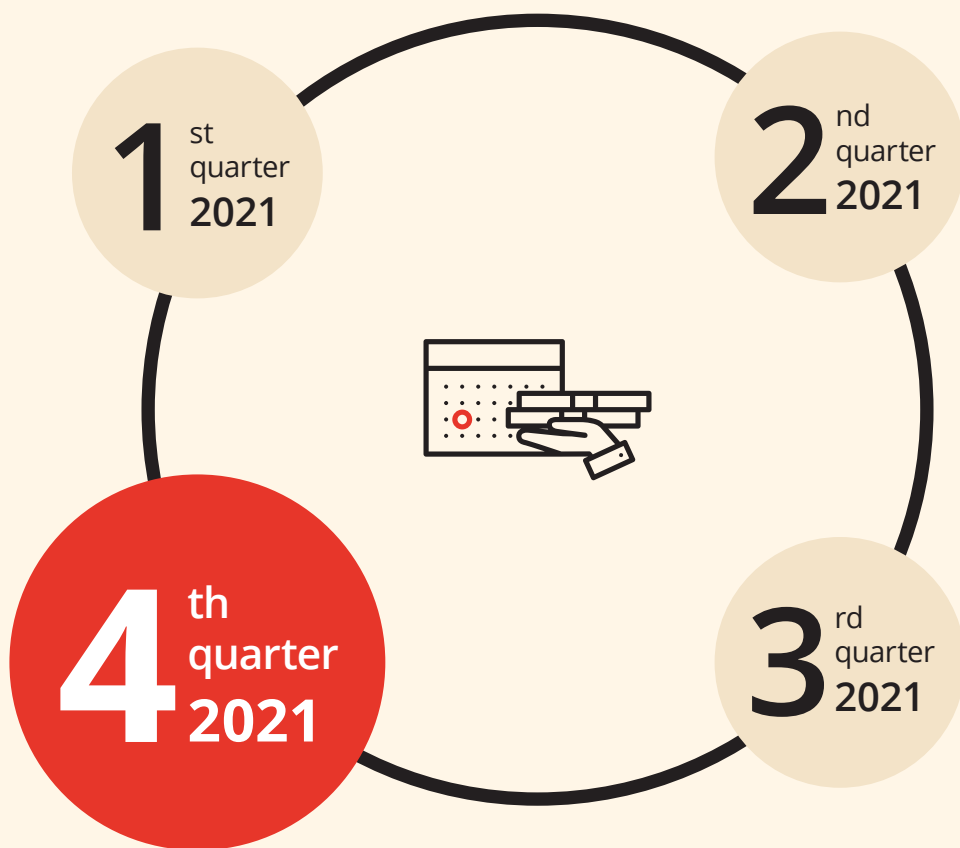


Interim report 2021

Storebrand Bank ASA (unaudited)



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This document may contain forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may be beyond the Storebrand Group's control. As a result, the Storebrand Group's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in these forward-looking statements. Important factors that may cause such a difference for the Storebrand Group include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) market related risks such as changes in equity markets, interest rates and exchange rates, and the performance of financial markets generally. The Storebrand Group assumes no responsibility to update any of the forward-looking statements contained in this document or any other forward-looking statements it may make.

Storebrand Bank Group

- Interim report for the fourth quarter of 2021

(Profit figures for the corresponding period in 2020 are shown in brackets. Balance sheet figures in brackets are for the end of 2020).

- Continued strong lending growth
- Stable net interest income
- Low volume of non-performing loans

Loans outstanding increased by NOK 0.1 billion during the quarter. The home mortgage portfolio managed on behalf of Storebrand Livsforsikring AS increased by NOK 1.3 billion during the quarter. The combined portfolio of loans in Storebrand Bank and Storebrand Livsforsikring increased by NOK 1.3 billion during the quarter and NOK 7.5 billion year to date.

Financial performance

The bank group achieved pre-tax profit of NOK 60 million (NOK 69 million) in the fourth quarter and a pre-tax profit of NOK 276 million (NOK 190 million) year to date.

Net interest income was NOK 137 million (NOK 113 million) in the fourth quarter and NOK 509 million (NOK 430 million) year to date. Net interest income as a percentage of average total assets was 1.19 per cent (1.13 per cent) in the quarter and 1.17 per cent (1.11 per cent) year to date. The net interest income was negatively influenced by increased the NIBOR, but this was offset by an increase of the average lending portfolio.

Net commission revenues represented NOK 22 million (NOK 27 million) in the fourth quarter and NOK 90 million (NOK 97 million) year to date. Other revenues amounted to a loss of NOK 4 million (NOK 24 million) in the quarter and NOK 17 million (NOK 28 million) year to date. The loss in the fourth quarter was primarily due to changes in value of financial instruments.

Operating expenses increased in the quarter and amounted to NOK 92 million (NOK 94 million). The increase was mainly due to a write-down of intangible assets related to the loan application process. Year to date the operating expenses amounted to NOK 352 million (NOK 328 million).

Loan losses amounted to NOK 3 million (NOK 1 million) in the quarter and a gain of NOK 12 million (NOK 37 million loss) year to date.

Balance sheet development

The bank group's lending to customers was NOK 39.0 billion (NOK 31.9 billion) at the end of the fourth quarter. The portfolio of loans managed on behalf of Storebrand Livsforsikring AS amounted to NOK 18.0 billion (NOK 17.7 billion). The combined portfolio of loans in Storebrand Bank Group and Storebrand Livsforsikring amounted to NOK 57.0 billion (NOK 49.6 billion) at the end of the fourth quarter.

The bank group's lending portfolio mainly consists of low risk home mortgages. The weighted average loan-to-value ratio in the bank group is 57 per cent for home mortgages, compared to 56 per cent at the end of 2020.

As of 30 September 2021, the Storebrand Bank group has changed the definition of default. The definition is adapted to the European Banking Authority (EBA) guidelines on definition of default. See note 12 for more details about the new default definition.

The total volume of non-performing loans remained stable year to date and accounts for 0.2 per cent (0.4 per cent) of gross lending at the end of the fourth quarter. The bank considers the portfolio quality to be good. Non-performing loans without impairment amounted to NOK 48 million (NOK 71 million) at the end of the fourth quarter. Loss-exposed loans with evidence of impairment amounted to NOK 29 million (NOK 50 million) at the end of the fourth quarter. Total loan loss provisions amounted to NOK 58 million (NOK 76 million) at the end of the quarter, of which NOK 9 million (NOK 24 million) are loan loss provisions on unused credit limits.

Liquidity risk and funding

The bank has established solid liquidity buffers and puts great importance on a balanced funding structure with varying time to maturity and issuances in various markets. The volume of deposits from customers was NOK 17.2 billion (NOK 15.5 billion) at the end of the fourth quarter, which represents a deposit-to-loan ratio of 44.1 per cent (48.7 per cent).

Storebrand Bank ASA issued senior bonds of NOK 500 million in the quarter. Storebrand Boligkreditt AS has not issued any covered bonds this quarter. The long-term counterparty credit rating is unchanged A- (stable) from S&P Global.

The liquidity coverage requirement (LCR) measures the size of the company's liquid assets, in relation to the net liquidity outflow 30 days in the future, given a stress situation in the money and capital markets. The bank group must comply with a LCR of 100 per cent. The bank group's LCR was 163 per cent at the end of the fourth quarter.

Capital adequacy

The bank group has had an increase in the risk-weighted balance sheet of NOK 2.3 billion year to date. The Storebrand Bank group had a net capital base of NOK 3.3 billion at the end of the fourth quarter. The capital adequacy ratio was 20.3 per cent and the Core Equity Tier 1 (CET1) ratio was 15.4 per cent at the end of the fourth quarter, compared with 18.7 per cent and 15.1 per cent, respectively, at the end of 2020. The combined requirements for capital and CET1 were 15.8 per cent and 12.3 per cent respectively at the end of the fourth quarter.

The bank group aims to comply with the applicable buffer capital requirements at any given time. The bank group has satisfactory financial strength and liquidity based on its operations. The bank group, parent bank and Storebrand Boligkreditt AS satisfied the combined capital and capital buffer requirements by a good margin as of 31 December 2021.

Credit risk

The credit risk in the loan portfolio at year end 2021 is in line with the credit risk previous quarters. The portfolio mainly consists of loans and credits secured in residential real estate. The average LTV is approximately 57% compared to 56% at year end 2020. Loans in arrear and defaulted loans are on similar levels as in previous quarters.

The expected credit losses are approximately unchanged during the fourth quarter. Expected losses based on models are reduced by approximately NOK 2.1 million, and expected losses on individually assessed loans are increased by NOK 1.8 million. The level of expected credit losses is still above pre-pandemic level.

Performance of Storebrand Bank ASA

In the fourth quarter, Storebrand Bank ASA achieved a pre-tax profit of NOK 149 million (NOK 99 million) and NOK 240 million (NOK 167 million) for the year to date.

Net interest income for Storebrand Bank ASA was NOK 65 million (NOK 47 million) in the quarter and NOK 238 million (NOK 229 million) year to date.

Loan losses for the quarter was NOK 2 million (NOK 3 million) and a gain of NOK 13 million (NOK 35 million loss) year to date.

Strategy and future prospects

Storebrand Bank is continuing to support the Group's broad financial services offering and growth strategy in the retail market. Through developing attractive products and digital services related to savings, secured and non-secured lending, the bank offers attractive customer value propositions to both attract and retain customers. Improving competitiveness through better efficiency is a priority and the bank will maintain cost control and increase the degree of automation in customer and work processes.

Sound management of the bank's credit and liquidity risk, and control of the operational risk in key work processes is a core priority. The bank will continue to closely monitor developments in non-performing loans and loan losses. Developments in the Norwegian and international capital markets, interest rates, unemployment, and the property market, particularly in Oslo, are regarded as key risk factors that can affect the results of the Storebrand Bank group.

Storebrand Bank's operational restrictions imposed by the pandemic have been lifted, and the company is combining key learnings from flexible working to establish a productive work environment to the benefit of both employees and customers.

The Board of Directors are not aware of any events of material importance to the preparation of the interim financial statements that have occurred since the balance sheet date.

Lysaker, 8 February 2022

The Board of Directors of Storebrand Bank ASA

Storebrand Bank Group

Key figures

Storebrand Bank Group

NOK million and percentage	Q4		Full Year	
	2021	2020	2021	2020
Profit and Loss account				
Net interest income ¹⁾	1.20 %	1.13 %	1.17 %	1.11 %
Other operating income ²⁾	0.16 %	0.52 %	0.24 %	0.32 %
Main balance sheet figures				
Total assets			45,372.3	39,809.4
Average total assets ¹⁾	45,595.3	39,589.7	43,607.0	38,869.4
Gross loans to customers			39,049.6	31,854.9
Deposits from customers			17,238.8	15,506.3
Deposits from customers as % of gross loans			44.1 %	48.7 %
Equity			2,929.7	2,539.0
Other key figures				
Loan losses and provisions as % of average total loans ⁴⁾	0.03 %	0.02 %	-0.03 %	0.12 %
Gross non-performing and loss-exposed loans as % of total loans			0.2 %	0.4 %
Cost/income ratio ³⁾	59.4 %	57.2 %	56.2 %	59.1 %
Adjusted return on equity	7.3 %	9.2 %	8.5 %	6.3 %
Core equity Tier 1 (CET1) capital ratio			15.4 %	15.1 %
LCR ⁵⁾			163.0 %	224.0 %

Storebrand Bank ASA

NOK million and percentage	Q4		Full Year	
	2021	2020	2021	2020
Profit and Loss account				
Net interest income ¹⁾	1.06 %	0.81 %	0.99 %	1.02 %
Other operating income ²⁾	2.97 %	2.67 %	1.42 %	1.34 %
Profit before other comprehensive income as % of total assets			0.74 %	0.56 %
Main balance sheet figures				
Total assets			24,918.8	22,960.8
Average total assets ¹⁾	24,184.9	23,055.3	23,899.6	22,421.2
Gross lending to customers			12,615.0	10,785.2
Deposits from customers			17,238.8	15,506.3
Deposits from customers as % of gross loans			136.7 %	143.8 %
Equity			2,716.6	2,387.4
Other key figures				
Loan losses and provisions as % of average total loans ⁴⁾	0.07 %	0.11 %	-0.10 %	0.34 %
Gross non-performing and loss-exposed loans as % of total loans			0.5 %	0.7 %
Cost/income ratio ³⁾	37.7 %	49.7 %	60.6 %	61.8 %
Core equity Tier 1 (CET1) capital ratio			21.2 %	20.0 %
LCR ⁵⁾			135.0 %	215.0 %

Definitions:

- 1) Net interest income as percent of average total assets. Average total assets is calculated on the basis of monthly total assets for the quarter and for the year to date respectively.
- 2) Other operating income includes net fee and commission income.
- 3) Total operating expenses as % of total income.
- 4) Loan losses and provisions for Storebrand Bank Group consist of total loan loss provisions including change in statistical provisions for the period.
- 5) Liquidity coverage requirement.

