

PROSPECTUS



Listing of 26 039 113 new equity capital certificates on Oslo Børs

This Prospectus (the "**Prospectus**") has been prepared by Sparebanken Sør (the "**Bank**", and together with its consolidated subsidiaries, the "**Group**") solely for use in connection with the listing (the "**Listing**") of 26,039,113 new equity capital certificates in the Bank (the "**New ECCs**") on Oslo Børs, each with a par value of NOK 50, following the conversion of the Bank's primary capital to equity certificate capital (the "**Conversion**").

The Bank has engaged Pareto Securities AS Swedbank AB (publ.) and Norne Securities AS (together the "**Managers**") as managers in connection with the Conversion and Listing.

The Bank's existing equity capital certificates are, and the New ECCs will be, listed on Oslo Børs under the ticker code "SOR". Except where the context requires otherwise, references in the Prospectus to "**ECCs**" will be deemed to include the existing equity capital certificates and the New ECCs. All of the existing ECCs in the Bank are, and the New ECCs will be, registered in Euronext Securities Oslo ("**ESO**" formerly called "VPS") in book-entry form.

The 26,039,113 New ECCs will be tradable after the publishing of this Prospectus on or about 29 June 2022.

THIS PROSPECTUS SERVES AS A LISTING PROSPECTUS ONLY. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OR AN INVITATION TO BUY, SUBSCRIBE OR SELL THE SECURITIES BEING ADMITTED TO TRADING DESCRIBED HEREIN AND THE PROSPECTUS RELATED SOLELY TO THE LISTING OF THE NEW ECCS.

Investing in the Bank's ECCs involves a high degree of risk. See Section 2 "Risk factors" beginning on page 8 and Section 4 "General information" for further details.

Managers

Pareto Securities AS

Swedbank AB (publ.)

Norne Securities AS

The date of this Prospectus is 29 June 2022

IMPORTANT INFORMATION

This Prospectus has been prepared solely for use in connection with the Listing of the New ECCs on Oslo Børs.

Please see Section 17 "Definitions and glossary" for definitions of terms used throughout this Prospectus.

This Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). This Prospectus has been approved by the Norwegian FSA as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval shall not be considered as an endorsement of the issuer that is the subject of this Prospectus. The Norwegian FSA has not controlled or approved the accuracy or completeness of the information given in this Prospectus. The Norwegian FSA has not made any form of control or approval relating to corporate matters described or referred to in this Prospectus. The Prospectus was approved 29 June 2022 and is valid for a period of twelve months from the date of approval by the Norwegian FSA.

No person is authorised to give information or to make any representation concerning the Group or in connection with the Listing of the New ECCs other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Bank or the Managers or by any of the affiliates, advisors or selling agents of any of the foregoing.

No action to approve, register or file the Prospectus has been made outside Norway. The distribution of this Prospectus in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the New ECCs in any jurisdiction. This Prospectus may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. In addition, the ECCs are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. In accordance with section 7-1 in the Norwegian Securities Trading Act, cf. article 23 of Regulation (EU) 2017/1129, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the ECCs between the time of approval of this Prospectus by the Norwegian FSA and the Listing of the New ECCs on Oslo Børs, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus, shall under any circumstances create any implication that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

Investors should make their own assessment as to the suitability of investing in the securities. In making an investment decision, each investor must rely on their own examination, and analysis of, and enquiry into the Group, including the merits and risks involved. None of the Bank or the Managers, or any of their respective representatives or advisers, is making any representation to any purchaser of the ECCs regarding the legality or suitability of an investment in the ECCs under the laws applicable to purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the ECCs.

This Prospectus serves as a listing prospectus as required by applicable laws and regulations only. This Prospectus does not constitute an offer to buy, subscribe or sell any of the securities described herein, and no securities are being offered or sold pursuant to it.

THE ECCS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**US SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES. THIS PROSPECTUS HAS NOT BEEN APPROVED NOR REVIEWED BY THE US SECURITIES AND EXCHANGE COMMISSION AND IS NOT FOR DISTRIBUTION IN THE UNITED STATES.

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Kristiansand district court as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

All Sections of the Prospectus should be read in context with the information included in Section 4 "General information".

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Appendix A: Articles of Association

1 SUMMARY

SECTION A – INTRODUCTION	
Introduction and warnings	
Warnings	<p>This summary should be read as an introduction to the Prospectus.</p> <p>Any decision to invest in the ECCs should be based on consideration of the Prospectus as a whole by the investor. By investing in the ECC, the investor could lose all or part of the invested capital.</p> <p>Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation in its Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>
Name and international securities identification number (ISIN) of the securities	The Bank has one class of equity capital certificates in issue. The Bank's ECCs are registered in Euronext Securities Oslo (" ESO " formerly called VPS) with ISIN NO 0006001502.
Identity and contact details of the issuer, including its legal entity identifier (LEI)	<p>The Bank's registered name is Sparebanken Sør. The address of its registered office is Rådhusgata 7/9, PO Box 2000, N-4662 Kristiansand S and the telephone number of its registered office is +47 38 10 92 00.</p> <p>The legal entity identifier ("LEI") of the Bank is 549300U497VKMF6R3Q14.</p>
Identity and contact details of the competent authority approving the prospectus	The Financial Supervisory Authority of Norway (Nw.: Finanstilsynet), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and with telephone number +47 22 93 98 00 has reviewed and approved this Prospectus.
The date of approval of the prospectus	29 June 2022

SECTION B – KEY INFORMATION ON THE ISSUER							
Who is the issuer of the securities?							
Legal and commercial name	Sparebanken Sør						
Domicile and legal form, LEI, legislation and country of incorporation	The Bank was incorporated in Norway and is organised as a savings bank under Norwegian law, in accordance with the Norwegian Financial Institutions Act. The LEI of the Bank is 549300U497VKMF6R3Q14.						
Principal activities	<p>Sparebanken Sør is an independent, Oslo Børs listed financial services group engaged in banking and financing activities in the Norwegian counties of Agder, Vestfold og Telemark and Rogaland, to both private and corporate customers. Sparebanken Sør offers products such as savings products, securities trading, insurance, leasing, real estate broking etc. through various subsidiaries and associated companies.</p> <p>Sparebanken Sør also controls the following wholly owned subsidiaries AS Eiendomsvekst, Transitt Eiendom AS, Prosjektutvikling AS, Sparebanken Sør Boligkreditt AS. In addition, Sparebanken Sør controls Sørmeqleren Holding AS, with an ownership percentage of 90%.</p>						
Major Shareholders	<p>Holders of ECCs owning 5% or more of the ECCs have an interest in the Bank's ECC capital which is notifiable pursuant to the Norwegian Securities Trading Act. The following ECC holders owned more than 5% of the ECC on the date of this Prospectus:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Number of ECCs</th> <th style="text-align: left;">Percentage (%)</th> </tr> </thead> <tbody> <tr> <td>Sparebankstiftelsen Sparebanken Sør</td> <td>34,027,792</td> <td>81.59</td> </tr> </tbody> </table>	Name	Number of ECCs	Percentage (%)	Sparebankstiftelsen Sparebanken Sør	34,027,792	81.59
Name	Number of ECCs	Percentage (%)					
Sparebankstiftelsen Sparebanken Sør	34,027,792	81.59					
Key managing directors	The Bank's key executives comprise of the following members:						

	<p>Name</p> <p>Geir Bergskaug</p> <p>Lasse Kvinlaug</p> <p>Gunnar P. Thomassen</p> <p>Gry Moen</p> <p>Marianne Lofthus</p> <p>Bjørn A. Friestad</p> <p>Rolf H. Søraker</p> <p>Steinar Breen</p> <p>Eva Kvelland</p> <p>Steinar Vigsnes</p>	<p>Position</p> <p>Chief Executive Officer</p> <p>Deputy CEO / Corporate Market</p> <p>Executive Vice President / Retail Market</p> <p>Executive Vice President / Business Development</p> <p>Executive Vice President / Capital Market</p> <p>Executive Vice President / Risk Management</p> <p>Executive Vice President / Group Support</p> <p>Executive Vice President/ Strategy and Compliance</p> <p>Executive Vice President/ Market and Communication</p> <p>Executive Vice President/ CFO</p>
Statutory auditor	The Bank's auditor is PricewaterhouseCoopers AS with registration number 987 009 713, and business address at Dronning Eufemias gate 71, 0194 Oslo, Norway.	

What is the key financial information regarding the issuer?

