



# Sustainability Policy

**WEB**

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# 1. Introduction to Sustainability Policy

Sparebanken Norge aims to be a role model for how the business sector can contribute to society and acknowledges that our responsibility as a societal actor goes beyond what the law requires. Sparebanken Norge will contribute through its own processes, the projects and customers we finance, and how we act towards customers, society, and the environment.

The sustainability policy will be updated in connection with the bank's merger process and the development of material topics for Sparebanken Norge. See [\*Chapter 9 – Contact and Review\*](#).

## 1.1 Objective

The Sustainability Policy outlines Sparebanken Norge's principles for social responsibility, guidelines for sustainable banking operations, and ethical and responsible business conduct. This document includes our principles for practicing ethics and social responsibility in our own operations, in our interactions with customers, in the businesses we finance, the requirements we place on our suppliers, and the priorities we emphasize to achieve sustainability in operations, corporate governance, and ownership.

The guidelines are intended to ensure that the bank adheres to sustainability principles and considers ESG factors (Environmental, Social, and Governance) throughout the organization, including in the bank's work on sustainability strategy and goals.

Sustainability is integrated into the bank's governance documents, and the guidelines in this document (Sustainability Policy) apply to the entire organization. This document will be revised as part of the annual review of governance documents related to sustainability (see [\*9.2 Revision History\*](#)).

The guidelines also aim to ensure that Sparebanken Norge does not contribute to violations of human and labor rights, money laundering and terrorist financing, corruption, serious environmental damage, or other actions that may be perceived as unethical. Compliance is responsible for monitoring adherence.

The policy covers all products and services offered to individuals, households, and businesses.

Our Sustainability Policy defines the principles that must be followed in everything we do at Sparebanken Norge. Therefore, this document is designed to be easily accessible to the entire organization as well as other stakeholders and users. The guidelines are intended to support employees and managers in their strategic decisions and daily work and must be viewed in conjunction with the bank's ethical guidelines and other internal governing documents. We also encourage our customers, suppliers, and partners to follow the principles outlined in this document.

## 1.2 Structure

The Sustainability Policy is divided into chapters to ensure the information is clear and accessible for both the organization and stakeholders.

[\*Chapter 2\*](#) provides an overview of our history and social responsibility. It explains how we actively engage in social responsibility in our various roles, outlines our commitments, and defines sustainability and ESG.

[\*Chapter 3\*](#) covers our internal processes. This includes information about our organization and competencies, how we work with climate and environmental issues, and the distribution of community dividends.

[\*Chapter 4\*](#) contains information about corporate governance and investments.

[\*Chapter 5\*](#) outlines the requirements we place on our suppliers.

[\*Chapter 6\*](#) addresses sustainable financing, including our processes for the corporate market, sustainable products, and green bonds.

[\*Chapter 7\*](#) discusses our role as a distributor of mutual funds and the requirements we set for our fund providers.

[\*Chapter 8\*](#) presents requirements related to financing, investment, and suppliers. This chapter is divided into two parts: general requirements and specific assessment criteria for individual industries.

[\*Chapter 9\*](#) provides contact information for Sparebanken Norge's sustainability efforts, along with an overview of the revision history.

## 2. Our history, Corporate Social Responsibility, and Commitments

Sparebanken Norge has a history that stretches back over 200 years. As a savings bank, we have a social responsibility to contribute to sustainable development. Our strong ties to the regions of Western and Southern Norway drive a community engagement that goes beyond our societal mission as a regional bank.

### 2.1 Development of Sparebanken Norge and Sustainable Governance

On May 2, 2025, Sparebanken Vest and Sparebanken Sør merged to become Sparebanken Norge. Sparebanken Norge is committed to integrating sustainability throughout our corporate governance. Both Sparebanken Vest and Sparebanken Sør have a long history as societal actors in Western and Southern Norway.

### 2.1.1 Sparebanken Vest

Norway's second oldest bank, Bergens Sparebank, was established in 1823 and later became known as Sparebanken Vest. People from Western Norway came together to create a bank they owned collectively. A savings bank is organized as an independent institution without external owners, unlike a commercial bank. From modest beginnings, the bank was profitable from the start. Its equity grew, enabling it to lend money. A key feature of the savings bank model is that much of the profit is returned to society in the form of donations. Support was given to associations and other charitable causes.

In 2024, a new chapter began with the merger with Sparebanken Sør, which also has a 200-year history. In 2025, the two banks merged to form Sparebanken Norge.

### 2.1.2 Sparebanken Sør

Sparebanken Sør has a long history and has undergone several mergers. The most recent merger was in 2014, between Sparebanken Sør and Sparebanken Pluss. The history of Sparebanken Pluss dates back to 1824, when Christianssands Sparebank was established as one of the first savings banks in Norway. A number of savings banks in Agder and Telemark later joined together, and in 1988, the name was changed to Sparebanken Pluss. Sparebanken Sør's history goes back to 1825, when Arendal Sparebank was founded as one of the first six banks in Norway. In 1973, the bank entered a merger that formed Aust-Agder Sparebank, and Sparebanken Sør was established in 1984 following a merger of several savings banks from Aust-Agder and Vest-Agder.

## 2.2 Corporate Social Responsibility for Sustainable Development

Throughout our history, we have worked to ensure that local communities have the best conditions for growth and develop sustainably.

Sustainable development is defined in the *Brundtland Report* (1987) as “development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs”. The concept is based on the idea that achieving sustainability requires balancing economic, social, and environmental considerations to create viable and just societies over time.

We will continue our work on sustainability, which means taking responsibility for both the local and global environment.

*The World Business Council for Sustainable Development* defines Corporate Social Responsibility (CSR) as: "Corporate social responsibility is the continuing commitment by business to contribute to sustainable economic development, working with employees, their families, the local community, and society at large to improve quality of life."



Our work spans a wide range of roles and topics, and as a company, we must understand the connection between business operations, society, and the environment. This includes taking good care of our employees and the working environment, having thorough procedures to prevent corruption and money laundering, and actively working to reduce our environmental impact—both directly and indirectly. Our most important contribution is to develop a responsible and profitable business through banking operations, helping businesses and individuals access resources, adopt technology, and create jobs, income, and prosperity. For this to be economically sustainable, social and environmental considerations must also be taken into account.

### 2.2.1 Our Role in Society

Sparebanken Norge has its core area in Western and Southern Norway. We have the opportunity to exercise social responsibility through our various roles, and it is therefore important to distinguish between these roles and the tools available to us. Our core principles, values, and attitudes form the foundation for all decisions, but the tools for influence may vary.

Below is an overview of our different roles and how we work to fulfill our social responsibility:

- *Savings bank and employer*, with responsibilities related to our internal processes, employees, and suppliers. As an organization, we influence our customers, employees, work environment, climate, and local environment through daily operations such as customer meetings, recruitment processes, employee and leadership follow-up, supplier selection and procurement, building operations, and transportation. The bank fosters an innovative and interdisciplinary environment, offering diverse and varied career opportunities.  
We offer our customers a range of loan and savings products and aim to provide personal financial advice when needed. As a savings bank, we are owned by our customers, and profits are meant to benefit them.  
For a savings bank, sound risk and capital management is a key strategic tool for value creation and ensures the bank's profitability, financial strength, and liquidity in both the short and long term.
- *Societal actor*, through the bank's community contributions and sponsorships for local projects. Being a savings bank means sharing part of our profits to support the local community. Each year, the bank distributes grants made possible by profitable operations. Through our central focus areas, we strive to ensure that profits benefit the wider community.
- *Lender and source of financing* for projects and businesses. Our customers should trust that we provide advice and financing that support long-term and sustainable growth for both individual companies and projects. We contribute by advising

customers to make sound financial decisions and ensuring that we finance businesses that take social responsibility and operate on a legal basis.

We have established guidelines for assessing operational risk factors such as violations of human and labor rights, corruption, serious environmental damage, or other actions that may be perceived as unethical.

- *Distributor of mutual funds* as savings and investment products for our customers. The products we offer must have a strong social responsibility profile, avoiding investments in industries or companies that have particularly negative impacts on local or global communities. We label our funds to make it easy to choose sustainable options.
- *Owner and investor* in affiliated companies, subsidiaries, and the liquidity portfolio. We are responsible for ensuring that our ownerships contribute to sustainable development. The bank makes investments through its liquidity portfolio, which must always contain liquid investments to meet regulatory obligations.

### 2.2.2 Our stakeholders

Sparebanken Norge's stakeholders include customers, owners, society, and employees. Customers, owners, employees, authorities, investors, and other key stakeholders are all concerned with how Sparebanken Norge fulfills its societal mission and contributes to a sustainable transition. We engage with these stakeholder groups through meetings and conversations, lending processes, sustainability assessments, as well as quarterly and annual reporting. Sparebanken Norge is committed to consulting with stakeholders on important climate and environmental issues.

The bank's double materiality analysis is based on a stakeholder analysis. Sparebanken Norge is currently in the process of developing a materiality analysis for the new bank. In the annual report, you can read more about our stakeholder groups and how the bank works with value propositions for customers, owners, the local community, and employees.

## 2.3 ESG, reporting and our commitments

Sparebanken Norge aims to be a prominent player in sustainable finance, and it is therefore essential that the bank maintains a conscious approach to sustainability commitments and sustainability reporting. Sparebanken Norge is committed to working with social responsibility and ESG at a strategic level, in daily operations, and by providing transparent and high-quality reporting. ESG assessments are central to the EU's sustainability directive, enabling companies to be evaluated on more than just financial performance.

### 2.3.1 ESG

The work on sustainability and ESG (Environmental, Social, and Governance) encompasses climate and nature, social conditions, and corporate governance, and represents a natural evolution of the bank's role in society. Furthermore, the sustainability efforts aim to strengthen competitiveness and reduce the bank's ESG risk. Sustainable corporate governance must take into account the complexity and continuous development in this field. A number of new regulatory requirements—both national and international—are expected and have already been implemented. This increases compliance risk for businesses, and Sparebanken Norge has initiated measures to reduce ESG-related compliance risk. Among other things, the bank has been involved in several aspects of Finance Norway's work on sustainability, where information on regulatory developments is regularly distributed.

### 2.3.2 Reporting

Reporting is a central part of monitoring goal achievement and ensuring transparency in our work with social responsibility. Sparebanken Norge's annual report is the most important document for reporting on our operations. The sustainability reporting is integrated into the annual report and is based on a double materiality analysis that complies with the requirements of the EU's Corporate Sustainability Reporting Directive (CSRD).

The sustainability reporting is third-party assessed by the bank's auditor. Furthermore, the bank aims to contribute to improved access to sustainability data to support transparency and openness.

### 2.3.3 Commitments

Our [\*Sustainability Library\*](#) always contains an up-to-date overview of our commitments. In connection with the merger process, Sparebanken Norge has several ongoing processes related to the renewal of these commitments. Our commitments are based on recognized partnerships and guidelines such as:



#### *Klimapartnere (Climate Partners)*

Klimapartnere is a climate network that aims to be a driving force in the sustainable transition. It consists of academic institutions and businesses from both the public and private sectors. The network's vision is to succeed in the transition needed to meet the 1.5°C target. By sharing green solutions, knowledge, and experiences, the goal is to inspire concrete action through collaboration.



### *Eco-Lighthouse*

Eco-Lighthouse (Miljøfyrtårn) is an environmental management system for public and private organizations that wish to document their environmental efforts. The scheme aims to improve environmental performance in small and medium-sized enterprises as well as public institutions. Read more in [\*Chapter 3.6.3 Eco-Lighthouse\*](#).



### *Partnership for Carbon Accounting Financials (PCAF)*

The Partnership for Carbon Accounting Financials (PCAF) is a global collaboration among financial institutions aimed at standardizing the measurement and reporting of greenhouse gas emissions. PCAF ensures that financial institutions use standardized and comparable measurement methods. At the same time, the framework allows for the reporting of emissions even when data quality varies. Read more in [\*Chapter 3.6.2 Climate Footprint and Climate Accounting\*](#).



### *The United Nations Global Compact (UNGC)*

Sparebanken Norge supports the initiative's ten principles on human rights, labor, environment, and anti-corruption. The bank is committed to integrating these principles into its strategy and daily operations, thereby contributing to the achievement of the UN's Sustainable Development Goals, particularly in the area of sustainability. Read more in [\*Chapter 2.3.4 UN Global Compact\*](#).



### *Science Based Targets Initiative (SBTi)*

Sparebanken Norge is committed to developing decarbonization pathways and setting emissions targets in accordance with the current standards of the Science Based Targets initiative (SBTi). The emissions targets will be validated by SBTi.

We also base our guidelines on internationally recognized principles for human rights and responsible business conduct, as outlined in:

- The UN Universal Declaration of Human Rights
- The United Nations Guiding Principles on Business and Human Rights
- The OECD's Guidelines for Multinational Enterprises

### 2.3.4 UN Global Compact

Sparebanken Norge is a member of the UN Global Compact (UNGC) and actively works to ensure that our activities align with global sustainability goals. By joining the initiative, we commit to building our strategy and operational processes in accordance with principles related to human rights, labor standards, the environment, and anti-corruption. We report annually on our sustainability efforts and our commitments in these areas. This report is published and made publicly available on the UNGC website.

