ASSESSMENT
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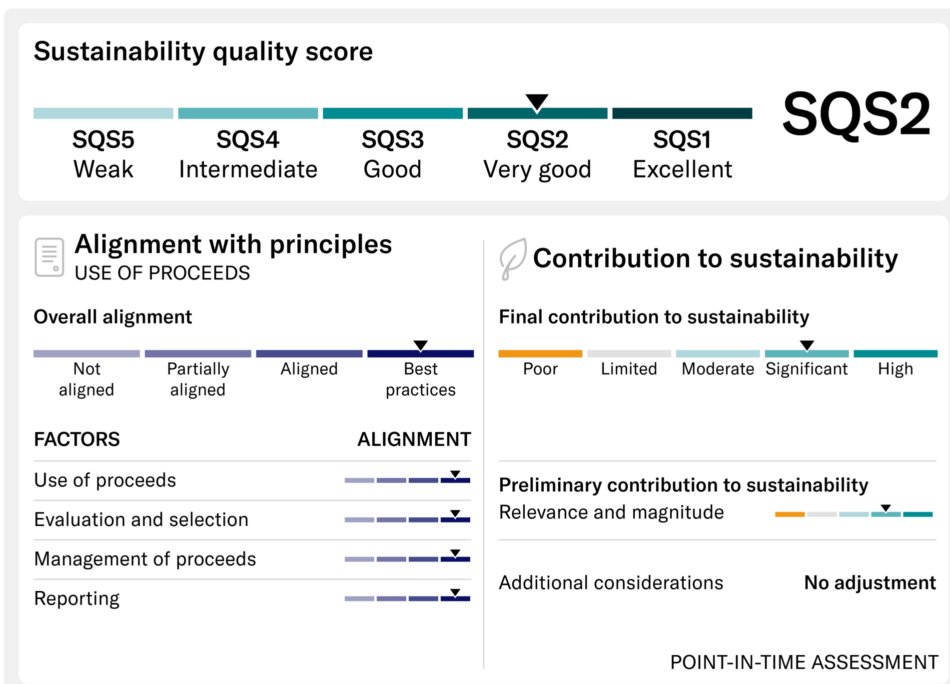
Sparebanken Norge

Second Party Opinion – Green Bond Framework Assigned SQS2 Sustainability Quality Score

Summary

We have assigned an SQS2 Sustainability Quality Score (very good) to Sparebanken Norge's green bond framework dated December 2025. The issuer has established its use-of-proceeds framework with the aim of financing projects across two eligible green categories — green buildings and renewable energy. The framework is aligned with the four core components of the International Capital Market Association's (ICMA) Green Bond Principles (GBP) 2025, and incorporates all best practices identified by Moody's Ratings. Further, the framework demonstrates a significant contribution to sustainability.

Within the scope of our assessment[1], two out of three economic activities across two eligible categories align with the EU taxonomy criteria; overall, 18 out of 23 criteria were met, as outlined in Appendix 4 of this report.



Scope

We have provided a second party opinion (SPO) on the green credentials of Sparebanken Norge's green bond framework, including the framework's alignment with the ICMA GBP 2025. Under its framework, the bank plans to issue green bonds to finance projects across two green categories, as outlined in Appendix 3 of this report.

We have also provided a supplementary opinion considering whether the economic activities in the framework align with the EU taxonomy criteria[2]. Our work does not constitute an assurance, verification or audit of EU taxonomy criteria.

Our assessment is based on the last updated version of the framework received on the 22nd of December 2025, and our opinion reflects our point-in-time assessment[3] of the details contained in this version of the framework, as well as other public and non-public information provided by the bank.

We produced this SPO based on our Assessment Framework: Second Party Opinions on Sustainable Debt, published in October 2025.

Issuer profile

Sparebanken Norge is a combined entity created through the merger of Bergen-headquartered Sparebanken Vest and Kristiansand-headquartered Sparebanken Sør in early May 2025. Sparebanken Vest had consolidated assets of NOK338.2 billion (€28.6 billion) as of December 2024. Sparebanken Norge is the largest Norwegian savings bank in Norway following the merger, with a pro-forma gross lending book of close to NOK450 billion as of December 2024. The bank provides a range of retail and corporate banking, treasury and real estate agency services, including financing, savings and investment products; and advisory services. The bank also offers insurance products, securities brokerage, asset management and leasing services through its ownership in Frendegruppen, a platform for collaboration across several product companies, in which the bank is the largest owner. The bank issues covered bonds to fund its operations through its wholly owned covered bond company Sparebanken Norge Boligkreditt AS.

Sparebanken Norge faces moderate environmental risks primarily because of its portfolio exposure to carbon transition. These risks are primarily related to its corporate portfolio, however, exposures to the oil, offshore and shipping business are limited. In line with its peers, the bank is facing mounting business risks and stakeholder pressure to meet broader carbon transition goals. In response, the bank is developing its climate risk and portfolio management capabilities. Sparebanken Norge also faces moderate social risks related to customer relations and associated regulatory and litigation risks, requiring high compliance standards. The exposure to customer relation risks is lower than its international peers, given the bank's untarnished customer conduct track record supported by the social mandate of the Savings Bank's model. Sparebanken Norge is a digitally advanced bank in Norway, with a robust IT infrastructure and strong capabilities to mitigate cyber and personal data risks.

Strengths

» Eligible projects target key sustainability challenges for the financial and real estate sectors by addressing improvements in energy efficiency and the avoidance and reduction of carbon emissions.

» The eligibility criteria for the financed projects are aligned with the substantial contribution criteria for selected economic activities as laid out in the EU Taxonomy (Climate Delegated Act) for sustainable activities.