Selected historical key financial information	The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and published by the International Accounting Standards Board (IASB), and which are mandatory from 31 December 2018.
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The table below sets out selected data from the Group's consolidated income statement and other comprehensive income for the year ended 31 December 2021 and 2020, and its interim income statement and other comprehensive income for the three months ended on 31 March 2022 and 2021.

Consolidated comprehensive income statement	Unaudited		Audited	
	Q1 2022	Q1 2021	2021	2020
<i>Figures in mNOK</i>				
Net interest and credit commission income	521	451	1 939	1 914
Net operating income	612	575	2 549	2 444
Profit before write-downs and tax	352	334	1 531	1 486
Pre-tax profit	355	345	1 549	1 403
Profit for the period	276	274	1 226	1 096
Other profit/loss elements that will not be reclassified to profit or loss after tax	-	-	-	-
Total other profit/loss elements in the period	86	-25	10	-5
Total other profit/loss elements in the period after tax	86	-25	10	-5
Total profit for the period	362	249	1 234	1 090

The table below sets out selected data from the Group's balance sheet as at 31 December 2021 and 31 December 2020 and its interim balance sheet as at 31 March 2022 and 2021.

Consolidated statement of financial position	Unaudited			Audited
	As of 31 March 2022	As of 31 March 2021	As of 31 December 2021	As of 31 December 2020
<i>Figures in mNOK</i>				
Total assets	148 072	139 047	144 182	142 12
Total liabilities and equity	148 072	139 047	144 182	142 12

Total liabilities	132 909	125 025	129 242	128 374
Total equity	15 163	14 022	14 941	13 752
<i>Total equity certificate capital</i>	<i>1 752</i>	<i>1 694</i>	<i>1 692</i>	<i>1 694</i>
<i>Total primary capital</i>	<i>10 064</i>	<i>9 142</i>	<i>10 066</i>	<i>9 148</i>
<i>Other equity</i>	<i>2 012</i>	<i>1 911</i>	<i>1 787</i>	<i>1 835</i>
<i>Hybrid capital</i>	<i>1 335</i>	<i>1 275</i>	<i>1 335</i>	<i>1 075</i>

The table below sets out selected data from the Group's statement of cash flows for the year ended 31 December 2021 and 2020, and its interim statement of cash flows for the three months ended on 31 March 2022 and 2021.

Consolidated cash flow statement		Unaudited		Audited	
Figures in mNOK		1.1-31.3 2022	1.1-31.3 2021	2021	2020
Net cash flow from operating activities		695	-1 513	-2 586	-505
Net cash flows from investing activities		-1 046	797	-805	-3 978
Net cash flow from financing activities		-512	370	2 680	5 177
Net cash flow for the period		-1 949	-346	-711	686
Net change in cash and cash equivalents		-1 949	-346	-711	686
Selected key pro forma financial information	Not applicable. There is no pro forma financial information.				
Audit report qualifications	Not applicable. There are no qualifications in the audit reports.				
What is the key risks that are specific to the issuer?					
Key risks specific to the Bank or its industry	<ul style="list-style-type: none"> • The Bank is exposed to risk related to deteriorating economic conditions • The Bank is exposed to credit risk • The Bank may make acquisitions that prove unsuccessful or strain or divert the Bank's resources • The Bank is exposed to changes in banking and financial services regulations and changes in the interpretation and operation of such regulations • The Bank is exposed to risks related to interest rate changes • The Bank is exposed to foreign currency risk • The Bank is exposed to systemic risk. Given the high level of interdependence between financial enterprises, the Bank is and will continue to be subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of other financial enterprises • The Bank is exposed to operational risks related to systems and processes and inadequacy in internal control procedures • The Bank relies heavily on IT systems and is exposed to the risk of failure or inadequacy in these systems • The Bank is exposed to risk related to money laundering activities • The Bank is exposed to material risks as a result of its operation in competitive markets 				

SECTION C – KEY INFORMATION ON THE SECURITIES	
What are the main features of the securities	
Type and class of securities admitted to trading and identification and ISIN numbers	The Bank has one class of equity capital certificates in issue. The Bank's ECCs are registered in ESO with ISIN NO 0006001502.
Currency	NOK
Number of equity capital certificates and par value	This Prospectus is prepared in connection with the Listing of 26,039,113 New ECCs, each with a par value of NOK 50.
Right attached to the securities	All ECCs provide equal rights in the Bank. The New ECCs have the same rights as the other ECCs issued by the Bank.
Restrictions on transferability	Except for the owner limitations and approval requirements in connection with acquisitions implying a holding exceeding certain thresholds, which applies to all Norwegian savings banks, the ECCs are freely transferable. For investors resident in, or

	who are citizens of countries other than Norway, the ECCs may be subject to local sale and transfer restrictions.
Seniority and Security	<p>Debt negotiation or bankruptcy cannot be opened in savings banks, however savings banks that do not fulfil their obligations are treated or liquidated through public administration in accordance with the rules in Chapter 20 of the Financial Institutions Act.</p> <p>The priority in connection with write-downs in a savings bank is that the primary capital, the donations fund and the equalization fund will proportionately be written down first in the event of the liquidation of a savings bank or if the savings bank experience deficit. Thereafter, the premium reserve and the compensation fund are written down. All primary capital in a savings bank must be written down before the statutory equity certificate capital is at risk. Equity is written down before subordinated loans and other debt.</p> <p>Implementation of the EU Banking Recovery and Resolutions Directive 2014/59 / EU (BRRD), included in Chapter 20 of the Financial Institutions Act, may result in investors losing their investments if the Bank is under crisis-management or wound up. A key consideration according to the BRRD is that it is not taxpayers, but banks' investors who will bear any losses in crisis management/liquidation. BRRD allows for the so-called "bail-in" of banks' debt, which means that unsecured creditors may be exposed to write-down of debt and conversion of debt to equity.</p>
Dividend policy	<p>Sparebanken Sør's objective is to achieve results that provide a competitive return on the Bank's equity. The profit for the year after tax shall be divided between the equity certificate capital and primary capital in proportion to their relative share of the Bank's equity (the owner fraction). The equity capital certificate holders' share of the profit will be divided between dividend and the equalisation reserve. The dividend funds will consist of a cash dividend for the equity capital certificate holders and funds for the public benefit. Taking into account the Bank's capital adequacy, strategy and development, the goal is for 40-50% of the year's profit to be distributed to dividend funds. Furthermore, the Bank aims to have an equal pay-out ratio so that the pay-out ratio will be applicable to both equity classes.</p> <p>The potential for development and growth that creates value for the Bank's owners, the expected profit development in a normalised market situation, external framework conditions and the need for core capital will be taken into account when determining dividend. The Bank's dividend policy will form the basis for the resolutions proposed by the Board to the Bank's board of trustees.</p>
Where will the Securities be traded?	
Admission to trading	The Bank's existing equity capital certificates are, and the New ECCs will be, listed on Oslo Børs under the ticker code "SOR".
Is there a guarantee attached to the securities	
Guarantee	Not applicable. There is no guarantee attached to the securities.
What are the key risks that are specific to the securities?	
Key risks specific to the securities	<ul style="list-style-type: none"> • The price of the ECCs will be affected by the general development in the securities markets. This means that the price of the equity capital certificates issued by the Bank may go up or down regardless of the underlying development of the Bank • There may not be an active and liquid market for the ECCs and the price of the ECCs could fluctuate significantly • Future sales, or the possibility for future sales, of ECCs may affect the market price of the ECCs

SECTION D	
— KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET	
Under which conditions can I invest in this security?	
Terms and condition of the offering	N/A.
Timetable in the offering	The conversion of the Bank's primary capital to equity share capital is completed and the New ECCs will be admitted to trading on Oslo Børs on the date of this Prospectus.

Admission to trading	Listing of the New ECCs on Oslo Børs is expected to be on or about 29 June 2022.
Dilution	The issue of New ECC in relation to the onversion of primary capital will imply a dilution of approx. 62,4% for existing ECC Holders.
Total expenses of the issue/offer	The Bank estimates that expenses in connection with the conversion of the Bank's primary capital to equity share capital and the Listing, which will be paid by the Bank, will amount to approximately NOK 1 million.
Why is this prospectus being produced?	
Reasons for the offer or admission to trading	The New ECCs will be listed on Oslo Børs as the Bank's other ECCs are listed on Oslo Børs.
Material conflicts of interest pertaining to the offer or admission to trading	N/A.

2 RISK FACTORS

Investing in ECCs involves inherent risks. Prior to making any investment decision with respect to the ECCs, an investor should carefully consider all of the information contained in this Prospectus, and in particular the risks and uncertainties described in this section 2, which the Bank believes are the most material known risks and uncertainties faced by the Bank (including its subsidiaries) as of the date hereof. The risk factors presented in this section are limited to the risks that the Bank believes to be specific to the issuer and the saving banks industry and material for investors when making their investment decision. An investment in the ECCs is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.

