGS in 2024

As at 31.12.2024, ROGS was priced at NOK 126.00 (last traded price on Oslo Børs). Compared with the traded price as at 31.12.2023, Rogaland Sparebank has provided a return of 48.2% including the dividend. The equity certificate performed better than Oslo Børs's equity certificate index (OSEEX), which saw a positive performance of 31.7% over the course of 2024.

SADG versus OSEEX



Rogaland Sparebank has 25 028 941 outstanding equity certificates. At the end of 2024, there were 3 477 registered holders of the bank's equity certificate. On the same date, the 20 largest holders (inclusive of the bank's treasury equity certificates) controlled 64.54% of the equity certificate capital.

The 20 largest holders of equity certificates as at 31.12.2024

		No. of equity certificates	Share in %
1.	Sparebank 1 Sør-Norge ASA	3 485 009	13.92
2.	Rogaland Sparebank *(own holding)*	2 081 542	8.32
3.	Holmen Spesialfond	1 883 101	7.52
4.	Sparebanken Vest	1 778 266	7.10
5.	AS Clipper	1 248 389	4.99
6.	VPF EIKA Egenkapitalbevis	1 223 043	4.89
7.	Espedal & Co AS	886 861	3.54
8.	Salt Value AS	680 000	2.72
9.	Nordea Bank Abp	625 000	2.50
10.	Kommunal Landspensjonskasse Gjensidige	359 311	1.44
11.	Innovemus AS	318 542	1.27
12.	Menne Invest AS	295 574	1.18
13.	Skagenkaien Investering AS	250 000	1.00
14.	Nordhaug Invest AS	184 374	0.74
15.	Hausta Investor AS	180 785	0.72
16.	Tirna Holding AS	156 255	0.62
17.	Kristian Falnes AS	145 000	0.58
18.	Meteva AS	131 881	0.53
19.	Catilina Invest AS	124 000	0.50
20.	Elgar Kapital AS	115 963	0.46
=	20 largest holders	16 152 896	64.54
+	Other holders	8 876 045	35.46
=	Total equity certificates	25 028 941	100.00

The total of 25 028 941 equity certificates includes 2 081 542 treasury equity certificates as at 31.12.2024. The Board of Directors is proposing to the Board of Trustees that a dividend of NOK 9.50 per equity certificate be paid for 2024, which corresponds to around 75% of the Group's earnings per equity certificate.

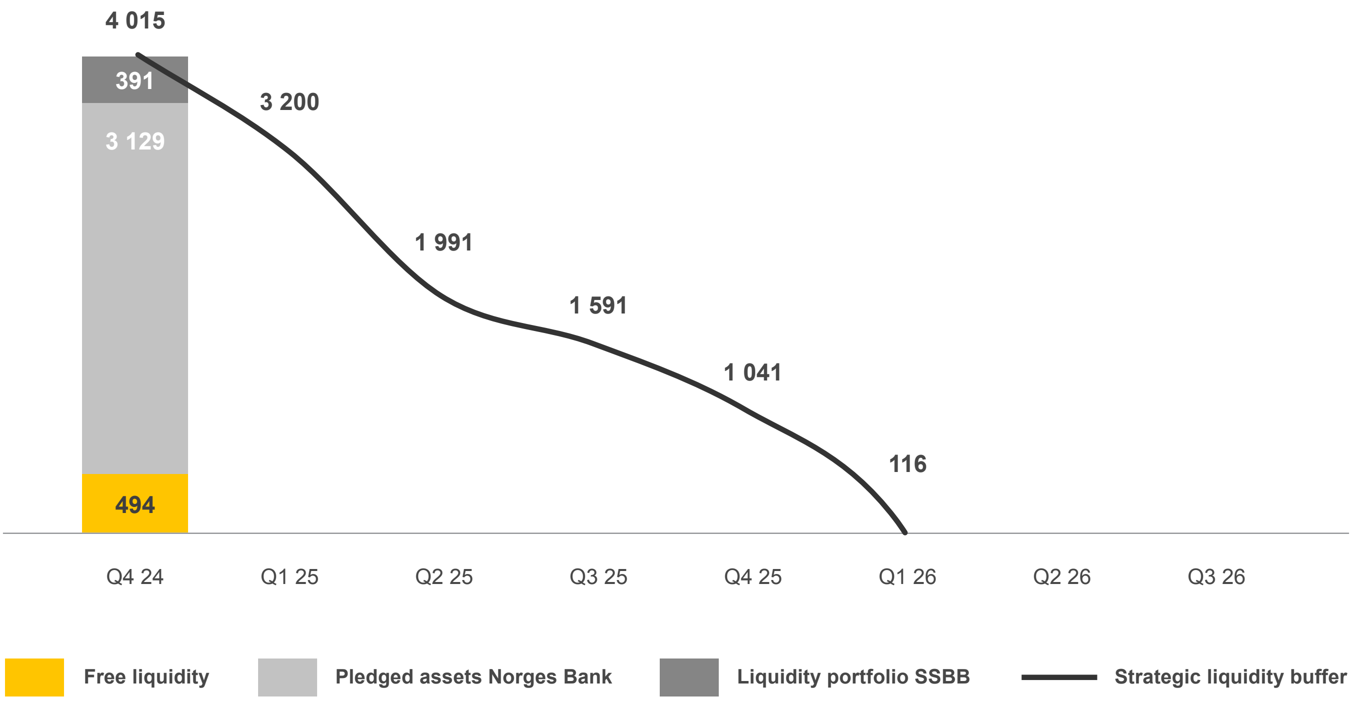
Of the dividend allocated to the primary capital totalling NOK 126.5 million, the Board of Directors is proposing to pay out NOK 16.0 million to the Gift Fund and NOK 110.5 million as customer dividends.

Liquidity

The bank's liquidity situation is considered satisfactory. The bank had a liquidity portfolio (exclusive of cash) of NOK 3.6 (3.5) billion at the end of the year. The bank's goal is to maintain a low liquidity risk and the bank is considered well diversified both in terms of funding sources and terms to maturities. The establishment of Rogaland Sparebank Boligkreditt AS has enabled the Rogaland Sparebank Group to issue covered bonds and thereby reduce the Group's liquidity risk. Covered bonds issued by Rogaland Sparebank Boligkreditt AS have an AAA rating from Scope Ratings. AAA is the best achievable credit rating Scope can issue.

The net loans in Rogaland Sparebank Boligkreditt amounted to a volume of NOK 15.1 billion as at 31.12.2024, which is an increase of NOK 1.1 billion in the past 12 months. As at 31.12.2024, Rogaland Sparebank Boligkreditt AS had outstanding covered bonds worth NOK 13.5 (11.7) billion. In the Group's liquidity strategy, the Board of Directors has set limits that specify that the Group must at all times have a holding of strategic liquid assets that enable operations for at least 3 months without the supply of new liquidity. The available liquidity as at 31.12.2024 ensures operations for more than 16 months without the supply of new liquidity.

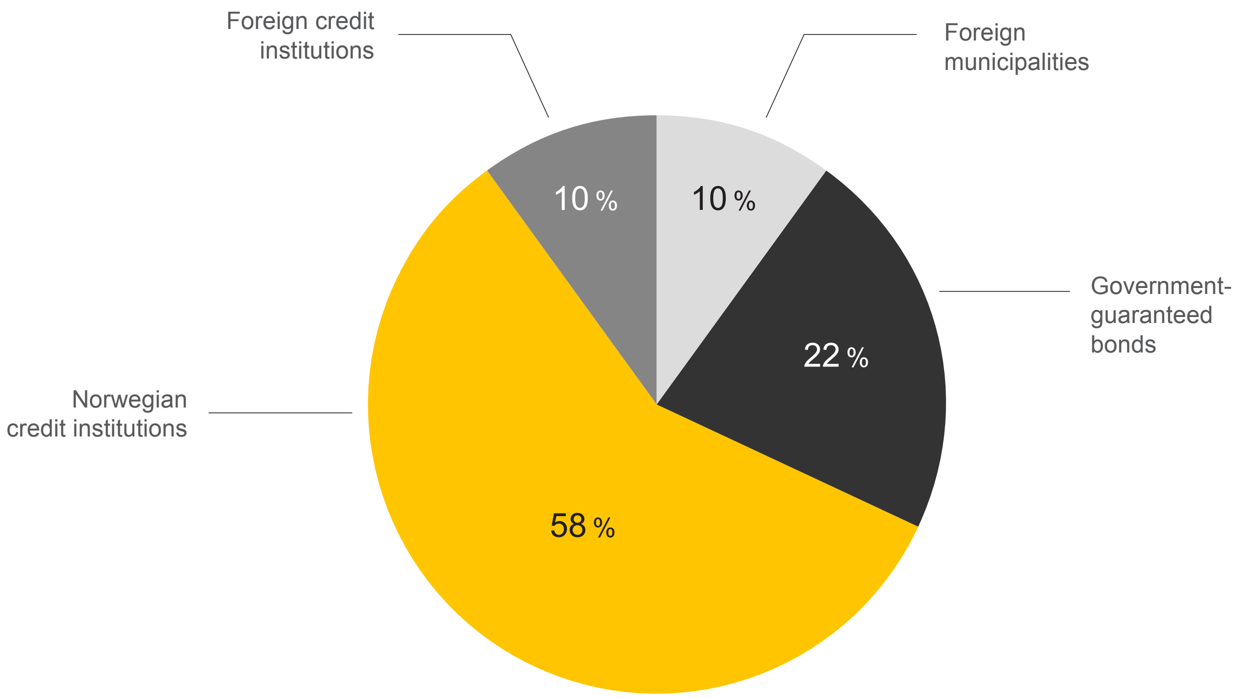
Refinancing requirements



Bond portfolio

The bank classifies approximately 80% of the liquidity portfolio at fair value with changes in value through profit or loss, while the remainder of the portfolio is classified as hold-to-maturity. The portfolio is primarily used as a liquidity placement.

Composition of the liquidity portfolio



Information for the market

The bank wants to practise an open information policy with the purpose of simultaneously providing equity certificate holders and the securities market with correct and relevant information about the bank's financial performance. The bank prepares quarterly interim reports.

All stock exchange announcements are available on the bank's website, www.rogaland-sparebank.no/investor-relations.

Alternatively, information concerning capital matters can be found on the Oslo Børs's website. The equity certificate's ticker code on Oslo Børs is ROGS.

The bank holds earnings presentations following publication of quarterly financial reports.

Financial calendar for financial year 2025

Quarterly Report Q4 2024	February 12, 2025
Annual Report 2024	March 11, 2025
Board of Trustees meeting	31. mars 2025
Quarterly Report Q1 2025	8. mai 2025
Half-Yearly Report 2025	13. august 2025
Quarterly Report Q3 2025	6. november 2025
Capital Market Days	6. november 2025

Please note we reserve the right to amend the bank's financial calendar.

Board of Directors' Report

Board of Directors' Report 2024

Nature of the business

Rogaland Sparebank is an independent savings bank and a member of the Eika Alliance. Our head office is in the centre of Sandnes Municipality. The bank offers a broad range of banking and investment products in the retail and corporate markets. The Group also offers real estate brokerage services through its subsidiaries.

The merger of Sandnes Sparebank and Hjelmeland Sparebank was carried out on 01.08.2024 with accounting effect from the same date. Sandnes Sparebank was the acquiring bank and at the same time changed its business name to Rogaland Sparebank. The merger was implemented in line with the acquisition method in accordance with IFRS 3.

Rogaland Sparebank's ambition is to grow and become the most attractive savings bank in Rogaland. The aim of the merged bank is to achieve better profitability than the banks could manage individually. A profitable bank would also return more to the owners and local communities in the form of customer dividends and gifts for good causes.

Its market area covers Ryfylke and Nord-Jæren, which have a total population of around 300,000 people. The market area embraces a good, wide-ranging business sector, including business related to the energy capital and food county of Rogaland.

The Group's activities consist of the parent bank and the wholly owned subsidiaries Rogaland Sparebank Boligkreditt AS and Ryfylke Eiendomsmegling AS. We own a 60% stake in Aktiv Eiendomsmegling Jæren AS. The accounts of the aforementioned companies are fully consolidated into Rogaland Sparebank's consolidated financial statements.

The Board of Directors considers the bank's financial strength and liquidity to be satisfactory. In accordance with section 2-2(8) of the Accounting Act, we hereby confirm that the conditions for considering the institution a going concern exist and that the presentation of the financial statements has been prepared on this basis. Rogaland Sparebank prepares both consolidated financial statements and financial statements for the parent bank in line with the International Financial Reporting Standards (IFRS) approved by the EU. The accounting policies applied are described in note 2 to the annual financial statements.

Market conditions

Local conditions – Rogaland
Despite international uncertainty and macroeconomic challenges, the economy in Rogaland has performed well during the period and growth in the region remains positive. A large proportion of energy related industry in the region resulted in higher activity than in the rest of the country.

Unemployment in Rogaland was 1.8% at the end of the year, corresponding to 4 700 people. At the same time, there are a record number of unfilled positions in the region, with approximately 4 000 distributed across most occupational groups. Some sectors are struggling to attract qualified labour; health, nursing and care services, as well as engineering, ICT and industrial work, are experiencing many unfilled positions. High levels of activity on the continental shelf and in the supply industry mean a need for labour in engineering, ICT and industrial work.

The oil price has been stable throughout 2024 despite international unrest, and is at USD 75 at the end of the year, down from USD 77 at the beginning of the year. For the economy in Rogaland, energy prices and investments related to oil, gas and electricity are an important economic factor. Investments in energy optimisation, together with the oil tax package valid until 2025, mean a higher level of activity than normal for many companies related to the oil and gas industry.

Overall, Norges Bank's regional network survey from December indicates positive, stable development ahead, but with great variation within industries and regions. Most industries expect stable positive production growth going forward.

Building and construction is the industry that report the greatest challenges, while energy-related industries report good market prospects.

The southwest region remains optimistic about future economic developments. This local optimism can be attributed to the increased activity in the energy sector, which accounts for a large proportion of the business sector in this region.

The housing market in Rogaland has developed positively in the last couple of years after several years of stable property prices. In the past 12 months, prices rose by 11.3%, compared with 6.4% on a national basis. The average time it takes to sell a home in the region is 26 days, compared to 73 nationally. An average time of 26 days is historically low and indicates a very tight housing market in the region.

The local market for commercial property is good. High interest rates have been a challenge for the sector and profitability has fallen on a national basis. Rogaland is running a bit against the national trend. Vacant commercial floorspace is decreasing and rental prices have been increasing. During the year, several new buildings were added without the total vacant floorspace increasing. Prices for commercial property are not as high as they are in other parts of the country given that the region underwent a correction within commercial property in connection with the downturn in oil in 2015-2017. There is demand for modern, energy-efficient buildings, and many of the vacant buildings are from before the year 2000 and less attractive.

Financial performance

Figures in brackets concern the corresponding period in 2023. Unless otherwise specified, the figures refer to the Group. Figures from the transferring bank have been included as at 01.08.2024. Growth figures corrected for the merger are discussed in the section on balance sheet performance.

Profit after tax was NOK 457.6 million for 2024. This represents an increase of NOK 127.7 million compared with 2023. The increase was mainly due to higher net interest income and other operating income, partly offset by higher operating costs, loss costs and the tax expense during the period.

The merger with Hjelmeland Sparebank was completed and recognised in the accounts in the third quarter of 2024. NOK 44.6 million was charged to non-recurring costs related to the merger in 2024. The bank is not expecting any further costs related to the merger in the future. Negative goodwill (badwill) totalling NOK 73.8 million was also recognised in connection with the merger. For more information regarding recognition of the merger in the accounts, please refer to note 47 in the financial statements.

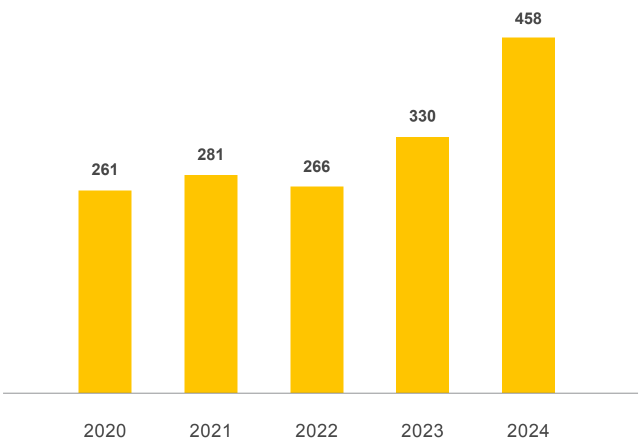
Profit before tax for the year was NOK 535.5 million, compared with NOK 395.8 million for the same period last year.

The return on equity after tax for 2024 was 12.2%, compared with 9.9% at the same time last year. The return on equity after tax, exclusive of the net profit effects of the merger, was 11.2% in 2024.

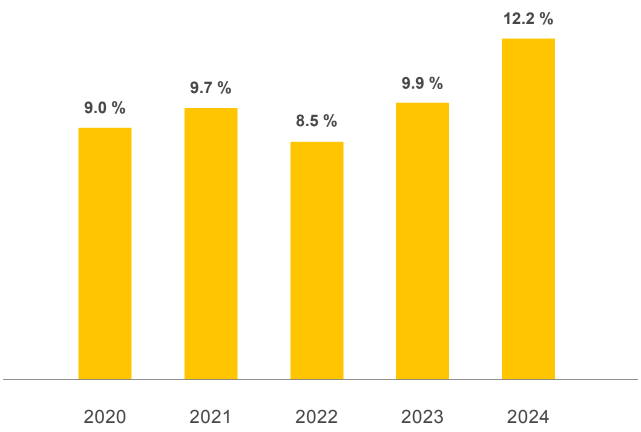
The return on equity after tax, inclusive of interest income costs on hybrid capital, was 11.9% (9.6%) for 2024.

ANNUAL DEVELOPMENT IN PROFIT AFTER TAX AND RETURN ON EQUITY

PROFIT AFTER TAXES, LAST 5 YEARS



RETURN ON EQUITY AFTER TAXES, LAST 5 YEARS



Net interest income
The Group's net interest income was NOK 718.8 (615.6) million for 2024. The interest margin was 1.95% for 2024, compared with 1.85% for 2023.

The bank managed to maintain good underlying net interest income throughout the year. The deposit margin made a positive contribution, although the trend for the bank's lending margins is also positive and starting to pick up as a result of the interest rates having stabilised in the last period. The increased lending volume in the period had a positive effect on net interest income. In the past few years, the bank has slightly reduced our risk profile in the corporate market, which has resulted in a somewhat lower interest margin for the segment. The Group's interest margin was also positively affected by the net interest income added from the former Hjelmeland Sparebank.

The Norwegian policy rate remained unchanged at 4.50% in 2024. The forecast cuts to the policy rate have been pushed further out in time than previous estimates. The latest forecast indicates the policy rate will be cut in the first part of 2025, although there is also some uncertainty about future wage growth and inflation, as well as how the Norwegian krone will perform, that may require higher interest rates than Norges Bank currently envisions. NIBOR interest rates were also stable over the last few quarters, although they edged downwards at the end of the year. The bank chose to mirror developments in the policy rate by raising rates correspondingly for most loan and deposit products. The last interest rate hike in December 2023 came into effect for customers in early March. The Group's interest margin increased compared with the year before, and the bank expects relatively stable interest margins for the coming quarters – assuming a relatively stable interest rate market going forward.

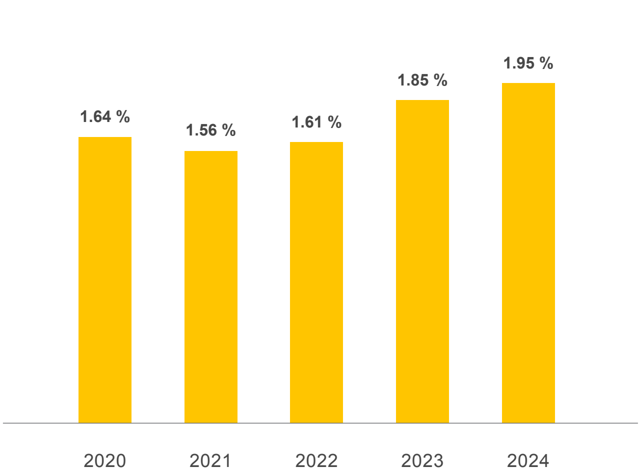
Other operating income
Other operating income amounted to NOK 255.2 million for 2024. This represents an increase of NOK 95.7 million compared with 2023. This was primarily due to income recognition of negative goodwill (NOK 73.8 million) resulting from the merger with Hjelmeland Sparebank, increased net commission income and higher returns on financial instruments, partly offset by lower received dividends from financial investments.

Net commission income amounted to NOK 119.9 million in 2024, an increase of NOK 24.3 million compared with the same period in 2023.

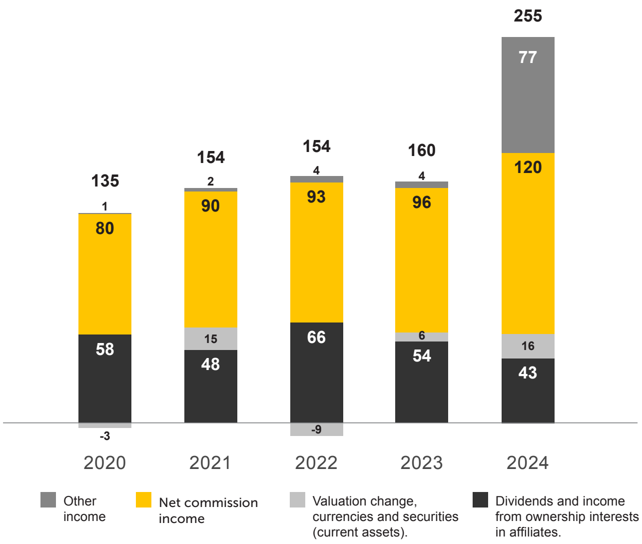
Commission income from banking services, including commission income from money transfer services, sales of insurance services and savings products, increased compared with last year. There was also a positive effect related to commission income from the former Hjelmeland Sparebank. Similarly, income from the Group's real estate brokerage activities also increased.

The net return on financial investments was NOK 15.6 million for 2024, the return for 2023 was NOK 6.2 million. The increase was primarily due to a higher return on the bank's equities portfolio. This was partially countered by the refinancing effects of covered bonds amounting to NOK 3.6 million in 2024.

NET INTEREST INCOME IN % OF AVERAGE TOTAL ASSETS, LAST 5 YEARS



OTHER INCOME, LAST 5 YEARS



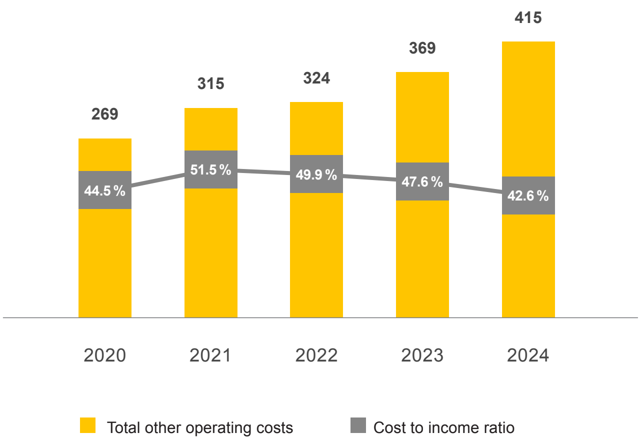
[1] Other income includes recognised negative goodwill of NOK 73.8 million resulting from the merger with Hjelmeland Sparebank in 2024.

The dividends and income from ownership interests amounted to NOK 42.7 million in 2024, compared with NOK 53.8 million in 2023. The reduction was mainly due to lower dividends from Eika Gruppen AS, which amounted to NOK 28.4 million, compared with NOK 44.8 million for the corresponding period in 2023. Dividends from other financial investments rose by NOK 5.3 million, compared with last year.

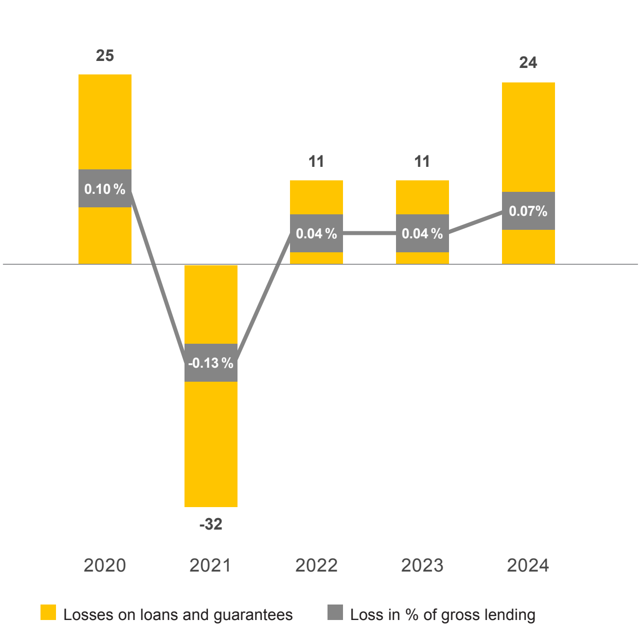
Operating costs

The Group's total operating costs amounted to NOK 415.0 million for 2024. This represents an increase of NOK 46.3 million compared with 2023.

OTHER OPERATING INCOME, LAST 5 YEARS



LOSSES ON LOANS AND GUARANTEES, LAST 5 YEARS



The bank incurred significant costs in both 2023 and 2024. These were related to the merger in 2024 and the conversion costs of changing the core banking system in 2023. In 2024, a total of NOK 44.6 million was charged in non-recurring costs primarily due to the merger, while for the corresponding period in 2023, NOK 25.8 million was charged in conversion costs. Consequently, the Group's underlying operating costs increased by around NOK 8 million compared with the same period in 2023.

The underlying cost growth was largely due to inclusion of the former Hjelmeland Sparebank's cost base.

Non-recurring costs were primarily linked to technical systems conversion, miscellaneous legal assistance, temporarily increased costs from EIKA and increased marketing costs, including costs associated with the change of name. The aforementioned increases were partially offset by lower contracting costs in the period compared with last year.

The Group's personnel costs were also NOK 20.2 million higher than in the corresponding period in 2023. This was primarily due to an increase in the number of parent bank FTEs, from 127 FTEs to 149 FTEs, due to the merger, as well as general wage adjustments and increased social costs and pensions. Besides this, there were also increased personnel costs from real estate broking, primarily due to a higher number of FTEs and higher commissions.

Costs measured as a percentage of income amounted to 42.6% for the Group in 2024. This is a reduction from 47.6% in 2023.

The cost income ratio, adjusted for net merger effects (including non-recurring merger costs and negative goodwill) and conversion costs, amounted to 41.1% (44.2%) in 2024.

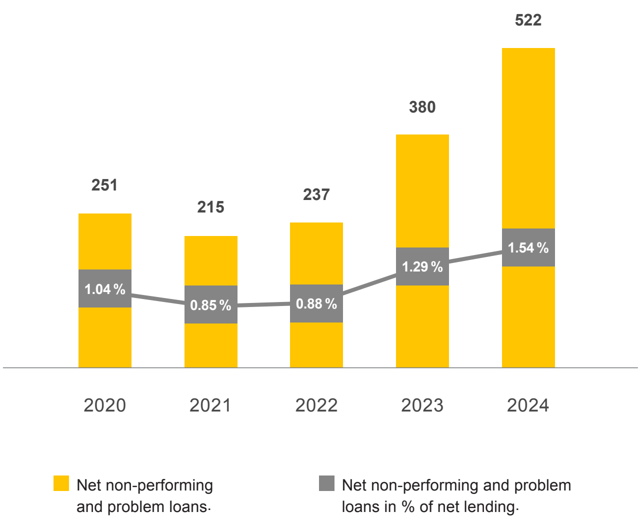
Losses and defaults

NOK 23.6 (10.6) million were charged in losses and impairments on loans and guarantees in 2024.

The bank still finds local market conditions to be relatively stable despite high interest rates, both domestically and at trading partners, although for some individual loans, the bank incurred increased losses during the year. Similarly, the level of defaults and problem loans increased in the last period. Seen in isolation, the merger had no particular effect on recognised losses. The general level of defaults and booked losses in the loan portfolio are still relatively low from a historical perspective.

At the end of 2024, total provisions for losses on loans and guarantees amounted to NOK 118.2 (100.1) million. Of this, provisions for losses in the retail market amounted to NOK 50.9 (42.1) million and in the corporate market NOK 67.3 (58.0) million. Of the total provisions for losses, NOK 16.9 million was linked to the loan portfolio transferred from the merger, of which NOK 7.6 million was for the retail market and NOK 9.3 million was for the corporate market.

NET NON-PERFORMING AND PROBLEM LOANS, LAST 5 YEARS



Net defaulted and impaired loans and advances, with individual impairments, amounted to NOK 522.4 (379.7) million as at 31.12.2024, corresponding to 1.54% (1.29%) of the Group's net loans. Net defaulted and impaired loans and advances were distributed as follows: NOK 299.3 (247.5) million in the retail market and NOK 223.1 (132.2) million in the corporate market.

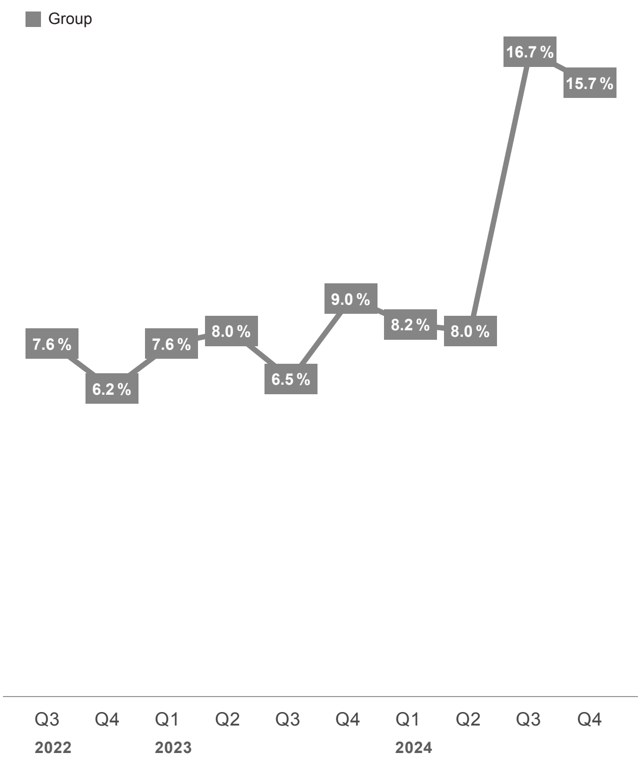
Loans with payments more than 90 days past due amounted to NOK 269.6 million as at 31.12.2024, compared with NOK 258.9 million as at 31.12.2023.

Balance sheet performance

The Group's total assets were NOK 39.7 (34.4) billion at the end of 2024. This corresponds to an increase of 15.4% compared with the end of 2023 and was primarily due to the merger and lending growth in the period. The merger increased the Group's total assets by NOK 3.3 billion, seen in isolation.

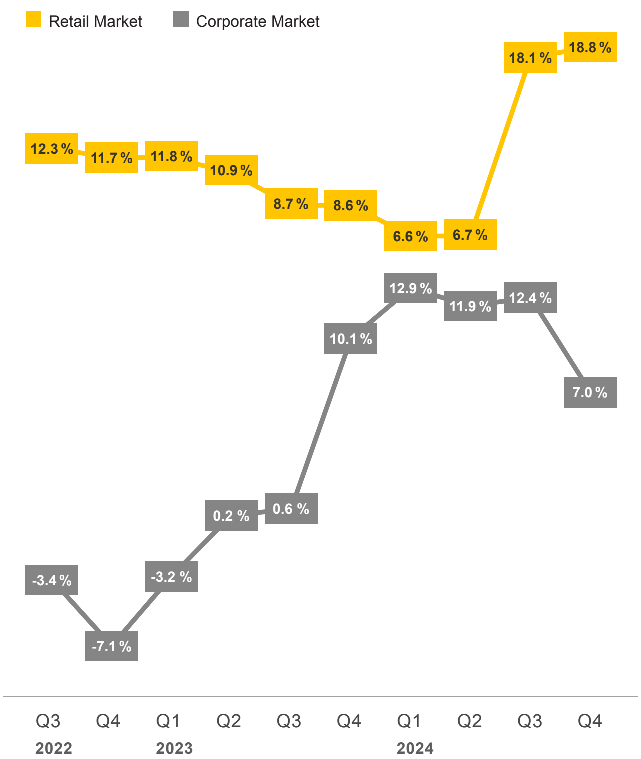
As at 31.12.2024, loans totalling NOK 0.6 billion were arranged via Eika Boligkreditt AS. These loans do not appear as loans on the bank's balance sheet and concern in their entirety

GROSS GROUP LENDING GROWTH (12 MO)[1]



[1] Figures from and including the third quarter of 2024 include the lending volume added by the merger.

GROSS SEGMENT LENDING GROWTH (12 MO)



loans provided by Hjelmeland Sparebank. Comments on lending growth do not include loans transferred to Eika Boligkreditt AS.

At the end of 2024, gross loans to customers amounted to NOK 34.1 (29.5) billion. The merger increased the Group's gross lending volume by NOK 2.6 billion. In the past 12 months, the Group has seen gross loans grow by 15.7%, where lending growth in the retail market amounted to 18.8% and lending growth in the corporate market amounted to 7.0%. Of the Group's total lending growth, organic lending growth amounted to 7.0% (excluding the merger), of which lending growth in the retail market was 8.4% and the corporate market was 3.0%.

In 2024, as in recent years, the bank experienced positive lending growth and took market shares in the retail market segment. Over the past year, the bank also experienced positive lending growth in the corporate market segment. The bank remains focused on diversification in various sectors. The bank has little direct exposure to the retail trade, tourism and oil-related activities. The commercial property market is generally better in Rogaland than in the rest of the country due to high levels of activity in the energy sector and the correction that resulted from the oil downturn in 2015-2017.

Some 76% (74%) of the loans were to the retail market in 2024.

At the end of 2024, the volume of deposits amounted to NOK 17.3 (14.6) billion. The merger increased the Group's volume of deposits by NOK 2.3 billion, seen in isolation. In the last 12 months, the Group's volume of deposits has increased by 19.0%, of which the merger with Hjelmeland Sparebank accounts for 15.9%. Deposit growth in the retail market amounted to 27.9%, and deposit growth in the corporate market amounted to 14.1%. Other deposits in the Group decreased by 8.6% in the same period.

The Group's deposit-to-loan ratio at the end of 2024 was 51.0% (49.5%).

Financial strength

The Financial Supervisory Authority of Norway's approval of the merger with Hjelmeland Sparebank specifies that the merged bank must comply with an elevated capital requirement (Pillar 2 requirement) of 2.3% of the consolidated risk-weighted assets, and that the minimum requirement must be met with a minimum of 56.25% of CET1 capital. The requirement applies at a consolidated level, inclusive of proportional consolidation of the institutions in a cooperating group.

As a result of this decision, the Group's current minimum regulatory requirements for CET1 capital are a minimum of 15.3% with an internal capital target of a minimum of 16.8% as at 31.12.2024.

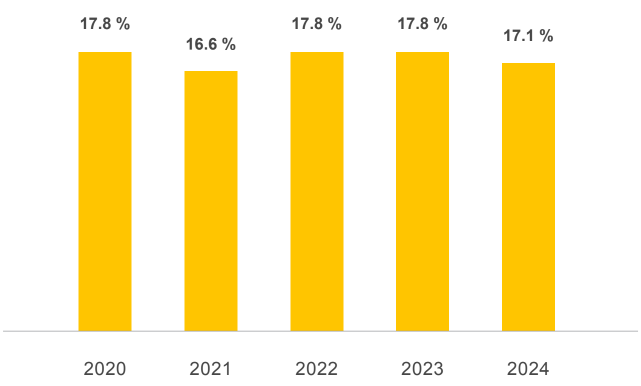
Consolidated risk-weighted assets increased from NOK 17.4 billion as at 31.12.2023 to NOK 20.8 billion as at 31.12.2024, of which the merger with Hjelmeland Sparebank accounts for an increase in risk-weighted assets of approximately NOK 2.0 billion. In the same period, CET1 capital increased from NOK 3.1 billion as at 31.12.2023 to NOK 3.6 billion as at 31.12.2024, which primarily constitutes CET1 capital added by the merger and withheld profits.

As at 31.12.2024, the Group had a CET1 capital ratio (including the consolidated share of the cooperating group) of 17.1%, which is unchanged compared with 17.8% as at 31.12.2023. The reduction in the CET1 capital ratio was primarily due to lending growth this year, as well as consolidation of the bank's investment in Brage Finans as at 31.12.2024.

The result of the bank having to proportionately consolidate its investment in Brage Finans is a significant decrease in consolidated capital adequacy with the consequence that consolidated capital adequacy as at 31.12.2024 was slightly below the internal minimum targets for CET1 capital and own funds, respectively. However, the consolidated capital adequacy is well above the internal buffer requirements for CET1 capital and the regulatory capital requirements. The bank does not agree that the investment in Brage Finans should be considered a cooperating group and thus consolidated, and has chosen to use some of the internal capital buffer as a temporary counterbalance until final clarification concerning consolidation of Brage and the new capital adequacy regulations have been implemented in 2025.

CORE TIER-1 CAPITAL RATIO, LAST 5 YEARS

Core Tier-1 capital ratio includes consolidation of a cooperating group.



The introduction of new capital coverage regulations (CRR3) will provide significant capital relief for the bank. The best secured mortgages, with a loan to value rate of less than 55%, will be weighted less than today. At the same time, collateral in commercial property will also be weighted differently based on the loan to value rate compared to previously having had a fixed weight. This means that for well-secured loans with mortgages in commercial property, the bank will gain capital relief, while for those loans with the highest loan to value ratio the capital requirement will be increased. There will be changes in other parts of the bank's portfolio, and for agricultural customers the capital requirement will marginally rise again since the rules introduced last year with a capital weight of 50% have been raised to 60%. The overall effect for the bank is nonetheless positive. The bank expects that the changes in the risk-weighted assets for credit risk will result in an expected increase in CET1 capital of approximately 2.6 percentage points.

The Group's leverage ratio amounted to 8.6% as at 31.12.2024, compared with 9.0% as at 31.12.2023.

Liquidity and funding

The Group's liquidity situation is regarded as satisfactory. The Group had a liquidity portfolio (exclusive of cash and fixed income funds) of NOK 3.7 (3.5) billion at the end of the year. The group's goal is to keep the liquidity risk at a low level.

The net loans in Rogaland Sparebank Boligkreditt amounted to a volume of NOK 15.1 billion as at 31.12.2024, which is an increase of NOK 1.1 billion in the past 12 months. As at 31.12.2024, Rogaland Sparebank Boligkreditt AS had outstanding covered bonds worth NOK 13.6 (11.7) billion.

The group is considered well diversified, both in terms of funding sources and terms to maturity.

Subsidiaries

The total profit after tax for the bank's subsidiaries – before intragroup eliminations – was NOK 86.0 (53.0) million for 2024.

Rogaland Sparebank Boligkreditt AS was established as part of the Group's long-term funding strategy and the mortgage credit institution's main objective is to issue covered bonds in the market. The company's profit after tax was NOK 85.2 (55.2) million for 2024.

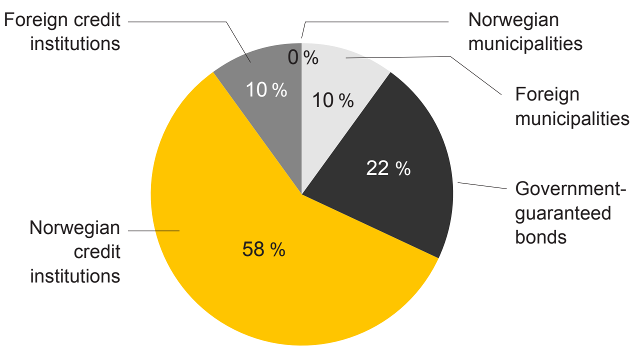
Aktiv Eiendomsmegling Jæren AS and Ryfylke Eiendomsmegling AS offer services within real estate brokerage for both real customers and the business community. The companies' profit after tax was NOK 0.8 (-2.3) million for 2024.

Completed merger

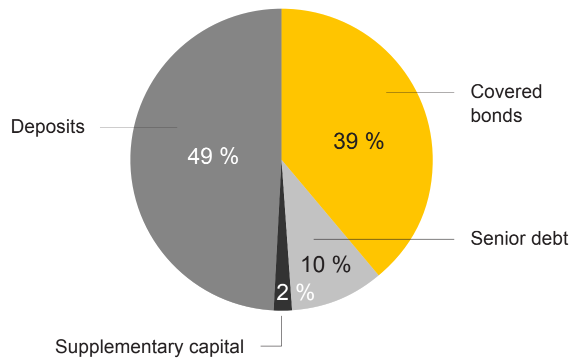
Rogaland Sparebank and Hjelmeland Sparebank merged on 01.08.2024 with accounting effect from the same date. Rogaland Sparebank was the acquiring bank and the merger was carried out in line with the acquisition method in accordance with IFRS 3.

In connection with the merger, the equity certificate capital was increased by NOK 20.1 million by issuing 2 014 039 new equity certificates to the former equity certificate owners of Hjelmeland Sparebank. These equity certificates were issued with a nominal value of NOK 10 per equity certificate and at a subscription price of NOK 104.91 per equity certificate, which is commensurate with the final calculated book value per equity certificate.

COMPOSITION OF THE LIQUIDITY PORTFOLIO



FUNDING SOURCES



After the issuance of new equity certificates, the total equity certificate capital amounts to NOK 250.3 million, divided into 25 028 941 equity certificates with a nominal value of NOK 10 per equity certificate. In connection with the merger, the equity certificate ratio was reduced from 63.7% to 62.7%. Taking into account the capital effect of the bank's increased holding of treasury equity certificates in connection with the merger, the new ownership ratio was 62.5%.

For further information about the merger, including the accounting effects of the merger and pro forma accounting figures, please see notes 47 and 48 in the annual financial statements.

Risk management

Rogaland Sparebank's activities entail exposure to various forms of risk, including credit risk, liquidity risk, market risk, ESG risk and operational risk. To manage the risks effectively, it is essential that we have a deliberate strategy and organisational structure that promote high risk awareness. This is achieved through a clear division of responsibilities, robust management and control schemes and having a clear and accessible set of procedures. Good risk management is decisive for the Group's value creation and must support our strategic development and goal attainment.

Rogaland Sparebank's goal is to maintain a low to moderate risk profile. The preferred risk profile is assessed on the basis of the bank's internal financial strength and return targets. Continuous risk monitoring seeks to reduce the likelihood of individual events seriously harming the bank financially. It is, therefore, important that risks are monitored, measured and reported on an ongoing basis. The management group reports the status of all material risks, including assessments in relation to established risk targets, on at least a quarterly basis to the Board of Directors. The Board bears overall responsibility for risk management and has established a framework for managing individual risks based on an overarching corporate and risk management policy. All risk management documents are reviewed and updated annually by the Board of Directors. The management team also issues an annual confirmation statement concerning the internal control and assessment of overall risk.

Credit risk

The Group has a moderate credit risk profile. The credit risk associated with current ordinary loans is primarily classed as low or moderate (please see note 8). For commitments where they are indications of a loss, individual impairments are conducted based on specific assessments of the individual customer relationship.

The Group primarily uses models developed for the Eika banks to calculate credit risk, although it adapts these to local conditions where necessary. The main elements are the models for probability of default (PD) and loss given default (LGD). These parameters have been integrated into the credit process and are continuously monitored by the bank's management group and reported to the bank's Board of Directors. The models are tested annually, both by Eika for all the Eika banks collectively and by Rogaland Sparebank separately. The tests show that models can effectively distinguish between high-risk and lower-risk customers, and estimate losses accurately albeit conservatively. In the opinion of the Board of Directors, the quality of the models is satisfactory and reflect the risk picture in the bank.

The retail market portfolio grew throughout the period and mainly consists of loans with mortgaged collateral in the municipalities in and around the bank's market area. The loans are generally well-collateralised and most customers have very good payment capacity, resulting in a low default probability. Despite external framework conditions such as price increases and high interest rates, the share of defaulted loans in the ordinary retail market portfolio was almost unchanged. This is attributable to high activity in the oil sector and a stable real estate market.

Lending to commercial customers increased in 2024, although this portfolio still accounts for a smaller proportion of the bank's total portfolio and thus contributes to low overall credit risk. Geographically, the bank's corporate customers are geographically concentrated in Rogaland. Following the merger with Hjelmeland Sparebank, the proportion of agricultural customers has increased. Even though the bank has no oil-related loans, the corporate sector experiences positive benefits from oil activities, which also benefit the bank's customers. This has a positive knock on effect on the supply industry and other industries. Therefore, the bank experienced no major negative effects on the portfolio and default and losses in the corporate market portfolio remain low. A single larger loan in default at the end of the year means that the default proportion increased compared with the year before. However, the loan has been settled without loss to the bank after the reporting date. Excluding this, the default proportion decreased slightly compared with the year before. Overall, the Board of Directors considers the credit risk in the portfolio to be low.

The bank also assumes some credit risk through its investment of surplus liquidity. In connection with this, the bank practises a policy of low risk tolerance and only holds interest-bearing securities with low credit risk for liquidity purposes.

Liquidity risk
Rogaland Sparebank continued the conservative liquidity strategy that has been followed in the last few years.

The liquidity management is governed by both internal and regulatory requirements for the liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR). The bank has also set limits for liquidity in stress scenarios, measured in terms of a banking crisis, a market crisis and a combination of these. The bank must have sufficient liquidity to operate without external funding for a minimum of 3 months during a combination crisis.

The Group's defined contribution ratio fell during the first half of 2024, although it rose again due to the merger with Hjelmeland Sparebank and was at the end of the year on a par with the year before. In addition to deposits, the Group uses its own mortgage credit institution as a tool in liquidity management. The mortgage credit institutions takes over well-collateralised residential mortgages from the bank and issues covered bonds as funding, which increases the Group's funding diversification on more favourable terms and conditions. The Board of Directors regards the Group's liquidity as low.