Storebrand Bank Group

Income statement

NOK million	note	Q4		Full Year	
		2021	2020	2021	2020
Interest income and similar income					
Interest income calculated by using the effective interest method		204.4	161.9	724.8	750.7
Other interest income		13.7	8.7	41.9	72.5
Total interest income and similar income	15	218.2	170.6	766.7	823.3
Interest expenses and similar expenses					
Interest expenses calculated by using the effective interest method		-70.2	-50.7	-229.3	-362.3
Other interest expenses		-10.8	-7.2	-28.6	-30.6
Total interest expenses and similar expenses	15	-80.9	-57.9	-257.9	-392.8
Net interest income	15	137.3	112.7	508.8	430.4
Other operating income					
Fee and commission income from banking services		28.2	32.4	113.1	114.4
Fee and commission expense for banking services		-6.0	-5.0	-23.2	-17.7
Income from shares, units and other equity instruments			10.2		10.2
Net change in fair value and gain/loss on foreign exchange and financial instruments	16	-4.1	0.8	15.7	-0.7
Other operating income			13.3	1.0	18.7
Total other operating income		18.0	51.7	106.6	125.0
Operating expenses					
Staff expenses		-42.2	-38.8	-165.6	-114.8
Other operating expenses		-38.5	-46.4	-156.3	-190.0
Depreciation of non-financial assets		-4.0	-4.9	-17.1	-19.3
Impairment of non-financial assets		-7.5	-4.0	-12.8	-4.0
Total operating expenses excl. credit loss on loans, etc.		-92.2	-94.1	-351.8	-328.0
Profit before credit loss on loans, etc.		63.1	70.4	263.6	227.4
Credit loss on loans, guarantees and interest-bearing securities	9	-3.1	-1.3	12.0	-37.4
Profit before tax for continued operations		59.9	69.0	275.6	190.0
Tax on profit from continued operations	3	-11.6	-12.3	-63.8	-42.9
Profit incl. tax from continued operations		48.3	56.7	211.8	147.1
Profit incl. tax from discontinued operations ¹					
Profit before other comprehensive income		48.3	56.7	211.8	147.1
Other comprehensive income					
Other income and expenses not to be reclassified to profit/loss					
Changes in estimates related to defined benefit pension plans		0.3	-0.2	0.3	-0.2
Tax		-0.1		-0.1	
Total other income and expenses not to be reclassified to profit/loss		0.3	-0.1	0.3	-0.1
Other income and expenses that may be reclassified to profit/loss					
Change in unrealised gain/loss on loans valued at fair value through other comprehensive income (OCI)		0.7		0.7	
Tax		-0.2		-0.2	
Total other income and expenses that may be reclassified to profit/loss		0.6		0.6	
Total other comprehensive income elements		0.8	-0.1	0.8	-0.1
Total comprehensive income		49.1	56.6	212.6	147.0
Total comprehensive income attributable to:					
Portion attributable to shareholders		46.8	54.5	203.8	137.0
Portion attributable to additional Tier 1 capital holders		2.3	2.2	8.8	10.0
Total		49.1	56.6	212.6	147.0

Storebrand Bank Group

Statement of financial position

NOK million	note	31.12.2021	31.12.2020
Cash and deposits with central banks		313.0	49.5
Loans to and deposits with credit institutions	6	67.4	103.3
Loans to customers	5, 6, 10, 11, 12, 13	39,000.6	31,802.5
Interest-bearing securities	6, 14	5,805.9	7,628.5
Derivatives	6	56.5	73.5
Equity instruments		40.1	41.7
Intangible assets		44.4	67.9
Deferred tax assets	3	3.5	6.2
Other current assets		41.1	36.3
Total assets		45,372.3	39,809.4
Loans and deposits from credit institutions	6	502.0	1,653.3
Deposits from and due to customers	6	17,238.8	15,506.3
Debt securities issued	6, 7	23,922.7	19,648.1
Derivatives	6	51.1	77.8
Other current liabilities		80.8	65.7
Pensions		3.0	4.7
Tax payable		58.6	14.3
Provisions for guarantees and unused credit facilities	11	8.7	23.6
Other provisions		0.9	0.9
Subordinated loans	6, 7	575.9	275.6
Total liabilities		42,442.6	37,270.4
Share capital		962.1	960.6
Share premium		404.5	156.0
Additional Tier 1 capital		225.7	225.7
Other paid in equity		728.1	728.1
Total paid in equity		2,320.4	2,070.3
Other equity		609.4	468.7
Total retained earnings		609.4	468.7
Total equity	8	2,929.7	2,539.0
Total liabilities and equity		45,372.3	39,809.4

Lysaker, 8 February 2022
The Board of Directors of Storebrand Bank ASA

Storebrand Bank ASA

Income statement

NOK million	note	Q4		Full Year	
		2021	2020	2021	2020
Interest income and similar income					
Interest income calculated by using the effective interest method		82.9	65.7	303.1	315.2
Other interest income		12.1	10.7	41.4	76.9
Total interest income and similar income	15	95.0	76.4	344.5	392.1
Interest expenses and similar expenses					
Interest expenses calculated by using the effective interest method		-24.0	-23.0	-81.4	-136.4
Other interest expenses		-6.1	-6.4	-25.2	-27.2
Total interest expenses and similar expenses	15	-30.2	-29.4	-106.7	-163.6
Net interest income	15	64.9	47.0	237.8	228.5
Other operating income					
Fee and commission income from banking services		53.7	53.4	206.6	197.4
Fee and commission expense for banking services		-5.9	-5.0	-22.9	-17.3
Income from shares, units and other equity instruments			10.2		10.2
Income from ownership interests in group companies		139.5	69.8	139.5	69.8
Net change in fair value and gain/loss on foreign exchange and financial instruments	16	-8.7	7.9	15.1	21.5
Other operating income			18.7	1.0	18.7
Total other operating income		178.6	155.0	339.4	300.3
Operating expenses					
Staff expenses		-42.1	-43.9	-165.4	-114.5
Other operating expenses		-38.1	-47.7	-154.7	-188.8
Depreciation of non-financial assets		-4.0	-4.9	-17.1	-19.3
Impairment of non-financial assets		-7.5	-4.0	-12.8	-4.0
Total operating expenses excl. credit loss on loans, etc.		-91.8	-100.5	-350.0	-326.6
Profit before credit loss on loans, etc.		151.7	101.5	227.2	202.1
Total credit loss on loans, guarantees and interest-bearing securities	9	-2.3	-2.8	12.5	-34.7
Profit before tax for continued operations		149.4	98.7	239.6	167.4
Tax on profit from continued operations	3	-31.1	-19.0	-55.7	-38.1
Profit before other comprehensive income		118.3	79.7	183.9	129.3
Other comprehensive income					
Other income and expenses not to be reclassified to profit/loss					
Changes in estimates related to defined benefit pension plans		0.3	-0.2	0.3	-0.2
Tax		-0.1		-0.1	
Total other income and expenses not to be reclassified to profit/loss		0.3	-0.1	0.3	-0.1
Other income and expenses that may be reclassified to profit/loss					
Change in unrealised gain/loss on loans valued at fair value through other comprehensive income (OCI)		0.7		0.7	
Tax		-0.2		-0.2	
Total other income and expenses that may be reclassified to profit/loss		0.6		0.6	
Total other comprehensive income elements		0.8	-0.1	0.8	-0.1
Total comprehensive income		119.1	79.6	184.7	129.2
Total comprehensive income attributable to:					
Portion attributable to shareholders		116.8	77.5	175.9	119.2
Portion attributable to additional Tier 1 capital holders		2.3	2.2	8.8	10.0
Total		119.1	79.6	184.7	129.2

Storebrand Bank ASA

Statement of financial position

NOK million	note	31.12.2021	31.12.2020
Cash and deposits with central banks		313.0	49.5
Loans to and deposits with credit institutions	6	1,818.6	1,807.7
Loans to customers	5, 6, 10, 11, 12, 13	12,570.6	10,737.0
Interest-bearing securities	6, 14	8,191.0	8,563.6
Derivatives	6	53.9	73.5
Equity instruments		40.1	41.7
Ownership interests in group companies		1,619.7	1,510.9
Intangible assets		44.4	67.9
Deferred tax assets	3	13.8	8.5
Other current assets		253.6	100.5
Total assets		24,918.8	22,960.8
Loans and deposits from credit institutions	6	502.0	1,653.3
Deposits from and due to customers	6	17,238.8	15,506.3
Debt securities issued	6, 7	3,379.9	2,821.5
Derivatives	6	51.1	77.8
Other current liabilities		441.8	209.7
Pensions		3.0	4.7
Provisions for guarantees and unused credit facilities	11	8.7	23.6
Other provisions		0.9	0.9
Subordinated loans	6, 7	575.9	275.6
Total liabilities		22,202.2	20,573.4
Share capital		962.1	960.6
Share premium		404.5	156.0
Additional Tier 1 capital		225.7	225.7
Other paid in equity		979.6	899.6
Total paid in equity		2,571.9	2,241.9
Other equity		144.7	145.5
Total retained earnings		144.7	145.5
Total equity	8	2,716.6	2,387.4
Total liabilities and equity		24,918.8	22,960.8

Lysaker, 8 February 2022
The Board of Directors of Storebrand Bank ASA

Storebrand Bank Group

Statement of changes in equity

NOK million	Share capital	Share premium	Additional Tier 1 capital	Other paid in equity	Total paid in equity	Other equity	Total retained earnings	Total equity
Equity at 31.12.19	960.6	156.0	225.9	544.1	1,886.6	512.6	512.6	2,399.2
Profit for the period			10.0		10.0	137.1	137.1	147.1
Total other income and expenses not to be classified to profit/loss						-0.1	-0.1	-0.1
Total other income and expenses that may be classified to profit/loss								
Total other comprehensive income						-0.1	-0.1	-0.1
Total comprehensive income for the period			10.0		10.0	137.0	137.0	147.0
Equity transactions with owners:								
Additional Tier 1 capital classified as equity						2.5	2.5	2.5
Payment to additional Tier 1 holders			-10.3		-10.3			-10.3
Group contribution received				184.0	184.0			184.0
Group contribution paid						-183.5	-183.5	-183.5
Equity at 31.12.20	960.6	156.0	225.7	728.1	2,070.3	468.7	468.7	2,539.0
Profit for the period			8.8		8.8	203.0	203.0	211.8
Total other income and expenses not to be classified to profit/loss						0.3	0.3	0.3
Total other income and expenses that may be classified to profit/loss						0.6	0.6	0.6
Total other comprehensive income						0.8	0.8	0.8
Total comprehensive income for the period			8.8		8.8	203.8	203.8	212.6
Equity transactions with owners:								
Capital injection	1.5	248.5			250.0			250.0
Additional Tier 1 capital classified as equity						2.2	2.2	2.2
Payment to additional Tier 1 holders			-8.8		-8.8			-8.8
Group contribution paid						-65.3	-65.3	-65.3
Equity at 31.12.21	962.1	404.5	225.7	728.1	2,320.4	609.4	609.4	2,929.7