» Comprehensive and transparent project evaluation and selection processes are in place and include relevant expertise.

Challenges

» Although eligible buildings must demonstrate an energy performance among the top 15% in Norway, which is aligned with the EU taxonomy and represents a good threshold, this will not guarantee that buildings are in line with a 1.5°C pathway over time.

Alignment with principles

Sparebanken Norge's green bond framework is aligned with the four core components of the ICMA's GBP 2025, and incorporates all best practices identified by Moody's Ratings. For a summary alignment with principles scorecard, please see Appendix 1.

- ☑ Green Bond Principles (GBP)
- ○ Green Loan Principles (GLP)
- ○ Social Bond Principles (SBP)
- ○ Social Loan Principles (SLP)
- ○ Sustainability-Linked Bond Principles (SLBP)
- ○ Sustainability Linked Loan Principles (SLLP)

Use of proceeds

Not aligned	Partially aligned	Aligned	Best practices ▼

Clarity of the eligible categories – BEST PRACTICES
Sparebanken Norge has clearly defined the nature of expenditures for the two eligible categories. They consist of loans for financing of new or existing hydropower assets, and the acquisition, ownership and renovation of green buildings. Loans for the eligible categories are (re-)financed through instruments including covered and unsecured bonds. The eligibility criteria are also clearly defined for the two eligible categories and refer to the substantial contribution criteria for the economic activities "7.2 - Renovation of existing buildings", "7.7 - Acquisition and ownership of buildings" and "4.5 - Electricity generation from hydropower", from the EU Taxonomy Climate Delegated Act for sustainable activities. The exclusion criteria are part of Sparebanken Norge's publicly available policies, based on either the company's sector (product-based) or its misconduct (conduct-based). The location of eligible projects is defined as within Norway.

Loans under this framework may be allocated either for individual projects or at the corporate level. As far as financing general corporate purpose is concerned, Sparebanken Norge restricts its general corporate purpose financing to pure-play companies, limiting this allocation to 5% of the framework's total proceeds at the time of publication. Pure-play companies are defined as those generating at least 90% of their revenue from activities that meet the eligibility criteria. The issuer has confirmed that pure-play lending will only be possible for hydropower companies that are able to link the proceeds to eligible assets, which the bank identifies prior to loan approval. To prevent double counting, only the share attributable to the eligible assets is considered. The bank has measures in place that guarantee the traceability of funds, adherence to eligibility criteria, and clarity on environmental benefits. These measures, along with the limited allocation and 90% revenue threshold, align the framework with current market practices.

Clarity of the environmental or social objectives – BEST PRACTICES
The issuer has clearly outlined the environmental objective as climate change mitigation, which is relevant for both eligible categories and is coherent with recognized international standards, including the EU taxonomy and the United Nations' (UN) Sustainable Development Goals (SDGs).

Clarity of expected benefits – BEST PRACTICES
The expected environmental benefits are clearly defined and relevant for the two eligible categories. These benefits are measurable and will be quantified in the ongoing reporting. The issuer has committed to allocating all proceeds at issuance without implementing a specific look-back period.

All proceeds will be fully allocated to refinancing assets at the date of the issuance. The composition of the assets portfolio, specifically the balance between financing and refinancing, will evolve over the maturity of the financing instruments. In light of this dynamic nature of the portfolio, it is challenging for the bank to estimate the refinancing share prior to further issuances. The share of refinancing will be publicly disclosed solely in the post-issuance allocation reporting.

Process for project evaluation and selection

Not aligned	Partially aligned	Aligned	Best practices

Transparency and clarity of the process for defining and monitoring eligible projects – BEST PRACTICES
Sparebanken Norge has established a clear and structured decision-making process for determining projects' eligibility, as outlined in its publicly available framework. The process relies on relevant internal expertise convened in the form of the Green Bond Committee, which is composed of the head of sustainability and senior officials from Sparebanken Norge's credit, funding, risk management and corporate lending teams. The bank may also engage an external consultant specializing in green real estate and renewable energy to support the decision-making process.

Regarding pure-play lending, which represents distinct challenges in identifying and selecting eligible projects, the issuer states that only hydropower facilities that have received approval from the Norwegian Water Resources and Energy Directorate (NVE) and possess a formal license will qualify for the portfolio. The bank has access to relevant documentation, including technical details, to ensure that the green assets meet the eligibility criteria.

The Green Bond Committee will conduct at least quarterly reviews of the portfolio, including pure-play lending activities, throughout the lifespan of the instruments. These reviews will ensure continuous adherence to the eligibility criteria and compliance with publicly disclosed policies and guidelines for managing and monitoring potential environmental and social (E&S) controversies. If a project becomes ineligible or encounters controversies, it will be removed from the eligible portfolio and replaced with other qualifying projects.

Management of proceeds

Not aligned	Partially aligned	Aligned	Best practices

Allocation and tracking of proceeds – BEST PRACTICES
The issuer has clearly defined the process for allocating and tracking proceeds in its publicly available framework. Net proceeds will be managed using a portfolio approach, placed in the bank's general treasury and tracked appropriately to ensure their use in accordance with the framework. So long as there are green bonds outstanding the portfolio is expected to be inherently dynamic, as existing loans mature and new ones are included to replace them. Given this dynamic nature of the portfolio, the balance of the eligible proceeds will be monitored quarterly. Sparebanken Norge commits to ensure that the allocation within the eligible green loan portfolio meets or surpasses the net proceeds balance from its outstanding green bonds.