Market risk
The Group has no trading portfolio of equity instruments, currencies, bonds or certificates. The Group's holding of bonds and certificates are included in the liquidity holdings. The Group sets credit rating requirements, and as a main principle the securities must be eligible for access to loans in Norges Bank. The liquidity holdings are assessed at fair value in the accounts and are thus exposed to market risk.

The Group's market risk also consists of currency risk and interest rate risk. Trading in currency and interest rates takes place within the framework and authorisations adopted at any given time. Currency risk mainly stems from accrued interest on customers' currency loans, currency derivatives and cash holdings. Rogaland Sparebank complies with strict guidelines for approving instruments that result in currency risk for customers and the bank. The Group has guidelines for hedging currency risk. The Board of Directors considers the exposure to be low.

Interest rate risk stems from holdings of interest-bearing securities, fixed rate loans and fixed rate deposits. The Board of Directors has set a limit of NOK 30 million for the total interest rate risk on the Group's balance sheet. This is measured as the effect of an interest rate shock on the balance sheet based on six different scenarios. The Group also measures and monitors the potential effects of parallel up and down interest rates shocks. Interest rate risk is considered low.

ESG risk
The concept of ESG risk includes all risk related to environmental, social and governance factors. For Rogaland Sparebank, this involves both direct risks due to the bank's own internal actions and also indirect risks due to the impact of the actions of customers and suppliers. It is essential that ESG is assessed in the context of the bank's other risk elements, while at the same time it is important to document ESG risk separately to enable conscious decisions. Customers' corporate governance will naturally impact the bank's credit risk through their future capacity to service loans. Climate-related risk is also material, potentially both for future payment capacity and any loss in the event of a default.

As far as environmental and climate-related risk are concerned, this includes both direct physical and transition risks associated with a greener society, which together define the overall risk. The bank has constant access to new and better data on energy classification, energy consumption, and physical risk in relation to collateral objects.

Rogaland Sparebank has limited exposure to the industries normally considered to have the highest emission intensity, although it is exposed to other sectors that may face various or less extensive ESG challenges. The bank has introduced a number of green loan products in order to support the transition and sustainable investments. Overall, this risk is considered low.

Operational risk
Operational risk includes all possible sources of loss linked to the ongoing operation of the Group's activities. Failures in procedures, failures in computer systems, mistakes by subcontractors and breaches of trust by employees and customers are all examples of incidents that are defined as operational risk and that can make it harder for the Group to achieve our goals.

Rogaland Sparebank focuses on those areas deemed to represent the greatest threats at any given time, and monitors incidents that affect, or may affect, the Group's reputation, profitability or customers via a dedicated reporting system.

It is important that the bank focus on measures for preventing and reducing operational risk. Good internal control is an important aid when it comes to prevention, identification and follow-up. Risk assessments are carried out in all business areas. The main risks, together with action plans for reducing these to an acceptable level, are reported to the bank's Board of Directors.

The bank's established internal control is an important element in identifying, following up and, thereby, establishing measures designed to mitigate operational risk. The bank's compliance officer reports completed checks and findings to the Board on a quarterly basis.

In the opinion of the Board, the bank's overall operational risk is reasonable given its size and complexity.

Corporate governance

Corporate governance at Rogaland Sparebank includes the values, objectives and overarching principles based on which the company is managed and controlled, and lays the foundation for long-term value creation for the benefit of equity certificate holders, customers and other stakeholders.

Rogaland Sparebank annually reviews the corporate governance principles and how they function in the institution. Rogaland Sparebank reports on the principles and practices for corporate governance in accordance with section 2-9 of the Accounting Act and the Norwegian Code of Practice for Corporate Governance. A more detailed report is provided in a dedicated chapter (Corporate governance).

Shareholder matters

Rogaland Sparebank reports on the principles and practices related to shareholder matters in the institution in accordance with section 2-2(13) of the Accounting Act. A more detailed report is provided in a dedicated chapter (Investor information).

Sustainability and social responsibility

Sustainability is an important topic in today's society, and affects Rogaland Sparebank in several areas. The bank has integrated sustainability assessments into its credit strategy and has signed up to the Eika Alliance's joint climate ambition to achieve net zero emissions for all banks in the Eika alliance by 2050 at the latest.

Rogaland Sparebank's approach to sustainability demonstrates our commitment to creating value for customers and local communities. The bank complies with the requirements of section 2-4 of the Accounting Act and reports in line with the Global Reporting Initiative (GRI) to ensure transparency and compliance with national and international regulations. A full account of the bank's sustainability work, as well as the reporting on material topics, is available in the chapter 'Sustainability and corporate social responsibility' and related appendices in the annual report.

The Transparency Act requires the bank to conduct due diligence with respect to human rights, and since 2023, the bank has published its due diligence statement in line with the requirements of the Act. These statements are published on the bank's website.

Ethics and business conduct

To ensure good business conduct, the bank has implemented ethical guidelines, internal training measures and risk assessments. The bank offers an effective mechanism via our website for handling complaints from both customers and other stakeholders who wish to make a complaint. All products and services undergo quality assurance before being launched, and the bank's pay and remuneration arrangements are designed to promote responsible conduct.

Organisation, employees and environment

The average number of permanent FTEs in the Group was 166 in 2024. The Group employed 181 FTEs at the end of the year, an increase of 27 FTEs from December 2023. The Aktiv-companies had 32 FTEs at the end of the year. The bank employed 149 FTEs at the end of the year.

One of the bank's strategic focus areas is to develop competent, committed and performance-oriented employees. To achieve these goals, the bank has facilitated the development of a corporate culture that promotes performance and ensures the optimal utilisation of resources. One effective way of building a good performance culture has been to clarify what the individual unit needs to contribute to achieve the targets, following this up by visualising and sharing results, and appreciating and highlighting good performances.

The average age of employees in the bank is 43, while the median age is 42.

The bank is focused on diversity and gender equality. This work is also included as an important part of the bank's obligations related to sustainability and sustainability reporting.

We aim for gender neutral recruitment processes with an emphasis on achieving a balanced proportion of female managers. We focus on equal pay in annual pay negotiations and equal pay is a defined goal.

Two of the six members of the bank's management group are women, and the bank had a female CEO as at 31.12.2024. In January 2025, a male CEO was appointed. 10 of the 23 middle managers with personnel responsibilities in the bank are women. Of the bank's Board of Directors, four members are women and four are men. The bank's female middle managers earn 88% of what male managers earn. Other female employees of the bank earn 85% of what their male colleagues earn. The bank's calculations were adjusted for fewer hours worked, although differences in position, seniority and other factors were not taken into account. Women are overrepresented in lower paid position levels in the bank.

It is a fundamental principle of the bank's HR policy that men and women should have equal opportunities to qualify for all types of work and have the same career opportunities. Furthermore, everyone must have the same opportunities regardless of ethnicity, national origin, heritage, skin colour, language, religion, life stance or disability. The working environment surveys in the bank show that the employees are very satisfied with their workplace and that the working environment is good. To the extent possible, employee pay reflects current market rates and the individual's qualifications and responsibilities.

Rogaland Sparebank's gender balance in the various job categories was on a par with 2023. At the middle management level, the gender balance was 43.5% women. However, there is one area that stands out compared with 2023 and that is at the director level. The bank now has a ratio of just 33.3% women. Overall, the bank is satisfied with the framework that is in place to ensure a more inclusive working environment. The bank has also adapted to new requirements in the Equality and Anti-Discrimination Act and discloses the status of this work in a separate report (the ARP report) in line with our duties of activity and to report. This is published on the bank's website.

The bank's advisers in the retail market are authorised pursuant to the authorisation schemes for financial advisers (AFR), non-life insurance, personal insurance and credit.

Rogaland Sparebank has highly competent advisers, in both Retail Market and Corporate Market, who ensure good customer experiences and high-quality customer processes.

The bank causes little pollution to the external environment. No serious incidents or accidents occurred or were reported during the year.

Sick leave at the bank averaged 4.0% in 2024, which is 0.3 percentage points higher than it was in 2023. Rogaland Sparebank, together with the other companies in the Eika Alliance, has taken out insurance cover for board members and the CEO for their potential liability to the company and third parties. The insurance coverage for directors' and officers' liability is NOK 300 million per injury and in total per year, while the insurance coverage for professional liability and crime insurance is NOK 400 million per injury and in total per year.

The bank's equity certificate (ROGS)

As at 31.12.2024, the price of ROGS was NOK 126.00, compared with NOK 91.40 as at 31.12.2023, and a dividend of NOK 7.50 was paid per equity certificate during the period.

At the end of 2024, there were 3 477 registered holders of the bank's equity certificate. On the same date, the 20 largest holders (inclusive of the bank's treasury equity certificates) controlled 64.54% of the equity certificate capital.

The bank's dividend policy is as follows;
"Rogaland Sparebank's objective is to manage our total resources in such a way as to provide our equity certificate holders with a good, stable and competitive return in the form of dividends and price appreciation. The profit for the year is divided between the equity certificate capital (equity certificate holders) and the primary capital in proportion to their share of the bank's equity capital. Rogaland Sparebank assumes that between 50-75% of the equity certificate capital's share of the profit will be paid out as dividends, and correspondingly that between 50-75% of the primary capital's share of the profit will be paid out as gifts and customer dividends. In the strategy for 2025-2028, the dividend payout ratio has been changed to between 50-100%. In the assessment, weight will be given to ensuring that the equity certificate holders' share of total equity (equity certificate fraction) remains stable. When determining the overall level of distribution, account is taken of expected financial performance, external framework conditions and the Group's estimated requirement for Tier 1 capital."

Allocation of the profit for 2024

In line with the bank's dividend policy, weight is given to various factors when assessing the dividend. The main emphasis is on financial strength and a stronger Tier 1 capital ratio. The Board of Directors is proposing to the Board of Trustees that a dividend of NOK 9.50 per equity certificate be paid for 2024, which corresponds to around 75% of the Group's earnings per equity certificate. Of the dividend allocated to the primary capital totalling NOK 126.5 million, the Board of Directors is proposing to pay out NOK 16.0 million to the Gift Fund and NOK 110.5 million as customer dividends.

NOK 73.8 million in negative goodwill was recognised as income in connection with the merger with Hjelmeland Sparebank. The income was allocated to the dividend equalisation fund (NOK 46.3 million) and the Savings Bank Fund (NOK 27.5 million) at the time of the merger based on the applicable ownership fraction at that time. Therefore, it has been excluded from the ordinary profit allocation for 2024. The profit available for allocation thus amounts to NOK 382.7 million for 2024.

The Board of Directors proposes the following allocation:	Amount (NOK millions)
For allocation	**382.7**
To cash dividends for equity certificates	218.0
To the dividend equalisation fund	15.9
To the Savings Bank's Fund	9.2
To the Gift Fund/customer dividends	126.5
To the hybrid capital owners	13.5
To the fund for valuation differences	0.0
To the fund for unrealised gains	-0.5
Total proposed allocation	**382.7**

The profit is allocated between the equity certificate capital and the Savings' Bank Fund relative to their share of the equity. Profits are distributed according to a time-weighted ownership fraction, which prior to the merger amounted to 63.7% and the ownership fraction before the year's profit allocation which was 62.6%. The time-weighted ownership fraction thus amounts to 63.3% for 2024.

As a result of the allocation, the equity certificate fraction will be reduced from 62.6% to 62.3%.

Events after the balance sheet date

Clarification regarding a large problem loan
A single corporate loan for NOK 97 million is reported as a problem loan as at 31.12.2024. The loan is linked to a death and subsequent bankruptcy that occurred close to the reporting date. The loan has been settled without loss to the bank after the reporting date.

Otherwise, no events of material significance for the prepared annual financial statements have taken place after the balance sheet date.

Outlook for 2025

On 01.08.2024, Sandnes Sparebank and Hjelmeland Sparebank merged. After 149 years of operation, the bank is now entering a new phase with a larger market area as a bank for Nord-Jæren and Ryfylke under the name Rogaland Sparebank. Both banks delivered a historically good first half year in 2024, and 2024 overall was a record year. The merger has been completed and was completed according to plan. The bank is now on the same technological platform without this having created challenges for customers, and employees are already well integrated into the new structure and a common corporate culture. The bank is experiencing positive momentum in the market following the merger and change of name. Rogaland Sparebank wants to fulfil the role of an attractive local bank for the region.

The bank wants to actively contribute to further growth in the region for both businesses and private individuals and has a solid base for future profitable operations and healthy growth. Rogaland Sparebank has business capital of about NOK 40 billion and 150 employees in the parent bank, with branches in central locations in both Nord-Jæren and Ryfylke. The head office is located in Sandnes city centre.

Macro conditions in the region are good, despite some challenges related to limited labour availability and higher interest rates. As at the end of the year, the situation for most of the bank's customers was stable. In general, lower house prices than in other major cities have resulted in less household debt. This means that interest rate hikes have less impact on personal finances. Norges Bank said in January that "the key policy rate is likely to be reduced in March".

The Group's regulatory minimum CET1 capital ratio requirement is 15.3%. The bank's Board of Directors has approved an internal capital target of 1.5% above the regulatory capital requirement, which means the bank has a minimum internal CET1 capital ratio target of 16.8%.

The bank is well-prepared for the future with respect to operations, growth, profitability, liquidity and financial strength. Nevertheless, the Board of Directors would like to stress that all future estimates contain an element of uncertainty.

March 11 2025 | The Board of Directors of Rogaland Sparebank

Harald Espedal
Chairman of the Board

Frode Svaboe
Deputy Chairman

Bjørg Tomlin
Director

Øyvind Ravnås Lundbakk
Director

Astrid Rebekka Norheim
Director

Wenche Drønen Christenssen
Director

Ingunn Ruud
Employee representative

Øystein Bergøy Tungland
Employee representative

Tomas Nordbø
CEO

Annual financial statements

Income statement

Group				Parent bank	
Full year 2024	Full year 2023	Amounts in NOK thousands	Noter	Full year 2024	Full year 2023
1 919 656	1 514 154	Interest income measured using the effective interest method	17	1 140 149	965 988
275 773	215 573	Interest income measured at fair value	17	246 624	182 603
1 476 595	1 114 159	Interest expenses	17	797 118	618 941
718 833	**615 567**	**Net interest income**		**589 654**	**529 650**
131 253	107 210	Commission income	18	92 443	76 793
-11 338	-11 619	Commission costs	18	-11 338	-11 619
42 659	53 769	Dividends and income from ownership interests in associates	19	127 659	104 369
15 618	6 152	Net gain/loss on financial instruments	19	21 487	7 879
77 047	4 051	Other operating income	20,47	77 621	4 583
255 239	**159 563**	**Total other operating income**		**307 872**	**182 005**
224 503	204 264	Personnel costs	21,22,23	186 035	170 936
172 971	146 251	Other operating costs	21	161 300	134 000
17 504	18 192	Depreciation/impairments	21,31,32,33	16 426	17 011
414 977	**368 707**	**Total operating costs**		**363 761**	**321 947**
559 095	**406 423**	**Operating profit before write-downs and tax**		**533 765**	**389 708**
23 626	10 634	Impairments and losses on loans and guarantees	11	23 458	11 899
535 469	**395 789**	**Operating profit before tax**		**510 307**	**377 809**
77 874	65 899	Tax expense	24	53 821	50 333
457 595	**329 890**	**Operating profit after tax**		**456 486**	**327 476**
		Statement of other comprehensive income			
		Items that will not be reclassified to the income statement			
-14 415	100 555	Change in value of equities measured at fair value through OCI	34	-14 415	100 555
20	148	Actuarial gains and losses, defined benefit pension plan	23	20	148
5	37	Tax		5	37
-14 400	100 666	Total		-14 400	100 666
		Items that may be reclassified to the income statement later			
		Change in value of loans measured at fair value through OCI		-165	155
		Total		-165	155
-14 400	100 666	Other comprehensive income (OCI) (after tax)		-14 565	100 821
443 195	**430 556**	**Comprehensive income**		**441 920**	**428 298**
442 859	431 457	Controlling interest’s share of the profit			
336	-901	Non-controlling interest’s share of the profit			
12.4	10.0	Earnings per equity certificate (NOK)	45	12.4	9.9
12.4	10.0	Diluted earnings per equity certificate (NOK)		12.4	9.9

Balance sheet

Group 31.12.2024	Group 31.12.2023	Amounts in NOK thousands	Notes	Parent bank 31.12.2024	Parent bank 31.12.2023
482 445	355 887	Cash and receivables from central banks	25,26	482 445	355 887
107 803	106 667	Loans to and claims on credit institutions	11,25,26,27	106 828	106 113
32 381 875	28 059 792	Loans to customers at amortised cost	8-11,25,26	14 173 436	11 275 784
1 629 964	1 331 050	Loans to customers at fair value	8-11,25,26	4 717 381	4 113 230
3 688 444	3 481 357	Certificates and bonds	25,26,28,35	3 291 647	2 869 314
379 920	175 236	Equities	25,26,30	379 920	175 236
93 206	97 434	Financial derivatives	15,25,26	126 858	117 208
34 828	34 855	Ownership interests in associates	29	34 828	34 855
		Ownership interests in subsidiaries	29	877 528	674 328
5 454	4 553	Intangible assets	4,31		
12 186	9 532	Deferred tax asset	24	10 680	8 198
36 282	3 233	Fixed assets	32	26 227	2 818
50 107	59 509	Right-of-use assets, leases	33	47 811	58 302
16 306	15 986	Other assets	29,42	867 715	2 078 655
16 523	11 048	Prepaid costs and accrued income	25,26	16 523	11 048
766 857	668 908	Financial instruments with change in value through OCI	25,26,34	766 857	668 908
39 702 201	**34 415 046**	**Total assets**		**25 926 685**	**22 549 883**
90 695	51 234	Liabilities to credit institutions	25,26,35	90 695	51 234
17 334 944	14 562 382	Deposits from customers	25,26,36	17 555 137	14 775 095
17 088 918	15 435 958	Securities issued	25,26,37	3 531 529	3 781 530
128 507	117 530	Financial derivatives	15,25,26	80 709	73 489
63 921	113 567	Other liabilities	25,26,39	54 939	104 748
89 201	61 485	Tax payable	24,25,26	64 978	45 621
186	162	Deferred tax	24,25,26		
75 162	36 991	Accrued costs and received not accrued income	25,26	69 822	32 482
14 140	10 908	Provisions	11,23,38	14 060	10 840
65 216	78 019	Lease liabilities	33	62 897	76 678
472 909	322 007	Subordinated loan capital	25,26,40	472 909	322 007
35 423 800	**30 790 244**	**Total liabilities**		**21 997 675**	**19 273 725**
250 289	230 149	Equity certificate capital	41,45,46,47	250 289	230 149
-20 815	-20 030	Treasury equity certificates	41	-20 815	-20 030
1 178 466	987 313	Share premium	41,47	1 178 466	987 313
-134 726	-127 180	Other paid-in equity	41	-134 726	-127 180
595 162	535 453	Dividend equalisation fund	41,47	595 162	535 453
1 089 328	895 350	The Savings Bank's Fund	41,47	1 089 328	895 350
151 096	102 326	Gift Fund/customer dividends	41,47	151 096	102 326
396 850	411 157	Fund for unrealised gains	41	396 850	411 157
5 417	5 443	Fund for valuation differences	41	5 417	5 443
200 000	100 000	Hybrid capital	40,41	200 000	100 000
564 110	501 923	Other equity	41	217 943	156 175
3 224	2 897	Non-controlling interests			
4 278 401	**3 624 803**	**Total equity**		**3 929 010**	**3 276 157**
39 702 201	**34 415 046**	**Total equity and liabilities**		**25 926 685**	**22 549 883**

March 11 2025 | The Board of Directors of Rogaland Sparebank

Harald Espedal	Frode Svaboe	Bjørg Tomlin	Øyvind Ravnås Lundbakk	Astrid Rebekka Norheim	Wenche Drønen Christenssen	Ingunn Ruud	Øystein Bergøy Tungland	Tomas Nordbø
Chairman of the Board	Deputy Chairman	Director	Director	Director	Director	Employee representative	Employee representative	CEO

Statement of changes in equity

Group	Equity certificate capital	Holding of treasury equity certifi-cates	Share premium	Other paid-in equity	Dividend equali-sation fund	The Savings Bank's Fund	Gift Fund/ customer dividends	Fund for un-realised gains	Fund for valuation diffe-rences	Hybrid capital	Other equity	Total	Non-con-trolling interests	Total equity
Equity as at 01.01.2023	**230 149**	**-20 694**	**987 313**	**-132 390**	**491 885**	**870 700**	**85 045**	**308 224**	**4 947**	**100 000**	**467 504**	**3 392 683**	**4 198**	**3 396 882**
Dividends paid											-126 881	-126 881	-400	-127 281
Gifts paid and customer dividends							-71 883					-71 883		-71 883
Actuarial gains and losses, defined benefit pension plan (after tax)					71	40						111		111
Fund for unrealised gains								2 379				2 379		2 379
Fund for valuation differences									496			496		496
Change in value of equities measured at fair value through OCI								100 555				100 555		100 555
Change in holding of treasury equity certificates		664		5 210								5 874		5 874
Issuance of new hybrid capital										100 000		100 000		100 000
Redemption of new hybrid capital										-100 000		-100 000		-100 000
Unpaid interest/costs on hybrid capital											-9 345	-9 345		-9 345
Annual profit allocated to equity capital fund					43 496	24 610						68 107		68 107
Annual profit allocated to dividends											157 590	157 590		157 590
Annual profit allocated to Gift Fund/customer dividends							89 165					89 165		89 165
Annual profits allocated to hybrid capital holders											9 741	9 741		9 741
Annual profit rest of the Group											3 314	3 314	-901	2 413
Equity as at 31.12.2023	**230 149**	**-20 030**	**987 313**	**-127 180**	**535 453**	**895 350**	**102 326**	**411 157**	**5 443**	**100 000**	**501 923**	**3 621 905**	**2 897**	**3 624 803**
Equity as at 01.01.2024	**230 149**	**-20 030**	**987 313**	**-127 180**	**535 453**	**895 350**	**102 326**	**411 157**	**5 443**	**100 000**	**501 923**	**3 621 905**	**2 897**	**3 624 803**
Dividends paid											-157 829	-157 829		-157 829
Gifts paid and customer dividends							-85 885					-85 885		-85 885
Actuarial gains and losses, defined benefit pension plan (after tax)					9	6						15		15
Fund for unrealised gains								-490				-490		-490
Fund for valuation differences									-26			-26		-26
Change in value of equities measured at fair value through OCI								-13 817			-598	-14 415		-14 415
Change in holding of treasury equity certificates		-786		-7 547								-8 333		-8 333
Issuance of new hybrid capital										100 000		100 000		100 000
Unpaid interest/costs on hybrid capital											-12 395	-12 395		-12 395
Additions non-controlling interests											-528	-528	528	
Disposals non-controlling interests													-538	-538
Other equity transfers											1 225	1 225		1 225
Equity additions from merger with Hjelmeland Sparebank	20 140		191 152		43 782	184 734	8 133					447 942		447 942
Annual profit allocated to equity capital fund					15 918	9 238						25 157		25 157
Annual profit allocated to dividends											218 000	218 000		218 000
Annual profit allocated to Gift Fund/customer dividends							126 522					126 522		126 522
Annual profits allocated to hybrid capital holders											13 539	13 539		13 539
Annual profit rest of the Group											773	773	336	1 110
Equity as at 31.12.2024	**250 289**	**-20 815**	**1 178 466**	**-134 726**	**595 162**	**1 089 328**	**151 096**	**396 850**	**5 417**	**200 000**	**564 110**	**4 275 177**	**3 224**	**4 278 401**

Statement of changes in equity

Parent bank

Parent bank	Equity certificate capital	Holding of treasury equity certifi-cates	Share premium	Other paid-in equity	Dividend equali-sation fund	The Savings Bank's Fund	Gift Fund/ customer dividends	Fund for un-realised gains	Fund for valuation diffe-rences	Hybrid capital	Other equity	Total equity
Equity as at 01.01.2023	**230 149**	**-20 694**	**987 313**	**-132 390**	**491 885**	**870 700**	**85 045**	**308 224**	**4 947**	**100 000**	**124 916**	**3 050 094**
Dividends paid											-126 881	-126 881
Gifts paid and customer dividends							-71 883					-71 883
Actuarial gains and losses, defined benefit pension plan (after tax)					71	40						111
Change in value of loans measured at fair value through OCI											155	155
Fund for unrealised gains								2 379				2 379
Fund for valuation differences									496			496
Change in value of equities measured at fair value through OCI								100 555				100 555
Change in holding of treasury equity certificates		664		5 210								5 874
Issuance of new hybrid capital										100 000		100 000
Redemption of new hybrid capital										-100 000		-100 000
Unpaid interest/costs on hybrid capital											-9 345	-9 345
Annual profit allocated to equity capital fund					43 496	24 610						68 107
Annual profit allocated to dividends											157 590	157 590
Annual profit allocated to Gift Fund/customer dividends							89 165					89 165
Annual profit allocated to hybrid capital holders											9 741	9 741
Equity as at 31.12.2023	**230 149**	**-20 030**	**987 313**	**-127 180**	**535 453**	**895 350**	**102 326**	**411 157**	**5 443**	**100 000**	**156 175**	**3 276 157**
Equity as at 01.01.2024	**230 149**	**-20 030**	**987 313**	**-127 180**	**535 453**	**895 350**	**102 326**	**411 157**	**5 443**	**100 000**	**156 175**	**3 276 157**
Dividends paid											-157 829	-157 829
Gifts paid and customer dividends							-85 885					-85 885
Actuarial gains and losses, defined benefit pension plan (after tax)					9	6						15
Change in value of loans measured at fair value through OCI											-165	-165
Fund for unrealised gains								-490				-490
Fund for valuation differences									-26			-26
Change in value of equities measured at fair value through OCI								-13 817			-598	-14 415
Change in holding of treasury equity certificates		-786		-7 547								-8 333
Issuance of new hybrid capital										100 000		100 000
Unpaid interest/costs on hybrid capital											-12 395	-12 395
Other equity transfers											1 216	1 216
Equity additions from merger with Hjelmeland Sparebank	20 140		191 152		43 782	184 734	8 133					447 942
Annual profit allocated to equity capital fund					15 918	9 238						25 157
Annual profit allocated to dividends											218 000	218 000
Annual profit allocated to Gift Fund/customer dividends							126 522					126 522
Annual profit allocated to hybrid capital holders											13 539	13 539
Equity as at 31.12.2024	**250 289**	**-20 815**	**1 178 466**	**-134 726**	**595 162**	**1 089 328**	**151 096**	**396 850**	**5 417**	**200 000**	**217 943**	**3 929 010**

Please also see notes 41, 45, 46 and 47 concerning equity and equity certificates.

Cash flow statement

Group			Parent bank	
Full year 2024	Full year 2023	Amounts in NOK thousands	Full year 2024	Full year 2023
		Cash flow from operating activities		
-2 155 548	-2 327 141	Net receipts/payments of instalment loans, lines of credit	179 187	-1 001 984
1 980 326	1 463 924	Receipts of interest, commission income and fees from customers	1 212 900	920 934
451 725	1 191 205	Net receipts of deposits	456 563	1 401 693
-585 647	-402 708	Payment of interest to customers	-585 647	-402 708
56 322	112 478	Net receipts/payments from trading interest-bearing securities	-158 923	-149 578
189 580	148 876	Receipts of interest on securities	160 432	115 907
21 353	24 796	Net receipts/payments from trading of other financial assets	6 083	13 797
-61 336	-29 998	Net deposits/loans from credit institutions	-61 336	-240 485
-342 654	-273 944	Payments for operations	-342 496	-273 582
-60 531	-46 531	Tax	-44 885	-32 452
-506 409	**-139 042**	**Net cash flow from operating activities**	**821 878**	**351 541**
		Cash flow from investing activities		
364 265		Cash and cash equivalents supplied via merger	364 265	
-696	-759	Net investment in property, plant and equipment	-528	-759
-165 683	65 839	Net investment in equities and other units	-365 683	65 839
42 685	53 273	Receipts of dividends from long-term investments in equities	127 685	103 873
240 573	**118 353**	**Net cash flow from investing activities**	**125 740**	**168 953**
		Cash flow from financing activities		
5 100 000	2 550 000	Raising of certificates and bond debt	300 000	550 000
-3 864 552	-1 728 620	Repayment of certificates and bond debt	-959 172	-767 757
250 000	200 000	Raising of subordinated loan capital and hybrid Tier 1 securities	250 000	200 000
	-247 000	Repayment of subordinated loan capital and hybrid Tier 1 securities		-247 000
-157 829	-127 281	Payout of dividends	-157 829	-126 881
-85 885	-71 883	Gifts and customer dividends paid from profits	-85 885	-71 883
-8 333	5 874	Net payment for buy-back of treasury equity certificates	-8 333	5 874
-19 384	-15 574	Lease payments on capitalised lease liabilities	-18 234	-14 444
-820 488	-584 467	Net interest payments on financing activities	-140 893	-88 328
393 530	**-18 951**	**Net cash flow from financing activities**	**-820 345**	**-560 419**
127 694	-39 640	Net cash flow for the period	127 273	-39 926
462 554	502 195	Cash and cash equivalents at the start of the period	462 001	501 926
590 248	462 554	Cash and cash equivalents at the end of the period	589 274	462 001

Holdings of cash and cash equivalents consist of the accounting lines ‘Cash and receivables from central banks’ and ‘Loans to and claims on credit institutions’. The principle used for the cash flow statement is based on the direct method.

Notes

Content

1 General disclosures

Rogaland Sparebank, is an equity certificate bank listed on Oslo Børs. The bank's head office is in Sandnes Municipality and its registered business address is Rådhusgata 3, 4306 Sandnes.

The consolidated financial statements and the financial statements for the parent bank for 2024 were approved by the Board of Directors on 11.03.2025, and by the Board of Trustees on 31.03.2025.

The presentation currency is Norwegian krone (NOK), which is also functional currency in all units in the Group. All amounts are stated in NOK thousands unless otherwise specified.

2 Accounting policies

Basis for preparation of the financial statements

The consolidated financial statements for Rogaland Sparebank have been prepared in accordance with International Financial Reporting Standards (IFRS) approved by the EU. The same applies to the parent bank's accounts. The financial statements are prepared based on IFRS standards and interpretations mandatory for financial statements prepared as at 31.12.2024. Furthermore, the requirements for additional information in applicable laws and regulations for banks are met.

For the consolidated financial statements, the principles discussed herein are applied consistently for all reported periods. The same applies to the parent company, with clarifications as specified for relevant records. The accounts are presented in NOK, and all figures are shown in thousands, unless specifically stated otherwise.

Consolidation

The consolidated financial statements include the parent bank and its subsidiaries as shown in Note 29. An entity is considered to be controlled by the Group when the Group is exposed to, or has rights to, variable returns from its involvement in the entity in question, and is able to influence this return through its influence over the entity. The Group therefore controls an institution if, and only if, the Group:

- has influence over the institution.
- is exposed to, or has rights to, variable returns from its involvement in the institution.
- is able to exert influence over the institution to influence its return.

Assessments are conducted for every investment.

The Group reassesses whether it controls or does not control an entity when facts and circumstances indicate that one or more of the control elements have changed.

The accounting principles are applied consistently when incorporating ownership interests and reporting is based on the same accounting periods as the parent company.

Intercompany transactions and balances between the consolidated companies have been eliminated. Unrealised losses are eliminated unless the loss is due to decrease in value. The minority's share of the Group's profit and loss is presented on a separate line in the income statement. In the equity, the minority's share is shown as a separate item.

Subsidiaries

Subsidiaries are defined as companies where Rogaland Sparebank has control directly or indirectly, ownership interests or other relations Normally, the bank is assumed to be in control when the ownership interests in another company amount to more than 50%.

The following applies for acquisitions and transfers:

During an acquisition of a company, the takeover method is used. All identifiable acquired assets and liabilities are recognised as fair value. For each acquisition, non-controlling ownership interests will be valued either at fair value or as a proportionate share of the acquired company's identifiable assets. Transaction costs are expensed.

If control is achieved through incremental acquisitions, any difference between the fair value at the time of the takeover and the book value of the share of the company already booked will be recognised in the income statement.

Goodwill is initially measured as the difference between the sum of the purchase consideration and the value of non-controlling ownership interests, and the net fair value of identifiable assets and liabilities taken over. If the difference is negative, it is recognised through ordinary profit and loss.

Presentation and transactions in foreign currency

The presentation currency is NOK, which is also functional currency for all the companies in the Group. Foreign currency transactions are converted to functional currency at the exchange rates at the time of the transaction. Currency losses and gains arising from such transactions, as well as on the conversion of monetary items in foreign currency as at 31.12, are recorded in the income statement.

2 Accounting policies

Accounting policies

Material accounting policies are summarised in the list below. Accounting policies for financial instruments are described below, other accounting policies are incorporated into the individual notes.

Changes to accounting policies

New standards and interpretations adopted from and including the financial year 2024

No new standards or interpretations were adopted as at the end of the financial year 2024 that are considered to have a material impact on the Group's financial statements. The accounting policies applied are consistent with the policies applied in the annual report for 2023.

Material accounting principles	Notes	Applicable IFRS/IAS
Financial Instruments (assets and liabilities)	Described below	IFRS 9, IFRS 7
Lending	**10.** Loans and impairments by sector **11.** Losses on loans and guarantees	IFRS 7, IFRS 9
Interest income and costs	**17.** Net interest income	IFRS 9
Commission income and costs	**18.** Net commission income	IFRS 15
Pensions	**23.** Pensions	IAS 19
Tax	**24.** Tax	IAS 12
Investments in subsidiaries and associated companies	**29.** Ownership interests in subsidiaries and associates	IFRS 10, IAS 28
Goodwill and other intangible assets	**31.** Intangible assets	IAS 38, IAS 36
Fixed assets	**32.** Non-current assets	IAS 16, IAS 36
Leases	**33.** Leases	IFRS 16
Equity and issued hybrid Tier 1 securities	**41.** Equity	

Approved standards and interpretations with future effective date

IFRS 18 – Presentation and Disclosure in Financial Statements

This new standard will replace IAS 1 – Presentation of Financial Statements and sets requirements for the presentation of, and note disclosures in, financial statements. Some minor changes have also been made to other related standards such as IAS 7. These changes are designed to increase comparability and improve communication in annual financial statements. In the income statement, income and costs must be classified into one of five distinct categories: operations, investments, financing, tax and liquidated business. The first three represent new categories compared with IAS 1. New subtotals for operating profit and profit before financing and income tax are also being introduced in addition to the existing total for profit. Profit and comprehensive income will not be affected.

Management-defined performance measures' is a new term. It is defined as a subtotal of income and costs that is used in public communications outside the financial statements. It reflects the management group's performance perspective for the accounting unit as a whole and is not defined or specified in the IFRS. Our preliminary assessment is that Rogaland Sparebank will not have management-defined performance measures.

The standard will take effect for periods beginning on or after 01.01.2027. The bank is not planning to implement the standard early.

Annual improvement projects

In connection with annual improvement projects, the IASB has made minor changes to several standards. The changes are considered not to have a material impact on the Group.

Financial instruments

Classification of financial instruments

Classification of financial instruments is carried out on the basis of the purpose of the acquisition and the characteristics of the instrument.

Financial assets are classified as:

- Financial instruments valued at amortised cost (AC)
- Financial instruments valued at fair value with change in value through profit or loss (FVTPL)
- Financial instruments at fair value with change in value through OCI (FVOCI).

Financial liabilities are classified as:

- Financial liabilities at fair value with changes in value through the income statement
- Other financial liabilities measured at amortised cost.

2 Accounting policies

The definition of a financial instrument is regulated in IAS 32, while the classification and measurement of financial instruments is regulated in IFRS 9. When determining the measurement category, IFRS 9 distinguishes between ordinary debt instruments and equity instruments, including derivatives. Ordinary debt instruments mean interest instruments where returns constitute compensation for the time value of money, credit risk and other relevant risks resulting from ordinary debt instruments.

Derivatives and investments in equity instruments

Equity instruments fall into the fair value through profit and loss category (FVTPL). For equity instruments that are not derivatives and are not held for trading purposes, it is possible to choose to bring these to fair value through other OCI (FVOCI).

All derivatives held by the Group are measured at fair value with valuation changes through the income statement, but derivatives designated as hedging instruments shall be recognised in line with the principles for hedge accounting.

Financial assets that are dent instruments

For ordinary debt instruments, the measurement category is determined according to the purpose of the investment. Debt instruments included in a portfolio for the purpose of receiving contractual cash flows through interest and instalments shall be measured at amortised cost.

Debt instruments included in a portfolio with the aim of both receiving cash flows and making sales shall be measured at fair value through other comprehensive income (FVOCI), with interest income, currency conversion effects and impairments presented through ordinary profit.

Instruments that at the outset should be measured at amortised cost or at fair value with valuation changes through comprehensive income (FVOCI), may be designated to be measured at fair value with valuation changes in value through the income statement if this will eliminate or significantly reduce an accounting mismatch (Fair Value Option/FVO).

Fixed income instruments in other business models shall be measured at fair value through profit and loss.

Financial liabilities

For financial liabilities that have been determined to be recognised at fair value through ordinary profit or loss, changes in value due to the institution's own credit risk shall be recognised through comprehensive income (OCI), unless the recognition through comprehensive income (OCI) creates or reinforces an accounting mismatch. The Group has a limited scope of liabilities determined at fair value and the effect on the Group is therefore considered immaterial.

Hedge accounting

The Group uses hedge accounting for fair value hedging of some fixed rate funding (bond loans). Derivatives related to these deposits are earmarked for hedging purposes. IFRS 9 requires that there should be a financial relationship between the hedging instrument and the hedging object, and that credit risk should not dominate the value changes of the hedging instrument. A prospective (forward-looking) efficiency test and the preparation of hedging documentation are also required.

Measurement

Initial accounting recognition

All financial instruments are measured at fair value on the trading day at the time it is first posted in the accounts. Transaction costs that are directly attributable to the establishment of the asset/liability are included in the cost price of all financial instruments that are not classified at fair value with changes in value through ordinary profits.

Subsequent measurement

Measurement at fair value

For all financial instruments traded in an active market, the listed price obtained from either a stock exchange, broker or pricing agency is used. Financial instruments that are not traded in an active market are valued according to various valuation techniques, which have been carried out in part by professional agencies. All changes in fair value are incorporated directly in the income statement unless the asset is classified as financial instruments at fair value with a change in value through other comprehensive income (FVOCI).

The bank has assessed the fair value of floating-rate loans to match nominal value, adjusted with the corresponding expected credit loss (ECL) of the loan. This is justified by the fact that such loans are reprised almost continuously, and that any deviation from the nominal value in an arm's length transaction between informed and willing parties is considered immaterial.

Measurement at amortised cost

Financial instruments that are not measured at fair value are valued at amortised cost and revenues/costs are calculated according to the effective interest method. The effective interest rate is determined by discounting contractual cash flows within the expected maturity. Amortised cost is the present value of the cash flows discounted at the effective interest rate.

Hedge accounting

The hedging effectiveness is evaluated and documented both upon initial classification and upon each closing of accounts. In the case of fair value hedging, the hedging instrument is recognised at fair value and the value of the hedging object is adjusted for the change in value related to the hedging risk. Changes in these values from the opening balance are recognised in the income statement. This method ensures that the presentation of these instruments in the financial statements complies with the Group's policies for managing interest rates and actual economic developments. If the hedging ratio is interrupted or sufficient hedging efficiency cannot be verified, a change in value associated with the hedging object is amortised throughout the remaining term.

More about other financial instruments

Loans and receivables – see table on previous page

Stocks, certificates and bonds

Shares and units are measured at fair value with changes in value through profit or loss (FVTPL), with the exception of the bank's investment in Eika Gruppen AS and Eika Boligkreditt AS, which is classified as a financial instrument with changes in value through OCI (FVOCI) since it is considered a strategic investment for the bank.

2 Accounting policies

The bank's liquidity portfolio of certificates and bonds is assessed at fair value through profit or loss (FVTPL) in line with the business model that governs asset management of the liquidity portfolio in accordance with IFRS 9. The business model gives a required rate of return for the liquidity portfolio and purchases and sales are made in order to maximise profits. The bank also has a "keep until maturity" portfolio of bonds that are valued at amortised cost as the bank intends to keep these fixed income securities until maturity. This portfolio is kept separate from the bank's other liquidity portfolio.

Financial derivatives

Derivatives are valued at fair value with changes in value through ordinary profit (FVTPL). Fair value is assessed on the basis of listed market prices in an active market, including recent market transactions as well as various valuation techniques. Derivatives are posted as assets if the fair value is positive, and as liabilities if the fair value is negative (gross recording in the balance sheet).

Borrowing and other financial liabilities

Fixed rate deposits from customers are valued at fair value with changes in value through ordinary profit.

Securities issued with floating interest are measured at amortised cost. For fixed-rate securities issued, hedge accounting is used where changes in the value of the hedged part of the securities are recognised over ordinary profit and loss.

Issued subordinated loans are prioritised after all other debts and recognised and measured in the same way as other securities issued.

Other financial debts are measured at amortised cost where differences between the amount received minus transaction costs and redemption value are distributed over the loan period using the effective interest method.

Recognition and derecognition of financial assets and liabilities

Financial assets and liabilities are recognised on the trade date, i.e. the time the bank becomes a party to the contractual terms and conditions of the instruments.

Financial assets are deducted when the contractual rights to the cash flows from the financial assets have expired, or when the rights to the cash flows from the assets have been transferred in such a way that risk and return related to ownership have been transferred.

Financial liabilities are waived when the contractual conditions have been met, expired or cancelled.

Buy-back of securities issued

Any premium or discount in the event of a buy-back of own bonds is recognised in the income statement as interest costs. Any purchase premium on buy-back of securities before maturity is regarded as a loss/profit and is presented and recognised in the income statement under the item "net gain/loss on financial instruments". Interest from other financial liabilities is recognised as "interest costs" in the income statement.

3 Critical estimates and assessments regarding the application of accounting policies

Critical estimates

The preparation of financial statements in compliance with generally accepted accounting policies in some cases requires the management to make assumptions and to rely on estimates and discretionary assessments. Estimates and discretionary assessments are evaluated on an ongoing basis and are based on past experience and assumptions about future events that appear likely on the balance sheet date. Some uncertainty is associated with the assumptions and expectations that are used in estimates and discretionary assessments. Actual results may differ from the estimates and the assumptions.

Impairments of loans and guarantees

In the case of individually assessed loans and groups of loans that have been identified as problem loans, a calculation is made to determine the value of the loan or group of loans. This calculation requires the use of magnitudes that are based on judgements, and these affect the quality of the calculated value. Impairment assessments are conducted each quarter.

Stage 3 impairments (individual impairments)

If objective evidence exists of the impairment of a loan measured at amortised cost, the impairment loss is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted by the loan's original effective interest rate. Future cash flows are estimated based on experience and discretionary assessments of likely outcomes of, for example, market developments and specific factors regarding each loan, including empirical data regarding the debtor's ability to manage a pressured financial situation. Measuring loan impairment includes an element of uncertainty in relation to identifying loans that have suffered an impairment loss, estimating the timing and amounts of future cash flows, and measuring collateral.

Stage 1 and 2 impairments (statistical impairments)

Loans that are not subject to individual impairment are included in the calculation of statistical impairment (IFRS 9 impairment) for loans and

3 Kritiske estimater og vurderinger vedrørende bruk av regnskapsprinsipper

guarantees. The impairment is calculated based on developments in the customers' risk classification (as described in note 8), loss experience for the respective customer groups (PD and LGD) and the cyclical and market developments (macro conditions). For more information, please see note 8.

The statistical model for calculating expected credit losses (ECL) on loans is based on several critical assumptions, including probability of default, loss given default, expected lifetime of loans and macro developments. Due to significant estimate uncertainty, sensitivity analyses are required to present the effects of specific changes in various parameter. These are provided in note 11.

Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using various measurement techniques. Wherever possible, the Group strives to base such measurements on market conditions on the balance sheet date. If no empirical market data is available, assumptions are made concerning how the market would price the instrument, for example based on the pricing of similar instruments. Such measurements require the extensive application of judgement, including when measuring credit risk, liquidity risk and volatility. A change in one or more of these factors may affect the value set for the instrument. The fair value of financial instruments is presented in note 26.

Fixed rate loans:

According to IFRS, measurements must be based on an assessment of what an external investor would base a decision on when investing in a similar loan. There is no well-functioning market for the purchase and sale of fixed rate loans between market participants. The value of fixed rate loans is estimated by discounting the cash flows by a risk-adjusted discount rate that must take into account the preferences of market participants. The discount rate is calculated based on an observable swap rate plus a margin requirement.

Observable market interest rates for similar loans are taken into account when estimating the margin requirement. The margin requirement of market participants is not directly observable and must be estimated based on the difference between the observable market rates and the swap rate over a period of time. As the margin requirement is not directly observable, some uncertainty is associated with calculating the fair value of fixed rate loans.

Application of accounting policies

Customer dividends

Each year, the bank's Board of Trustees decides whether or not customer dividends should be paid out, and if so, how much. A resolution was passed at a meeting of the Board of Trustees on 10.04.2024, and the bank paid out a total of NOK 76.5 million in customer dividends to the bank's loan and deposit customers in 2024.

Customers will receive an amount based on the bank's profit for the year and the size of the customer's deposits and loans with the bank.
- Dividends are paid to private individuals and enterprises.
- Customer can receive customer dividends for a maximum of NOK 2 million in loans from the bank.
- Co-debtors (people with joint loans) can receive customer dividends for a maximum of NOK 4 million.
- Customers can receive customer dividends for a maximum of NOK 2 million in deposits in the bank.
- Customer dividends apply from the first krone up to NOK 2 million.
- Eligibility for customer dividends is based on daily balances.

The Ministry of Finance has granted permission to use primary capital for customer dividends. The distribution of customer dividends is regulated by section 10-17(4) of the Financial Institutions Act, which classifies customer dividends as a disposal of profit for the year. The bank has used this classification in its accounting treatment and has thus treated the payment as an equity transaction. The customer dividends payment resulted in a tax deduction of NOK 19.1 million for the financial year 2024. The tax deduction is recognised through profit or loss as a reduction in the tax expense for 2024. Please note that there is some uncertainty related to the allocation of the tax deduction from customer dividends between the different holder classes.

