

## Note 37 - Other debt and liabilities

Parent Bank			Group	
31 Dec 2019	31 Dec 2020	Other debt and recognised liabilities (NOK million)	31 Dec 2020	31 Dec 2019
48	8	Deferred tax	81	115
475	322	Payable tax	408	546
10	11	Capital tax	11	10
76	101	Accruals	671	455
127	301	Provisions	301	127
100	81	Tapsavsetninger garantier	81	100
16	10	Pension liabilities	10	16
347	303	Lease liabilities	479	505
68	74	Drawing debt	74	68
6	3	Creditors	45	57
9	13	Debt from securities	568	197
-	-	Equity instruments	0	244
287	239	Other	355	401
<b>1,570</b>	<b>1,466</b>	<b>Total other debt and recognised liabilities</b>	<b>3,084</b>	<b>2,841</b>
<b>Other liabilities, not recognised</b>				
2,904	3,408	Credit limits, trading	3,585	3,059
-	-	Other commitments	113	38
<b>2,904</b>	<b>3,408</b>	<b>Total other commitments</b>	<b>3,698</b>	<b>3,097</b>
<b>4,474</b>	<b>4,874</b>	<b>Total commitments</b>	<b>6,783</b>	<b>5,937</b>

## Collateral

As from 1 March 2017 the bank is required under the European market infrastructure regulation (EMIR) to have in place a CSA with daily exchange of margin collateral etc. with all financial counterparties with which the bank deals domiciled (inter alia) in an EU member state. The Emir regulation regulates OTC derivatives and entails inter alia that SpareBank 1 SMN will be entitled to clear certain derivatives transactions through a central counterparty. This applies to interest rate derivatives in the major currencies euro, US dollar, British pound, Japanese yen, Norwegian kroner, Swedish kronor and Polish zloty. Derivatives are cleared through London Clearing House as central counterparty where cash is the only collateral at present. SpareBank 1 SMN is not a direct member of London Clearing House, but has entered an agreement with Commerzbank and SEB as clearing broker. The liabilities are presented gross in the table below.

SpareBank 1 SMN is registered as a GCM member of NASDAQ OMX Clearing AB. The bank offers customers clearing representation related to their trade in electricity and salmon derivatives on NASDAQ OMX Oslo ASA and Fish Pool ASA. Clearing representation entails that the bank substitutes itself in the place of the client as counterparty to NASDAQ OMX Clearing AB and takes on the obligation towards NASDAQ to furnish margin collateral and to execute settlement of contracts and pay charges. For the bank's exposure as a GCM, clients will furnish collateral in the form of a deposit of cash and/or encumbrance of other assets.

SpareBank 1 Markets clears ordinary share trades executed at Oslo Børs through CCP settlements. The company is a direct clearing member of SIX X-Clear. The company furnishes cash as collateral for the daily margin payments. Clearing of Norwegian listed derivatives takes place at LCH.

Parent Bank				Group		
Cash deposit	Securities	Total	Securities pledged	Total	Securities	Cash deposit
1,446	-	1,446	Securities pledged 31 December 2020	2,386	-	2,386
3,992	-	3,992	Relevant liabilities 31 December 2020	4,512	-	4,512
1,283	245	1,528	Securities pledged 31 December 2019	1,543	245	1,298
1,827	245	2,072	Relevant liabilities 31 December 2019	2,088	245	1,843

## Ongoing lawsuits

The Group is not involved in legal disputes considered to be of substantial significance for the Group's financial position. No provision for loss has been made as of 31 December 2020.

### Provisions

The group has made provisions for pension liabilities, see note 22, specified losses on guarantees, see note 10, restructuring and gifts. The provision for restructuring is made based on the downsizing plan. Provision on gifts is the part of previous year's profit to be allocated to non-profit causes. More on this topic in the section corporate social responsibility.

Parent Bank/Group (NOK million)	Pension liabilities	Restructuring provision	Gifts
Provisions at 1 January 2020	16	6	121
Additional provisions in the period	-	83	200
Amounts used in the period	-1	-6	-104
Amounts unused reversed in the period	-	-	-
The increase during the period in the discounted amount that occurs over time, and the effect of any changes in the discount rate	-6	-	-
<b>Provisions at 31 December 2020</b>	<b>10</b>	<b>83</b>	<b>217</b>

Parent Bank/Group (NOK million)	Pension liabilities	Restructuring provision	Gifts
Provisions at 1 January 2019	21	21	94
Additional provisions in the period	-	-	80
Amounts used in the period	-3	-15	-53
Amounts unused reversed in the period	-	-	-
The increase during the period in the discounted amount that occurs over time, and the effect of any changes in the discount rate	-3	-	-
<b>Provisions at 31 December 2019</b>	<b>16</b>	<b>6</b>	<b>121</b>