Through the UN Global Compact, Sparebanken Norge has also committed to supporting the precautionary principle regarding environmental challenges, taking initiatives to promote greater environmental responsibility, and encouraging the development and distribution of environmentally friendly technologies. In the Paris Agreement of 2015, world leaders agreed that global warming must be kept well below 2°C—and that we should strive for 1.5°C—to avoid irreversible and destructive climate change. Achieving this will require transformation across many areas of society. Sparebanken Norge is fully aware of our responsibility to contribute to reaching the climate goals of the Paris Agreement.

## 3. Our internal processes

Internal processes at Sparebanken Norge shall maintain a high ethical standard and ensure that the bank contributes to sustainable development in business, the economy, society, climate, and the environment.

Our work on sustainability, climate risk, and a strong ESG focus is important for Sparebanken Norge and shall be one of the bank's competitive advantages. Our sustainability strategy and annual plan for priorities and actions are adopted by the executive management. The bank's sustainability strategy is approved by the board and implemented across all areas of our banking operations.

The Head of Sustainability is responsible for ensuring compliance with the bank's sustainability strategy, while dedicated roles in all of the bank's divisions ensure that we integrate climate and sustainability into everything we do, utilize our full scope of action, and implement effective and results-oriented measures to promote this. All leaders at Sparebanken Norge are responsible for contributing to ensuring that the goals and measures for sustainable development and corporate social responsibility are relevant to the bank's operations.

### 3.1 Organization and Competence

Sparebanken Norge shall have an organization with the capacity and competence to make sound, socially responsible decisions at all levels. If any breaches of our ethical guidelines or principles for corporate social responsibility occur within the organization, we have internal

procedures in place for reporting and following up on such incidents (these are described in section [3.1.3 Internal Whistleblowing](#)).

### 3.1.1 Training initiatives

Training initiatives are important for strengthening the bank's competence and increasing awareness of ethical risk areas and sustainability. All employees must complete training modules related to, among other things, anti-money laundering, anti-corruption, data privacy, information security, cybersecurity, and sustainability. Some specific examples of competence-building initiatives include professional breakfasts and talent programs. You can read more about this in the documents in the [Sustainability Library](#) under *Employees, Equality, and Diversity*.

### 3.1.2 Socially Responsible and Ethical Financial Advisory

All credit granting must take into account and support the bank's sustainability policy. Everyone directly involved in providing credit to businesses or making investment decisions must be familiar with our sustainability policy. The principles in the policy guide what we lend money to, what we invest in, and how we act and influence in joint investment decisions in companies where we do not hold a dominant position.

Ethics and sound advisory practices are a central part of the certification scheme for financial advisors. All advisors must be certified through the financial industry's certification schemes ([FinAut](#)), which authorize advisors in the financial sector. Advisors must pass a knowledge test in "cross-disciplinary topics", which includes "industry standards for good practice", "ethics", "basic regulations", and "sustainable finance". You can read more about advisory practices in section [3.9.6 Safeguarding the Customer's Interests](#).

### 3.1.3 Internal Whistleblowing

The bank has solid procedures and structures in place for reporting concerning matters and any breaches of ethical guidelines and principles for corporate social responsibility, as well as all forms of whistleblowing. Procedures for how to report are easily accessible to employees through the bank's HSE manual and on the bank's intranet.

Such reports should be made either to the immediate supervisor or through the deviation reporting form on the intranet, which is directed to the Executive Vice President for Organization and Development, the Chief Safety Representative, or the Chief Compliance Officer.

In addition to internal whistleblowing, an agreement has been made with an external third party who can receive and handle reports. This is particularly to ensure impartiality and anonymity. Reports of breaches are handled confidentially, and whistleblowers are protected from retaliation or similar consequences as a result of such reporting. Alongside the reporting of concerning matters, the Organization and Development division also assists in cases involving other conflicts and issues between employees.

We work continuously to improve our procedures and operate on the principle that cases should be resolved with mutual respect and good cooperation, with the help of external non-legal assistance where appropriate.

## 3.2 Work environment and recruitment

Sparebanken Norge aims to be an attractive workplace that both attracts new talent and retains employees over time. We ensure this through a positive work environment, favorable employee benefits, and strong opportunities for professional development.

### 3.2.1 Employee Benefits

All employees at Sparebanken Norge are offered excellent banking, insurance, and pension schemes through the employer, as well as various other benefits such as occupational health services, discounts, and cafeteria arrangements.

The bank encourages employees to own equity certificates and facilitates this in a favorable way through our employee equity certificate plan.

### 3.2.2 New Employees

New employees are offered dedicated gatherings and close follow-up to ensure a good start. Onboarding is the first encounter with us as an employer and forms the basis for the first impression. All new employees participate in a competence program, where they gain insight into Sparebanken Norge's various divisions and banking operations.

The CEO opens the gathering by presenting the bank's strategic goals and sets the direction based on the current market situation and outlook. The session provides new employees with time for reflection and learning, aiming to help them get up to speed quickly.

We are committed to nurturing employee competence and encouraging learning, offering professional and leadership development through various programs, such as the Leadership Talent Program.

### 3.2.3 Trade Unions

All our employees have full freedom to organize in trade unions, and the bank conducts collective bargaining in accordance with agreements with the various unions.

### 3.2.4 Work Environment

Sparebanken Norge actively works to create an inclusive and safe work environment. All forms of discrimination shall be prevented in accordance with applicable regulations in all our recruitment processes, salary and working conditions, and development opportunities.



Some specific ways we work on improving the work environment include:

- We are an Inclusive Workplace (IA) company and work to promote an inclusive work environment and reduce sick leave.
- We have comprehensive HSE (Health, Safety, and Environment) efforts, which the bank continuously discusses with safety representatives, occupational health services, employee representatives, and NAV.
- The bank encourages employees to build social connections outside of work and supports sports groups and interest clubs organized by employees.
- We aim to be a family-friendly workplace and facilitate a good balance between work, family, and leisure.
- Our annual organizational survey has a very high response rate and shows a strong sense of ownership, engagement, and satisfaction with the bank as an employer.

### 3.3 Equality

Sparebanken Norge has zero tolerance for all forms of discrimination. This applies both in recruitment processes and in the workplace. This includes verbal, physical, and sexual harassment. Sparebanken Norge works actively to promote equality and diversity beyond what is required by law.

Men and women shall have equal opportunities for development, pay, and career advancement within the bank. The annual report includes statistics on gender balance among employees and pay differences. The annual report in accordance with the *Activity and Reporting Obligation (ARP)* also outlines the bank's efforts to promote workplace equality. The ARP report can be found in the [Sustainability Library](#).

Sparebanken Norge's equality principle involves a focus on equality in all our processes, including recruitment, application, salary, and career development. The company has a dedicated body that handles hiring and salary matters. This body consists of representatives from both the company and employee unions and is responsible for ensuring the principle of equal treatment in these matters. Responsibility for equality and diversity lies with the executive management and is followed up annually by the bank's board.

Some specific ways we work to promote equality in the organization include:

- Actively developing and retaining more women in leadership positions at all levels of the bank.
- Facilitating that employees of all genders can take advantage of parental leave opportunities, and we have developed specific guidelines for compensation schemes and bonuses during paid parental leave.
- Promoting equality through active measures in recruitment, salary, promotion processes, development opportunities, and protection against harassment. A dedicated Equality and Diversity Group has been established, consisting of representatives from a broad range of divisions and employees.



Our ethical guidelines for employees ensure that none of our customers are subjected to discrimination based on gender.

### 3.4 Ethics

Trust is central to our operations. We depend on customers, public authorities, and society at large recognizing Sparebanken Norge as an organization with high ethical standards. All employees of Sparebanken Norge are expected to uphold these standards, demonstrating trustworthy behavior, honesty, and integrity, and acting in accordance with the norms, rules, and laws of society. All employees are bound by a duty of confidentiality, which also applies to colleagues outside their immediate team.

At the core of our ethical stance is respect for our customers and the societal mission we serve. We do not exploit crises or vulnerable individuals for excessive financial gain. We have thorough procedures and systems for risk assessment of customers, which we use as a basis before offering financial products and services. We also strive to ensure that customers understand the terms and risks associated with these products. We do not offer credit to customers who clearly cannot service the loan or who demonstrate undesirable ethical behavior.

Sparebanken Norge has established ethical guidelines that are attached to all employment contracts within the bank. These guidelines are also discussed with all new employees as part of their introduction to the bank's operations. All certified and approved advisors also participate in an ethics discussion as part of their annual competence update. We continuously work to improve our ethical guidelines and adapt them to the times we live in.

### 3.5 Transparency

The bank shall act in an open, honest, and trustworthy manner regarding its operations and services, and provide factual, honest, and relevant information about its processes.

The Transparency Act imposes several obligations on the bank and other large enterprises related to fundamental human rights and decent working conditions. It also grants all stakeholders the right to information about how actual and potential negative impacts on these rights are managed.

We are required to carry out due diligence assessments for our own operations and value chain in line with the OECD Guidelines for Multinational Enterprises. A description of our due diligence assessments is included in the annual report. If you have other inquiries or wish to report a concern, you can contact us via our dedicated Transparency Act email address, which is available on our website.

Our work with the Transparency Act is carried out both within departments directly affected by the Act's obligations and at the group level to identify the need for adjustments in shared processes, including reporting and transparency.

Suppliers are obligated to notify the bank of any breaches of the "*Standard Requirements for Ethics and Corporate Social Responsibility for Suppliers and Business Partners to Sparebanken Norge*". This notification obligation is included in the contract documents. The document is available in the [Sustainability Library](#). In the event of a breach, our Transparency Act email address must be used.

Sparebanken Norge is a member of Future-Proof, a network for competence development and collaboration related to responsible business conduct, human rights, labor rights, and the execution of due diligence assessments. The network is led by the Rafto Foundation and the Bergen Chamber of Commerce, and the initiative is co-financed by Agenda Vestlandet (established by Sparebanken Vest).

## 3.6 Climate and Environment

Sparebanken Norge is continuously working to improve its climate and environmental processes and has set goals to reduce its climate footprint. Climate accounting and the Eco-Lighthouse certification are important tools in these efforts, along with assessments of climate risk and nature risk.

### 3.6.1 Net zero

Sparebanken Norge has set an ambitious goal of achieving net zero emissions by 2040. This includes our significant indirect emissions (GHG Protocol Scope 3, Category 15), which cover the bank's lending portfolio. Achieving global climate goals will require transformation across many areas of society. We are aware of our responsibility to reduce our climate footprint and encourage our customers and suppliers to work toward net zero in their own operations and to publicly disclose their emissions and climate actions.

We have introduced specific targets for reducing the footprint of our own operations and our suppliers. The bank will publish climate accounts for 100% of its loan book, both in the retail and corporate markets. This will be a crucial tool for understanding and reducing the bank's climate risk, as well as identifying sectors and projects that contribute to the green transition and new revenue opportunities. To reach our goals, we have set concrete emission targets for the corporate lending portfolio and the mortgage portfolio. You can read more about how we calculate emissions in the next section ([3.6.2 Climate Footprint and Climate Accounting](#)).

Following the merger of Sparebanken Vest and Sparebanken Sør, Sparebanken Norge is in the process of developing new transition plans. The new transition plan will outline how the bank will achieve its sustainability goals, supported by concrete targets and action plans for the retail market, corporate market, and internal operations. These targets are a key part of implementing the bank's business strategy. They are essential tools for understanding and

reducing the bank's climate risk and identifying sectors and projects that support the transition and create new earning opportunities.

The field of sustainability is continuously evolving and marked by significant uncertainty. As a result, banks' transition plans must be adaptable. The bank will use 1.5°C scenarios in line with the guidelines from the Science Based Targets initiative (SBTi) to calculate emission targets and decarbonization pathways. However, we recognize that external factors beyond the bank's control may affect our ability to achieve these goals. For example, future technological developments may influence the potential for emission reductions. Therefore, it is important for the bank to set a clear direction toward net zero, while acknowledging that the path to 2040 will not follow a linear trajectory. The bank's goals and plans will be dynamic and updated in line with changes in regulations, government guidance, industry practices, and significant developments that are currently unknown.

### 3.6.2 Climate Footprint and Climate Accounting

Sparebanken Norge is climate-committed, which means that we annually prepare a climate account for our internal banking operations, develop an action plan to reduce the organization's climate footprint as much as possible, and compensate for the remaining emissions through the purchase of certified carbon credits.

Climate accounting is a key tool and is prepared in accordance with the Greenhouse Gas Protocol. An annual climate account is produced for the bank and its subsidiaries, covering Scope 1, 2, and 3 emissions from banking operations. The climate account includes all direct emissions from transport and indirect emissions from purchased energy, calculated using both market-based factors (accounting for the purchase of Guarantees of Origin) and location-based factors, in line with GHG Protocol recommendations. It also includes emissions from air travel, mileage allowances, purchased goods and services, and waste (Scope 3, Categories 1, 3, 5, and 6).

The bank calculates its own operational emissions using the Klimakost tool. Emissions are divided into two parts: internal banking operations (Scope 1, Scope 2, and operational Scope 3) and financed emissions (Scope 3, Category 15).

The bank also reports on financed emissions (GHG Protocol Scope 3, Category 15), which are indirectly linked to the bank's activities in the value chain and are outside the bank's direct control. The full climate account is published in the bank's annual report. The bank has developed an online portal for new and existing corporate customers to register relevant emissions data annually, helping to improve data quality over time. Sparebanken Norge uses emission factors from the Partnership for Carbon Accounting Financials (PCAF)—a global initiative to standardize the measurement and reporting of financed emissions in the financial sector. Calculations for both operational and portfolio emissions (including the entire corporate portfolio and all mortgages) are based on actual customer data where available, and otherwise on Norwegian industry-specific emission factors from PCAF. The bank follows Finance Norway's guidelines for calculating financed emissions. Financed emissions (Scope

3) are calculated by weighting customer emissions by the loan-to-value ratio per engagement to determine the bank's share of emissions.