In November 2024, the Savings Bank Commission published a report that suggests that the ability of savings banks to pay out customer dividends should be eliminated. The proposal has generated a lot of debate in the banking industry and final clarification on the ability to pay customer dividends is expected in 2025.

4 Acquisitions, sales, liquidations and corporate establishments

As a result of the merger with Hjelmeland Sparebank, Ryfylke Eiendomsmegling AS became a subsidiary of Rogaland Sparebank. The company is a real estate agency whose primary market area is Ryfylke. The company is part of the Aktiv chain and employs approximately five FTES. The bank owned 100% of the company as at 31.12.2024. The bank bought out the minority shareholders (30%) in the fourth quarter of 2024 for a total purchase sum of NOK 1.2 million, of which NOK 0.9 million was identified as goodwill (ref. note 31).

For more information about the merger with Hjelmeland Sparebank, please see notes 47 and 48.

There are no other significant changes in group structure as at 31.12.2024.

5 Segments

ACCOUNTING POLICIES

The accounting policies used for the preparation of segment information are the same as those used for the rest of the consolidated financial statements. The Group does not allocate tax or non-recurring gains or losses by segment. The Group recognises inter-company transactions according to the arm's length principle. Funding costs are allocated according to capital requirements of RM and CM, respectively. Net commission income is allocated according to sales volume, and overheads according to a cost distribution formula. The Group only operates in Norway.

The Group has three segments: Retail Market (RM), Corporate Market (CM) and Real Estate. RM and CM represents the banking operations split into two main customer groups. They also include general investment advice for the bank's customers. The Real Estate segment involves real estate brokerage activities. This segment consists of the subsidiary, Aktiv Eiendomsmegling Jæren AS and Ryfylke Eiendomsmegling AS.

Group 31.12.2024

Reporting per segment	RM	CM	Real Estate	Other	Total
Net external interest income	418 079	300 900			718 979
Net internal interest income				(146)	(146)
Net interest income	418 079	300 900		(146)	718 833
Net commission income	41 881	32 174	51 155	(5 295)	119 915
Income from securities	(5 869)			64 146	58 277
Other operating income				77 047	77 047
Total other operating income	36 012	32 174	51 155	135 898	255 239
Personnel costs	120 506	65 575	38 421		224 503
Other operating costs [1]	113 965	49 046	10 533	(574)	172 971
Depreciation/write-downs	12 314	4 113	1 077		17 504
Profit before losses	207 306	214 341	1 123	136 326	559 095
Impairments and losses on loans and guarantees	7 757	15 869			23 626
Segment profit before tax	**199 549**	**198 471**	**1 123**	**136 326**	**535 469**
Net loans to customers	25 931 087	8 080 752			34 011 839
Other assets			39 210	5 651 152	5 690 363
Total assets	**25 931 087**	**8 080 752**	**39 210**	**5 651 152**	**39 702 201**
Deposits from customers	10 287 360	5 468 905		1 578 679	17 334 944
Other liabilities			16 638	18 072 219	18 088 857
Total liabilities	**10 287 360**	**5 468 905**	**16 638**	**19 650 898**	**35 423 800**

1 Other operating costs include the proportion of direct merger costs allocated to the segments. In 2024, NOK 25.2 million was charged for the retail market and NOK 8.8 million for the corporate market segment. Recognised badwill is presented as undistributed income.

5 Segments

Group 31.12.2023

Reporting per segment	RM	CM	Real Estate	Other	Total
Net external interest income	329 564	285 835			615 399
Net internal interest income				168	168
Net interest income	329 564	285 835		168	615 567
Net commission income	30 559	25 106	42 533	(2 609)	95 590
Income from securities	(1 727)			61 648	59 921
Other operating income				4 051	4 051
Total other operating income	28 832	25 106	42 533	63 091	159 563
Personnel costs	107 451	63 529	33 284		204 264
Other operating costs	95 463	40 870	10 449	(531)	146 251
Depreciation/write-downs	12 296	4 715	1 181		18 192
Profit before losses	143 186	201 828	(2 381)	63 791	406 423
Impairments and losses on loans and guarantees	11 847	(750)		(462)	10 634
Segment profit before tax	**131 339**	**202 578**	**(2 381)**	**64 253**	**395 789**
Net loans to customers	21 836 139	7 554 703			29 390 842
Other assets			24 481	4 999 723	5 024 204
Total assets	**21 836 139**	**7 554 703**	**24 481**	**4 999 723**	**34 415 046**
Deposits from customers	8 043 691	4 791 994		1 726 697	14 562 382
Other liabilities			14 608	16 213 254	16 227 861
Total liabilities	**8 043 691**	**4 791 994**	**14 608**	**17 939 951**	**30 790 244**

Parent bank 31.12.2024

Reporting per segment	RM	CM	Other	Total
Net interest income	288 754	300 900		589 654
Net commission income	41 881	32 174	7 050	81 105
Income from securities			149 146	149 146
Other operating income			77 621	77 621
Total other operating income	41 881	32 174	233 817	307 872
Personnel costs	120 459	65 575		186 035
Other operating costs [1]	112 254	49 046		161 300
Depreciation/write-downs	12 314	4 113		16 426
Profit before losses	85 608	214 341	233 817	533 765
Impairments and losses on loans and guarantees	7 589	15 869		23 458
Segment profit before tax	**78 019**	**198 471**	**233 817**	**510 307**
Net loans to customers	10 800 693	8 090 124		18 890 817
Other assets			7 035 868	7 035 868
Total assets	**10 800 693**	**8 090 124**	**7 035 868**	**25 926 685**
Deposits from customers	10 287 360	5 473 773	1 794 004	17 555 137
Other liabilities			4 442 538	4 442 538
Total liabilities	**10 287 360**	**5 473 773**	**6 236 541**	**21 997 675**

1 Other operating costs include the proportion of direct merger costs allocated to the segments. In 2024, NOK 25.2 million was charged for the retail market and NOK 8.8 million for the corporate market segment. Recognised badwill is presented as undistributed income.

5 Segments

Parent bank 31.12.2023

Reporting per segment	RM	CM	Other	Total
Net interest income	243 815	285 835		529 650
Net commission income	30 559	25 106	9 508	65 174
Income from securities			112 248	112 248
Other operating income			4 583	4 583
Total other operating income	30 559	25 106	126 339	182 005
Personnel costs	107 407	63 529		170 936
Other operating costs	93 130	40 870		134 000
Depreciation/write-downs	12 296	4 715		17 011
Profit before losses	61 541	201 828	126 339	389 708
Impairments and losses on loans and guarantees	13 111	(750)	(462)	11 899
Segment profit before tax	**48 430**	**202 578**	**126 801**	**377 809**
Net loans to customers	7 834 013	7 555 001		15 389 014
Other assets			7 160 869	7 160 869
Total assets	**7 834 013**	**7 555 001**	**7 160 869**	**22 549 883**
Deposits from customers	8 043 691	4 794 220	1 937 184	14 775 095
Other liabilities			4 498 630	4 498 630
Total liabilities	**8 043 691**	**4 794 220**	**6 435 814**	**19 273 725**

6 Capital management and capital adequacy

Rogaland Sparebank uses the standard method for credit risk and the basic method for operational risk. As at 31.12.2024, the conservation buffer requirement was 2.5%, the systemic risk buffer requirement was 4.5% and the countercyclical buffer requirement was 2.5%. These requirements are additional to the CET1 capital requirement of 4.5%, such that the total minimum CET1 capital requirement is 14.0%. The Financial Supervisory Authority of Norway has also established a Pillar 2 requirement for Rogaland Sparebank of 2.3%. 56.25% of this Pillar 2 requirement must be met with CET1 capital.

Therefore, the regulatory minimum requirement for CET1 capital, inclusive of the Pillar 2 requirement, is 15.3%.

The Group's target for the CET1 capital ratio is a minimum of 16.8% as at 31.12.2024, which includes a set capital requirement margin of 1.5% of the current risk-weighted assets.

The approved capitalisation policy is designed to help ensure that the Group has enough equity to allow us to use the equity effectively in relation to our scope and risk profile. The bank must have sufficient equity to enable it to achieve a competitive return on equity, as well as competitive terms and conditions in the various credit markets. Access to liquidity must be the main consideration with respect to the goal of achieving competitive returns on equity. The equity must also ensure that the Group has sufficient capital buffers to withstand periods of negative results.

6 Capital management and capital adequacy

The Group manages capital with a view to fluctuations in the economic situation. This involves the bank holding regular balance sheet management meetings to review the capital situation. At these meetings, new volume figures and forecasts are reviewed in relation to the development in risk-weighted assets and the bank's performance in relation to our capital goals. The status of approved measures and any need for further measures are also reviewed.

The Group's total assets were NOK 39.7 (34.4) billion at the end of 2024. This corresponds to an increase of 15.4% compared with the end of 2023 and was primarily due to the merger and lending growth in the period. The merger increased the Group's total assets by NOK 3.3 billion, seen in isolation.

Consolidated risk-weighted assets increased from NOK 17.4 billion as at 31.12.2023 to NOK 20.8 billion as at 31.12.2024, of which the merger with Hjelmeland Sparebank amounted to an increase in risk-weighted assets of approximately NOK 2.0 billion. In the same period, CET1 capital increased from NOK 3.1 billion as at 31.12.2023 to NOK 3.6 billion as at 31.12.2024, which primarily constitutes CET1 capital added by the merger and withheld profits.

As at 31.12.2024, the Group had a CET1 capital ratio (including the consolidated share of the cooperating group) of 17.1%, which is unchanged compared with 17.8% as at 31.12.2023. The reduction in the CET1 capital ratio was primarily due to lending growth this year, as well as consolidation of the bank's investment in Brage Finans as at 31.12.2024.

The Group's leverage ratio amounted to 8.6% as at 31.12.2024, compared with 9.0% as at 31.12.2023. The leverage ratio is well above the authorities' minimum requirement of 5%.

Introduction of new capital coverage regulations

The introduction of new capital coverage regulations (CRR3) will provide significant capital relief for the bank. The new regulations are expected to be implemented in 2025. The best secured mortgages, with a loan to value rate of less than 55%, will be weighted less than today. At the same time, collateral in commercial property will also be weighted differently based on the loan to value rate compared to previously having had a fixed weight. This also means that for well-secured loans with mortgages in commercial property, the bank will gain capital relief, while for those loans with the highest loan to value ratio the capital requirement will be increased. There will be changes in other parts of the bank's portfolio, and for agricultural customers the capital requirement will marginally rise again since the rules introduced last year with a capital weight of 50% have been raised to 60%. The overall effect for the bank remains positive. The bank also expects that the changes in the risk-weighted assets for credit risk will result in an expected increase in CET1 capital of approximately 2.6 percentage points.

Reporting of capital for owner institutions in a cooperating group as at 31.12.2024:

Companies participating in a cooperating group must proportionally consolidate holdings in financial institutions responsible for the business covered by the cooperative arrangement, ref. section 17-13(2) of the Financial Institutions Act and supplementary provisions in the CRR/CRD regulations, sections 16(3) and 32(4).

Rogaland Sparebank participates in a cooperating group with Eika Gruppen AS where the bank owns 9.4% of the shares as at 31.12.2024, of which the bank's stake increased from 8.4% to 9.4% due to the merger with Hjelmeland Sparebank. The bank also owns 0.64% of the shares in Eika Boligkreditt AS (added by the merger). The bank's stake in Brage Finans AS (4.0%) is also subject to the consolidation requirements. Accordingly, proportionate shares in Eika Gruppen AS, Eika Boligkreditt AS and Brage Finans are consolidated into consolidated capital adequacy.

Up to the fourth quarter of 2024, the bank, like the rest of the standard method banks in Eika, practised treating stakes in companies that are proportionately consolidated as deductions in CET1 capital for the parent bank. The bank has now changed this policy such that the reporting as at 31.12.2024 complies with the exemption rule in section 18(c) of the Measurement Regulations. This also means that one falls below the threshold values of 10% for deductions and that the capital adequacy increases in all capital classes for the parent bank. The change of policy does not result in any change to the consolidated capital adequacy. Comparative figures have not been restated as a result of the change in policy.

Proportional consolidation

	31.12.2024	31.12.2023
SUBORDINATED CAPITAL		
CET1 capital	3 551 167	3 106 728
Tier 1 capital	3 782 647	3 215 568
Own funds	4 289 297	3 547 502
Risk-weighted assets	20 794 091	17 410 039
CAPITAL ADEQUACY RATIO		
CET1 capital ratio	17,1 %	17,8 %
Tier 1 capital ratio	18,2 %	18,5 %
Capital adequacy ratio	20,6 %	20,4 %

6 Capital management and capital adequacy

Group 31.12.2024	Group 31.12.2023		Parent bank 31.12.2024	Parent bank 31.12.2023
		SUBORDINATED CAPITAL		
250 289	230 149	Equity certificate capital	250 289	230 149
-20 815	-20 030	Holding of own equity certificates	-20 815	-20 030
1 089 328	895 350	The Savings Bank's Fund	1 089 328	895 350
2 971 451	2 112 106	Other equity	2 081 686	1 835 933
218 000	157 590	Provisions for dividends	218 000	157 590
110 522	77 165	Provisions for customer dividends	110 522	77 165
4 618 776	3 452 330	Equity (excl. hybrid capital)	3 729 010	3 176 157
-66 834	-62 093	Deduction for ownership of immaterial assets in financial services sector	-66 834	-507 110
-133 427	-23 702	Deduction for ownership of material assets in financial services sector		
-4 200	-5 787	Deduction for prudent valuation	-9 263	-8 017
-1 910	-1 221	Other deductions based on specific decisions		
-366		Deduction of inadequate coverage of defaulted exposures (MLC)	-366	
-218 000	-157 590	Deduction for provisions for dividends	-218 000	-157 590
-110 522	-77 165	Deduction for provisions for customer dividends	-110 522	-77 165
-532 350	-18 045	Deduction for goodwill and other intangible assets	-38 924	-8 198
3 551 167	3 106 728	Total CET1capital	3 285 100	2 418 079
231 480	108 840	Hybrid Tier 1 securities and hybrid capital	200 000	100 000
3 782 647	3 215 568	Total Tier 1 capital	3 485 100	2 518 079
506 650	331 934	Subordinated loan capital (excl. accrued interest)	470 000	320 000
		Deduction for ownership of immaterial assets in financial services sector		
4 289 297	3 547 502	**Subordinated capital**	3 955 100	2 838 079
		RISK-WEIGHTED CAPITAL		
		Market risk – standard method		
19 008 161	16 029 650	Credit risk – standard method	13 452 633	11 290 012
1 739 485	1 343 134	Operational risk	1 454 536	1 115 104
27 035	19 531	Additional calculation for fixed costs		
19 410	17 723	CVA charge	12 630	15 711
20 794 091	17 410 039	Risk-weighted assets	14 919 799	12 420 826
20.6	**20.4**	**Capital adequacy ratio**	**26.5**	**22.8**
18.2	**18.5**	**Tier 1 capital ratio**	**23.4**	**20.3**
17.1	**17.8**	**CET1 capital**	**22.0**	**19.5**
		BUFFER REQUIREMENTS		
519 852	435 251	Conservation buffer (2.50%)	372 995	310 521
519 852	435 251	Countercyclical buffer (2.50%)	372 995	310 521
935 734	783 452	Systemic risk buffer (4.50%)	671 391	558 937
1 975 439	1 653 954	Total buffers for CET1 capital	1 417 381	1 179 978
935 734	783 452	Minimum requirement for CET1 capital (4.50%)	671 391	558 937
639 994	**669 322**	**Available CET1 capital in excess of minimum requirement and buffer requirements**	**1 196 328**	**679 163**

6 Capital management and capital adequacy

Group 31.12.2024	Group 31.12.2023		Parent bank 31.12.2024	Parent bank 31.12.2023
		SPECIFICATION OF RISK-WEIGHTED ASSETS		
		Standard method		
		Market risk		
100		States and central banks		
23 109	36 138	Local and regional authorities and state-owned enterprises		15 673
77 831	81 512	Institutions	235 304	462 814
919 034	512 666	Enterprises	527 350	475 905
2 181 541	1 410 152	Mass market	1 521 152	1 151 162
13 609 852	12 241 306	Loans with collateral in real estate	7 931 692	7 149 528
614 627	393 087	Past due loans	577 522	381 532
367 915	326 727	High-risk loans [1]	367 473	326 727
260 145	239 758	Covered bonds	229 480	187 755
79 886	46 122	Fund units	53 380	38 712
740 452	623 033	Equity positions	1 910 675	1 007 504
133 670	119 147	Others	98 605	92 699
19 008 161	16 029 650	Credit risk	13 452 633	11 290 012
1 739 485	1 343 134	Operational risk	1 454 536	1 115 104
27 035	19 531	Additional calculation for fixed costs		
19 410	17 723	CVA charge	12 630	15 711
20 794 091	**17 410 039**	**Total risk-weighted assets**	**14 919 799**	**12 420 826**

[1] **High-risk loans**

The bank has generally flagged loans as high risk that are primarily linked to;

- Real estate development projects with no current income to independently service interest payments in the development phase
- Real estate development projects that are reliant on a future development project before it is reasonable to assume that full retirement of the principal can take place
- Real estate development projects where the bank has financed the construction of homes without sufficient advance sales (typically projects consisting of one or at most two homes). All major development projects require satisfactory advance sales.
- Other forms of speculative real estate financing.

The bank's interpretation of high-risk loans matches the principles set out in an updated circular from the Financial Supervisory Authority of Norway.

Liquidity obligation – Eika Boligkreditt AS

According to a new agreement between the bank and Eika Boligkreditt AS on the purchase of covered bonds, the bank has assumed a liquidity obligation with respect to Eika Boligkreditt AS. As at 31.12.2024, this obligation amounted to up to NOK 116.4 million. In the parent bank's capital adequacy, the bank's net liquidity obligation is subject to a 50% conversion factor, which in turn is weighted as covered bonds with a risk weight of 10%.

The parent bank's risk-weighted assets for capital adequacy thus includes an obligation of NOK 116.4 million. The liquidity obligation is eliminated in consolidated capital adequacy given that Eika Boligkreditt AS is consolidated on a proportionate basis.

7 Risk management

Through its business practice, Rogaland Sparebank is exposed to various types of risk. Managing the risks in a holistic manner is therefore material to the Group's business model. Risks do not just represent potential costs; they also represent opportunities. Therefore, wherever possible, risk must be assessed, measured and, not least, priced correctly.

Risk affects everything the bank does. Therefore, one critical factor in risk management is the bank having a risk culture based on the targets and plans that have been established to achieve the desired risk goals. Risk management starts with the individual employee and the assessments made by the bank's first and second lines. Common guidelines and management objectives ensure a uniform, common understanding and basis for assessing risk.

The following principles apply to the Group's risk management:
- Risk is taken within a defined risk appetite.
- Each risk must be approved within the risk management framework.
- Risk must be adequately compensated for over time.
- Risks are continuously monitored and managed.

Organisation and power of attorney structure

The Board of Directors

The Board of Directors is responsible for determining the Group's risk profile. The Board of Directors also determines the governing limits and powers of attorney within the various risk areas. Risk management policies in the Group, including all significant aspects of risk management models and decision-making processes, are the responsibility of the Board of Directors. Furthermore, the Board of Directors shall ensure that the bank has sufficient capital based on risk tolerance and activities, and in relation to regulatory requirements.

Risk Committee

The purpose of the Risk Committee, which is a subcommittee of the Board, is tasked with ensuring that the quality of risk management and control is satisfactory. This entails, among other things, that the risk committee monitors the Group's risk strategy implementation, advises the Board of Directors on existing risk strategy and risk tolerance, as well as improved management of the risk area.

CEO, Director Risk Management, and the Management Group

The CEO has the day-to-day responsibility for risk management, which has been operationally delegated to the Director Risk Management. The Director Risk Management independently reports to the CEO and the Board of Directors and has corporate responsibility across departments for managing all credit, market, liquidity, and operational risk. The Director Risk Management is also responsible for monitoring, analysing, and reporting risk.

It is the Director Risk Management who is responsible for developing the Group's strategy for overall risk management, credit risk and policy strategies, financial risk, liquidity risk, and operational risk. The bank also has separate roles responsible for selected risk areas. This includes a dedicated Sustainability Manager who is responsible for coordinating the work on ESG risk. There is a dedicated Data Protection Officer who coordinates and monitors privacy-related topics. There is also a separate anti money laundering department and manager. Compliance with internal and external policies and guidelines is monitored by a dedicated compliance officer who reports directly to the bank's Board of Directors.

In terms of day-to-day risk management, each individual manager in the Group shall ensure that he/she has knowledge of all types of significant risk within his/her own area of responsibility. The goal is to ensure this field is managed in an economically and administratively sound manner. The CEO has provided further policies for the implementation of governing credit policies and credit strategies. Each business area manages its own credit processes in accordance with given policies.

Reporting takes place at departmental level and forms the basis for aggregate reports for business areas and support areas included in the CEO's reporting to the Board of Directors.

Audits

External and internal audits are two important elements in risk management. Independent and efficient auditing contributes to appropriate internal control, as well as reliability in financial reporting.

The bank's internal auditor is KPMG, while the external auditor is Deloitte. The Internal Audit received instructions from the Board of Directors, which also approves the Audit's annual plans.

Risk management and capital planning

A key part of the bank's risk management is the Group's internal assessment of capital requirements (ICAAP – Internal Capital Adequacy Assessment Process). This process includes assessing all significant risks the bank is exposed to with associated assessment of internal capital requirements for the various risks.

In connection with ICAAP, the Board of Directors reviews the Group's most important risk areas and internal control. The review aims to document the quality of work in the most important risk areas. The review will ensure that changes in the risk picture are identified in a way that facilitates the implementation of necessary improvement measures.

Risk categories

The main risk categories for the Rogaland Sparebank Group are the following:

Credit risk

Credit risk arises from all transactions where there are actual, agreed, or possible claims against counterparties, borrowers, issuers, or other debtors. The risk lies in the bank's borrowers being unable or unwilling to repay credit, combined with a lack of collateral covering the bank's exposure. Credit risk represents the bank's greatest risk and is also the risk that places the greatest demands on the bank's capital.

7 Risikostyring

The bank manages credit risk primarily through credit strategy and policy. Credit risk arising from the Group's financing and investment activities is also managed via the bank's financial strategy.

See note 8-11 for an assessment of credit risk.

Market risk

Market risk is the possibility of unfavourable market value developments in the bank's trading or investment positions. Market risk may arise from changes in interest rates, credit spreads, and exchange rates. The Board of Directors has set goals for the market risk in the bank's financial strategy, and these are subject to constant monitoring by the bank's treasury department and reported to the Board.

See Notes 12-15 for an assessment of market risk.

Liquidity and settlement risk

Liquidity risk is losses due to the bank's inability to meet all payment liabilities due or that they can only be met at additional costs. This also includes the ability to finance the bank's lending growth. The bank's liquidity risk objective is to ensure that the Group can fulfil payment liabilities and manage liquidity and financing risk within the bank's risk appetite. This is specified through set limits for various measurement parameters in the liquidity strategy.

See note 16 for an assessment of liquidity risk.

Settlement risk is the risk that existing, conditional, or possible future positive exposures will not be met by the bank's counterparties.

Operational risk

Operational risk means the risk of incurring losses due to incorrect or inadequate internal processes, systems, or human error, or losses due to external events outside the bank's control, including legal risk.

Operational risk is associated with the bank's IT systems, which are largely managed by external service providers in accordance with written contracts. With the exception of the core banking solution, Eika is the bank's main supplier of technology services. Good management and control of IT systems both in the bank and on the side of the service providers is essential to ensure accurate, complete, and reliable financial reporting. The bank has established a general management model and internal control activities related to the IT systems. Key systems have been standardised, and experience shows that there have been few operational errors related to the IT systems.

An important element in connection with operational risk is the follow-up of adverse incidents. The bank has established tools for reporting, classification, and follow-up of adverse incidents. This way, internal processes can be adjusted to reduce the likelihood of recurrence.

ESG risk

ESG risk, which includes the environment, social responsibility and governance, is an important element of the bank's risk assessments. It also includes climate risk, which encompasses the risk of increased credit risk and financial losses due to climate change. The bank conducts annual risk assessments in which ESG and climate risk are key elements.

It is in the corporate market in particular that the bank identifies climate risk in the form of both physical risk and transition risk from transitioning to a low-emissions society. Assessments of sustainability and climate-related risk are integrated in the bank's credit process. Since the bank has little direct exposure to the oil and gas industry, the sectors considered to have the highest inherent climate-related risk in the bank's portfolio are commercial property, building and construction and agriculture. At the same time, these sectors represent great opportunities for having positive impacts. This is why the bank has started developing green products specially designed for the aforementioned industries and offers green agriculture loans, green business loans and green mortgages. Also see the chapter on Sustainability and Corporate Social Responsibility for more information.

Other risks

Other risks include strategic risk, ownership risk, and risk in the environment. Strategic risk is the risk of incurring losses due to earnings that are lower than expected but have not been compensated through lower costs. Strategic risk can arise from changes in the competitive landscape, regulatory changes, or inefficient positioning in relation to the macro environment affect our operations. Strategic risk can also arise due to a failure to achieve targeted strategies and/or failure to adjust unsatisfactory returns. Ownership risk is risk arising from being an owner in a company, for example through operation, or the risk of a need for fresh capital.

8 Credit risk

Credit risk is the risk of incurring losses if the bank's customers do not fulfil their obligations to the Group.

Credit risk primarily arises in the bank's loan portfolio, although such risk also exists in the Group's holdings of bonds, certificates and financial derivatives. Credit risk is the Group's greatest risk and mainly consists of net loans to customers, cash and receivables from central banks, as well as financial instruments. Credit risk on loans, guarantees and credit facilities is the most important due to both volume and the general risk level. This risk is therefore described in detail below. Other exposure involves limited credit risk.

Group			Parent bank	
31.12.2024	31.12.2023	Maximum exposure to credit risk	31.12.2024	31.12.2023
482 445	355 887	Cash and receivables from central banks	482 445	355 887
107 803	106 667	Loans to and claims on credit institutions	106 828	106 113
32 381 875	28 059 792	Loans to customers at amortised cost	14 173 436	11 275 784
1 629 964	1 331 050	Loans to customers at fair value	4 717 381	4 113 230
3 688 444	3 481 357	Certificates and bonds	3 291 647	2 869 314
93 206	97 434	Financial derivatives	126 858	117 208
16 306	15 986	Other assets	867 715	2 078 655
16 523	11 048	Prepaid costs and accrued income	16 523	11 048
38 416 566	**33 459 221**	**Total credit risk exposure in balance sheet items**	**23 782 833**	**20 927 239**
298 769	267 664	Guarantee liabilities	298 769	267 664
3 142 899	2 816 532	Unused credit facilities and loan commitments	2 100 781	1 660 416
41 858 233	**36 543 416**	**Total credit risk exposure**	**26 182 382**	**22 855 319**

Measurement of credit risk in the loan portfolio

Probability of default

The Group uses the same models for estimating probability of default (PD) as the other Eika banks. These are scorecards that were developed based on the entire Eika portfolio, including Rogaland Sparebank's customers. The large pool of data on which their development was based makes it easier to produce models and, not least, validate and maintain them.

Both Retail Market (RM) and Corporate Market (CM) customers are scored monthly using various credit models. The models vary based on how much, and what kind of, information is available on the individual customer. This means that for new customers, the models use publicly available information, while for existing customers, internal behavioural history in the bank is also used. The publicly available information is from an external credit information agency. Scorecards for completely new customers, those without a history with us, are also based on data from, and the methods of, an external credit information agency. As the bank accumulates more internal information about customers, more and more internal data is weighted into the models over the course of up to four phases that culminate in a situation where eventually the data being used is mainly internal.

The models calculate a score that can be converted into a probability of default and then assigned a risk class. The bank currently uses a scale from 1 to 12, where 1 is the best and 11 and 12 are customers who are in default or have loans with individual impairment.

The models are tested annually, by both Eika and the bank. Eika's validation is based on data from all Eika banks, while the bank's validation only tests against the bank's customers and the bank's experienced defaults. Both tests show that the models as a whole differentiate well between customers in default and customers not in default. The estimated level of default, for both the corporate market and retail market, is somewhat above actual default but within the expected deviation range.

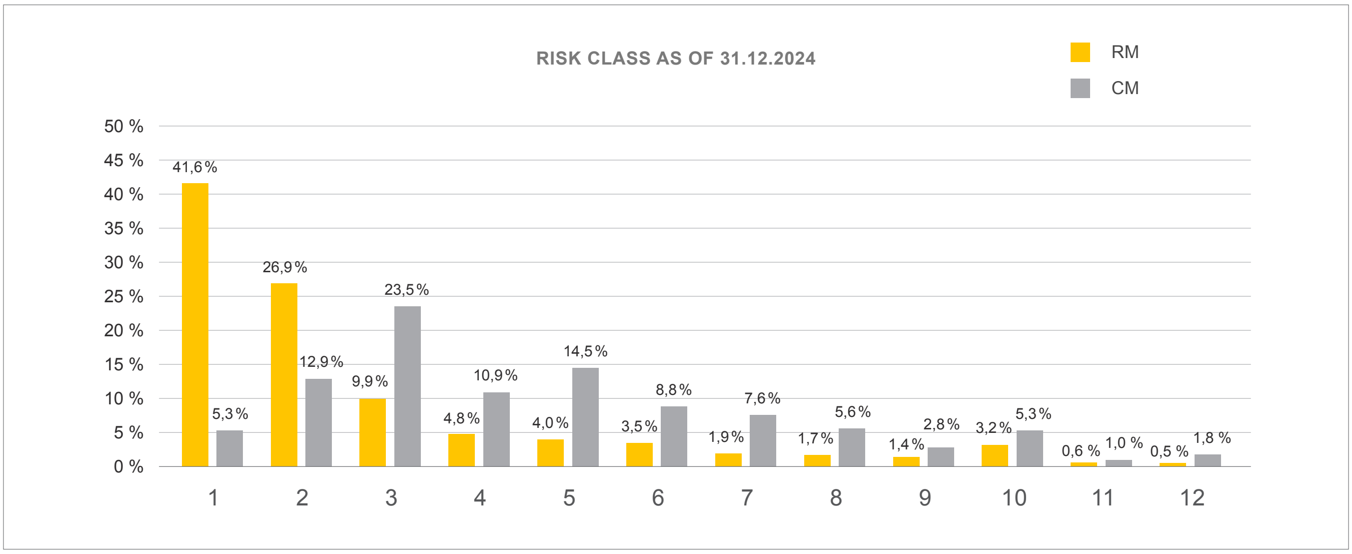
8 Credit risk

The various risk classes and associated upper limit for probability of default are shown in the table below.

Risk class	Upper limit
1	0,10 %
2	0,25 %
3	0,50 %
4	0,75 %
5	1,25 %
6	2,00 %

Risk class	Upper limit
7	3,00 %
8	5,00 %
9	8,00 %
10	99,99 %
11 og 12	100,00 %

The distribution in the CM and RM portfolios (total exposure, including undrawn credits and guarantees), respectively, can be seen in the figure below, which shows that there is a good concentration of loans in the lower risk classes:



Definition of default

The bank's definition of default conforms with the guidelines of the European Banking Authority, where a default is deemed to have occurred if one of the following criteria is met:

- The customer has an overdraft that exceeds both a relative and an absolute limit for more than 90 consecutive days. The relative limit is equal to 1% of the customer's total exposures, for both RM and CM customers.
- For RM customers, the absolute limit is equal to NOK 1 000
- For CM customers, the absolute limit is equal to NOK 2 000
- It is deemed likely that the customer will be unable to meet their credit obligations to the bank (unlikely to pay – UTP).
- The customer has been infected by another customer who is in default according to the first two criteria mentioned above.

In addition, customers in default are subject to a waiting period that dictates that customers are categorised as defaulted for a period after the default has been settled. The waiting period is 3 months after being given a clean bill of health, with the exception of loans flagged with forbearance where the corresponding waiting period is 12 months.

Loss given default

Collateral is used to reduce credit risk. This collateral can consist of physical objects, guarantees or cash deposits. As a general rule, physical collateral must be insured and can include buildings, homes or inventories. When measuring the value of the collateral, CM uses an expected realisation value, which entails using various reduction factors for different types of collateral. The collateral in CM is mainly real estate and property, plant and equipment. For property, plant and equipment, the standard reduction factor is 80% and for commercial property it is 20%.

8 Credit risk

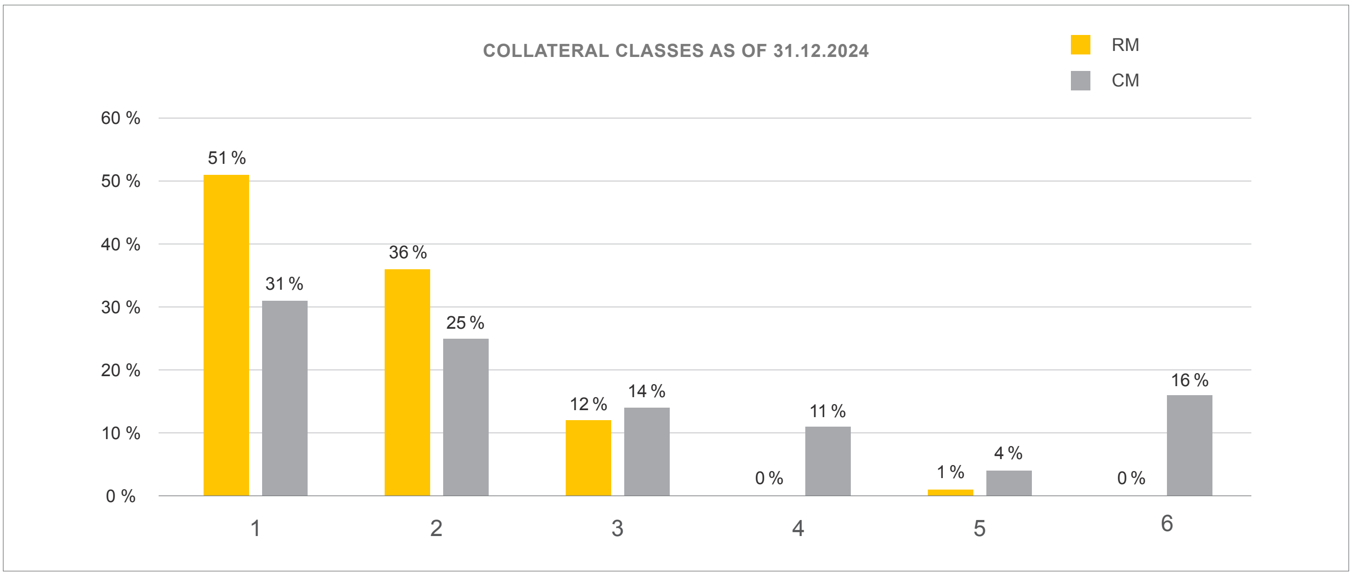
For residential mortgages, a combination of appraisal and statistical valuation based on sales prices from Eiendomsverdi is used. Valuations are updated on a quarterly basis based on statistical data from Eiendomsverdi. To ensure that the models are accurate enough, the statistical models include, among other things, quality targets that specify the proportion of the portfolio that can be in areas with long sales times and thus low liquidity in the housing portfolio and thereby less certain estimates. The bank monitors the ongoing share of loans for homes in areas where the housing market is poor. Eiendomsverdi's area score is used for this.

This provides a score from 0 to 20 based on the price level and the number of sales in an area. The bank's proportion of mortgages in areas that scored less than 10 was less than 3.9%, and less than 0.7% of the loans were in areas that scored less than 4. The loans are then classified into up to six collateral classes based on the loan-to-collateral value ratio for RM customers and collateral cover for CM customers. Next, a loss given default (LGD) value is calculated for each collateral class. These are different for the retail market and corporate market and can be seen in the table below.

Retail Market		
Collateral class	Max loan to value	LGD
1	60 %	2,50 %
2	80 %	3,50 %
3	100 %	6,00 %
4	110 %	12,50 %
5	∞	25,00 %
6	usikret	35,00 %

Corporate Market		
Collateral class	Min collateral coverage	LGD
1	130 %	8 %
2	110 %	9 %
3	100 %	10 %
4	80 %	12 %
5	60 %	25 %
6		35 %

The distribution of the various security classes based on market value for the retail market and corporate market portfolios (total exposure, including unused credit and guarantees) as at 31.12.2024 was as follows;



8 Credit risk

Total risk

The expected credit loss for each loan is calculated based on the probability of default and loss given default. Three risk groups are defined for loans that are not impaired/defaulted based on expected credit loss. The table is the same for RM and CM.

Risk group	Expected credit loss lower limit	Expected credit loss upper limit
Low	0.00 %	0.25 %
Moderate	0.25 %	1.00 %
High	1.00 %	100.00 %

Risk classification is important when it comes to the level of customer monitoring and is also included as a criterion in credit ratings and credit decisions. In addition to risk classification come discretionary factors such as management, market, loan history, profitability, etc. Besides using scoring models, the Group has guidelines for the composition of the various portfolios.

Further information about the ECL model

Risk classification is also used as a basis for calculating losses in Stages 1 and 2 pursuant to IFRS 9. In Stage 1, the expected credit loss over 12 months is calculated. In the event of a material increase in credit risk, the loan must be transferred to Stage 2 and the expected credit loss for the entire term of the loan calculated. The bank defines a significant increase in credit risk as the customer experiencing an increase in probability of default in the next 12 months of at least 0.6 percentage points. At the same time, the probability of default over the term of the loan must have increased such that the loan as a minimum migrates by at least one risk class.

In addition, an account is defined as Stage 2 if it is flagged with payment relief or there have been arrears for, or the account has been overdrawn by, more than NOK 1 000 for more than 30 days.

Stage 3 is the same as the individual impairments that are evaluated subjectively in each case.

Since a change in PD of at least 0.6% is now required to constitute a significant risk, this can be viewed as the introduction of a low risk exception. This exception is regarded as appropriate in order to avoid loans with a low PD migrating to Stage 2, due to changes in PD that are small in absolute terms, before migrating back fairly soon afterwards. Not having such absolute limits for how much PD can change before an account migrates a stage would result in significant volatility and constant changes in stage classification given that customers' PD is updated on a monthly basis. In the opinion of the bank, the use of this exception has no material impact on the distribution of loans between the stages or for the total provisions for losses, although nor does it provide a more correct stabile impression of risk developments. The isolated effect on the bank's ECL if all changes in PD, regardless of size, were to result in stage migration, would be an increase of NOK 17.8 million.

In order to determine expected credit losses over a loan's term to maturity in Stage 2, it is assumed that shifts in customers' risk class follow a so-called Markov process. Here, the bank applies a migration matrix based on historical risk class shifts to describe future risk class shifts. The expected changes in risk class one year into the future are a result of historical changes and expected changes. For example, 5 years into the future is the same as five 1-year changes in a row. This enables PD to be calculated for each of an arbitrary number of years into the future. The lifetime PD matrix specifies the probability for a given risk class a given number of years into the future.

Rogaland Sparebank then adjusts provisions for losses by the expected developments in various macro variables that deemed to have an impact on expected credit losses. The model uses external sources, which have both historical data as well as estimates for the future. This makes it possible for the bank to estimate future effects. Using regression analysis, the bank has found correlations and explanatory power between different combinations of variables. Using estimates of how these variables will develop the future, the bank can estimate the effect on losses for the coming years. In addition to an expected scenario, the bank calculates an upside and a downside scenario, with weights of 10% and 20%, respectively, while the main scenario is weighted 70%.

As at 31.12.2024, the bank expects the macro variables to develop as follows[1]:

År	Mainland Norway GDP (annual change)	Unem-ployment Norway	Unem-ployment Rogaland	Employed people (annual change)	Money market interest rate	Housing prices Norway	Housing prices Stavanger	Oil invest-ments, 1 year lag (annual change)	CPI-ATE
2025	2.1 %	4.1 %	2.0 %	0.7 %	4.3 %	3.8 %	6.0 %	11.0 %	3.3 %
2026	2.9 %	4.1 %	2.2 %	0.8 %	3.6 %	3.8 %	5.0 %	1.0 %	3.0 %
2027	2.8 %	4.0 %	2.4 %	0.6 %	3.5 %	4.0 %	4.0 %	-3.0 %	2.6 %
2028	2.8 %	4.0 %	2.4 %	0.6 %	3.5 %	4.0 %	4.0 %	-4.0 %	2.4 %

1 Sources: Statistics Norway, Samfunnsøkonomisk Analyse and NAV.

8 Credit risk

The forecasts for the variables on which the model is based were updated and adopted in the fourth quarter. The variables are mainly obtained from Statistics Norway. Growth forecasts for housing prices affect the model's expectations concerning future loss given default as lower losses are expected with higher housing prices. The housing market is currently strong, and housing prices have been adjusted upwards in the new forecasts, both locally and for Norway. This, therefore, contributes to greater optimism and thus lower provisions for losses. Increased oil investments also make a positive contribution. On the other hand, unemployment figures for Norway and money market interest rates have been adjusted upwards, which pulls the provisions for losses up. Overall, the forecast changes result in lower provisions for losses.

The bank also made a minor adjustment to how macro factors are calculated, where the weighting for the past 3 historical years in the model has been changed. This was done to reduce fluctuations from year to year. The change contributes to a slight increase in provisions for losses.

In sum, both changes to the model result in slightly lower provisions for losses.

Loans with payment relief

The proportion of loans with payment relief remained at a relatively low level for the bank throughout the year. After a period of higher demand for interest-only periods, the trend has turned and the proportion of interest-only periods in the retail market fell steadily throughout the year. In the corporate market, the share of loans with interest-only periods has increased somewhat, although the variation here is huge.

Generally speaking, interest-only periods is the form of payment relief offered by the bank. However, not all interest-only periods are classified as payment relief. The majority of customers who get interest-only periods are able to service their debt but have such a low loan-to-collateral value ratio that it is not necessary to flag them for payment relief. In addition, there are some who are granted temporary interest-only periods of up to 6 months who are also not flagged as receiving payment relief. There were no changes to the flagging policy during the year.

Overall, as at the end of the year, 141 customers were flagged with payment relief, a decrease from 161 the year before. And overall, this now amounts to NOK 609 million – a decrease of NOK 66 million. The majority of these loans are placed in Stage 2, indicating that the bank expects the loans to be serviced as normal in due course, while a smaller proportion are considered to be so credit-impaired that individual impairments have been applied and the loan has been transferred to Stage 3.

Distribution of proportions of loans with payment relief by the various stages:

	2024	2023	2022	2021	2020
Stage 1	0 %	0 %	0 %	0 %	0 %
Stage 2	56 %	71 %	81 %	92 %	94 %
Stage 3	44 %	29 %	19 %	8 %	6 %

Exposure at default (EAD)

EAD for agreements in Stage 1 consists of outstanding receivables or obligations adjusted for cash flows in the next 12 months, and EAD for agreements in Stage 2 consists of the discounted cash flows for the expected lifetime of the agreement. For guarantees, EAD is equal to the outstanding obligation on the reporting date multiplied by a conversion factor of between 0.2-1 depending on the type of guarantee. Unused credit facilities have an EAD equal to the outstanding unused credit at time of reporting.

8 Credit risk

Total corporate market loans by risk groups

31.12.2024	Loans to customers		Guarantees		Unused limit		Total loans and advances		Share	
Risk groups	Parent bank	Group	Parent bank	Group	Parent bank	Group	Parent bank	Group	Parent bank	Group
Low	6 358 399	6 358 399	239 656	239 656	616 677	616 677	7 214 733	7 214 733	78.5 %	78.5 %
Moderate	1 086 380	1 086 380	29 962	29 962	89 014	89 014	1 205 357	1 205 357	13.1 %	13.1 %
High	449 067	449 067	26 607	26 607	41 192	41 192	516 865	516 865	5.6 %	5.6 %
Defaults/ impairments	252 334	252 334	2 177	2 177	822	822	255 333	255 333	2.8 %	2.8 %
Total	**8 146 181**	**8 146 181**	**298 402**	**298 402**	**747 705**	**747 705**	**9 192 288**	**9 192 288**	**100.0 %**	**100.0 %**

31.12.2023	Loans to customers		Guarantees		Unused limit		Total loans and advances		Share	
Risk groups	Parent bank	Group	Parent bank	Group	Parent bank	Group	Parent bank	Group	Parent bank	Group
Low	6 012 081	6 012 081	206 725	206 725	553 861	553 861	6 772 667	6 772 667	79.6 %	79.6 %
Moderate	1 005 932	1 005 932	44 037	44 037	92 795	92 795	1 142 764	1 142 764	13.4 %	13.4 %
High	429 642	429 642	12 250	12 250	17 563	17 563	459 455	459 455	5.4 %	5.4 %
Defaults/ impairments	131 040	131 040	932	932	228	228	132 200	132 200	1.6 %	1.6 %
Total	**7 578 695**	**7 578 695**	**263 944**	**263 944**	**664 447**	**664 447**	**8 507 086**	**8 507 086**	**100.0 %**	**100.0 %**

Total retail market loans by risk groups

31.12.2024	Loans to customers		Guarantees		Unused limit		Total loans and advances		Share	
Risk groups	Parent bank	Group	Parent bank	Group	Parent bank	Group	Parent bank	Group	Parent bank	Group
Low	9 657 942	24 635 734	2 207	2 207	1 340 766	2 377 685	11 000 915	27 015 627	90.2 %	95.2 %
Moderate	659 673	809 424			9 358	14 636	669 030	824 060	5.5 %	2.9 %
High	197 274	204 738			2 935	2 935	200 210	207 674	1.6 %	0.7 %
Defaults/ impairments	332 436	332 436	234	234			332 670	332 670	2.7 %	1.2 %
Total	**10 847 325**	**25 982 332**	**2 441**	**2 441**	**1 353 059**	**2 395 257**	**12 202 825**	**28 380 030**	**100.0 %**	**100.0 %**

31.12.2023	Loans to customers		Guarantees		Unused limit		Total loans and advances		Share	
Risk groups	Parent bank	Group	Parent bank	Group	Parent bank	Group	Parent bank	Group	Parent bank	Group
Low	6 734 915	20 589 368	1 403	1 403	988 444	2 142 378	7 724 761	22 733 149	87.7 %	94.8 %
Moderate	699 542	843 077			6 775	8 957	706 317	852 034	8.0 %	3.6 %
High	130 895	134 735			531	531	131 426	135 266	1.5 %	0.6 %
Defaults/ impairments	244 967	244 967	2 317	2 317	219	219	247 504	247 504	2.8 %	1.0 %
Total	**7 810 319**	**21 812 147**	**3 720**	**3 720**	**995 969**	**2 152 085**	**8 810 008**	**23 967 953**	**100.0 %**	**100.0 %**

8 Credit risk

The tables below show the share of exposure at default by risk group and stage:

Group 31.12.2024

Stage	Low	Moderate	High	Defaults/impairments	Total
	Risk group				
1	87 %	3 %	1 %	0 %	91 %
2	4 %	2 %	1 %	0 %	7 %
3	0 %	0 %	0 %	2 %	2 %
Total	**91 %**	**6 %**	**2 %**	**2 %**	**100 %**

Parent bank 31.12.2024

Stage	Low	Moderate	High	Defaults/impairments	Total
	Risk group				
1	81 %	6 %	2 %	0 %	88 %
2	4 %	4 %	2 %	0 %	9 %
3	0 %	0 %	0 %	3 %	3 %
Total	**84 %**	**9 %**	**3 %**	**3 %**	**100 %**

Group 31.12.2023

Stage	Low	Moderate	High	Defaults/impairments	Total
	Risk group				
1	86 %	3 %	1 %	0 %	90 %
2	5 %	3 %	1 %	0 %	9 %
3	0 %	0 %	0 %	1 %	1 %
Total	**91 %**	**6 %**	**2 %**	**1 %**	**100 %**

Parent bank 31.12.2023

Stage	Low	Moderate	High	Defaults/impairments	Total
	Risk group				
1	77 %	6 %	2 %	0 %	85 %
2	6 %	5 %	1 %	0 %	12 %
3	0 %	0 %	0 %	3 %	3 %
Total	**83 %**	**11 %**	**4 %**	**3 %**	**100 %**

Concentration risk

Concentration risk is when significant concentrations of risk arise due to exposure to debtors or securities with similar economic characteristics or that are involved in comparable activities, and where these similarities can result in them experiencing problems fulfilling their payment obligations at the same time or the assets fluctuating at the same time such that if one experiences problems then many will because of the similarities.