Storebrand Bank ASA

Statement of changes in equity

NOK million	Share capital	Share premium	Additional Tier 1 capital	Other paid in equity	Total paid in equity	Other equity	Total retained earnings	Total equity
Equity at 31.12.19	960.6	156.0	225.9	899.6	2,242.1	89.5	89.5	2,331.7
Profit for the period			10.0		10.0	119.3	119.3	129.3
Total other income and expenses not to be classified to profit/loss						-0.1	-0.1	-0.1
Total other income and expenses that may be classified to profit/loss								
Total other comprehensive income						-0.1	-0.1	-0.1
Total comprehensive income for the period			10.0		10.0	119.2	119.2	129.2
Equity transactions with owners:								
Additional Tier 1 capital classified as equity						2.5	2.5	2.5
Payment to additional Tier 1 holders			-10.3		-10.3			-10.3
Provision for group contribution						-65.7	-65.7	-65.7
Equity at 31.12.20	960.6	156.0	225.7	899.6	2,241.9	145.5	145.5	2,387.4
Profit for the period			8.8		8.8	175.1	175.1	183.9
Total other income and expenses not to be classified to profit/loss						0.3	0.3	0.3
Total other income and expenses that may be classified to profit/loss						0.6	0.6	0.6
Total other comprehensive income						0.8	0.8	0.8
Total comprehensive income for the period			8.8		8.8	175.9	175.9	184.7
Equity transactions with owners:								
Capital injection	1.5	248.5			250.0			250.0
Additional Tier 1 capital classified as equity						2.2	2.2	2.2
Payment to additional Tier 1 holders			-8.8		-8.8			-8.8
Group contribution received				80.0	80.0			80.0
Provision for group contribution						-179.0	-179.0	-179.0
Equity at 31.12.21	962.1	404.5	225.7	979.6	2,571.9	144.7	144.7	2,716.6

The share capital is made up of 64 137 183 shares of nominal value NOK 15.

Statement of cash flow

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2020	31.12.2021	NOK million	31.12.2021	31.12.2020
		Cash flow from operating activities		
509.8	503.7	Receipts of interest, commissions and fees from customers	918.1	953.2
-102.1	-63.9	Payments of interest, commissions and fees to customers	-63.9	-102.1
-937.9	-1,839.0	Net disbursements/payments on customer loans	-7,208.2	-1,606.4
1,102.0	1,732.5	Net receipts/payments of deposits from banking customers	1,732.5	1,102.0
-4,191.0	425.0	Net receipts/payments - securities	1,875.8	-3,153.2
-294.9	-311.9	Payments of operating costs	-407.1	-385.9
-3,914.0	446.4	Net cash flow from operating activities	-3,152.8	-3,192.4
		Cash flow from investing activities		
-18.8		Net payments on purchase/capitalisation of subsidiaries		-18.8
-6.9	-6.3	Net payments on purchase/sale of fixed assets etc.	-6.3	-6.9
-25.7	-6.3	Net cash flow from investing activities	-6.3	-25.7
		Cash flow from financing activities		
-815.0	-1,038.5	Payments - repayments of loans and issuing of bond debt	-2,106.0	-6,248.0
750.0	1,599.3	Receipts - new loans and issuing of bond debt	6,429.7	8,512.5
-65.5	-46.2	Payments - interest on loans	-241.3	-341.7
	300.0	Receipts - subordinated loans	300.0	
-7.8	-7.1	Payments - interest on subordinated loans	-7.1	-7.8
-10.3	-8.8	Payments - interest on additional Tier 1 capital	-8.8	-10.3
1,206.2	-1,149.8	Net receipts/payments of liabilities to credit institutions	-1,149.8	1,205.2
	250.0	Receipts - issuing of share capital and other equity	250.0	
264.3	69.8	Receipts - group contribution		184.0
-306.6	-134.4	Payments - group contribution / dividends	-80.0	-244.0
1,015.3	-165.7	Net cash flow from financing activities	3,386.7	3,049.9
-2,924.4	274.4	Net cash flow in the period	227.6	-168.2
4,781.6	1,857.2	Cash and bank deposits at the start of the period	152.8	321.1
1,857.2	2,131.6	Cash and bank deposits at the end of the period	380.4	152.8
		Cash and bank deposits consists of:		
49.5	313.0	Cash and deposits with central banks	313.0	49.5
1,807.7	1,818.6	Loans to and deposits with credit institutions	67.4	103.3
1,857.2	2,131.6	Total cash and bank deposits in the balance sheet	380.4	152.8

Notes

Storebrand Bank Group

Note 01 | Accounting principles

The group's financial statements include Storebrand Bank ASA together with subsidiaries. The financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements do not contain all the information that is required in full annual financial statements.

The interim accounts of Storebrand Bank ASA are prepared in accordance with the annual accounts regulations of banks, mortgage companies and finance companies and with IAS 34 Interim Financial Reporting.

A description of the accounting policies applied in the preparation of the financial statements is provided in the 2020 annual report, and the interim financial statements are prepared with respect to these accounting policies.

In 2013, Storebrand Bank ASA decided to wind up the corporate market at the bank. At the end of 2021, the remaining corporate market portfolio is insignificant. Therefore, the Storebrand Bank Group no longer distinguishes between different segments in its reporting.

There are no new standards or changes in standards that have not been applied in the presentation of the accounts 2021 that are expected to have a significant effect on the banking group's and the parent bank's accounts.

Note 02 | Estimates

Critical accounting estimates and judgements are described in the 2020 annual financial statements in note 2 and valuation of financial instruments at fair value are described in note 9 for the group, and in note 2 and note 10 for Storebrand Bank ASA.

In preparing the group's and the company's financial statements the management are requiring to make judgements, estimates and assumptions of uncertain amounts. The estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and expectations of future events and represent the management's best judgement at the time the financial statements were prepared.

Actual results may differ from these estimates.

Note 03 | Tax

The Storebrand Bank Group includes companies that are both subject to and not subject to the financial tax. Therefore, when capitalizing deferred tax/deferred tax assets in the consolidated financial statements, the company tax rate that applies for the individual group companies is used.

Note 04 | Related Parties

Covered bonds issued by Storebrand Boligkreditt AS

Storebrand Bank ASA has invested a total of NOK 4.0 billion in covered bonds issued by Storebrand Boligkreditt AS as of 31 December 2021. The investments are included in the liquidity portfolio in the parent company and are classified at fair value through profit or loss. The investment has been eliminated in the consolidated accounts against bonds issued by Storebrand Boligkreditt AS.

Loans sold to Storebrand Boligkreditt AS

Storebrand Bank ASA sells loans to the mortgage company Storebrand Boligkreditt AS. Once the loans are sold, Storebrand Boligkreditt AS assumes all the risks and benefits of owning the loan portfolio. It is Storebrand Boligkreditt AS that receives all the cash flows from the loan customer. Storebrand Bank ASA shall arrange the transfer and return of loans when changes have to be made, i.e. if there is a request to increase the loan amount, change from variable to fixed interest, conversion to employee loan or conversion to a flexible mortgage. The costs are included in the contractual administration fee. Non-performing loans in Storebrand Boligkreditt AS remain in the company.

These loans will, pursuant to the service agreement with Storebrand Bank ASA, be treated in the same way as non-performing loans in the bank. Specific reports are prepared for non-performing loans in Storebrand Boligkreditt AS. These loans are not included in the cover pool. Loans to employees can be transferred to Storebrand Boligkreditt AS. The difference between the market interest rate and the subsidised interest rate is covered monthly by the company in which the debtor is employed.

Storebrand Bank ASA has not pledged any guarantees in connection with loans to Storebrand Boligkreditt AS.

Storebrand Bank ASA and Storebrand Boligkreditt AS have signed a management agreement pursuant to which Storebrand Boligkreditt AS will purchase administrative services from the bank. Storebrand Boligkreditt AS also purchases administrative services from Storebrand Livsforsikring AS.

Loans sold to Storebrand Livsforsikring AS

Storebrand Bank ASA has sold mortgages to sister company Storebrand Livsforsikring AS. There has been sold loans of total NOK 2,6 billion in the fourth quarter and NOK 5.0 billion year to date. The home mortgage portfolio managed on behalf of Storebrand Livsforsikring AS as of the fourth quarter in 2021 is NOK 18.0 billion. As the buyer, Storebrand Livsforsikring AS has acquired both cash flows and most of the risk and control. The loans were therefore derecognised in the bank's balance sheet in accordance with IFRS 9. Storebrand Bank ASA receives management fees for the work being done with the sold portfolio. The bank has recognised NOK 70.5 million as revenue in the accounts for the fourth quarter of 2021.

Credit facilities with Storebrand Boligkreditt AS

The bank has issued two credit facilities to Storebrand Boligkreditt AS. One of these facilities is a normal overdraft facility, with a commitment of NOK 6 billion. This has no expiry date, but can be terminated by the bank on 15 months' notice. The amount of the other facility is the payment obligations of Storebrand Boligkreditt the following 31 days on interest and principal amounts regarding Covered Bonds, including any connected derivatives. This facility may not be terminated by Storebrand Bank ASA until at least 3 months after the maturity date of the covered bond and the associated derivatives with the longest period to maturity. In 2021 all covenant requirements are fulfilled.

Other related parties

Storebrand Bank ASA conducts transactions with related parties as part of its normal business activities. The terms for transactions with senior employees and related parties are stipulated in notes 40 and 41 in the 2020 annual report for Storebrand Bank ASA.

Note 05

Financial risk

Notes 4 to 8 in the 2020 annual report provide a detailed overview of the bank group's financial risk and notes 5 to 9 in the 2020 annual report provide a detailed overview of Storebrand Bank ASA's financial risk. The descriptions are applicable at 31 December 2021, however, with the following amendments and further comments.

Credit Risk - credit exposure

There are no significant changes to PD, EAD and LGD estimates from 30 September 2021 to 31 December 2021. The LTVs are not significantly changed. There are no significant changes to loans in arrear and defaulted loans at 31 December 2021 compared to previous quarters, cf. new definition of default (see note 12).

The expected credit losses are approximately unchanged during the fourth quarter. Expected losses based on models are reduced by approximately NOK 2.1 million, and expected losses on individually assessed loans are increased by NOK 1.8 million. The level of expected credit losses is still above pre-pandemic level.

