

Note 8 - Loans and advances to customers

Parent Bank			Group	
31 Dec 2020	31 Dec 2021	(NOK million)	31 Dec 2021	31 Dec 2020
125,660	137,113	Gross Loans	147,301	134,648
1,446	1,348	Write-downs for expected credit losses	1,410	1,516
124,214	135,766	Net loans to and advances to customers	145,890	133,131

		Additional information		
46,613	46,650	Loans sold to SpareBank 1 Boligkreditt	46,650	46,613
760	578	- Of which loans to employees	1,106	1,380
1,540	1,402	Loans sold to SpareBank 1 Næringskreditt	1,402	1,540
43	78	Subordinated loan capital other financial institutions	-	43
1,027	1,261	Loans to employees ¹⁾	2,173	1,907

¹⁾ Interest rate subsidies on loans to employees are included in net interest income. The lending rate for employees is 75 per cent of the best mortgage rate for other customers

Loans and commitments specified by type

Parent Bank			Group	
31 Dec 2020	31 Dec 2021	(NOK million)	31 Dec 2021	31 Dec 2020
Gross loans and advances				
-	-	Financial lease	3,392	3,365
10,592	11,460	Bank overdraft and operating credit	11,549	10,042
3,976	4,173	Construction loans	4,173	3,976
111,093	121,480	Amortizing loan	128,187	117,265
125,660	137,113	Total gross loans to and receivables from customers	147,301	134,648
Other commitments				
3,915	4,549	<i>Financial guarantees, of which:</i>	4,549	3,915
1,151	924	<i>Payment guarantees</i>	924	1,151
1,238	1,282	<i>Performance guarantees</i>	1,282	1,238
980	894	<i>Loan guarantees</i>	894	980
119	67	<i>Guarantees for taxes</i>	67	119
427	1,383	<i>Other guarantee commitments</i>	1,383	427
992	1,175	Unutilised guarantee commitments	1,175	992
13,173	13,570	Unutilised credits	13,788	13,189
1,019	6,435	Loans approvals (not discounted) ¹⁾	6,584	1,136
12	19	Documentary credits	19	12
19,110	25,747	Total other commitments	26,115	19,244
144,770	162,860	Total loans and commitments	173,415	153,892

¹⁾ Increase in loan approvals is due to letters of credit, which were not included previously. Comparables have not been restated.

Loans and other commitments specified by sector and industry

Parent Bank (NOK million)	31 Dec 2021			31 Dec 2020		
	Gross loans	Other commitments	Total loans and commitments	Gross loans	Other commitments	Total loans and commitments
Wage earners	80,178	8,153	88,331	72,101	5,476	77,577
Public administration	2	944	945	9	411	420
Agriculture and forestry	9,433	864	10,297	9,160	839	9,999
Fisheries and hunting	5,853	1,904	7,756	5,243	301	5,544
Sea farming industries	1,926	1,680	3,606	1,704	1,704	3,409
Manufacturing	2,151	1,958	4,109	2,234	2,076	4,309
Construction, power and water supply	3,169	2,132	5,301	3,195	2,184	5,379
Retail trade, hotels and restaurants	2,572	1,562	4,134	2,289	1,938	4,227
Maritime sector and offshore	4,715	1,121	5,836	4,537	839	5,376
Property management	15,522	2,119	17,641	13,887	819	14,706
Business services	4,497	952	5,449	3,644	761	4,405
Transport and other services provision	5,714	1,376	7,089	6,032	1,378	7,409
Other sectors	1,383	982	2,365	1,626	385	2,010
Total	137,113	25,747	162,860	125,660	19,110	144,770

Group (NOK million)	31 Dec 2021			31 Dec 2020		
	Gross loans	Other commitments	Total loans and commitments	Gross loans	Other commitments	Total loans and commitments
Wage earners	86,244	8,370	94,614	77,848	5,546	83,394
Public administration	34	945	979	33	411	445
Agriculture and forestry	9,783	877	10,659	9,591	844	10,435
Fisheries and hunting	5,870	1,904	7,774	5,259	301	5,560
Sea farming industries	2,176	1,689	3,865	2,100	1,709	3,809
Manufacturing	2,766	1,980	4,746	2,646	2,081	4,726
Construction, power and water supply	4,124	2,166	6,289	4,077	2,195	6,271
Retail trade, hotels and restaurants	2,966	1,576	4,541	2,586	1,958	4,543
Maritime sector and offshore	4,715	1,121	5,836	4,537	839	5,376
Property management	15,643	2,124	17,766	13,969	820	14,789
Business services	4,990	972	5,961	3,423	766	4,189
Transport and other services provision	6,667	1,409	8,076	6,942	1,389	8,331
Other sectors	1,325	983	2,308	1,638	385	2,022
Total	147,301	26,115	173,415	134,648	19,244	153,892