In order to assess and manage concentration risk, the Group evaluates the degree of unequal distribution in its loan portfolio based on the following factors:

- Major individual customers
- Individual sectors (sectoral groups that face specific challenges or cyclical sectors)
- Geographical areas
- Collateral with the same risk characteristics (e.g. dependent on real estate prices)
- Counterparties in interbank operations or trading in financial derivatives.

The Group uses the same method as the Financial Supervisory Authority of Norway to calculate concentration risk for individual and sector risk. The bank has a concentration of loans related to financing real estate investments. The concentration has been reduced in recent years and the bank focuses on monitoring this concentration risk.

In addition, the bank assesses concentration risk in relation to major individual loans. The bank defines major loans as loans that exceed 10% of the bank's Tier 1 capital. At the end of 2024, no loans were defined as a major loan based on this definition. The bank has also set a target that specifies that a maximum of 1/3 of the bank's corporate loan portfolio may be loans in excess of NOK 150 million. This share amounted to 15.9% at the end of the year and comprised eight loans. In comparison, the proportion was 19.5% in 2023, and also then distributed across eight loans.

8 Credit risk

Age distribution of loans past due

The table shows amounts of loans and overdrafts on credit by number of days past due.
The 1-30 days age distribution has not been adjusted for delays in money transfer services and the size of the amounts past due can therefore vary based on the reporting date.

31.12.2024

Group				Parent bank		
RM	CM	Total	Age distribution of loans past due	RM	CM	Total
65 411	186 680	252 091	1-30 days	63 898	186 680	250 578
32 307		32 307	31-60 days	32 129		32 129
53 567	5 417	58 984	61-90 days	53 461	5 417	58 878
184 380	85 236	269 615	> 90 days	184 380	85 236	269 615
335 665	**277 332**	**612 998**	**Total**	**333 868**	**277 332**	**611 201**

31.12.2023

Group				Parent bank		
RM	CM	Total	Age distribution of loans past due	RM	CM	Total
69 798	81 966	151 764	1-30 days	64 575	81 966	146 541
56 820	3 777	60 597	31-60 days	56 544	3 777	60 321
25 303	1 963	27 265	61-90 days	25 303	1 963	27 265
184 668	74 182	258 850	> 90 days	184 668	74 182	258 850
336 589	**161 888**	**498 476**	**Total**	**331 090**	**161 888**	**492 978**

As at 31.12.2024, of the bank had no commitments more than 90 days past due or flagged as UTP; no provisions for losses had been made because of good collateral cover. The loans have been individually assessed in Stage 3.

ESG

Before granting credit in the corporate market, the bank conducts an assessment of ESG factors in general and climate-related risk in particular. All counterparties are also assigned an ESG category in connection credit ratings. This is based on a simple scoring model developed in collaboration with the Eika Alliance. In total, about 72% of the bank's corporate market portfolio scored in this model, which is an increase of 17 percentage points since last year. Of those that have been scored to date, no loan has been assessed as having a high sustainability risk and a majority (60%) have been assessed as low risk.

This score is not directly entered into the bank's ECL model, rather it is flagged in each individual credit case on a par with its credit score. It is this included and can influence the bank's decision.

Certificates and bonds

To manage the credit risk associated with investments in certificates and bonds, the Group has developed guidelines for the quality of executed investments and requirements regarding sector composition and maturity structure. Investments in certificates and bonds are primarily made as liquidity placements.

Derivatives

Derivatives are mainly used to manage the Group's interest rate and currency risk in the form of interest rate swap and currency swap agreements where a future currency exchange rate or future interest rate is agreed when the derivatives are entered into such that the bank bears no risk from them fluctuating during the term of the derivative. The Group's counterparty exposure is measured as a combination of the market value of entered into contracts and the principal.

Monitoring of risk limits and risk mitigation measures

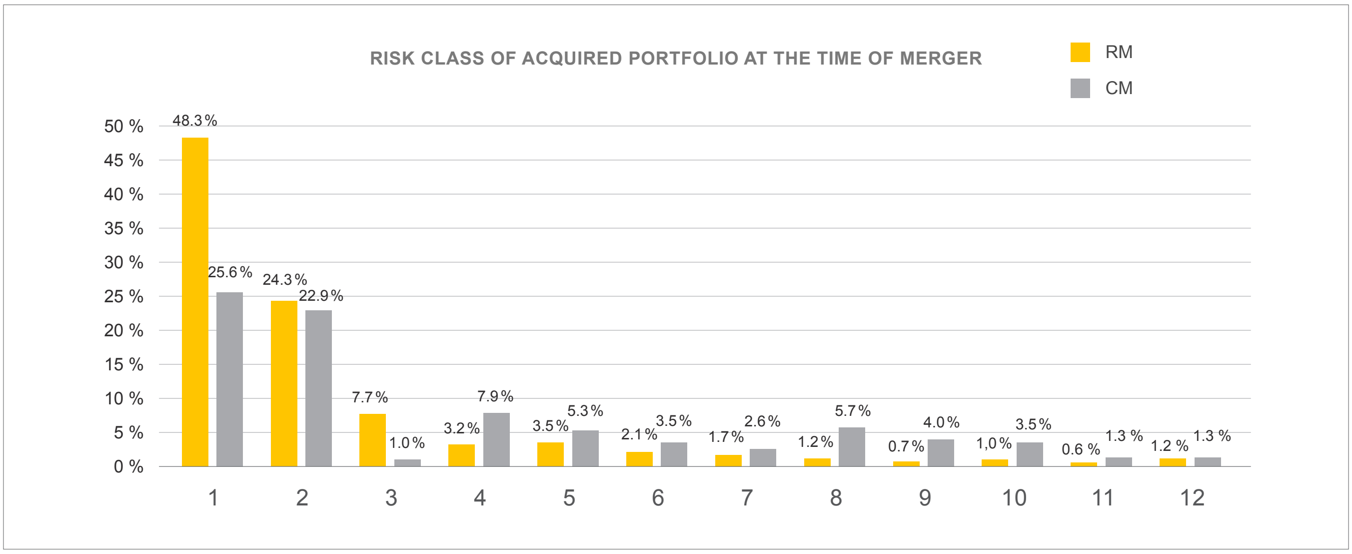
The Group has established exposure limits for different segments of the various portfolios. The utilisation of these limits is reported monthly to the Board of Directors and the management group. Individual loans are monitored by the various credit environments within the Group.

8 Credit risk

Information about acquired portfolio (added by the merger)

The portfolio the bank gained due to the merger with Hjelmeland Sparebank largely consisted of retail market customers with mortgages in Ryfylke and the Stavanger region, as well as a smaller corporate market portfolio consisting of a majority of agricultural customers.

Due to the high proportion of agricultural customers, the share of corporate market loans in the acquired portfolio in the low-risk categories appears higher than in the existing portfolio, as shown in the graph below.



The graph also shows that the acquired portfolio does not differ materially from the total portfolio in Rogaland Sparebank at the time of acquisition.

Since the acquired portfolio comes from another Eika bank, the management of risk classification, IFRS 9 models and other risk management tools, has largely been similar to that for other portfolios. Although customers are assigned a new probability of default as initial PD upon acquisition, which is used to calculate major changes in the risk of migrating accounts between Stage 1 and Stage 2 of the loss provision model, the bank retained other information about the different accounts used in the loss provision model, which meant that some customers were recognised directly in Stage 2 and Stage 3. Despite customers in the acquired portfolio being assigned a new initial PD at the time of acquisition, the proportion that at the end of the year had migrated to Stage 2 has kept pace with the rest of the portfolio, with 7.6% in Stage 2 for the acquired portfolio. The bank, therefore, does not think that the acquired portfolio has contributed to either increasing or reducing the total credit risk in the portfolio.

9 Loans and advances by customer group and geographic area

Distribution by customer group

Group	Lending		Guarantees		Unused credit facilities	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Agriculture and forestry	1 207 158	936 630	538	534	60 549	45 632
Fishing and hunting			500		200	200
Building and construction	820 761	704 058	97 670	101 520	258 169	132 605
Manufacturing	133 907	140 825	39 220	31 207	44 692	56 976
Wholesale and retail trade	332 347	278 101	83 962	74 151	121 651	89 541
Hotels and restaurants	114 198	84 976	18 624	13 925	10 776	5 894
Transport and storage	32 025	30 099	13 956	12 206	15 302	11 618
Public and private services	478 668	603 397	33 147	22 759	142 383	133 831
Property management	4 911 614	4 474 739	9 731	6 428	98 483	98 241
Other customer groups	105 527	81 906	1 358	1 358		
Retail customers	25 988 629	22 152 536	2 212	5 008	2 393 757	2 244 236
Total gross loans to customers	**34 124 834**	**29 487 266**	**300 918**	**269 097**	**3 145 962**	**2 818 773**
Impairments	-112 995	-96 424	-2 149	-1 433	-3 063	-2 241
Total net loans to customers	**34 011 839**	**29 390 842**	**298 769**	**267 664**	**3 142 899**	**2 816 532**

Geographical distribution

Group	Lending		Guarantees		Unused credit facilities	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Rogaland	27 778 226	24 044 331	256 434	221 255	2 941 080	2 575 805
Oslo/Akershus	3 148 866	2 851 538	36 895	20 940	97 171	133 445
Other counties	3 162 699	2 549 983	7 589	26 901	104 755	108 842
Abroad	35 043	41 414			2 955	680
Total gross loans to customers	**34 124 834**	**29 487 266**	**300 918**	**269 097**	**3 145 962**	**2 818 773**

9 Loans and advances by customer group and geographic area

Distribution by customer group

Parent bank	Lending		Guarantees		Unused credit facilities	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Agriculture and forestry	1 207 158	936 630	538	534	60 549	45 632
Fishing and hunting			500		200	200
Building and construction	820 761	704 058	97 670	101 520	258 169	132 605
Manufacturing	133 907	140 825	39 220	31 207	44 692	56 976
Wholesale and retail trade	332 347	278 101	83 962	74 151	121 651	89 541
Hotels and restaurants	114 198	84 976	18 624	13 925	10 776	5 894
Transport and storage	32 025	30 099	13 956	12 206	15 302	11 618
Public and private services	478 668	603 397	33 147	22 759	142 383	133 831
Property management	4 920 987	4 475 036	9 731	6 428	98 483	98 241
Other customer groups	105 527	81 906	1 358	1 358		
Retail customers	10 853 623	8 145 791	2 212	5 008	1 351 559	1 088 053
Total gross loans to customers	**18 999 201**	**15 480 818**	**300 918**	**269 097**	**2 103 764**	**1 662 590**
Impairments	-108 384	-91 804	-2 149	-1 433	-2 983	-2 174
Total net loans to customers	**18 890 817**	**15 389 014**	**298 769**	**267 664**	**2 100 781**	**1 660 416**

Geographical distribution

Parent bank	Lending		Guarantees		Unused credit facilities	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Rogaland	14 202 512	11 497 905	256 434	221 255	1 992 977	1 530 481
Oslo/Akershus	2 468 826	2 166 477	36 895	20 940	52 476	69 947
Other counties	2 304 426	1 790 838	7 589	26 901	55 788	62 040
Abroad	23 436	25 597			2 522	123
Total gross loans to customers	**18 999 201**	**15 480 818**	**300 918**	**269 097**	**2 103 764**	**1 662 590**

Group		Guarantees	Parent bank	
31.12.2024	31.12.2023		31.12.2024	31.12.2023
118 289	100 533	Payment guarantees	118 289	100 533
106 629	115 115	Contract guarantees	106 629	115 115
12 391	10 806	Other guarantees	12 391	10 806
63 609	42 643	Unused guarantee limits	63 609	42 643
300 918	**269 097**	**Total guarantees**	**300 918**	**269 097**

10 Loans and impairments by sector

ACCOUNTING POLICIES

All loans to and receivables from customers are presented on the balance sheet inclusive of accrued interest.

Loans and receivables are financial assets that are not listed on the market. Floating-rate loans are valued at amortised cost according to the effective interest method. Fixed-rate loans are posted at fair value with a change in value through ordinary profit as the bank uses Fair-Value Option (FVO) for these loans. The change in the fair value of these loans is recognised in the income statement in the item "net profit/loss on financial instruments". The interest rate risk in fixed-rate loans is controlled by interest rate swaps that are posted at fair value. It is the Group's understanding that the assessment of fixed-rate loans at fair value provides more relevant information about the values in the balance sheet. Interest rates from the interest rate swaps are entered in the income statement in the item "Interest income measured at fair value".

Loans that can be transferred/sold to the mortgage credit institution by the parent bank are classified at fair value with change in value through OCI (FVOCI) in the parent bank's accounts, as the business model dictates that the parent bank intends to recover contractual cash flows, but may also sell/transfer the loans to the mortgage credit institution. In the consolidated financial statements, the loans are assessed at amortised cost as the Group does not intend to sell the loans.

Lending by customer group

Group 31.12.2024	Gross loans	Of which, loans at amortised cost	Impairment of loans at amortised cost			Net lending
			Stage 1	Stage 2	Stage 3	
Agriculture and forestry	1 207 158	1 073 917	-2 549	-6 587	-2 207	1 195 814
Building and construction	820 761	820 761	-3 192	-1 681	-23 335	792 554
Manufacturing	133 907	133 907	-868	-1 695	-21	131 324
Wholesale and retail trade	332 347	332 347	-1 464	-1 429	-129	329 325
Hotels and restaurants	114 198	114 198	-397	-36		113 765
Transport and storage	32 025	32 025	-10	-358		31 658
Public and private services	478 668	474 857	-1 437	-1 277	-2 663	473 291
Property management	4 911 614	4 546 787	-6 304	-1 640	-3 013	4 900 657
Other customer groups	105 527	105 527	-95			105 432
Retail customers [1]	25 988 629	24 860 543	-6 616	-10 487	-33 506	25 938 020
Total on-balance loans to and receivables from customers [2]	**34 124 834**	**32 494 870**	**-22 933**	**-25 190**	**-64 873**	**34 011 839**

Group 31.12.2023	Gross loans	Of which, loans at amortised cost	Impairment of loans at amortised cost			Net lending
			Stage 1	Stage 2	Stage 3	
Agriculture and forestry	936 630	813 889	-3 509	-627		932 494
Building and construction	704 058	704 058	-2 613	-1 875	-19 183	680 387
Manufacturing	140 825	140 825	-408	-683	-10	139 724
Wholesale and retail trade	278 101	278 101	-1 822	-1 171	-92	275 015
Hotels and restaurants	84 976	84 976	-159	-46	-1	84 769
Transport and storage	30 099	30 099	-23	-184		29 892
Public and private services	603 397	602 305	-1 709	-3 016	-2 677	595 995
Property management	4 474 739	4 105 927	-6 809	-4 413	-4 031	4 459 485
Other customer groups	81 906	81 906	-51			81 856
Retail customers [1]	22 152 536	21 314 129	-6 690	-11 461	-23 161	22 111 224
Total on-balance loans to and receivables from customers [2]	**29 487 266**	**28 156 216**	**-23 793**	**-23 476**	**-49 155**	**29 390 842**

1 Retail customers are defined here as all of the bank's customers who do not have an industry code, regardless of the department/segment to which the customer belongs.
2 The tables include stage-based provisions for losses on loans and receivables from customers (on-balance) and not provisions for losses on guarantees and/or unused lines of credit (off-balance exposure).

10 Loans and impairments by sector

Lending by customer group

Parent bank 31.12.2024

	Gross loans	Of which, loans at amortised cost/FVOCI	Impairment of loans at amortised cost/FVOCI Stage 1	Stage 2	Stage 3	Net lending
Agriculture and forestry	1 207 158	1 073 917	-2 549	-6 587	-2 207	1 195 814
Building and construction	820 761	820 761	-3 192	-1 681	-23 335	792 554
Manufacturing	133 907	133 907	-868	-1 695	-21	131 324
Wholesale and retail trade	332 347	332 347	-1 464	-1 429	-129	329 325
Hotels and restaurants	114 198	114 198	-397	-36		113 765
Transport and storage	32 025	32 025	-10	-358		31 658
Public and private services	478 668	474 857	-1 437	-1 277	-2 663	473 291
Property management	4 920 987	4 556 160	-6 304	-1 640	-3 013	4 910 030
Other customer groups	105 527	105 527	-95			105 432
Retail customers [1]	10 853 623	9 725 538	-5 125	-7 367	-33 506	10 807 626
Total on-balance loans to and receivables from customers [2]	**18 999 201**	**17 369 237**	**-21 442**	**-22 069**	**-64 873**	**18 890 817**

Parent bank 31.12.2023

	Gross loans	Of which, loans at amortised cost/FVOCI	Impairment of loans at amortised cost/FVOCI Stage 1	Stage 2	Stage 3	Net lending
Agriculture and forestry	936 630	813 889	-3 509	-627		932 494
Building and construction	704 058	704 058	-2 613	-1 875	-19 183	680 387
Manufacturing	140 825	140 825	-408	-683	-10	139 724
Wholesale and retail trade	278 101	278 101	-1 822	-1 171	-92	275 015
Hotels and restaurants	84 976	84 976	-159	-46	-1	84 769
Transport and storage	30 099	30 099	-23	-184		29 892
Public and private services	603 397	602 305	-1 709	-3 016	-2 677	595 995
Property management	4 475 036	4 106 224	-6 809	-4 413	-4 031	4 459 783
Other customer groups	81 906	81 906	-51			81 856
Retail customers [1]	8 145 791	7 307 384	-5 014	-8 517	-23 161	8 109 099
Total on-balance loans to and receivables from customers [2]	**15 480 818**	**14 149 767**	**-22 118**	**-20 531**	**-49 155**	**15 389 014**

1 Retail customers are defined here as all of the bank's customers who do not have an industry code, regardless of the department/segment to which the customer belongs.
2 The tables include stage-based provisions for losses on loans and receivables from customers (on-balance) and not provisions for losses on guarantees and/or unused lines of credit (off-balance exposure).

11 Losses on loans and guarantees and defaulted / impaired loans

ACCOUNTING POLICIES

According to IFRS 9, provisions for losses must be based on expected credit loss (ECL). The general model for impairments apply to financial assets that are measured at amortised cost or at fair value with changes in value through other OCI. This also includes loan commitments, financial guarantee contracts that are not measured at fair value through profit, as well as leases.

Provisions for expected losses in the general model depends on whether the credit risk has increased significantly since the initial balancing. Credit deterioration is assessed on the basis of changes in probability of default (PD).

Losses for 12-month expected losses are recognised upon initial capitalisation and when credit risk has not increased significantly after this point in time. This refers to the losses that are expected to occur over the lifetime of the instrument but which can be linked to default events that occur during the first 12 months. If credit risk has increased significantly after initial recognition, the provision is calculated as the expected losses over the lifetime.

In line with IFRS 9, the bank separates its loans into three stages;

STAGE 1:

This is the starting point for all financial assets covered by the general loss model. All assets that do not have significantly higher credit risk than on initial recognition are calculated a loss cost equal to 12 months' expected loss.

STAGE 2:

Stage 2 of the loss model are assets that have had a significant increase in credit risk since the initial recognition, but where no credit loss has occurred on the balance sheet date. A provision equal to expected losses over its lifetime is calculated for these assets. This group includes accounts with a significant degree of credit deterioration, but which on the balance sheet date belong to customers without any objective loss event. When it comes to delimitation towards stage 1, the bank defines a significant degree of credit deterioration by checking if an engagement's estimated probability of default (PD) has increased significantly or that payment reliefs have been granted. For further description of loss model please refer to Note 8.

STAGE 3:

Stage 3 contains assets which have had a significant increase in credit risk since granting and where there is an objective loss event on the balance sheet date. The bank creates an individual loss provision for these assets. On each balance sheet date, an assessment is made of whether objective evidence exists that the value of individually assessed loans has decreased. The fall in value must be the result of one or more events occurring after initial balancing (a loss event) and the result of the loss event (or events) must also be reliably measured. Examples of such incidents are significant financial problems with the debtor, payment default or other breach of contract. If there is objective evidence that a reduction in value has occurred, the size of the loss is calculated. For loans recognised at amortised cost, the loss is calculated as the difference between the value recognised in the balance sheet and the present value of estimated future cash flows discounted at the loan's original effective interest rate. The period's changes in the assessed value of loans are recognised in the income statement under "impairments and losses on loans and guarantees".

Definition of default/impaired loans and advances in Stage 3

Engagements are considered defaulted if there is payment default or default due to manual default marking ("unlikeliness to pay"). Loans in default are included in Stage 3. Payment default is defined as a material credit obligation that is more than 90 days past due.

Default due to manual default marking due to an unlikeliness to pay is based to a greater extent on technical credit assessments. Events included in this category are provisions for losses on the customer, bankruptcy/debt arrangement, or other indications that there may be significant doubts as to whether the customer will fulfil their liabilities. Loans and other engagements that are not payment default, but where the customer's financial situation makes it likely that the bank will suffer losses, are classified as impaired loans and advances. The definition of default also includes a waiting period that dictates that customers be categorised as in default for a period after the default has been settled. The waiting period is 3 months or 12 months depending on the underlying cause of the breach.

Confirmation of losses and deduction

Losses are regarded as confirmed in the event of debt settlement or bankruptcy, when distraint has not been successful, following legally enforceable judgment, or when the Group has waived all or part of the loan, or when the loan is considered lost by the Group. The bank waives the loan in the balance sheet when it is confirmed lost. Confirmed losses covered by previously made provisions are recognised against the provisions. Recognised losses without coverage in the provisions as well as over- or under-absorption in relation to previous provisions are recognised in the income statement.

11 Losses on loans and guarantees and defaulted / impaired loans

Group 2024	Group 2023	Losses on loans and guarantees	Parent bank 2024	Parent bank 2023
-2 344	6 686	Period's changes in provisions for losses, Stage 1	-2 323	6 500
-1 231	-18 541	Period's changes in provisions for losses, Stage 2	-1 420	-17 091
18 186	16 368	Period's changes in provisions for losses, Stage 3	18 186	16 368
11 250	8 957	Recognition of earlier Stage 3 impairments	11 250	8 957
923	7 126	Recognition without earlier Stage 3 impairments	923	7 126
-3 158	-9 962	Reversals of previously recognised losses [1]	-3 158	-9 962
23 626	**10 634**	**Losses on loans and guarantees**	**23 458**	**11 899**

1 As at 31.12.2024, the Group had a total outstanding amount of NOK 69 million that was recognised/deducted from the balance sheet and that has been forwarded to debt collection agencies. The corresponding outstanding amount was NOK 74 million as at 31.12.2023. Any receipts from the debt collection agencies are recognised as reduced loss costs on the line "Reversals of previously recognised losses".

Group: Stage 1 12-month ECL	Group: Stage 2 Lifetime ECL	Group: Stage 3 Lifetime ECL	Group: Total impair-ments	Changes in provisions for losses:	Parent bank: Stage 1 12-month ECL	Parent bank: Stage 2 Lifetime ECL	Parent bank: Stage 3 Lifetime ECL	Parent bank: Total impair-ments
25 426	**24 666**	**50 007**	**100 098**	**Provisions for losses as at 01.01.2024**	**23 721**	**21 683**	**50 007**	**95 410**
				Transfers/movements:				
-1 963	9 991		8 028	Transfers from Stage 1 to Stage 2	-1 899	9 115		7 216
-754		3 942	3 189	Transfers from Stage 1 to Stage 3	-754		3 942	3 189
612	-6 416		-5 804	Transfers from Stage 2 to Stage 1	562	-5 790		-5 227
	-1 300	3 638	2 339	Transfers from Stage 2 to Stage 3		-1 300	3 638	2 339
	-127	289	162	Transfers from Stage 3 to Stage 2		-127	289	162
36		-1 331	-1 296	Transfers from Stage 3 to Stage 1	36		-1 331	-1 296
10 764	6 877		17 641	Additions of loans and advances during the period	10 247	5 941		16 187
-6 833	-8 920		-15 753	Disposals of loans and advances during the period	-6 429	-7 824		-14 253
-4 177	-1 080	9 237	3 980	Changed provisions for losses during the period for loans and advances not migrated	-4 057	-1 180	9 237	4 000
1 714	4 003	11 157	16 875	Purchased loans, due to the merger as at 01.08.2024	1 714	4 003	11 157	16 875
		-11 250	-11 250	Recognised losses			-11 250	-11 250
				Other adjustments	165			165
24 825	**27 693**	**65 690**	**118 207**	**Provisions for losses as at 31.12.2024**	**23 306**	**24 521**	**65 690**	**113 516**
				Recognised as a reduction of loans to/receivables from credit institutions				
			112 995	Recognised as a reduction of loans to customers				108 384
			5 212	Recognised as provisions for liability items (guarantees and unused lines of credit)				5 132
			118 207	**Provisions for losses as at 31.12.2024**				**113 516**

11 Losses on loans and guarantees and defaulted / impaired loans

Distribution of provisions for losses from customers – per segment

Group (CM)					Parent bank (CM)			
Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total impair-ments	Changes in provisions for losses CM:	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total impair-ments
18 689	**12 820**	**26 449**	**57 957**	**Provisions for losses CM as at 01.01.2024**	**18 689**	**12 820**	**26 449**	**57 957**
				Transfers/movements:				
-1 454	7 046		5 592	Transfers from Stage 1 to Stage 2	-1 454	7 046		5 592
-42		-123	-165	Transfers from Stage 1 to Stage 3	-42		-123	-165
255	-4 343		-4 089	Transfers from Stage 2 to Stage 1	255	-4 343		-4 089
	-322	55	-266	Transfers from Stage 2 to Stage 3		-322	55	-266
				Transfers from Stage 3 to Stage 2				
7		-86	-78	Transfers from Stage 3 to Stage 1	7		-86	-78
7 793	3 731		11 524	Additions of loans and advances during the period	7 793	3 731		11 524
-5 091	-3 457		-8 547	Disposals of loans and advances during the period	-5 091	-3 457		-8 547
-3 488	-1 739	9 902	4 675	Changed provisions for losses during the period for loans and advances not migrated	-3 488	-1 739	9 902	4 675
1 419	3 260	4 598	9 277	Purchased loans, due to the merger as at 01.08.2024	1 419	3 260	4 598	9 277
		-8 618	-8 618	Recognised losses			-8 618	-8 618
18 088	**16 997**	**32 178**	**67 262**	**Provisions for losses CM as at 31.12.2024**	**18 088**	**16 997**	**32 178**	**67 262**

Group (RM)					Parent bank (RM)			
Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total impair-ments	Changes in provisions for losses RM:	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total impair-ments
6 737	**11 846**	**23 558**	**42 141**	**Provisions for losses as at 01.01.2024**	**5 032**	**8 863**	**23 558**	**37 453**
				Transfers/movements:				
-509	2 944		2 435	Transfers from Stage 1 to Stage 2	-445	2 068		1 623
-712		4 066	3 354	Transfers from Stage 1 to Stage 3	-712		4 066	3 354
357	-2 073		-1 716	Transfers from Stage 2 to Stage 1	308	-1 446		-1 138
	-978	3 583	2 605	Transfers from Stage 2 to Stage 3		-978	3 583	2 605
	-127	289	162	Transfers from Stage 3 to Stage 2		-127	289	162
28		-1 246	-1 217	Transfers from Stage 3 to Stage 1	28		-1 246	-1 217
2 971	3 146		6 116	Additions of loans and advances during the period	2 454	2 209		4 663
-1 742	-5 464		-7 205	Disposals of loans and advances during the period	-1 339	-4 367		-5 706
-689	659	-666	-695	Changed provisions for losses during the period for loans and advances not migrated	-569	559	-666	-675
295	743	6 559	7 598	Purchased loans, due to the merger as at 01.08.2024	295	743	6 559	7 598
		-2 632	-2 632	Recognised losses			-2 632	-2 632
				Other adjustments	165			165
6 737	**10 696**	**33 512**	**50 945**	**Provisions for losses as at 31.12.2024**	**5 218**	**7 524**	**33 512**	**46 254**

11 Losses on loans and guarantees and defaulted / impaired loans

Group					Parent bank			
Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total impair-ments	Changes in provisions for losses:	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total impair-ments
18 740	**43 207**	**33 639**	**95 585**	**Provisions for losses as at 01.01.2023**	**17 376**	**38 774**	**33 639**	**89 788**
				Transfers/movements:				
-841	9 010		8 169	Transfers from Stage 1 to Stage 2	-788	8 202		7 414
-515		6 936	6 420	Transfers from Stage 1 to Stage 3	-515		6 936	6 420
1 474	-9 237		-7 764	Transfers from Stage 2 to Stage 1	1 430	-8 246		-6 815
	-5 596	14 992	9 396	Transfers from Stage 2 to Stage 3		-5 596	14 992	9 396
	185	-1 000	-815	Transfers from Stage 3 to Stage 2		185	-1 000	-815
59		-170	-111	Transfers from Stage 3 to Stage 1	59		-170	-111
14 448	5 013		19 461	Additions of loans and advances during the period	13 748	4 063		17 811
-7 662	-14 248		-21 910	Disposals of loans and advances during the period	-7 330	-12 639		-19 969
-277	-3 668	4 568	623	Changed provisions for losses during the period for loans and advances not migrated	-104	-3 061	4 568	1 403
		-8 957	-8 957	Recognised losses			-8 957	-8 957
				Reversals of previous impairments				
				Other adjustments	-155			-155
25 426	**24 666**	**50 007**	**100 098**	**Provisions for losses as at 31.12.2023**	**23 721**	**21 683**	**50 007**	**95 410**
				Recognised as a reduction of loans to/receivables from credit institutions				
			96 424	Recognised as a reduction of loans to customers				91 804
			3 674	Recognised as provisions for liability items (guarantees and unused lines of credit)				3 607
			100 098	**Provisions for losses as at 31.12.2023**				**95 410**

11 Losses on loans and guarantees and defaulted / impaired loans

Distribution of provisions for losses from customers – per segment

Group (CM)					Parent bank (CM)			
Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total impair-ments	Changes in provisions for losses CM:	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total impair-ments
13 510	**27 593**	**23 545**	**64 649**	**Provisions for losses CM as at 01.01.2023**	**13 510**	**27 593**	**23 545**	**64 649**
				Transfers/movements:				
-635	6 589		5 955	Transfers from Stage 1 to Stage 2	-635	6 589		5 955
-332		121	-211	Transfers from Stage 1 to Stage 3	-332		121	-211
1 261	-6 544		-5 284	Transfers from Stage 2 to Stage 1	1 261	-6 544		-5 284
	-5 125	10 680	5 555	Transfers from Stage 2 to Stage 3		-5 125	10 680	5 555
10 519	882		11 401	Additions of loans and advances during the period	10 519	882		11 401
-5 695	-8 458		-14 152	Disposals of loans and advances during the period	-5 695	-8 458		-14 152
61	-2 118	400	-1 657	Changed provisions for losses during the period for loans and advances not migrated	61	-2 118	400	-1 657
		-8 299	-8 299	Recognised losses			-8 299	-8 299
18 689	**12 820**	**26 449**	**57 957**	**Provisions for losses CM as at 31.12.2023**	**18 689**	**12 820**	**26 449**	**57 957**

Group (RM)					Parent bank (RM)			
Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total impair-ments	Changes in provisions for losses RM:	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total impair-ments
5 072	**15 308**	**10 093**	**30 474**	**Provisions for losses as at 01.01.2023**	**3 708**	**10 875**	**10 093**	**24 677**
				Transfers/movements:				
-206	2 421		2 215	Transfers from Stage 1 to Stage 2	-153	1 613		1 460
-183		6 814	6 631	Transfers from Stage 1 to Stage 3	-183		6 814	6 631
213	-2 693		-2 480	Transfers from Stage 2 to Stage 1	170	-1 701		-1 532
	-471	4 312	3 841	Transfers from Stage 2 to Stage 3		-471	4 312	3 841
	185	-1 000	-815	Transfers from Stage 3 to Stage 2		185	-1 000	-815
59		-170	-111	Transfers from Stage 3 to Stage 1	59		-170	-111
3 930	4 130		8 060	Additions of loans and advances during the period	3 229	3 181		6 409
-1 968	-5 790		-7 758	Disposals of loans and advances during the period	-1 636	-4 181		-5 817
-181	-1 244	4 167	2 742	Changed provisions for losses during the period for loans and advances not migrated	-8	-637	4 167	3 522
		-658	-658	Recognised losses			-658	-658
				Other adjustments	-155			-155
6 737	**11 846**	**23 558**	**42 141**	**Provisions for losses as at 31.12.2023**	**5 032**	**8 863**	**23 558**	**37 453**

11 Losses on loans and guarantees and defaulted/impaired loans

Changes in gross capitalised loans and advances

Group					Parent bank			
Stage 1	Stage 2	Stage 3	Total loans and advances	Gross capitalised loans and advances with impairment for expected credit loss	Stage 1	Stage 2	Stage 3	Total loans and advances
25 153 407	**2 685 434**	**423 785**	**28 262 626**	**Gross capitalised loans and advances as at 01.01.2024**	**11 947 208**	**1 884 888**	**423 785**	**14 255 881**
				Transfers:				
-771 908	771 908			Transfers from Stage 1 to Stage 2	-571 256	571 256		
-153 374		153 374		Transfers from Stage 1 to Stage 3	-153 374		153 374	
898 054	-898 054			Transfers from Stage 2 to Stage 1	635 962	-635 962		
	-75 926	75 926		Transfers from Stage 2 to Stage 3		-75 926	75 926	
	4 814	-4 814		Transfers from Stage 3 to Stage 2		4 814	-4 814	
13 327		-13 327		Transfers from Stage 3 to Stage 1	13 327		-13 327	
2 651 260	-122 099		2 529 160	Additions of loans and advances during the period	1 119 280	-175 341		943 939
-832 550	-111 769	-111 025	-1 055 344	Changes during the period for loans and advances not migrated (incl. disposals)	-393 481	-93 878	-111 025	-598 383
2 584 994	230 146	59 488	2 874 628	Purchased loans, due to the merger as at 01.08.2024	2 584 994	230 146	59 488	2 874 628
29 543 211	**2 484 453**	**583 407**	**32 611 071**	**Gross capitalised loans and advances as at 31.12.2024**[1]	**15 182 661**	**1 709 997**	**583 407**	**17 476 065**

1 The table above is based on gross loans and advances at the time of reporting, including loans to customers and receivables from credit institutions. The table does not include guarantees/unused lines of credit.

Distribution of gross capitalised loans to customers measured at amortised cost – per segment

Group (CM)					Parent bank (CM)			
Stage 1	Stage 2	Stage 3	Total loans and advances	Gross capitalised loans and advances with impairment for expected credit loss CM, Group:	Stage 1	Stage 2	Stage 3	Total loans and advances
6 084 899	**881 965**	**154 604**	**7 121 468**	**Gross capitalised loans and advances as at 01.01.2024**	**6 084 899**	**881 965**	**154 604**	**7 121 468**
				Transfers:				
-311 655	311 655			Transfers from Stage 1 to Stage 2	-311 655	311 655		
-96 409		96 409		Transfers from Stage 1 to Stage 3	-96 409		96 409	
390 289	-390 289			Transfers from Stage 2 to Stage 1	390 289	-390 289		
	-6 915	6 915		Transfers from Stage 2 to Stage 3		-6 915	6 915	
				Transfers from Stage 3 to Stage 2				
1 079		-1 079		Transfers from Stage 3 to Stage 1	1 079		-1 079	
656 795	-117 174		539 621	Additions of loans and advances during the period	656 795	-117 174		539 621
-268 723	-34 943	-15 517	-319 182	Changes during the period for loans and advances not migrated (incl. disposals)	-268 723	-34 943	-15 517	-319 182
250 081	45 699	11 004	306 784	Purchased loans, due to the merger as at 01.08.2024	250 081	45 699	11 004	306 784
6 706 356	**689 999**	**252 337**	**7 648 691**	**Gross capitalised loans and advances as at 31.12.2024**	**6 706 356**	**689 999**	**252 337**	**7 648 691**

11 Losses on loans and guarantees and defaulted / impaired loans

Distribution of gross capitalised loans to customers measured at amortised cost – per segment

Group (RM)					Parent bank (RM)			
Stage 1	Stage 2	Stage 3	Total loans and advances	Gross capitalised loans and advances with impairment for expected credit loss RM, Group:	Stage 1	Stage 2	Stage 3	Total loans and advances
19 107 087	**1 727 353**	**274 132**	**21 108 571**	**Gross capitalised loans and advances RM as at 01.01.2024**	**5 900 887**	**926 806**	**274 132**	**7 101 825**
				Transfers:				
-460 253	460 253			Transfers from Stage 1 to Stage 2	-259 601	259 601		
-56 965		56 965		Transfers from Stage 1 to Stage 3	-56 965		56 965	
507 766	-507 766			Transfers from Stage 2 to Stage 1	245 674	-245 674		
	-69 011	69 011		Transfers from Stage 2 to Stage 3		-69 011	69 011	
	4 814	-4 814		Transfers from Stage 3 to Stage 2		4 814	-4 814	
12 249		-12 249		Transfers from Stage 3 to Stage 1	12 249		-12 249	
2 283 808	-4 926		2 278 882	Additions of loans and advances during the period	751 829	-58 168		693 661
-611 361	-30 299	-100 459	-742 119	Changes during the period for loans and advances not migrated (incl. disposals)	-172 291	-12 408	-100 459	-285 157
1 978 696	184 447	48 484	2 211 627	Purchased loans, due to the merger as at 01.08.2024	1 978 696	184 447	48 484	2 211 627
22 761 027	**1 764 864**	**331 071**	**24 856 962**	**Gross capitalised loans and advances RM as at 31.12.2024**	**8 400 477**	**990 408**	**331 071**	**9 721 956**

Changes in gross capitalised loans and advances

Group					Parent bank			
Stage 1	Stage 2	Stage 3	Total loans and advances	Gross capitalised loans and advances with impairment for expected credit loss, Group:	Stage 1	Stage 2	Stage 3	Total loans and advances
22 048 079	**3 574 311**	**257 888**	**25 880 278**	**Gross capitalised loans and advances as at 01.01.2023**	**11 276 975**	**2 428 655**	**257 888**	**13 963 517**
				Transfers:				
-847 594	847 594			Transfers from Stage 1 to Stage 2	-615 534	615 534		
-74 470		74 470		Transfers from Stage 1 to Stage 3	-74 470		74 470	
994 434	-994 434			Transfers from Stage 2 to Stage 1	620 641	-620 641		
	-106 958	106 958		Transfers from Stage 2 to Stage 3		-106 958	106 958	
	7 472	-7 472		Transfers from Stage 3 to Stage 2		7 472	-7 472	
2 769		-2 769		Transfers from Stage 3 to Stage 1	2 769		-2 769	
4 149 570	-542 456		3 607 114	Additions of loans and advances during the period	851 160	-457 050		394 110
-1 119 381	-100 095	-5 290	-1 224 766	Changes during the period for loans and advances not migrated (incl. disposals)	-114 333	17 876	-5 290	-101 746
25 153 407	**2 685 434**	**423 785**	**28 262 626**	**Gross capitalised loans and advances as at 31.12.2023** [1]	**11 947 208**	**1 884 888**	**423 785**	**14 255 881**

1 The table above is based on gross loans and advances at the time of reporting, including loans to customers and receivables from credit institutions. The table does not include guarantees/unused lines of credit.

11 Losses on loans and guarantees and defaulted / impaired loans

Distribution of gross capitalised loans to customers measured at amortised cost – per segment

Group (CM)					Parent bank (CM)			
Stage 1	**Stage 2**	**Stage 3**	**Total loans and advances**	Gross capitalised loans and advances with impairment for expected credit loss CM, Group:	**Stage 1**	**Stage 2**	**Stage 3**	**Total loans and advances**
5 122 227	**1 246 930**	**87 377**	**6 456 535**	**Gross capitalised loans and advances CM as at 01.01.2023**	**5 122 227**	**1 246 930**	**87 377**	**6 456 535**
				Transfers:				
-376 430	376 430			Transfers from Stage 1 to Stage 2	-376 430	376 430		
-4 052		4 052		Transfers from Stage 1 to Stage 3	-4 052		4 052	
429 728	-429 728			Transfers from Stage 2 to Stage 1	429 728	-429 728		
	-59 740	59 740		Transfers from Stage 2 to Stage 3		-59 740	59 740	
887 494	-294 558		592 936	Additions of loans and advances during the period	887 494	-294 558		592 936
25 931	42 631	3 435	71 997	Changes during the period for loans and advances not migrated (incl. disposals)	25 931	42 631	3 435	71 997
6 084 899	**881 965**	**154 604**	**7 121 468**	**Gross capitalised loans and advances CM as at 31.12.2023**	**6 084 899**	**881 965**	**154 604**	**7 121 468**

Group (RM)					Parent bank (RM)			
Stage 1	**Stage 2**	**Stage 3**	**Total loans and advances**	Gross capitalised loans and advances with impairment for expected credit loss RM, Group:	**Stage 1**	**Stage 2**	**Stage 3**	**Total loans and advances**
16 838 689	**2 300 143**	**170 511**	**19 309 342**	**Gross capitalised loans and advances RM as at 01.01.2023**	**6 067 584**	**1 154 486**	**170 511**	**7 392 581**
				Transfers:				
-471 164	471 164			Transfers from Stage 1 to Stage 2	-239 104	239 104		
-70 418		70 418		Transfers from Stage 1 to Stage 3	-70 418		70 418	
564 706	-564 706			Transfers from Stage 2 to Stage 1	190 913	-190 913		
	-47 218	47 218		Transfers from Stage 2 to Stage 3		-47 218	47 218	
	7 472	-7 472		Transfers from Stage 3 to Stage 2		7 472	-7 472	
2 769		-2 769		Transfers from Stage 3 to Stage 1	2 769		-2 769	
3 175 071	-266 154		2 908 917	Additions of loans and advances during the period	-123 339	-180 749		-304 087
-932 566	-173 349	-3 774	-1 109 688	Changes during the period for loans and advances not migrated (incl. disposals)	72 482	-55 377	-3 774	13 332
19 107 087	**1 727 353**	**274 132**	**21 108 571**	**Gross capitalised loans and advances RM as at 31.12.2023**	**5 900 887**	**926 806**	**274 132**	**7 101 825**

11 Losses on loans and guarantees and defaulted / impaired loans

Comments on stage migration

All loans and advances start in Stage 1. Thereafter, individual loans can migrate to Stages 2 and 3. Stage 3 is reserved for defaulted and impaired loans, which essentially means loans with individual impairment. Stage 2 is for loans that have seen a significant increase in risk since approval.

The bank previously used five indicators for this, although this has been changed to three following a change in the core banking provider. An overview of reasons and which of them influenced changes between Stage 1 and Stage 2 is provided in the table below:

	2024		2023	
Reasons	Share (in isolation)	Share (total)	Share (in isolation)	Share (total)
Arrears more than 30 days past due	0 %	14 %	1 %	13 %
Significant increase in PD	86 %	90 %	83 %	89 %
Forbearance flagging	10 %	21 %	11 %	22 %
More arrears in the past 12 months				
Lack of data for the customer				
Combination of reasons	4 %		5 %	
Total	**100 %**		**100 %**	

“Share (in isolation)” shows the percentage of the value of the loans that were transferred from Stage 1 to Stage 2 due solely to the corresponding factor in isolation, while “Share (total)” shows the percentage of the migration due to the corresponding factor either alone or in combination with one or more of the other factors.

Similarly, this table shows a breakdown of the reasons behind stage migrations from Stage 2 to Stage 1 in 2024 (recovery during the period);

	2024		2023	
Reasons	Share (in isolation)	Share (total)	Share (in isolation)	Share (total)
No 30 days arrears in last 6 months anymore	0 %	1 %	0 %	0 %
No more than 1 arears in past 12 months			1 %	14 %
Significant reduction in PD	95 %	96 %	84 %	87 %
No forbearance flagging any longer	4 %	5 %	4 %	4 %
Received data for customer			8 %	8 %
Combination of multiple reasons	1 %		3 %	
Total	**100 %**		**100 %**	

In 2024, a total of 400 loans migrated in a positive direction from Stage 2 to Stage 1. Conversely, 351 loans migrated from Stage 1 to Stage 2. This is a positive development from 2023, when the corresponding figures were 526 and 350, respectively.