Loan-to-value ratio, secured loans

Storebrand Bank Group

NOK million	Distribution in per cent	31.12.2021		
		Book value (gross)	Unused credit limits	Total commitments
0% - 40%	17.7 %	6,162.0	1,053.7	7,215.6
40% - 60%	32.8 %	12,527.5	894.3	13,421.8
60% - 80%	36.8 %	14,798.3	219.7	15,018.0
80% - 90%	10.8 %	4,374.8	32.6	4,407.4
90% - 100%	1.2 %	464.2	15.9	480.1
> 100%	0.8 %	315.7	5.8	321.6
Total secured loans	100.0 %	38,642.5	2,222.0	40,864.5
Loan commitments and financing certificates, secured			3,515.8	3,515.8
Total secured loans incl. loan commitments and financing certificates		38,642.5	5,737.8	44,380.3

NOK million	Distribution in per cent	31.12.2020		
		Book value (gross)	Unused credit limits	Total commitments
0% - 40%	23.6 %	6,228.2	1,668.1	7,896.3
40% - 60%	28.6 %	9,360.8	193.2	9,554.1
60% - 80%	39.0 %	13,016.3	28.1	13,044.4
80% - 90%	7.0 %	2,332.3	0.6	2,332.9
90% - 100%	0.9 %	304.9	0.6	305.4
> 100%	0.9 %	285.6	8.2	293.8
Total secured loans	100.0 %	31,528.1	1,898.9	33,426.9
Loan commitments and financing certificates, secured			2,961.7	2,961.7
Total secured loans incl. loan commitments and financing certificates		31,528.1	4,860.5	36,388.6

Storebrand Bank ASA

NOK million	Distribution in per cent	31.12.2021		
		Book value (gross)	Unused credit limits	Total commitments
0% - 40%	16.4 %	1,709.8	501.4	2,211.2
40% - 60%	29.4 %	3,411.9	557.5	3,969.4
60% - 80%	32.1 %	4,155.0	177.0	4,332.0
80% - 90%	17.7 %	2,370.0	18.2	2,388.2
90% - 100%	2.7 %	346.9	13.9	360.9
> 100%	1.6 %	214.9	4.1	219.0
Total secured loans	100.0 %	12,208.6	1,272.0	13,480.6
Loan commitments and financing certificates, secured			3,515.8	3,515.8
Total secured loans incl. loan commitments and financing certificates		12,208.6	4,787.9	16,996.5

NOK million	Distribution in per cent	31.12.2020		
		Book value (gross)	Unused credit limits	Total commitments
0% - 40%	18.7 %	1,460.9	640.9	2,101.7
40% - 60%	23.7 %	2,539.7	132.8	2,672.5
60% - 80%	37.0 %	4,149.9	23.7	4,173.6
80% - 90%	16.5 %	1,855.1	0.7	1,855.8
90% - 100%	2.0 %	228.0	0.7	228.7
> 100%	2.1 %	225.1	9.5	234.5
Total secured loans	100.0 %	10,458.7	808.1	11,266.8
Loan commitments and financing certificates, secured			2,961.7	2,961.7
Total secured loans incl. loan commitments and financing certificates		10,458.7	3,769.8	14,228.5

Risk related to secured loans

Storebrand Bank Group

NOK million	31.12.2021			
	Distribution in per cent	Book value (gross)	Unused credit limits	Total commitments
Low risk	92.9 %	35,769.7	2,193.9	37,963.6
Medium risk	6.6 %	2,662.3	28.1	2,690.3
High risk	0.5 %	184.5		184.6
Non-performing and loss-exposed loans incl. loans with evidence of impairment	0.1 %	26.0		26.0
Total secured loans	100.0 %	38,642.5	2,222.0	40,864.5
Loan commitments and financing certificates, secured			3,515.8	3,515.8
Total secured loans incl. loan commitments and financing certificates		38,642.5	5,737.8	44,380.3

NOK million	31.12.2020			
	Distribution in per cent	Book value (gross)	Unused credit limits	Total commitments
Low risk	93.2 %	29,277.2	1,875.8	31,152.9
Medium risk	6.1 %	2,008.8	23.1	2,031.9
High risk	0.5 %	160.0		160.0
Non-performing and loss-exposed loans incl. loans with evidence of impairment	0.2 %	82.1		82.1
Total secured loans	100.0 %	31,528.1	1,898.9	33,426.9
Loan commitments and financing certificates, secured			2,961.7	2,961.7
Total secured loans incl. loan commitments and financing certificates		31,528.1	4,860.5	36,388.6

Storebrand Bank ASA

NOK million	31.12.2021			
	Distribution in per cent	Book value (gross)	Unused credit limits	Total commitments
Low risk	90.5 %	10,954.2	1,244.5	12,198.7
Medium risk	8.9 %	1,166.2	27.5	1,193.8
High risk	0.5 %	69.0		69.0
Non-performing and loss-exposed loans incl. loans with evidence of impairment	0.1 %	19.1		19.1
Total secured loans	100.0 %	12,208.6	1,272.0	13,480.6
Loan commitments and financing certificates, secured			3,515.8	3,515.8
Total secured loans incl. loan commitments and financing certificates		12,208.6	4,787.9	16,996.5

NOK million	31.12.2020			
	Distribution in per cent	Book value (gross)	Unused credit limits	Total commitments
Low risk	91.1 %	9,481.3	786.8	10,268.1
Medium risk	7.9 %	864.6	21.3	885.9
High risk	0.6 %	71.3		71.3
Non-performing and loss-exposed loans incl. loans with evidence of impairment	0.4 %	41.5		41.5
Total secured loans	100.0 %	10,458.7	808.1	11,266.8
Loan commitments and financing certificates, secured			2,961.7	2,961.7
Total secured loans incl. loan commitments and financing certificates		10,458.7	3,769.8	14,228.5

Liquidity risk

Storebrand Bank ASA has had solid liquidity buffers previous quarters, and the bank still has substantial liquidity buffer at 31 December 2021. The LCR ratio for the bank group is at 163 per cent, well above the requirement of 100 per cent. The funding structure is balanced with regards to maturity.

The long term counterparty rating of Storebrand Bank ASA is "A-" with a stable outlook from S&P Global. The covered bond programme is rated "AAA".

Market risk

The interest rate risk is not significantly changed the last quarter.

Note 06 | Valuation of financial instruments

The Storebrand Group classify financial instruments valued at fair value in three different levels. The criteria for the classification and processes associated with valuing are described in more detail in note 10 in the 2020 annual report for Storebrand Bank ASA.

The company has established valuation models to gather information from a wide range of well-informed sources with a view to minimising the uncertainty of valuations.

Storebrand Bank Group

Valuation of financial instruments at fair value through profit and loss (FVTPL)

NOK million	Level 1	Level 2	Level 3	Book value 31.12.2021	Book value 31.12.2020
	Quoted prices	Observable assumptions	Non-observable assumptions		
Equities and funds					
Equities		28.9	11.2	40.1	41.7
Total equities 31.12.2021		28.9	11.2	40.1	
Total equities 31.12.2020		31.2	10.5		41.7
Loans to customers - Corporate Market					
Loans to customers - Retail Market					
Total loans to customers 31.12.2021			489.4	489.4	
Total loans to customers 31.12.2020			722.3		722.3
Government and government guaranteed bonds					
Mortgage and asset backed bonds					
Total interest-bearing securities 31.12.2021		2,259.7		2,259.7	
Total interest-bearing securities 31.12.2020		4,351.1			4,351.1
Interest derivatives					
Currency derivatives					
Total derivatives 31.12.2021		5.4		5.4	
Derivatives with a positive fair value					
Derivatives with a negative fair value					
Total derivatives 31.12.2020		-4.3			-4.3

There have not been any changes between quoted prices and observable assumptions on the various financial instruments in the quarter.

Valuation of financial instruments at fair value through other comprehensive income (FVOCI)

NOK million	Level 1	Level 2	Level 3	Book value 31.12.2021	Book value 31.12.2020
	Quoted prices	Observable assumptions	Non-observable assumptions		
Loans to customers - corporate market					
Loans to customers - retail market					
Total loans to customers 31.12.2021			38,094.8	38,094.8	
Total loans to customers 31.12.2020			30,786.1		30,786.1

Financial instruments at fair value - level 3

NOK million	31.12.2021		
	Equities	Loans to customers at fair value through profit and loss	Loans to customers at fair value through other comprehensive income
Book value 01.01.2021	10.5	722.3	30,786.1
Net gains/losses on financial instruments	0.7	-7.6	-1.3
Additions		362.8	16,642.6
Sales		-588.1	-9,332.6
Book value 31.12.2021	11.2	489.4	38,094.8

NOK million	Equities	31.12.2020	
		Loans to customers at fair value through profit and loss	Loans to customers at fair value through other comprehensive income
Book value 01.01.2020	19.4	389.2	29,520.3
Net gains/losses on financial instruments	-8.9	3.0	-3.4
Additions		556.5	14,337.3
Sales		-226.3	-13,068.1
Book value 31.12.2020	10.5	722.3	30,786.1

Valuation of financial instruments at amortised cost

NOK million	31.12.2021		31.12.2020	
	Fair value	Book value	Fair value	Book value
Financial assets				
Loans to and deposits with credit institutions	67.4	67.4	103.3	103.3
Loans to customers - Retail market	416.4	416.4	294.1	294.1
Interest-bearing securities	3,546.7	3,546.2	3,287.1	3,277.4
Total financial assets 31.12.2021	4,030.5	4,030.0		
Total financial assets 31.12.2020			3,684.5	3,674.7
Financial liabilities				
Loans and deposits from credit institutions	502.0	502.0	1,653.3	1,653.3
Deposits from and due to customers	17,238.8	17,238.8	15,506.3	15,506.3
Debt securities issued	23,989.4	23,922.7	19,737.7	19,648.1
Subordinated loans	575.8	575.9	280.7	275.6
Total financial liabilities 31.12.2021	42,306.1	42,239.5		
Total financial liabilities 31.12.2020			37,178.1	37,083.4

Sensitivity analysis

Loans to customers

The value of fixed-rate loans is determined by discounting the agreed cash flows over the remaining maturity by the current discount rate adjusted for market spread. The discount rate that is used is based on a swap interest rate (mid swap) with a maturity that corresponds to the remaining lock-in period for the underlying loans. The market spread that is used on the date of the balance sheet is determined by assessing the market conditions, market price and the associated swap interest rate.

Equities

This item consist of shares in VN Norge AS. At the end of the quarter, the value of the shares is calculated on the basis of the price of the shares in VISA Inc. and the exchange rate USD / NOK. The value has also been adjusted for a liquidity and general uncertainty discount of 14%.

(NOK million)	Floating loans to customers Fair value through comprehensive income (OCI) Changes in market spread		Floating loans to customers Fair value through other comprehensive income (OCI) Changes in market spread		Equities Change in value	
	+ 10 BP	- 10 BP	+ 25 bp	- 25 bp	+ 25 bp	- 25 bp
	Increase/reduction in fair value at 31.12.2021	-4.4	4.4	-11.0	11.0	6.1
Increase/reduction in fair value at 31.12.2020	-3.5	3.5	-8.9	8.9	7.0	-8.3

Storebrand Bank ASA

Valuation of financial instruments at fair value through profit and loss (FVTPL)

NOK million	Level 1	Level 2	Level 3	Book value 31.12.2021	Book value 31.12.2020
	Quoted prices	Observable assumptions	Non-observable assumptions		
Assets:					
Equity instruments		28.9	11.2	40.1	41.7
Total equities 31.12.2021		28.9	11.2	40.1	
Total equities 31.12.2020		31.2	10.5		41.7
Loans to customers - Corporate Market					
Loans to customers - Retail Market			489.4	489.4	722.3
Total loans to customers 31.12.2021			489.4	489.4	
Total loans to customers 31.12.2020			722.3		722.3
Government and government guaranteed bonds		237.1		237.1	427.6
Collateralised securities		4,695.9		4,695.9	4,900.3
Total interest-bearing securities 31.12.2021		4,932.9		4,932.9	
Total interest-bearing securities 31.12.2020		5,327.9			5,327.9
Interest derivatives		2.8		2.8	-4.2
Currency derivatives					-0.1
Total derivatives 31.12.2021		2.8		2.8	
Derivatives with a positive fair value		53.9		53.9	73.5
Derivatives with a negative fair value		-51.1		-51.1	-77.8
Total derivatives 31.12.2020		-4.3			-4.3

There have not been any changes between quoted prices and observable assumptions on the various financial instruments in the quarter.