The risk factors presented in this section are divided into a limited number of categories based on their nature. Within each category, the risk factors which are deemed by the Bank to be the most material based on an overall assessment of the probability of their occurrence and the expected magnitude of their negative impact on the Bank, are presented first. However, this does not imply that the remaining risk factors presented are ranked in order of their likelihood of occurrence or the severity or significant of each risk. The order of the categories does not intend to represent any assessment of the materiality or the probability of occurrence of the risk factors within that category, when compared to risk factors in another category. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties described are not a genuine potential threat to an investment in the Bank's ECCs.

Should any of the following risks occur, it could have a material adverse effect on the Bank's business, prospects, results of operations, cash flows and financial position, and the trading price of the ECCs may decline, causing investors to lose all or part of their invested capital. Additional risks not presently known to the Bank or which the Bank currently deems not to be material may also have a material adverse effect on the Bank. A prospective investor should consult his or her own expert advisors as to the suitability of an investment in the Bank's ECCs. It is not possible to quantify the significance to the Bank of each individual risk factor as each of the risk factors mentioned below may materialise to a greater or lesser degree.

2.1 RISK RELATING TO THE DEVELOPMENT IN THE SECURITIES MARKET AND ECONOMICS

2.1.1 *The Bank is exposed to economic conditions*

The global capital and credit market may be volatile. This volatility may cause a material adverse effect on the international banking sector's performance and lead to reduced liquidity and increased credit risk premiums for many market participants. The Bank has had good access to domestic capital markets funding, but any significant volatility, disruption or deterioration in the local/global macroeconomic environment may have a material adverse effect on the Bank's ability to access capital and/or its business, results of operations and/or financial condition.

As the Bank's revenue is derived almost entirely from customers based in Norway, primarily in the Norwegian counties Agder, Vestfold og Telemark and Rogaland, deterioration of macroeconomic conditions in Norway or these counties may have a material adverse effect on the Bank's business, results of operations and financial condition. If gross domestic product does not grow over time, oil prices fall, or if unemployment or inflation increases or asset values decrease, businesses and consumers could be adversely affected. In addition to reducing demand for the Bank's products and services, the quality of the Bank's credit portfolio could be adversely affected and the Bank could experience credit losses.

The majority of the Bank's business is banking services and real estate services directed towards retail customers and small and medium sized businesses, including businesses within commercial real-estate, real estate development, property management, building and construction industry, financial services, retail trade, social services, manufacture industry and hotels and restaurant sector. A negative macroeconomic development affecting these business areas will therefore have a material adverse effect on the Bank's business, results of operations and/or financial condition.

The Bank considers deteriorating economic conditions to be the greatest risk relating to the securities markets and economics. Most sectors in Southern Norway will respond adversely to negative economic shocks, which may affect the Bank's credit exposure negatively.

2.2 RISK RELATING TO SPAREBANKEN SØR AND THE INDUSTRY IN WHICH IT OPERATES

2.2.1 The Bank is exposed to credit risk

The Bank is exposed to credit risk, which is the risk of losses due to the failure of a customer to meet his or hers obligations and the collateral not covering the obligations. In addition, concentration risk is the risk of negative development of an entire sector or correlated loans. Adverse changes in the credit quality or behaviour of the Bank's borrowers or other counterparties could reduce the value of the Bank's assets and increase the Bank's write-downs and allowances for impairment losses. The overall credit quality profile of the Bank's borrowers and other counterparties may be affected by a range of macroeconomic events and other factors, including increased unemployment, reduced asset values, lower consumer spending, increased customer indebtedness, increased interest rates and/or higher default rates.

Credit risk is considered the most significant risk related the Bank. This includes the Bank's main business and by far the largest share of assets, which has the greatest financial loss risk.

2.2.2 The Bank is exposed to risk related to variations in funding costs and availability of funding (liquidity risk)

The Bank is dependent on access to sufficient liquidity on acceptable terms in order to be able to meet its obligations as they fall due. This liquidity risk is inherent in banking operations and can be heightened by a number of enterprise-specific factors, including over-reliance on a particular source of funding (including, for example, short-term and overnight funding), changes in credit ratings or market-wide phenomena such as market dislocation and major disasters. A market dislocation is a circumstance where financial markets, operating under stressful conditions, cease to price assets correctly either on an absolute, relative or intrinsic basis. Furthermore, the Bank is dependent on sufficient funding in order to carry out its lending business.

The Bank's funding requirements are primarily covered through customer deposits (approx. 54% as at year end 2021). Deposits are subject to fluctuations due to certain factors beyond the control of the Bank, such as loss of customer confidence and competitive pressures, and as a result, the Bank could experience a significant outflow of deposits within a short period of time. In addition, any uncertainty regarding the Bank's financial position may lead to withdrawal of deposits, resulting in a funding deficit for the Bank.

There is a further risk that corporate and institutional counterparties may take measures to reduce their credit exposures to banks. The Bank's second market funding source is senior unsecured debt, mainly from domestic lenders. The market for unsecured senior loans to banks is subject to fluctuations due to certain factors beyond the control of the Bank, such as loss of investor confidence in the banking sector, competitive pressures, regulatory matters and other macro factors, and as a result, the Bank could experience increased costs and/or limited availability in financing and refinancing opportunities for its senior debt.

In addition, Sparebanken Sør Boligkreditt AS is an important funding instrument, ensuring access to long-term funding through the issuance of covered bonds. To be able to issue covered bonds, mortgage loans equivalent to 64 per cent of all loans to the retail market were transferred from the parent bank to the mortgage company. In case of a possible fall in real estate prices, it may be necessary for the Bank, due to the regulatory over-collateralisation requirement, to replace loans that have been transferred with other loans with lower loan-to-value ratios, or transfer other values. Such occurrence will weaken the Bank's capital adequacy and can reduce the Bank's liquidity. Increased transfers of loans and a high proportion of pledged assets in the group may weaken the quality of the Bank's balance and reduce the Bank's flexibility in case of a crisis.

If the Bank has difficulty in securing adequate sources of short- and long-term funding, this could have a material adverse effect on its business, financial condition and/or results of operations.

2.2.3 *The Bank is exposed to risks related to interest rate changes*

Interest rates, which are impacted by factors outside of the Bank's control, including the fiscal and monetary policies of governments and central banks, as well as Norwegian and international political and economic conditions, affect the Bank's results of operations, profitability and return on capital in different areas.

First, interest rates affect the cost and availability of the principal sources of the Bank's funding, including customer deposits, covered bonds and senior unsecured bonds. A sustained low interest rate environment keeps the Bank's costs of funding low by reducing interest expense. Lower interest rates also reduce incentives for consumers to save and, therefore, constrain supply of deposits and consequently the Bank's ability to fund its lending operations.

Second, interest rates, such as the Norwegian Interbank Offer Rate (NIBOR), affect the Bank's net interest margin and income. The interest rate level is directly related to the Bank's external funding and interest bearing securities. Furthermore, while the Bank determines its lending and deposit rates at its own discretion, the interest rates are inherently and indirectly linked to market rates. Sudden large or frequent increases in interest rates may have an adverse effect on the Bank's profit due to the value of the Bank's assets and liabilities having different interest rate sensitivity. If the Bank is unable to manage its exposure to interest rate volatility, whether through product pricing and maintenance of borrower credit or other means, its business, financial condition, results of operations and/or prospects may be adversely affected.

Third, interest rates impact the Bank's loan impairment levels and customers' affordability position. For example, an increase in interest rates may lead to an increase in default rates, in turn leading to increased impairment charges, loan losses and lower profitability for the Bank.

Fourth, a high interest rate environment may reduce demand for lending products, as individuals are less likely or less able to borrow when interest rates are high, thereby reducing the Bank's results of operations.

2.2.4 *The Bank is exposed to credit- and interest spread risk*

The Bank invests in fixed income securities. This exposes the Bank to changes in credit- and interest spread. The prices of fixed income securities is often related directly and inversely to its credit- and interest spread, and these credit- and interest spread may fluctuate in the market due to changes in general macroeconomic conditions, issuer-specific conditions, liquidity or market sentiment. The Bank measures and limits its credit- and interest spread risk exposure. However, larger changes to credit- and interest spreads than anticipated may cause larger than expected losses on these investments.