A new base year (2025) is being established for Sparebanken Norge. Previous years' climate accounts for internal operations in Sparebanken Vest and Sparebanken Sør are available in the [Sustainability Library](#) on our website, and annual results for Scope 1, 2, and 3 emissions are included in the annual reports.

Emission compensation is carried out through the purchase of carbon credits that follow the traffic light model described in "[The Pursuit of Climate Neutrality and Responsible Use of Carbon Credits](#)" ("Jakten på klimanøytralitet og ansvarlig bruk av klimakreditter") developed by PwC and Zero. The bank compensates for residual Scope 1 and Scope 2 emissions from its own operations.

The bank also purchases Guarantees of Origin for purchased energy (excluding district heating) to ensure that the energy source is renewable, thereby reducing indirect emissions. The annual climate account enables the organization to track key metrics and evaluate its performance over time.

### 3.6.3 Eco-Lighthouse

Sparebanken Norge is in the process of extending the existing Eco-Lighthouse certifications from the former Sparebanken Vest and Sparebanken Sør to cover the merged bank as a whole. The Eco-Lighthouse certification is an external verification that confirms the bank meets a set of criteria and implements measures for more environmentally friendly operations and a healthy work environment. Eco-Lighthouse helps organizations reduce their environmental impact, stimulate green transition, and increase competitiveness. It is Norway's most widely used certification, allowing certified organizations to document their environmental efforts and social responsibility through Eco-Lighthouse's tools and environmental management system. Eco-Lighthouse is also recognized by the EU under the name Eco-Lighthouse.

The bank's headquarters at Jonsvoll in Bergen was Eco-Lighthouse certified in September 2017 and re-certified in August 2023. Among the companies located at Jonsvoll, Frende Forsikring, Brage Finans, and Norne Securities are also Eco-Lighthouse certified. Jonsvoll is a modern building centrally located in downtown Bergen, well connected to public transport. In designing the building, emphasis was placed on architecture that harmonizes with the surrounding neighborhood, and strict energy and environmental requirements were applied. All heating is provided by district heating through radiators and hydronic underfloor heating. Cooling is provided via ventilation using seawater as the cooling medium. The building is connected to Bergen's underground waste system, and waste is managed through large recycling stations throughout the building.

Sparebanken Sør has also been Eco-Lighthouse certified under the main office model.

At locations used for the parent company's operations, the bank ensures that electricity suppliers can link the supply to specific Guarantees of Origin, and the bank strives to ensure that all subsidiaries also use Guarantees of Origin.

### 3.6.4 Climate risk as a Driving Force for Sustainable Finance

Our sustainability responsibility is integrated into the bank's strategy, business plan, financial planning, and risk management. We believe in finance as a key driver in the transition to a sustainable society and in achieving Norway's overarching climate goals.

Sparebanken Norge actively works to identify and minimize climate-related risks in its operations. The bank defines climate risk according to the Task Force on Climate-related Financial Disclosures (TCFD) and follows Finance Norway's Norwegian translations of the different types of climate risk: physical risk, transition risk, and reputational/liability risk. The bank has conducted climate risk training for the board, management, and large parts of the organization. Corporate market advisors receive targeted training in climate risk and how to conduct sound climate risk assessments in credit cases.

When granting loans, corporate customers are asked specific questions about how they address climate risk—covering physical, transition, and reputational risks. The bank has developed sustainability and climate risk assessment forms to be used in this work. These forms are tailored to the relevant issues for each industry, including climate, environment, nature risk, social sustainability, governance, data privacy and information security, corruption, and country risk. You can read more about this in section [6.1.2 Industry-Specific Risk Assessments for Sustainability and Corporate Responsibility](#).

### 3.6.5 Nature risk

The bank plays an important role in society, as it largely determines who gains access to capital for building and development. In this way, the bank can influence the transition needed to reduce nature-related risk.

Nature risk refers to the risk of nature loss and can be divided into two categories:

- *Physical nature risk*: Risk related to changes in nature, such as the loss of pollination services.
- *Transition risk*: Risk related to technological developments and political measures aimed at protecting nature.

Exposure to nature risk primarily arises from the positive or negative changes that corporate customers contribute to, or from how dependent they are on natural resources or ecosystem services for their business models and profitability. Nature risk also poses a financial risk to the bank's customers through increased regulatory requirements and fees, which may weaken their debt-servicing capacity.

To manage this type of risk, nature risk has been incorporated into the bank's risk guidelines and is part of the credit process. For sectors such as shipping, fisheries, aquaculture, and

small-scale hydropower, strict requirements are included in the credit policies, mandating that customers must have implemented measures to reduce nature risk. All advisors in the bank are encouraged to complete a training module in Motimate, which includes illustrative case studies on managing nature risk.

### 3.7 Ownership Structures, Tax, and Anti-Corruption Stance

An important part of the bank's corporate responsibility is to limit opportunities for financial crime. This is achieved through a robust system and clear policies to prevent and detect money laundering and terrorist financing. Sparebanken Norge has zero tolerance for corruption and all other forms of financial misconduct. This means that under no circumstances may employees, for themselves or others, receive, accept, demand, offer, or give benefits that could be considered improper or inappropriate, or that could influence the performance of their duties or assignments.

Corruption is defined as receiving, accepting, demanding, offering, or giving benefits that may be considered improper or inappropriate, or that may influence the execution of one's duties or assignments. In other words, it is the trading of decisions that should not be for sale. The bank's definition of corruption follows the Norwegian Penal Code and includes all forms of corruption, including facilitation payments and influence trading - offering or promising something of value to a person with decision-making or influencing power in the hope of swaying a decision. Facilitation payments and bribery are also considered corruption - paying to initiate or expedite a process to which the payer is already entitled.

To prevent involvement in corruption, all employees must have sufficient knowledge to identify situations where corruption may arise and the necessary tools to make the right choices. All employees must complete an annual industry-specific e-learning course that trains them to recognize what corruption can look like and where the boundaries lie in various scenarios. All gifts must be registered in the bank's gift register, and employees must not accept benefits that could be perceived as compromising their objectivity.

Sparebanken Norge's business model and societal role are built on trust, and the bank must always assess corruption risk and distance itself from any activity that could compromise its objectivity. Since trust is our foundation, it is essential that we remain aware of the risk of conflicts of interest and know how to manage them. Employees must be open and honest about roles, positions, and relationships. Everything we do must withstand public scrutiny—we must not act in ways that could cast doubt on our impartiality. Conflicts of interest may arise, for example, when:

- The bank's interests conflict with those of a customer
- Customers' interests conflict with each other
- An employee's interests conflict with those of the bank or a customer
- The bank holds confidential information about a current or former customer that could benefit the bank or another customer

Dependency relationships arising from corruption can have far-reaching consequences beyond the direct financial benefits. Corruption leads to economic harm, distorts competition, and undermines social structures. Sparebanken Norge has guidelines for interacting with third parties to ensure that neither the bank nor its employees are exposed to criminal liability or reputational damage.

We require our asset managers to have routines ensuring they invest in companies that are transparent about ownership structures, and that they disclose how much tax they pay in every country where they operate. Companies must report in their annual reports on revenues, profits, number of employees, and licenses from authorities. We follow the guidelines of the Oslo Stock Exchange and recommend that companies publish a real ownership overview based on the 20 largest shareholders regularly and at least once a year. Where no specific laws or regulations exist regarding international tax and trade, compliance with the Wolfsberg Principles is required. All asset managers must also adhere to the Wolfsberg Principles in their efforts to prevent money laundering, hidden ownership, and transactions intended for laundering. We refrain from engaging in advisory services related to placements intended to evade taxes. This also applies to the distribution of services from other advisors or products from managers that encourage tax evasion or money laundering.

### 3.8 Community Dividends

Sparebanken Norge, through its historical roots in the savings bank system and ownership structure, has two distinct but interconnected purposes. The first is its purely commercial activity through banking operations, aimed at achieving financial results. The second is the goal of contributing to charitable and community-beneficial purposes by allocating a portion of the bank's profits. Stronger financial results increase the potential for community grants, while careful selection and management of charitable projects can enhance our reputation and position.

Our capacity for engagement is our most important differentiator. We express this engagement in various arenas—from supporting local festivals to initiatives that promote education and youth development. We also aim to foster growth in the business sector by creating cross-industry meeting spaces, facilitating entrepreneurship, and supporting necessary industry transitions. You can read more about our community involvement on our website under *Corporate Social Responsibility*.

The bank engages in dialogue and consultation with local communities and organizations when distributing community funds. We have defined a set of criteria and a process for allocating these funds. Anyone can apply for project funding through our website. Information about who receives grants and which projects we support is reported and published on our website. Decisions on support are made in collaboration between the head office and local branches and are communicated continuously through our digital channels and our *Hjertebank* events. We are committed to ensuring that the projects receiving grants align with sustainability and ethical standards of the recipients.



## 3.9 Consumer rights

The customer is at the center of everything we do at the bank. It is in our best interest to safeguard the customer's needs, and our procedures and internal training are designed with this purpose in mind. All customers should be met on their preferred platform in an inclusive, non-discriminatory, and respectful manner.

### 3.9.1 Complaint Handling

The bank has procedures in place to handle complaints from customers and others who wish to express dissatisfaction. A complaint registration form is available on our website under *Complaints and Refunds*. The bank's management is responsible for following up on complaints, products, and services.

The bank maintains a low threshold for classifying something as a complaint to ensure proper handling and to identify opportunities for improvement. If an employee receives a complaint from a customer, the customer should be referred to the bank's official complaint channel. The employee may also register the complaint on the customer's behalf. This ensures that the bank has an overview of complaints and concerns from customers who contact us via the customer service center or directly with an advisor. Received complaints must be handled within the legally mandated deadlines and are analyzed quarterly to identify trends or necessary actions. Complaints are handled by a department not involved in customer service to reduce conflicts of interest. All complaints must be answered in writing, and if the complainant does not receive full support, the bank must inform them of their right to escalate the complaint to the *Norwegian Financial Services Complaints Board (Finansklagenemnda)*, which serves as an alternative to the regular courts. Sparebanken Norge generally complies with decisions made by the board.

We are constantly working to improve and aim to resolve all complaints quickly and fairly. Therefore, we continuously refine our procedures to minimize the number of customer complaints.

### 3.9.2 Consumer Assistance

To protect customers from unforeseen losses related to financial products offered by the bank, proper training of advisors is essential. All advisors are certified in Credit, Insurance, and Savings, with ethics as a central part of the certification. All advisors have passed a credit exam and must complete an annual refresher test. The credit certification includes both a theoretical and a practical exam. The savings certification includes a practical exam focused on customer communication and also requires annual renewal.

The bank's credit policy includes rules to ensure that lending is responsible and aligned with the customer's repayment capacity. This is to prevent consumers from ending up with excessive debt. The bank also has procedures in place for situations where customers show



signs of payment difficulties. In such cases, the bank engages in dialogue with the customer to understand the cause and provide tailored advice.

When taking out a loan, all customers receive a loan agreement, repayment plan, and a Standard European Consumer Credit Information (SECCI) form—an EU-regulated document that allows customers to easily compare offers from different financial institutions. These documents also outline the customer's rights as a consumer. The bank's internal regulations are aligned with the Financial Supervisory Authority of Norway's regulations, including the mortgage and consumer loan regulations, which are designed to protect consumer rights and interests.

The bank obtains credit information from Dun & Bradstreet for customers applying for new loans, and customers are informed about the use of third-party data.

### 3.9.3 Privacy

Sparebanken Norge and its subsidiaries handle large volumes of personal data, which comes with significant responsibility. The bank respects the privacy rights of customers, employees, and others, and has strict requirements in place to ensure that personal data is processed in accordance with the Personal Data Act (Act of 15 June 2018 No. 38) and the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679 and related regulations). All employees regularly complete mandatory training programs on data privacy and information security.

Safeguarding the privacy of customers, employees, and others is fundamental to maintaining trust and our position as a bank. Our governance framework is based on a data protection strategy—a formal document regularly reviewed by the bank's board. The strategy defines principles, processes, roles, and responsibilities.

The bank has appointed a dedicated Data Protection Officer (DPO) whose main task is to inform and advise on our obligations under data protection legislation. The DPO monitors compliance with laws, regulations, and internal policies, and reports directly to senior management. The DPO also serves as the point of contact for individuals regarding privacy matters and has an independent duty to cooperate with the Norwegian Data Protection Authority (Datatilsynet).

Information about how we process customer data and protect their privacy is easily accessible on our website. Customers can exercise their rights at any time using a form available online. We have established procedures to ensure that customers can exercise their rights under data protection regulations in a clear and straightforward manner, with a response provided within one month of the request.

### 3.9.4 Fraud and Theft

The bank's "Policy on Responses to Undesirable Behavior" outlines procedures and responsibilities related to fraud and theft. This policy covers criminal acts and is managed by

a dedicated fraud prevention specialist. It applies both when the bank is targeted and when a customer is affected.

### 3.9.5 Information Security

Information security involves protecting data from unauthorized actions or incidents. The requirements for confidentiality, integrity, and availability must be upheld.