Valuation of financial instruments at fair value through other comprehensive income (FVOCI)

NOK million	Level 1	Level 2	Level 3	Book value 31.12.2021	Book value 31.12.2020
	Quoted prices	Observable assumptions	Non-observable assumptions		
Loans to customers - corporate market			3.0	3.0	12.1
Loans to customers - retail market			11,661.8	11,661.8	9,708.4
Total loans to customers 31.12.2021			11,664.8	11,664.8	
Total loans to customers 31.12.2020			9,720.5		9,720.5

Financial instruments at fair value - Level 3

NOK million	31.12.2021		
	Equities	Loans to customers at fair value through profit and loss	Loans to customers at fair value through other comprehensive income
Book value 01.01.2021	10.5	722.3	9,720.5
Net gains/losses on financial instruments	0.7	-7.6	-0.7
Supply / disposal		362.8	8,991.2
Sales / due settlements		-588.1	-7,046.2
Book value 31.12.2021	11.2	489.4	11,664.8

NOK million	Equities	31.12.2020	
		Loans to customers at fair value through profit and loss	Loans to customers at fair value through other comprehensive income
Book value 01.01.2020	19.4	389.2	9,116.9
Net gains/losses on financial instruments	-8.9	3.0	-0.8
Supply / disposal		556.5	6,912.2
Sales / due settlements		-226.3	-6,307.8
Book value 31.12.2020	10.5	722.3	9,720.5

Valuation of financial instruments at amortised cost

NOK million	Fair value		Book value	
	31.12.2021	31.12.2021	31.12.2020	31.12.2020
Financial assets				
Loans to and deposits with credit institutions	1,818.6	1,818.6	1,807.7	1,807.7
Loans to customers - Retail market	416.4	416.4	294.1	294.1
Interest-bearing securities	3,258.6	3,258.1	3,245.4	3,235.7
Total financial assets 31.12.2021	5,493.6	5,493.1		
Total financial assets 31.12.2020			5,347.2	5,337.5
Financial liabilities				
Loans and deposits from credit institutions	502.0	502.0	1,653.3	1,653.3
Deposits from and due to customers	17,238.8	17,238.8	15,506.3	15,506.3
Debt securities issued	3,388.4	3,379.9	2,830.5	2,821.5
Subordinated loans	575.8	575.9	280.7	275.6
Total financial liabilities 31.12.2021	21,705.2	21,696.6		
Total financial liabilities 31.12.2020			20,270.9	20,256.8

Sensitivity analysis

Loans to customers

The value of fixed-rate loans is determined by discounting the agreed cash flows over the remaining maturity by the current discount rate adjusted for market spread. The discount rate that is used is based on a swap interest rate (mid swap) with a maturity that corresponds to the remaining lock-in period for the underlying loans. The market spread that is used on the date of the balance sheet is determined by assessing the market conditions, market price and the associated swap interest rate.

Equities

This item consist of shares in VN Norge AS. At the end of the quarter, the value of the shares is calculated on the basis of the price of the shares in VISA Inc. and the exchange rate USD / NOK. The value has also been adjusted for a liquidity and general uncertainty discount of 14%.

(NOK million)	Floating loans to customers Fair value through comprehensive income (OCI)		Floating loans to customers Fair value through other comprehensive income (OCI)		Equities Change in value	
	Changes in market spread		Changes in market spread		Change in value	
	+ 10 BP	- 10 BP	+ 25 bp	- 25 bp	+ 25 bp	- 25 bp
Increase/reduction in fair value at 31.12.2021	-1.3	1.3	-3.4	3.4	6.1	-7.9
Increase/reduction in fair value at 31.12.2020	-1.1	1.1	-2.8	2.8	7.0	-8.3

Note 7 | Debt securities issued and subordinated loans

(NOK million)	Storebrand Bank Group	
	31.12.2021	31.12.2020
Debt securities issued	23,922.7	19,648.1
Subordinated loans	575.9	275.6
Total debt securities issued and subordinated loans	24,498.6	19,923.6

Specification of debt securities issued and subordinated loans as at 31 December 2021 - Storebrand Bank Group

NOK million ISIN code	Issuer	Net		Currency	Interest	Maturity ¹⁾	Book value
		nominal value					31.12.2021
Bond loans							
NO0010841562	Storebrand Bank ASA	75.0		NOK	Floating	18.01.2022	75.2
NO0010860398	Storebrand Bank ASA	550.0		NOK	Floating	15.08.2022	550.8
NO0010868185	Storebrand Bank ASA	400.0		NOK	Floating	11.11.2022	400.7
NO0010881386	Storebrand Bank ASA	300.0		NOK	Floating	04.05.2023	300.7
NO0010891344	Storebrand Bank ASA	450.0		NOK	Floating	25.08.2023	450.5
NO0010931819	Storebrand Bank ASA	1,100.0		NOK	Floating	15.02.2024	1,101.2
NO0011146359	Storebrand Bank ASA	500.0		NOK	Floating	05.02.2025	500.7
Total bond loans		3,375.0					3,379.9

(NOK million) ISIN code	Issuer	Net		Currency	Interest	Maturity ¹⁾	Book value
		nominal value					31.12.2021
Covered bonds							
NO0010786726	Storebrand Boligkreditt AS	4,000.0		NOK	Floating	15.06.2022	4,004.6
NO0010813959	Storebrand Boligkreditt AS	2,527.0		NOK	Floating	20.06.2023	2,531.2
NO0010873177	Storebrand Boligkreditt AS	5,000.0		NOK	Floating	19.06.2024	4,998.9
NO0010894199	Storebrand Boligkreditt AS	5,000.0		NOK	Floating	25.06.2025	5,138.2
NO0011073140	Storebrand Boligkreditt AS	3,000.0		NOK	Floating	03.06.2026	3,074.7
NO0010951528	Storebrand Boligkreditt AS	480.0		NOK	Fixed	15.04.2031	481.8
NO0010936917	Storebrand Boligkreditt AS	300.0		NOK	Floating	21.02.2031	313.4
Total covered bonds ²⁾		20,307.0					20,542.9
Total debt securities issued		23,682.0					23,922.7

1) Maturity date in this summary is the first possible maturity date (Call date).

2) For issued covered bonds, a regulatory requirement for over-collateralisation of 102 per cent and an over-collateralisation requirement of 109.5 per cent for bonds issued before 21 June 2017 apply. In 2021 all covenants are fulfilled.

(NOK million) ISIN code	Issuer	Net		Currency	Interest	Maturity ¹⁾	Book value
		nominal value					31.12.2021
Dated subordinated loans							
NO0010786510	Storebrand Bank ASA	150.0		NOK	Floating	22.02.2022	150.4
NO0010843519	Storebrand Bank ASA	125.0		NOK	Floating	27.02.2025	125.3
NO0011104077	Storebrand Bank ASA	300.0		NOK	Floating	23.09.2026	300.1
Total subordinated loans		575.0					575.9
Total debt securities issued and subordinated loans							24,498.6

Note
8

Capital adequacy

Capital adequacy calculations are subject to special consolidation rules in accordance with the regulation on consolidated application of the capital adequacy rules etc. (the "Consolidation Regulation"). The Storebrand Bank group is defined pursuant to Section 5 of the Consolidation Regulation as a financial group comprising solely or mainly undertakings other than insurance companies. According to the capital requirement regulations, the valuation rules used in the company's accounts form the basis for consolidation. Consolidation is mainly carried out in accordance with the same principles as those used in the accounts, with all internal transactions eliminated, including shares, loans and deposits as well as other receivables and liabilities.

The standard method is used for credit risk and market risk and the basis method is used for operational risk. Total requirement to Core Equity Tier 1 (CET1) and eligible capital (Tier 1 capital + Tier 2 capital) are 12,3 per cent and 15,8 per cent. As of 31 December 2021, the Pillar 2 requirement for Storebrand Bank is 1,3 per cent of the risk-weighted volume.

The Ministry of Finance has set an increase of the countercyclical capital buffer requirement by 1 percentage points from 31 December 2022.

Eligible capital

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2020	31.12.2021	NOK million	31.12.2021	31.12.2020
960.6	962.1	Share capital	962.1	960.6
1,426.8	1,754.5	Other equity	1,967.7	1,578.4
2,387.4	2,716.6	Total equity	2,929.7	2,539.0
-225.0	-225.0	Additional Tier 1 capital included in total equity	-225.0	-225.0
-0.7	-0.7	Accrued interest on capital instruments included in total equity	-0.7	-0.7
2,161.7	2,490.8	Total equity included in Core Equity Tier 1 (CET1)	2,704.0	2,313.3
		Deductions		
-16.0	-16.3	AVA adjustments	-39.6	-36.1
-67.9	-44.4	Intangible assets	-44.4	-67.9
		Provision for group contribution	-179.4	-80.0
		Addition		
		Group contribution received	80.0	
2,077.9	2,430.2	Core Equity Tier 1 (CET1)	2,520.7	2,129.4
		Other Tier 1 capital		
225.0	225.0	Capital instruments eligible as Additional Tier 1 capital	225.0	225.0
		Capital instruments not eligible as Additional Tier 1 capital		
2,302.9	2,655.2	Tier 1 capital	2,745.7	2,354.4
		Tier 2 capital		
275.0	575.0	Subordinated loans	575.0	275.0
		Subordinated loans not eligible as Tier 2 capital		
		Tier 2 capital deductions		
2,577.9	3,230.2	Eligible capital (Tier 1 capital + Tier 2 capital)	3,320.7	2,629.4

Minimum capital requirement

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2020	31.12.2021	NOK million	31.12.2021	31.12.2020
748.1	837.2	Credit risk	1,221.2	1,033.1
		Of which:		
1.7	2.8	Local and regional authorities	0.7	1.2
215.2	221.4	Institutions	1.3	1.7
306.2	361.2	Loans secured in residential real estate	1,091.1	889.2
41.7	52.8	Retail market	62.8	46.7
7.0	4.7	Loans past-due	7.4	13.5
151.3	173.3	Covered bonds	23.5	44.1
24.9	21.0	Other	34.4	36.6
748.1	837.2	Total minimum requirement for credit risk	1,221.2	1,033.1
0.0	0.0	Total minimum requirement for market risk	0.0	0.0
66.2	79.7	Operational risk	86.6	77.8
15.1	0.1	CVA risk ¹⁾	1.2	15.1
		Deductions		
829.5	917.0	Minimum requirement for net primary capital	1,309.0	1,126.0

1) Regulation on own funds requirements for credit valuation adjustment risk.

Capital adequacy

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2020	31.12.2021		31.12.2021	31.12.2020
24.9 %	28.2 %	Capital ratio	20.3 %	18.7 %
22.2 %	23.2 %	Tier 1 capital ratio	16.8 %	16.7 %
20.0 %	21.2 %	Core equity Tier 1 (CET1) capital ratio	15.4 %	15.1 %

Basis of calculation (risk-weighted volume)

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2020	31.12.2021	NOK million	31.12.2021	31.12.2020
9,351.1	10,465.1	Credit risk	15,264.4	12,913.4
		Of which:		
21.3	34.4	Local and regional authorities	8.7	15.6
2,690.1	2,767.6	Institutions	15.9	21.3
3,828.1	4,515.2	Loans secured in residential real estate	13,638.5	11,115.5
521.2	660.0	Retail market	785.5	583.2
87.0	58.2	Loans past-due	93.0	168.7
1,891.7	2,166.7	Covered bonds	293.2	551.2
311.6	263.0	Other	429.7	457.8
9,351.1	10,465.1	Total basis of calculation credit risk	15,264.4	12,913.4
0.0	0.0	Total basis of calculation market risk	0.0	0.0
828.0	996.4	Operational risk	1,082.6	973.0
189.1	0.8	CVA risk	15.2	189.1
		Deductions		
10,368.3	11,462.2	Total basis of calculation of minimum requirements for capital base	16,362.2	14,075.5

Losses on loans, guarantees and unused credits

Storebrand Bank Group

(NOK million)	31.12.2021			31.12.2020		
	Loans to customers and securities valued at amortised cost and loans to customers valued at fair value through other comprehensive income (OCI)	Guarantees and unused credit limits which not are valued at fair value through profit and loss	Total	Loans to customers and securities valued at amortised cost and loans to customers valued at fair value through other comprehensive income (OCI)	Guarantees and unused credit limits which not are valued at fair value through profit and loss	Total
The periods change in impairment losses stage 1	-1.7		-1.7	-2.2		-2.2
The periods change in impairment losses stage 2	0.6	12.1	12.7	-7.9	-9.0	-16.9
The periods change in impairment losses stage 3	0.2		0.2	2.3		2.3
Realised losses	-7.1		-7.1	-14.2		-14.2
Recoveries on previously realised losses	1.2		1.2	1.5		1.5
Credit loss on interest-bearing securities	0.1		0.1			
Management overlay	4.1	2.9	7.0	-4.1	-2.9	-7.0
Other changes	-0.5		-0.5	-0.8		-0.8
Loss expense for the period	-3.0	14.9	12.0	-25.6	-11.8	-37.4

In 2020, a discretionary additional provision of NOK 7 million was made based on uncertainty related to the future development of the corona pandemic. Although the pandemic is not over by the end of 2021, the uncertainty in macroeconomic prospects has significantly decreased. The Norwegian Government has introduced support schemes. No increase in default and arrears volume has been observed since the end of 2019. No increase in credit risk has been observed in the healthy part of the portfolio. Based on lower uncertainty and improved financial prospects, the bank has reversed this additional provision. The loss provision has been reversed gradually during 2021.