2.2.5 *The Bank is exposed to systemic risk*

Given the high level of interdependence between financial enterprises, the Bank is and will continue to be subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of other financial enterprises. Within the financial services industry, the default of any one enterprise could lead to defaults by other enterprises. For example, the links between Norwegian banks and financial enterprises has increased in recent years through covered bonds (OMF). OMFs are an important source of long-term financing for the Group. Despite the stable overall level of interconnections between banks and the increase in use of OMFs represents an increased systemic risk.

Concerns about, or a default by, one enterprise could lead to significant liquidity problems, losses or defaults by other enterprises, because the commercial and financial soundness of many financial enterprises may be closely related as a result of their credit, trading, clearing or other relationships. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom certain of the Bank's subsidiaries interact on a daily basis.

Systemic risk could have a material adverse effect on the Bank's ability to raise new funding and on its business, financial condition, results of operations, liquidity and/or prospects.

2.2.6 The Bank is exposed to operational risks related to systems and processes and inadequacy in internal control procedures

The Bank depends on a number of operations every day. The success of the Bank depends on its ability to handle and report these operations efficiently and accurately. The Bank is exposed to operational risks such as failure or inadequacies in internal processes and systems (including, but not limited to, financial reporting and risk monitoring processes), equipment, IT infrastructure, documentation of transactions or agreements with third parties, failure to protect material and immaterial assets and employee errors. Further, the Bank may fail to obtain or maintain proper authorisations, or comply with regulatory requirements (including, but not limited to, data protection, anti-money laundering regulations and capital requirements).

The Bank is also exposed to failure in external systems. In addition, the Bank may be negatively impacted by fraudulent acts or violations of internal instructions committed by their own employees. The Bank cannot predict whether such instances of internal fraud will occur or, if they were to occur, the extent to which these acts would negatively impact it. There can be no assurance that the risk controls, loss mitigation and other internal controls or actions in place across the Bank will be effective in managing each of the operational risks faced by it.

Some of the risk mitigating measures used by the Bank is based on historical information. Future developments may significantly differ from observed historical development; there is a risk that such measures are inadequate in predicting future risk exposure. Furthermore, risk management methods may rely on estimates, assumptions and available information that may be incorrect or outdated. If the risk management is insufficient or inadequate, this could have a material adverse effect on the Bank. Should any of the operational risks mentioned above materialise, this could lead to both reputational and financial damage, and could have a material adverse effect on the Bank's business, financial situation, liquidity and/or results of operations.

2.2.7 The Bank relies heavily on IT systems and is exposed to the risk of failure or inadequacy in these systems

The Bank relies heavily on the uninterrupted operation of its IT systems for the efficient running of its business and operations, and, in particular in order to offer customers an online bank with 24 hours availability. Further, the Bank relies on certain financial infrastructure services that are widely used in the banking sector to process payments and transactions. To ensure reliable infrastructure and stable operation, the Bank cooperates with third party providers like TietoEvry, Nets and Microsoft. Changes in regulatory or operational requirements may imply material changes to the Bank's current IT systems and could further lead to a change in the systems and solutions provided to the Bank by its third party providers.

Despite the contingency plans and facilities that the Bank has in place, its ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports the business of the Bank, some of which are beyond the Bank's control. Any failure, inadequacy or interruption of those systems, or the failure to seamlessly maintain, upgrade or introduce new systems, could harm the Bank's ability to effectively operate its business and increase its expenses and harm its reputation. There is a risk that customers, as a result of interruptions in digital banking, terminate their relationship with the Bank. These risks may in turn have a material adverse effect on the Bank's financial condition, results of operations and/or prospects.

2.2.8 The Bank is exposed to risk of information and communication technology crime and such crime may have an adverse effect on the Bank's business, reputation and results of operations

Like other financial enterprises, the Bank's activities have been, and are expected to continue to be, subject to an increasing risk of information and communication technology crime in the form of Trojan attacks and denial of service attacks, the nature of which is continually evolving.

New products, new systems, system changes and new and departing employees: Such changes have an inherent risk of information security breaches. New digital solutions also entail risk, and the consequence of errors in digital solutions is often greater than from individual human errors, such errors may in some instances be exploited by persons with malicious intent.

Cyber security risks are foremost related to the Bank's internet bank users and include potential unauthorized access to privileged and sensitive customer information, including personal identity numbers, address, internet bank credentials as well as account and credit card information.

The Bank may experience security breaches which can cause inter alia unexpected disruptions to its systems and services in the future, which could in turn, result in liabilities or losses to the Bank, its customers and/or third parties and have an adverse effect on the Bank's business, reputation and results of operations.

2.2.9 *Risk related to credit ratings*

The Bank is dependent on credit ratings for its funding activities outside of Norway. Furthermore, the Bank's credit rating may affect the Bank's funding abilities and the market's perception of the Bank. The Bank's credit rating is therefore important for its business.

The Bank is currently rated with a long-term deposit and issuer rating of A1, a short-term deposit and issuer rating of P1 and a long-term issuer rating of A1 by Moody's Investor Service Ltd ("**Moody's**"). A short description of the Moody's credit rating is included in section 6.13. There can be no assurance that Moody's or other rating agencies will not downgrade the ratings of the Bank or the ratings of the Bank's debt instruments as a result of a number of factors, including the Bank's financial position or changes to applicable rating methodologies used by Moody's or any other relevant credit rating agency. A rating agency's evaluation of the Bank may also be based on a number of factors not entirely within the control of the Bank, such as conditions affecting the financial services industry in general. Any future declines in those aspects of the Bank's business identified by Moody's as significant or otherwise could adversely affect Moody's perception of the Bank's credit and cause it to take negative ratings actions. Any downgrade in the Bank's credit rating or the ratings of its debt instruments could adversely affect its liquidity and competitive position, undermine confidence in the Bank, increase its borrowing costs, reduce attractiveness for the Bank's customers and increase risk of outflow in customer deposits, limit its access to the capital markets, or limit the range of counterparties willing to enter into transactions with the Bank as many institutions require their counterparties to satisfy minimum rating requirements. Such development could have a material adverse effect on the Bank's business, financial situation, results of operations and/or prospects.

2.2.10 *Risk related to loans related to commercial real estate*

As of 31 December 2021 NOK 24.78 billion of the Bank's total gross loans was related to commercial real estate (real estate development, building and construction industry and property management).

Due to the outbreak of COVID-19 and coupled with the measures taken by the Norwegian government to mitigate the pandemic such as business closings, travel restrictions, border controls, restrictions of public gatherings and other measures to discourage the movement and gathering of people, tenants within the commercial real estate sector may face a significant decline in revenue.

The Norwegian authorities have gradually softened the measures and have during the first half of 2022 removed all restrictions due to COVID-19. However, if Norway's COVID-19 situation worsens, causing the authorities to reintroduce measures to mitigate the pandemic, this could have a significant adverse impact on the credit quality of commercial tenants and, consequently, on their ability to pay their rent. Increased disruptions in repayments of rent from commercial tenants will result in reduced revenue for the lessors, which in turn could result in disruptions in payment obligations under loans provided by the Bank. Disruptions in repayments of loans, as well as write-downs and losses for the Bank may in turn adversely affect the Bank's business, results of operations and/or financial condition. As of 31 December 2021, the Bank's loans and commitments in stage 3¹ within the commercial real estate sector (real estate development, building and construction industry and property management) amounted to NOK 461m.

¹ Stage 3 of the impairment model includes assets that have had a significant change in credit risk since initial recognition and where there is objective evidence of loss at the time of reporting.

2.2.11 Risk related to loans related to residential real estate

Low interest rates and a strong increase in disposable income for many borrowers in recent years have led to a continued growth in demand for loans in the residential mortgage market. High levels of indebtedness have increased the potential financial vulnerability of many mortgage borrowers as a large proportion of households are vulnerable to a decline in income.

A significant decline in the value of residential real estate could significantly reduce the value of the collateral for such loans. If accompanied by deterioration in market conditions and/or higher unemployment, which in turn could result in difficulties for the Bank's customers in meeting their payment obligations, this could lead to increased disruptions in repayments of loans, as well as write-downs and losses for the Bank.

2.2.12 The Group hedges its interest rate risk and currency risk through interest rate swaps and currency swaps entered into by the Bank and Sparebanken Sør Boligkreditt

In order to hedge the Group's interest rate risk and currency risk, the Bank and its wholly-owned subsidiary Sparebanken Sør Boligkreditt, enter into interest rate swaps and currency swaps. If a swap provider is no longer obliged to make payments under a swap and exercises its right to terminate a swap or defaults on its obligations to make payments under a swap, the Bank or Sparebanken Sør Boligkreditt (as applicable) will be exposed to changes in interest and/or currency exchange rates (as applicable).