The bank expects close to full allocation of proceeds at the time of issuance. Any temporarily unallocated proceeds, if applicable, will be directed toward sustainability-oriented assets, such as green or social bonds, within Sparebanken Norge's treasury liquidity portfolio. These placements, adhering to the bank's E&S policies, will focus exclusively on high-quality liquid assets like securities from sovereigns, housing credit companies, municipalities, and county authorities.

Reporting

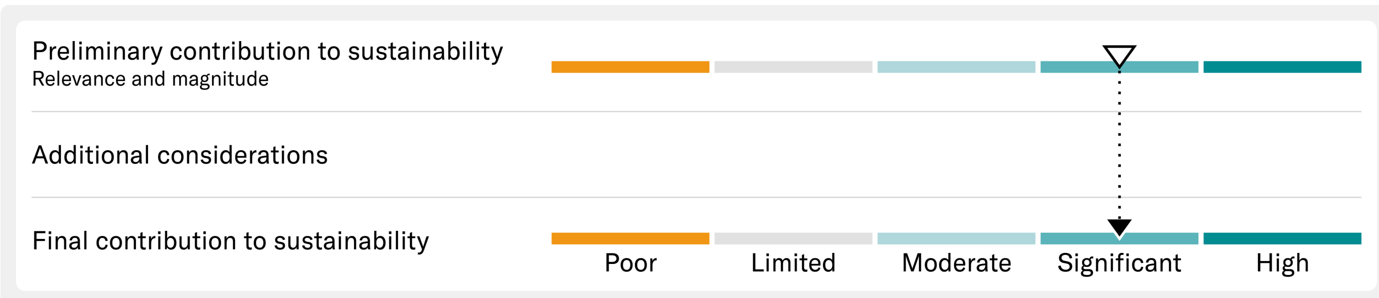
Not aligned	Partially aligned	Aligned	Best practices

Reporting transparency – BEST PRACTICES
Sparebanken Norge will provide annual reports on allocation and impact for the duration of the bonds' maturity, available on its website. These reports will deliver clear, relevant and exhaustive information about the allocation of proceeds and the expected sustainable benefits, including those from projects by pure-play companies.

The bank has identified relevant environmental reporting indicators for each of its eligible categories and has clearly disclosed these indicators in its publicly available framework. The calculation methodologies and assumptions used to report on environmental benefits will be included in reporting. On an annual basis, the bank's independent external auditor or other external party will verify the allocation and impact reporting until full allocation or maturity of the instruments, respectively, aligning with market best practices.

Contribution to sustainability

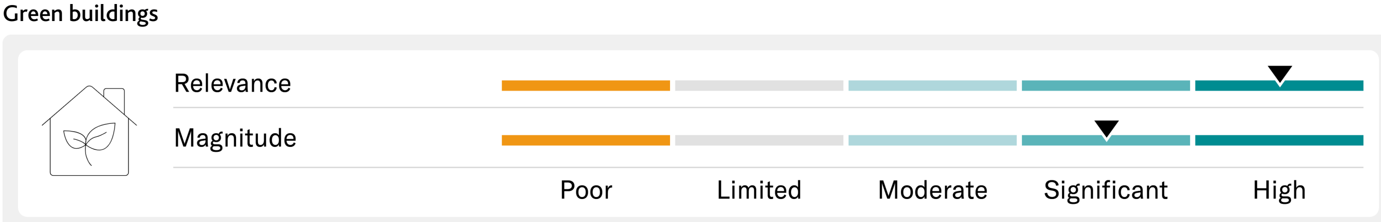
The framework demonstrates a significant overall contribution to sustainability. This reflects a preliminary contribution to sustainability score of significant, based on the relevance and magnitude of the eligible project categories, and we have not made an adjustment to the preliminary score based on additional contribution to sustainability considerations.



Preliminary contribution to sustainability

The preliminary contribution to sustainability is significant, based on the relevance and magnitude of the eligible project categories. The bank has confirmed that the vast majority of total expected allocation will go towards green building projects, and we have used this information to inform our weighting. A detailed assessment by eligible category has been provided below.

Green buildings



Eligible projects address climate change mitigation—a highly relevant objective given the real estate sector's substantial energy consumption. This relevance is further underscored by the sector's position as the area to which the issuing bank is most heavily exposed. Despite Norway's goal to cut energy usage in existing buildings by 10 TWh by 2030 from 2016 levels, progress has been slow, with current energy usage at around 80 TWh, accounting for 40% of the country's total energy consumption. The country's housing stock, mostly wooden single-family houses built between 1950 and 1990, now requires substantial upgrading and whilst there is no renovated buildings in the current portfolio, the issuer plans to undertake these activities in future financing. With an average energy usage of 200 kWh/m in dwellings, improving energy efficiency in buildings and reaching a more energy-efficient housing stock are critical for Norway's energy system. This is important not only for domestic energy management but also enables the potential export of surplus clean electricity to the UK and continental Europe. Achieving energy-efficient buildings aligns with Norway's goal to reduce greenhouse gas (GHG) emissions by at least 55% by 2030 and become a low-emission society by 2050, a challenge increased by the fact that most straightforward emission reduction strategies have already been implemented.