11 Losses on loans and guarantees and defaulted / impaired loans

Sensitivity analyses

The impairment model for calculating ECL for loans is based on a number of critical assumptions, including probability of default, loss given default, and general macroeconomic developments. The model and the loss estimates are thus vulnerable to changes in the assumptions that have been set.

In the fourth quarter, the bank made a minor adjustment to how macro factors are calculated, where the weighting for the past 3 historical years in the model has been changed. This change is intended to slightly increase provisions for losses and reduce fluctuations from year to year.

In addition to the changes to the calculation methodology, the forecasts for the variables on which the model is based were also updated and adopted in the fourth quarter (see note 8). These variables are mainly obtained from Statistics Norway. Growth forecasts for housing prices affect the model's expectations concerning future loss given default as lower losses are expected with higher housing prices. The housing market is currently strong, and housing prices have been adjusted upwards in the new forecasts, both locally and for Norway. This, therefore, contributes to greater optimism and thus lower provisions for losses. Increased oil investments also make a positive contribution. On the other hand, unemployment figures for Norway and money market interest rates have been adjusted upwards, which pulls the provisions for losses up.

To better understand how the portfolio can be expected to develop in the event of changes in various macroeconomic scenarios, the bank has chosen to conduct sensitivity analyses for provisions in Stages 1 and 2, which are the model-based provisions. The bank has looked at the following factors and scenarios:

- The future will remain as today (expectations unchanged)
- The future will be like the negative macroeconomic scenario
- The future will be like the positive macroeconomic scenario
- Probability of default (PD) +10%
- Probability of default (PD) -10%
- House prices -20%
- House prices -30%

In the two adjustments of PD, it is assumed that the PD for all customers except those in default will increase or decrease by 10%, respectively.

The expectations for the future that are used reflect an expected increase in defaults and losses. In the "future will remain as today" scenario, the expectation = 1. While this is in theory a neutral scenario, it is at the same time a relatively positive scenario in that for most banks the situation today is that they are experiencing historically low losses and default figures, which is also reflected in the low number of bankruptcies among enterprises and relatively low debt collection figures for private individuals. It is thus more optimistic than the bank's base case. Meanwhile, in the negative scenario, the negative scenario is fully weighted in the calculation of the future. The effects are constantly measured against the primary expectations.

The last two scenarios are based on changing house prices. Here, expected losses with a 20% and 30% fall in prices, respectively, are tested.

11 Losses on loans and guarantees and defaulted / impaired loans

The results of the sensitivity analyses for losses in Stages 1 and 2 were as follows, broken down by the Group and the segments Retail Market (RM) and Corporate Market (CM):

	Changes in key assumptions						
Group 31.12.2024	Unchanged future outlook	Negative macro scenario	Positive macro scenario	PD +10%	PD -10%	House prices -20%	House prices down 30%
Percentage change in loss estimate, CM	-8.3 %	41.4 %	-44.4 %	7.2 %	-10.9 %	0.0 %	0.0 %
Percentage change in loss estimate, RM	-3.2 %	46.7 %	-48.1 %	7.6 %	-8.3 %	73.9 %	190.0 %
Percentage change in loss estimate, Group	-6.6 %	43.2 %	-45.6 %	7.4 %	-10.0 %	24.6 %	63.3 %
Group 31.12.2023							
Percentage change in loss estimate, CM	-28.5 %	48.2 %	-56.7 %	8.3 %	-9.0 %	0.0 %	0.3 %
Percentage change in loss estimate, RM	-5.0 %	40.7 %	-46.4 %	8.7 %	-6.2 %	10.4 %	73.4 %
Percentage change in loss estimate, Group	-20.6 %	45.6 %	-53.3 %	8.5 %	-8.1 %	4.3 %	24.7 %

The results of the sensitivity analyses for losses in Stages 1 and 2 were as follows, broken down by the Parent bank and the segments Retail Market (RM) and Corporate Market (CM):

		Changes in key assumptions					
Parent bank 31.12.2024	Unchanged future outlook	Negative macro scenario	Positive macro scenario	PD +10%	PD -10%	House prices -20%	House prices -30%
Percentage change in loss estimate, CM	-8.3 %	41.4 %	-44.4 %	7.2 %	-10.9 %	0.0 %	0.0 %
Percentage change in loss estimate, RM	-2.9 %	49.6 %	-51.8 %	7.0 %	-7.9 %	81.6 %	202.7 %
Percentage change in loss estimate, Parent bank	-6.8 %	43.6 %	-46.4 %	7.2 %	-10.1 %	22.1 %	54.9 %
Parent bank 31.12.2023							
Percentage change in loss estimate, CM	-28.5 %	48.2 %	-56.7 %	8.3 %	-9.0 %	0.3 %	0.0 %
Percentage change in loss estimate, RM	-6.6 %	41.3 %	-48.1 %	8.9 %	-6.0 %	80.0 %	196.1 %
Percentage change in loss estimate, Parent bank	-22.4 %	46.2 %	-54.3 %	8.5 %	-8.2 %	22.4 %	60.2 %

11 Losses on loans and guarantees and defaulted / impaired loans

Defaulted and impaired loans and advances (Stage 3)

Total defaulted loans and advances more than 90 days past due and other impaired loans and advances in Stage 3:

Group	31.12.2024			31.12.2023		
	RM	CM	Total	RM	CM	Total
Problem loans and advances before individual loss impairments (gross):						
Defaulted loans and advances more than 90 days past due	184 380	85 235	269 616	184 668	74 182	258 850
Other problem loans and advances	148 389	170 094	318 484	86 008	84 853	170 861
Total loans and advances before individual loss impairments (gross)	**332 770**	**255 330**	**588 099**	**270 675**	**159 036**	**429 711**
Individual loss impairments on:						
Defaulted loans and advances more than 90 days past due	21 693	20 369	42 062	18 796	14 746	33 542
Other problem loans and advances	11 819	11 809	23 627	4 375	12 090	16 465
Total individual loss impairments (Stage 3)	**33 512**	**32 178**	**65 690**	**23 171**	**26 836**	**50 007**
Problem loans and advances after individual loss impairments (net):						
Defaulted loans and advances more than 90 days past due	162 687	64 866	227 553	165 871	59 437	225 308
Other problem loans and advances	136 571	158 286	294 857	81 633	72 763	154 396
Total loans and advances after individual loss impairments (net)	**299 258**	**223 152**	**522 410**	**247 504**	**132 200**	**379 704**
Provision rate defaulted loans and advances more than 90 days past due	12 %	24 %	16 %	10 %	20 %	13 %
Provision rate for other problem loans	8 %	7 %	7 %	5 %	14 %	10 %

12 Interest rate risk

Interest rate risk is the risk of incurring losses arising due to changes in interest rate levels. The risk primarily arises from fixed rate loans and fixed rate funding.

The bank introduced new tools for measuring interest rate risk in 2024, adapted to meet the new requirements. Interest rate risk is, therefore, measured based on six different scenarios:

- Parallel shift up
- Parallel shift down
- Steeper (short interest rates down, long interest rates up)
- Flatter (short interest rates up, long interest rates down)
- Short interest rates up
- Short interest rates down

The risk is measured as the scenario that at any given time results in the highest loss. In order to adapt to this new method and the larger portfolio due to the merger, the Board has adjusted the limit for interest rate risk upwards from NOK 21 million to NOK 30 million. At the end of the year, short interest rates were up, which at their highest resulted in NOK 23.6 million.

The effects of up and down parallel shifts in interest rates on net interest income were also measured.

Please also see note 15 concerning the bank's use of derivatives for the hedging its interest rate exposure.

12 Interest rate risk

Time to repricing date (gap) for assets and liabilities

Group 2024	Up to 1 month	1-3 months	3 months - 1 year	1-5 years	> 5 years	No interest exposure	31.12.2024
Cash and receivables from central banks	482 445						482 445
Loans to and receivables from credit institutions	107 803						107 803
Loans to customers	8 008	32 378 801	185 856	975 817	463 357		34 011 839
Certificates and bonds	643 501	2 560 113	207 207	277 623			3 688 444
Financial derivatives	489 950	1 181 360	-78 870	-1 118 083	-381 152		93 206
Other assets						1 318 464	1 318 464
Total assets	**1 731 708**	**36 120 273**	**314 193**	**135 357**	**82 206**	**1 318 464**	**39 702 201**
Liabilities to credit institutions	90 695						90 695
Deposits from customers	215 209	16 639 361	472 508	7 865			17 334 944
Securities issued	6 085 675	7 917 790	399 081	2 386 372	300 000		17 088 918
Financial derivatives	1 066 395	1 862 991	-348 848	-2 180 979	-271 052		128 507
Other liabilities						307 827	307 827
Subordinated loans		472 909					472 909
Equity		200 000				4 078 401	4 278 401
Total equity and liabilities	**7 457 974**	**27 093 051**	**522 742**	**213 259**	**28 948**	**4 386 228**	**39 702 201**
Net liquidity exposure, balance sheet items	-5 149 821	9 708 854	-478 526	-1 140 797	163 357	-3 067 764	35 302
Notional amount, derivatives	-576 445	-681 631	269 977	1 062 896	-110 099		-35 302
Net total all items	**-5 726 266**	**9 027 223**	**-208 549**	**-77 901**	**53 258**	**-3 067 764**	

Group 2023	Up to 1 month	1-3 months	3 months - 1 year	1-5 years	> 5 years	No interest exposure	31.12.2023
Cash and receivables from central banks	355 887						355 887
Loans to and receivables from credit institutions	106 667						106 667
Loans to customers		28 033 508	147 025	610 160	600 149		29 390 842
Certificates and bonds	566 028	2 447 909		467 420			3 481 357
Financial derivatives	-529 846	1 320 608	-209 670	229 725	-713 382		97 434
Other assets						982 859	982 859
Total assets	**498 736**	**31 802 025**	**-62 645**	**1 307 305**	**-113 233**	**982 859**	**34 415 046**
Liabilities to credit institutions	51 234						51 234
Deposits from customers	45 807	14 047 522	460 089	8 964			14 562 382
Securities issued	5 246 668	6 503 745	899 922	2 185 977	599 646		15 435 958
Financial derivatives	-272 514	3 257 590	-1 274 358	-830 750	-762 437		117 530
Other liabilities						301 132	301 132
Subordinated loans		322 007					322 007
Equity		100 000				3 524 803	3 624 803
Total equity and liabilities	**5 071 196**	**24 230 864**	**85 652**	**1 364 191**	**-162 791**	**3 825 935**	**34 415 046**
Net liquidity exposure, balance sheet items	-4 315 127	9 508 142	-1 212 985	-1 117 361	503	-2 843 076	20 096
Notional amount, derivatives	-257 332	-1 936 982	1 064 688	1 060 475	49 055		-20 096
Net total all items	**-4 572 459**	**7 571 160**	**-148 297**	**-56 886**	**49 558**	**-2 843 076**	

12 Interest rate risk

Parent bank 2024	Up to 1 month	1-3 months	3 months - 1 year	1-5 years	> 5 years	No interest exposure	31.12.2024
Cash and receivables from central banks	482 445						482 445
Loans to and receivables from credit institutions	106 828						106 828
Loans to customers	8 008	17 257 779	185 856	975 817	463 357		18 890 817
Certificates and bonds	473 648	2 333 168	207 207	277 623			3 291 647
Financial derivatives	900 665	1 489 295	-78 870	-1 521 835	-662 396		126 858
Other assets						3 028 089	3 028 089
Total assets	**1 971 594**	**21 080 242**	**314 193**	**-268 394**	**-199 039**	**3 028 089**	**25 926 685**
Liabilities to credit institutions	90 695						90 695
Deposits from customers	215 209	16 859 554	472 508	7 865			17 555 137
Securities issued	836 415	1 335 533	399 081	960 501			3 531 529
Financial derivatives	756 449	1 125 970	-348 848	-1 181 810	-271 052		80 709
Other liabilities						266 695	266 695
Subordinated loans		472 909					472 909
Equity		200 000				3 729 010	3 929 010
Total equity and liabilities	**1 898 768**	**19 993 966**	**522 742**	**-213 444**	**-271 052**	**3 995 705**	**25 926 685**
Net liquidity exposure, balance sheet items	-71 389	722 951	-478 526	285 074	463 357	-967 616	-46 149
Notional amount, derivatives	144 215	363 324	269 977	-340 024	-391 344		46 149
Net total all items	**72 826**	**1 086 276**	**-208 549**	**-54 950**	**72 014**	**-967 616**	

Parent bank 2023	Up to 1 month	1-3 months	3 months - 1 year	1-5 years	> 5 years	No interest exposure	31.12.2023
Cash and receivables from central banks	355 887						355 887
Loans to and receivables from credit institutions	106 113						106 113
Loans to customers		14 031 680	147 025	610 160	600 149		15 389 014
Certificates and bonds	375 251	2 026 643		467 420			2 869 314
Financial derivatives	-96 208	1 219 830	-109 074	-183 958	-713 382		117 208
Other assets						3 712 346	3 712 346
Total assets	**741 043**	**17 278 153**	**37 951**	**893 622**	**-113 233**	**3 712 346**	**22 549 883**
Liabilities to credit institutions	51 234						51 234
Deposits from customers	45 807	14 260 235	460 089	8 964			14 775 095
Securities issued	993 413	1 329 450	399 965	1 058 702			3 781 530
Financial derivatives	-563 244	1 600 610	-670 782	-110 596	-182 498		73 489
Other liabilities						270 370	270 370
Subordinated loans		322 007					322 007
Equity		100 000				3 176 157	3 276 157
Total equity and liabilities	**527 210**	**17 612 301**	**189 272**	**957 070**	**-182 498**	**3 446 527**	**22 549 883**
Net liquidity exposure, balance sheet items	-253 203	46 631	-713 028	9 914	600 149	265 819	-43 719
Notional amount, derivatives	467 036	-380 779	561 708	-73 361	-530 885		43 719
Net total all items	**213 833**	**-334 148**	**-151 320**	**-63 448**	**69 264**	**265 819**	

13 Currency risk

Currency risk is the risk of losses arising from changes in exchange rates, and the bank's net assets measured in Norwegian kroner are decreasing as a result of the fluctuations. The Board has established limits that define the risk tolerance for currency exposure. The maximum permitted currency exposure is NOK 2 million per currency and the maximum aggregate gross currency exposure is NOK 6 million.

The limits only apply to customer related transaction services. The bank has no limits for its own currency trading. Guidelines have also been drawn up specifying the currencies to which the bank can be exposed. Sensitivity analyses have not been conducted for currency risk in relation to changes in foreign exchange rates since the impact of these would be minor given the bank's low net currency exposure.

The Group uses forward exchange contracts and currency swap contracts to hedge loans/borrowing denominated in a foreign currency. Since foreign exchange rate fluctuations increase the credit risk for customers with loans denominated in foreign currencies, deposits in escrow accounts are used as additional collateral. And if foreign exchange rate developments result in the customer's loan, measured in NOK, exceeding a predefined deviation from the principal, the customer is asked to establish additional collateral. Alternatively, the entire loan is converted to NOK when the agreed limit is breached.

Assets, liabilities and currency hedging denominated in a foreign currency are measured at the current exchange rate as at 31.12.

Group / Parent bank 31.12.2024

Currency positions	Foreign currency	USD	EUR	JPY	CHF	GBP	SEK	DKK	CAD	Other
Cash and receivables from central banks										
Loans to credit institutions	48 948	18 421	20 368	29	423	7 887	334	152	134	1 200
Loans to customers	110 063		2 960	6 339	100 763					
Certificates, bonds	354 383		152 145				68 504	133 733		
Other assets	1	1								
Total assets	**513 394**	**18 422**	**175 473**	**6 369**	**101 186**	**7 887**	**68 838**	**133 885**	**134**	**1 200**
Liabilities to credit institutions	505							505		
Deposits from customers	48 806	18 562	21 950		9	8 214	6	15	47	2
Securities issued										
Other liabilities										
Subordinated loans										
Equity										
Total equity and liabilities	**49 311**	**18 562**	**21 950**		**9**	**8 214**	**6**	**520**	**47**	**2**
Net currency exposure on balance sheet items	464 083	-140	153 523	6 369	101 178	-327	68 832	133 365	87	1 198
Currency hedging	-457 956		-150 272	-6 343	-100 613		-67 005	-133 751		29
Net currency exposure	**6 128**	**-140**	**3 250**	**26**	**564**	**-327**	**1 827**	**-386**	**87**	**1 227**

13 Currency risk

Group / Parent bank 31.12.2023

Currency positions	Foreign currency	USD	EUR	JPY	CHF	GBP	SEK	DKK	CAD	Other
Cash and receivables from central banks										
Loans to credit institutions	55 319	27 728	16 531	44	339	8 702	259	62	309	1 346
Loans to customers	119 211		4 226	6 922	108 063					
Certificates, bonds	370 776		179 812				66 511	124 454		
Other assets	1	1								
Total assets	**545 307**	**27 729**	**200 569**	**6 966**	**108 402**	**8 702**	**66 770**	**124 516**	**309**	**1 346**
Liabilities to credit institutions	349	1	10				328			10
Deposits from customers	50 916	23 054	19 160		9	8 659	3	29		2
Securities issued										
Other liabilities										
Subordinated loans										
Equity										
Total equity and liabilities	**51 265**	**23 055**	**19 170**		**9**	**8 659**	**331**	**29**		**12**
Net currency exposure on balance sheet items	494 042	4 674	181 399	6 966	108 393	43	66 439	124 487	309	1 334
Currency hedging	-494 643		-186 843	-6 275	-108 157		-65 601	-127 677		-90
Net currency exposure	**-601**	**4 674**	**-5 444**	**691**	**236**	**43**	**838**	**-3 190**	**309**	**1 244**

14 Price risk

Price risk on securities is the risk of losses arising from changes in the value of bonds, certificates and equity securities in which the Group has invested. The bank has established limits for investments. The investment limit for securities besides liquidity placements is a maximum of NOK 250 million.

Total exposure per issuer is calculated based on the Financial Supervisory Authority of Norway's market risk model and consists of spread change per risk class multiplied by term to maturity.

The limits for investments are set in the Groups' financial strategy, which must be reviewed and approved by the bank's Board of Directors every year.

15 Financial derivatives and hedge accounting

The Group makes extensive use of financial instruments to balance the bank's currency, interest rate and equity risk. Currency and interest rate related instruments are used to minimise currency and interest rate risk from the bank's loans to customers and funding from the capital markets.

The Group uses hedge accounting for fair value hedging of some fixed rate funding (certificate loans and bonds). Only interest rate hedging is used using interest rate swaps. All interest rate swaps are NOK denominated since the Group is not exposed to foreign currency debt. Each individual hedging transaction is documented with a reference to the Group's risk management strategy, clear identification of the hedging object and hedging instrument, a clear description of the hedged risk, a description of why the hedging is expected to be effective, and a description of when and how the Group will document that the hedging has been effective during the accounting period and is expected to be effective in the next accounting period. The Group has defined the hedged risk as changes in value related to the NIBOR component of the funding. The hedging effectiveness is evaluated and documented both upon initial classification and upon each closing of accounts. In the case of fair value hedging, the hedging instrument is recognised at fair value and the value of the hedging object is adjusted for the change in value related to the hedged risk. Changes in these values from the opening balance are recognised in the income statement as hedging ineffectiveness. This method ensures that the presentation of these instruments in the financial statements complies with the Group's policies for managing interest rates and actual economic developments. Ineffectiveness in the bank's hedging can arise due to actual changes in fair value of the floating leg of the hedging instrument. Please see note 19 for the recognised amounts in the income statement. Please also see the further information about the bank's hedge accounting below.

The Board of Directors has approved limits for the bank's exposure to any counterparty in order to reduce the settlement risk related to the use of financial instruments. The bank will use solid and established counterparties with a minimum rating of "A" from a recognised ratings agency. A credit support annex (CSA) will be established with all counterparties in order to ensure the lowest possible net exposure in case of the bankruptcy of a counterparty.

The right of set-off of the parent bank and the Group conforms to ordinary Norwegian law. Due to ISDA agreements entered between the parent bank and financial derivatives counterparties, a right of set-off is acquired if the counterparty defaults on its obligations. No setting off is made in the bank's balance sheet since they do not conform to the requirements of IAS 32.

Rogaland Sparebank Boligkreditt also uses ISDA agreements with counterparties in relation to financial derivatives. As with the parent bank, the agreements ensure a right of set-off if the counterparties default on their obligations, and CSA riders have been added to the ISDA agreements with the financial counterparties.

Group	31.12.2024	Fair value as at 31.12.2024		31.12.2023	Fair value as at 31.12.2023	
	Notional amount	Positive market value [1]	Negative market value [1]	Notional amount	Positive market value [1]	Negative market value [1]
Interest rate agreements [2]	5 245 098	91 381	127 914	5 932 529	95 829	117 057
Foreign exchange rate agreements	197 502	1 825	593	206 695	1 606	474
Equity-related instruments						
Other commodity-related instruments						
Total financial derivatives	**5 442 600**	**93 206**	**128 507**	**6 139 224**	**97 434**	**117 530**
[2] Of which used for hedging purposes	3 085 000		107 361	4 085 000	3 378	95 613

Parent bank	31.12.2024	Fair value as at 31.12.2024		31.12.2023	Fair value as at 31.12.2023	
	Notional amount	Positive market value [1]	Negative market value [1]	Notional amount	Positive market value [1]	Negative market value [1]
Interest rate agreements [2]	4 220 098	125 034	80 116	4 307 529	115 602	73 015
Foreign exchange rate agreements	197 502	1 825	593	206 695	1 606	474
Equity-related instruments						
Other commodity-related instruments						
Total financial derivatives	**4 417 600**	**126 858**	**80 709**	**4 514 224**	**117 208**	**73 489**
[2] Of which used for hedging purposes	1 360 000	33 653	59 563	1 660 000	23 151	51 572

1 Market values of financial derivatives are presented inclusive of accrued (not capitalised) interest as at 31.12.

15 Financial derivatives and hedge accounting

Further details about the bank's hedge accounting

The bank uses fair value hedging, where securities issuances are part of a hedging relationship with individually adapted hedging derivatives. As at 31.12.2024, all of the hedging instruments and hedging objects in the bank's hedging arrangements have the same principal as well as the same duration and coupon for the fixed leg (1:1 hedging). The fixed rate is swapped to a floating rate on a 3-month basis.

Group 31.12.2024

Information about hedging instruments

Type of hedging instrument	Nominal amount of hedging instrument	Capitalised amount of hedging instrument		Line item on balance sheet	Changes in fair value used to calculate ineffectiveness
		Assets	Liabilities		
Interest rate agreements	3 085 000		107 361	Financial derivatives	(2 615)
Total	**3 085 000**		**107 361**		**(2 615)**

Information about hedging objects

Type of hedging object	Nominal amount of hedging object	Capitalised amount of hedging object[1]	Accumulated change in value of hedging object due to fair value hedging	Line item on balance sheet	Changes in fair value used to calculate ineffectiveness
Fair value hedging (interest rate risk)					
Securities issued in NOK	3 085 000	3 060 702	(123 492)	Securities issued	2 316
Total	**3 085 000**	**3 060 702**	**(123 492)**		**2 316**

Information on ineffectiveness in hedging

Ineffectiveness is recognised through ordinary profit or loss (gain/loss on financial instruments)	**(299)**

1 Carrying amount of hedging object includes accrued (not capitalised) interest but is not part of the change in value of the hedging object.

Parent bank 31.12.2024

Information about hedging instruments

Type of hedging instrument	Nominal amount of hedging instrument	Capitalised amount of hedging instrument		Line item on balance sheet	Changes in fair value used to calculate ineffectiveness
		Assets	Liabilities		
Interest rate agreements	1 360 000	33 653	59 563	Finansielle derivater	11 415
Total	**1 360 000**	**33 653**	**59 563**		**11 415**

Information about hedging objects

Type of hedging object	Nominal amount of hedging object	Capitalised amount of hedging object[1]	Accumulated change in value of hedging object due to fair value hedging	Line item on balance sheet	Changes in fair value used to calculate ineffectiveness
Fair value hedging (interest rate risk)					
Securities issued in NOK	1 360 000	1 345 586	(30 745)	Securities issued	(10 994)
Total	**1 360 000**	**1 345 586**	**(30 745)**		**(10 994)**

Information on ineffectiveness in hedging

Ineffectiveness is recognised through ordinary profit or loss (gain/loss on financial instruments)	**421**

1 Carrying amount of hedging object includes accrued (not capitalised) interest but is not part of the change in value of the hedging object.

15 Financial derivatives and hedge accounting

Group 31.12.2023

Information about hedging instruments

Type of hedging instrument	Nominal amount of hedging instrument	Capitalised amount of hedging instrument: Assets	Capitalised amount of hedging instrument: Liabilities	Line item on balance sheet	Changes in fair value used to calculate ineffectiveness
Interest rate agreements	4 085 000	3 378	95 613	Financial derivatives	22 168
Total	**4 085 000**	**3 378**	**95 613**		**22 168**

Information about hedging objects

Type of hedging object	Nominal amount of hedging object	Capitalised amount of hedging object[1]	Accumulated change in value of hedging object due to fair value hedging	Line item on balance sheet	Changes in fair value used to calculate ineffectiveness
Fair value hedging (interest rate risk)					
Securities issued in NOK	3 705 000	3 662 208	(121 176)	Securities issued	(23 217)
Total	**3 705 000**	**3 662 208**	**(121 176)**		**(23 217)**

Information on ineffectiveness in hedging

Ineffectiveness is recognised through ordinary profit or loss (gain/loss on financial instruments)	**(1 049)**

1 Carrying amount of hedging object includes accrued (not capitalised) interest but is not part of the change in value of the hedging object.

Parent bank 31.12.2023

Information about hedging instruments

Type of hedging instrument	Nominal amount of hedging instrument	Capitalised amount of hedging instrument: Assets	Capitalised amount of hedging instrument: Liabilities	Line item on balance sheet	Changes in fair value used to calculate ineffectiveness
Interest rate agreements	1 660 000	23 151	51 572	Financial derivatives	15 290
Total	**1 660 000**	**23 151**	**51 572**		**15 290**

Information about hedging objects

Type of hedging object	Nominal amount of hedging object	Capitalised amount of hedging object[1]	Accumulated change in value of hedging object due to fair value hedging	Line item on balance sheet	Changes in fair value used to calculate ineffectiveness
Fair value hedging (interest rate risk)					
Securities issued in NOK	1 480 000	1 457 092	(41 739)	Verdipapirgjeld	(16 444)
Total	**1 480 000**	**1 457 092**	**(41 739)**		**(16 444)**

Information on ineffectiveness in hedging

Ineffectiveness is recognised through ordinary profit or loss (gain/loss on financial instruments)	**(1 154)**

1 Carrying amount of hedging object includes accrued (not capitalised) interest but is not part of the change in value of the hedging object.

16 Liquidity risk

Liquidity risk is the risk of incurring losses due to the bank's inability to meet all payment obligations due, or that this can only be done at additional costs, or that the bank is unable to finance planned lending growth.

The bank's Board of Directors has set limits against which liquidity risk is measured and managed. Frameworks have been established in the following areas:

- Liquidity Coverage Ratio
- Net Stable Funding Ratio
- Liquidity frameworks
- Stress test
- Foreign financing
- Concentration risk
- Deposits (objective of deposit-to-loan ratio)

Liquidity Coverage Ratio (LCR)

LCR addresses the importance of having a stock of high-quality liquid assets to survive a liquidity disposal for a stress period of 30 days. The Group's goal for LCR is set at a minimum of 110% for all currencies combined. That means, the bank must have immediate liquid assets that meet and exceed the aforementioned stressed liquidity disposal.

Net Stable Funding Ratio (NSFR)

NSFR addresses the importance of having stable long-term funding sources over 1 year. The Group aims to have an NSFR of more than 105% at all times.

Liquidity frameworks

The bank has defined liquidity frameworks for minimum liquidity holdings if foreign financing maturity and known payments are considered. Liquid assets shall at minimum constitute maturity of foreign financing and known payments within 3 months. Strategic liquidity shall at minimum constitute maturity of foreign financing and known payments within 6 months.

Stress test

Stress tests are carried out to show the Group's need for liquidity reserves based on future recession-related scenarios. The Group has established frameworks for how long the Group can operate without the supply of new capital, given defined stress situations and with a specified minimum of liquidity holdings.

Liquidity is stressed out of three types of crises, with different scenarios:

- Banking crisis (challenging and very challenging scenario)
- Market crisis (challenging and very challenging scenario)
- Combined crisis (Extreme scenario)

Foreign financing and concentration risk

Foreign financing via various funding instruments in the capital market is used as a supplement to deposit financing. The bank's management objective is to maintain a balanced maturity structure on its equity portfolio from the capital market. Date due on loans vary, and the bank refinances these well before maturity to reduce liquidity risk.

The concentration risk is also controlled through the spread of loans in various markets, funding sources, instruments and terms to maturity.

Deposits

In order to be less dependent on foreign financing, targets for deposit-to-loan ratio have been set at a minimum of 50% in the Rogaland Sparebank Group. At the same time, frameworks have been put in place for the extent of large deposits, for this purpose specified as deposits of more than NOK 50 million, to reduce the liquidity risk.

Other conditions

Settlement risk, which arises, among other things, in connection with money transfer services as a result of not all transactions taking place in the present and in connection with derivative trading, also entails counterparty risk. Rogaland Sparebank has agreements with its largest counterparties in derivative trading through the International Swap Dealer Association (ISDA). Such agreements reduce the settlement risk associated with derivative trading.

A separate liquidity strategy has been prepared, which the Board of Directors processes at least annually following updates proposed by the Head of Risk Management and Head of Treasury. The liquidity strategy puts in place frameworks that take into account future liquidity needs. Compliance with frameworks is monitored in risk reports and reported at least quarterly to the bank's Board of Directors and Risk Committee.

The bank has prepared its own contingency plan to ensure concrete action in the event of liquidity crises. The contingency plan must be approved by the bank's Board of Directors. The liquidity crisis entails that the bank gets into a situation where liquidity is not available to meet the bank's ongoing obligations or satisfactory liquidity to carry out payment transactions for its customers. The contingency plan shall ensure the flow of information to the bank's management group and Board of Directors, as well as provide clear responsibilities to the individual areas of the bank. The flow of information and assigned liability shall help the bank make decisions to try to replace lost cash flows on a correct and sufficient basis of information.

Liquidity management process

The responsibility for the Group's day-to-day liquidity management has been placed with the Treasury Department. The department follows up the Group's cash flow daily to ensure that daily payments can be made. This follow-up includes close dialogue with the bank's credit departments, as well as daily contact with the loan market.

As part of the liquidity management, the Treasury Department also manages the bank's strategic liquidity portfolio. Included in this portfolio are liquid securities that can be quickly introduced as liquidity in the event of unexpected adverse incidents that affect the bank's cash flow.

16 Liquidity risk

Remaining period to maturity, main items[1]

Group 31.12.2024	Up to 1 month	1-3 months	3 months - 1 year	1-5 years	> 5 years	No residual maturity	2024
Liabilities to credit institutions	90 695						90 695
Deposits from customers	12 604 027	4 270 036	453 016	7 865			17 334 944
Securities issued		57 462	1 986 017	13 945 287	1 100 152		17 088 918
Other liabilities						307 827	307 827
Subordinated loans				472 909			472 909
Financial derivatives, gross settlement	28 278	47 007	79 784	181 069	26 213		362 350
Contractual interest payments	66 147	101 491	138 083	198 647	7 140		511 507
Total disbursements	**12 789 146**	**4 475 995**	**2 656 900**	**14 805 777**	**1 133 505**	**307 827**	**36 169 150**

Group 31.12.2023	Up to 1 month	1-3 months	3 months - 1 year	1-5 years	> 5 years	No residual maturity	2023
Liabilities to credit institutions	51 234						51 234
Deposits from customers	10 722 029	3 449 645	380 469	10 240			14 562 382
Securities issued		186 105	3 301 657	11 348 550	599 646		15 435 958
Other liabilities						301 132	301 132
Subordinated loans				322 007			322 007
Financial derivatives, gross settlement	22 283	57 622	76 707	178 510	42 413		377 535
Contractual interest payments	69 134	99 414	140 512	225 186	21 480		555 726
Total disbursements	**10 864 680**	**3 792 785**	**3 899 346**	**12 084 493**	**663 539**	**301 132**	**31 605 975**

Parent bank 31.12.2024	Up to 1 month	1-3 months	3 months - 1 year	1-5 years	> 5 years	No residual maturity	2024
Liabilities to credit institutions	90 695						90 695
Deposits from customers	12 824 220	4 270 036	453 016	7 865			17 555 137
Securities issued		35 413	1 236 083	2 260 034			3 531 529
Other liabilities						266 695	266 695
Subordinated loans				472 909			472 909
Financial derivatives, gross settlement	18 803	33 264	70 570	181 069	26 213		329 918
Contractual interest payments	100	9 807	22 470	70 862			103 238
Total disbursements	**12 933 817**	**4 348 519**	**1 782 139**	**2 992 738**	**26 213**	**266 695**	**22 350 122**

Parent bank 31.12.2023	Up to 1 month	1-3 months	3 months - 1 year	1-5 years	> 5 years	No residual maturity	2023
Liabilities to credit institutions	51 234						51 234
Deposits from customers	10 934 741	3 449 645	380 469	10 240			14 775 095
Securities issued		173 402	399 965	3 208 163			3 781 530
Other liabilities						270 370	270 370
Subordinated loans				322 007			322 007
Financial derivatives, gross settlement	12 826	35 614	65 016	178 510	42 413		334 380
Contractual interest payments	13 672	35 996	40 565	60 336			150 569
Total disbursements	**11 012 474**	**3 694 657**	**886 015**	**3 779 256**	**42 413**	**270 370**	**19 685 185**

1 Cash flows related to liabilities with an agreed term to maturity are based on nominal contract sizes inclusive of estimated interest payments up to the maturity date. Payments do not include unused deduction rights and loan grants.

17 Net interest income

ACCOUNTING POLICIES

Interest income and costs are posted to the income statement using the effective interest method. The effective interest rate is determined by discounting contractual cash flows within the expected maturity. The method involves the ongoing income recognition of nominal interest rates with the addition of amortisation of establishment fees. If a loan has been impaired as a result of loss of value (included in Stage 3), interest income is recognised as an effective interest rate, calculated on impaired expected cash flows. Fees associated with interest-bearing instruments are included in the calculation of effective interest rates and recorded in the income statement accordingly. For interest-bearing instruments at amortised cost not included in hedging arrangements, above/below par is amortised as interest income over the term of the contract.

Group		Net interest income	Parent bank	
2024	2023		2024	2023
		INTEREST INCOME MEASURED USING THE EFFECTIVE INTEREST METHOD:		
27 785	25 353	Interest income on loans to credit institutions	65 379	91 332
1 865 779	1 467 079	Interest income on loans to customers	1 048 677	853 337
26 133	21 768	Interest income on securities	26 133	21 768
(41)	(45)	Other interest income	(41)	(448)
1 919 656	**1 514 154**	**Total interest income measured using the effective interest method**	**1 140 149**	**965 988**
		INTEREST INCOME MEASURED AT FAIR VALUE:		
54 466	35 876	Interest income on loans to customers	54 466	35 876
162 442	123 733	Interest income on securities	133 293	90 763
58 569	50 523	Interest income on financial derivatives (excl. hedging instruments)	58 569	50 523
296	5 442	Other interest income	296	5 442
275 773	**215 573**	**Total interest income measured at fair value**	**246 624**	**182 603**
2 195 428	**1 729 727**	**Total interest income**	**1 386 772**	**1 148 591**
		INTEREST EXPENSES		
12 722	6 576	Interest expenses on deposits from credit institutions, measured using the effective interest method	12 654	6 573
484 902	355 997	Interest expenses on deposits from customers, measured using the effective interest method	500 444	367 301
44 170	30 652	Interest expenses on deposits from customers, measured at fair value	44 170	30 652
32 060	20 241	Interest expenses on subordinated loan capital, measured using the effective interest method	32 060	20 241
803 639	599 518	Interest expenses on securities, measured using the effective interest method	158 254	138 014
86 565	87 803	Interest on financial derivatives as hedging instruments [1]	38 695	44 639
3 054	3 725	Interest expenses on lease liabilities (IFRS 16)	3 054	3 725
9 483	9 647	Other interest expenses	7 786	7 796
1 476 595	**1 114 159**	**Total interest expenses**	**797 118**	**618 941**
718 833	**615 567**	**Net interest income**	**589 654**	**529 650**

1 Applies to interest on derivatives that are part of hedge accounting.

18 Net commission income

ACCOUNTING POLICIES

Commission income and costs are generally accrued as a service is ongoing and classified as "Commission Income" and "Commission Costs", respectively.

Fees and charges for the sale or brokering of financial instruments, real estate or other investment objects that do not generate balance sheet entries in the bank's or the Group's accounts, are recognised when the transaction is completed. Income from customer contracts is treated in accordance with IFRS 15. The income is recognised in an amount that reflects the remuneration the organisation expects to exchange for the transfer of a good or service to a customer. Income is recognised when a customer achieves control over a good or service, and also has the opportunity to directly utilise it.

The Group has the following income flows that are treated in line with this principle:

- Transaction charges
- Product charges
- Annual charges
- Commission sales of insurance, savings, funds and credit card
- Broker commission
- Fees earned via third parties (interbank, VISA)
- Other charges in relation to the price list.

The bank earns very little income that includes material elements of separate delivery obligations.

Group		Net commission income	Parent bank	
2024	2023		2024	2023
5 082	4 826	Guarantee commission	5 082	4 826
9 393	6 840	Distribution and management of securities	9 393	6 840
40 856	34 470	Money transfer services	40 826	34 440
20 278	16 594	Insurance	20 278	16 594
4 489	1 947	Other charges	16 863	14 094
80 099	64 677	Commission income and income from banking services	92 443	76 793
-11 338	-11 619	Commission costs and costs from banking services	-11 338	-11 619
68 760	**53 057**	**Net commission income and income from banking services**	**81 105**	**65 174**
34 179	27 844	Brokerage fees		
16 976	14 689	Other commission income from real estate brokerage		
51 155	**42 533**	Net commission income from real estate brokerage		
119 915	**95 590**	**Total net commission income**	**81 105**	**65 174**

19 Net gain/loss on financial instruments and dividends/income from ownership interests

Group 2024	Group 2023	Net gain/loss on financial instruments	Parent bank 2024	Parent bank 2023
		Net gain/loss on financial instruments at fair value		
17 667	-16 474	Net gain/loss on currency and financial derivatives	17 667	-16 474
-14 115	11 261	Net change in value of loans and advances	-14 115	11 261
-1 415	3 497	Net gain/loss on interest-bearing securities	-242	5 327
16 421	10 403	Net gain/loss on equities	16 421	10 403
983	-1 486	Net change in value of financial liabilities	983	-1 485
19 540	**7 201**	**Net gain/loss on financial instruments at fair value**	**20 713**	**9 033**
		Net change in value of hedged items		
-2 615	22 168	Net change in value of financial derivatives, hedging	11 415	15 290
2 316	-23 217	Net change in value of hedged financial liabilities	-10 994	-16 444
-299	**-1 049**	**Net change in value of hedged items** [1]	**421**	**-1 154**
		Net gain/loss on liabilities at amortised cost		
-3 623		Net gain/loss on securities issued at amortised cost [2]	353	
-3 623		**Net gain/loss on liabilities at amortised cost**	**353**	
15 618	**6 152**	**Net gain/loss on financial instruments**	**21 487**	**7 879**

1 The bank uses hedge accounting for long-term funding. Please see note 15.
2 Net gain/loss on liabilities at amortised cost applies to purchasing premiums upon buy-back/refinancing of bond debt before final maturity.

19 Net gain/loss on financial instruments and dividends/income from ownership interests

Group 2024	Group 2023	Dividends and income from ownership interests	Parent bank 2024	Parent bank 2023
		Dividends		
		Dividends from group companies recognised as income	85 000	50 600
37 240	48 323	Dividends from other in recognised as income	37 240	48 323
37 240	**48 323**	**Dividends recognised as income**	**122 240**	**98 923**
		Income from ownership interests in associates		
5 419	5 446	Consolidated profit contributions from associates	5 419	5 446
		Other income from associates		
5 419	**5 446**	**Income from ownership interests in associates**	**5 419**	**5 446**
42 659	**53 769**	**Dividends and income from ownership interests in associates**	**127 659**	**104 369**

20 Other operating income

Group 2024	Group 2023	Other operating income	Parent bank 2024	Parent bank 2023
1 928	1 895	Leasing of real estate	2 501	2 426
1 335	2 156	Other income	1 335	2 156
73 784		Recognised badwill from merger with Hjelmeland Sparebank [1]	73 784	
77 047	**4 051**	**Other operating income**	**77 621**	**4 583**

1 In connection with the merger with Hjelmeland Sparebank in August 2024, the difference between the fair value of the remuneration for the equity certificate holders in Hjelmeland Sparebank before the merger and their share of net equity based on the acquisition analysis constituted negative goodwill (badwill). Badwill arose as a consequence of the net value of identified assets and liabilities exceeding the value of the merger settlement in the transaction. Badwill is recognised through ordinary profit and loss in line with the rules in IFRS 3.
For more information, see note 47.

21 Other operating costs

Group 2024	Group 2023	Operating costs	Parent bank 2024	Parent bank 2023
169 753	154 915	Wages	134 717	123 793
15 859	14 021	Pensions [1]	13 903	12 576
38 891	35 328	Social costs	37 415	34 566
224 503	**204 264**	**Personnel costs**	**186 035**	**170 936**
5 391	5 080	Operating costs properties and premises	5 391	5 080
1 916	1 989	Rent [2]	139	351
1 676	479	Other operational leases [2]	514	417
67 892	84 834	IT costs [3]	65 853	83 996
17 424	14 304	Marketing and information	16 734	12 880
8 922	7 220	Other administrative costs	8 320	6 611
941	194	Consultancy fees	814	53
33 990		Merger costs (IT conversion) [4]	33 990	
4 450	3 825	Wealth tax	4 450	3 825
30 370	28 326	Other operating costs	25 097	20 787
172 971	**146 251**	**Total other operating costs**	**161 300**	**134 000**
17 503	18 192	Depreciation	16 426	17 011
17 503	**18 192**	**Total depreciation and impairments**	**16 426**	**17 011**
414 977	**368 707**	**Total operating costs**	**363 761**	**321 947**

1 See specification of pension costs below
2 In line with IFRS 16, the bank's lease costs (rent/other leases) are primarily presented as interest expenses and depreciation. Recognised lease costs relate to short-term leases and low value leases (which are exempt from IFRS 16). Please also see the further information in note 33.
3 IT costs for 2023 include an extraordinary charge of NOK 25.8 million from the switch to the new core banking system ("conversion costs"). The project ended in 2023.
4 Merger costs include costs for technical IT conversion, including integration costs for IT systems, alliance assistance and advice related to the merger with Hjelmeland Sparebank. Besides direct merger costs amounting to NOK 34.0 million, approximately NOK 10.6 million has also been incurred in one–off costs linked to the merger, which include legal costs, rebranding/marketing costs and other integration costs. Of the total merger-related costs of NOK 44.6 million, invoiced costs amounted to NOK 19.9 million, while NOK 24.7 million was recognised as provisions for costs related to technical integration costs with systems providers in line with the rules for loss-making contracts in IAS 37. The liability is accounted for on the accounting line "Accrued costs and received not accrued income".

21 Other operating costs

Fees for external auditor

For the Group, fees for the statutory audit amounted to NOK 2 076 460 (NOK 1 552 202), while fees for tax advice, attestation and other assistance amounted to NOK 298 840 (NOK 314 421) in 2024. Fees have also accrued due to the work on the merger. These amounted to NOK 494 568 in 2024.

For the parent bank, fees for the statutory audit amounted to NOK 1 689 259 (NOK 1 153 594), while fees for tax advice, attestation and other assistance amounted to NOK 268 724 (NOK 217 645) in 2024. Fees have also accrued due to the work on the merger. These amounted to NOK 494 568 in 2024.

All amounts are inclusive of VAT.

Group		Specification of pension costs [1]	Parent bank	
2024	2023		2024	2023
13 276	11 735	Cost of defined contribution pensions	11 319	10 291
556	222	Cost of defined benefit pensions, in line with note 23	556	222
2 027	2 064	Costs of contractual early retirement pensions (AFP)	2 028	2 064
15 859	**14 021**	**Total pension costs**	**13 903**	**12 576**

Group		No. of employees/FTEs	Parent bank	
2024	2023		2024	2023
191	158	No. of employees as at 31.12	159	130
181	154	No. of FTEs as at 31.12	149	127
173	160	Average no. of employees	145	132
166	155	Average no. of FTEs	139	128

22 Remuneration

Remuneration requirements are regulated in Chapter 15, sections 15-1 to 15-6 of the Financial Institutions Act.

The provisions safeguard the provisions of the EU Capital Requirements Directive (CRD IV) on good remuneration schemes to reduce excessive risk-taking and promote sound and effective risk management in financial enterprises.

Based on these regulations, the bank established a special remuneration committee on 15.12.2010. The committee consists of four board members, of whom one is an employee representative.

The provisions impose a direct responsibility on the Board of Directors to ensure that:

- The bank develops a remuneration scheme for all its employees that is suitable for promoting the purpose of the regulation, and that the bank's wage and bonus systems are practiced in accordance with this remuneration scheme.
- The remuneration scheme complies with the bank's overall objectives, risk tolerance and long-term interests.
- The remuneration scheme contains special rules for executive employees, elected representatives and employees with tasks in internal control and risk management. The Board of Directors shall also ensure that the composition of fixed and variable pay for such employees is balanced, and that at least half of any bonus payments are made in the form of equity certificates if the bonus exceeds 12.5% of the basic pay. Bonus payments in the form of equity certificates cannot be utilised freely by the individual earlier than evenly distributed over a period of at least three years. The basis for variable remuneration must be a period of at least two years.
- The bank has a remuneration committee that is responsible for preparatory work in all matters concerning the remuneration scheme that must be decided by the Board of Directors.

