

## Note 32 - Property, plant and equipment

### Accounting Policy

Property, plant and equipment along with property used by the owner are accounted for under IAS 16. The investment is initially recognised at its acquisition cost and is thereafter depreciated on a linear basis over its expected useful life. When establishing a depreciation plan, the individual assets are to the necessary extent split up into components with differing useful life, with account being taken of estimated residual value. Property, plant and equipment items which individually are of little significance, for example computers and other office equipment, are not individually assessed for residual value, useful lifetime or value loss, but are assessed on a group basis. Property used by the owner, according to the definition in IAS 40, is property that is mainly used by the Bank or its subsidiary for its own use.

Property, plant and equipment which are depreciated are subject to a depreciation test in accordance with IAS 36 when circumstances so indicate. Property held in order to earn rentals or for capital appreciation is classified as investment property and is measured at fair value in accordance with IAS 40. The group has no investment properties.

2023

Parent Bank		(NOK million)			Group		
Buildings and other real property	Machinery, inventory and vehicles	Total		Total	Machinery, inventory and vehicles	Buildings and other real property	
122	160	282	Cost of acquisition at 1 January	563	243	320	
23	23	46	Additions	50	25	25	
65	21	86	Additions as a result of business combinations*	87	21	65	
-10	-18	-28	Disposals	-28	-18	-10	
200	186	386	Cost of acquisition at 31 December	672	272	400	
73	92	165	Accumulated depreciation and write-downs as at 1 January	331	162	170	
31	19	50	Accumulated depreciations as a result of business combinations*	50	19	31	
12	19	31	Current period's depreciation	41	22	19	
-1	-	-1	Current period's write-down	-1	-	-1	
-9	-17	-26	Disposals	-26	-17	-9	
107	113	219	Accumulated depreciation and write-down as at 31 December	396	186	210	
<b>93</b>	<b>74</b>	<b>167</b>	<b>Book value as at 31 December</b>	<b>276</b>	<b>86</b>	<b>190</b>	

\* Additions as a result of business combinations shows the effect of the fusion with Sparebank1 Sør Sunnmøre

## 2022

Parent Bank			Total (NOK million)	Group		
Buildings and other real property	Machinery, inventory and vehicles	Total		Machinery, inventory and vehicles	Buildings and other real property	
104	133	237	Cost of acquisition at 1 January	546	236	310
26	30	56	Additions	60	34	26
-8	-3	-11	Disposals	-12	-3	-9
-	-	-	Disposals Subsidiaries*	-31	-24	-7
122	160	282	Cost of acquisition at 31 December	563	243	320
73	79	152	Accumulated depreciation and write-downs as at 1 January	334	163	170
8	15	23	Current period's depreciation	34	19	15
-8	-2	-10	Disposals	-10	-2	-9
-	-	-	Disposals Subsidiaries*	-26	-20	-7
73	92	165	Accumulated depreciation and write-down as at 31 December	332	162	170
<b>49</b>	<b>68</b>	<b>117</b>	<b>Book value as at 31 December</b>	<b>232</b>	<b>81</b>	<b>150</b>

\* As from fourth quarter 2002 the subsidiary SpareBank 1 Markets have been reclassified to investment held for sale. The effect has been presented as disposals.

**Depreciation**

With a basis in acquisition cost less any residual value, assets are depreciated on a straight-line basis over expected lifetime as follows:

- Machinery 3-5 years
- Fixtures 5-10 years
- Technical installations 5-10 years
- Means of transport 10 years
- Buildings and other real property 25 years

**Collateral**

The Group has not provided security or accepted any other infringements on its right of disposal of its fixed tangible assets.

**Acquisition cost of depreciated assets**

The acquisition cost of fully depreciated assets still in use in the Bank in 2023 is NOK 138 million (NOK 107 million). 29 million is due to the effect of the fusion with SpareBank 1 Søre Sunnmøre.

**Gross value of non-current assets temporarily out of operation**

The Group has no significant non-current assets out of operation as at 31 December 2023.