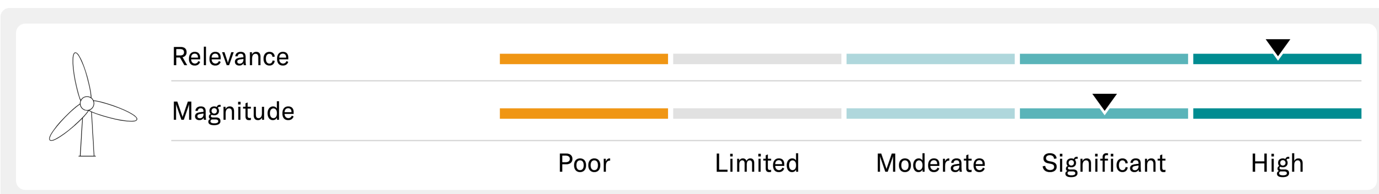
The magnitude is significant because green building projects financed under this category are likely to improve energy efficiency and reduce GHG emissions from the building sector in Norway. The majority of the allocation will go towards acquisition of buildings constructed before 2021 that adhere to good standards but not the most ambitious on the market. Projects in the eligible portfolio will adhere to applicable substantial contribution criteria of the EU taxonomy for economic activities "7.2 - Renovation of existing buildings" and "7.7 - Acquisition and ownership of buildings." These criteria, while recognized as well-established standards that promote a positive long-term impact, do not ensure adherence to the most ambitious thresholds, as further detailed below in line with the issuer's established set of criteria for buildings built before 2021, those built in or since 2021, and for the renovation of buildings.

With regard to acquiring buildings built before 2021, the eligibility criterion of belonging to the top 15% of the country's building stock in terms of energy efficiency is considered ambitious, but not the most ambitious threshold. Buildings in the top 15% of the local Norwegian housing stock may qualify for Energy Performance Certificates (EPCs) rated A or B, and have an energy performance below 120 kWh/m^2/year for houses, or below 95 kWh/m^2/year for apartments. Meanwhile, Norwegian retail and commercial buildings that fulfill the top 15% criterion and satisfy the TEK10 building regulations (2010 or later) and have energy performance of up to 210 kWh/m^2/year or lower. While we acknowledge that Norway's stringent building regulations and the current pace of construction are anticipated to gradually enhance the average energy efficiency of the top 15% of buildings, the rate of these improvements remains slower than necessary to align with a long-term 1.5°C climate trajectory.

Buildings constructed 2021 onward must adhere to a threshold of energy performance of 10% below the Nearly-Zero Energy Building (NZEB) standard to be considered eligible, aligning with the best available thresholds. Indeed, given the ambitiousness of the Norwegian NZEB standard, buildings that are 10% more efficient than the standard have very high energy efficiency and low energy consumption, although the standard does not account for technical equipment or lighting. For instance, residential single-occupancy apartments adhering to the Norwegian NZEB minus 10% standard must achieve an energy performance of 60 kWh/m^2/year. When adjusted for equipment and lighting, this performance rises to 88.9 kWh/m^2/year, leaving it well below the long-term 1.5°C degree limits with CRREM after converting into final energy.

Lastly, building renovations must demonstrate an improvement in energy efficiency that leads to at least a 30% annual reduction in primary energy demand (PED) or meet cost-optimal minimum energy performance requirements in accordance with respective directives. These standards align with good market standards, though not the most ambitious ones. Furthermore, there is no specific minimum EPC threshold for post-renovation, limiting the visibility on the operational performance to be achieved after renovations.

Renewable energy



The development of energy sources focused on producing low-carbon energy supports climate change mitigation, an objective highly relevant to both the issuer and the local context. Additionally, despite Norway's energy mix being 98% renewable, with 92% from hydropower and 6% from wind energy, the high relevance is also due to factors such as Norway's status as a leading net electricity exporter in Europe. The eligible projects have a positive impact on neighboring countries with interconnected energy grids, as the additional energy supply supports their initiatives to boost the proportion of renewable energy. Consequently, financing new or existing hydropower facilities is deemed crucial for enhancing renewable energy capacity and mitigating climate change.

The eligible projects in this category are expected to have a significant positive long-term impact, as they will directly reduce GHG emissions in electricity production, despite the most stringent thresholds not being applied to hydropower projects built from 2020 onwards. Projects in the eligible portfolio must adhere to either of the three substantial contribution criteria outlined by the EU taxonomy for economic activity “4.5 - Electricity generation from hydropower,” thus referring to a recognized international standard. We note that the issuer demonstrates alignment with all three sets of the EU taxonomy criteria. The first type of criteria refers to the run-of-river plants without artificial reservoirs, representing the best available technology for hydropower as defined by international standards, enabling long-term positive environmental impacts with minimal or no externalities. The other two types of eligibility criteria comply with the EU taxonomy and also meet the Climate Bond Initiative's (CBI) definitions, requiring a power density exceeding 5 W/m^2 or life cycle emissions below 100g CO_2e/kWh, considered the most ambitious thresholds for facilities operational before 2020. For those hydropower facilities coming online during or after 2020, the CBI mandates stricter thresholds, necessitating a power density above 10 W/m^2 or GHG emissions intensity below 50g CO_2e/kWh. It is important to mention that most Norwegian hydropower projects surpass the framework's eligibility criteria due to the country's low-carbon grid factor and stringent governmental regulations. However, the projects' eligibility criteria do not reflect the increasingly rigorous thresholds set by the most stringent market standards, which depend on the facilities' operational start year.

Additional contribution to sustainability considerations

We have not made an adjustment to the preliminary contribution to sustainability score based on additional considerations.

Sparebanken Norge demonstrates a strong commitment to identifying and managing environmental and social (E&S) risks. The bank's guidelines and policies indicate that its strategy and operations are grounded in the UN Global Compact principles, which address human rights, workplace standards, environmental protection, and anti-corruption measures.

As an investor and distributor of securities funds, the bank influences company financing and ownership practices. Investment decisions are guided by sustainability and climate risk assessments specific to each industry. The bank sets precise requirements for suppliers in its distribution role. Its commitment to ethical conduct and social responsibility is evident in its corporate social responsibility principles, which cover its operations, stakeholder interactions, corporate governance, and ownership practices.