Loans and other commitments specified by geographic area

Parent Bank (NOK million)	31 Dec 2021			31 Dec 2020		
	Gross loans	Other commitments	Total loans and commitments	Gross loans	Other commitments	Total loans and commitments
Trøndelag	91,521	14,788	106,309	82,308	12,477	94,785
Møre og Romsdal	27,698	7,558	35,256	25,481	5,097	30,579
Nordland	1,051	62	1,113	1,024	41	1,065
Oslo	6,322	1,437	7,759	7,127	554	7,680
Rest of Norway	10,271	1,875	12,146	9,391	923	10,314
Abroad	250	27	277	329	18	347
Total	137,113	25,747	162,860	125,660	19,110	144,770

Group (NOK million)	31 Dec 2021			31 Dec 2020		
	Gross loans	Other commitments	Total loans and commitments	Gross loans	Other commitments	Total loans and commitments
Trøndelag	95,160	15,156	110,316	85,762	12,611	98,373
Møre og Romsdal	29,509	7,558	37,067	27,191	5,097	32,289
Nordland	1,263	62	1,325	1,183	41	1,224
Oslo	6,524	1,437	7,961	6,700	554	7,254
Rest of Norway	14,594	1,875	16,469	13,482	923	14,404
Abroad	250	27	277	329	18	347
Total	147,301	26,115	173,415	134,648	19,244	153,892

Gross loans sold to SpareBank 1 Boligkreditt

(NOK million)	31 Dec 2021			31 Dec 2020		
	Gross loans	Other commitments	Total loans and commitments	Gross loans	Other commitments	Total loans and commitments
Trøndelag	31,440	1,819	33,259	33,338	1,899	35,237
Møre og Romsdal	6,855	392	7,247	6,629	404	7,033
Nordland	244	5	249	186	6	192
Oslo	2,598	58	2,656	2,246	71	2,317
Rest of Norway	5,404	95	5,499	4,144	109	4,253
Abroad	110	2	112	70	2	72
Total	46,650	2,371	49,021	46,613	2,491	49,105

Gross loans sold to SpareBank 1 Næringskreditt

(NOK million)	31 Dec 2021			31 Dec 2020		
	Gross loans	Other commitments	Total loans and commitments	Gross loans	Other commitments	Total loans and commitments
Trøndelag	1,018	-	1,018	1,032	-	1,032
Møre og Romsdal	54	-	54	58	-	58
Nordland	-	-	-	-	-	-
Oslo	285	-	285	404	-	404
Rest of Norway	44	-	44	47	-	47
Abroad	-	-	-	-	-	-
Total	1,402	-	1,402	1,540	-	1,540

Loans to and claims on customers related to financial leases (NOK million)

Group (NOK million)	31 Dec 2021	31 Dec 2020
Gross advances related to financial leasing		
- Maturity less than 1 year	106	212
- Maturity more than 1 year and less than 5 years	2,176	2,705
- Maturity more than 5 years	1,014	543
Total gross claims	3,296	3,460
Received income related to financial leasing, not yet earned	95	95
Net investments related to financial leasing	3,392	3,365
Net investments in financial leasing can be broken down as follows:		
- Maturity less than 1 year	119	163
- Maturity more than 1 year and less than 5 years	2,244	2,662
- Maturity more than 5 years	1,028	540
Total net claims	3,392	3,365

Loans and other commitments to customers specified by risk group

The Bank calculates default probabilities for all customers in the loan portfolio at the loan approval date. This is done on the basis of key figures on earnings, financial strength and behaviour. Default probability is used as a basis for risk classification of the customer. Further, risk classification is used to assign each customer to a risk group. See note 11 on credit risk exposure for each internal risk rating.

Customers are rescored in the Bank's portfolio system on a monthly basis.

Other commitments include guarantees, unutilised credit lines and letters of credit.

Exposures are monitored with a basis in the exposure's size, risk and migration. Risk pricing of business exposures is done with a basis in expected loss and economic capital required for each exposure.

The Bank uses macro-based stress tests to estimate write-downs required as a result of objective events that were not reflected in portfolio quality at the time of measurement.

Risk group default and written down consist of customers default by over 90 days and or objective evidence of impairment leading to reduced cash flows from the customer. See note 2 Accounting principles for further description of such exposures.

Parent Bank 31 Dec 21 (NOK million)	Neither default or credit impaired					Default and credit impaired	Total
	Lowest risk	Low risk	Medium risk	High risk	Highest risk		
Gross Loans							
Fair value through OCI	71,241	7,516	2,455	785	851	304	83,152
Stage 1	71,130	6,739	996	211	203	-	79,280
Stage 2	111	777	1,458	574	648	-	3,568
Stage 3	-	-	-	-	-	304	304
Amortised cost	23,283	12,471	9,438	1,239	458	2,796	49,685
Stage 1	22,751	10,258	7,569	634	166	-	41,378
Stage 2	532	2,213	1,868	605	292	-	5,511
Stage 3	-	-	-	-	-	2,796	2,796
Fair value through Profit and Loss	3,686	426	117	25	15	6	4,276
Total Gross Loans	98,211	20,413	12,010	2,049	1,325	3,106	137,113
Other Commitments	15,588	6,063	3,007	805	178	106	25,747
Stage 1	15,399	5,726	2,467	355	38	-	23,985
Stage 2	189	336	541	450	140	-	1,655
Stage 3	-	-	-	-	-	106	106
Total loans and other commitments	113,799	26,476	15,017	2,854	1,503	3,212	162,860