The Storebrand Bank group has NOK 4.4 million in outstanding contractual amounts for realised losses during 2021 that are still subject to enforcement activities. In 2020, the Storebrand Bank group had NOK 10.5 million in outstanding contractual amounts for realised losses during 2020 that were subject to enforcement activities.

Storebrand Bank ASA

(NOK million)	31.12.2021			31.12.2020		
	Loans to customers and securities valued at amortised cost and loans to customers valued at fair value through other comprehensive income (OCI)	Guarantees and unused credit limits which not are valued at fair value through profit and loss	Total	Loans to customers and securities valued at amortised cost and loans to customers valued at fair value through other comprehensive income (OCI)	Guarantees and unused credit limits which not are valued at fair value through profit and loss	Total
The periods change in impairment losses stage 1	-1.4		-1.4	-1.7	0.1	-1.6
The periods change in impairment losses stage 2	1.2	12.1	13.3	-6.5	-9.0	-15.5
The periods change in impairment losses stage 3			-0.1	2.9		2.9
Realised losses	-7.1		-7.1	-14.0		-14.0
Recoveries on previously realised losses	1.2		1.2	1.5		1.5
Credit loss on interest-bearing securities	0.1		0.1			
Management overlay	4.1	2.9	7.0	-4.1	-2.9	-7.0
Other changes	-0.6		-0.6	-0.8		-0.8
Loss expense for the period	-2.5	14.9	12.5	-22.9	-11.8	-34.7

Storebrand Bank ASA has NOK 4.4 million in outstanding contractual amounts for realised losses during 2021 that are still subject to enforcement activities. In 2020, Storebrand Bank ASA had NOK 10.3 million in outstanding contractual amounts for realised losses during 2020 that were subject to enforcement activities.

Note 10 | Loan portfolio and guarantees

(NOK million)	Storebrand Bank ASA		Storebrand Bank Group	
	31.12.2021 Book value	31.12.2020 Book value	31.12.2021 Book value	31.12.2020 Book value
Loans to customers at amortised cost	438.5	320.8	438.5	320.8
Loans to customers at fair value through profit and loss	489.4	722.3	489.4	722.3
Loans to customers at fair value through other comprehensive income (OCI)	11,687.1	9,742.0	38,121.7	30,811.7
Total gross loans to customers	12,615.0	10,785.2	39,049.6	31,854.9
Provision for expected loss Stage 1	-5.5	-4.1	-6.6	-4.9
Provision for expected loss Stage 2	-9.2	-14.5	-11.7	-16.4
Provision for expected loss Stage 3	-29.7	-29.7	-30.8	-31.1
Net loans to customers	12,570.6	10,737.0	39,000.6	31,802.5

Change in gross loans to customers valued at amortised cost

Storebrand Bank Group

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2021	173.6	130.6	16.7	320.8
Transfer to stage 1	65.5	-65.3	-0.3	0.0
Transfer to stage 2	-5.8	6.3	-0.5	0.0
Transfer to stage 3	-2.3	-2.0	4.3	0.0
New loans	153.5	57.2	3.7	214.5
Derecognition	-41.9	-34.1	-7.0	-83.0
Other changes	-10.8	-3.5	0.6	-13.8
Gross loans 31.12.2021	331.8	89.2	17.5	438.5

Storebrand Bank Group

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2020	227.2	56.9	22.1	306.3
Transfer to stage 1	2.3	-2.3		0.0
Transfer to stage 2	-56.2	57.0	-0.8	0.0
Transfer to stage 3	-2.1	-2.7	4.8	0.0
New loans	63.6	46.8	2.8	113.2
Derecognition	-34.4	-11.2	-13.3	-58.9
Other changes	-26.9	-13.9	1.1	-39.7
Gross loans 31.12.2020	173.6	130.6	16.7	320.8

Storebrand Bank ASA

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2021	173.6	130.6	16.7	320.8
Transfer to stage 1	65.5	-65.3	-0.3	0.0
Transfer to stage 2	-5.8	6.3	-0.5	0.0
Transfer to stage 3	-2.3	-2.0	4.3	0.0
New loans	153.5	57.2	3.7	214.5
Derecognition	-41.9	-34.1	-7.0	-83.0
Other changes	-10.8	-3.5	0.6	-13.8
Gross loans 31.12.2021	331.8	89.2	17.5	438.5

Storebrand Bank ASA

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2020	227.2	56.9	22.1	306.3
Transfer to stage 1	2.3	-2.3		0.0
Transfer to stage 2	-56.2	57.0	-0.8	0.0
Transfer to stage 3	-2.1	-2.7	4.8	0.0
New loans	63.6	46.8	2.8	113.2
Derecognition	-34.4	-11.2	-13.3	-58.9
Other changes	-26.9	-13.9	1.1	-39.7
Gross loans 31.12.2020	173.6	130.6	16.7	320.8

Change in gross loans to customers valued at fair value through other comprehensive income (OCI)

Storebrand Bank Group

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2021	28,104.7	2,603.1	103.9	30,811.7
Transfer to stage 1	1,135.9	-1,131.1	-4.8	0.0
Transfer to stage 2	-297.3	325.4	-28.1	0.0
Transfer to stage 3	-3.1	-7.0	10.1	0.0
New loans	15,857.0	785.4	0.2	16,642.6
Derecognition	-8,004.4	-840.6	-30.4	-8,875.3
Other changes	-433.3	-16.2	-7.7	-457.3
Gross loans 31.12.2021	36,359.5	1,719.0	43.2	38,121.7

Storebrand Bank Group

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2020	27,841.6	1,598.7	102.2	29,542.5
Transfer to stage 1	280.0	-274.8	-5.1	0.0
Transfer to stage 2	-1,099.0	1,115.6	-16.6	0.0
Transfer to stage 3	-15.0	-40.5	55.5	0.0
New loans	11,299.0	826.6		12,125.6
Derecognition	-9,662.4	-578.6	-31.2	-10,272.2
Other changes	-539.5	-43.9	-0.8	-584.2
Gross loans 31.12.2020	28,104.7	2,603.1	103.9	30,811.7

Storebrand Bank ASA

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2021	8,893.0	786.0	63.0	9,742.0
Transfer to stage 1	159.9	-156.5	-3.4	0.0
Transfer to stage 2	-57.3	69.2	-12.0	0.0
Transfer to stage 3	-3.1	-4.9	8.0	0.0
New loans	8,577.9	413.1	0.2	8,991.2
Derecognition	-6,430.0	-508.0	-12.6	-6,950.6
Other changes	-79.8	-8.2	-7.6	-95.6
Gross loans 31.12.2021	11,060.6	590.8	35.6	11,687.1

Storebrand Bank ASA

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Gross loans 01.01.2020	8,616.1	454.1	67.4	9,137.6
Transfer to stage 1	38.6	-38.0	-0.6	0.0
Transfer to stage 2	-223.2	232.7	-9.5	0.0
Transfer to stage 3	-4.1	-17.3	21.4	0.0
New loans	6,513.9	398.4		6,912.2
Derecognition	-5,905.7	-226.9	-15.5	-6,148.1
Other changes	-142.6	-16.9	-0.3	-159.7
Gross loans 31.12.2020	8,893.0	786.0	63.0	9,742.0

Change in maximum exposure for guarantees and unused credits

Storebrand Bank Group

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Maximum exposure 01.01.2021	2,690.4	373.1		3,063.4
Transfer to stage 1	264.8	-264.8		0.0
Transfer to stage 2	-20.3	20.3		0.0
Transfer to stage 3	-0.2	-0.2	0.4	0.0
New loans	604.4	18.5		622.9
Derecognition	-290.0	-50.6		-340.7
Other changes	-23.5	0.2	-0.1	-23.5
Maximum exposure 31.12.2021	3,225.6	96.4	0.3	3,322.3

Storebrand Bank Group

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Maximum exposure 01.01.2020	2,878.2	194.8	0.1	3,073.0
Transfer to stage 1	8.7	-8.7		0.0
Transfer to stage 2	-191.4	191.4		0.0
Transfer to stage 3	-0.3	-0.3	0.6	0.0
New loans	290.3	14.4		304.7
Derecognition	-397.4	-29.6		-427.0
Other changes	102.3	11.0	-0.6	112.7
Maximum exposure 31.12.2020	2,690.4	373.1	0.0	3,063.4

Storebrand Bank ASA

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Maximum exposure 01.01.2021	1,617.1	355.6		1,972.7
Transfer to stage 1	249.2	-249.2		0.0
Transfer to stage 2	-19.7	19.7		0.0
Transfer to stage 3	-0.2	-0.2	0.4	0.0
New loans	684.6	18.5		703.0
Derecognition	-196.5	-49.6		-246.1
Other changes	-58.0	0.7	-0.1	-57.4
Maximum exposure 31.12.2021	2,276.5	95.5	0.3	2,372.3

Storebrand Bank ASA

(NOK million)	Stage 1	Stage 2	Stage 3	Total gross loans
Maximum exposure 01.01.2020	1,652.9	190.9	0.1	1,843.8
Transfer to stage 1	6.1	-6.1		0.0
Transfer to stage 2	-175.5	175.5		0.0
Transfer to stage 3	-0.3	-0.3	0.6	0.0
New loans	336.9	13.7		350.5
Derecognition	-221.1	-28.9		-250.0
Other changes	18.1	10.9	-0.6	28.4
Maximum exposure 31.12.2020	1,617.1	355.6	0.0	1,972.7

Note
11

Loan loss provisions

Storebrand Bank Group

(NOK million)	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL - no objective evidence of impairment	Lifetime ECL - objective evidence of impairment	
Loan loss provisions 01.01.2021	8.9	36.0	31.1	76.0
Transfer to stage 1 (12-month ECL)	9.2	-9.0	-0.2	0.0
Transfer to stage 2 (lifetime ECL - no objective evidence of impairment)	-0.3	0.6	-0.3	0.0
Transfer to stage 3 (lifetime ECL - objective evidence of impairment)	-0.1	-0.4	0.5	0.0
Net remeasurement of loan losses	-6.9	1.8	3.5	-1.6
New financial assets originated or purchased	4.0	6.5	2.9	13.5
Financial assets that have been derecognised	-2.0	-4.7	-1.5	-8.2
ECL changes of balances on financial assets without changes in stage in the period	-3.1	-2.5	3.6	-2.0
ECL allowance on written-off (financial) assets		-0.1	-5.7	-5.8
Changes in models/risk parameters	0.8	-6.1	-1.9	-7.2
Management overlay		-7.0		-7.0
Loan loss provisions 31.12.2021	10.6	15.3	31.9	57.7
Loan loss provisions on loans to customers valued at amortised cost	3.6	6.1	12.4	22.1
Loan loss provisions on loans to customers valued at fair value through other comprehensive income (OCI)	3.0	4.7	19.2	27.0
Loan loss provisions on guarantees and unused credit limits	4.0	4.5	0.2	8.7
Total loans loss provisions	10.6	15.3	31.9	57.7