The categories financed under Sparebanken Norge's framework support the expansion of renewable energies in the global energy mix and promote reduced energy consumption in collaboration with suppliers and customers. This aligns with the bank's sustainability goals, including achieving net-zero emissions by 2040, which involves reducing its substantial scope 3 emissions associated with the lending portfolio.

Appendix 1 - Alignment with principles scorecard for Sparebanken Norge's green bond framework

Factor	Sub-factor	Component	Component score	Sub-factor score	Factor score
Use of proceeds	Clarity of the eligible categories	Nature of expenditure	A	Best practices	Best practices
		Definition of content, eligibility and exclusion criteria for nearly all categories	A		
		Location	A		
		BP: Definition of content, eligibility and exclusion criteria for all categories	Yes		
	Clarity of the objectives	Relevance of objectives to project categories for nearly all categories	A	Best practices	
		Coherence of project category objectives with standards for nearly all categories	A		
		BP: Objectives are defined, relevant and coherent for all categories	Yes		
	Clarity of expected benefits	Identification and relevance of expected benefits for nearly all categories	A	Best practices	
		Measurability of expected benefits for nearly all categories	A		
		BP: Relevant benefits are identified for all categories	Yes		
		BP: Benefits are measurable for all categories	Yes		
		BP: Disclosure of refinancing prior to issuance and in post-allocation reporting	Yes		
		BP: Commitment to communicate refinancing look-back period prior to issuance	Yes		
Process for project evaluation and selection	Transparency and clarity of the process for defining and monitoring eligible projects	Clarity of the process	A	Best practices	Best practices
		Disclosure of the process	A		
		Transparency of the environmental and social risk mitigation process	A		
		BP: Monitoring of continued project compliance	Yes		
Management of proceeds	Allocation and tracking of proceeds	Tracking of proceeds	A	Best practices	Best practices
		Periodic adjustment of proceeds to match allocations	A		
		Disclosure of the intended types of temporary placements of unallocated proceeds	A		
		BP: Disclosure of the proceeds management process	Yes		
		BP: Allocation period is 24 months or less	Yes		
Reporting	Reporting transparency	Reporting frequency	A	Best practices	Best practices
		Reporting duration	A		
		Report disclosure	A		
		Reporting exhaustivity	A		
		BP: Allocation reporting at least until full allocation of proceeds, and impact reporting until full bond maturity or loan payback	Yes		
		BP: Clarity and relevance of the indicators on the sustainability benefits	Yes		
		BP: Disclosure of reporting methodology and calculation assumptions	Yes		
		BP: Independent external auditor, or other third party, to verify the tracking and allocation of funds	Yes		
		BP: Independent impact assessment on environmental and social benefits	Yes		
				Overall alignment with principles score:	**Best practices**

Legend: BP - Best practice, A - Aligned, PA - Partially aligned, NA - Not aligned

Appendix 2 - Mapping eligible categories to the United Nations' Sustainable Development Goals

The two eligible categories included in Sparebanken Norge's green bond framework are likely to contribute to two of the United Nations' Sustainable Development Goals (SDGs), namely:

UN SDG 17 Goals	Eligible Category	SDG Targets
GOAL 7: Affordable and Clean Energy	*Renewable energy*	7.2: Increase substantially the share of renewable energy in the global energy mix
	Green buildings	7.3: Double the global rate of improvement in energy efficiency
GOAL 13: Climate Action	*Green buildings* *Renewable energy*	13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

The United Nations' Sustainable Development Goals (SDGs) mapping in this SPO considers the eligible project categories and associated sustainability objectives/benefits documented in the issuer's green bond framework, as well as resources and guidelines from public institutions, such as the ICMA SDG Mapping Guidance and the UN SDG targets and indicators.

Appendix 3 - Summary of eligible categories in Sparebanken Norge's green bond framework

Eligible Category	Eligibility Criteria	Sustainability Objective	Impact Reporting Metrics
Green buildings	Eligible green buildings must meet one or more of the following eligibility criteria: **(1) Residential buildings in Norway:** (1.1) Buildings built ≥2021: NZEB-10%* (1.1.1) Buildings complying with the relevant NZEB-10% threshold (1.2) Buildings built <2021: EPC A label or within the top 15% low carbon buildings in Norway (1.2.1) Buildings complying with TEK10 & TEK17 building codes (built ≥2012) (1.2.2.) Other buildings with EPC labels reflecting the top 15% **(2) Commercial buildings in Norway:** (2.1) Buildings built ≥2021: NZEB-10% (2.1.1) Buildings complying with the relevant NZEB-10% threshold (2.2) Buildings built <2021: EPC A label or within the top 15% low carbon buildings in Norway (2.2.1) Buildings complying with TEK10 & TEK17 building codes (hotel and restaurant buildings built ≥2013 & office, retail, and industrial buildings built ≥2012) (2.2.2) Other buildings with EPC labels reflecting the top 15% **(3) Refurbished Residential and Commercial buildings in Norway with an improved energy efficiency of 30%** (3.1) Refurbished Norwegian residential and commercial buildings with at least a 30% improvement in energy efficiency, measured in kWh/m^2 (3.2) The building renovation complies with the applicable requirements for major renovations *In addition, the footnotes of the framework provide information on the exclusion of large buildings (>5000 m^2) constructed ≥2021, given the additional corresponding EU Taxonomy criteria for large buildings are challenging to adhere to from a data availability perspective.	Climate Change Mitigation	- Estimated annual GHG emissions reduced/avoided in tons of CO_2 equivalent - % of energy use reduced/avoided
Renewable energy	Eligible hydropower plants must meet one of the following eligibility criteria: - The electricity generation facility is a run of river plant and does not have an artificial reservoir - The power density of the electricity generation facility is above 5W/m^2 - The lifecycle emissions from the generation of electricity from hydropower are lower than 100g CO_2e/KW	Climate Change Mitigation	- Estimated annual GHG emissions avoided/reduced in tons of CO_2 equivalent - Annual renewable energy generation in MWh/GWh (electricity) and GJ/TJ (other energy)

Appendix 4 - Alignment with the EU taxonomy criteria

We have provided a supplementary opinion on the framework's alignment with the EU taxonomy criteria, as outlined in the scope section of this report.