A well-functioning derivatives market is essential in order for the Bank and Sparebanken Sør Boligkreditt to enter into interest rate swaps and currency swaps on commercially attractive terms or at all, and is essential for the financing of the Group especially related to the issuing of covered bonds in foreign currencies through Sparebanken Sør Boligkreditt. Any disruption in the market for interest rate swaps and currency swaps or Sparebanken Sør Boligkreditt and the Bank's access thereto, could have a negative effect on the Group's ability to manage its interest rate risks and currency risks in an adequate fashion.

The interest and currency swaps of Sparebanken Sør Boligkreditt have certain provisions related to rating requirement of the swap providers, implying that if the swap provider or its guarantor, as applicable, is downgraded and fails to comply with the requirements of the ratings downgrade provisions contained in the relevant swap agreement, such swap agreement may be terminated. In any such scenario, Sparebanken Sør Boligkreditt may encounter difficulties entering into a replacement interest rate and/or currency swap (as applicable) on commercially acceptable terms or at all, whereby the Group's refinancing risk will be enhanced.

2.2.13 Risk related to the Bank's process for IRB-application

The Bank is currently in the process of preparing an application to the Norwegian FSA to utilise the Internal Ratings Based Approaches (IRB) for the calculation of the own funds requirement. As set out in section 6.4, being able to apply IRB is a part of the Bank's plan to reach its financial ambitions going forward. Applying IRB requires the consent of the Norwegian FSA and, although the Bank is confident, there can be no guarantee that such approval will be granted by the Norwegian FSA within the planned time period or at all. Failure to obtain an IRB-approval, will in practice imply that the Bank will not be able to reduce its capital requirements as planned which in turn may lead to the Bank producing a lower return on equity than the Bank's financial ambition for 2025.

2.2.14 Risk related to the Bank having lower than average loss provisions

As of March 2022, the Bank has total loss provisions of MNOK 412, which amounts to 0.3% of total gross loan portfolio. The Bank has significantly lower loss provisions in stage 2 than comparable savings banks. Although such deviation may be due to differences in loan portfolio compositions, inter alia that the Bank has a larger than average exposure to real estate industry which often provides better security than other industries, no guarantee may be given that the lower than average loss provisions could be caused by an error in an internal model and that the Bank could be exposed to higher losses than anticipated in the future. A significantly larger volume of losses than expected could have a material adverse effect on the Bank's business, financial condition, results of operations, liquidity and/or prospects.

2.3 RISK RELATING TO OWNERSHIP, COMPETITION AND REPUTATION

2.3.1 The Bank is exposed to material risks as a result of its operation in competitive markets

The Bank operates in an increasingly competitive Norwegian financial services market. The Bank competes mainly with other providers of personal financial services and financial services focused towards small and medium sized businesses, including Norwegian and non-Norwegian banks and other financial institutions, some of which have greater scale and financial resources, broader product offerings and more extensive distribution networks than the Bank.

Competition may intensify further as a result of competitor behaviour, consumer demand, technological changes, market consolidation and new market entrants and regulatory actions. Furthermore, the Bank may be negatively affected by the implementation of the Revised Payment Systems Directive, 2015/2366/EU ("PSD2") which partly entered into force in Norway on 1 April 2019. PSD2 opens up the European market for payment systems and may imply increased competition from foreign banks as well as increased competition from other types of financial services providers. If increased competition occurs as a result of these or other factors, the Bank's business, financial condition, results of operations and/or prospects could be materially adversely affected.

Each of the main financial services markets in which the Bank operates are mature and slow growing, so that material growth requires taking market share from competitors. The home loans, savings, credit cards and deposit markets in particular are very concentrated. This may place elevated focus on price, service and other competitive factors as key differentiators, each of which carries a cost to the provider. If the Bank is unable to match the efficiency or the marketing impact of its competitors, it risks being disadvantaged and being unable to meet its strategic growth aspirations. Furthermore, there is no guarantee that the Group has adequate protection against competitive actions or solicitation of customers or current employees from former employees and executives after termination of their employment.

Competition for customers among financial institutions may increase the Bank's cost related to acquiring new customers, for example by requiring the Bank to increase interest rates on its savings products or decrease the pricing on its home loans. Further, higher interest rates offered on savings products without any corresponding lending rate increase will reduce the Bank's margins and therefore affect the Bank's ability to achieve its income targets, which may in turn have a material adverse effect on the Bank's business, financial condition, results of operations and/or prospects.

2.4 REGULATORY RISK

2.4.1 The Bank is exposed to changes in banking and financial services regulations and changes in the interpretation and operation of such regulations

Norwegian authorities may at any time, within the framework of the EEA Agreement, introduce regulations or implement financial or monetary policy measures, including changes in tax, VAT and currency laws, which could affect the Bank's income and costs. An example of this is the taxation of dividends. The authorities may also introduce other measures that may affect the Bank's operations, for example through stricter solvency requirements or other specific requirements. Through its control of the supervisory and management institutions in the money and credit markets, the authorities will also be able to make allocations that directly affect the Bank's operations. For example, the introduction of increased or new tax rates for the financial industry could help to weaken the Bank's operations, results, liquidity, financial position and / or prospects.

Introduction of new capital requirements in accordance with regulation 20103/575/EU ("CRR") and directive 2013/36/EU ("CRD IV"), which was implemented into Norwegian legislation through inter alia regulation dated 22 August 2014 no. 1097 (the "Norwegian CRR/CRD IV-regulation") govern inter alia the Bank's capital requirements. Should the authorities apply these rules in a manner which deviates from the Bank's expectations, this may result in a higher capital requirement for the Bank than expected and lead to the Bank having to raise new capital, reduce growth or sell assets, which may have a negative effect on the Bank's financial position, results and/or prospects. Prior to 30 April 2022, the Bank's Pillar 2 requirement was 2.0% and was reduced to 1.7% as from 30 April 2022. There can be no guarantee that Pillar 2 requirement will not be increased in

connection with the Financial Supervisory Authority of Norway's next assessment. The same applies for any subsequent amendments to CRR and/or CRD IV.

In addition, the Norwegian FSA expects Sparebanken Sør to hold a margin of CET 1 capital above combined requirements for CET 1 capital, Tier 1 capital, and total capital of at least 1.0 per cent of risk-weighted assets (Pillar 2 guidance). As the Bank complies with the Norwegian FSA's expectations, as most, if not all, banks do, the capital requirement practiced by the Bank is somewhat higher than the formal capital requirement.

A non-exhaustive overview of the current regulatory framework for the Bank is described in section 13.2 "Regulatory Environment" below.

Changes in banking and financial services regulations and changes in the interpretation and operation of such regulations is considered the most significant risk related to regulatory risk as this will affect the Bank's ability to grow, raise capital and pay dividend.

2.4.2 *Compliance risk*

Compliance risk is defined as exposure to legal penalties, financial forfeiture and material loss an organization faces when it fails to act in accordance with laws and regulations, internal policies or prescribed best practices.

Comprehensive and complex regulations for conducting licensed banking activities place great demands on the management and control of the Bank. New regulatory requirements for how the Bank operates, or changes to such, may entail significant costs for the Bank to ensure compliance. The Bank expects to meet stronger regulation of its operations in the future.

Changes in standards for the preparation of financial statements or changes in the Financial Supervisory Authority's interpretations of the standards may lead to different opinions between the Bank and the authorities regarding the application of such standards. Such changes may affect the Bank's reported financial position and/or results.

Failure to comply with laws and regulations, for example violation of anti-money laundering rules or breach of capital requirements, may have severe legal and reputational consequences for the Bank and may, as a result, have a material adverse effect on the Bank's operations, results, liquidity and financial position. Severe breaches of applicable regulations may lead to orders from regulatory authorities and may in worst case, lead to a withdrawal of the Bank's license to operate as a savings bank.

2.4.3 *The Bank is exposed to risks related to compliance with privacy laws and regulations*

The Bank receives, stores and processes personal information and other user data through its business and operations in multiple jurisdictions. This makes the Bank exposed to data protection and data privacy laws and regulations, which all imposes stringent data protection requirements and high possible penalties for non-compliance, in particular relating to processing (receiving, storing, accessing, sharing, use, disclosure) and protection of personal information and other data on its platforms. The main regulations are the General Data Protection Regulation (EU) 2016/679 ("GDPR"), including the Schrems II-ruling, limiting the access to transfer personal data to countries outside of the EU/EEA, and the local law implementations of GDPR in the EU member states, including the Norwegian Data Protection Act of 15 June 2018 no. 38. Despite a common EU legislation, the national regulations may vary, adding to the complexity.