Preventing the leakage of personal data is a top priority in our information security efforts. This work is part of our “Information Security and Privacy Strategy”, which applies to all operations.

The group must maintain strong and appropriate governance and control over privacy, ensuring that the overall risk of violating external or internal rules remains low. There is zero tolerance for intentional violations of laws or regulations.

In addition to internal controls, the bank’s information security efforts are audited annually by both internal and external auditors. The bank also reports to the Financial Supervisory Authority of Norway (Finanstilsynet) annually. Based on internal risk assessments, external security tests are conducted in high-risk areas, often in connection with development activities. We strive to follow leading data security standards at all times.

We have implemented measures to increase employee awareness of cybersecurity and reduce risks related to email use. Alongside automated alerts for potential malware and phishing, training and awareness among all employees are key tools for improving data security and preventing data breaches.

The bank’s information security policy is available on the intranet.

Cybersecurity governance structures are implemented through the bank’s policy documents on information security, operational risk, and privacy. These are all essential components of effective cybersecurity management. The bank has also conducted maturity assessments against ISO 27001. All systems and devices are continuously monitored.

All employees receive cybersecurity training and regular micro-trainings that must be completed individually.

Both internal and external cybersecurity audits are conducted annually. Daily penetration testing is performed on the bank’s digital footprint. The bank also contracts external providers to conduct penetration testing, which is part of the bank’s quarterly risk assessments. When developing internal solutions with significant risk impact, external security testing is required.

### 3.9.6 Safeguarding Customer Interests

The bank has strict training guidelines for advisors to prevent the exploitation of customers for financial gain. As described in section [\*3.1.2 Socially Responsible and Ethical Financial Advisory\*](#), all advisors must be AFR-certified. Advisors must clearly communicate product

risks and fees, avoid recommending unnecessary products, and refrain from offering products that could lead to excessive debt.

In all customer interactions regarding savings and investments, advisors must assess the customer's experience and preferences regarding risk, investment horizon, and sustainability. All communication with customers - by phone or in person - is documented according to the bank's investment advisory procedures. The bank also conducts spot checks to ensure compliance.

As part of their certification, advisors are trained to avoid conflicts of interest between the bank and the customer. Advisors must be especially mindful of this in meetings involving investment in mutual funds.

### 3.10 Accessibility and Transparency for Consumers

We are committed to being a bank that is accessible to customers regardless of where they live or how they prefer to reach us, within our market area and in line with the bank's overall credit strategy. Sparebanken Norge has chosen to maintain branches outside the major cities, with offices throughout Western and Southern Norway. We focus on offering simple digital services for everyone through online and mobile banking, while also providing traditional banking services at our branches. Customers are free to choose how they wish to contact us. Accessibility and personal relationships with our customers are important to us, and we work actively to meet their needs in this area.

To ensure accessibility, the bank offers multiple channels for booking meetings. Our advisors are available at our branches, via video meetings, or by phone, increasing accessibility for all our customers. Our headquarters at Jonsvoll in Bergen is universally designed to ensure accessibility for people with reduced mobility. All our offices comply with updated building regulations.

Our digital services are designed with simplicity, user-friendliness, and adaptability in mind, catering to a wide range of user needs. Universal design is also a key principle in the development of our digital channels, and we involve user groups that represent the full diversity of the population. This is a vital part of our development work.

The bank is fully transparent about costs and fees, and customers are informed in advance of any changes. Customers are always notified if additional charges apply to banking services.

Opening an account at Sparebanken Norge is free of charge, and our banking services are not tied to the purchase of other products or services.

## 4. Corporate Governance and Investments

Sparebanken Norge holds investments through its liquidity portfolio and a separate equity portfolio of strategic investments. The bank ensures that all investments contribute to long-

term value creation and support a sustainable global financial system. In companies where the bank holds ownership stakes, voting must be based on this principle document. This also means the bank shall not engage in lobbying or influence activities that could negatively impact sustainable societal development.

Sparebanken Norge is committed to transparency regarding its ownership interests and other affiliations. An overview of companies in which we hold ownership, as well as organizations and associations we are affiliated with, is available in the bank's annual report. The bank's ownership is primarily related to subsidiaries and associated companies (see section [4.2 \*Subsidiaries and Associated Companies\*](#)).

Beyond ownership in subsidiaries and associated companies, the bank's investments mainly consist of holdings in the liquidity portfolio. The bank must always maintain a portfolio of liquid investments to meet regulatory obligations (see section [4.1.1 \*Liquidity Risk\*](#)). The investment opportunities and limits for the liquidity portfolio are defined in a separate investment mandate. In addition, the bank holds an equity portfolio (excluding subsidiaries and associated companies) that represents less than 1% of the bank's total assets. The bank's strategy is to reduce this exposure over time. The bank does not maintain a trading portfolio, and its role as an investor is therefore considered limited.

## 4.1 Portfolio Risk Management

Liquidity considerations are an integral part of the bank's strategic and business processes. Strong risk and capital management are central to Sparebanken Norge's long-term value creation. The bank's investments must be justified by the needs of its banking operations. Sparebanken Norge does not and will not, maintain a trading portfolio.

### 4.1.1 Liquidity Risk

Sparebanken Norge maintains a significant portfolio of liquid investments at all times, in line with regulatory requirements. These investments are managed under a mandate that sets clear guidelines for both risk and corporate responsibility principles. Investments are made exclusively in debt instruments issued by governments, banks, financial institutions, Norwegian companies, Norwegian and Swedish municipalities, Norwegian county authorities, and companies with government/municipal/county guarantees. These are reported as certificates and bonds in the bank's quarterly and annual financial statements.

Investments in the liquidity portfolio must comply with Sparebanken Norge's industry-specific and general requirements. The portfolio manager is subject to the same standards as fund providers distributed by the bank, including strong systems for monitoring corporate responsibility. A portion of the liquidity portfolio consists of green bonds.

Liquidity risk is the risk of being unable to meet financial obligations or to finance asset growth without incurring significant additional costs. The bank manages liquidity risk at a

high level through frameworks for the Liquidity Coverage Ratio (LCR), stress testing, and deposit coverage. Further details are provided in the annual report.

#### 4.1.2 Market Risk

Sparebanken Norge is an investor in a small number of companies that are considered important for supporting long-term regional growth. This includes some small local startups and a few larger players.

Investment decisions and expectations for these companies largely follow the same criteria as the credit assessment process, described in section [6.1 Socially Responsible Credit Process in the Corporate Market](#). Companies in the portfolio must submit a declaration confirming their commitment to corporate responsibility.

#### 4.1.3 Acquisition of Ownership Through Restructuring

As a bank, we may find ourselves in situations where we take over collateral in businesses, thereby acquiring ownership stakes without having chosen to invest. The primary goal in such cases is not to remain a long-term owner, but to help the companies find sustainable business models and financing, and then divest the ownership stake.

We actively use our ownership position to influence the company to comply with our principles for sustainability, ethics, corporate governance, and social responsibility—making the company more sustainable and attractive to new investors.

### 4.2 Subsidiaries and Associated Companies

Sparebanken Norge is continuously engaged in strategic business development. This has led to the formation of several new companies and initiatives across various areas of financial services and products. These include Frende Forsikring, Norne Securities AS, Brage Finans AS, Sparebanken Norge Boligkreditt AS, Eiendomsmegler Norge, Balder Betaling AS, and Borea Asset Management. A complete overview of our subsidiaries and associated companies can be found in the annual report. Through these entities, we offer a wide range of products and services, ensuring that we meet more of our customers' needs. This makes us a highly attractive bank for our customers.

## 5. Procurement and Supplier Requirements

Sparebanken Norge has a large annual procurement volume of goods and services by Norwegian standards, giving the bank significant influence over how suppliers take responsibility for social and environmental sustainability. All our suppliers are required to be climate-committed (see section [5.2.6 Climate Requirements for Suppliers](#)).

We require our suppliers to ensure safe working conditions for their employees, respect their rights to freedom of association, participate in collective bargaining, adhere to maximum working hour limits, and provide wages that at a minimum cover the basic needs of the worker and their family.

The Procurement Department stays up to date on changes from public authorities and developments in supplier markets that may affect the bank's supplier portfolio, as part of its ongoing efforts to uphold social responsibility and sustainable development.

## 5.1 Our Procurement Policy

We require all our suppliers and subcontractors (hereafter referred to as suppliers) to comply with Norwegian laws and binding international agreements. These requirements are outlined in our procurement policy and can be summarized under the following key areas:

- Human Rights
- Working Conditions
- Environmental Management
- Ethical Business Conduct
- Reporting
- Climate Requirements

The purpose of our procurement policy is to promote responsible supply chains that safeguard human and labor rights, support sustainable development, and ensure sound environmental management. All supplier agreements must include documentation related to the supplier's climate efforts, corporate social responsibility, and health, safety, and environmental practices. This documentation must confirm that the supplier complies with all local, national, and international laws, regulations, and relevant industry standards. The same requirements apply to the supplier's subcontractors.

## 5.2 Our Requirements for Suppliers and Subcontractors

We place clear requirements on our suppliers and their subcontractors (hereafter referred to as suppliers) regarding human rights, working conditions, environmental management, ethical business conduct, reporting, and climate. These requirements are specified in various declarations that must be signed by all suppliers. In our [\*Sustainability Library\*](#), you can find the document "*Standard Requirements for Ethics and Corporate Social Responsibility for Suppliers and Business Partners to Sparebanken Norge*". The purpose of these documents is to ensure that our expectations regarding suppliers' compliance with social responsibility and climate action are clear and accessible.

### 5.2.1 Human Rights and Ethical Trade

Sparebanken Norge requires its suppliers to prevent human rights violations, as outlined in the UN Universal Declaration of Human Rights, both within their own organizations and throughout their supply chains. Suppliers entering into agreements with us must adhere to the principles of ethical trade, with particular emphasis on the following:

- Safe working environments
- Formal employment with written contracts
- Regulated working hours and a standard workweek not exceeding 48 hours
- A living wage that can be freely used and supports the worker and their family
- Acceptable living conditions

Ethical trade must prevent:

- Child labor, in accordance with the ILO Minimum Age Convention
- Sexual exploitation of children
- Forced labor, in accordance with the ILO Forced Labour Convention (No. 29) and the Abolition of Forced Labour Convention (No. 105)
- Discrimination based on ethnicity, gender, age, minority status, political orientation, etc.

You can read more about the human rights requirements in the document *“Standard Requirements for Ethics and Corporate Social Responsibility for Suppliers and Business Partners to Sparebanken Norge”* under the section *“Human Rights and Working Conditions”*.

### 5.2.2 Working Conditions at Our Suppliers

We require our suppliers to comply with all local, national, and international regulations regarding proper working conditions, including wages, working hours, non-discrimination in hiring and promotion, freedom of association, the right to collective bargaining, and health, safety, and environmental regulations. There must be no discrimination based on gender or gender identity, and efforts must be made to promote diversity, gender balance, and inclusion at all levels of the organization.

We require our suppliers to fulfill their legal obligations related to the establishment of cooperation committees, collective agreements, union selection, etc. All employment must be documented with written employment contracts. All matters related to wages and overtime must follow the guidelines set out in national agreements, collective agreements, the Working Environment Act, etc.

Working hours must always comply with the provisions of the Working Environment Act, including maximum daily and weekly hours, as well as limits on overtime per week, month, and year.



We require that suppliers under no circumstances exploit working conditions within their own organization, among partners, or subcontractors—this includes economic exploitation, unfair labor practices, gender-based harassment, or any form of abuse.

Foreign labor must be guaranteed the same working conditions as Norwegian employees. For suppliers of cleaning services, we require approval and registration in the Cleaning Register maintained by the Norwegian Labour Inspection Authority.

You can read more about the requirements related to working conditions in the document *“Standard Requirements for Ethics and Corporate Social Responsibility for Suppliers and Business Partners to Sparebanken Norge”* under the section *“Human Rights and Working Conditions”*.

### 5.2.3 Environmental Management

Sparebanken Norge focuses on minimizing environmental impact in procurement processes. Our suppliers are committed to maintaining climate accounts, actively working on improvements to reduce their own footprint, and compensating for existing climate impact through the purchase of climate credits. You can read more about this in section [5.2.6 Climate Requirements for Suppliers](#).

Our suppliers must always comply with and stay ahead of public environmental requirements and ensure energy- and resource-efficient production methods.

As part of our Eco-Lighthouse certification, we have adopted the tool “Supplier Mapping” and integrated it into our procurement system. This mapping is conducted continuously and provides us with an overview of suppliers and products certified according to Eco-Lighthouse, ISO-14001, EMAS, the Nordic Swan Ecolabel, FSC, or similar. We also work to influence our key suppliers to obtain environmental certification.

We require our suppliers to identify all environmental risks that may be associated with the company’s sector/size/geographic location/production, etc. Furthermore, the supplier must ensure that operations comply with local and national regulations and guidelines for health/environment/safety, including the Internal Control Regulations. Suppliers must have developed an environmental policy tailored to their industry, with clear goals and measures for environmental management and the main challenges related to these.

Suppliers must work proactively to reduce any negative environmental impact of their operations, with particular focus on reduced energy consumption, waste recycling, and the introduction and use of environmentally friendly technology in production processes. They must be able to demonstrate continuous improvement through reporting and follow-up systems.