We consider that two out of three economic activities across two eligible categories align with the EU taxonomy criteria, as detailed in the tables below.

Limited to the eligible projects that align with the EU taxonomy criteria, the issuer has implemented processes to ensure that all selected projects align with the TSC and MS as applicable under the EU taxonomy regulation. The issuer has concluded a detailed screening of the EU taxonomy criteria for each economic activity and identified where existing national law is likely to cover the requirements and where it needs to be complemented by additional measures. This process is described in the "Project evaluation and selection" section, under Alignment with Principles.

Moody's Ratings has expressed its view on the relevance of the environmental objective targeted by the economic activities in the "Contribution to sustainability" section.

Exhibit 1
Substantial contribution criteria - Climate change mitigation (CCM)

Eligible Category	Economic Activity	Alignment	Related issuer information
Green Buildings	7.2. Renovation of existing buildings	Aligned	No projects under this activity will be eligible based on meeting the applicable requirements for major renovations. Instead, all projects must achieve a 30% improvement in primary energy demand (PED) after renovation to be eligible for green financing, satisfying the substantial contribution criterion. The evidence of qualification of buildings is provided with the support of a specialized external consultant on the basis of the label of the final energy performance certificates (EPC) or the specific energy demand in kWh/m^2. Throughout the renovation, the bank will require documentation from the client on the construction costs. Lending is provided directly for these construction costs for each of the installments as the project progresses. Improvements will be achieved through a succession of measures within a maximum duration of three years, as required by the substantial contribution criteria.
	7.7. Acquisition and ownership of buildings	Aligned	**CCM Criterion 1:** As confirmed by the issuer, residential or commercial buildings built before 31 December 2020 must have an EPC A label or be within the top 15% of buildings in Norway measured by energy performance, thus satisfying this criterion. The evidence of building eligibility is provided with the support of an external consultant on the basis of the label of the final energy performance certificates (EPC) or TEK building codes. **CCM Criterion 2:** As confirmed by the issuer, buildings built after 31 December 2020 will meet the substantial contribution criteria specified for economic activity 7.1 - Construction of new buildings. Notably, the PED of residential or commercial buildings will be 10% lower than the threshold set for the nearly zero-emission building (NZEB) requirements, as per 7.1. Criterion 1. A specialized external consultant has developed a method for selecting NZEB-10% compliant buildings, using data from the national EPC register. As regards 7.1. Criteria 2 and 3, the issuer has confirmed that large (> 5000 m^2) buildings built after 31 December 2020 are excluded from financing under the present framework, making the substantial contribution requirements for air-tightness and thermal integrity as well as life cycle Global Warming Potential (GWP) not applicable. **CCM Criterion 3:** In the case of all large non-residential buildings (hotels), the bank states that such buildings are operated through energy performance monitoring and assessment. The clients are obliged to provide the bank with the relevant documentation. In addition, the hotels are required to have EPCs containing information about their energy systems.
Renewable Energy	4.5. Electricity generation from hydropower	Aligned	Alignment with any one of the three criteria, (a), (b), or (c), is sufficient to reach alignment with the substantial contribution criteria. The issuer confirms that 100% of hydropower projects are expected to have power density >5 W/m^2, thus satisfying **criterion (b)**. Of note, all Norwegian hydropower installations have life-cycle emissions below 100 g CO_2e/kWh, thus also satisfying **criterion (c)**. For any new hydropower plants, the parameters of plants under construction will be known prior to the construction start. Upon completion of the plant, the client will provide the bank with formal documentation of the constructed plant confirming all thresholds and requirements have been met.

Source: Moody's Ratings and Sparebanken Norge

Exhibit 2

Do No Significant Harm - Climate change adaptation (CCA) (1/2)

<table>
<tr><th>Eligible category</th><th>Economic activity</th><th>Alignment</th><th>Related issuer information</th></tr>
<tr><td rowspan="2">Green Buildings</td><td>7.2. Renovation of existing buildings</td><td>Aligned</td><td rowspan="2">The following analysis refers to both economic activities 7.2. and 7.7.

To demonstrate its alignment with Appendix A of the EU taxonomy, in addition to using scenarios from the Bank from England and the Network for Greening the Financial System (NGFS), Sparebanken Norge refers to the Norwegian Building Code Regulation (TEK) standards regarding the physical risks of green buildings for new construction and major renovations. All elements listed in Appendix A are covered by methodologies suggested by the Bank of England, NGFS and TEK.

The processes for selecting green projects are aligned with the Norwegian Building Codes (TEK10, TEK17) and environmental legislation, which cover general requirements relating to protection against natural stresses such as physical climate risks. In this sense, buildings are to be situated, designed, and constructed in such a way as to ensure adequate safety against damage or significant inconvenience caused by natural stresses.