These data protection and privacy-related laws and regulations are evolving and may result in regulatory and public scrutiny and escalating levels of enforcement and sanctions. Any failure to comply with data protection and data privacy policies, privacy-related obligations to customers or third parties, privacy-related legal obligations, or any compromise of security that results in unauthorised disclosure or release, transfer or use of personally identifiable information or other customer data, may result in governmental enforcement, fines, claims for damages by customers and other affected individuals, reputational damages and loss of goodwill (both in relation to existing customers and prospective customers), litigation or public statements against the Bank, any of which could adversely affect the business, operating results, financial performance and prospects.

2.5 RISKS RELATING TO THE ECCS

2.5.1 *There may not be an active and liquid market for the ECCs and the price of the ECCs could fluctuate significantly*

An investment in the ECCs is associated with a high degree of risk and the price of the ECCs may not develop favourably. An active or liquid trading market for the ECCs may not be available in the future, and it may not necessarily be possible to sell ECCs at or above the purchase price. If such market fails to develop or be sustained, it could have a negative impact on the price of the ECCs. Investors may not be in a position to sell their ECCs quickly, at the market price or at all if there is no active trading in the ECCs.

The equity capital certificate prices of publicly traded banks can be highly volatile and the price of the ECCs could fluctuate substantially due to various factors, some of which could be specific to the Bank and its operations, and some of which could be related to the industry in which the Bank operates or equity markets generally. Some of the factors that could negatively affect the ECC price or result in fluctuations in the price or trading volume of the ECC including, for example, changes in the Bank's actual or projected results of operations or those of its competitors, changes in earnings projections or failure to meet investors' and analysts' earnings expectations, investors' evaluations of the success and effects of the strategy described in this Prospectus, as well as the evaluation of the related risks, changes in general economic conditions, changes in consumer preferences, an increase in market interest rates, changes in holders of equity capital certificates and other factors. As a result of these and other factors, the price of the ECCs may fluctuate significantly.

Market volatility and volume fluctuations have affected and continue to affect the market prices of securities issued by many banks, and may occur without regard to the operating performance of the banks. The market price of the ECCs may decline, regardless of the Bank's actual operating performance, and there can be no assurances as to the liquidity of any market for the ECCs, investors' ability to sell their ECCs or the prices at which investors would be able to sell their ECCs.

One of the factors that could also influence the price of the ECCs is its annual dividend yield, as compared to yields on other financial instruments. Thus, an increase in market interest rates will result in higher-yields on other financial instruments, which could adversely affect the price of the ECCs.

The risk of that there may not be an active and liquid market for the ECCs and the price of the ECCs could fluctuate significantly, may adversely affect interest of investors in the ECC and reduce instrument as a source of raising capital. This will have a big negative impact for the Bank and is therefore considered as the most material risk relating to the ECCs.

2.5.2 *Future sales, or the possibility for future sales, of ECCs affect the market price of the ECCs*

The Bank cannot predict what effect, if any, future sales of the ECCs, or the availability of ECCs for future sales, will have on the market price of the ECCs. Sales of substantial amounts of the ECCs in the public market following, including by the ECC holders, or the perception that such sales could occur, could adversely affect the market price of the ECCs, making it more difficult for holders to sell their ECCs or the Bank to sell equity securities at a time and price that they deem appropriate. Given that the Foundation has indicated an interest in reducing its holding of ECCs, the likelihood of a larger offering of ECCs in the future may be more prominent than in the past.

2.5.3 *Risk of dividend dilution*

The Bank's annual profit is distributed between the equity capital and the primary capital in line with the ownership fraction. The Banks' current dividend policy is to have equal pay-out on both capital classes, however, if the profits allocated to the primary capital are not distributed as gifts or customer dividends, this will be added to the primary capital and thus increase the relative share of the primary capital of next year's dividend, and the equity certificate holder's risk being diluted. This, in turn, will have an impact on the percentage of the Bank's profits that is allocated to the equity capital and which can be paid out as dividends to the equity certificate holders.

3 RESPONSIBILITY FOR THE PROSPECTUS

3.1 THE BANK

This Prospectus has been prepared in connection with the Listing described herein.

The Board of Directors of Sparebanken Sør accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that to the best of their knowledge, the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect its import.

Kristiansand, 29 June 2022

Knut Ruhaven Sæthre
Chairperson

Mette Harv
Deputy Chairperson

Merete Østby
Board member

Erik Tønnesen
Board member

Trond Randøy
Board member

Eli Giske
Board member

Jan Erling Tobiassen
Board member

Gunnhild Tveiten Golid
Board member

4 GENERAL INFORMATION

4.1 THE APPROVAL OF THIS PROSPECTUS BY THE NORWEGIAN FINANCIAL SUPERVISORY AUTHORITY

The prospectus has been approved by the Financial Supervisory Authority of Norway (Nw. Finanstilsynet) (the "Norwegian FSA"), as competent authority under Regulation (EU) 2017/1129 (the "EU Prospectus Regulation"). The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer that is the subject of this Prospectus. The Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129 (the EU Prospectus Regulation). Investors should make their own assessment as to the suitability of investing in the securities. This Prospectus was approved by the Norwegian FSA on 29 June 2022.

4.2 OTHER IMPORTANT INVESTOR INFORMATION

The Bank has furnished the information in this Prospectus. The Managers disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Prospectus or any such statement.

Neither the Bank, nor the Managers, or any of their respective affiliates, representatives, advisers or selling agents, is making any representation regarding the legality or suitability of an investment in the ECCs. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the ECCs.

Investors should make their own assessment as to the suitability of investing in the securities. Investing in the ECCs involves a high degree of risk. See Section 2 "Risk factors".

4.3 PRESENTATION OF FINANCIAL AND OTHER INFORMATION

4.3.1 *Financial information*

The Group's Annual Financial Statements as of, and for the year ended, 31 December 2021 (with comparable figures for 2020) have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). The Group's unaudited Interim Financial Statements as of, and for the three months period ended, 31 March 2022 have been prepared in accordance with IAS 34. The Annual Financial Statements for the year ended 31 December 2021 have been audited by PricewaterhouseCoopers AS.

In this Prospectus, all references to "NOK" are to the lawful currency of Norway. The Bank prepares its financial statements in NOK (presentation currency). Unless otherwise noted, all amounts in this Prospectus are expressed in NOK.

Certain figures included in this Prospectus have been subject to rounding adjustments (by rounding to the nearest whole number or decimal or fraction, as the case may be). Accordingly, figures shown for the same category presented in different tables may vary slightly. As a result of rounding adjustments, the figures presented may not add up to the total amount presented.

4.3.2 *Certain terms used*

For definitions of certain terms and metrics used throughout this Prospectus, see Section 10 "Financial information" and Section 17 "Definitions and Glossary".

4.3.3 *Trademarks*

The Group owns or has rights to certain trademarks, trade names or service marks that it uses in connection with the operation of its business. The Group asserts, to the fullest extent under applicable law, its rights to its trademarks, trade names and service marks.

Each trademark, trade name or service mark of any other company appearing in this Prospectus belongs to its holder. Solely for convenience, the trademarks, trade names and copyrights referred to in this Prospectus are listed without the ™, ® and © symbols.

4.3.4 *Non-IFRS financial measures and ratios*

In this Prospectus, the Bank presents certain non-IFRS financial measures and ratios because they permit for a more complete and comprehensive analysis of the Bank's operating performance relative to other companies and across periods. The non-IFRS financial measures and ratios presented are defined as follows:

- CET1 capital ratio: Calculated as Common equity Tier 1 capital divided by Total risk-weighted assets
- Dividend per equity certificate: Calculated as total dividend distributed to equity capital certificates, divided by the number of equity capital certificates entitled to dividends
- Loan-to-value ratio (LTV): Calculated as the size of the loan as a percentage of the market value of the collateral of the loan.
 - Loans by LTV: On aggregated numbers within brackets of LTV ratios, only the part of a single loan exceeding some threshold of LTV is included in the next bracket of higher LTV ratio
 - Loans by LTV interval: Calculated as the size of the loan as a percentage of the market value of the collateral of the loan. On aggregated numbers within brackets of LTV ratios, the whole loan is included in the LTV bracket corresponding to the LTV of the individual loan
- Weighted average indexed LTV (based on limits): Loan to value, defined as outstanding loan divided by the value of the collateral
- Overcollateralization level (eligible). Overcollateralization is the asset balance divided by the amount of covered bonds

The financial measures and ratios presented above are not measurements of performance under IFRS or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) operating revenues or operating profit (as determined in accordance with IFRS or other generally accepted accounting principles), as a measure of the Group's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The non-IFRS financial measures and ratios presented above may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results.