Goods and services delivered to Sparebanken Norge must be produced in a way that preserves ecological diversity and ensures that land and natural resources are managed as sustainably as possible. When evaluating offers in connection with requests for proposals, we will place significant emphasis on whether suppliers are environmentally certified.



The bank requires that our suppliers do not offer or deliver products made from tropical timber. Deliveries of copy paper, envelopes, and other printed materials must meet the environmental labeling requirements of the Nordic Swan, FSC, or the EU Ecolabel. ICT equipment delivered to the bank must not contain chemicals harmful to health and the environment. All technical equipment must have low energy consumption and meet international standards such as ENERGY STAR Versions 5.0 or 6.0/1.2, EPEAT, ECMA 370/The Eco Declaration, Blue Angel, TCO, European Ecolabel.

When acquiring vehicles, Sparebanken Norge sets the following requirements:

- Purchase and leasing of new passenger cars must be fossil-free models
- Purchase and leasing of new vans must be fossil-free models
- Purchase and leasing of new cars for business use must be fossil-free models

Read more about the requirements related to environmental management in the document *“Standard Requirements for Ethics and Social Responsibility for Suppliers and Business Partners to Sparebanken Norge”* under *“Environmental Management”*.

#### 5.2.4 Ethical Business Conduct

Sparebanken Norge requires that suppliers ensure their operations are conducted in accordance with all relevant laws and regulations for ethical business practices, and that they work proactively to identify and reduce the risk of unethical business conduct. We set the following key requirements for ethical operations:

- Personal and confidential information must be stored securely and not disclosed without permission or in violation of applicable data protection and privacy laws.
- Gifts or other benefits that could be perceived as bribes must not be offered to our employees, and such practices must also not be accepted within the supplier’s own organization. Suppliers must reject all forms of bribery, corruption, and fraud, and have policies and procedures in place to actively prevent violations.
- Any form of money laundering must be rejected, and the supplier must take all necessary precautions to prevent others from using the supplier for money laundering through financial transactions.
- The supplier’s operations must at all times comply with applicable competition laws and must not engage in illegal price-fixing.

Suppliers must have an internal whistleblowing system where employees can report concerns without fear of retaliation.

The requirements related to ethical business conduct for our suppliers are intended to ensure that Sparebanken Norge is not complicit in, or benefiting from, corruption or other unethical business practices further up the value chain. Read more about these requirements in the document *“Standard Requirements for Ethics and Social Responsibility for Suppliers and Business Partners to Sparebanken Norge”* under *“Ethical Business Conduct”*.

### 5.2.5 Requirements for Reporting and Whistleblowing

We require suppliers to report and document the measures implemented to ensure compliance with the requirements for social responsibility, sustainable value creation, and climate action. They must also contribute to transparency and dialogue in the event of violations or suspected violations, so that necessary corrective actions can be taken immediately.

If a supplier suspects a violation further up the value chain, Sparebanken Norge must be notified immediately.

Suppliers are obligated to notify the bank of any breaches of the *“Standard Requirements for Ethics and Social Responsibility for Suppliers and Business Partners to Sparebanken Norge”*. Furthermore, we require the right to conduct annual audits of the supplier to ensure that their measures are being followed up and complied with, and that suppliers facilitate this as far as possible. It is expected that the company’s management participates in these audits. All points in section [5.1 Our Procurement Policy](#) will be reviewed during such an audit.

### 5.2.6 Climate Requirements for Suppliers

Sparebanken Norge requires that all suppliers with regular deliveries to the bank exceeding NOK 100,000 annually must be climate-committed. The supplier must adhere to a “Climate Commitment”, which entails maintaining annual climate accounts, preparing an action plan to reduce the company’s climate footprint as much as possible, and compensating for the remaining footprint through the purchase of certified climate credits.

Emission compensation can be carried out through the purchase of climate credits that follow the traffic light model described in [“The Pursuit of Climate Neutrality and Responsible Use of Carbon Credits”](#) developed by PwC and Zero.

Suppliers with more than 50 employees are additionally encouraged to prepare an action plan to achieve net zero emissions. Our suppliers are obligated to annually report their direct and indirect emissions (Scope 1, 2, and 3), confirm the existence of an action plan, and indicate whether climate credits have been purchased.

The climate commitment requirement is a mandatory condition for entering into agreements with new suppliers. Existing suppliers who do not meet the climate commitment requirements within the deadline will be terminated.

Read more about the climate-related requirements in the document *“Standard Requirements for Ethics and Social Responsibility for Suppliers and Business Partners to Sparebanken Norge”* under *“Environmental Management”*.

## 5.3 Sanctions for Breach of Sparebanken Norge’s Procurement Policy

Sparebanken Norge reserves the right to inspect and audit the suppliers’ procedures and routines. Breaches of the provisions concerning social responsibility, sustainable value

creation, and climate requirements are considered contractual violations and may constitute grounds for termination of the agreement.

If suppliers fail to comply with one or more of the requirements in this document, we may request corrective actions. Such corrections must be completed within the agreed deadline. Sparebanken Norge will conduct a follow-up audit of the corrective measures.

If the breach is still considered significant after the corrective actions, it will be regarded as a breach of contract, and the bank will reassess the terms of the agreement, which may result in termination of the contractual relationship. In assessing what constitutes a material breach of contract, emphasis will be placed on the severity of the breach and whether it results in reputational damage or the risk of reputational damage to Sparebanken Norge.

## 6. Sustainable Finance

As a credit provider and source of financing for customers, projects, and businesses, it is important that Sparebanken Norge offers advice and financing that contribute to sustainable growth—not only for individual customers but also for society and the region as a whole. We support this by advising on long-term financial decisions that uphold social responsibility and align with Norway’s goal of becoming a low-emission society by 2050.

The EU has launched its own action plan for sustainable finance, which includes several comprehensive new regulations. At the core of this initiative is the EU Taxonomy for sustainable activities. The EU Taxonomy is a classification system that defines which activities are considered sustainable – that is, aligned with the EU’s long-term goal of net zero emissions by 2050. The taxonomy applies to financial products such as loans and investments. In this chapter, you can read more about sustainable financing in the corporate market, our sustainable products, and the green bond framework.

### 6.1 Socially Responsible Credit Process in the Corporate Market

Sparebanken Norge aims to promote sustainable solutions and encourage responsible business practices. The bank has implemented guidelines requiring that relevant risks related to ethics and sustainability be assessed on an equal footing with other risks in the credit process. General requirements and specific requirements for individual industries are described in [Chapter 8](#).

According to the bank’s credit strategy, we will not provide financing to customers/businesses that:

- We have reason to believe do not comply with the bank’s ethical guidelines or otherwise conduct business in a way that contradicts the public perception of good ethical behavior.

- Have acted dishonestly toward the bank or are known to have acted dishonestly toward other parties, or where it is known that the company or its owners have been involved in criminal activity.
- Operate in violation of public laws, regulations, and imposed environmental requirements, or lack the necessary approvals from public authorities.

These guidelines apply to all credit activities in the corporate market. The assessments made must be documented and included in the decision-making basis for each customer and credit case, both for new customers and when renewing agreements with existing customers.

#### 6.1.1 Assessment of Ethics, Environment, Social Responsibility, and Sustainability

As a bank with a strong regional presence, we have a particular responsibility to influence through the channels available to us. In our customer interactions, we aim to raise awareness of social responsibility among our corporate clients, as we believe this adds value to the customer relationship.

Sparebanken Norge expects the companies we finance to demonstrate that they have procedures in place to comply with legal requirements and, through leadership, words, and actions, conduct themselves in a manner consistent with the public's perception of good ethical behavior. If the purpose and intended nature of the customer relationship are violated in a way that is unacceptable according to our criteria, we will seek to terminate the relationship.

##### *Anti-Money Laundering and Anti-Corruption*

Sparebanken Norge has implemented systems and complies with procedures under current legislation for anti-money laundering efforts. We require that the companies we finance or invest in are not involved in financial crime, including corruption, or in obstructing the detection of corruption. Companies we finance must confirm in a self-declaration that they comply with these principles and are not aware of any corruption or influence peddling within their own operations, intermediaries, suppliers, or subcontractors.

At a minimum, companies must be aware of corruption and the risk factors associated with it. For larger companies we finance, we require, at a minimum, that they have adequate control and governance systems in place to address suspected corruption, whistleblowing procedures for internal suspicions, and requirements for how their suppliers and subcontractors must comply with the same standards.

##### *Commitment to Human Rights*

A fundamental criterion for any customer relationship is that customers comply with the laws and agreements applicable in Norway and in the countries where they operate. This includes supporting and respecting internationally recognized human rights and not contributing to violations of labor or human rights in their own operations, among suppliers, or elsewhere in the value chain.

Sparebanken Norge expects our customers to strive for gender equality and maintain zero tolerance for racism and other forms of discrimination in their workplaces and among their subcontractors.

### *Environmental Policy*

Similarly, we expect customers to have an environmental policy outlining how they will protect the environment and minimize their environmental footprint. Sparebanken Norge expects customers to consider regulations on the use of natural resources, activities in areas currently used by local communities or Indigenous peoples, or in areas with vulnerable ecosystems, endangered species, or water scarcity. The bank also expects adherence to the FPIC principles (Free, Prior, and Informed Consent) to prevent conflicts over natural resources and land, including disputes related to small-scale farming.

### *Country Risk*

Country risk must be included in the assessment if the customer has operations, activities, or projects in countries outside the high-income OECD countries, based on the OECD's country classification. A country risk analysis must be conducted where relevant. This assessment is used to evaluate risks related to money laundering, corruption, terrorist financing, environmental issues, and labor and human rights.

#### 6.1.2 Industry-Specific Risk Assessments for Sustainability and Social Responsibility

As part of assessing relevant risks related to ethics and sustainability, the bank has developed a guide with questions covering topics such as ethics, climate, environment, ownership structures, labor rights, and corruption. These questions serve as a guide and assessment tool where necessary or appropriate. Topics particularly relevant to the customer's risk profile should be the main focus.

The tool for industry-specific risk assessments for sustainability and social responsibility serves as a guide for evaluating corporate customers' sustainability and social responsibility risks, including environmental and climate risks, human and labor rights, ethical guidelines, corruption, and country risk. This applies to both small and large companies. The documentation requirements will depend on the size of the customer, and for larger corporate clients, we aim to understand the company's approach to sustainability and how it is followed up.

Certain industries are associated with specific risks of negative environmental and social impacts on natural and protected areas. If not properly addressed, these risks can lead to increased financial and legal risks, as well as potential conflicts of interest. Sparebanken Norge has therefore established additional assessment criteria for certain relevant industries, in addition to the general ones. These are specifically described in section [8.2 Special Assessment Criteria for Individual Industries](#).

### 6.1.3 Assessment Process for Corporate Customers

As part of the bank's "Know Your Customer" (KYC) procedures, we always conduct a thorough identity verification of new customers, their owners, and beneficial owners. Before entering into a customer relationship with corporate clients, we assess and evaluate, among other things, the company structure, ownership structure, tax matters, and the origin of the customer's equity. We do not engage in processes that facilitate tax planning which appears to us—or could be perceived—as tax evasion. The corporate customer's company and ownership structure must be transparent. Complex structures must be understood by the bank, and the real ownership and identity of beneficial owners must be assessed as part of the credit evaluation. We also expect customers to have a clear understanding of who their own customers are and to ensure that their business is based on lawful activities.

We have defined the following process for new and existing customers:

1. Companies must not appear on Norges Bank's list of excluded companies, also known as the exclusion list.
2. In the credit evaluation, we assess whether there are specific risks related to ethics, climate, environment, ownership structures, violations of labor and human rights, and corruption. This is done using relevant questions and assessments described in a dedicated question guide, as well as country risk assessments where applicable. If the risk is low and the bank determines that its principles for social responsibility are not compromised, the customer will be evaluated according to the bank's credit strategy. Credit is disbursed upon a positive decision.
3. If medium or high risk is identified, a specific risk assessment of relevant risk factors must be conducted, and documentation of the assessment must be included in the credit case. Cases assessed as medium to high risk must be reviewed by the Executive Vice President of the Corporate Market and the Executive Vice President of Risk Management. The estimated severity of potential negative impacts will be a decisive factor in whether financing is granted and whether corrective measures and remediation of deviations are required within an appropriate timeframe. If the risk and assessment indicate that the bank would violate its sustainability policy, the process will be halted.

### 6.1.4 Climate Requirements for Our Corporate Customers

Sparebanken Norge has a clear objective to reduce greenhouse gas emissions in its loan portfolio to help achieve Norway's overall climate targets. The bank will do this by prioritizing more climate-friendly financing for new projects and imposing stricter requirements on new and existing customers who are unwilling to take necessary action. All companies are expected to strive to use the best available technology, environmentally friendly materials and processes, proper waste management, reduce emissions throughout the value chain, and pursue the most climate-friendly alternatives. The bank has set ambitious industry-specific targets for climate risk and sustainability in its loan portfolio and will

request relevant climate emissions data from both new and existing customers. We have developed a dedicated web portal for registering the requested climate emissions data.

#### 6.1.5 The Bank's Sustainability Goals for the Corporate Market

The bank has set specific sustainability goals for the various industries we finance. Our key instruments for achieving these goals include green and sustainability-linked financing, advisor dashboards showing customer status, competence building and training, and a library of policies for green and sustainability-linked loans. These goals are also part of the bank's performance scorecard, where achievement of the targets is crucial for bonus eligibility. In the annual report, you will find an overview of the bank's sustainability goals and progress in the corporate market.