(NOK million)	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL - no objective evidence of impairment	Lifetime ECL - objective evidence of impairment	
Loan loss provisions 01.01.2020	6.8	12.1	33.3	52.2
Transfer to stage 1 (12-month ECL)	0.5	-0.4	-0.1	0.0
Transfer to stage 2 (lifetime ECL - no objective evidence of impairment)	-3.3	3.7	-0.4	0.0
Transfer to stage 3 (lifetime ECL - objective evidence of impairment)		-0.3	0.3	0.0
Net remeasurement of loan losses	-0.4	7.8	4.9	12.3
New financial assets originated or purchased	3.3	3.0	1.4	7.7
Financial assets that have been derecognised	-0.9	-1.5	-2.0	-4.3
ECL changes of balances on financial assets without changes in stage in the period	3.0	4.8	2.5	10.4
ECL allowance on written-off (financial) assets		-0.2	-9.0	-9.2
Management overlay		7.0		7.0
Loan loss provisions 31.12.2020	8.9	36.0	31.1	76.0
Loan loss provisions on loans to customers valued at amortised cost	2.0	11.4	13.3	26.7
Loan loss provisions on loans to customers valued at fair value through other comprehensive income (OCI)	2.9	5.0	17.8	25.7
Loan loss provisions on guarantees and unused credit limits	4.0	19.6		23.6
Total loans loss provisions	8.9	36.0	31.1	76.0

Storebrand Bank ASA

(NOK million)	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL - no objective evidence of impairment	Lifetime ECL - objective evidence of impairment	
Loan loss provisions 01.01.2021	8.1	34.0	29.7	71.9
Transfer to stage 1 (12-month ECL)	8.8	-8.5	-0.2	0.0
Transfer to stage 2 (lifetime ECL - no objective evidence of impairment)	-0.3	0.5	-0.3	0.0
Transfer to stage 3 (lifetime ECL - objective evidence of impairment)	-0.1	-0.4	0.5	0.0
Net remeasurement of loan losses	-6.5	1.3	3.5	-1.8
New financial assets originated or purchased	3.2	5.3	2.9	11.4
Financial assets that have been derecognised	-2.4	-4.3	-1.3	-8.0
ECL changes of balances on financial assets without changes in stage in the period	-2.2	-2.0	3.6	-0.4
ECL allowance on written-off (financial) assets		-0.1	-5.7	-5.8
Changes in models/risk parameters	0.8	-6.1	-1.9	-7.2
Management overlay		-7.0		-7.0
Loan loss provisions 31.12.2021	9.5	12.8	30.7	53.0
Loan loss provisions on loans to customers valued at amortised cost	3.6	6.1	12.4	22.1
Loan loss provisions on loans to customers valued at fair value through other comprehensive income (OCI)	1.9	2.2	18.1	22.3
Loan loss provisions on guarantees and unused credit limits	4.0	4.5	0.2	8.7
Total loans loss provisions	9.5	12.8	30.7	53.0

(NOK million)	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL - no objective evidence of impairment	Lifetime ECL - objective evidence of impairment	
Loan loss provisions 01.01.2020	6.5	11.5	32.6	50.6
Transfer to stage 1 (12-month ECL)	0.4	-0.4		0.0
Transfer to stage 2 (lifetime ECL - no objective evidence of impairment)	-3.3	3.7	-0.4	0.0
Transfer to stage 3 (lifetime ECL - objective evidence of impairment)		-0.3	0.3	0.0
Net remeasurement of loan losses	-0.3	7.2	4.1	11.0
New financial assets originated or purchased	3.0	2.8	1.4	7.3
Financial assets that have been derecognised	-0.9	-1.3	-2.0	-4.1
ECL changes of balances on financial assets without changes in stage in the period	2.8	3.9	2.5	9.1
ECL allowance on written-off (financial) assets		-0.2	-8.8	-9.0
Management overlay		7.0		7.0
Loan loss provisions 31.12.2020	8.1	34.0	29.7	71.9
Loan loss provisions on loans to customers valued at amortised cost	2.0	11.4	13.3	26.7
Loan loss provisions on loans to customers valued at fair value through other comprehensive income (OCI)	2.1	3.0	16.4	21.5
Loan loss provisions on guarantees and unused credit limits	4.0	19.6		23.6
Total loans loss provisions	8.1	34.0	29.7	71.9

Periodical changes in individual impairments and expected credit loss on loans, unused credits and guarantees are shown above. Storebrand Bank Group and Storebrand Bank ASA have not any expected loan loss provisions related to loans to the central bank, credit institutions and interest-bearing securities. Recognised losses on loans, unused credits and guarantees in the profit and loss account are shown in note 9.

Non-performing loans and loan losses

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2020	31.12.2021	NOK million	31.12.2021	31.12.2020
		Non-performing loans		
37.8	38.1	Non-performing loans without evidence of impairment	47.6	70.9
41.9	24.0	Loss-exposed loans with evidence of impairment	29.4	49.7
79.7	62.1	Gross non-performing and loss-exposed loans	77.0	120.5
-29.7	-30.6	Loan loss provisions in stage 3	-31.7	-31.1
50.0	31.6	Net non-performing and loss-exposed loans	45.4	89.5

The Storebrand Bank group has changed the definition of default in line with the recommendation given by European Banking Authority's (EBA's) guide to implementing the default definition in accordance with Article 178 (EU Regulation 575/2013). The definition of default is applied at debtor level with absolute and relative thresholds for arrears/overdrafts. Arrears/overdrafts for each individual commitment are measured in relation to the total debtor exposure. The absolute threshold is set at NOK 1,000 (per commitment), and the relative threshold is 1% of total debtor exposure. Joint commitments (commitments with several debtors) are defined as a separate risk point, and they are not included in the total exposure for the respective individual customers. Default occurs after 90 days with arrears/overdrafts above both absolute and relative thresholds. All debtor commitments are considered defaulted if default has occurred on at least one of them. In accordance with the guidelines, a probation period of 3 months is used. The probation period starts when default criteria are no longer in place. In order for the probation period to end, the arrears/overdrafts must be below the threshold values for the entire probation period.

Overview of loan loss provisions and securities on loans in stage 3

Storebrand Bank Group

(NOK million)	31.12.2021			Value of collateral	Type of collateral
	Gross amount	Loan loss provisions	Net value		
Non-performing loans without evidence of impairment					
- retail exposures secured by mortgages on immovable property	29.9	-1.1	28.8	78.4	residential property
- unsecured retail exposures including credit cards exposures	17.7	-12.5	5.2		
- other exposures including SME exposures					
Total non-performing loans without evidence of impairment	47.6	-13.6	34.0		
Loss-exposed loans with evidence of impairment					
- retail exposures secured by mortgages on immovable property	12.0	-4.2	7.8	29.3	residential property
- unsecured retail exposures including credit cards exposures	0.3	-0.1	0.2		
- other exposures including SME exposures	17.2	-14.0	3.2		
Total loss-exposed loans with evidence of impairment	29.4	-18.2	11.2		

The bank group has loans of NOK 11.9 million in stage 3 where no loan loss provisions have been made due to the value of collateral.

(NOK million)	31.12.2020			Value of collateral	Type of collateral
	Gross amount	Loan loss provisions	Net value		
Non-performing loans without evidence of impairment					
- retail exposures secured by mortgages on immovable property	54.6	-0.8	53.8	101.7	residential property
- unsecured retail exposures including credit cards exposures	16.3	-13.2	3.1		
- other exposures including SME exposures					
Total non-performing loans without evidence of impairment	70.9	-14.1	56.8		
Loss-exposed loans with evidence of impairment					
- retail exposures secured by mortgages on immovable property	27.5	-7.4	20.0	38.7	residential property
- unsecured retail exposures including credit cards exposures	0.4	-0.1	0.3		
- other exposures including SME exposures	21.8	-9.5	12.3	10.0	commercial real estate
Total loss-exposed loans with evidence of impairment	49.7	-17.0	32.7		

The bank group had loans of NOK 35.6 million in stage 3 where no loan loss provisions was made due to the value of collateral.

Storebrand Bank ASA

(NOK million)	31.12.2021			Value of collateral	Type of collateral
	Gross amount	Loan loss provisions	Net value		
Non-performing loans without evidence of impairment					
- retail exposures secured by mortgages on immovable property	20.4	-1.1	19.4	51.5	residential property
- unsecured retail exposures including credit cards exposures	17.7	-12.5	5.2		
- other exposures including SME exposures					
Total non-performing loans without evidence of impairment	38.1	-13.6	24.6		
Loss-exposed loans with evidence of impairment					
- retail exposures secured by mortgages on immovable property	7.2	-3.6	3.7	11.2	residential property
- unsecured retail exposures including credit cards exposures	0.3	-0.1	0.2		
- other exposures including SME exposures	16.5	-13.5	3.0		
Total loss-exposed loans with evidence of impairment	24.0	-17.2	6.8		

The bank has loans of NOK 6.9 million in stage 3 where no loan loss provisions have been made due to the value of collateral.

(NOK million)	31.12.2020			Value of collateral	Type of collateral
	Gross amount	Loan loss provisions	Net value		
Non-performing loans without evidence of impairment					
- retail exposures secured by mortgages on immovable property	21.5	-0.6	20.9	54.2	residential property
- unsecured retail exposures including credit cards exposures	16.3	-13.2	3.1		
- other exposures including SME exposures					
Total non-performing loans without evidence of impairment	37.8	-13.8	24.0		
Loss-exposed loans with evidence of impairment					
- retail exposures secured by mortgages on immovable property	20.0	-6.3	13.6	24.7	residential property
- unsecured retail exposures including credit cards exposures	0.4	-0.1	0.3		
- other exposures including SME exposures	21.5	-9.4	12.1	10.0	commercial real estate
Total loss-exposed loans with evidence of impairment	41.9	-15.8	26.0		

The bank had loans of NOK 12.5 million in stage 3 where no loan loss provisions was made due to the value of collateral.

Note 13

Distribution of loan loss provisions and exposure on secured and unsecured retail exposures

Storebrand Bank Group

Distribution of loan loss provisions

(NOK million)	31.12.2021			Total loan loss provisions
	Stage 1	Stage 2	Stage 3	
Retail exposures secured by mortgages on immovable property	3.0	4.7	5.2	13.0
Unsecured retail exposures including credit cards exposures	7.6	10.6	12.6	30.7
Other exposures including SME exposures			14.0	14.0
Total loan loss provisions	10.6	15.3	31.9	57.7

(NOK million)	31.12.2020			Total loan loss provisions
	Stage 1	Stage 2	Stage 3	
Retail exposures secured by mortgages on immovable property	2.9	5.0	8.3	16.2
Unsecured retail exposures including credit cards exposures	6.0	31.0	13.3	50.3
Other exposures including SME exposures			9.5	9.5
Total loan loss provisions	8.9	36.0	31.1	76.0

Distribution of exposure incl. unused credit facilities and guarantees

(NOK million)	31.12.2021			Total exposure
	Stage 1	Stage 2	Stage 3	
Retail exposures secured by mortgages on immovable property	39,047.9	1,774.7	41.9	40,864.5
Unsecured retail exposures including credit cards exposures	1,315.9	155.5	18.2	1,489.6
Other exposures including SME exposures	0.5		17.2	17.8
Total exposure	40,364.3	1,930.2	77.3	42,371.9

(NOK million)	31.12.2020			Total exposure
	Stage 1	Stage 2	Stage 3	
Retail exposures secured by mortgages on immovable property	30,626.1	2,718.7	82.1	33,426.9
Unsecured retail exposures including credit cards exposures	1,001.9	450.4	16.7	1,469.0
Other exposures including SME exposures	0.3	0.3	21.8	22.4
Total exposure	31,628.3	3,169.4	120.6	34,918.3

Storebrand Bank ASA

Distribution of loan loss provisions

(NOK million)	31.12.2021			Total gross loans
	Stage 1	Stage 2	Stage 3	
Retail exposures secured by mortgages on immovable property	1.9	2.2	4.6	8.8
Unsecured retail exposures including credit cards exposures	7.6	10.6	12.6	30.7
Other exposures including SME exposures			13.5	13.5
Total loan loss provisions	9.5	12.8	30.7	53.0

(NOK million)	31.12.2020			Total gross loans
	Stage 1	Stage 2	Stage 3	
Retail exposures secured by mortgages on immovable property	2.1	3.0	6.9	12.1
Unsecured retail exposures including credit cards exposures	6.0	31.0	13.3	50.3
Other exposures including SME exposures			9.4	9.5
Total loan loss provisions	8.1	34.0	29.7	71.9