The Bank believes that the non-IFRS financial measures and ratios presented above are commonly reported by banks in the markets in which it competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation, amortization and impairment, which can vary significantly depending upon accounting methods (particularly when acquisitions have occurred), business practice or based on non-operating factors. Accordingly, the Group discloses the non-IFRS financial measures and ratios presented above to permit a more complete and comprehensive analysis of its operating performance relative to other banks and across periods, and of the Group's ability to service its debt. Because banks may calculate the non-IFRS financial measures and ratios presented herein differently, the Group's presentation of these non-IFRS financial measures and ratios may not be comparable to similarly titled measures used by other companies. Given that the abovementioned ratios are non-IFRS financial measures and ratios, prospective investors are cautioned not to place undue reliance on such measures and ratios.

4.3.5 *Industry and market data*

This Prospectus contains statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Group's business and the industries and markets in which it operates. Unless otherwise indicated, such information reflects the Group's estimates based on analysis of multiple sources, including data compiled by professional organisations, consultants and analysts and information otherwise obtained from other third party sources, such as annual and interim financial statements and other presentations published by listed companies operating within the same industry as the Group, as well as the Group's internal data and its own experience, or on a combination of the foregoing. Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Group's competitive position is based on the Bank's own assessment and knowledge of the market in which it operates.

The Bank confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Bank is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified. The Bank does not intend, and does not assume any obligations to, update industry or market data set forth in this Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Bank has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus and projections, assumptions and estimates based on such information may not be reliable indicators of the Group's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 "Risk factors" and elsewhere in this Prospectus.

The following third party sources have been used in this Prospectus:

- www.moodys.com

Please note that some of these third party sources are not freely available.

4.4 FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements, including, but not limited to, certain statements as set forth under Section 2 and 6, and elsewhere in the Prospectus. Such forward-looking statements include, without limitation, projections and expectations regarding the Group's future financial position, business strategy, plans and objectives. All forward-looking statements included in the Prospectus are based on information available to the Bank, and views and assessments of the Bank, as at the date of this Prospectus. Except as required by the applicable stock exchange rules or applicable law, the Bank does not intend, and expressly disclaims any obligation or undertaking, to publicly update, correct or revise any of the information included in this Prospectus, including forward-looking information and statements, whether to reflect changes in the Bank's expectations with regard thereto or as a result of new information, future events, changes in conditions or circumstances or otherwise on which any statement in this Prospectus is based.

When used in this document, the words "anticipate", "assume", "believe", "can", "could", "estimate", "expect", "intend", "may", "might", "plan", "should", "will", "would" or, in each case, their negative, and similar expressions, as they relate to the Bank, its subsidiaries or its management, are intended to identify forward-looking statements. The Bank can give no assurance as to the correctness of such forward-looking statements and investors are cautioned that any forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Bank and its subsidiaries, or, as the case may be, the industry, to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Bank and its subsidiaries operate.

Factors that could cause the Bank's actual results, performance or achievements to materially differ from those in the forward-looking statements include but are not limited to, the competitive nature of the markets in which

the Bank operates, technological developments, government regulations, changes in economic conditions or political events. These forward-looking statements reflect only the Bank's views and assessment as at the date of this Prospectus. Factors that could cause the Bank's actual results, performance or achievements to materially differ from those in the forward-looking statements include, but are not limited to, those described in Section 2 "Risk factors" and elsewhere in the Prospectus.

Given the aforementioned uncertainties, prospective investors are cautioned not to place undue reliance on any of these forward-looking statements.

5 THE CONVERSION

5.1 OVERVIEW

On 31 March 2022, the Bank announced that the Board of Trustees of Sparebanken Sør on the same date had resolved to convert approximately NOK 2.9 billion of the Bank's primary capital into equity certificate capital. Furthermore, on 10 June 2022, the Bank announced that the Norwegian FSA had granted permission to convert primary capital into equity certificate capital and that the Board of Directors of the Bank on the same date had resolved to convert primary capital into equity certificate capital by issuance of 26,039,113 New ECCs, each with a par value of NOK 50. The New ECCs were registered with the Norwegian Register of Business Enterprises on 14 June 2022. The registered equity certificate capital according to the Bank's articles of association following the Conversion is NOK 2,085,152,850, divided into 41,703,057 equity capital certificates ("ECCs"), each with a par value of NOK 50.

Sparebankstiftelsen Sparebanken Sør (the "**Foundation**") planned to carry out a significant sale of ECCs, subject to acceptable terms and market conditions. On 19 June 2022, the Bank announced that the Foundation had informed the Bank that following the recent significant turbulence in financial markets, the Foundation had decided to not carry through the planned secondary sale at this stage. Furthermore, the Foundation informed that it will follow the market development closely going forward and make a new assessment when market conditions prove right for a transaction.

Following the Conversion, the ECC ownership ratio in Sparebanken Sør has increased from 15.7% to 40.0%. Through the Conversion, the market cap and ECC/primary capital ratio is more in line with comparable banks (40%). The ECCs are therefore expected to be more attractive to a broader range of institutional and retail investors going forward.

5.2 USE OF PROCEEDS

5.3 THE CONVERSION OF PRIMARY CAPITAL INTO EQUITY CERTIFICATE CAPITAL DID NOT RESULT IN ANY PROCEEDS TO THE BANK. RESOLUTIONS REGARDING THE CONVERSION

On 31 March 2022, the Bank's Board of Trustees approved to convert NOK 2,918,999,912 of the Bank's primary capital into equity certificate capital, by passing the following resolution:

"NOK 2,918,999,912 of the primary capital in Sparebanken Sør shall be converted into equity share capital. The bank's equity share capital is increased upon converting primary capital in accordance with the following:

- a) *The bank's equity share capital as stipulated in the articles of association is increased by NOK 1,301,955,650 by issue of 26,039,113 new equity capital certificates, each with a par value of NOK 50, by converting primary capital.*
- b) *The subscription price for the equity capital certificates corresponds to the book value (parent bank) per equity capital certificate in Sparebanken Sør, adjusted for the distribution of 66% of the consolidated result for 2021, which amounts to NOK 8.00 based on audited annual accounts for 2021. The subscription price is NOK 112,100589279.*
- c) *Premium shall after deduction of costs be distributed to the premium reserve in accordance with the Financial Institutions Act section 10-14.*
- d) *Expenses related to the conversion / capital increase are estimated to approximately NOK 500 000.*
- e) *The holders of equity capital certificates' pre-emptive rights are set aside. All equity capital certificates issued through the conversion shall be subscribed by Sparebankstiftelsen Sparebank Sør.*

- f) *The equity capital certificates are to be subscribed for in the minutes from the board meeting adopting the conversion.*
- g) *Settlement for the equity capital certificates is accomplished by the conversion of primary capital to equity share capital for an amount corresponding to the subscription amount.*
- h) *The equity capital certificates are eligible to dividend as from the fiscal year of 2022. Distribution of profit for the year of 2022 pursuant to the Financial Institutions Act section 10-17 shall therefore be distributed in accordance with the ratio of the ownership between the primary capital and the equity share capital after the conversion for the year as whole (not time-weighted ownership ratio).*
- i) *The Articles of Association paragraph 2-2 is amended to reflect the equity share capital and total number of equity capital certificates after the conversion:*

"The saving bank's equity share capital amounts to NOK 2,085,152,8500 divided into 41,703,057 equity capital certificates with a par value of NOK 50 fully paid."

The Board of Trustees resolves resolutions in accordance with the Board of Directors' proposal and approves proposals for other amendments of the Articles of Association as stated in the notice.

Implementation of the conversion of primary capital is conditional on the proposed amendments to the Articles of Association of Sparebankstiftelsen Sparebanken Sør being approved by the board of trustees of Sparebankstiftelsen Sparebanken Sør and that the Financial Supervisory Authority gives the necessary approvals. The Board of Directors is authorised to make any necessary decision for the implementation of the conversion if the Board of Directors (i) considers the terms set by the Financial Supervisory Authority in connection with the conversion and (ii) according to the Board's discretion, no other market conditions indicate that the conversion should not be implemented. The authorisation is valid until 31 December 2022."

The Norwegian Financial Supervisory Authority approved the conversion of primary capital to equity certificate capital on 9 June 2022. The Bank's Board of Directors resolved the conversion of primary capital to equity certificate capital on 10 June 2022. The capital increase was registered in the Norwegian Register of Business Enterprises (Foretaksregisteret) 14 June 2022.