#### 6.1.6 Customer Follow-Up

We place great emphasis on having solid processes in place when establishing customer relationships, but we also have a responsibility to follow up with customers throughout the duration of the relationship. To monitor our customers and our ownership interests, the bank will request documentation if we suspect that circumstances have arisen that violate our principles.

Each customer relationship must be reviewed at least annually. This review also includes an assessment of the follow-up on any necessary improvement measures related to processes and routines.

### 6.2 Sustainable Products

The bank has developed a framework for sustainable loans to guide lending activities toward meaningful initiatives related to financing or refinancing. This framework (*Sustainable Product Framework*) is available in the bank's [\*Sustainability Library\*](#).

Sparebanken Norge aims to give our customers the opportunity to make conscious choices for the climate and environment by offering:

- **Savings products with a sustainable profile**, through our green investment funds.
- **Green mortgages** with especially favorable interest rates if you own or are purchasing an environmentally friendly home (the home must have an energy rating of A or B).
- **Green energy loans** for implementing energy efficiency measures in private homes (requires at least a 30% reduction in the home's energy consumption).

In addition to green and sustainable products, the bank also offers transition products. These are loans that are not yet fully green or sustainable, but where the customer is taking steps to become more sustainable:



- **Energy loans** for energy efficiency improvements in private homes, such as heat pumps, solar panels, hydronic heating, geothermal systems, and similar.
- **Sustainability-linked loans**, where a corporate customer's sustainability goals are tied to the financing. Predefined KPIs are agreed upon for the loan, and the customer is rewarded or penalized depending on whether milestones are met. Goals and action plans are tailored to each customer and industry to ensure the KPIs are relevant. This loan type applies to the corporate customer segment.

When developing new products at Sparebanken Norge, a risk assessment is conducted by the bank's Risk Management department. As part of this assessment, the product's impact on climate, environment, and other sustainability risks is evaluated. This evaluation is approved by the bank's sustainability department. Training has also been provided on how to market green and sustainable products appropriately.

### 6.3 Green Bonds

Sparebanken Norge encourages funds that invest in bonds to be drivers of environmental labeling and sustainability certification for loans. Our *Green Bond Framework* aligns with the ICMA Green Bond Principles, clearly stating compliance with the EU Taxonomy and identifying which UN Sustainable Development Goals the activities support. The categories in the framework include green residential buildings, green commercial real estate, and renewable energy. By issuing green bonds, Sparebanken Norge aims to contribute to the development of the green bond market, diversify the bank's investor base, and expand dialogue with existing investors.

Green loans financed or refinanced under the bank's green bond framework are evaluated and selected based on compliance with the criteria described in the framework. The bank's *Green Bond Framework* is available on our website under *Investor Relations, Green Bonds*. The bank has established a Green Bond Committee consisting of the Head of Sustainability and leaders from the bank's credit, funding, risk, and corporate banking departments.

## 7. Distributor of Mutual Funds

In our role as a distributor of mutual funds to our customers, we set clear requirements for the fund managers' handling and follow-up of the investments included in the mutual funds. As a distributor and advisor to our customers, we also have the opportunity to highlight responsible investment practices and corporate governance in the funds as a criterion for our customers when choosing mutual funds—whether for purchases, changes to savings agreements, or sales of fund units.

Sparebanken Norge offers investment advice and a wide range of mutual funds to our customers. The funds we offer are managed by external fund managers who are subject to strict legislation to protect customers and their fund units. In addition, we ensure that our



fund providers have solid guidelines for socially responsible investments. Our customers should be confident that their investments provide good returns both financially and socially.

To provide sound advice and a good range of options, we offer a clear and diverse selection of funds from multiple providers and with various investment strategies. The funds offered should enable customers to build a diversified portfolio consisting of both broad and specialized funds, while also allowing our advisors to provide well-informed guidance.

As a distributor of mutual funds, we can exert influence through our negotiating power with potential fund providers and through close dialogue with our customers. As a distributor of UCITS mutual funds, our ability to influence the investments within individual funds is limited. Since the mutual funds purchased through the bank are the customers' assets, we cannot control ownership ourselves. Our ability to influence therefore lies in the processes of fund manager selection and follow-up, as well as in supporting good decision-making in customer advisory services:

- Selection and follow-up of fund providers and funds made available through Sparebanken Norge.
- Highlighting and promoting ethics, social responsibility, and sustainability in advisory services and communication.
- Direct recommendations to stop savings agreements and well-founded recommendations to sell certain mutual fund units.

Sparebanken Norge uses all these tools in cases where we see that a fund manager is not fulfilling the responsibilities previously communicated to us, is not adequately documenting their corporate engagement, or where follow-up does not yield results or consequences.

## 7.1 Sustainability in Investment Advisory Services

Sparebanken Norge is committed to the UN Global Compact and to doing what we can to support the UN Sustainable Development Goals. The bank will use its strong regional presence and distribution power to influence through the channels available to us.

When it comes to funds and savings, this means that the bank actively and continuously works to contribute to more sustainable development by enabling customers to choose from a range of funds and fund products that are based on sound principles for sustainable investments.

Fund providers must be able to document that management rules are being followed. Assessing corruption risk for potential investment targets is part of our routines, to ensure that we only invest in companies with solid anti-corruption practices. The bank shall operate in a sustainable manner and fulfill anti-corruption responsibilities as outlined in the UN Global Compact.

### 7.1.1 Sustainability Risk and SFDR

We aim to ensure that investments made through our channels go beyond merely meeting minimum requirements for sustainability, environmental responsibility, and accountability. To achieve this, the bank must highlight to our customers the products that contribute more than just the minimum standards.

The bank publishes information on its website outlining the guidelines for how sustainability risk is integrated into investment decisions and investment advisory services. The EU's Sustainable Finance Disclosure Regulation (SFDR) imposes strict requirements on financial institutions regarding the information that must be disclosed. The bank's statement on sustainability risk in fund distribution can be found in the bank's [\*Sustainability Library\*](#) under *Risk Management, Transparency, and Responsibility*. The funds available to the bank's customers are labeled according to the SFDR requirements. Green funds are labeled as Article 9 funds, and the bank also highlights which funds are classified as Article 8 funds. An overview of available funds and their SFDR classification is accessible on the bank's website.

### 7.1.2 Principles for Responsible Investment (UN PRI)

We support the principles of the UN PRI – Principles for Responsible Investment – by using these principles as a guideline in our own investments and in our expectations of our providers. Furthermore, as a principle, in the absence of stricter local legislation, we require at a minimum adherence to international standards for industries and businesses. We strive to ensure that our investments, as well as the procedures for assessing and following up on those investments, are conducted in accordance with the initiative's six principles:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the principles.
6. We will report on our activities and progress toward implementing the principles.

Ethical, environmental, social responsibility, and sustainability considerations shall be integrated into all investment and asset management activities carried out on behalf of Sparebanken Norge or the bank's customers through our distribution channels.

## 7.2 Requirements for Fund Providers

All funds and fund providers offered to customers through Sparebanken Norge's channels must have well-documented strategies and processes for ethical management, as well as follow-up on ethics, social responsibility, sustainability, and environmental issues through

active voting at general meetings. Documentation requirements are met through publicly available descriptions of strategy and philosophy related to negative/positive screening in fund management, and through collaboration with and use of recognized monitoring and analysis services that support ESG oversight in investment management.

Many Norwegian asset management companies currently use the Norwegian Oil Fund's exclusion list as a guideline for their own management. We require that fund managers also have robust processes for active ownership, take independent positions on ownership and potential exclusions. We expect transparency regarding ethical assessments and decisions, and require that providers are open about their ownership processes and exclusion lists.

We emphasize that fund managers must not engage in lobbying efforts aimed at weakening international cooperation on standards related to the environment, governance, sustainability, and social responsibility. Instead, they should be positive and transparent contributors. It is not sufficient for a manager to merely endorse guidelines and regulations in this area. The manager must also be able to document that management rules are followed, that changes to exclusion lists actually influence investment decisions, and that active choices are made to pursue sustainable investments.

### 7.3 Selection of Fund Providers

When selecting funds and fund providers to be offered through our channels, we assess a range of criteria, including investment philosophy, universe and mandate, long-term returns, fund managers and track record, size of the management organization, and criteria for social responsibility and corporate governance. Each individual fund is also evaluated in the context of the overall fund offering.

We require our fund providers to have a solid and conscious approach to social responsibility in their investments. We expect fund providers to have signed or comply with equivalent investment principles to the UN PRI (see section *7.1 Sustainability in Investment Advisory Services*), and to have clear guidelines for excluding companies. Managers must not invest in companies involved in weapons production, violations of human rights, labor rights, environmental protection criteria, or anti-corruption efforts. We prioritize managers who consider topics such as responsible management of shared resources like water, fisheries and aquaculture, forests and timber, material extraction, responsible oil production and refining of petroleum products, and other topics included in the industry assessments outlined in section *8.2 Special Evaluation Criteria for Specific Industries*.

The fund management team, organizational size, and reputation are also part of the evaluation. Serious and robust managers are essential for building trust in distribution through our channels and for ensuring confidence that managers meet our ethical and sustainability requirements in their investment practices.

We only distribute funds where the manager conducts the management themselves. We carry out further investigations if a relevant fund includes underlying products and services from other parties, to clarify actual risk and counterparties.



Figure 1: This figure illustrates how the bank evaluates different management strategies and the consequences they entail.

## 7.4 Follow-up of Fund Providers and Fund Selection

In addition to evaluating new products, we conduct ongoing assessments related to the information and documentation of fund managers' approaches to sustainability. We have dedicated resources that continuously evaluate social responsibility and compliance with sustainability strategies and processes in the products we distribute. We will remove a

product from our portfolio if we discover that the described processes have not been followed and the manager cannot document measures for negative screening, active ownership, or exclusion. Since we do not own the fund units purchased by customers through the bank's distribution channels, we are not able to divest from the mutual funds if we suspect or discover violations of ethical guidelines. Therefore, we use other means of influence by:

1. Putting pressure on fund managers to ensure they have solid routines and processes for making ethical, environmental, and sustainable decisions, and for influencing companies they hold ownership in through active governance.
2. Requiring documentation that the manager has followed up on issues with companies that violate the manager's principles for ethics, environment, and sustainability.
3. Highlighting breaches of communicated guidelines and investment mandates if the company does not correct the deviation and remains in the portfolio over time.
4. Halting new sales of products that do not meet our requirements for sustainable management.
5. Recommending customers to stop savings agreements and switch to other products if the manager does not follow up with companies and fails to act on a lack of improvements.

Our fund providers will receive our policy for sustainable and ethical investments annually. They are expected to be aware that a statement on how they are working toward our goals and expectations will be required for each evaluation.

## 7.5 Presentation of Ethical Profile and Returns

Sparebanken Norge wants all funds to be easily and clearly comparable — in terms of management, costs, achieved results, and ethical platform. As described in section [7.1.1 Sustainability Risk and SFDR](#), the bank provides a fund module on our website to present funds and the fund universe to our customers. This module enables individuals to evaluate different funds, including the fund's social responsibility and focus on Environmental, Social, and Governance (ESG) factors. It should be clearly indicated where a fund has stricter rules and guidelines than the industry standard in order to present the product as an ethical alternative.

## 7.6 General Description of Requirements for Systems and Follow-Up

Good ethical investment management involves not only strong investment guidelines but also robust:

1. Systems, routines, and processes for detecting and identifying incidents that may indicate violations.
2. Routines and processes for investigating such violations.
3. Routines for engagement and active ownership in the individual companies involved.

4. Defined processes for divestment in cases where serious issues are uncovered and not resolved within a reasonable time after dialogue with the company.

We will not continue distributing products where the processes for following up on social responsibility issues are not adequately maintained. In our interactions with potential fund managers, we will specifically look for and comment on weaknesses in exclusion criteria, routines, and process descriptions.

We expect fund managers to follow up on violations in accordance with their own ethical, environmental, and human rights standards, as outlined in their communicated guidelines. We monitor this through media coverage, statements from organizations, publicly available exclusion lists, and alerts. If there are concrete indications of violations of our expectations, we will request the manager's assessment of the incident and their plan for engagement.

Engagement processes and active ownership can naturally take time, and Sparebanken Norge has procedures in place to request ongoing documentation from fund managers regarding their follow-up efforts. If a manager cannot provide documentation, or if the follow-up is deemed unsatisfactory, we will halt new sales of the product through our distribution channels and inform customers who hold units in the fund—purchased through our channels—about our findings and the follow-up process.

We will review the systems of each fund provider at least annually and expect to see real improvements in their follow-up systems where deficiencies are identified.

Review of documentation for compliance with social responsibility, ethics, anti-money laundering regulations, transparency requirements, sustainability, and governance—both for all companies we hold ownership in and for all fund managers—shall be conducted at least annually. This review also includes follow-up on necessary improvement measures related to processes and routines.

## 8. Requirements for Financing, Investment, and Suppliers

Sparebanken Norge is committed to managing social and environmental risks and ensuring that the companies we finance understand and responsibly reduce the negative impacts of their activities.

This chapter is divided into two parts, [\*8.1 General Requirements for Financing, Investment, and Suppliers\*](#), and [\*8.2 Specific Evaluation Criteria for Individual Industries\*](#).