The bank has prepared a remuneration policy. No significant changes have been made to the bank's remuneration policy during 2024.

The purpose of the remuneration policy of Rogaland Sparebank, is to attract employees with the expertise the bank needs, further develop and retain key expertise, as well as motivate long-term and continuous development to achieve the bank's business goals.

The remuneration may consist of the following elements:

- **Fixed basic pay**. The bank aims to offer market wages. On this basis, fixed basic pay is adjusted annually based on the performance of the individual manager's field of work and responsibility. The CEO determines a change in basic pay for the members of the bank's management group. The remuneration committee regulates the CEO's salary, which is determined by the Board of Directors.
- **Benefits in kind** that include telephone/mobile phone, newspaper/journal, home office arrangement and occasionally car arrangement. In addition, loans and banking services are granted at separate terms in accordance with same regulations as other employees.
- **Bonuses**. The bank's employees are covered the bank's current bonus scheme at all times. All permanent employees in the parent bank are covered by a group bonus model. The calculation is based on actual return on equity and client satisfaction. The model paid 7.5% of the basic pay for all employees for the 2023 income year with a payout in 2024. The Board of Directors has the opportunity to reduce the bonus if special considerations are required. In addition, advisers with direct sales responsibility also have the possibility of receiving bonuses based on their KPIs, with a limit of NOK 55 000 per employee per year.
- Employees at the bank have the opportunity to buy discounted equity certificates with Sandnes Sparebank once a year. The equity certificate is purchased at a 33 % discount, with savings of up to 7.5 % of fixed base pay or up to NOK 5 000 per month. Purchase entails one year of contribution time and then a one-year required savings period, a total of 2 years.
- **Pension scheme:** executive employees have a defined contribution pension scheme for income up to 12G, following the current arrangements for the bank's employees. The pensionable age for the bank's employees is 70 years, with the possibility of a contractual early retirement scheme (AFP) from the age of 62 following the current schemes in the financial sector.

Total expenses for wages, pension and other remunerations for the bank's management group, the Board of Directors and the Board of Trustees are shown in the following table. The amounts entered are totals for the entire year or from the date of employment if the executive was employed during the year:

22 Remuneration

Total expenses for salary, pension and other renumeration

Management group 2024

		Wages	Of which wage comp.[3]	Of which bonus paid	Of which other benefits	Loans as at 31.12 [4]	No. of equity certificates owned as at 31.12
CEO	Trine Karin Stangeland	3 694		227	183	9 184	33 628
Chief Financial Officer (CFO)/ Acting CEO	Tomas Nordbø	2 848		158	129	10 921	34 976
Director Retail Market	Erik Kvia Hansen	1 988		123	78	6 555	5 411
Director Communications	Ingrid O. Fure Schøpp [3] until 29.02.	801	27		32		
Director Corporate Market	Lars Kristiansen	2 444		151	95	5 519	5 430
Director Customers and Markets	Lene Nordahl	1 780		102	74	4 414	6 383
Director HR	Stein Haga [3] until 31.07.	1 434	75	84	69	2 571	14 013
Director Strategy	Bjørn Tjensvold until 01.08.	753		25	20		1 050

Management group 2023

		Wages	Of which wage comp.[3]	Of which bonus paid	Of which other benefits	Loans as at 31.12 [4]	No. of equity certificates owned as at 31.12
CEO	Trine Karin Stangeland	3 401		68	165	10 423	30 209
CFO	Tomas Nordbø	2 373		48	108	7 535	32 579
Director Retail Market	Erik Kvia Hansen	1 807		37	61	6 111	4 741
Director Communications	Ingrid O. Fure Schøpp [3]	1 761	159	33	49	1 292	11 747
Director Corporate Market	Lars Kristiansen	2 204		45	56	5 818	3 970
Director Customer Experience	Lene Nordahl	1 516		30	76	4 773	5 484
Director HR	Stein Haga	1 334	75	25	66	1 959	12 871

The amounts entered are totals for the entire year or from the date of employment if the executive was employed during the year.

22 Remuneration

The Board of Directors

		Fees		Loans as at 31.12		No. of equity certificates owned as at 31.12	
		2024	2023	2024	2023	2024	2023
Chair of the Board	Harald Espedal	356	329			886 861	886 861
Deputy Chair	Frode Svaboe [2]	279	276			10 200	10 200
Board member	Sven Christian Ulvatne [2] until 31.07.	112	183				9 300
Board member	Bjørg Tomlin	178	164				
Board member	Astrid Rebekka Norheim	178	164			6 827	6 827
Board member	Wenche Drønen Christenssen [2]	188	186			2 240	2 240
Board member	Øyvind Lundbakk until 01.08.	76					
Board member	Ingunn Ruud [1]/[2]	188	186	5 657	6 054	1 756	1 215
Board member	Joakim De Haas [1] until 30.04.	56	164		3 919	2 781	2 464
Board member	Tom Risa [1] 01.05 - 31.07.	46		3 304		1 190	
Board member	Øystein Bergøy Tungland [1] until 01.08.	76		2 970		419	

Board of Trustees

		2024	2023
Chair	Ørjan Gjerde	100	95
Member	Jan Erik Anfinsen	6	3
Member	Svein Anfinsen	6	3
Member	Jo Michael Asbjørnsen	3	3
Member	Garmann Auklend	3	3
Member	Per Øyvind Berge	3	
Member	Anders Bjørndal [1]	6	3
Member	Solveig Borgersen	3	
Member	Pål Morten Borgli	6	3
Member	Bjørn Bærheim	2	
Member	Oddvar Dalane	3	
Member	Anne Lise Elle [1]	6	3
Member	Inger-Lise Erga		3
Member	Olav Kristian Falnes	6	3
Member	Thor Erik Gilje [1]		3
Member	Dag Halvorsen	6	3
Member	Kristine Nebdal Haver [1]	6	3
Member	Terese Albuquerque Helleland [1]	6	3
Member	Pål Hetland	6	3
Member	Ragnhild Hildonen	6	
Member	Njål Kollbotn [1]	3	3
Member	Gunn Jane Håland	3	
Member	Cecilia Lindbåge Karlsen	3	
Member	Bente Løyning	6	3
Member	Geir Mikalsen	2	3

		2024	2023
Member	Hanne Brit Nordbø	3	
Member	Lisbeth Lindsay Nordhagen [1]	3	3
Member	Eli Halvorsen Norheim	6	
Member	Magnar Oanes	5	
Member	Arne Oftedal		3
Member	Elisabeth Rosbach [1]	6	3
Member	Tom Risa	3	
Member	Mona Aadnøy Riska [1]	6	3
Member	Sveinung Skjørestad		2
Member	Inger-Lise Slagstad [1]	6	3
Member	Guttorm Stangeland	6	
Member	Elisabeth Stene	3	
Member	Bodil Sunde	6	
Member	Martin Sunde	6	3
Member	Tine Svanes	3	3
Member	Reidar Søndervik	5	3
Member	Siv Merethe Tuftedal		3
Member	Olav Tørressen	6	
Member	Åsta Vaaland Veen	6	
Member	Kenneth Våge [1]	2	
Member	Johan Wigerstrand	6	3
Member	Trond Wikstøl	6	3
Member	Inger Lomeland Wold	6	3
Member	Tove Wold	3	3
Member	Jan Inge Aarreberg [1]	2	

1 Employee Representative

2 Including annual remuneration of NOK 15 000, NOK 10 000, NOK 10 000 and NOK 10 000 for audit and risk committees.

3 The bank changed its pension plan for senior executives in 2012. The bank switched from a pension scheme for salaries above 12G (where G = National Insurance scheme's basic amount) to a direct wage compensation. The amounts in the wage compensation column consist of monthly payments for 2024.

4 Subsidised interest rates on employee loans. The interest rate on loans to employees is the current standard rate less 0.75%. Loans to board members and members of the Board of Trustees are provided on ordinary terms and conditions.

The holdings of the equity certificate holders listed above include equity certificates held by their spouse, children who are minors and companies in which the person concerned owns a controlling interest as stated in section 1-3(2)) of the Limited Liability Companies Act.

23 Pensions

ACCOUNTING POLICIES

The companies in the Group have different pension schemes. The pension schemes are mainly financed through payments to insurance companies.

Defined contribution scheme

The bank has offered a defined-contribution pension for new employees since 01.01.2007. Following the restructuring, some individuals employed before 1 January 2007 also switched from the defined-benefit scheme to the new defined-contribution scheme. At the end of 2013, all remaining employees switched to a defined-contribution scheme. Those affected receive a routinely compensation in the form of wages.

A defined contribution scheme is a pension scheme in which the Group pays fixed contributions to a legal entity that invests the funds on behalf of the members of the scheme. When they are due, the deposits are recognised as labour costs.

Contractual early retirement pensions (AFP)

The old AFP scheme was discontinued in February 2010. As a replacement for the old AFP scheme, a new AFP scheme that provides a lifelong supplement to the ordinary pension has been established. The new AFP scheme is a defined-benefit multi-enterprise pension scheme, and is funded through premiums that are determined as a percentage of wages. There is currently no reliable measurement and allocation of obligations and funds in the scheme. In accounting terms, the scheme is thus treated as a defined-contribution pension scheme where premium remunerations are routinely recognised as costs, and no provisions are made in the financial statements. No premium was paid in the new scheme until 2011, at which point the premium was set at 1.4% of total payments between 1G and 7.1G to the company's employees. For 2024, the rate was 2.7%.

Defined benefit scheme

A defined benefit scheme is a pension scheme that defines a pension payment that an employee will receive upon retirement. The pension payment normally depends on one or more factors such as age, number of years in the company, and salary. The capitalised liabilities related to defined benefit pension schemes is the present value of the defined benefits on the balance sheet date minus the fair value of the pension funds. The pension liabilities are calculated annually by an independent actuary using a linear earning method. The discount rate is an estimated market rate on covered bonds. Other parameters such as salary regulations, inflation, and pension increases, are determined on the basis of expected long-term developments in the parameters. Changes in the pension plan benefits are recognised as costs or posted in the income statement on an ongoing basis.

Estimate variances are posted over OCI in the period in which they occur and are included in the comprehensive income.

The net pension cost of the period is included in wages and social costs and consists of the pension earnings, interest expense on the calculated pension obligation and accrued employer's National Insurance contributions for the period. The pension cost is based on assumptions stipulated at the beginning of the period.

The parent bank also has two pensions funded through operations for two former CEOs, with payments starting at the age of 67. The calculation of the pension obligation is carried out by an external actuary. The following economic and actuarial assumptions are included:

Assumptions

	2024	2023
Discount rate	3.90 %	3.10 %
Expected annual wage increase	4.00 %	3.50 %
Adjustment of the National Insurance scheme basic amount (G)	3.75 %	3.25 %
Adjustment of current pension	3.00 %	2.50 %
Mortality table	K2013BE	K2013BE
AFP withdrawals	0,00 %	0,00 %
Expected voluntary departures before retirement age	0,00 %	0,00 %
Disability table	KU	KU

23 Pensions

Group 2024	Group 2023	Net pension costs, defined benefit plans	Parent bank 2024	Parent bank 2023
324		Present value of pension accruals for the year	324	
231	222	Interest expense of accrued pension liabilities	231	222
556	222	Net pension costs	556	222
		Employers' National Insurance contributions		
556	**222**	**Total pension costs**	**556**	**222**

Costs related to deposit schemes amount to NOK 13.3 million for the Group and NOK 11.3 million for the parent bank for 2024, respectively. The corresponding figures for 2023 were NOK 11.7 million for the Group and NOK 10.3 million for the parent bank.

Costs of the new AFP scheme, which has been treated as a defined contribution pension scheme, amount to NOK 2.3 million for group and parent bank for 2024 and NOK 2.1 million for 2023.

Net pension liability

	31.12.2024			31.12.2023		
Group	Funded	Unfunded	Total	Funded	Unfunded	Total
Accrued pension rights		8 927	8 927		7 233	7 233
Pension funds						
Calculated pension liabilities		8 927	8 927		7 233	7 233
Employer's National Insurance contributions on net liability						
Net pension liability		**8 927**	**8 927**		**7 233**	**7 233**
Parent bank						
Accrued pension rights		8 927	8 927		7 233	7 233
Pension funds						
Calculated pension liabilities		8 927	8 927		7 233	7 233
Employer's National Insurance contributions on net liability						
Net pension liability		**8 927**	**8 927**		**7 233**	**7 233**

The Group's insured schemes are underfunded. Net pension liabilities are recognised as long-term debt in the balance sheet.

Actuarial gains and losses are recognised against other comprehensive income (OCI) in the period in which they occur. For 2024, this resulted in a total income recognition of other comprehensive income (OCI) of NOK 0.0 million after tax for the Group and the parent bank. The corresponding figure for 2023 was income recognition of NOK 0.1 million after tax for the Group and the parent bank.

23 Pensions

Group 31.12.2024	Group 31.12.2023	Reconciliation of gross pension liabilities	Parent bank 31.12.2024	Parent bank 31.12.2023
7 234	7 634	Opening balance	7 234	7 634
324		Accruals for the year	324	
231	222	Interest expenses for the year	231	222
-490	-473	Payouts to retired employees	-490	-473
1 648		Pension liability added by merger	1 648	
-20	-148	Estimate deviations recognised through OCI	-20	-148
8 927	**7 234**	**Closing balance**	**8 927**	**7 234**

Historical development (Group/Parent bank)

Group	31.12.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020
Gross pension liabilities	8 927	7 233	7 634	8 025	8 005
Gross pension funds					
Employer’s National Insurance contributions on net liability					
Net capitalised pension liabilities	**8 927**	**7 233**	**7 634**	**8 025**	**8 005**

The remaining net pension liabilities as at 31.12.2024 relate to pensions funded through operations for two former CEOs.

24 Tax

ACCOUNTING POLICIES

The tax expense of the year consists of tax payable and changes in deferred tax on temporary differences. Tax payable is calculated tax on taxable income for the year. Deferred tax is recognised in accordance with the debt method in accordance with IAS 12. Liabilities or assets are calculated for deferred tax on temporary differences, which is the difference between the carrying amount and the tax value of assets and liabilities. However, no liability or asset is calculated for deferred tax on goodwill that does not result in tax deductions, nor on first-time recognised items that do not affect either accounting or taxable income. An asset is calculated for deferred tax on enforceable tax deficits. Deferred tax assets are recognised in the balance sheet to the extent it is likely that they can be used against future taxable income. When calculating deferred tax, tax rates and tax rules are used that apply on the balance sheet date or that will most likely be adopted.

As at 31.12.2024, the tax rate on ordinary income in Norway was 22%, and the tax rate remains unchanged in the previous year. Exceptions have been made for financial institutions which are thus continued at the 2016 level (25 % tax rate).

Wealth tax is not considered tax according to IAS 12 and is recognised as operating costs.

Tax management of equity transactions

If the source of the distribution is previous results (earned capital), the tax consequences of the distribution are presented as tax expense in the income statement when the distribution is decided. This applies, among other things, to payments of customer dividends and interest payments on hybrid Tier 1 securities.

Group			Parent bank	
2024	**2023**	**TAX EXPENSE, ORDINARY PROFIT**	**2024**	**2023**
		Tax payable		
83 469	59 209	Tax expense for the year	59 221	43 358
(30)	(5)	Correction of tax in prior years	(30)	(5)
		Deferred tax		
(1 061)	6 695	Change in temporary differences	(866)	6 980
(4 504)		Tax effect of change in covered bonds recognised directly against equity	(4 504	
77 874	**65 899**	**Total tax on ordinary profit**	**53 821**	**50 333**

Group			Parent bank	
2024	**2023**	**RECONCILIATION OF TAX EXPENSE AGAINST PROFIT BEFORE TAX**	**2024**	**2023**
535 359	395 789	Profit before tax expense (excl. recognised badwill)	436 523	377 809
133 352	109 540	25/22% of profit before tax [1]	109 131	94 452
(55 270)	(44 125)	Permanent differences	(55 280)	(44 115)
(180)	489	Changed in non-capitalised deferred tax asset		
(30)	(5)	Correction of tax in prior years	(30)	(5)
77 874	**65 899**	**Total tax on ordinary profit**	**53 821**	**50 333**
15 %	17 %	Effective tax rate	12 %	13 %

Group			Parent bank	
31.12.2024	**31.12.2023**	**RECONCILIATION OF DEFERRED TAX ASSET/DEFERRED TAX**	**31.12.2024**	**31.12.2023**
(9 370)	(16 089)	Deferred tax asset/deferred tax as at 01.01	(8 198)	(15 215)
(1 061)	6 695	Change recognised in the income statement	(866)	6 980
5	37	Tax on OCI	5	37
(1 616)		Deferred tax asset in financial year added by merger	(1 616)	
48	(13)	Other items		
(5)		Too little set aside earlier years	(5)	(5)
(12 000)	**(9 370)**	**Total deferred tax asset (-)/deferred tax(+)**	**(10 680)**	**(8 198)**

1 In the Group, the parent bank is subject to a25% tax rate (financial institution) while the bank's subsidiaries are subject to a 22% tax rate.

24 Tax

Deferred tax asset and deferred tax on the balance sheet distributed across temporary differences

Group			Parent bank	
31.12.2024	31.12.2023	DEFERRED TAX ASSET	31.12.2024	31.12.2023
(3 997)	736	Non-current assets and property, plant and equipment	(4 047)	679
(12 458)	(14 841)	Right-of-use assets, leases	(11 953)	(14 575)
16 234	19 469	Lease liabilities	15 724	19 174
(234)	(283)	Profit and loss account	(234)	(277)
268		Pensions	268	
2 232	1 808	Accounting provisions	2 232	1 808
6 887		Financial instruments	6 887	
1 802	1 389	Current assets	1 802	1 389
1 452	1 253	Total deferred tax asset		
12 186	**9 532**	**Total deferred tax asset**	**10 680**	**8 198**

31.12.2024	31.12.2023	DEFERRED TAX	31.12.2024	31.12.2023
186	162	Financial instruments		
186	**162**	**Total deferred tax**		

Deferred tax and deferred tax asset are recognised net at a company level.

The non-capitalised deferred tax asset includes a loss that can be carried forward in the subsidiaries Aktiv Eiendomsmegling Jæren AS and Ryfylke Eiendomsmegling AS. As at 31.12.2024, this amounted to NOK 1.7 million (NOK 2.2 million as at 31.12.2023).

The capital tax for 2024 was expensed at NOK 4.5 million (NOK 3.8 million in 2023) and classified as other operating costs.

25 Classification of financial instruments

The following tables present the classification of financial assets and liabilities as at the balance sheet date in line with IFRS 9.

For a further description of the classification of financial instruments, please see note 2.

Group 31.12.2024	Amortised cost	Fair value through profit or loss (mandatory)	Fair value through profit or loss (optional)	Hedge accounting	Fair value through OCI	Equity method [1]	Non-financial assets and liabilities	Total
ASSETS								
Cash and receivables from central banks	482 445							482 445
Loans to and receivables from credit institutions	107 803							107 803
Loans to customers [1]	32 381 875		1 629 964					34 011 839
Certificates and bonds	588 917	3 099 528						3 688 444
Equities		379 920						379 920
Ownership interests in associates						34 828		34 828
Financial derivatives		93 206						93 206
Retained earnings							16 523	16 523
Financial instruments with change in value through OCI					766 857			766 857
Other assets							120 335	120 335
Total assets	**33 561 040**	**3 572 654**	**1 629 964**		**766 857**	**34 828**	**136 858**	**39 702 201**
LIABILITIES								
Liabilities to credit institutions	90 695							90 695
Deposits from customers	16 294 475		1 040 469					17 334 944
Securities issued	14 028 763			3 060 155				17 088 918
Financial derivatives		21 146		107 361				128 507
Accrued costs							75 162	75 162
Subordinated loan capital	472 909							472 909
Other liabilities							218 525	218 525
Provisions	5 212						8 927	14 140
Total liabilities	**30 892 054**	**21 146**	**1 040 469**	**3 167 516**			**302 615**	**35 423 800**

1 Ownership interests in associates that are recognised in line with the equity method are not covered by the IFRS 9 standard but are included in the overview as they are financial assets.

25 Classification of financial instruments

Group 31.12.2023	Amortised cost	Fair value through profit or loss (mandatory)	Fair value through profit or loss (optional)	Hedge accounting	Fair value through OCI	Equity method [1]	Non-financial assets and liabilities	Total
ASSETS								
Cash and receivables from central banks	355 887							355 887
Loans to and receivables from credit institutions	106 667							106 667
Loans to customers	28 059 792		1 331 050					29 390 842
Certificates and bonds	580 723	2 900 634						3 481 357
Equities		175 236						175 236
Ownership interests in associates						34 855		34 855
Financial derivatives		94 056		3 378				97 434
Retained earnings							11 048	11 048
Financial instruments with change in value through OCI					668 908			668 908
Other assets							92 813	92 813
Total assets	**29 103 069**	**3 169 927**	**1 331 050**	**3 378**	**668 908**	**34 855**	**103 861**	**34 415 046**
LIABILITIES								
Liabilities to credit institutions	51 234							51 234
Deposits from customers	13 823 189		739 193					14 562 382
Securities issued	11 732 559			3 703 399				15 435 958
Financial derivatives		21 918		95 613				117 530
Accrued costs							36 991	36 991
Subordinated loan capital	322 007							322 007
Other liabilities							253 233	253 233
Provisions	3 674						7 233	10 908
Total liabilities	**25 932 663**	**21 918**	**739 193**	**3 799 012**			**297 458**	**30 790 244**

1 Ownership interests in associates that are recognised in line with the equity method are not covered by the IFRS 9 standard but are included in the overview as they are financial assets.

25 Classification of financial instruments

Parent bank 31.12.2024	Amortised cost	Fair value through profit or loss (mandatory)	Fair value through profit or loss (optional)	Hedge accounting	Fair value through OCI	Equity method [1]	Non-financial assets and liabilities	Total
ASSETS								
Cash and receivables from central banks	482 445							482 445
Loans to and receivables from credit institutions	106 828							106 828
Loans to customers	14 173 436		1 629 964		3 087 418			18 890 817
Certificates and bonds	588 917	2 702 730						3 291 647
Equities		379 920						379 920
Ownership interests in associates						34 828		34 828
Financial derivatives		93 206		33 653				126 858
Retained earnings							16 523	16 523
Financial instruments with change in value through OCI					766 857			766 857
Other assets	1 744 437						85 524	1 829 960
Total assets	**17 096 063**	**3 175 856**	**1 629 964**	**33 653**	**3 854 275**	**34 828**	**102 046**	**25 926 685**
LIABILITIES								
Liabilities to credit institutions	90 695							90 695
Deposits from customers	16 514 668		1 040 469					17 555 137
Securities issued	2 185 943			1 345 586				3 531 529
Financial derivatives		21 146		59 563				80 709
Accrued costs							69 822	69 822
Subordinated loan capital	472 909							472 909
Other liabilities							182 814	182 814
Provisions	5 132						8 927	14 060
Total liabilities	**19 269 347**	**21 146**	**1 040 469**	**1 405 149**			**261 563**	**21 997 675**

Parent bank 31.12.2023	Amortised cost	Fair value through profit or loss (mandatory)	Fair value through profit or loss (optional)	Hedge accounting	Fair value through OCI	Equity method [1]	Non-financial assets and liabilities	Total
ASSETS								
Cash and receivables from central banks	355 887							355 887
Loans to and receivables from credit institutions	106 113							106 113
Loans to customers	11 275 784		1 331 050		2 782 179			15 389 014
Certificates and bonds	580 723	2 288 592						2 869 314
Equities		175 236						175 236
Ownership interests in associates						34 855		34 855
Financial derivatives		94 056		23 151				117 208
Retained earnings							11 048	11 048
Financial instruments with change in value through OCI					668 908			668 908
Other assets	2 752 461						69 838	2 822 300
Total assets	**15 070 969**	**2 557 884**	**1 331 050**	**23 151**	**3 451 087**	**34 855**	**80 886**	**22 549 883**
LIABILITIES								
Liabilities to credit institutions	51 234							51 234
Deposits from customers	14 035 902		739 193					14 775 095
Securities issued	2 324 438			1 457 092				3 781 530
Financial derivatives		21 918		51 572				73 489
Accrued costs							32 482	32 482
Subordinated loan capital	322 007							322 007
Other liabilities							227 048	227 048
Provisions	3 607						7 233	10 840
Total liabilities	**16 737 187**	**21 918**	**739 193**	**1 508 664**			**266 763**	**19 273 725**

1 Ownership interests in associates that are recognised in line with the equity method are not covered by the IFRS 9 standard but are included in the overview as they are financial assets.

26 Fair value of financial instruments

Fair value of financial instruments measured at amortised cost

Group

	31.12.2024		31.12.2023	
	Carrying value	Fair value	Carrying value	Fair value
ASSETS				
Cash and receivables from central banks	482 445	482 445	355 887	355 887
Loans to and receivables from credit institutions	107 803	107 803	106 667	106 667
Loans to customers	32 381 875	32 381 875	28 059 792	28 059 792
Certificates and bonds	588 917	586 112	580 723	576 011
Total assets	**33 561 040**	**33 558 236**	**29 103 069**	**29 098 357**
LIABILITIES				
Liabilities to credit institutions	90 695	90 695	51 234	51 234
Deposits from and liabilities to customers	16 294 475	16 294 475	13 823 189	13 823 189
Securities issued [1]	17 088 918	16 996 906	15 435 958	15 318 507
Subordinated loan capital	472 909	478 777	322 007	324 088
Provisions	5 212	5 212	3 674	3 674
Total liabilities	**33 952 209**	**33 866 065**	**29 636 062**	**29 520 693**

Parent bank

	31.12.2024		31.12.2023	
	Carrying value	Fair value	Carrying value	Fair value
ASSETS				
Cash and receivables from central banks	482 445	482 445	355 887	355 887
Loans to and receivables from credit institutions	106 828	106 828	106 113	106 113
Loans to customers	14 173 436	14 173 436	11 275 784	11 275 784
Certificates and bonds	588 917	586 112	580 723	576 011
Other assets	1 744 437	1 744 437	2 752 461	2 752 461
Total assets	**17 096 063**	**17 093 258**	**15 070 969**	**15 066 257**
LIABILITIES				
Liabilities to credit institutions	90 695	90 695	51 234	51 234
Deposits from and liabilities to customers	16 514 668	16 514 668	14 035 902	14 035 902
Securities issued [1]	3 531 529	3 517 716	3 781 530	3 759 243
Subordinated loan capital	472 909	478 777	322 007	324 088
Provisions	5 132	5 132	3 607	3 607
Total liabilities	**20 614 933**	**20 606 988**	**18 194 280**	**18 174 074**

1 Securities issued include fixed rate bonds included in hedge accounting.

26 Fair value of financial instruments

With respect to financial instruments of short duration (less than three months), book value is assumed to represent fair value. This assumption is also used for deposits and savings accounts without a specific maturity.

Loans to/deposits from customers valued at amortised cost includes floating rate loans and deposits. Floating rate loans and deposits are adjusted by interest rate changes in the market as well as by changing credit risk. The Group therefore considers fair value on such products to be approximately equal to carrying value. Loans that do not satisfy this ongoing repricing assumption are individually valued at fair value per the balance sheet date. Any increment values or debasements that will arise within an interest rate change period are not considered to constitute significant value to the Group.

Financial instruments rated at fair value

The Group employs the following valuation hierarchy when calculating fair value for financial instruments:

Level 1 – Observed prices in an active market for the current asset or liability

Level 2 – Noted prices in an active market for similar assets or liabilities, or any other valuation method where all material input is based on observable market data

Level 3 – Valuation techniques that are essentially not based on observable market data.

Fair value valuation

at end of the period based on the valuation hierarchy

	Group			
	Level 1	Level 2	Level 3	Total as at 31.12.2024
Financial instruments at fair value through profit or loss				
Loans to customers			1 629 964	1 629 964
Certificates and bonds		3 099 528		3 099 528
Equities	68 880	53 524	257 517	379 920
Financial derivatives		93 206		93 206
Financial derivatives, hedging instrument				
Financial instruments at fair value through OCI				
Equities			766 857	766 857
Total assets	**68 880**	**3 246 257**	**2 654 338**	**5 969 475**
Financial instruments at fair value through profit or loss				
Deposits from customers		1 040 469		1 040 469
Financial derivatives		21 146		21 146
Financial derivatives, hedging instruments		107 361		107 361
Total liabilities		**1 168 976**		**1 168 976**

Amortised cost valuation

at end of the period based on the valuation hierarchy

	Group			
	Level 1	Level 2	Level 3	Total as at 31.12.2024
Financial assets at amortised cost				
Cash and receivables from central banks		482 445		482 445
Loans to and receivables from credit institutions		107 803		107 803
Loans to customers		32 381 875		32 381 875
Certificates and bonds		588 917		588 917
Total assets		**33 561 040**		**33 561 040**
Financial liabilities at amortised cost				
Liabilities to credit institutions		90 695		90 695
Deposits from customers		16 294 475		16 294 475
Securities issued [1]		17 088 918		17 088 918
Subordinated loan capital		472 909		472 909
Provisions		5 212		5 212
Total liabilities		**33 952 209**		**33 952 209**

1 Securities issued include fixed rate bonds included in hedge accounting.

26 Fair value of financial instruments

Fair value valuation

at end of the period based on the valuation hierarchy

Group

	Level 1	Level 2	Level 3	Total as at 31.12.2023
Financial instruments at fair value through profit or loss				
Loans to customers			1 331 050	1 331 050
Certificates and bonds		2 900 634		2 900 634
Equities	55 440	52 254	67 542	175 236
Financial derivatives		94 056		94 056
Financial derivatives, hedging instrument		3 378		3 378
Financial instruments at fair value through OCI				
Equities			668 908	668 908
Total assets	**55 440**	**3 050 322**	**2 067 500**	**5 173 263**
Financial instruments at fair value through profit or loss				
Deposits from customers		739 193		739 193
Financial derivatives		21 918		21 918
Financial derivatives, hedging instruments		95 613		95 613
Total liabilities		**856 724**		**856 724**

Amortised cost valuation

at end of the period based on the valuation hierarchy

Group

	Level 1	Level 2	Level 3	Total as at 31.12.2023
Financial assets at amortised cost				
Cash and receivables from central banks		355 887		355 887
Loans to and receivables from credit institutions		106 667		106 667
Loans to customers		28 059 792		28 059 792
Certificates and bonds		580 723		580 723
Total assets		**29 103 069**		**29 103 069**
Financial liabilities at amortised cost				
Liabilities to credit institutions		51 234		51 234
Deposits from customers		13 823 189		13 823 189
Securities issued [1]		15 435 958		15 435 958
Subordinated loan capital		322 007		322 007
Provisions		3 674		3 674
Total liabilities		**29 636 062**		**29 636 062**

1 Securities issued include fixed rate bonds included in hedge accounting.

26 Fair value of financial instruments

Group

Reconciliation of movements for Level 3
fra 31.12.2023 til 31.12.2024

	Lending	Equities at fair value through OCI (FVOCI) [2]	Equities at fair value through profit or loss (FVTPL)	Total
Balance as at 31.12.2023	1 331 050	668 908	67 542	2 067 500
Gain/loss recognised in profit for the year	(14 115)		(1 939)	(16 054)
Gain/loss recognised in other income/OCI		(14 415)		(14 415)
Additions from merger with Hjelmeland Sparebank	53 154	119 594	6 311	179 059
Issuance/purchase	503 168		171 045	674 213
Settlement/realisation	(243 293)	(7 229)		(250 522)
Migration from Level 2			14 557	14 557
Balance as at 31.12.2024	**1 629 964**	**766 857**	**257 517**	**2 654 338**

2 Pursuant to IFRS 9, shares and units are measured at fair value with changes in value through profit or loss (FVTPL), with the exception of the bank's investments in Eika Gruppen AS and EIKA Boligkreditt AS, which are classified as financial instruments with changes in value through OCI (FVOCI) since they are considered strategic investments for the bank.

The recognised gain/loss in the profit for the year is included in the net gain/loss on financial instruments at fair value with respect to loans and shares (FVTPL).

Group

Reconciliation of movements for Level 3
from 31.12.2022 to 31.12.2023

	Lending	Equities at fair value through OCI (FVOCI)	Equities at fair value through profit or loss (FVTPL)	Total
Balance as at 31.12.2022	1 287 238	568 353	8 748	1 864 340
Gain/loss recognised in profit for the year	11 261		1 443	12 705
Gain/loss recognised in other income/OCI		100 555		100 555
Issuance	209 712			209 712
Settlement/realisation	-177 162		-4 743	-181 905
Migration from Level 2			62 093	62 093
Balance as at 31.12.2023	**1 331 050**	**668 908**	**67 542**	**2 067 500**

26 Fair value of financial instruments

Fair value valuation

at end of the period based on the valuation hierarchy

Parent bank

	Level 1	Level 2	Level 3	Total as at 31.12.2024
Financial instruments at fair value through profit or loss				
Loans to customers		3 087 418	1 629 964	4 717 381
Certificates and bonds		2 702 730		2 702 730
Equities	68 880	53 524	257 517	379 920
Financial derivatives		93 206		93 206
Financial derivatives, hedging instrument		33 653		33 653
Financial instruments at fair value through OCI				
Equities			766 857	766 857
Total assets	**68 880**	**5 970 530**	**2 654 338**	**8 693 748**
Financial instruments at fair value through profit or loss				
Deposits from customers		1 040 469		1 040 469
Financial derivatives		21 146		21 146
Financial derivatives, hedging instruments		59 563		59 563
Total liabilities		**1 121 178**		**1 121 178**

Amortised cost valuation

at end of the period based on the valuation hierarchy

Parent bank

	Level 1	Level 2	Level 3	Total as at 31.12.2024
Financial assets at amortised cost				
Cash and receivables from central banks		482 445		482 445
Loans to and receivables from credit institutions		106 828		106 828
Loans to customers		14 173 436		14 173 436
Certificates and bonds		588 917		588 917
Other assets		1 744 437		1 744 437
Total assets		**17 096 063**		**17 096 063**
Financial liabilities at amortised cost				
Liabilities to credit institutions		90 695		90 695
Deposits from customers		16 514 668		16 514 668
Securities issued [1]		3 531 529		3 531 529
Subordinated loan capital		472 909		472 909
Provisions		5 132		5 132
Total liabilities		**20 614 933**		**20 614 933**

1 Securities issued include fixed rate bonds included in hedge accounting.

26 Fair value of financial instruments

Fair value valuation

at end of the period based on the valuation hierarchy

Parent bank

	Level 1	Level 2	Level 3	Total as at 31.12.2023
Financial instruments at fair value through profit or loss				
Loans to customers		2 782 179	1 331 050	4 113 230
Certificates and bonds		2 288 592		2 288 592
Equities	55 440	52 254	67 542	175 236
Financial derivatives		94 056		94 056
Financial derivatives, hedging instrument		23 151		23 151
Financial instruments at fair value through OCI				
Equities			668 908	668 908
Total assets	**55 440**	**5 240 232**	**2 067 500**	**7 363 173**
Financial instruments at fair value through profit or loss				
Deposits from customers		739 193		739 193
Financial derivatives		21 918		21 918
Financial derivatives, hedging instruments		51 572		51 572
Total liabilities		**812 682**		**812 682**

Amortised cost valuation

at end of the period based on the valuation hierarchy

Parent bank

	Level 1	Level 2	Level 3	Total as at 31.12.2023
Financial assets at amortised cost				
Cash and receivables from central banks		355 887		355 887
Loans to and receivables from credit institutions		106 113		106 113
Loans to customers		11 275 784		11 275 784
Certificates and bonds		580 723		580 723
Other assets		2 752 461		2 752 461
Total assets		**15 070 969**		**15 070 969**
Financial liabilities at amortised cost				
Liabilities to credit institutions		51 234		51 234
Deposits from customers		14 035 902		14 035 902
Securities issued [1]		3 781 530		3 781 530
Subordinated loan capital		322 007		322 007
Provisions		3 607		3 607
Total liabilities		**18 194 280**		**18 194 280**

1 Securities issued include fixed rate bonds included in hedge accounting.

26 Fair value of financial instruments

Parent bank

Reconciliation of movements for Level 3
fra 31.12.2023 til 31.12.2024

	Lending	Equities at fair value through OCI (FVOCI) [1]	Equities at fair value through profit or loss (FVTPL)	Total
Balance as at 31.12.2023	1 331 050	668 908	67 542	2 067 500
Gain/loss recognised in profit for the year	(14 115)		(1 939)	(16 054)
Gain/loss recognised in other income/OCI		(14 415)		(14 415)
Additions from merger with Hjelmeland Sparebank	53 154	119 594	6 311	179 059
Issuance/purchase	503 168		171 045	674 213
Settlement/realisation	(243 293)	(7 229)		(250 522)
Migration from Level 2			14 557	14 557
Balance as at 31.12.2024	**1 629 964**	**766 857**	**257 517**	**2 654 338**

1 Pursuant to IFRS 9, shares and units are measured at fair value with changes in value through profit or loss (FVTPL), with the exception of the bank's investments in Eika Gruppen AS and EIKA Boligkreditt AS, which are classified as financial instruments with changes in value through OCI (FVOCI) since they are considered strategic investments for the bank.

The recognised gain/loss in the profit for the year is included in the net gain/loss on financial instruments at fair value with respect to loans and shares (FVTPL).

Parent bank

Reconciliation of movements for Level 3
fra 31.12.2022 til 31.12.2023

	Lending	Equities at fair value through OCI (FVOCI)	Equities at fair value through profit or loss (FVTPL)	Total
Balance as at 31.12.2022	1 287 238	568 353	8 748	1 864 340
Gain/loss recognised in profit for the year	11 261		1 443	12 705
Gain/loss recognised in other income/OCI		100 555		100 555
Issuance	209 712			209 712
Settlement/realisation	-177 162		-4 743	-181 905
Migration from Level 2			62 093	62 093
Balanse per 31.12.2023	**1 331 050**	**668 908**	**67 542**	**2 067 500**

Below is a description of how fair value is calculated for the financial instruments of levels 2 and 3, i.e. where a valuation technique has been used.

Financial Instruments classified in Level 2

Certificates and bonds

Certificates and bonds included in the bank's liquidity portfolio are valued at market value based on obtained information from brokers of bonds in the market. Valuation of bonds and certificates is calculated based on the brokers' best judgement with respect to the trading price on the balance sheet day. This applies accordingly for the calculation of fair value of the bank's "held to maturity" portfolio which in the financial statements is posted at amortised cost.

Loans at fair value with change in value through OCI (FVOCI)

Loans that can be transferred to the mortgage credit institution are classified in the parent bank at fair value with changes in value over OCI (FVOCI) since the business model dictates that the parent bank intends to recover contractual cash flows, but may also sell/transfer the loans to the mortgage credit institution. In the consolidated financial statements, the loans are assessed at amortised cost as the Group does not intend to sell the loans.

Fair value on the loans is assumed to be of almost equal value to ordinary loans at floating rate.

Financial investments

Financial investments are valued according to the EVCA Valuation Principles in which such valuation is conducted at company level.

Financial derivatives

Financial derivatives are valued at market value based on obtained information on exchange rates and swap curves. The category includes interest rate swaps, currency swaps and futures contracts where observable market values are available through Reuters or Bloomberg.

Deposits from customers

Deposits from customers with a fixed rate < 1 year are assessed based on agreed cash flow on the deposit discounted at the effective interest rate. Effective interest rates are based on current market conditions for fixed rate deposits on the balance sheet day.

26 Fair value of financial instruments

Financial Instruments classified in Level 3

Loans

Loans to customers at a fixed rate is assessed on the basis of agreed cash flow for the loans discounted at the effective interest rate. Effective interest rates are based on prevailing market conditions for corresponding fixed rate loans. The value on the loan will be most sensitive to change in the interest rate level and change in customer credit risk (especially corporate customers). A change of 10 points would affect the valuation of the portfolio by NOK 5.6 million. The average duration in the bank's portfolio of fixed-rate loans is 3.5 years.

Loans to customers subject to impairment are assessed based on probable cash flow for the loans discounted at the effective interest rate adjusted for market conditions for loans that are not impaired.

Shares – FVOCI

For shares classified as fair value over OCI (FVOCI), the valuation is based on assessments made on the basis of historical information, transactions and general market development for relevant industries. A change in market development would affect the valuation of the shares. For more information on valuation of the shares, please refer to note 34.

Deposits from customers

Deposits from customers with a fixed rate > 1 year are assessed based on agreed cash flow on the deposit discounted at the effective interest rate. Effective interest rates are based on observable interest rate levels in the market and the Group's overall level of funding. The value of the deposit is most sensitive to change in interest rates. Due to small volumes on current deposits, the change in value for the deposits is considered to be immaterial to the Group.

27 Loans to and receivables from credit institutions

Group			Parent bank	
31.12.2024	31.12.2023	Loans to and claims on credit institutions	31.12.2024	31.12.2023
103 303	106 667	Loans and receivables without agreed term to maturity or call	102 328	106 113
4 500		Loans and receivables with agreed term to maturity or call	4 500	
107 803	**106 667**	**Total loans to and receivables from credit institutions**	**106 828**	**106 113**

28 Certificates and bonds

ACCOUNTING POLICIES

The bank has two separate portfolios of fixed income securities;

1. The bank's liquidity portfolio of certificates and bonds is classified at fair value through profit or loss in line with the business model that governs management of the liquidity portfolio in accordance with IFRS 9. The business model gives a required rate of return for the liquidity portfolio and purchases and sales are made in order to maximise profits.
2. The bank's portfolio of securities "held to maturity" is classified at amortised cost since the business model involves the bank holding these securities until the maturity date (long-term investments).

Group			Parent bank	
31.12.2024	31.12.2023	Certificates and bonds	31.12.2024	31.12.2023
3 099 528	2 900 634	Certificates and bonds at fair value	2 702 730	2 288 592
		Subordinated loans at fair value		
3 099 528	**2 900 634**	**Total certificates and bonds at fair value**	**2 702 730**	**2 288 592**
1 062 137	903 460	*Of which government-guaranteed certificates/bonds*	949 061	789 355
588 917	580 723	Certificates and bonds at amortised cost	588 917	580 723
588 917	**580 723**	**Total certificates and bonds at amortised cost**	**588 917**	**580 723**
3 688 444	**3 481 357**	**Total certificates and bonds**	**3 291 647**	**2 869 314**
4.77 %	4.77 %	Average coupon rate certificates and bonds at fair value	4.67 %	4.62 %
2.33	2.37	Average remaining term to maturity certificates and bonds at fair value	2.27	2.42
5.48 %	5.51 %	Average coupon rate certificates and bonds at amortised cost	5.48 %	5.51 %
1.96	2.49	Average remaining term to maturity certificates and bonds at amortised cost	1.96	2.49

29 Ownership interests in subsidiaries and associates

ACCOUNTING POLICIES

Associated companies

The definition of associated company is regulated in IAS 28. Associated enterprise mean that the bank has considerable influence, but not control of the company. Normally, there is considerable influence when the bank has an ownership interest of 20 per cent or more, unless it can clearly be established that this is not the case. Treatment as affiliated enterprises occurs from the time considerable influence is established and until it ceases. The investment is initially recognised as acquisition cost and is then adjusted for the change in the bank's share of the net ownership of the associated enterprise.

Associated enterprises are recognised according to the equity method both in the parent bank and in the Group.

Write-down of shares in subsidiaries

In the parent company, shares in subsidiaries are assessed at acquisition cost reduced for impairments in accordance with IAS 36. The need for impairments is assessed annually in the same manner as for other long-term assets.

Shares in subsidiaries

Subsidiaries	Organisation no.	Address	Location	Share capital	Stake (%)	No. of shares	Face value	Cost price	Carrying amount 31.12.2024	Carrying amount 31.12.23
Aktiv Eiendoms-megling Jæren AS	934 001 942	Jernbanegata 5	Bryne	608	60	36 465 472	0,01	4 185	4 185	4 185
Ryfylke Eiendoms-megling AS	987 031 204	Rådhusgata 12	Jørpeland	120	100	1 200	100	3 200	3 200	
Rogaland Sparebank Boligkreditt AS	993 153 036	Rådhusgata 3	Sandnes	427 600	100	4 276 000	100	870 130	870 130	670 130
Leirfivel AS	920 538 606	Rådhusgata 3	Sandnes	30	100	30 000	1	30	13	13
Carrying amount subsidiaries								**877 545**	**877 528**	**674 328**

Non-controlling interests in the Group

In 2015, the Group acquired 100% of the shares in Aktiv Eiendomsmegling Jæren and the company was subsequently merged with the subsidiary Sandnes Eiendom. After the merger, the Group sold 40% of the shares in the company to Jæren Sparebank. The company's purpose is to conduct real estate brokerage.

Dividends between group companies

Dividends paid by subsidiaries to the parent bank amounted to NOK 85.0 million in 2024. Dividends totalling NOK 50.6 million were paid out for 2023.