Risk and vulnerability analyses are conducted at the planning stage and relevant measures are applied to reduce identified material risks. TEK10 & TEK17 Building Code Regulations ensure new buildings are not prone to significant physical climate risks e.g. flooding, rising sea levels, landslides, and storm surges. Local climate conditions are taken into account as well. An analysis conducted by the issuer in 2021 for the entire portfolio confirmed that the bank has little exposure to physical risks. Nevertheless, the bank confirmed that it continues to measure and monitor its exposure to physical risks, paying particular attention to assets that may be climate stranded in future. Sparebanken Norge also assesses transition risk in the portfolio by monitoring the distribution and development of EPC labels.

To assess the impact of risks, Sparebanken Norge applies climate scenario analyses in its stress tests, with the possible outcomes being 'early action', 'late action' or 'no additional action' as defined by the Bank of England. The climate scenarios can follow different future pathways, as recommended by the NGFS. The NGFS scenarios were developed in cooperation with leading climate scientists and have been used, for example, in the International Panel on Climate Change (IPCC) Special Report on Global Warming of 1.5°C.

In addition, the Norwegian building legislation proposes to use climate scenarios at the country level when a risk is identified. Such climate profiles were developed by the Norwegian Centre for Climate Services and include projected climate change and climatic challenges up to the year 2100, based on the IPCC's low and high emissions scenarios.

Adaptation solutions will be implemented on a case-by-base basis only if assessed as necessary. Environmental Risk Assessments (EIAs) at project level, including physical climate risks, is conducted at planning stage and relevant measures are applied to reduce identified risks. Nature-based solutions are prioritized per the Norwegian government's mandate, with guidance and tools being actively developed to aid stakeholders in implementation.</td></tr>
<tr><td>7.7. Acquisition and ownership of buildings</td><td>Aligned</td></tr>
</table>

Source: Moody's Ratings and Sparebanken Norge

Exhibit 3

Do No Significant Harm - Climate change adaptation (CCA) (2/2)

Eligible category	Economic activity	Alignment	Related issuer information
Renewable Energy	4.5. Electricity generation from hydropower	Aligned	At a general level, Sparebanken Norge demonstrates its alignment with the requirements of Appendix A by referring to requirements of the Planning and Building Act of 2008; through climate stress tests performed on the bank's portfolio; and through project level Environmental Impact Assessments (EIAs) which include physical climate risk. The bank confirms that it complies with the Norwegian Regulations on EIAs for plans pursuant to the Norwegian Planning and Building Act of 2008, which considers climate change in a risk- and vulnerability analysis for all planning levels. For details on the scope of assessment, see the analysis for economic activities 7.2. and 7.7. on CCA. The bank engages with its corporate customers to ensure they factor in climate risk, both physical and transition risk when a loan is granted. As regards the current and expected hydropower project portfolio, no adaptation solutions are assessed to be needed currently. EIAs at project level, including physical climate risks, are conducted at the planning stage for new projects (including new hydropower facilities) and relevant measures are applied to reduce identified risks.

Source: Moody's Ratings and Sparebanken Norge

Exhibit 4

Do No Significant Harm – Sustainable use and protection of water and marine resources (WMR)

Eligible category	Economic activity	Alignment	Related issuer information
Green Buildings	7.2. Renovation of existing buildings	Not aligned	Sparebanken Norge is not able to demonstrate full compliance with all the DNSH criteria on WMR for activity 7.2., mainly due to data availability constraints. All building renovation projects must adhere to Norwegian regulations, with technical requirements for construction works including provisions to prevent damage to buildings from water leakages. However, Norwegian regulations do not, on their own, ensure compliance with the specific water flow rate and flush volume thresholds required by the EU taxonomy, nor can the bank in its own right guarantee adherence to these thresholds due to lack of sufficient data granularity.
	7.7. Acquisition and ownership of buildings	*Not applicable*	N/A
Renewable Energy	4.5. Electricity generation from hydropower	Aligned	Sparebanken Norge confirms that projects comply with the provisions of Directive 2000/60/EC through Norway's adherence to the EU Water Framework Directive (WFD). The WFD, notably articles 4 and 11, reduces adverse impacts on water as well as on protected habitats and species directly. The Ministry of Climate and Environment (KLD) of Norway has a number of legal measures to ensure compliance with Article 4 of the WFD. Specifically, it ensures that the requirements set out in the WFD are met and that the monitoring of the process is ensured. Norway has a licensing system for the construction and operation of hydropower facilities and is committed to implementing measures with the aim of improving the ecological status and potential of water bodies already affected by hydropower and providing strict environmental requirements for new developments. All new hydropower projects must be in line with Article 4 of the WFD. The measure and efforts to achieve the environmental objective of the WFD might vary from region to region, as stated in the joint statement attached to the EEA Committee Decision No. 125/2007. Norway's water regulation ensuring national implementation of the EU directive also ensures monitoring (measures including satellite and on-site observation). The river monitoring program calculates different levels of substances in the water (as well as atmospheric inputs) and provides different modeling outcomes to prevent deterioration of environmental areas. All hydropower projects which are likely to have significant effects on the environment will have Environmental Impact Assessments (EIA) and all national regulatory requirements apply to all loans originated.