The bank has developed a set of general criteria for assessing companies that:

- Seek financing from us (see also [\*Chapter 6 – Sustainable Financing\*](#))
- Are to be included in our investment universe (see also [\*Chapter 7 – Distributor of Mutual Funds\*](#))
- Are considered as suppliers for the bank's internal operations (see also [\*Chapter 5 – Procurement and Supplier Requirements\*](#))

These criteria include principles outlined in, among others:

- The Working Environment Act
- The Animal Welfare Act
- The Pollution Control Act
- The Anti-Money Laundering Act
- ILO Declaration on Fundamental Principles and Rights at Work
- ILO Minimum Age Convention
- The Anti-Corruption Convention
- The Equality and Anti-Discrimination Act
- Human Rights (as described in the UN Guiding Principles on Business and Human Rights)
- The Nature Diversity Act and the Svalbard Environmental Protection Act
- The Personal Data Act
- The Accounting Act
- The Tax Act
- The Ramsar Convention (Wetlands Convention)
- The Transparency Act

Different industries carry different ethical, social, and sustainability risks, and assessments of individual companies must therefore be made according to the industry in which they operate. That's why we have developed specific evaluation criteria for certain industries. The general requirements described apply to all industries and are intended to cover the entire value chain and subcontractors of the companies.

Some requirements are absolute, while others must be considered in relation to the size and location of the companies. For example, we expect all our customers and investments to comply with Norwegian law and international conventions, but we recognize the need to tailor documentation and reporting requirements to company size. In fund management, the investment universe often consists of larger companies than many of our lending customers, who are primarily located in Western and Southern Norway. At the same time, the bank is more closely involved in individual lending investments and can assess companies and projects more thoroughly on a case-by-case basis. We do not wish to finance or invest in companies that violate the principles described above. Any deviations or differences in requirements are specifically outlined.

In addition to the general criteria applicable to all industries and the specific evaluations described in this chapter, the bank has developed industry-specific risk assessments for sustainability and social responsibility. These serve as a guide for assessing corporate customers' sustainability and social responsibility risks (see also [\*section 6.1.1 Assessment of Ethics, Environment, Social Responsibility, and Sustainability\*](#)).



## 8.1 General Requirements

### 8.1.1 Corporate Governance, Anti-Money Laundering, and Corruption

The purpose of the Anti-Money Laundering Act, which came into force on October 15, 2018, is to prevent and detect money laundering and terrorist financing. Sparebanken Norge has established strict routines and frameworks to comply with our legal obligations and to prevent the bank from being used for laundering proceeds of crime or contributing to terrorist financing. Sparebanken Norge must verify information about potential customers when establishing a customer relationship, and existing relationships must be continuously monitored. The risk of transactions related to money laundering and terrorist financing must be regularly assessed, and the bank's guidelines must ensure clear consequences for non-compliance, including impacts on distribution and financing. Any transaction or situation that raises suspicion of money laundering or terrorist financing will be reported to Økokrim (the Norwegian National Authority for Investigation and Prosecution of Economic and Environmental Crime).

Sparebanken Norge promotes full transparency regarding ownership structures, including for partially owned subsidiaries and joint ventures, as well as transactions between the company and its management. In every case, it must be determined whether there are any beneficial owners in addition to the customer. If beneficial owners exist, sufficient information must be obtained to identify them. The identity of beneficial owners must be verified through appropriate measures and registered in the bank's systems.

We also expect fund managers to exercise their voting rights in ownership matters, particularly to strengthen principles of transparency, good governance, and fair compensation. The best interests of the company must always be the primary focus.

We expect owners and fund managers to ensure that companies they invest in are not involved in transactions that could facilitate money laundering or terrorist financing. Counterparties in transactions and customer relationships must be identified.

Sparebanken Norge has zero tolerance for corruption, money laundering, and terrorist financing, and we expect our customers and fund managers to have systems and routines in place to prevent such activities. If there is suspicion of corruption, we require full transparency from the company and participation in an investigation of the matter.

These requirements apply to all industries and also to the companies' entire value chains and subcontractors.

### 8.1.2 Employee Rights

Sparebanken Norge requires that all customers comply with the laws and regulations applicable in Norway and in the countries where they operate. This includes a zero-tolerance policy for racism and other forms of discrimination in the workplace. Sparebanken Norge will not provide financing to customers or businesses that directly or indirectly—through

subcontractors or elsewhere in the value chain—violate human rights or operate in conflict with the principles set out in the Working Environment Act.

Companies must ensure safe working conditions, respect employees' rights to organize and engage in collective bargaining, set maximum working hours within a 48-hour workweek, and provide employees with a living wage that they can freely dispose of. We expect our customers, investments, and subcontractors to comply with legal minimum wage requirements within their respective industries (as monitored by the Norwegian Labour Inspection Authority) and to ensure that recruitment processes are perceived as fair.

Companies must actively reject undeclared work. The use of forced or child labor and the exploitation of vulnerable workers such as refugees and migrant laborers must not occur. Chapter 4 of the Working Environment Act contains specific requirements for health, safety, and the working environment (HSE), applies to all companies employing workers, and must be followed. This includes requirements for both physical and psychosocial working conditions.

Employee rights must also be respected by subcontractors and throughout the entire value chain. Sparebanken Norge does not wish to finance or invest in companies that do not respect employees' right to organize, that oppose trade unions, or that retaliate against employee representatives.

### 8.1.3 Equality and Human Rights

All people have the right to equal treatment and dignity, and we expect the companies we finance and invest in to respect this. We expect companies to have zero tolerance for discrimination, including verbal, physical, and sexual harassment, and to avoid differential treatment or unequal opportunities based on age, gender, religion, ethnicity, or sexual orientation.

We expect businesses not to be involved in discrimination, forced or child labor, or any activity that contributes to human rights violations—either directly or through subcontractors. This also means we expect companies to recognize that women and men may face different risks of human rights violations. We expect all our customers and the companies we invest in to actively work toward equal pay for equal work, equal access to education, and to combat discrimination in the workplace and in customer interactions. All our customers and partners are encouraged to strive for gender balance in company leadership, ensure that qualified labor is accessible from all genders, and promote diversity and equality in the workplace. We recommend that companies work toward gender equality, equal opportunities for career and professional development, and equal pay between men and women in the workplace.

When hiring minors, we expect companies to go beyond the minimum legal requirements prohibiting child labor and to comply with the Convention on the Rights of the Child. All children have the right to education and schooling, and education is a key tool for reducing inequality and building sustainable societies. We expect employers to facilitate access to education when employing minors.

#### 8.1.4 Exploitation of Crises and Vulnerable Individuals

Sparebanken Norge is committed to ensuring that companies do not exploit crises, dependency, or particular vulnerabilities of individuals or communities, nor profit from war, disasters, or conflicts. Companies must not provide services or deliveries if, through normal due diligence, it should have been understood that these could lead to violations of international conventions regarding the treatment of civilians or prisoners of war. We do not wish to contribute to or finance businesses that supply goods and services related to illegal and internationally condemned occupations, except where necessary to safeguard civilian populations in those areas.

We also expect fund providers and relevant customers to have clear guidelines regarding gambling and betting activities, as well as responsible lending practices for loans issued to vulnerable households. We strongly oppose the excessive pricing of medicines, essential goods, and equipment during crisis situations.

#### 8.1.5 Water Protection

We expect the companies we finance and invest in to consider the risk of water pollution and to use as little water as possible in their processes.

Companies must conduct an analysis of potential impacts on water supply and access before starting operations in areas where water scarcity is a known issue. This also applies to areas where interventions may significantly affect river water levels or groundwater levels. If a company's operations consume large amounts of water, they should not establish themselves in regions with known water shortages where the local population's right to access clean water could be compromised.

#### 8.1.6 Protection of Biodiversity

Sparebanken Norge expects the companies we invest in or finance to act responsibly with regard to biodiversity, natural resources, vulnerable environments, and endangered species. We expect businesses to comply with regulations on the use of natural resources and to exercise caution and consideration when operating in areas used by local communities or Indigenous peoples, or in regions with fragile ecosystems or endangered species. We expect adherence to the FPIC principles—Free, Prior, and Informed Consent—to prevent conflicts with local or Indigenous populations. Areas with High Conservation Value (HCVAs), identified as critical due to significant biological, ecological, social, or cultural value, must be treated appropriately to preserve biodiversity. We are committed to protecting national parks, landscape conservation areas, and nature reserves in accordance with the Nature Diversity Act, and ensuring that harvesting and other resource extraction comply with the Nature Conservation Act or equivalent international legislation.

We support the protection of areas listed on the UNESCO World Heritage List and wetlands registered under the Ramsar Convention. Sparebanken Norge does not invest in or finance companies involved in the trade of animal or plant species in violation of CITES regulations, or that threaten populations listed on the IUCN Red List of Threatened Species. Caution must be exercised when introducing non-native animal or plant species that may spread to the extent that they cause economic, environmental, or ecological harm and dominate a region. Companies we finance must also consider biodiversity protection and exercise due diligence throughout their entire value chain.

#### 8.1.7 Genetically Modified Organisms (GMOs)

Sparebanken Norge holds a fundamentally negative stance toward genetic modification and the use of genetically modified organisms (GMOs), including in food production. If companies use raw materials from agriculture where GMOs are widely used, the proportion of raw materials with uncertain origin must be disclosed to consumers. If genetic modification is nevertheless used, clearer guidelines for animal welfare must be implemented. We prefer that fund managers encourage the companies they invest in—or the companies themselves—to take the initiative to reduce the proportion of raw materials based on genetically modified plants and organisms.

#### 8.1.8 Climate Footprint, Use of Plastics, and Environmental Toxins

We expect all our customers to actively monitor their climate footprint and greenhouse gas emissions throughout their entire value chain, and we encourage them to have a plan for reducing it.

Involvement in production processes or the manufacture of products containing environmental toxins must include a range of measures to prevent pollution and littering. Companies facing such challenges must implement actions to support the collection and safe disposal of product residues and waste, reduce the content of environmental toxins, and generally minimize the negative environmental impact of their production. For larger manufacturing companies, we recommend compliance with ISO 14000 standards to meet these expectations. This also applies to activities in countries and regions that do not have legal requirements equivalent to those in Norway. Production processes across all industries must follow international industry standards and be certified accordingly.

#### 8.1.9 Reporting

Effective measurement and reporting are valuable tools for raising awareness about social responsibility and performance outcomes. We encourage all customers to actively consider how they can reduce their negative impact on sustainability and society, and to implement measures accordingly. However, the level of reporting and documentation should be proportionate to the size of the company. For international and multinational companies, we recommend using the GRI G4 or equivalent sustainability reporting guidelines. For large national companies, we encourage GRI reporting in accordance with the Core or

Comprehensive guidelines. Small and medium-sized enterprises should report at a level that is manageable and feasible for their specific industry and company size.

## 8.2 Specific Evaluation Criteria for Certain Industries

### 8.2.1 Controversial Weapons Production, Pornography, and the Tobacco Industry

Sparebanken Norge distances itself from industries that have consequences we believe conflict with ethical standards. This includes the pornography industry, the tobacco industry, and parts of the weapons industry. We actively reject and do not finance, invest in, or collaborate with weapons manufacturers involved in violations of fundamental humanitarian principles or who export to countries with widespread corruption, armed conflict, civil war, or a high likelihood that weapons may end up in such areas. This includes both the production, sale, and transport of weapons.

No form of financing shall be provided to companies that, either directly or through controlled entities, develop, produce, store, maintain, or trade in key components for anti-personnel mines, cluster munitions, or weapons of mass destruction (nuclear, biological, or chemical weapons). Weapons that do not distinguish between combatants and non-combatants must not be produced. This also includes weapons systems or components intended for autonomous weapons systems such as LAWS (Lethal Autonomous Weapons Systems).

Technology and goods that can be used for both military and civilian purposes ("dual use") shall be considered military as long as they do not fulfill a civilian purpose.

We require that companies we finance or invest in have clear guidelines to prevent arms exports to areas known for human rights violations or where there is a high risk of such violations. Companies must not profit from the sale of weapons to countries where arms investments come at the expense of citizens' welfare and basic needs. At a minimum, this includes countries and regions subject to arms embargoes imposed by the UN, EU, or the United States.

### 8.2.2 Mining and Metal Extraction

Sparebanken Norge maintains the principle that environmental disruption should be minimized in both mining operations and metal production industries. Plans for emission treatment, land restoration, and remediation of environmental impacts after operations cease must be documented and traceable, with the goal of zero implementation failures.

Runoff, surplus materials, process materials, and hazardous waste must be handled responsibly. Employees must have safe working conditions with low health risks, and their safety and human rights must be protected in accordance with The Voluntary Principles on Security and Human Rights. In areas with particularly sensitive ecosystems, special caution must be exercised (HCV – High Conservation Value). Mining should be avoided if there is a

risk of permanent environmental damage due to accidents or external influences. Environmental interventions must not unduly affect the rights and traditional lifestyles of Indigenous peoples. Companies are expected to seek constructive solutions by following the FPIC principles—Free, Prior, and Informed Consent. Companies operating in especially vulnerable areas must place extra emphasis on human rights. Local conditions must be respected, and small-scale miners must be protected and treated with dignity. Mining companies must pay taxes in the countries in which they operate.

Mining and mine closures must be conducted sustainably. Disposal of mining waste must not occur in marine or river environments unless this has been assessed as the best environmental option by Norwegian authorities. Sparebanken Norge encourages customers engaged in mining and metal extraction to continuously improve environmental, health, and safety practices and to follow best practices and international standards for mineral sourcing (e.g., ICMM, EPRM, EU regulations, and other standards).