Distribution of exposure incl. unused credit facilities and guarantees

(NOK million)	31.12.2021			Total exposure
	Stage 1	Stage 2	Stage 3	
Retail exposures secured by mortgages on immovable property	12,799.9	653.0	27.7	13,480.6
Unsecured retail exposures including credit cards exposures	1,315.9	155.5	18.2	1,489.6
Other exposures including SME exposures	0.5		16.5	17.0
Total exposure	14,116.4	808.5	62.4	14,987.3

(NOK million)	31.12.2020			Total exposure
	Stage 1	Stage 2	Stage 3	
Retail exposures secured by mortgages on immovable property	10,341.1	884.2	41.5	11,266.8
Unsecured retail exposures including credit cards exposures	1,001.9	450.4	16.7	1,469.0
Other exposures including SME exposures	0.3	0.3	21.5	22.1
Total exposure	11,343.3	1,334.9	79.7	12,757.9

Note 14 | Off balance sheet liabilities and contingent liabilities

Storebrand Bank ASA			Storebrand Bank Group	
31.12.2020	31.12.2021	NOK million	31.12.2021	31.12.2020
0.3	0.3	Guarantees	0.3	0.3
6,259.7	6,614.7	Unused credit limits	3,322.0	3,063.2
2,961.7	3,515.8	Loan commitments retail market	3,515.8	2,961.7
9,221.6	10,130.8	Total contingent liabilities	6,838.1	6,025.1
3,255.8	1,060.7	Booked value of bonds pledged as security for the bank's D-loan and F-loan facility with the Norwegian central bank	650.8	1,702.8
150.7	151.2	Booked value of bonds pledged as security with other credit institutions	151.2	150.7
3,406.5	1,211.9	Total book value of off balance sheet liabilities	802.0	1,853.5

Guarantees essentially encompass payment guarantees and contract guarantees. Unused credit facilities encompass granted and any unused credit accounts and credit cards, as well as, any unused flexible mortgage facilities. Unused credit facilities reported in Storebrand Bank ASA as of 31 December 2021 includes NOK 4.2 billion to the subsidiary Storebrand Boligkreditt AS (see note 4).

Note 15 | Net interest income

Storebrand Bank Group

(NOK million)	Q4		Full Year	
	2021	2020	2021	2020
Interest on loans to credit institutions	0.8	0.5	1.8	3.8
Interest on loans to customers valued at amortised cost	12.4	10.2	44.4	39.6
Interest on loans to customers valued at fair value through other comprehensive income (OCI)	185.2	146.9	662.3	680.5
Interest on interest-bearing securities valued at amortised cost	6.0	4.4	16.2	26.8
Total interest income calculated by using the effective interest method	204.4	161.9	724.8	750.7
Interest on loans to customers valued at fair value through profit and loss	3.2	3.4	12.5	15.9
Interest on interest-bearing securities valued at fair value with change in value through profit and loss	4.0	3.8	18.4	51.4
Interest on derivatives	6.5	1.4	10.9	5.2
Other interest income		0.1		0.1
Total other interest income	13.7	8.7	41.9	72.5
Total interest income	218.2	170.6	766.7	823.3
Interest on loans from credit institutions	-0.1	-0.7	-0.8	-4.0
Interest on deposits from customers	-11.8	-13.1	-41.0	-84.8
Interest on debt securities issued	-55.5	-35.4	-180.2	-266.1
Interest on subordinated loans	-2.8	-1.4	-7.3	-7.4
Total interest expenses calculated by using the effective interest method	-70.2	-50.7	-229.3	-362.3
Interest on derivatives	-6.5	-3.0	-11.4	-13.5
Other interest expenses	-4.3	-4.3	-17.2	-17.0
Total other interest expenses	-10.8	-7.2	-28.6	-30.6
Total interest expenses	-80.9	-57.9	-257.9	-392.8
Net interest income	137.3	112.7	508.8	430.4

Storebrand Bank ASA

(NOK million)	Q4		Full Year	
	2021	2020	2021	2020
Interest on loans to credit institutions	4.5	3.6	19.2	30.4
Interest on loans to customers valued at amortised cost	12.4	10.2	44.4	39.6
Interest on loans to customers valued at fair value through other comprehensive income (OCI)	60.4	47.6	223.9	218.7
Interest on interest-bearing securities valued at amortised cost	5.6	4.3	15.6	26.4
Total interest income calculated by using the effective interest method	82.9	65.7	303.1	315.2
Interest on loans to customers valued at fair value through profit and loss	3.2	3.4	12.5	15.9
Interest on interest-bearing securities valued at fair value with change in value through profit and loss	7.6	5.9	23.1	55.8
Interest on derivatives	1.3	1.4	5.8	5.2
Other interest income		0.1		0.1
Total other interest income	12.1	10.7	41.4	76.9
Total interest income	95.0	76.4	344.5	392.1
Interest on loans from credit institutions	-0.1	-0.7	-0.8	-4.0
Interest on deposits from customers	-11.8	-13.1	-41.0	-84.7
Interest on debt securities issued	-9.4	-7.7	-32.3	-40.2
Interest on subordinated loans	-2.8	-1.4	-7.3	-7.4
Total interest expenses calculated by using the effective interest method	-24.0	-23.0	-81.4	-136.4
Interest on derivatives	-2.7	-3.0	-11.4	-13.5
Other interest expenses	-3.5	-3.4	-13.8	-13.6
Total other interest expenses	-6.1	-6.4	-25.2	-27.2
Total interest expenses	-30.2	-29.4	-106.7	-163.6
Net interest income	64.9	47.0	237.8	228.5

Net change in fair value and gain/loss on foreign exchange and financial instruments

Storebrand Bank Group

(NOK million)	Q4		Full Year	
	2021	2020	2021	2020
Realised gain/loss on loans and receivable				
Unrealised gain/loss on loans and receivable	-5.2	4.3	-9.8	21.3
Net change in value and gain/loss on loans and receivables	-5.2	4.3	-9.8	21.3
Realised gain/loss on interest-bearing securities	0.3	0.3	15.8	5.2
Unrealised gain/loss on interest-bearing securities	-2.1	2.8	-4.9	0.1
Net change in value and gain/loss on interest-bearing securities	-1.8	3.1	11.0	5.3
Realised gain/loss on equity instruments			-0.1	
Unrealised gain/loss on equity instruments	-0.6	-12.7	-0.4	-6.9
Net change in value and gain/loss on equity instruments	-0.6	-12.7	-0.5	-6.9
Realised gain/loss on financial liabilities	-0.4	-1.2	-1.3	-19.0
Unrealised gain/loss on financial liabilities	1.7	1.2	5.5	-6.8
Net change in value and gain/loss on financial liabilities (except financial derivatives)	1.3	0.0	4.1	-25.8
Realised gain/loss on foreign exchange and financial derivatives	1.9	1.2	2.5	6.2
Unrealised gain/loss on foreign exchange and financial derivatives	0.3	5.0	8.4	-0.8
Net change in value and gain/loss on foreign exchange and financial derivatives	2.2	6.2	11.0	5.5
Total change in value and net gain/loss on financial assets and financial liabilities	-4.1	0.8	15.7	-0.7

Storebrand Bank ASA

(NOK million)	Q4		Full Year	
	2021	2020	2021	2020
Realised gain/loss on loans and receivable				
Unrealised gain/loss on loans and receivable	-5.2	4.3	-10.1	21.3
Net change in value and gain/loss on loans and receivables	-5.2	4.3	-10.1	21.3
Realised gain/loss on interest-bearing securities	0.3	1.5	24.1	6.3
Unrealised gain/loss on interest-bearing securities	-6.8	8.7	-11.9	4.1
Net change in value and gain/loss on interest-bearing securities	-6.5	10.2	12.2	10.4
Realised gain/loss on equity instruments			-0.1	
Unrealised gain/loss on equity instruments	-0.6	-12.7	-0.4	-6.9
Net change in value and gain/loss on equity instruments	-0.6	-12.7	-0.5	-6.9
Realised gain/loss on financial liabilities	-0.4	-1.2	-1.2	-2.0
Unrealised gain/loss on financial liabilities	0.0	1.2	0.3	-6.8
Net change in value and gain/loss on financial liabilities (except financial derivatives)	-0.4	0.0	-0.9	-8.8
Realised gain/loss on foreign exchange and financial derivatives	1.9	1.1	2.6	6.3
Unrealised gain/loss on foreign exchange and financial derivatives	2.1	5.0	11.9	-0.8
Net change in value and gain/loss on foreign exchange and financial derivatives	4.0	6.2	14.5	5.5
Total change in value and net gain/loss on financial assets and financial liabilities	-8.7	7.9	15.1	21.5

Note 17 | Quarterly income statement

Storebrand Bank Group

	Q4	Q3	Q2	Q1	Q4
NOK million	2021	2021	2021	2021	2020
Interest income	218.2	190.2	183.4	174.9	170.6
Interest expense	-80.9	-53.3	-61.0	-62.7	-57.9
Net interest income	137.3	136.9	122.4	112.2	112.7
Fee and commission income from banking services	28.2	31.8	26.4	26.7	32.4
Fee and commission expenses for banking services	-6.0	-6.3	-5.2	-5.7	-5.0
Net fee and commission income	22.2	25.5	21.2	21.0	27.4
Dividend and other income from equity instruments					10.2
Net gains/losses on financial instruments	-4.1	5.6	-4.3	18.6	0.8
Other income			1.0		13.3
Total other operating income	-4.1	5.6	-3.3	18.6	24.4
Staff expenses	-42.2	-40.2	-38.4	-44.8	-38.8
Other operating expenses	-38.5	-41.0	-38.6	-38.2	-46.4
Depreciation and impairment of non-financial assets	-11.5	-4.4	-9.6	-4.3	-8.9
Total operating expenses	-92.2	-85.6	-86.6	-87.3	-94.1
Operating profit before loan losses	63.1	82.4	53.7	64.4	70.4
Loan losses for the period	-3.1	6.9	-0.7	8.9	-1.3
Profit before tax	59.9	89.3	53.0	73.3	69.0
Tax	-11.6	-21.4	-13.1	-17.7	-12.3
Result after tax sold/discontinued operations					
Profit before other comprehensive income	48.3	68.0	39.9	55.7	56.7

Storebrand Bank ASA

	Q4	Q3	Q2	Q1	Q4
NOK million	2021	2021	2021	2021	2020
Interest income	95.0	84.1	85.5	79.9	76.4
Interest expense	-30.2	-24.6	-25.1	-26.8	-29.4
Net interest income	64.9	59.6	60.3	53.0	47.0
Fee and commission income from banking services	53.7	56.1	48.8	48.0	53.4
Fee and commission expenses for banking services	-5.9	-6.3	-5.1	-5.7	-5.0
Net fee and commission income	47.9	49.8	43.7	42.3	48.4
Dividend and other income from equity instruments	139.5				80.0
Net gains/losses on financial instruments	-8.7	8.9	-3.6	18.6	7.9
Other income			1.0		18.7
Total other operating income	130.8	8.9	-2.5	18.6	106.6
Staff expenses	-42.1	-40.2	-38.3	-44.8	-43.9
Other operating expenses	-38.1	-40.7	-38.1	-37.8	-47.7
Depreciation and impairment of non-financial assets	-11.5	-4.4	-9.6	-4.3	-8.9
Total operating expenses	-91.8	-85.2	-86.1	-86.9	-100.5
Operating profit before loan losses	151.7	33.0	15.4	27.0	101.5
Loan losses for the period	-2.3	6.7	-0.2	8.3	-2.8
Profit before tax	149.4	39.7	15.2	35.3	98.7
Tax	-31.1	-10.5	-4.8	-9.4	-19.0
Profit before other comprehensive income	118.3	29.2	10.4	25.9	79.7

Financial calendar 2022



4 May	Results Q1 2022
14 July	Results Q2 2022
26 October	Results Q3 2022
February 2023	Results Q4 2022

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