Source: Moody's Ratings and Sparebanken Norge

Exhibit 5

Do No Significant Harm – Transition to a circular economy (TCE)

Eligible category	Economic activity	Alignment	Related issuer information
Green Buildings	7.2. Renovation of existing buildings	Not aligned	Sparebanken Norge is not able to demonstrate its alignment with the EU taxonomy threshold regarding reuse of construction waste. All projects will abide by national building legislation and policies in Norway, which mandate a minimum threshold of 60% for waste to be recycled, rather than the minimum threshold of 70% required by this DNSH criterion. Although a revision to the relevant Norwegian requirement to align with EU taxonomy thresholds may be implemented at some point, the bank at this stage cannot confirm voluntarily adopting the 70% recycling target unless and until Norwegian legislation changes. Furthermore, Norwegian guidelines ask for the design, construction, and demolition to result in the least possible impact on natural resources and the external environment but do not explicitly implement a criterion of circularity as required by the EU taxonomy.
	7.7. Acquisition and ownership of buildings	*Not applicable*	N/A
Renewable Energy	4.5. Electricity generation from hydropower	*Not applicable*	N/A

Source: Moody's Ratings and Sparebanken Norge

Exhibit 6

Do No Significant Harm – Pollution prevention and control (PPC)

Eligible category	Economic activity	Alignment	Related issuer information
Green Buildings	7.2. Renovation of existing buildings	Not aligned	The issuer is not able to demonstrate full alignment with all of the criteria set out in Appendix C. The applicable DNSH criteria set specific restrictions on materials used, including relating to emissions of formaldehyde and carcinogenic volatile organic compounds, and also prescribe the adoption of measures to reduce noise, dust, and pollutant emissions during construction. In Norway, regulations do not provide specific caps relating to any materials used, but rather state general provisions suggesting the use of products that contain no, or a low content of, substances hazardous to health or the environment. As regards noise, dust and pollution emissions, Norwegian building standards regulate sound and vibration during construction, and the Planning and Building Act sets technical requirements.
	7.7. Acquisition and ownership of buildings	*Not applicable*	N/A
Renewable Energy	4.5. Electricity generation from hydropower	*Not applicable*	N/A

Source: Moody's Ratings and Sparebanken Norge

Exhibit 7

Do No Significant Harm – Protection and restoration of biodiversity and ecosystems (PBE)

Eligible Category	Economic Activity	Alignment	Related issuer information
Green Buildings	7.2. Renovation of existing buildings	*Not applicable*	N/A
	7.7. Acquisition and ownership of buildings	*Not applicable*	N/A
Renewable Energy	4.5. Electricity generation from hydropower	Aligned	Activities comply with the criteria in Appendix D. An Environmental Impact Assessment (EIA) is required for all public and private projects which are likely to have significant effects on the environment, and such EIAs are conducted based on Norwegian regulations that implement the EU's EIA Directive 2011/92/EU. The construction of energy production facilities larger than 1 MW needs a license from the Norwegian Water Resources and Energy Directorate (NVE) according to the Energy Act and the Water Resources Act. Conducting an EIA, and measures to mitigate negative environmental impacts, as well as impacts on biodiversity and surrounding areas, are required to attain these licenses. Projects are required to complete an EIA and to demonstrate alignment with the EU Water Framework Directive (WFD) and its minimum requirements include minimum water flows, functional fish migration pathways as well as safeguards for biodiversity and local ecosystems. Additionally, in Norway, the Nature Diversity Act and Act relating to the Protection of the Environment in Svalbard regulations further ensure the protection of biological, geological and landscape diversity.

Source: Moody's Ratings and Sparebanken Norge

Exhibit 8
Minimum Safeguards
Assessment at the issuer level

Minimum Safeguards	Alignment	Related issuer information
Human Rights	Aligned	Sparebanken Norge aligns with the UN Guiding Principles (UNGPs) on Business and Human Rights, as well as to the OECD Guidelines for Multinational Enterprises (MNEs). The existing Corporate Social Responsibility (CSR) principles aim to ensure ethical behavior in relation to human rights in its own business operations and value chain and its dealings with its customers and suppliers. The bank has procedures in place to ensure that projects/companies are subject to an established human rights due diligence process that follows the steps and procedures described in the UNGPs and the OECD Guidelines for Multinational Enterprises. In addition, the International Labour Organisation (ILO) conventions are enshrined in Norwegian law. Sparebanken Norge states that it performs an annual assessment of the lending book as well as a controversy screening to ensure that its customers do not violate applicable laws and regulations and have not been convicted in court on labor law or on human rights. Furthermore, the Norwegian Transparency Act promotes respect for human rights and decent working conditions by companies and ensures public access to information. The requirements imposed by the Transparency Act have been operationalized through the bank's operational risk policy and working procedures.
Corruption	Aligned	Sparebanken Norge has an anti-corruption policy that defines compliant and non-compliant behaviors involving the entirety of the stakeholders they engage with. Training on corruption-related behaviors and risks is mandatory for all employees and this training is tracked and incentivized. Corruption risk factors are identified through a risk assessment of their processes, followed by appropriate actionable measures. Audits are in place and conducted by the compliance department and by other business lines.
Taxation	Aligned	Sparebanken Norge states that it takes into account the Taxation Act when assessing financing. It also operates in respect of the Anti-Money Laundering Act by reporting suspicions or violations with regard to taxation to the Financial Supervisory Authority. Furthermore, Sparebanken Norge conducts an annual assessment of the lending book to ensure that clients are not in violation of applicable laws and regulations.
Fair Competition	Aligned	Sparebanken Norge adheres to the competition law in Norway, covered by the Competition Act (2004). It also conducts an annual assessment of the lending book to ensure that companies (clients) are not in violation of applicable laws and regulations.

Source: Moody's Ratings and Sparebanken Norge

Endnotes

1 Please refer to definitions set out for EU taxonomy criteria in the Scope section of this report.

2 References to EU taxonomy criteria are to the technical screening criteria (TSC) set out in the EU Commission Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486 and the minimum safeguards (MS) set out in Regulation (EU) 2020/852 (as amended periodically).

3 Point-in-time assessment is applicable only on date of assignment or update.

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