We do not finance mining operations that involve open-pit extraction of oil sands or tar sands, uranium or asbestos extraction, or mountaintop removal. Mining and trade in conflict minerals are unacceptable.

### 8.2.3 Energy Production and Clean Energy

Sparebanken Norge expects all industries and businesses to take ownership of climate challenges, actively engage with the use of clean energy, and implement measures to reduce their carbon footprint.

The bank plays a central role as a driving force and facilitator in societal development and the green transition. We aim to promote the production of clean and green energy. Sparebanken Norge does not finance or accept energy production powered by fossil fuels. Companies involved in energy production and distribution are expected to participate in this effort by adhering to international agreements that promote green energy and by taking steps to reduce their climate and environmental impact. The role and responsibility of these companies must be reflected in their governance documents and strategy.

### 8.2.4 Coal Power, Coal Mining, and Other Energy Production

Sparebanken Norge exclusively finances 100% renewable energy production. We do not wish to finance power generation based on fossil fuels, coal, coal mining, or nuclear power, and therefore do not finance companies involved in these activities. Our energy portfolio consists of small-scale hydropower plants, regional hydropower facilities, and several district heating plants. We continuously assess opportunities to expand the portfolio with other renewable energy sources.

The Norwegian Oil Fund's exclusion list is used as a guide to exclude companies with a high share of revenue or operations related to coal power. We expect companies to go beyond merely restructuring to meet the 30% threshold for coal-related revenue or operations. Fund managers we use or distribute products from must ensure that investments are not made in

companies that deliberately circumvent exclusion criteria through structural adjustments. We also expect fund managers to adopt a principle of reducing coal power exposure and dependency in companies that fall within the Oil Fund's thresholds, and to encourage investment in alternative and cleaner energy sources.

For large-scale hydropower projects and related infrastructure development, we require that companies we finance or invest in comply with the seven principles of the World Commission on Dams.

The oil industry has been one of the key drivers of economic growth in Western Norway, and Sparebanken Norge therefore provides credit to companies that are subcontractors to the oil industry. While large-scale oil and gas extraction is likely to decline in the future, it remains an important employer and contributor to the regional economy. We require that companies comply with public laws, regulations, and environmental requirements, and that they hold the necessary approvals from public authorities. Negative social and environmental impacts—including activities that threaten endangered species (e.g., marine mammals), accident risks, and other harmful effects—must be minimized. Safety and potential or actual human rights impacts must be addressed in accordance with Norwegian law and aligned with the Voluntary Principles, and reviewed regularly. We expect compliance with Norwegian regulations for well plugging, waste management, and decommissioning, and that a decommissioning plan is in place at the start of new projects.

We do not finance oil extraction from oil sands, shale gas, or tar sands, and we do not wish to finance oil drilling in the Arctic. Sparebanken Norge requires that companies do not establish operations in highly valuable and significantly vulnerable areas.

### 8.2.5 Shipping Industry

Shipping transports over 90% of global trade and is the largest and most energy-efficient form of global transportation. Due to its vast scale, the industry presents climate and environmental challenges and can have negative social consequences.

Ships built today are expected to operate for many years, making it essential to take a long-term perspective in efforts to strengthen the maritime sector's environmental profile. More environmentally friendly transport with energy-efficient ships is a prerequisite for sustainable economic development and a healthy environment.

The UN's International Maritime Organization (IMO) has stated that greenhouse gas emissions from international shipping must be reduced by at least 50% by 2050. Norwegian authorities have imposed additional requirements on coastal shipping, including a zero-emission mandate in the World Heritage fjords—Aurland, Nærøysfjord, Sunnlyvsfjord, and Geirangerfjord—starting in 2026. Achieving this is challenging, but Sparebanken Norge believes it can be accomplished partly through the adoption of existing environmentally friendly designs and technologies, as well as through innovation and technological advancement.



Ballast water treatment is an important environmental measure aimed at preventing the spread of unwanted marine organisms. *The Ballast Water Convention*, adopted by the IMO in 2014, regulates the intake, discharge, and treatment of ballast water and sediments. It requires all ships to treat their ballast water before replacement, with the goal of limiting the spread of invasive species. Norway ratified the convention in 2006. The new regulations, effective from autumn 2017, require all ships to have approved treatment technology on board. We require that ships remain class-certified at all times, and therefore must comply with these new standards. Several shipowners have chosen to renew their IOPP certificates to extend the deadline for the next major classification, which is in accordance with current laws and regulations.

We require all our customers to comply with the *MARPOL* and *SOLAS conventions*.

We encourage the industry to follow international and national standards and to use the best available technology in investment decisions.

Sparebanken Norge is committed to ensuring that ship recycling is conducted responsibly, without risks to safety, health, or the environment. Shipbreaking poses the greatest social and environmental risks in the shipping industry. Sparebanken Norge supports the international initiative *Responsible Ship Recycling Standards (RSRS)*, developed by and for banks.

*RSRS* are voluntary industry principles that promote responsible ship recycling, aiming to minimize the environmental impact of shipbreaking. Through *RSRS*, shipowners commit to tracking a vessel throughout its lifecycle, including preventing its sale to third parties for scrapping using unsustainable methods. Violations of these terms may result in loan defaults.

We aim to influence more actors in the shipping industry to commit to responsible ship recycling and encourage our customers to follow the *Hong Kong Convention* or the *EU Ship Recycling Regulation*, even though these have not yet come into force.

*The Hong Kong Convention* addresses environmental, occupational health, and safety risks associated with ship recycling. It will enter into force once at least 15 countries representing 40% of global gross tonnage and 3% of global recycling capacity have ratified it. These criteria were met in June 2023, and the convention will take effect in June 2025. Once in force, ships registered in ratifying countries may only be recycled at facilities in countries that have ratified the convention, meet its requirements, and are approved by their national authorities.

*The EU Ship Recycling Regulation* is the only binding framework regulating ship recycling. It aligns with the Hong Kong Convention and also includes safety and environmental requirements. The regulation will take effect in June 2025.

## 8.2.6 Sustainable Food, Agriculture, Forestry, and Animal Welfare

Sparebanken Norge aims to support sustainable food production, agriculture, farming, and forestry.

Dietary changes are among the measures experts recommend to halve emissions by 2030. This includes incorporating more sources of plant-based protein as part of a diverse and healthy diet. We also actively support sustainable seafood production in our region. In Western and Southern Norway, we have the expertise, technology, and natural conditions to contribute to solving the global food challenge—by producing healthy marine products on a large scale in an environmentally friendly and sustainable way. We expect food producers to adhere to relevant industry standards such as Fair Trade (FLO), organic certifications like IFOAM, Aquaculture Stewardship Council (ASC) certification, or Sustainable Agriculture Network Standards.

Businesses that produce crops that deplete soil or have other significant negative impacts on local ecosystems must have guidelines in place to reduce and offset these effects. We expect active efforts to address known challenges in nut and plant oil/palm oil production—both among producers and companies using these products in their operations.

Sparebanken Norge is committed to good animal welfare. Animal transport must be responsible and limited to a maximum of eight hours, unless local legislation states otherwise. We support the Five Freedoms for animals and expect that extremely confined cages and stalls are not used.

Choosing fertilizer produced with the lowest possible emissions and optimal technology is essential to meeting the world's growing food supply needs. Farmers must also ensure that the type of nitrogen fertilizer, quantity, and timing of application do not lead to increased greenhouse gas emissions due to denitrification, ammonia evaporation, or runoff.

We expect pesticide use in agriculture and forestry to be kept to a minimum, that chemical use is as low-impact as possible, and that businesses actively work to reduce chemical usage. Likewise, we expect actors to support efforts to limit the use of antibiotics in food production to minimize the development of antibiotic resistance.

Peat has long been used in cultivation due to its beneficial properties, but its use harms both biodiversity and the climate. Peatlands store more carbon than other land areas. When drained, decomposition begins, releasing greenhouse gases. Climate concerns call for reducing emissions from peatlands and instead utilizing their carbon storage potential. Reducing peat use is part of this. Sparebanken Norge encourages customers to actively seek and choose peat-free alternatives where available and feasible.

We require that forestry and agriculture take into account access to water and wildlife corridors, work to prevent deforestation, and protect areas of high conservation value—such as natural forests, peatlands, and mangroves. Businesses must prevent runoff and ensure that soil and water resources are not depleted, including establishing buffer zones without cultivation near water sources, seas, and rivers. Indigenous rights must be respected, particularly regarding access to grazing, animal migration, and water sources.

If timber is used as a raw material, it must be sourced sustainably. We oppose old-growth forest logging and do not wish to finance industries involved in such practices or in unsustainable logging. We recommend using the HCS (High Carbon Stock) methodology to

identify and protect forest areas with high biodiversity. We expect biofuel production to meet the RSB standard.

Actors in the paper, pulp, and timber industries should be certified according to FSC's Chain of Custody requirements and must not log in areas that FSC defines as High Conservation Value (HCV), or they should work toward meeting such certification. We expect businesses to comply with relevant laws and standards. If a company's operations significantly impact forests through logging or other development, their footprint must be reported in accordance with the requirements of the FFD project.

#### 8.2.7 Fisheries

Fish stocks are among our most important renewable resources. Sparebanken Norge assumes that our customers in the fisheries sector operate based on public licenses and comply with the laws and regulations governing the industry. All companies in this sector manage natural resources on behalf of the community and therefore have a responsibility to operate sustainably and with the smallest possible environmental footprint. Companies must work together with authorities, industry organizations, and others to help ensure that marine resources are preserved for future generations.

We do not finance companies that fish unregulated stocks with sustainability risks, use harmful fishing methods, or target endangered species—such as whale species listed on the international Red List and referenced in CITES agreements. To ensure sustainable management, we expect companies to comply with national and international laws, quotas, and other regulations. We also encourage the fishing industry to participate in environmental certification initiatives and prioritize suppliers who act responsibly and sustainably.

#### 8.2.8 Aquaculture Industry

Sparebanken Norge expects our customers in the aquaculture sector to operate sustainable fish farming, act as responsible members of society, and comply with all laws and regulations governing the industry. Companies must do everything they can to protect the environment and manage it in a way that benefits future generations. Systematic efforts to prevent negative environmental impacts are essential, along with a strong focus on preventing escapes, controlling sea lice levels, combating disease, and ensuring fish welfare. We expect companies to prioritize the use of sustainable feed, efficient feed utilization, and minimizing climate impact. Systematic work in these areas, engagement in research and development, and collaboration with authorities, industry organizations, other farmers, and suppliers are key to developing a sustainable and profitable future for the industry.

The aquaculture sector is one of the world's most important food providers, and long-term growth must occur in a sustainable and efficient manner. We expect feed producers to do their part in developing a more sustainable industry. Reducing the share of wild-caught fish, increasing the use of marine by-products, and incorporating plant-based ingredients may be the way forward to achieve the desired growth. In addition, they should strive to minimize the

carbon footprint of their operations, including raw material transport, and follow up on emission-reducing measures among their suppliers.

#### 8.2.9 Sustainable Financial Sector

A sound and sustainable financial sector forms the foundation of a sustainable economy. In line with the general requirement not to exploit crises or vulnerable individuals, the financial sector, financing companies, or bond investments must not be used for usury or excessive profit. This means that in both investment and financing, we must critically assess companies involved in lending to individuals with payment difficulties and ensure that customers can understand the terms of the products and services we offer. Local value creation must not come at the expense of people and the environment in other parts of the world. Local rules and guidelines for consumer protection must be followed by credit providers and financial institutions. Where local regulations do not exist, international standards must be applied.

Financial institutions must not finance projects or companies that violate fundamental human and labor rights, harm the environment, or infringe on Indigenous rights. If a project or company is assessed to carry a high risk of such violations due to industry or country-specific factors, this risk must be evaluated separately, and compliance requirements must be included in the loan agreement.

#### 8.2.10 Real Estate Companies and Property Development

Sparebanken Norge expects companies investing in real estate and property development to set goals and implement measures to reduce emissions and energy consumption. For larger actors, we expect routines to be in place for reducing energy use, and that corporate documents include environmental accounts and targets for reducing climate emissions. Large corporations managing real estate (with a balance sheet over NOK 7.5 billion) should aim for ISO 14001 certification to ensure reductions in climate emissions.

If conflicts arise related to land ownership or the interests of existing tenants or residents—especially when these involve vulnerable groups—we expect caution and responsibility to be exercised in balancing profitability with the protection of those living on the land or in the properties.

#### 8.2.11 Transport Companies and Aviation

We welcome fossil-free alternatives and encourage companies in the transport and aviation sectors to invest in technology to reduce emissions and negative environmental impact.

## 9. Contact and Revision

The revision of this document shall, at a minimum, be reviewed annually or in the event of significant changes. In connection with the bank's merger process, changes to the

Sustainability Policy may occur. The revision also includes a review and follow-up of necessary improvement measures related to processes and routines.

## 9.1 Contact Information

For questions related to the Sustainability Policy, please contact the Head of Sustainability.

## 9.2 Revision History

<i><b>Date</b></i>	<i><b>Version</b></i>	<i><b>Description</b></i>	<i><b>Author</b></i>
31.07.25	1.0	First edition of Sustainability Policy for Sparebanken Norge (English translation)	Team Sustainability
02.05.25	1.0	First edition of Sustainability Policy for Sparebanken Norge (Norwegian)	Team Sustainability