Group			Parent bank	
31.12.2024	31.12.2023	Specification of other assets in the Group:	31.12.2024	31.12.2023
16 306	15 986	Other assets	806	521
		Outstanding accounts Rogaland Sparebank Boligkreditt	866 909	2 078 134
16 306	**15 986**	**Total other assets**	**867 715**	**2 078 655**

29 Ownership interests in subsidiaries and associates

Shares in associates

Shares in associates	Organisation no.	Address	Location	Share capital	Stake (%)	No. of shares	Face value	Cost price	Carrying amount 31.12.2024	Carrying amount 31.12.23
Kjell Haver Regnskapsservice AS	947 214 489	Welhavens vei 5	Sandnes	2 697	49,5	345 015	3,87	29 363	34 828	34 855
Carrying amount shares in associates (Group and parent bank)								**29 363**	**34 828**	**34 855**

Associates

Associates (carrying amount in the Group and parent bank) 2024	Kjell Haver Regnskapsservice AS	Total
Balance sheet value at start of period	34 855	34 855
Capital increase/acquisition		
Dividends	-5 445	-5 445
Profit contribution for the year	5 419	5 419
Balance sheet value at end of period	**34 828**	**34 828**

Associates (carrying amount in the Group and parent bank) 2023	Kjell Haver Regnskapsservice AS	Total
Balance sheet value at start of period	34 359	34 359
Capital increase/acquisition		
Dividends	(4 950)	(4 950)
Profit contribution for the year	5 446	5 446
Balance sheet value at end of period	**34 855**	**34 855**

29 Ownership interests in subsidiaries and associates

Company information 2024	Kjell Haver Regnskapsservice AS	Total
Cash and cash equivalents	15 645	15 645
Other current assets	7 549	7 549
Non-current assets	2 228	2 228
Total assets	**25 422**	**25 422**
Current financial liabilities	22 537	22 537
Non-current liabilities		
Equity	2 886	2 886
Total equity and liabilities	**25 422**	**25 422**
Operating income	62 004	62 004
Depreciation	(521)	(521)
Other operating costs	(47 819)	(47 819)
Interest income	388	388
Interest expenses	(15)	(15)
Tax expense	(3 097)	(3 097)
Comprehensive income after tax	**10 940**	**10 940**
Dividends received from associates (share Rogaland Sparebank)	**5 445**	**5 445**

Kjell Haver Regnskapsservice AS is a local Sandnes firm that provides accounting and consulting services for its customers.
The firm had 36 employees as at 31.12.2024.

30 Equities

Group / Parent bank

Equities and funds	Org. no.	Number of shares/units	Stake	Carrying amount 31.12.2024
Brage Finans AS	995610760	5 467 541	4,00 %	171 045
Eiendomskreditt	979391285	91 837	1,71 %	13 560
EIKA VBB AS	921859708	13 294	9,89 %	66 834
Jæren Sparebank Egenkapitalbevis	937895976	210 000	4,26 %	68 880
Kredittforeningen for Sparebanker	986918930	920	1,84 %	948
Kvinesdal Sparebank Egenkapitalbevis	937894805	9 555	1,50 %	908
Nordic Technology Group AS	926789759	75 653	0,11 %	144
VN Norge AS (number of shares in billions)	821083052	7 954 679	0,84 %	4 035
Other unlisted				187
Total equities at fair value through profit or loss				**326 540**
DNB Obligasjon A	979480520	5 556	0,02 %	5 617
Holberg Kreditt B	997642589	400 775	0,56 %	47 764
Total equities and funds				**379 920**

Group / Parent bank

Equities and funds	Org. no.	Number of shares/units	Stake	Carrying amount 31.12.2023
Eiendomskreditt	979391285	76 091	1,42 %	13 187
EIKA VBB AS	921859708	12 351	9,19 %	62 093
Jæren Sparebank Egenkapitalbevis	937895976	210 000	4,26 %	55 440
Nordic Technology Group AS	926789759	75 653	0,11 %	265
VN Norge AS (number of shares in billions)	821083052	7 392 000	0,78 %	5 449
Other unlisted				90
Total equities at fair value through profit or loss				**136 524**
DNB Obligasjon A	979480520	5 489	0,02 %	5 393
Holberg Kreditt B	997642589	283 511	0,44 %	33 319
Total equities and funds				**175 236**

These assets are classified at fair value with changes in value through profit or loss. For the investments' net changes in value, see note 19.

The total cost price for the shares amounted to NOK 263.9 (72.4) million. The cost price for the fixed income funds amounted to NOK 48.4 (35.6) million. The bank does not have significant influence in the companies.

The bank indirectly owns shares in Vipps AS through Eika Vbb AS, which acts as a joint holding company for the Eika banks. The shares are primarily made up of remuneration shares linked to the merger between BankID Norge, BankAxept AS and Vipps AS back in 2018.

On 28.10.2024, Rogaland Sparebank bought 4% of the shares in Brage Finans AS, and is thus the third largest owner of the company. Brage Finans AS is the country's third largest actor in leasing. In addition to becoming a part-owner of Brage Finans AS, the bank has entered into a distribution agreement for the leasing products for the corporate market. A representative of Rogaland Sparebank joins the board of Brage Finans. The total purchase sum for the shares was NOK 171 million.

31 Intangible assets

ACCOUNTING POLICIES

Goodwill is initially measured as the difference between the sum of the purchase consideration and the value of non-controlling ownership interests, and the net fair value of identifiable assets and liabilities taken over. Goodwill in the purchase of subsidiaries is recognised as intangible assets. The individual goodwill items and intangible assets in the Group's balance sheet are allocated to assessment units according to which businesses benefit from the purchased asset. The choice of assessment unit is made based on where cash flows related to the business can be identified and separated. Goodwill is tested annually for impairments and posted at cost price reduced for accumulated impairments. The assessment is based on historical results as well as approved budgets and management forecasts. The required rate of return is based on an assessment of the market's required rate of return for the type of business included in the assessment unit, thus reflecting the risk in the business.

Goodwill in the Group is linked to Aktiv Eiendomsmegling Jæren and Ryfylke Eiendomsmegling AS (property segment). The goodwill linked to Aktiv Eiendomsmegling primarily arose as a result of a merger back in 2015, while the goodwill linked to Ryfylke Eiendomsmegling AS arose as a result of a buyout of minority shareholders this year.

Impairment testing of capitalised values is done by discounting the expected future cash flow from the business. Cash flows are based on approved budgets and management forecasts. Budgets and forecasts are subject to a high degree of uncertainty. If the actual economic conditions differ from the assumptions used in budgets and plans, the impairment tests may produce a different result. Furthermore, the impairment tests depend on the required rate of return. The required rate of return is stipulated discretionarily on the basis of the information available on the balance sheet date. The impairment test is carried out annually and does not provide a basis for impairments for 2024.

In connection with the merger with Hjelmeland Sparebank in August 2024, the difference between the fair value of the remuneration for the equity certificate holders in Hjelmeland Sparebank before the merger and their share of net equity based on the acquisition analysis constituted negative goodwill (badwill). Badwill arose as a consequence of the net value of identified assets and liabilities exceeding the value of the merger settlement in the transaction. Badwill is recognised through ordinary profit and loss in line with the rules in IFRS 3.
For more information, see note 47.

31 Intangible assets

Group				Parent bank		
Goodwill	IT systems	Total intangible assets	Intangible assets	Goodwill	IT systems	Total intangible assets
4 553	**5**	**4 558**	**Carrying amount as at 31.12.2022**		**5**	**5**
			Additions			
			Disposals			
			Write-downs			
	5	5	Depreciation		5	5
4 553		**4 553**	**Carrying amount as at 31.12.2023**			
4 570	188 173	192 743	Original acquisition cost		185 229	185 229
17	188 173	188 190	Total depreciation and impairments		185 229	185 229
4 553		**4 553**	**Carrying amount as at 31.12.2023**			
901		901	Additions			
			Disposals			
			Write-downs			
			Depreciation			
5 454		**5 454**	**Carrying amount as at 31.12.2024**			
5 471		193 644	Original acquisition cost		185 229	185 229
17		188 190	Total depreciation and impairments		185 229	185 229
5 454		**5 454**	**Carrying amount as at 31.12.2024**			
	3-5 år		Useful lifetime		3-5 år	

Group			
31.12.2024	31.12.2023	31.12.2022	Capitalised goodwill
4 553	4 553	4 553	Aktiv Eiendomsmegling Jæren
901			Ryfylke Eiendomsmegling
5 454	**4 553**	**4 553**	**Total goodwill**

32 Non-current assets

ACCOUNTING POLICIES

Fixed assets include buildings and operating equipment. Buildings and operating equipment are recognised at acquisition cost minus accumulated depreciation and impairments. Cost price includes all directly attributable costs associated with the purchase of the asset. Linear depreciation has been used to allocate costs minus any residual value over the estimated service life of the assets. Buildings, facilities, and equipment that are depreciated are subject to an impairment test in accordance with IAS 36 when circumstances indicate it.

Group				Parent bank		
Machinery, fixtures and fittings, etc.	Plots and real estate	Total non-current assets	Non-current assets	Machinery, fixtures and fittings, etc.	Plots and real estate	Total non-current assets
3 360		**3 360**	**Carrying amount as at 31.12.2022**	**2 996**		**2 996**
1 032		1 032	Additions	809		809
			Disposals			
			Write-downs			
1 160		1 160	Depreciation	987		987
3 233		**3 233**	**Carrying amount as at 31.12.2023**	**2 818**		**2 818**
101 699		139 885	Original acquisition cost	96 191		99 091
98 465		136 651	Total depreciation and impairments	93 373		96 273
3 233		**3 233**	**Carrying amount as at 31.12.2023**	**2 818**		**2 818**
2 154		2 154	Additions	982		982
			Depreciation/write-downs			
	33 545	33 545	Additions from merger		24 000	24 000
2 219	431	2 650	Depreciation	1 072	501	1 573
3 168	**33 114**	**36 282**	**Carrying amount as at 31.12.2024**	**2 728**	**23 499**	**26 227**
103 853	33 545	175 584	Original acquisition cost	97 173	24 000	124 073
100 684	431	139 301	Total depreciation and impairments	94 445	501	97 846
3 168	**33 114**	**36 282**	**Carrying amount as at 31.12.2024**	**2 728**	**23 499**	**26 227**
3-5 years	20 years		Utnyttbar levetid	3-5 years	20 years	

Activated investments linked to leased premises are depreciated over the remaining term of the lease.

The real estate added by the merger includes added value identified in the acquisition analysis. The buildings were thus recognised at fair value at the time of the merger. For more information, please see the note on the merger in note 47.

For the parent bank, this concerns two commercial buildings in Hjelmeland.

For the Group, this concerns the commercial buildings in Hjelmeland and a commercial building in Jørpeland owned via Ryfylke Eiendoms-megling AS.

The useful life of the properties has been set at 20 years.

33 Leases

ACCOUNTING POLICIES

IFRS 16 sets out a common model that must be used for all leases, with some exceptions, where the right to use a specific asset is transferred from the lessor to the lessee for a specific period.

In order to determine whether an agreement contains a lease, one must assess whether the agreement transfers the right to control the use of an identified asset. For the Group, the standard has mainly affected leases related to office premises, which means that lease costs are recognised as depreciation of the right-of-use asset and interest expenses on the associated lease liabilities in the income statement. The bank's IT agreements are not considered to fall under IFRS 16, because they are based on purchases of capacity that are not physically separated and thus not identifiable. Low value leases (total value of less than USD 5000) and leases with a lease period of 12 months or less will not be recognised in the balance sheet. Leases under these exemptions are recognised on an ongoing basis as other operating costs.

The lease period is calculated based on the duration of the agreement imposed on any option periods if there is reasonable certainty these will be exercised. Calculating the present value of the lease liabilities includes elements such as fixed rent adjusted for index regulations in the leases. Any options in the lease and/or expenses associated with buy-out clauses before the final contract expiration are not included in the lease liability unless it is reasonably certain that the option or clause will be exercised. Joint costs and other variable lease payments. will not be included in the lease liabilities for the leases and will be posted as operating costs.

The discount rate for leases is determined by applying the lessor's marginal loan rate, i.e. the interest rate a lessee in a similar economic environment would have to pay to finance the loan, for a corresponding period and with equal security, the funds required for an asset of similar value to the right-of-use asset. The interest rate takes into account both risk-free interest rates, credit risk, and rent-specific premiums, including collateral/guarantees in the lease. The interest rate will be adapted to the duration of the actual lease and the type of asset.

The bank has included its lease liabilities at the present value of the remaining lease payments discounted by a marginal loan rate at the time of initial application, as well as the corresponding right-of-use to an amount reflecting the value of the asset as if the standard were in force from the time the lease was entered into.

Right-of-use is presented in the balance sheet as "Right-of-use assets, leases", while the lease liabilities are presented as "Lease liabilities".

Right-of-use assets that are depreciated are subject to an impairment test in accordance with IAS 36 when circumstances indicate it.

The Group's leased assets include buildings/offices and other real estate, machinery/equipment and vehicles. The Group's right-of-use assets have been categorised and are presented in the table below:

33 Leases

Right-of-use assets

Group					Parent bank			
Total	Vehicles	Machinery and equipment	Buildings	Right-of-use assets	Buildings	Machinery and equipment	Vehicles	Total
121 982	653	3 614	117 715	**Acquisition cost 01.01.2023**	112 676	3 614	653	116 943
2 309		2 309		Additions of right-of-use assets		2 309		2 309
3 469			3 469	Adjustments of right-of-use assets during the year	3 469			3 469
127 760	**653**	**5 923**	**121 184**	**Acquisition cost 31.12.2023**	**116 145**	**5 923**	**653**	**122 721**
51 224	476	1 402	49 346	**Accumulated depreciation and write-downs 01.01.2023**	46 522	1 402	476	48 401
17 026	44	1 421	15 561	Depreciation in the period	14 553	1 421	44	16 018
68 251	**520**	**2 823**	**64 907**	**Accumulated depreciation and write-downs 31.12.2023**	**61 076**	**2 823**	**520**	**64 419**
59 509	**133**	**3 100**	**56 277**	**Carrying amount of right-of-use assets 31.12.2023**	**55 070**	**3 100**	**133**	**58 302**
127 760	653	5 923	121 184	**Acquisition cost 01.01.2024**	116 145	5 923	653	122 721
9 884	519	2 177	7 188	Additions of right-of-use assets	4 969	2 177	519	7 665
365			365	Additions from merger	365			365
(3 667)		327	(3 993)	Adjustments of right-of-use assets during the year	(3 993)	327		(3 667)
134 342	**1 172**	**8 426**	**124 379**	**Acquisition cost 31.12.2024**	**117 486**	**8 426**	**1 172**	**127 084**
68 251	520	2 823	64 907	**Accumulated depreciation and write-downs 01.01.2024**	61 076	2 823	520	64 419
15 983	127	1 780	14 076	Depreciation in the period	12 946	1 780	127	14 853
84 234	**647**	**4 604**	**78 983**	**Accumulated depreciation and write-downs 31.12.2024**	**74 021**	**4 604**	**647**	**79 272**
50 107	**525**	**3 822**	**45 396**	**Carrying amount of right-of-use assets 31.12.2024**	**43 464**	**3 822**	**525**	**47 811**
	3-5 years	3-5 years	1-10 years	Lower of remaining lease period or useful lifetime	1-10 years	3-5 years	3-5 years	
	Straight line	Straight line	Straight line	Depreciation method	Straight line	Straight line	Straight line	

33 Leases

Lease liabilities

Group					Parent bank			
Total	Vehicles	Machinery and equip-ment	Buildings	Undiscounted lease liabilities and payments due	Buildings	Machinery and equip-ment	Vehicles	Total
21 495	214	1 468	19 814	< 1 year	18 959	1 468	214	20 640
20 744	205	1 234	19 304	1-2 years	18 818	1 234	205	20 258
20 160	120	1 222	18 818	2-3 years	18 818	1 222	120	20 160
6 180		613	5 567	3-4 years	5 567	613		6 180
1 212		59	1 152	4-5 years	1 152	59		1 212
				> 5 years				
69 791	**539**	**4 597**	**64 655**	**Total undiscounted lease liabilities 31.12.2024**	**63 313**	**4 597**	**539**	**68 449**
				Changes in lease liabilities				
87 690	**314**	**2 066**	**85 309**	**Total lease liabilities 31.12.2022**	**82 914**	**2 190**	**190**	**85 295**
5 828		2 359	3 469	New/change lease liabilities recognised in the period	3 469	2 359		5 828
(15 498)	(96)	(1 275)	(14 127)	Payment of principal	(13 074)	(1 275)	(96)	(14 444)
(3 712)	(9)	(173)	(3 531)	Payment of interest	(3 544)	(173)	(9)	(3 725)
3 711	9	173	3 530	Interest expenses linked to lease liabilities	3 544	173	9	3 725
78 019	**219**	**3 149**	**74 650**	**Total lease liabilities 31.12.2023**	**73 310**	**3 274**	**94**	**76 678**
6 128	519	2 595	3 014	New/change lease liabilities recognised in the period	918	2 595	519	4 031
421			421	Additions from merger with Hjelmeland Sparebank	421			421
(19 352)	(151)	(1 819)	(17 383)	Payment of principal	(16 265)	(1 819)	(151)	(18 234)
(3 081)	(18)	(273)	(2 790)	Payment of interest	(2 757)	(273)	(18)	(3 048)
3 081	18	273	2 790	Interest expenses linked to lease liabilities	2 757	273	18	3 048
				Translation differences				
65 215	**587**	**3 926**	**60 702**	**Total lease liabilities 31.12.2024**	**58 383**	**4 050**	**463**	**62 896**

The average discount rate for tenancy agreements is around 4.2%. The average discount rate for leases for machinery and equipment is around 4.8% and for vehicles it is around 4.8%.
For tenancy agreements, we use the tenant's marginal loan rate, while for machinery and vehicles the implicit interest rate in the lease is used.

Index adjustments of rent are taken account of in the calculation of the liability based on what the tenancy agreement specifies.

The leases do not contain restrictions concerning the Group's dividend policy or funding opportunities. The Group has no material residual guarantees linked to its leases.

33 Leases

Group 2024	Group 2023	Other lease costs included in the income statement	Parent bank 2024	Parent bank 2023
3 223	3 958	Overheads for leased premises (variable lease payments)	3 223	3 958
1 916	1 989	Operating costs in period linked to short-term leases (incl. low value short-term leases)	139	351
1 676	479	Operating costs in period linked to low value assets (excl. short-term leases above)	514	417
6 814	**6 427**	**Total lease costs included in other operating costs**	**3 875**	**4 726**

In addition to the above lease liabilities, the Group is legally bound to pay variable lease payments for some of its leases. Overheads, short-term leases and low value leases are recognised as costs over the relevant period.

Options to extend a lease

The Group's leases for buildings have terms of up to 10 years. Several of the agreements include a right to extend them that can be exercised during the final period of the agreement. When the Group enters into an agreement, we evaluate whether it is reasonably certain that the right to extend will be exercised. The Group's potential future lease payments not included in the lease liabilities linked to extension options amounted to NOK 8.8 million as at 31.12.2024.

Purchase options

The Group leases machinery, equipment and vehicles through leases with terms of between 3-5 years. None of these leases include options to purchase the assets when the term of the lease ends.

Practical solutions applied

The Group also leases PCs, IT equipment and machinery through leases with terms of 1-3 years. The Group has decided to not recognise leases where the value of the underlying asset is low or the duration or the lease is short, up to 12 months. Thus, the Group does not recognise lease liabilities and right-of-use assets for some of these leases. Instead, the lease payments are recognised as costs as they are incurred.

34 Financial instruments with change in value through OCI

Group		Financial instruments with change in value through OCI	Parent bank	
31.12.2024	31.12.2023		31.12.2024	31.12.2023
39 274		EIKA Boligkreditt AS (org. no. 885621252)	39 274	
727 583	668 908	EIKA Gruppen AS (org. no. 979319568)	727 583	668 908
766 857	**668 908**	**Total financial instruments with change in value through OCI**	**766 857**	**668 908**

As a general rule pursuant to IFRS 9, shares and units are measured at fair value with changes in value through profit or loss (FVTPL), with the exception of the bank's investment in Eika Gruppen AS, which is classified as a financial instrument with changes in value through OCI (FVOCI) since it is considered a strategic investment for the bank. For information about shares measured at fair value with changes in value through ordinary profit or loss, please refer to note 30.

Based on an updated company valuation of the shares in Eika Gruppen AS, the investment is priced at NOK 299 per share as at 31.12.2024, down from NOK 306 per share as at 31.12.2023. The value of the shares in Eika Gruppen AS was therefore adjusted downwards by NOK 14 million in 2024 and the change in value was recognised through OCI. In 2023, there was a positive change in value of NOK 100.6 million because of the Fremtind transaction.

The bank owns a total of 2 433 384 shares in the institution, which accounts for 9.4% of the total outstanding shares in Eika Gruppen AS. The total cost price for the shares amounted to NOK 382.4 million as at 31.12.2024, compared with NOK 309.9 million as at 31.12.2023. The increase in the holding was due to the addition of shares from the merger with Hjelmeland Sparebank.

The dividends received from Eika Gruppen amounted to NOK 28.4 million in 2024, compared with NOK 44.8 million in 2023. Received dividends are recognised through ordinary profit or loss.

the bank also owns 9 618 306 (0.64%) shares in Eika Boligkreditt AS (added by the merger). The cost price of the shares is NOK 39.8 million, compared with the carrying value of NOK 39.3 million as at 31.12.2024.

35 Liabilities to credit institutions

Group		Liabilities to credit institutions	Parent bank	
31.12.2024	31.12.2023		31.12.2024	31.12.2023
40 295	51 234	Loans and deposits from credit institutions without agreed term to maturity	40 295	51 234
50 400		KFS	50 400	
50 400		Total liabilities to credit institutions with agreed term to maturity	50 400	
90 695	**51 234**	**Sum gjeld til kredittinstitusjoner**	**90 695**	**51 234**

		Specified by currency		
90 190	50 885	NOK	90 190	50 885
	10	EUR		10
505	339	Others	505	339
90 695	**51 234**	**Total liabilities to credit institutions**	**90 695**	**51 234**

As at 31.12.2024, certificates and bonds valued at NOK 3 291 million in the parent bank were pledged as collateral for a credit facility of up to NOK 3 129 million in Norges Bank. As at 31.12.2023, certificates and bonds valued at NOK 2 583 million in the parent bank were pledged as collateral for a credit facility of up to NOK 2 304 million in Norges Bank.

36 Deposits from customers

Group 31.12.2024	Group 31.12.2023	Deposits from customers	Parent bank 31.12.2024	Parent bank 31.12.2023
11 845 737	9 666 705	Deposits from customers without agreed term to maturity	12 065 930	9 879 418
5 489 206	4 895 677	Deposits from customers with agreed term to maturity	5 489 206	4 895 677
17 334 944	**14 562 382**	**Total deposits from customers**	**17 555 137**	**14 775 095**

Group 31.12.2024	Group 31.12.2023	Customer deposits by customer group	Parent bank 31.12.2024	Parent bank 31.12.2023
294 237	204 463	Agriculture and forestry	294 237	204 463
37 893	30 779	Fishing and hunting	37 893	30 779
430 898	429 233	Building and construction	430 898	429 233
518 240	324 043	Manufacturing	518 240	324 043
438 204	538 690	Oil and Energy	438 204	538 690
286 824	352 501	Wholesale and retail trade	286 824	352 501
208 536	188 438	Hotels and restaurants	208 536	188 438
371 758	318 997	Transport and storage	371 758	318 997
2 948 722	2 750 687	Public and private services	3 164 047	2 961 174
1 100 730	994 059	Property management	1 105 598	996 284
32 085	69 066	Other customer groups	32 085	69 066
10 666 817	8 361 427	Retail customers	10 666 817	8 361 427
17 334 944	**14 562 382**	**Total deposits from customers**	**17 555 137**	**14 775 095**

For deposits from customers without an agreed term to maturity, the average interest rate was 2.78% for 2024 and 2.15% for 2023. For deposits from customers with an agreed term to maturity, the average interest rate was 4.68% for 2024 and 3.81% for 2023. The average interest rate on deposits is calculated based on the average balance over the year.

Deposits from customers with an agreed term to maturity consist of fixed rate deposits, deposit accounts, BSU, tax withholding accounts and other accounts subject to withdrawal restrictions.

37 Securities issued

Group 31.12.2024	Group 31.12.2023	Securities issued	Parent bank 31.12.2024	Parent bank 31.12.2023
17 088 918	15 435 958	Bond, adjusted for interest and premium/discount	3 531 529	3 781 530
		Bond, own holdings		
17 088 918	**15 435 958**	**Total securities issued**	**3 531 529**	**3 781 530**
4,84 %	4,65 %	Average interest rate, bonds	4,48 %	4,28 %

Change in securities debt

Group	Balance as at 31.12.2023	Issued	Matured/redeemed	Other changes	Balance as at 31.12.2024
Bond debt, nominal value	15 415 000	5 100 000	3 457 000		17 058 000
Interest/change in value	20 958			9 960	30 918
Total securities issued	**15 435 958**				**17 088 918**

Group	Balance as at 31.12.2022	Issued	Matured/redeemed	Other changes	Balance as at 31.12.2023
Bond debt, nominal value	14 582 000	2 550 000	1 717 000		15 415 000
Interest/change in value	(18 418)			39 375	20 958
Total securities issued	**14 563 582**				**15 435 958**

Parent bank	Balance as at 31.12.2023	Issued	Matured/redeemed	Other changes	Balance as at 31.12.2024
Bond debt, nominal value	3 790 000	300 000	557 000		3 533 000
Interest/change in value	(8 470)			6 999	(1 471)
Total securities issued	**3 781 530**				**3 531 529**

Parent bank	Balance as at 31.12.2022	Issued	Matured/redeemed	Other changes	Balance as at 31.12.2023
Bond debt, nominal value	4 007 000	550 000	767 000		3 790 000
Interest/change in value	(23 597)			15 127	(8 470)
Total securities issued	**3 983 403**				**3 781 530**

37 Securities issued

Change in liabilities from financing

	Balance as at 31.12.2023	Cash flow	Other effects: Accrued interest	Other effects: Changes in value	Other effects: Merger	Balance as at 31.12.2024
Bond debt, Group	15 435 958	1 235 448	19 899	-2 316	399 929	17 088 918
Bond debt, parent bank	3 781 530	-659 172	-1 751	10 994	399 929	3 531 529

	Balance as at 31.12.2022	Cash flow	Other effects: Accrued interest	Other effects: Changes in value	Other effects: Other	Balance as at 31.12.2023
Bond debt, Group	14 563 582	821 380	27 778	23 217		15 435 958
Bond debt, parent bank	3 983 403	-217 757	-560	16 444		3 781 530

Bonds

Issued by parent bank	Face value	Final due date
NO0010872385	737 000	25.04.2025
NO0010892318	400 000	09.09.2025
NO0010872971	400 000	16.02.2026
NO0010917172	400 000	12.06.2026
NO0012460080	36 000	04.03.2025
NO0012658048	260 000	05.10.2027
NO0012622721	400 000	27.08.2027
NO0012816166	100 000	15.10.2025
NO0012816174	100 000	18.03.2026
NO0012816182	50 000	18.09.2026
NO0013091850	350 000	07.12.2026
NO0013354704	300 000	01.10.2029
Total face value bonds issued by parent bank	**3 533 000**	

The bonds are recognised at amortised cost. Hedge accounting is used for the bank's fixed rate bonds.

Issued by mortgage credit institutions	Face value	Final due date
NO0010886237	300 000	16.06.2025
NO0012748658	450 000	10.11.2025
NO0013210476	800 000	07.02.2030
NO0012699042	400 000	21.10.2027
NO0010753320	425 000	18.03.2026
NO0010834070	300 000	10.10.2028
NO0010849847	300 000	19.06.2029
NO0010868706	300 000	20.05.2030
NO0010952872	2 000 000	18.05.2026
NO0012422908	2 250 000	26.04.2027
NO0012810482	3 000 000	03.04.2028
NO0013132993	3 000 000	05.03.2029
Total face value bonds issued by mortgage credit institutions	**13 525 000**	
Total face value bonds	**17 058 000**	

37 Securities issued

Overcollateralisation for covered bonds issued by mortgage credit institutions

Overcollateralisation is calculated in accordance with the requirements of section 11-11 of the Financial Institutions Act for constant overcollateralisation.

As a minimum, the Act requires the value of the collateral to at all times to exceed 105% of the value of the covered bonds being covered by the cover pool.

Overcollateralisation - total nominal value issued covered bonds	31.12.2024	31.12.2023
Total nominal value issued covered bonds	**13 525 000**	**11 625 000**
Loans to customers	15 102 268	13 971 914
Bank deposits	200 000	200 301
Liquid assets	391 000	604 000
Total cover pool value	**15 693 268**	**14 776 215**
Overcollateralisation	**116.0 %**	**127.1 %**
Rating agency minimum requirement	106.0 %	106.0 %
Minimum regulatory overcollateralisation requirement	105.0 %	105.0 %

38 Provisions for other liabilities

Group		Provisions for other liabilities	Parent bank	
31.12.2024	31.12.2023		31.12.2024	31.12.2023
8 927	7 233	Pension liabilities	8 927	7 233
5 212	3 674	Provisions for losses on guarantees/unused lines of credit	5 132	3 607
		Other provisions		
14 140	**10 908**	**Total provisions for other liabilities**	**14 060**	**10 840**

Provisions for losses on guarantees and unused lines of credit consist of provisions for losses in line with IFRS 9 on off-balance sheet assets. For further details, please see note 11.

Please also see note 23 for further details regarding pension liabilities.

39 Other liabilities

Group		Other liabilities	Parent bank	
31.12.2024	31.12.2023		31.12.2024	31.12.2023
597	597	Banker's drafts	597	597
20 089	42 965	Suspense accounts	20 089	42 965
43 235	70 004	Other liabilities	34 253	61 185
63 921	**113 567**	**Total other liabilities**	**54 939**	**104 748**

40 Subordinated loan capital

Subordinated loan capital

Group / Parent bank	31.12.2024	31.12.2023
Subordinated loan capital, nominal value	470 000	320 000
Interest/change in value	2 909	2 007
Total subordinated loan capital	**472 909**	**322 007**

Change in subordinated loan capital, Group/parent bank

Group / Parent bank	Balance as at 31.12.2023	Borrowing	Matured/ redeemed	Other changes	Balance as at 31.12.2024
Subordinated loan capital	320 000	150 000			470 000
Interest/change in value	2 007			902	2 909
Total subordinated loan capital	**322 007**				**472 909**

Group / Parent bank	Balance as at 31.12.2022	Borrowing	Matured/ redeemed	Other changes	Balance as at 31.12.2023
Subordinated loan capital	367 000	100 000	147 000		320 000
Interest/change in value	2 413			-406	2 007
Total subordinated loan capital	**369 413**				**322 007**

Change in liabilities from financing Group/parent bank

Group / Parent bank	Balance as at 31.12.2023	Cash flow	Other effects		Balance as at 31.12.2024
			Accrued interest	Changes in value	
Subordinated loan capital	322 007	150 000	902		472 909

Group / Parent bank	Balance as at 31.12.2022	Cash flow	Other effects		Balance as at 31.12.2023
			Accrued interest	Changes in value	
Subordinated loan capital	369 413	-47 000	-406		322 007

40 Subordinated loan capital

Subordinated loan, time-limited

Year of issue	Terms and conditions	Due date	Call date	Nominal value
2022	3 month NIBOR + 2,20%	01.12.2032	01.09.2027	220 000
2023	3 month NIBOR + 2,28%	23.11.2033	23.08.2028	100 000
2024	3 month NIBOR + 1,90%	23.05.2034	23.05.2029	150 000
Total nominal value of subordinated loans				**470 000**

The Group has also issued two hybrid Tier 1 securities with a nominal value of NOK 100 million (ISIN NO0012928771) and NOK 100 million (ISIN NO0013251199). Interest terms for the loans are 3-month NIBOR + 4.15% and 3-month NIBOR + 3.05%, respectively. In the accounts, the loans are treated as hybrid capital and included in the Group's equity. Interest costs on hybrid capital are recognised through equity.

In 2024, the interest accrued on hybrid capital was NOK 13.5 million (NOK 9.4 million for the corresponding period in 2023).

41 Equity

ACCOUNTING POLICIES

Equity certificate owners' share of the equity consists of equity certificate capital, share premium, other invested equity, and dividend equalisation funds. The dividend equalisation fund is an accumulated profit that can be used for future cash dividends or fund issues.

The nominal share of treasury equity certificates is presented as a reduction in equity certificate capital. Purchase price beyond face value is posted against other invested equity. Gains or losses on transactions with treasury equity certificates are posted directly against other invested equity.

Other equity consists of the bank's funds, gift funds/customer dividends, funds for unrealised gains, funds for valuation differences, other equity, and non-controlling interests. Other equity includes provisions for dividends.

The profit for the year is allocated to equity certificate holders and the primary capital in proportion to their share of the bank's equity capital.

Issued hybrid Tier 1 securities are bonds with face value interest, but the bank is not liable to pay interest for a period when no dividends are paid, nor is the investor later entitled to interest that has not been paid, i.e. the interest does not accumulate. Hybrid Tier 1 securities do not satisfy the definition of financial liability in accordance with IAS 32 and are consequently classified as equity/hybrid capital in the bank's balance sheet. The hybrid Tier 1 securities are perpetual, and the bank has a unilateral right not to pay interest to investors under certain conditions. Interest is thus presented not as an interest expense in the income statement, but as a reduction in other equity. Also see Note 40 for more information about the Group's hybrid Tier 1 securities.

In connection with the merger with Hjelmeland Sparebank, the equity certificate capital was increased by NOK 20.1 million by issuing NOK 2 014 039 new equity certificates to the former equity certificate holders of Hjelmeland Sparebank.

After the issuance of new equity certificates, the total stipulated equity certificate capital amounts to NOK 250 289 410, divided into NOK 25 028 941 equity certificates with a nominal value of NOK 10 per equity certificate.

It has been proposed that a dividend of NOK 9.50 per equity certificate be paid for 2024, which corresponds to 76.6% of the Group's earnings per equity certificate. For 2023, a dividend of NOK 7.50 per equity certificate was paid.

On 10 April 2024, the Board of Trustees authorised the Board of Directors of Rogaland Sparebank to purchase treasury equity certificates for a total face value of up to NOK 23.015 million, equivalent to 10 % of the equity certificate capital (before merger). Each equity certificate can be purchased at prices of between NOK 1 and 150. The authorisation is valid up to and including the ordinary meeting of the Board of Trustees in 2025, but no longer than 18 months from the time the authorisation is granted. As at 31.12.2024, Rogaland Sparebank owned 2 081 542 treasury equity certificates, which corresponds to approximately 8.3% of total issued equity certificates.

Customer dividends are part of the profit allocation in addition to handing out gifts for good causes. As at 31.12.2024, NOK 110.5 million had been set aside for customer dividends. NOK 76.5 million was paid out in customer dividends for 2023 (paid out in 2024).

42 Contingent liabilities

Contingent liabilities

As at 31.12.2024, there were no material contingent liabilities.

43 Events after the balance sheet date

ACCOUNTING POLICIES

Financial statements are considered approved for disclosure once the Board has considered the financial statements. The Board of Trustees and regulatory authorities may subsequently decide to refuse to approve the financial statements, but cannot change them. Events prior to approval of the financial statements for disclosure that concern matters already known on the balance sheet date will be included in the information used as a basis for determining accounting estimates and thus be fully reflected in the financial statements. Events that relate to matters that occur after the balance sheet date will be disclosed if they are material. The annual financial statements have been prepared on the basis of a going concern assumption. In the opinion of the Board, such an assumption was appropriate at the time the financial statements were approved for disclosure.

Clarification regarding a large problem loan

A single corporate loan for NOK 97 million is reported as a problem loan as at 31.12.2024. The loan is linked to a death and subsequent bankruptcy that occurred close to the reporting date. The loan has been settled without loss to the bank after the reporting date.

Otherwise, no events of material significance for the prepared annual financial statements have taken place after the balance sheet date of 31.12.2024.

44 Transactions with related parties

Transactions between the parent bank and subsidiaries

Transactions between the parent bank and subsidiaries relate primarily to ordinary banking services only. The services are provided on arm's length terms and eliminated in the consolidated financial statements.

Rogaland Sparebank Boligkreditt (formerly SSB Boligkreditt)

In October 2008, the Storting (Norwegian parliament) decided to introduce a scheme in which the government and banks would exchange treasury bills for covered bonds. In February 2009, the bank established its own mortgage credit institution, SSB Boligkreditt (now Rogaland Sparebank Boligkreditt AS), in order to make use of the scheme. Rogaland Sparebank Boligkreditt AS is a wholly owned subsidiary that manages residential mortgages financed by the issuance of covered bonds. The parent bank sells loans to the company, which in turn finances its operations through the issuance of covered bonds. In addition, the subsidiary has both deposits in and liabilities to the parent bank subject to interest calculated in line with the arm's length principle.

In the period up to 31.12.2024, loans worth NOK 15.1 (14.0) billion were transferred. The cover pool amounts to NOK 15.7 (14.8) billion, of which NOK 13.6 (11.7) billion was financed through the issuance of covered bonds, and NOK 0.9 (2.1) billion financed through short-term credit. As at 31.12.2024, Rogaland Sparebank Boligkreditt has NOK 0.2 (0.2) billion in bank deposits in the parent bank.

Rogaland Sparebank Boligkreditt pays a management fee for transferred loans and pays for the purchase of administrative services from the parent bank. NOK 12.4 million in management fees were charged to Rogaland Sparebank Boligkreditt in 2024, compared with NOK 12.1 million in the corresponding period in 2023. In 2024, the parent bank charged interest/credit commissions of NOK 37.7 million on short-term credit, compared with NOK 66.0 million in 2023. The parent bank also paid a total of NOK 15.3 million in interest on deposits to Rogaland Sparebank Boligkreditt, compared with NOK 11.0 million in 2023.

In 2024, an additional dividend of NOK 85.0 million was paid to the parent bank. In 2023, the dividend amount was NOK 50.0 million.

Relationship between the parent bank and Rogaland Sparebank Boligkreditt

Acquisition of residential mortgages with repurchase
Rogaland Sparebank has an agreement to transfer loans with a high degree of collateral and mortgaged properties to Rogaland Sparebank Boligkreditt AS. According to the management agreement that has been entered into, the bank is responsible for managing the loans and maintaining contact with the customers. The bank receives remuneration for the obligations that come with the management of the loans. The bank has assessed the accounting implications and concluded that most of the risk and benefits of ownership related to the sold loans have been transferred. This entails full derecognition from the bank's balance sheet. There is no obligation to buy back the loans and, in the event of a crisis, Rogaland Sparebank Boligkreditt and the cover pool will stand on their own. This has also been taken into account in the rating of the company's bonds with respect to the over-collateralisation requirement of 6% and the authorities' requirement of 5%. The risk in relation to transferred loans is transferred to Rogaland Sparebank Boligkreditt, which on independent basis includes all the loans in full in the risk-weighted assets included in the regulatory capital requirement calculation. The remuneration received for loans transferred to Rogaland Sparebank Boligkreditt, matches to the carrying amount and is deemed to correspond to the loans' fair value at the time of transfer. The bank recognises all the rights and obligations created or maintained upon transfer as separate assets or liabilities.

The parent bank is the main bank/settlement bank for Rogaland Sparebank Boligkreditt, and all payments are made via Rogaland Sparebank Boligkreditt's accounts in Rogaland Sparebank. When the mortgage credit institution purchases residential mortgages from the parent bank, the purchases are settled via the mortgage credit institution's settlement account in Rogaland Sparebank. If Rogaland Sparebank Boligkreditt does not have cash available, that is in those cases where Rogaland Sparebank Boligkreditt purchases loans before a new covered bond is issued, the bank will provide temporary financing for the purchase of the residential mortgages through unsecured financing.

Pursuant to an agreement between the parent bank and Rogaland Sparebank Boligkreditt the parent bank is obliged to transfer collateral to Rogaland Sparebank Boligkreditt matching any requirement to top up the cover pool (over-collateralisation) due to a negative change in value in the residential mortgage portfolio's loan-to-collateral value ratio.

In short, the agreement entails the following:
- Loans are measured prior to transfer.
- When a loan is transferred from the bank to Rogaland Sparebank Boligkreditt, a letter of notification is sent to the customer.
- In the event of refinancing, loans are transferred back to the bank to check whether they are eligible for transfer to Rogaland Sparebank Boligkreditt.

Other subsidiaries

As at 31.12.2024, the bank's total loans and advances for Ryfylke Eiendomsmegling AS amounted to NOK 9.4 million. The loans were furnished on commercial terms and conditions and have been eliminated in the consolidated financial statements. Besides this, no material transactions took place between the bank and the other subsidiaries.

Relationship between the parent bank and Eika Boligkreditt

As a result of the merger, Rogaland Sparebank has taken over the distribution agreement with Eika Boligkreditt AS and acts as an agent. At the end of 2024, Rogaland Sparebank's portfolio amounted to NOK 587.5 million. The total guarantee liability is NOK 5.9 million.

According to the agreement with Eika Boligkreditt, Rogaland Sparebank is obliged to have the following guarantee liabilities:

- Loan guarantee for the entire loan amount from the bank's request for payment until legal protection has been obtained.
- Loss guarantee limited to 1.0% of Eika Boligkreditt's loan portfolio for an ongoing 12-month period, minimum NOK 5.0 million.

44 Transactions with related parties

Rogaland Sparebank can arrange loans between Eika Boligkreditt and its customers. Since the merger, the bank has not arranged/transferred loans (beyond a minimum supply) to Eika Boligkreditt since the bank primarily uses its own covered bond company (Rogaland Sparebank Boligkreditt).

For existing portfolios, the bank has nevertheless, as mentioned above, assumed a guarantee obligation and receives an arrangement commission in relation to these loans. The guarantee Rogaland Sparebank has provided to Eika Boligkreditt is provided in connection with mortgages that satisfy the regulations for covered bonds and will result in payment from the bank in cases where the loan amount cannot be covered by the individual customer. Given that the guarantee has been given for a series of well-secured loans, Rogaland Sparebank considers the risk associated with the guarantee to be low.

As one of Eika Boligkreditt's owner banks, the bank is also obliged to supply capital to Eika Boligkreditt to the extent necessary to maintain the company's capital targets. Capital targets may change based on recommendations or instructions from the Financial Supervisory Authority of Norway. The owner banks' responsibilities for supplying capital are pro rata and distributed according to the individual owner bank's share of Eika Boligkreditt's loan portfolio at the time of issuance. The individual owner bank's obligation may increase by up to 100% of their original pro rata share if it is the owner banks that default on their obligations to pay in capital.

Group		Loans and guarantees	Parent bank	
2024	2023		2024	2023
8 627	9 973	Total loans and guarantees to Board of Directors, incl. related parties	8 627	9 973
62 729	52 921	Total loans and guarantees to Board of Trustees	62 729	52 921
579 633	507 332	Total loans (including overdraft facilities) to employees	549 273	471 674
650 989	**570 225**	**Total loans and guarantees to employees and elected representatives**	**620 629**	**534 568**

45 Earnings per equity certificate and calculation of equity certificate percentage

Group 2024	Group 2023	Earnings per equity certificate	Parent bank 2024	Parent bank 2023
12.4	10.0	Earnings per equity certificate (NOK)	12.4	9.9
12.4	10.0	Diluted earnings per equity certificate (NOK)	12.4	9.9
		Basis for calculation		
457 595	329 890	Profit after tax	456 486	327 476
62.3 %	63.6 %	Equity capital certificate percentage	62.3 %	63.6 %
285 150	209 683	Profit allocated to equity certificate holders	284 459	208 149
22 947	21 012	No. of outstanding equity certificates (NOK thousands)	22 947	21 012

2024	2023	No. of outstanding equity certificates [1]	2024	2023
21 011 952	20 945 526	Outstanding as at 01.01	21 011 952	20 945 526
22 947 399	21 011 952	Outstanding as at 31.12	22 947 399	21 011 952

1 The number of outstanding equity certificates has been reduced to account for the bank's holdings of treasury equity certificates.

Calculation of equity certificate percentage	31.12.2024	31.12.2023
Equity certificate capital	250 289	230 149
Treasury equity certificates	(20 815)	(20 030)
Share premium	1 178 466	987 313
Other paid-in equity	(134 726)	(127 180)
Dividend equalisation fund	595 162	535 453
A = Capital, equity certificate holders	1 868 376	1 605 706
The Savings Bank's Fund	1 089 328	895 350
Gift Fund (excl. provisions for customer dividends)	40 574	25 162
B = Primary capital	1 129 903	920 512
A / (A + B) = Equity certificate percentage	***62.3 %***	***63.6 %***

The number of issued equity certificates was 25 028 841 as at 31.12.2024, of which the bank's treasury holding was 2 081 542 equity certificates as at 31.12.2024. Consequently the number of outstanding equity certificates amounted to 22 947 399 as at 31.12.2024, compared with 21 011 952 as at 31.12.2023.

The profit is allocated to the owners by time-weighted ownership fraction throughout the year. In connection with the merger with Hjelmeland Sparebank, the ownership fraction decreased somewhat. The calculation of earnings per equity certificate was based on the equity certificate ratio as at 31.12.

46 Equity certificate capital and equity certificate holders

Equity certificate capital

	31.12.2024	31.12.2023
Equity certificate capital, carrying amount	250 289	230 149
Treasury equity certificates	-20 815	-20 030
No. of equity certificates	25 029	23 015
Share premium, carrying amount	1 178 466	987 313
Other paid-in equity	-134 726	-127 180
Dividend equalisation fund	595 162	535 453

The 20 largest holders of equity certificates as at 31.12.2024

	No. of equity certificates	Share in %
Sparebank 1 Sør-Norge ASA	3 485 009	13,92
Rogaland Sparebank (treasury holding)	2 081 542	8,32
Holmen Spesialfond	1 883 101	7,52
Sparebanken Vest	1 778 266	7,10
AS Clipper	1 248 389	4,99
VPF EIKA Egenkapitalbevis	1 223 043	4,89
Espedal & Co AS	886 861	3,54
Salt Value AS	680 000	2,72
Nordea Bank Abp	625 000	2,50
Kommunal Landspensjonskasse Gjensidige	359 311	1,44
Innovemus AS	318 542	1,27
Menne Invest AS	295 574	1,18
Skagenkaien Investering AS	250 000	1,00
Nordhaug Invest AS	184 374	0,74
Hausta Investor AS	180 785	0,72
Tirna Holding AS	156 255	0,62
Kristian Falnes AS	145 000	0,58
Meteva AS	131 881	0,53
Catilina Invest AS	124 000	0,50
Elgar Kapital As	115 963	0,46
20 largest holders	**16 152 896**	**64,54**
Other holders	8 876 045	35,46
Total equity certificates	**25 028 941**	**100,00**

Rogaland Sparebank's owner capital as stipulated in our by-laws is NOK 250 289 410 divided into 25 028 941 equity certificates, each with a nominal value of NOK 10.

As at 31.12.2024, there were 3 477 registered equity certificate holders. On the same date, the 20 largest holders (inclusive of the bank's treasury equity certificates) controlled 64.54% of the equity certificate capital.

