



# Green Bond Investor Letter 2024

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## Green Bond Investor Letter 2024

### Introduction

We are a regional saving bank with Østfold and the southern part of Akershus as our prioritized market area. The headquarter is located in Moss, and the bank, along with its subsidiaries, has 277 employees as of the end of 2023. We have offices in Vestby, Askim, Moss, Sarpsborg, Fredrikstad, Halden, and Drøbak.

SpareBank 1 Østfold Akershus is part of the SpareBank 1 Alliance. The SpareBank 1 Alliance is a collaboration for banking, products, and services, where SpareBank 1 banks in Norway cooperate through SpareBank 1 Gruppen, SpareBank 1 Utvikling DA, their subsidiaries, and other jointly owned companies.

### Sustainability at SpareBank 1 Østfold Akershus

SpareBank 1 Østfold Akershus aims to contribute to sustainable development in our region. In this effort, we will actively contribute through our daily operations and by engaging with the challenges that society faces. Sustainability is a core component of our corporate strategy, and we are committed to contributing to the sustainable growth of our region and local communities.

We strive to integrate sustainability considerations into every aspect of our operations. While maintaining a global perspective is essential, we recognize the increasing complexity of global challenges and our shared responsibility. Our goal is to maximize our positive impact and minimize any negative effects on people, the environment, and society. As a financial institution, we understand the significant influence we have on financial flows and the resources we manage.

Sustainability is a consistent focus in all our activities, and we are committed to a comprehensive and effective approach. Our strategy and action plans detail our efforts in the areas of economy, environment, climate, and social issues. Our governing documents guide our decision-making and operations, outlining the climate and sustainability requirements that underpin our work.

In 2024, SpareBank 1 Østfold Akershus conducted a double materiality assessment. This assessment will form the basis for establishing principles that will guide further development in this area.

### The Framework

SpareBank 1 Østfold Akershus established a Green Bond Framework in collaboration with Skandinaviska Enskilda Banken AB (SEB) in 2022. The Green

Bond Framework has been assessed by the independent third-party CICERO Shades of Green AS (CICERO).

Based on their review, CICERO rated the SpareBank 1 Østfold Akershus' green bond framework Medium Green shading and a governance score of Good. The grade is given when the framework is considered to contribute to projects and solutions in line with the UN's long-term sustainability goals.

The framework specifies projects and objects eligible for green bonds, and covers the following areas:

- Residential buildings
- Commercial buildings
- Refurbishments

The Framework and the Second Opinion are available on your website.

### Issue of Green Bonds

In June 2022, SpareBank 1 Østfold Akershus issued its first Green Bond tranche of NOK 300 million, with a tenor of 5 years. In January 2024, the bank issued a second Green Bond tranche of NOK 200 million, also with a tenor of 5 years.

### Green Bond Reporting 2024

In accordance with the SpareBank 1 Østfold Akershus Green Bond Framework, this document provides:

- The total amount of investments and expenditures in the Eligible Green Loan Portfolio
- The total amount of green funding outstanding
- The balance of unallocated proceeds
- The environmental impact of the eligible assets financed in this framework

SpareBank 1 Østfold Akershus has engaged an external specialist consultant in Multiconsult AS to operationalize the eligibility criteria used to outline the Eligible Green Loan Portfolio. We have also been provided the impact calculations for eligible assets by Multiconsult AS.

Note that SpareBank 1 Østfold Akershus has an eligibility criterion for new buildings. However, data is not available to conclude whether the buildings built in 2022 or later are performing 20% better than the energy efficiency standards in the TEK 17 regulations. Therefore, this criterion is not included in neither the allocation report nor the impact report. Both reports are based on currently identifiable data and on a best effort basis. Efforts on improving data availability and quality are ongoing.

## Green Bond Allocation Report

In accordance with the SpareBank 1 Østfold Akershus Green Bond Framework, this report provides the following information:

- The total amount of investments and expenditures in the Eligible Green Loan Portfolio
- The total amount of green funding outstanding
- The balance of unallocated proceeds

Portfolio date: May 31, 2024

Eligible Green Loan Portfolio	
Eligible Project Category	Amount (MNOK)
Residential buildings	1.279,8
Commercial buildings	842,3
<b>Total</b>	<b>2.122,1</b>

Green Funding			
Instrument (ISIN)	Issuance Date	Due Date	Amount (MNOK)
NO0012550120	16.06.2022	16.06.2027	300
NO0013145060	07.02.2024	07.02.2029	200
<b>Total</b>			<b>500</b>

Percentage of Eligible Green Loan	23,6 %
Percentage of Net Proceeds of Green Funding Allocated to Eligible Green Loan	100 %
Eligible Green Loan Portfolio	1.622,1

- 1) Residential buildings, transferred to SB1 Boligkreditt, which qualifies for the Green Loan Portfolio are not included in the allocation report.
- 2) SpareBank 1 Østfold Akershus are not required to report in accordance with the EU Taxonomy Climate Delegated Act for the fiscal year 2023, and such share of loans are not calculated.

## Green Bond Impact Report

In accordance with the SpareBank 1 Østfold Akershus Green Bond Framework, this report provides:

- The environmental impact of the eligible assets financed in this framework

On assignment from SpareBank 1 Østfold Akershus, Multiconsult has assessed the environmental impact of the part of SpareBank 1 Østfold Akershus' findings and methods. Please see the attached report from Multiconsult for detailed explanation of findings and methods used.

Portfolio date: May 31, 2024.

Eligible Green Loan Portfolio	
Eligible Project Category	Amount (MNOK)
Residential buildings 1)	1.279,8
Commercial buildings	842,3
<b>Total</b>	<b>2.122,1</b>

Eligibility for Green Bonds	Impact	
	Annual Site Energy Savings (GWh)	Annual CO2 Emission Avoidance (tCO2)
100 %	10,0	1.150
100 %	10,8	1.237
<b>Total impact</b>	<b>20,8</b>	<b>2.387</b>
<b>Scaled impact 2)</b>	<b>8,3</b>	<b>948</b>

1) Of the 577 eligible dwellings in the portfolio, 338 objects are eligible through the EPC criterion and 239 objects are eligible through the refurbishment criterion. Please see the Multiconsult report for further details regarding criterias.

2) Scaled by the bank's share of financing.

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