Parent Bank 31 Dec 20 (NOK million)	Neither default or credit impaired					Default and credit impaired	Total
	Lowest risk	Low risk	Medium risk	High risk	Highest risk		
Gross Loans							
Fair value through OCI	61,617	8,152	2,957	864	1,001	284	74,876
Stage 1	61,542	7,241	1,218	263	232	-	70,496
Stage 2	75	911	1,739	601	769	-	4,096
Stage 3	-	-	-	-	-	284	284
Amortised cost	21,035	12,498	9,306	1,311	551	1,798	46,500
Stage 1	19,784	10,260	7,336	763	245	-	38,388
Stage 2	1,251	2,238	1,970	548	306	-	6,313
Stage 3	-	-	-	-	-	1,798	1,798
Fair value through Profit and Loss	3,597	465	135	48	39	2	4,285
Total Gross Loans	86,250	21,115	12,398	2,222	1,592	2,084	125,660
Other Commitments	10,560	4,144	3,572	539	185	111	19,110
Stage 1	10,306	3,941	2,649	401	46	-	17,343
Stage 2	253	203	923	138	139	-	1,656
Stage 3	-	-	-	-	-	111	111
Total loans and other commitments	96,809	25,258	15,970	2,761	1,777	2,195	144,770

Group 31 Dec 21 (NOK million)	Neither default or credit impaired					Default and credit impaired	Total
	Lowest risk	Low risk	Medium risk	High risk	Highest risk		
Gross Loans							
Fair value through OCI	71,241	7,516	2,455	785	851	304	83,152
Stage 1	71,130	6,739	996	211	203	-	79,280
Stage 2	111	777	1,458	574	648	-	3,568
Stage 3	-	-	-	-	-	304	304
Amortised cost	23,800	14,444	15,809	1,921	991	2,986	59,950
Stage 1	23,268	12,227	13,454	1,032	166	-	50,147
Stage 2	532	2,217	2,355	888	825	-	6,818
Stage 3	-	-	-	-	-	2,986	2,986
Fair value through Profit and Loss	3,608	426	117	25	15	6	4,198
Total Gross Loans	98,649	22,386	18,381	2,731	1,857	3,296	147,301
Other Commitments	15,588	6,063	3,375	805	178	106	26,115
Stage 1	15,399	5,726	2,680	355	38	-	24,199
Stage 2	189	336	695	450	140	-	1,809
Stage 3	-	-	-	-	-	106	106
Total loans and other commitments	114,237	28,449	21,756	3,536	2,035	3,402	173,415

Group 31 Dec 20 (NOK million)	Neither default or credit impaired					Default and credit impaired	Total
	Lowest risk	Low risk	Medium risk	High risk	Highest risk		
Gross Loans							
Fair value through OCI	61,617	8,152	2,957	864	1,001	284	74,876
Stage 1	61,542	7,241	1,218	263	232	-	70,496
Stage 2	75	911	1,739	601	769	-	4,096
Stage 3	-	-	-	-	-	284	284
Amortised cost	20,593	14,401	15,311	2,113	1,097	1,971	55,487
Stage 1	19,342	12,159	12,901	1,164	245	-	45,811
Stage 2	1,251	2,243	2,410	949	852	-	7,705
Stage 3	-	-	-	-	-	1,971	1,971
Fair value through Profit and Loss	3,597	465	135	48	39	2	4,285
Total Gross Loans	85,808	23,018	18,402	3,025	2,138	2,257	134,648
Other Commitments	10,562	4,171	3,657	550	193	111	19,244
Stage 1	10,309	3,967	2,728	401	46	-	17,452
Stage 2	253	203	929	149	147	-	1,681
Stage 3	-	-	-	-	-	111	111
Total loans and other commitments	96,370	27,189	22,059	3,575	2,331	2,368	153,892

Gross loans and commitments sold to SpareBank 1 Boligkreditt

(NOK million)	31 Dec 2021			31 Dec 2020		
	Gross loans	Other commitments	Total loans and commitments	Gross loans	Other commitments	Total loans and commitments
Lowest risk	39,955	2,363	42,318	40,790	2,481	43,271
Low risk	4,972	4	4,976	4,320	7	4,327
Medium risk	1,121	3	1,125	967	3	970
High risk	297	1	298	302	0	302
Highest risk	279	0	279	218	0	218
Default and written down	24	0	24	16	-	16
Total	46,650	2,491	49,021	46,613	2,491	49,105

Gross loans and commitments sold to SpareBank 1 Næringskreditt

(NOK million)	31 Dec 2021			31 Dec 2020		
	Gross loans	Other commitments	Total loans and commitments	Gross loans	Other commitments	Total loans and commitments
Lowest risk	1,402	-	1,402	1,455	-	1,455
Low risk	-	-	-	85	-	85
Medium risk	-	-	-	-	-	-
High risk	-	-	-	-	-	-
Highest risk	-	-	-	-	-	-
Default and written down	-	-	-	-	-	-
Total	1,402	-	1,402	1,540	-	1,540