The total of 25 028 941 equity certificates as at 31.12.2024 include 2 081 542 treasury equity certificates. The face value of the bank's holding is recognised under the equity item "Treasury equity certificates" while the equity charge in excess of the face value is recognised in the item "Other paid-in equity".

47 Merger

Merger with Hjelmeland Sparebank 01.08.2024

The merger of Sandnes Sparebank and Hjelmeland Sparebank was carried out on 01.08.2024 with accounting effect from the same date. The merger was implemented in line with the acquisition method in accordance with IFRS 3.

The merger came about because the boards of the banks concluded that the interests their bank were tasked with safeguarding would be best served by merging the combined business of the banks. The merger involved transferring the savings banking business in Hjelmeland Sparebank to Sandnes Sparebank. The merged bank will continue to operate under the name Rogaland Sparebank. Rogaland Sparebank's ambition is to grow and become the leading local savings bank in Rogaland. The aim of the merged bank is to achieve better profitability than the banks could manage individually. A profitable bank would also return more to the owners and local communities in the form of customer dividends and gifts for good causes.

On 07.12.2023, the banks' boards approved a plan for the merger of Sandnes Sparebank and Hjelmeland Sparebank. The merger plan received final approval from the bank's Board of Trustees on 15.01.2024. On 14.06.2024, the Financial Supervisory Authority of Norway granted the necessary permits for the merger. A decision was made to implement the merger on 01.08.2024.

In the final merger plan, the exchange ratio was set at 90.0% for Sandnes Sparebank and 10.0% for Hjelmeland Sparebank. The remuneration for the acquisition of the business in Hjelmeland Sparebank is being provided in the form of equity certificates in the merged bank, which will be issued to existing equity certificate owners in Hjelmeland Sparebank. In connection with the merger, the primary capital in Hjelmeland Sparebank will be merged with the primary capital in Sandnes Sparebank.

In connection with the merger, the equity certificate capital was increased by NOK 20.1 million by issuing 2 014 039 new equity certificates to the former equity certificate owners of Hjelmeland Sparebank. This means that one equity certificate in Hjelmeland Sparebank is being exchanged for 1.80195 equity certificates in Rogaland Sparebank.

These equity certificates are being issued with a nominal value of NOK 10 per equity certificate and at a subscription price of NOK 104.91 per equity certificate, which is commensurate with the final calculated book value per equity certificate. After the issuance of new equity certificates, the total equity certificate capital amounts to NOK 250 289 410, divided into 25 028 941 equity certificates with a nominal value of NOK 10 per equity certificate.

The fair value of the 2 014 039 equity certificates issued as remuneration for the equity certificate holders in Hjelmeland Sparebank was NOK 101.22 per equity certificate, which is commensurate with the closing market price for Rogaland Sparebank's equity certificate on 01.08.2024. The difference between the fair value of the remuneration for the equity certificate holders in Hjelmeland Sparebank before the merger and their share of net equity based on the acquisition analysis constitutes negative goodwill (badwill). Badwill is recognised on day 1 in line with the accounting rules IFRS 3.32 and 3.34. Badwill arises as a result of the net value of identified assets and liabilities exceeding the value of the merger remuneration in the transaction.

The table below shows the remuneration, fair value of assets and liabilities from Hjelmeland Sparebank, as well as a calculation of badwill as at 01.08.2024 (date of implementation).

Settlement (NOKm)

No. of new equity certificates (#)	**A**	2 014 039
Fair value/market price as at 01.08.2024 (NOK)	**B**	101.2
Merger remuneration for the owners of Hjelmeland Sparebank (NOK millions)	**C = (A*B)**	**204**
Ownership fraction (owner capital/total equity)	**D**	54.5 %
Total merger remuneration	**E = (C / D)**	**374**

47 Merger

Fair value of identifiable assets and liabilities

NOKm	Carrying amount 31.07.24	Added/shortfall in value	Fair value 01.08.24
Customer relations			
Cash and cash equivalents	73		73
Loans to and receivables from credit institutions	292		292
Loans to and receivables from customers, amortised cost	2 552	(1)	2 551
Interest-bearing securities	273		273
Shares, fund units and other equity instruments	131		131
Ownership interests in group companies			
Fixed assets	5	19	24
Other assets	6		6
Total assets	**3 332**	**18**	**3 350**
Borrowing from credit institutions	101		101
Deposits from customers	2 309		2 309
Securities issued	402		402
Other liabilities	13		13
Tax liabilities	5	4	9
Other provisions	1		1
Subordinated loan capital	31		31
Total liabilities	**2 862**	**5**	**2 867**
Hybrid capital	35		35
Net identifiable assets (A)	**435**	**13**	**448**
Merger settlement (B)			**374**
Negative goodwill (incl. employee base) (B-A)			**(74)**

Negative goodwill is recognised through ordinary profit and loss (other operating income) and is allocated to respective ownership classes based on the owner fraction at the time of the merger.

The gross capitalised value of transferred loans (receivables) from the merger as well as estimated provisions for losses related to the loans is shown in the migration table in note 11.

47 Merger

Capital composition and ownership fraction upon the merger

NOK millions	Before merger 31.07.2024 Sandnes (OT)	Before merger 31.07.2024 Hjelmeland (OD)	Capital adjustments OT 1) Posted equity OT	Capital adjustments OT 2) Un-distributed Equity OT	Carrying amount of remuneration 3) New issued ECC carrying amount	Carrying amount of remuneration 4) Primary capital	Total equity before acqui-sition analysis
Equity certificate capital	230	111	230		20		250
Treasury equity certificates	-20		-20				-20
Share premium	987	1	987		191		1 178
Other paid-in equity	-124		-124				-124
Dividend equalisation fund	535	125	535	380			915
Primary capital incl. Gift Fund	917	198	917	216		177	1 310
Other equity (incl. FUG)	596		596	-596			
Total equity (excl. hybrid)	**3 123**	**435**	**3 123**		**211**	**177**	**3 511**
Ownership fraction %	63.7 %	54.5 %	63.7 %	63.7 %	100.0 %		62.7 %
Primary capital share %	36.3 %	45.5 %	36.3 %	36.3 %		100.0 %	37.3 %

NOK millions	Acquisition analysis 5) Fair value of ECC and primary capital	Acquisition analysis 6) Fair value of net acquired assets	Merged	7) Reallocation undistributed equity	Merged final
Equity certificate capital			250		250
Treasury equity certificates			-20		-20
Share premium			1 178		1 178
Other paid-in equity			-124		-124
Dividend equalisation fund	-9	46	953	-374	579
Primary capital incl. Gift Fund	-5	28	1 332	-223	1 110
Other equity (incl. FUG)				596	596
Total equity (excl. hybrid)	**-14**	**74**	**3 571**		**3 571**
Eierbrøk %	62.7 %	62.7 %	62.7 %		62.7 %
Grunnfondsandel %	37.3 %	37.3 %	37.3 %		37.3 %

Notes:

1) Sandnes Sparebank's (parent bank) book equity as at 31.07.2024.

2) Undistributed other equity in Sandnes Sparebank includes a fund for unrealised gains and a fund for valuation differences, as well as other equity (earned, undistributed profit). A theoretical allocation of undisposed equity is being made to owner capital and primary capital, respectively, based on the ownership fraction in Sandnes Sparebank prior to implementation. The theoretical allocation will be reversed in a final opening balance based on the final ownership fraction in the merged bank.

3) As remuneration for the assets and liabilities received, new equity certificates are being issued to the equity certificate holders of Hjelmeland Sparebank. The issuance of new equity certificates is being recognised by: i) an increase in equity certificates calculated using the nominal value of equity certificates multiplied by the number of new equity certificates being issued; and ii) the increase in the share premium reserve calculated as the difference between the nominal value and the subscription price for new certificates multiplied by the number of new equity certificates issued.

4) The primary capital is being increased to the carrying amount, i.e. the carrying amount of the remuneration for the equity certificate holders divided by the ownership fraction in the transferring bank before the merger multiplied by the primary capital (proportional share of total remuneration).

5) The fair value of the equity certificates being provided in the remuneration and primary capital in the transaction is less than the carrying amount at the time of implementation. The coverage of such shortfalls in values is not directly regulated by the Financial Institutions Act. The bank does not have a compensation fund and recognition against the share premium is deemed to fall outside the Financial Institutions Act's provisions on how the share premium can be used. Thus, the bank has undertaken a proportionate distribution of the shortfalls in values for both capital classes to the equalisation fund and the savings bank fund, respectively, in line with the respective ownership fractions at the time of implementation.

6) Pursuant to IFRS 3, all assets and liabilities must be recognised at fair value on the implementation date, ref. the acquisition analysis above. Negative goodwill is recognised on day 1 and allocated to the equalisation fund and the savings bank fund, respectively, in line with the ownership fraction in the merged bank on the date of implementation.

7) As described in paragraph 2, the theoretical allocation of undistributed equity is being reversed to the ownership fraction in the merged bank. This reversal is necessary to ensure the proper treatment of these equity items from an accounting perspective.

48 Pro forma results from the annual financial statements

The pro forma results for the years are the sums of the annual accounts of Sandnes Sparebank and Hjelmeland Sparebank. For 2024, the pro forma figures for Rogaland Sparebank are what they would have been had the merger been completed on 01.01.2024 (results accrued for the entire reporting period).

Pro forma figures have been provided for comparison purposes only and have only been prepared at a consolidated level.

Pro forma income statement, Group

Amounts in NOK thousands	2024	2023	2022	2021	2020
Interest income measured using the effective interest method	2 022 385	1 659 994	971 232	680 660	766 043
Interest income measured at fair value	283 506	229 528	116 122	51 081	91 276
Interest expenses	1 542 623	1 208 182	536 514	227 947	343 218
Net interest income	**763 267**	**681 339**	**550 840**	**503 793**	**514 101**
Commission income	140 130	121 897	118 944	117 479	103 997
Commission costs	-13 069	-14 526	-13 385	-11 033	-11 530
Dividends and income from ownership interests in associates	46 187	59 145	72 700	53 778	63 731
Net gain/loss on financial instruments	16 992	6 805	-13 226	14 787	-2 742
Other operating income	84 595	15 234	15 584	15 229	11 509
Total other operating income	**274 835**	**188 555**	**180 617**	**190 240**	**164 965**
Personnel costs	241 773	235 405	212 006	186 822	170 489
Other operating costs	201 595	181 108	155 721	156 632	121 157
Depreciation/impairments	18 176	19 324	17 217	20 319	24 270
Total operating costs	**461 543**	**435 837**	**384 944**	**363 773**	**315 915**
Operating profit before write-downs and tax	**576 559**	**434 057**	**346 513**	**330 260**	**363 151**
Impairments and losses on loans and guarantees	21 463	18 706	25 098	-28 557	26 642
Operating profit before tax	**555 096**	**415 351**	**321 415**	**358 816**	**336 509**
Tax expense	81 946	69 332	48 730	53 109	54 781
Operating profit after tax	**473 148**	**346 019**	**272 685**	**305 707**	**281 728**
Other comprehensive income (OCI) (after tax)	-19 046	110 423	259 221	47 048	3 371
Comprehensive income	**454 101**	**456 442**	**531 906**	**352 755**	**285 099**

Pro forma key figures

	31.12.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020
Net interest income as % of average total assets	1,97 %	1,86 %	1,62 %	1,55 %	1,66 %
Cost income ratio	44,5 %	50,1 %	52,6 %	52,4 %	46,5 %
Return on equity after tax	11,7 %	9,0 %	7,7 %	9,3 %	8,7 %
Balance sheet figures from the quarterly accounts (NOK millions)					
Net loans to customers	34 012	31 993	29 649	28 140	26 707
Net loans to customers, incl. Eika Boligkreditt	34 599	32 743	30 535	28 981	27 450
Deposits from customers	17 335	16 814	15 577	15 009	13 965
Deposit-to-loan ratio, excl. Eika Boligkreditt	51,0 %	52,6 %	52,5 %	53,3 %	52,3 %
Deposit-to-loan ratio, incl. Eika Boligkreditt	50,1 %	51,3 %	51,0 %	51,8 %	50,9 %
Total assets	39 702	37 844	35 488	32 693	32 447
Book equity, excl. hybrid capital	4 078	3 958	3 711	3 366	3 223

Alternative performance measures

Rogaland Sparebank's alternative performance measures (APMs) are key figures designed to provide useful additional information to the financial statements. These key figures are either adjusted key figures or key figures that are not defined in IFRS or other legislation and that are not necessarily directly comparable with the corresponding key figures of other companies. The APMs are not substitutes for the accounting figures prepared in accordance with IFRS and should not be afforded more weight than these accounting figures, rather they are included in the bank's financial reporting for the purpose of providing a fuller description of the bank's performance. The bank exclusively uses key figures that are looked for by investors and analysts.

Rogaland Sparebank's APMs are used in the overview of the key figures, the Board of Directors' Report and presentations of the accounts and prospectuses. All APMs are shown with comparable figures from previous periods.

		Group		Parent bank	
Definition	**Calculations/basis (NOK thousands)**	**31.12.2024**	**31.12.2023**	**31.12.2024**	**31.12.2023**
	Number of days in period	366	365	366	365
	Number of days in year	366	365	366	365
1 DEPOSIT-TO-LOAN RATIO					
CB deposits from customers / CB net loans to customers	CB deposits from customers	17 334 944	14 562 382	17 555 137	14 775 095
	CB net loans to customers	34 011 839	29 390 842	18 890 817	15 389 014
	Deposit-to-loan ratio	**51.0 %**	**49.5 %**	**92.9 %**	**96.0 %**
2 INTEREST MARGIN					
((Net interest income / days in period) x days in year) / average total assets	Net interest income	718 833	615 567	589 654	529 650
	Average total assets [1]	36 822 346	33 317 905	23 658 085	21 980 777
	Interest margin	**1.95 %**	**1.85 %**	**2.49 %**	**2.41 %**
3 INTEREST MARGIN, INCL. INTEREST ON HYBRID CAPITAL					
(((Net interest income - interest expenses on hybrid capital) / days in period) x days in year) / average total assets	Net interest income	718 833	615 567	589 654	529 650
	Interest expenses on hybrid capital	13 539	9 741	13 539	9 741
	Average total assets [1]	36 822 346	33 317 905	23 658 085	21 980 777
	Interest margin, incl. interest on hybrid capital	**1.92 %**	**1.82 %**	**2.44 %**	**2.37 %**
4 COST-TO-INCOME RATIO					
Total operating costs / (net interest income + total other operating income)	Total operating costs	414 977	368 707	363 761	321 947
	Net interest income	718 833	615 567	589 654	529 650
	Other operating income	255 239	159 563	307 872	182 005
	Cost-to-income ratio	**42.6 %**	**47.6 %**	**40.5 %**	**45.2 %**
5 TOTAL COSTS AS % OF AVERAGE TOTAL ASSETS					
((Total operating costs / days in period) x days in year) / average total assets	Total operating costs	414 977	368 707	363 761	321 947
	Average total assets [1]	36 822 346	33 317 905	23 658 085	21 980 777
	Total costs as % of average total assets	**1.1 %**	**1.1 %**	**1.5 %**	**1.5 %**

Alternative performance measures

Definition	Calculations/basis (NOK thousands)	Group 31.12.2024	Group 31.12.2023	Parent bank 31.12.2024	Parent bank 31.12.2023
6 RETURN ON EQUITY BEFORE TAX					
(Profit before tax / days in period x days in year) / (average equity in the period), excl. hybrid capital	Profit before tax	535 469	395 789	510 307	377 809
	Average equity in the period [2]	3 737 460	3 327 581	3 363 578	2 963 356
	Return on equity before tax	**14.3 %**	**11.9 %**	**15.2 %**	**12.7 %**
7 RETURN ON EQUITY AFTER TAX					
(Profit after tax / days in period x days in year) / (average equity in the period), excl. hybrid capital	Profit after tax	457 595	329 890	456 486	327 476
	Average equity in the period [2]	3 737 460	3 327 581	3 363 578	2 963 356
	Return on equity after tax	**12.2 %**	**9.9 %**	**13.6 %**	**11.1 %**
8 RETURN ON EQUITY AFTER TAX, INCL. INTEREST ON HYBRID CAPITAL					
((Profit after tax - interest expenses on hybrid capital) / days in period x days in year) / (average equity in the period), excl. hybrid capital	Profit after tax	457 595	329 890	456 486	327 476
	Interest expenses on hybrid capital	13 539	9 741	13 539	9 741
	Average equity in the period [2]	3 737 460	3 327 581	3 363 578	2 963 356
	Return on equity after tax, incl. interest on hybrid capital	**11.9 %**	**9.6 %**	**13.2 %**	**10.7 %**
9 EQUITY CERTIFICATE PERCENTAGE					
(Equity certificate capital + treasury equity certificates + premium + other paid-in equity + dividend equalisation fund) / (equity certificate capital + treasury equity certificates + premium + other paid-in equity + dividend equalisation fund + The Savings Bank's Fund + Gift Fund (excl. provisions for customer dividends)	Equity certificate capital	250 289	230 149	250 289	230 149
	Treasury equity certificates	-20 815	-20 030	-20 815	-20 030
	Share premium	1 178 466	987 313	1 178 466	987 313
	Other paid-in equity	-134 726	-127 180	-134 726	-127 180
	Dividend equalisation fund	595 162	535 453	595 162	535 453
	The Savings Bank's Fund	1 089 328	895 350	1 089 328	895 350
	Gift Fund (excl. provisions for customer dividends)	40 574	25 162	40 574	25 162
	Equity certificate percentage	**62.3 %**	**63.6 %**	**62.3 %**	**63.6 %**
10 EARNINGS PER EQUITY CERTIFICATE					
(Profit after tax x equity certificate percentage) / no. of outstanding equity certificates	Profit after tax	457 595	329 890	456 486	327 476
	Equity certificate percentage	62.3 %	63.6 %	62.3 %	63.6 %
	No. of outstanding equity certificates	22 947 399	21 011 952	22 947 399	21 011 952
	Earnings per equity certificate	**12.4**	**10.0**	**12.4**	**9.9**
11 BOOK EQUITY PER EQUITY CERTIFICATE					
(CB total equity - hybrid capital) x equity certificate percentage / no. of outstanding equity certificates	Total equity CB (excl. hybrid capital)	4 078 401	3 524 803	3 729 010	3 176 157
	Equity certificate percentage	62,3 %	63,6 %	62,3 %	63,6 %
	No. of outstanding equity certificates	22 947 399	21 011 952	22 947 399	21 011 952
	Book equity per equity certificate	**110.8**	**106.6**	**101.3**	**96.1**

Alternative performance measures

Definition	Calculations/basis (NOK thousands)	Group 31.12.2024	Group 31.12.2023	Parent bank 31.12.2024	Parent bank 31.12.2023
12 PRICE/BOOK EQUITY (P/B)					
Market price / book equity per equity certificate	Market price	126.0	91.4	126.0	91.4
	Book equity per equity certificate	110.8	106.6	101.3	96.1
	Price/book equity (P/B)	**1.14**	**0.86**	**1.24**	**0.95**
13 OPERATING EARNINGS BEFORE LOSSES AND TAX					
Profit after tax + tax expense + impairments and losses on loans and guarantees	Profit after tax	457 595	329 890	456 486	327 476
	Tax expense	77 874	65 899	53 821	50 333
	Impairments and losses on loans and guarantees	23 626	10 634	23 458	11 899
	Operating earnings before losses and tax	**559 095**	**406 423**	**533 765**	**389 708**
14 LIQUIDITY COVERAGE RATIO (LCR)					
Liquid assets / Net liquidity disposals within 30 days in a stress scenario	Liquid assets	3 981 844	3 624 457	3 607 342	3 047 270
	Net liquidity disposals within 30 days in a stress scenario	1 689 649	1 369 426	1 837 689	1 305 454
	LCR	**235.7 %**	**264.7 %**	**196.3 %**	**233.4 %**
15 COST-TO-INCOME RATIO ADJUSTED FOR CONVERSION COSTS [1]					
(Total operating costs – conversion costs) / (net interest income + total other operating income)	Total operating costs	414 977	368 707	363 761	321 947
	Conversion costs [3]	-	25 765	-	25 765
	Net interest income	718 833	615 567	589 654	529 650
	Other operating income	255 239	159 563	307 872	182 005
	Cost-to-income ratio (adjusted)	**42.6 %**	**44.2 %**	**40.5 %**	**41.6 %**
16 RETURN ON EQUITY AFTER TAX ADJUSTED FOR CONVERSION COSTS [1]					
((Profit after tax + conversion costs after tax) / days in period x days in year) / (average equity adjusted) excl. hybrid capital	Profit after tax	457 595	329 890	456 486	327 476
	Conversion costs after tax [4]	-	19 324	-	19 324
	Average equity in the period (adjusted)	3 737 460	3 340 173	3 363 578	2 975 948
	Return on equity after tax (adjusted)	**12.2 %**	**10.5 %**	**13.6 %**	**11.7 %**

1 Average total assets was calculated as the average of recognised total assets as at the end of 2023 (OB) and recognised total assets at the close of each quarter in 2024.
- Average total assets, Group 01.01.2024-31.12.2024 = (34 415 046 + 35 121 831 + 35 686 686 + 39 185 965 + 39 702 201) / 5 = 36 822 346
- Average total assets, parent bank 01.01.2024-31.12.2024 = (22 549 883 + 22 149 600 + 22 334 341 + 25 329 917 + 25 926 685) / 5 = 23 658 085

2 Average equity in the period was calculated as the average of book equity (exclusive of hybrid capital) as at the end of 2023 (OB) and recognised total assets at the close of each quarter in 2024.
- Average equity, Group 01.01.2024-31.12.2024 = (3 524 803 + 3 616 269 + 3 484 506 + 3 983 321 + 4 078 401) / 5 = 3 737 460
- Average equity, parent bank 01.01.2024-31.12.2024 = (3 176 157 + 3 252 352 + 3 093 075 + 3 567 297 + 3 729 010) / 5 = 3 363 578

3 As a consequence of the bank converting to a new core banking system (TietoEvry) some extraordinary costs. Adjusted key figures represent financial position exclusive of these costs. The project ended in 2023.

4 Conversion costs adjusted for tax effects (25% tax rate).

TCFD disclosures

Climate-related risk - reporting for the Task Force on Climate Related Financial Disclosure

Governance	Disclose the organisation's governance around climate-related risks and opportunities	Reference
A Describe the board's oversight of climate-related risks and opportunities.	The Board of Directors discussed and assessed climate-related risk on several occasions in 2024: • Strategy meetings, discussion and review of strategy and future goals and planned work related to the new strategy period from 2025 to 2028. • Quarterly risk assessments, including climate-related risk. Primarily related to the loan portfolio. • When dealing with credit cases that required decisions and follow-up from the bank's Board of Directors. • While considering the Group's ICAAP, which includes ESG risk. • When reviewing and approving procedures and guidelines related to climate-related risk and opportunities.	Board of Directors' Report
B Describe management's role in assessing and managing climate-related risks and opportunities.	The management group has specified its ambitions for the bank's work on climate-related risk in the sustainability strategy, which has been approved by the Board of Directors. The Risk Manager is responsible for incorporating climate-related risk into risk management, in cooperation with the Sustainability Manager, both of whom report to the CFO. Resources and expertise are also drawn on from Corporate Market and the Eika Alliance.	Corporate governance

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.	Reference
A Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	The general analyses that have been conducted conclude that the climate-related risk in both the retail market portfolio and the corporate market portfolio is relatively low. Part of the reason for this is that the bank does not finance fossil energy production at all and its exposure to emission-intensive industry is low. Nevertheless, the climate-related risk the bank is exposed to comes from loans to the corporate market. Most of these are medium to long-term, although there are some shorter-term loans. The bank regards commercial property, building and construction, and agriculture as the sectors with the highest inherent climate-related risk, while at the same time seeing great potential for having a positive impact in these sectors. This is also the reason why the bank has started developing green products for these sectors and currently offers green agriculture loans, green business loans, green energy loans and green mortgages. The bank's sustainability and social responsibility policies also cover the bank's liquidity management. Our liquidity portfolio mainly consists of bond investments in covered bond companies, the state and municipalities where exposure to climate-related risk is considered low. The climate-related risk in the customers' investment fund portfolios is also considered to be relatively low. Please refer to Eika Kapitalforvaltning's website for a description of its investment strategy, ESG criteria and management of climate-related risk in investment portfolios.	Sustainability and social responsibility, and Notes to the annual financial statements – notes 7 and 8
B Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	SDG 13 Climate Action is one of the SDGs that the bank specifically works towards. Analysing and managing exposure to climate-related risk have been incorporated into the bank's strategy and governing documents, including our credit policy. Rogaland Sparebank partners with Eika on the development and enhancement of tools and risk models that take into account climate-related risk.	Sustainability and social responsibility
C Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	We are in discussions with Eika about conducting scenario analyses. The challenges associated with conducting appropriate scenario analyses involve the availability and quality of data. Being able to conduct scenario analyses therefore depends on the work that has started on increasing access to data about our loan portfolio, see point (a) under risk management below.	Sustainability and social responsibility

TCFD disclosures cont.

Risk management	Disclose how the organisation identifies, assesses, and manages climate-related risks.	Reference
A Describe the organisation's processes for identifying and assessing climate-related risks.	The bank carries out an annual risk assessment, which includes ESG and climate-related risk. Risk and Compliance have, together with the Sustainability Manager and the Credit Manager Corporate Market, carried out a general risk analysis of climate-related risk for the loan portfolio. We carry out assessments of ESG factors in general and climate-related risk in particular when granting credit in the corporate market. See the more detailed description in the report in the chapter on responsible lending. We will prioritise enhancing system support and the risk model in order to take adequate account of ESG risk factors going forward as well.	Corporate governance, Sustainability and social responsibility, and notes 7 and 8
B Describe the organisation's processes for managing climate-related risks.	We carry out quarterly evaluations of risk exposure in the bank, including ESG risk. The reports are presented to the management group and Board of Directors. Otherwise, please refer to the description in the annual report of the measures carried out and future goals designed to manage climate-related risk both in lending and also operationally.	Sustainability and social responsibility, and Notes to the annual financial statements – notes 7 and 8
C Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	The heads of sections in Risk and Compliance are responsible for carrying out an annual survey of risk exposure where ESG and climate-related risk are included as part of the total identification and assessment of risk. The Risk Manager is responsible for quarterly status reporting.	Corporate governance, and notes 7 and 8

Metrics and targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Referanse
A Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	In 2024, the bank carried out a qualitative assessment of ESG factors in general and climate-related risk in particular as an integral part of the credit assessment in Corporate Market and through the ICAAP. Since 2023, the physical climate-related risk in the bank's loan portfolio has been calculated using data capture from Eiendomsverdi and the findings are reported in the annual report. In 2025, we will further enhance our competence, system support and model for calculating exposure and capital requirements for climate-related risk factors.	Sustainability and social responsibility, as well as notes 7 and 8
B Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Please refer to the climate report in the annual report for details concerning the reporting of Scopes 1, 2 and 3, as well as our reduction targets. As far as risk assessments are concerned, we regard our emissions as less crucial, while climate considerations in lending and investments are of far greater significance. This is also assumed in our materiality analysis and prioritisation of measures and goals. In 2023, Finance Norway launched its guide for calculating financed emissions, and this was used to calculate parts of the bank's financed emissions in the annual report for 2024 as well. One priority project for 2025 will be to improve data quality and at the same time put in place tools that allow us to measure performance in terms of financed emissions simply and on a quarterly basis. We also continuously strive to improve data capture, such that we can include a larger share of the loan portfolio when calculating financed emissions. This will provide an important starting point for setting relevant targets for net zero emissions.	Ref page 17 (Energy and Climate Report, total emissions Rogaland Sparebank).
C Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	See the comments above, and refer to the overview of our goals and priorities sustainability reporting.	Sustainability and social responsibility

GRI index 2024

GRI disclosure	Description	Reporting 2024	Omissions: Omitted requirements	Omissions: Reason	Omissions: Explanation
	GENERAL DISCLOSURES				
	The organisation and its reporting practices				
2-1	Organisational details: name of the organisation, ownership and legal form, headquarters, countries of operation.	AR – Corporate governance. Rogaland Sparebank Rådhusgata 3, 4306 Sandnes			
2-2	Entities included in the organisation's sustainability reporting	Rogaland Sparebank and Rogaland Sparebank Boligkreditt AS			
2-3	Reporting period, frequency and contact point	Financial year 2024, The contact person is the acting CEO, Tomas Nordbø.			
2-4	Restatements of information	AR – Corporate governance AR – Energy consumption, emissions targets and financed emissions			
2-5	External assurance: policy and practice for seeking external assurance	AR – Auditor's report and certification of sustainability report for 2024 (Deloitte).			
	Activities and workers				
2-6	Activities, value chain and other business relationships	AR – Corporate governance AR – Board of Directors' Report 2024			
2-7	Employees	AR – Working conditions, diversity and equality			
2-8	Workers who are not employees	AR – Working conditions, diversity and equality			
	Governance				
2-9	Governance structure and composition	AR – Organisation and management group AR – Board of Directors' Report 2024			
2-10	Nomination and selection of the highest governance body	AR – Organisation and management group			
2-11	Chair of the highest governance body	AR – Board			
2-12	Role of the highest governance body in overseeing the manage-ment of impacts	AR – Corporate governance			
2-13	Delegation of responsibility for managing impacts	AR – Corporate governance			
2-14	Role of the highest governance body in sustainability reporting	AR – Corporate governance			
2-15	Conflicts of interest	AR – Corporate governance, Board	2-15b	Not applicable	There are no material conflicts of interest to report with respect to stakeholders.
2-16	Communication of critical concerns	AR – Working conditions, diversity and equality			
2-17	Collective knowledge of the highest governance body	AR – Board AR – Working conditions, diversity and equality			
2-18	Evaluation of the performance of the highest governance body	AR – Working conditions, diversity and equality			
2-19	Remuneration policies	AR – Working conditions, diversity and equality			
2-20	Process to determine remuneration	AR – Corporate governance			
2-21	Annual total compensation ratio	AR – Working conditions, diversity and equality			
	Strategy formulation and execution				
2-22	Statement on sustainable development strategy	AR – Sustainability and social responsibility			
2-23	Policy commitments	AR – Sustainability and social responsibility			
2-24	Embedding policy commitments	AR – Sustainability and social responsibility			
2-25	Processes to remediate negative impacts	AR – Working conditions, diversity and equality			
2-26	Mechanisms for seeking advice and raising concerns	AR – Working conditions, diversity and equality			
2-27	Compliance with laws and regulations	No material breaches of laws and regulations.			
2-28	Membership associations	Finance Norway			
	Stakeholder engagement				
2-29	Approach to stakeholder engagement	ÅR – Stakeholder engagement			
2-30	Collective bargaining agreements	ÅR – Working conditions, diversity and equality			

ÅR = Årsrapport

GRI index 2024 cont.

GRI disclosure	Description	Reporting 2024	Omissions: Omitted requirements	Omissions: Reason	Omissions: Explanation
	SPECIFIC INFORMATION ON MATERIAL TOPICS				
	Disclosures on material topics				
3-1	Process to determine material topics	AR – Materiality analysis			
3-2	List of material topics	AR – Materiality analysis			
3-3	Management of material topics	AR – Materiality analysis			
	ECONOMICS – ECONOMIC PERFORMANCE AND ECONOMIC CRIME				
3-3	Management of material topics	AR – Key figures as at 31.12.2024 AR – Materiality analysis AR – Responsible banking AR – Annual financial statements AR – Note 7, Risk management AR – Note 9, Loans and advances by customer group and geographic area AR – TCFD disclosures			
	Economic performance				
201-1	Direct economic value generated and distributed	AR – Annual financial statements			
201-2	Financial implications and other risks and opportunities due to climate change	AR – Working conditions, diversity and equality AR – Note 7, Risk management AR – Note 8, Credit risk AR – TCFD disclosures			
201-3	Defined benefit plan obligations and other retirement plans	AR – Note 22, Remuneration			
201-4	Financial assistance received from government	None	Not relevant	The bank has not received public financial support.	
	Anti-corruption and economic crime				
205-1	Operations assessed for risks related to corruption	AR – Responsible banking			
205-2	Communication and training about anti-corruption policies and procedures	AR – Responsible banking			
205-3	Confirmed incidents of corruption and actions taken	AR – Responsible banking			
ROGS-1	Work against money laundering and terrorist financing	AR – Responsible banking			
	ENERGY CONSUMPTION, EMISSIONS TARGETS AND FINANCED EMISSIONS				
3-3	Management of material topics	AR – Materiality analysis AR – Responsible banking AR – GRI table 2024			
	Emissions and compliance with environmental regulations				
305-1	Direct (Scope 1) GHG emissions	ÅR – Energy consumption, emissions targets and financed emissions			
305-2	Energy indirect (Scope 2) GHG emissions	ÅR – Energy consumption, emissions targets and financed emissions			
305-3	Other indirect (Scope 3) GHG emissions	ÅR – Energy consumption, emissions targets and financed emissions	GRI 305-3d	Information incomplete	Only parts of the emissions from investments and the loan portfolio have been reported. The calculated financed emissions related to financing residential properties, commercial properties and agriculture have been included.
305-4	GHG emissions intensity	ÅR – Energy consumption, emissions targets and financed emissions			
305-5	Reduction of GHG emissions	ÅR – Energy consumption, emissions targets and financed emissions			
305-6	Emissions of ozone-depleting substances (ODS)		GRI 305-6	Not applicable	Not relevant since the bank has no such types of emission.
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions		GRI 305-7	Not applicable	Not relevant since the bank has no such types of emission.
	Supplier environmental assessment				
308-1	New suppliers that were screened using environmental criteria	ÅR – Responsible purchasing			
308-2	Negative environmental impacts in the supply chain and actions taken	ÅR – Responsible purchasing			

AR = Annual Report

GRI index 2024 cont.

GRI disclosure	Description	Reporting 2024	Omissions: Omitted requirements	Reason	Explanation
	WORKING CONDITIONS, DIVERSITY AND EQUALITY				
3-3	Management of material topics	AR – Materiality analysis, AR – Working conditions, diversity and equality			
	Employment				
401-1	New employee hires and employee turnover	AR – Working conditions, diversity and equality			
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	AR – Working conditions, diversity and equality			
401-3	Parental leave	AR – Working conditions, diversity and equality			
	Training and education				
404-1	Average hours of training per year per employee	AR – Working conditions, diversity and equality			
404-2	Programmes for upgrading employee skills and transition assistance programmes	AR – Working conditions, diversity and equality			
404-3	Percentage of employees receiving regular performance and career development reviews	AR – Working conditions, diversity and equality			
	Diversity and equal opportunity				
405-1	Diversity of governance bodies and employees	AR – Working conditions, diversity and equality			
405-2	Ratio of basic salary and remuneration of women to men	AR – Working conditions, diversity and equality			
	Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken	AR – Working conditions, diversity and equality			
	RESPONSIBLE BANKING				
3-3	Management of material topics	AR – Materiality analysis AR – Responsible banking AR – Privacy and IT security			
	Marketing and labelling				
417-1	Requirements for product and service information and labelling	AR – Responsible communication and marketing			
417-2	Incidents of non-compliance concerning product and service information and labelling	AR – Responsible communication and marketing			
417-3	Incidents of non-compliance concerning marketing communications	AR – Responsible communication and marketing			
	Privacy and IT security				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	AR – Privacy and IT security			
	RESPONSIBLE FINANCING AND RESPONSIBLE INVESTMENT				
3-3	Management of material topics	AR – Materiality analysis AR – Responsible financing og responsible investment AR – Responsible credit			
	Product responsibility				
FS 7	Monetary value of products and services designed to deliver a specific social benefit	AR – Responsible lending			
FS 8	Monetary value of products and services designed to deliver a specific environmental benefit	AR – Responsible lending			
	Active ownership				
FS 10	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues	AR – Responsible investment			
FS 11	Percentage of assets subject to positive and negative environmental or social screening	AR – Responsible investment			

AR = Annual Report

Statement pursuant to § 5-5 of the Norwegian Securities Trading Act

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Statement pursuant to§ 5-5 of the Norwegian Securities Trading Act

We confirm that the annual financial statements for the period from 1 January to 31 December 2024, to the best of our knowledge, have been prepared in accordance with IFRS, and that the information contained by the financial statements provides a true picture of the company's and the Group's assets, liabilities, financial position, and overall profits, and that the information in the Annual Report provides a true summary of developments, results and the position of the company and the Group, together with the key risk and uncertainty factors facing the companies.

Sandnes, March 11 2025
The Board of Directors of Rogaland Sparebank

Harald Espedal Chairman of the Board	Frode Svaboe Deputy Chairman	Bjørg Tomlin Director	Øyvind Ravnås Lundbakk Director	Astrid Rebekka Norheim Director
Wenche Drønen Christenssen Director		Ingunn Ruud Employee representative	Øystein Bergøy Tungland Employee representative	Tomas Nordbø CEO

Auditor's report

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To the Board of Trustees of Rogaland Sparebank

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Rogaland Sparebank, which comprise:

- The financial statements of the parent company Rogaland Sparebank (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.
- The consolidated financial statements of Rogaland Sparebank and its subsidiaries (the Group), 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, and
- the consolidated financial statements give a true and fair view of the financial position of the Group 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 Audit Committee.

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 and the Group 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 Rogaland Sparebank for 14 years from the election by the Board of Trustees on 31 March 2011 for the accounting year 2011 (with a renewed election on 23 March 2022).

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

Auditor's report cont.

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statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

IT SYSTEMS AND INTERNAL CONTROLS RELEVANT FOR FINANCIAL REPORTING

Description of the Key Audit Matter	How the matter was addressed in the audit
The IT systems within Rogaland Sparebank are key in the accounting and reporting of completed transactions, in obtaining the basis for key estimates and calculations, and in obtaining relevant information to be disclosed. The IT systems are standardized, and the management and operation of the systems are to a great extent outsourced to external service providers. Reference is made to note 7 in the financial statements, for a description of the management and operation IT systems in Rogaland Sparebank. Proper management and control of these IT systems both from Rogaland Sparebank and their service providers are of high importance to ensure precise, complete and reliable financial reporting, and this area is therefore considered to be a key audit matter.	Rogaland Sparebank has established a general governance model and internal controls on their IT systems. We have obtained an understanding of Rogaland Sparebanks IT governance model relevant for financial reporting. We assessed and tested the design of selected internal control activities relevant for financial reporting, including selected controls related to access management. For a sample of these controls, we tested their operating effectiveness in the reporting period. We also considered the third party report (ISAE 3402 Report) on Rogaland Sparebank's service provider of the core banking system focusing on whether they had adequate internal controls on areas that are of importance for the financial reporting of Rogaland Sparebank. In addition, we considered a third party confirmation (ISAE 3000 and ISRS 4400) related to the service provider with regards to the design and implementation of selected automated control activities in the IT-systems, including among others the calculation of interests and fees as well as if system generated reports was adequately designed and implemented. We have engaged our internal IT experts in the work related to understanding the governance model on IT and in assessing and testing the internal control activities related to IT.

CORPORATE LOAN LOSS PROVISIONS

Description of the Key Audit Matter	How the matter was addressed in the audit
Rogaland Sparebank has loans in the corporate segment, and reference is made to notes 8, 10 and 11 for disclosures on credit risk and loss provisions on loans and guarantees. Rogaland Sparebank has considered the need for loan loss provisions as per the	Rogaland Sparebank has established internal control activities related to the calculation of loan loss provisions on corporate lending. We performed a reasonability check on the loan loss provisions and the changes in these provisions during the year and collected and assessed Rogaland Sparebank's reasoning behind such changes.

Auditor's report cont.

Deloitte.

implementation date for IFRS 9 and as per 31.12.2024. There is a considerable amount of judgement involved in estimating the loan loss provisions within the corporate segment. The judgement is related to forward-looking assessments of probability of default and loss given default, in order to estimate the expected loss, including an assessment on how expected loss is affected by uncertainties regarding the economic development. Rogaland Sparebank utilizes models and information from a service provider in the calculation of expected loss. The assumptions and estimates used in these assessments are of critical importance for the size of these provisions, and corporate loan loss provisions are therefore a key audit matter in our audit.	We assessed and tested the design of selected key controls concerning loans subject to impairment. The control activities we assessed and tested the design of were related to identification of loans subject to impairment and the assessment of the expected future cash flows on these loans. For a sample of these control activities, we tested if they were operating effectively during the period. On a sample of impaired loans, we tested if these were timely identified, and considered the expected future cash flows the bank had estimated on these loans. On remaining loan loss provisions calculated in models and information from the service provider, we assessed: • Documentation of the models • Calculation of probability of default, loss given default and exposure at default We assessed a selection of applied forward-looking assumptions against external reports on forward-looking data from Norges Bank and Statistics Norway. We considered if the note disclosures on loan loss impairments within corporate lending is in line with requirements set forth in IFRS 7.

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.

Auditor's report cont.

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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 and the Group'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 the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group'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 and the Group'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 and the Group 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.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Auditor's report cont.

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 Audit Committee 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.

Report on Other Legal and Regulatory Requirements

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

Opinion

As part of the audit of the financial statements of Rogaland Sparebank, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 549300G2EWXR3BRFKQ37-2024-12-31-0-no.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

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

Management's Responsibilities

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

Auditor's Responsibilities

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

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

Auditor's report cont.

Stavanger, 11 March 2025
Deloitte AS

Else Høyland Joranger
State Authorised Public Accountant
(electronically signed)

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

Certification of 2024 sustainability report

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To the Board of Directors of Rogaland Sparebank

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON ROGALAND SPAREBANKS SUSTAINABILITY REPORTING FOR 2024

We have performed a limited assurance engagement for the Board of Directors of Rogaland Sparebank on information set out in the GRI Index 2024 (the "Selected Information") within the Sustainability 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

Rogaland Sparebank 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 Sustainability Report for the 2024 ended 31 December 2024, is as follows:

Selected Information	Applicable Criteria
GRI Index 2024	Reporting in accordance with GRI Standards, published by the Global Reporting Initiative (globalreporting.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.

Certification of 2024 sustainability report cont.

Deloitte.

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.
- Publishing the Applicable Criteria, publicly in advance of, or at the same time as, the publication of the Selected Information.
- 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.

Certification of 2024 sustainability report cont.

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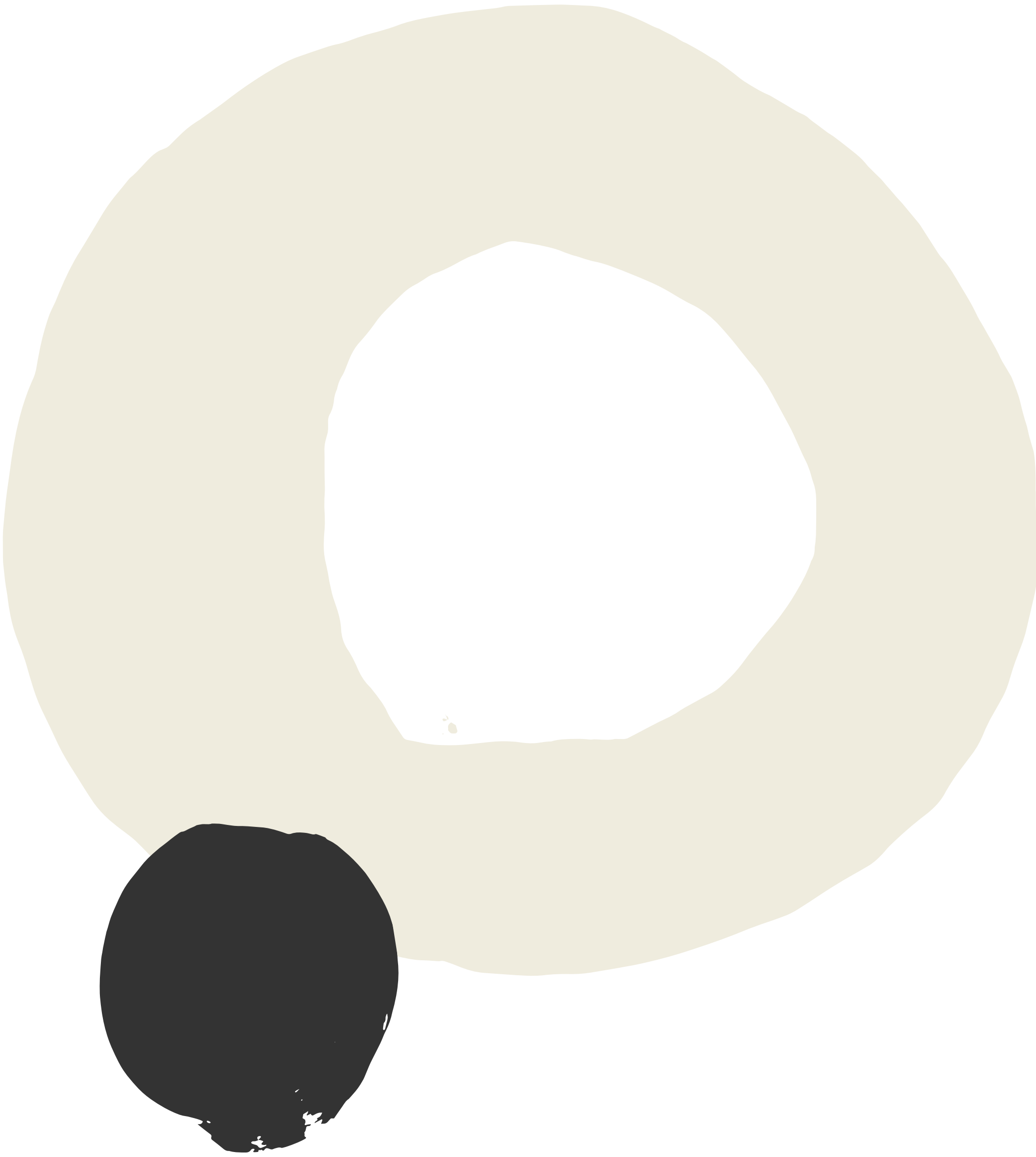
The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been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

Stavanger, 11 March 2025
Deloitte AS

Else Joranger Høyland
State Authorised Public Accountant

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

Design: Fasett 2025



Rogaland Sparebank

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