5.4 THE RIGHTS CONFERRED BY THE NEW ECCS

The ECCs of the Bank are created under the Norwegian Financial Institution Act. The New ECCs carry in all respects full equity capital certificate holder's rights in the Bank on an equal basis as any other ECCs in the Bank. For a description of rights attached to the ECCs, see Section 13.1.

5.5 LISTING OF THE NEW ECCS

The Bank's existing ECCs are listed on Oslo Børs under ISIN NO 0006001502 and ticker code "SOR". The Conversion of the Bank's primary capital to equity certificate capital was registered in the Norwegian Register of Business Enterprises on 14 June 2022 and the New ECCs were put on a separate ISIN pending publication of this Prospectus. Following the publication of this Prospectus, the New ECCs will be transferred to the Bank's ordinary ISIN and be listed on Oslo Børs.

The Bank has not applied for admission to trading of its ECCs on any other stock exchange or regulated market than Oslo Børs.

The Bank's ECCs is in book-entry form with the ESO and have ISIN NO 0006001502. The Bank's register of ECC holders with the ESO is administrated by Sparebanken Sør.

5.6 PROCEEDS AND EXPENSES RELATED TO THE CONVERSION

The Conversion of primary capital into equity certificate capital did not result in any proceeds to the Bank.

5.7 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE CONVERSION

The Foundation received the New ECCs issued through the Conversion and, as such, had an interest in the Conversion and the Listing.

5.8 DILUTION

The issue of New ECC in relation to the conversion of primary capital will imply a dilution of 62.4% for existing ECC Holders.

The Bank's net asset value (book value) per ECC as at 31 March 2022 was NOK 132.7.

6 PRESENTATION OF THE GROUP

6.1 HISTORY AND OVERVIEW

Sparebanken Sør can trace its history back to 1824 when Christianssands Sparebank was established as one of the first savings banks in Norway. Sparebanken Agder was formed in 1984 as a result of a merger between Christianssands Sparebank and several other local banks. Two other savings banks became part of Sparebanken Agder in 1985 and 1986. The name of the Bank was later changed to Sparebanken Pluss in 1988. Sparebanken Pluss merged with the former Sparebanken Sør with effect from 1 January 2014. Sparebanken Pluss was the surviving entity in the merger, but was renamed Sparebanken Sør, being the same name as the non-surviving entity.

The Bank has 35 offices in the Norwegian counties Agder, Vestfold og Telemark and Rogaland. The headquarters is located at Rådhusgaten in Kristiansand.

Sparebanken Sør is a savings bank incorporated under the laws of Norway pursuant to Act No. 17 of 10 April 2015 on Financial Institutions (*Nw: Finansforetaksloven*), and is registered with the Norwegian Register of Business Enterprises with organization number 937 894 538. The legal and commercial name of the Bank is Sparebanken Sør. The legal entity identifier ("LEI") of the Bank is 549300U497VKMF6R3Q14. The Bank was incorporated 19 February 1995. The address of its registered office is Rådhusgaten 7/9, PO Box 200, N-4662 Kristiansand S and the telephone number of its registered office is +47 38 10 92 00. The bank's website address is www.sor.no. The content of www.sor.no is not incorporated by reference into or otherwise forms part of this Prospectus. Sparebanken Sør is a savings bank licensed by the Ministry of Finance and supervised by the Norwegian FSA. The Bank is dependent on its license to carry out its operations.

6.2 BRIEF ABOUT SAVINGS BANKS AND EQUITY CAPITAL CERTIFICATES

Equity capital certificates are an important part of a savings bank's capital structure, and share many characteristics with shares in Norwegian limited companies. The main differences are related to the owners' rights to the bank's assets and influence over the bank's governing bodies. A savings bank with issued equity capital certificates has two equity classes (capital owned by holders of equity capital certificates and primary capital). As a main principle, the profits are distributed proportionally amongst the equity classes based on ownership share (the equity capital certificate ratio – the proportion of profits and equity owned by equity capital certificate holders).

The equity class primary capital is referred to as "primary" equity. This equity consists of the original capital in the bank and the retained earnings accumulated on this capital over the years (which for the Bank is all accumulated earnings up until the issue of equity capital certificates). The second type of equity is the equity capital certificate holders' equity. This equity consists of paid-up capital which according to the Articles of Association refers to Equity Capital Certificates, subsequently added return or profit, and any dividend equalisation fund and equity premium reserve. Part of the primary equity can be converted into equity certificate capital.

In a savings bank the primary capital, including donations fund and equity share capital in excess of equity share capital stipulated in the articles of association, including the dividend equalization fund absorb losses first, and thereafter the premium reserve and compensation fund pro rata. This entails that the equity share capital stipulated in the articles of association (belonging to the equity capital certificate holders) is at risk only if the primary capital and other funds are exhausted.

Compared to a regular limited liability company, the equity capital certificate holders do not vote directly in the board of trustees (may also be called "general meeting"). The owners of equity capital certificates elect representatives to vote for them in the board of trustees. According to the Financial Institutions Act, the equity capital certificate holders shall represent between 20% to 40% of the representatives in the board of trustees, please see Section 8.4 for further information on the Bank's board of trustees. The rest of the voters consist of depositors, publicly-appointed voters and employees. This entails that the equity capital certificate holders might have less representation in the board of trustees than their ECC ratio implies. The composition of the board of trustees is further regulated in the articles of association.

See chapter 13 "Regulatory Environment" for a more detailed description regarding equity capital certificates.

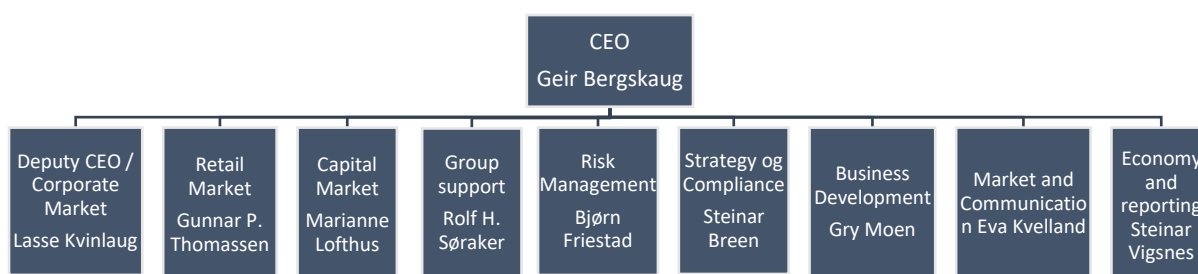
6.3 ORGANIZATION

6.3.1 Organizational structure

Sparebanken Sør's activities are organised into 9 separate divisions, being Retail Market, Corporate Market, Capital Market, Risk Management, Business Development, Strategy and Compliance, Market, Economy and Reporting and Communication and Group support. The Bank's Compliance Officer reports directly to the CEO.

The banking activities are focused in Southern Norway. These are geographically divided into three regions: Agder, Vestfold og Telemark and Rogaland. The Bank's headquarter is located in Rådhusgaten in the city centre of Kristiansand.

As of 31 December 2021, the Bank had 464 full-time equivalent employees (FTEs) and the Group had 564 FTEs.



6.3.2 Legal structure

In addition to the parent bank, the Group consists of the subsidiaries AS Eiendomsvekst, Transitt Eiendom AS, Prosjektutvikling AS, Sparebanken Sør Boligkreditt AS and Sørmeglere Holding AS. The Group also has several other ownership interests. For detailed descriptions of the subsidiaries and associated companies, see chapter 6.3.3 "Subsidiaries" and 6.3.4 "Associated companies".

Company	Holding*	Balance sheet value per 31 March 2022 (NOK million)
Subsidiaries**		
Sparebanken Sør Boligkreditt AS	100.00%	2 796
Sørmeglere Holding AS	90.10%	11
Sørlandets Forsikringscenter AS	78.00%	5
AS Eiendomsvekst	100.00%	3
Transitt Eiendom AS	100.00%	1
Prosjektutvikling AS	100.00%	0
Associated Companies		
Frende Holding AS	19,78%	554
Brage Finans AS	20.77%	461
Norne Securities AS	14.81%	6
Balder Betaling AS	24.76%	159

*As of 31 March 2022.

**Balance parent bank

6.3.3 *Subsidiaries*

Sparebanken Sør Boligkreditt AS

Sparebanken Sør Boligkreditt AS is a wholly owned subsidiary of Sparebanken Sør, and the company has a license as a mortgage company with permission to issue covered bonds. The company's main object is to secure the Group's stable and long-term financing on competitive terms.

Sørmeglere Holding AS

Sørmeglere is the Bank's real estate company. This real estate business has a dominant position in large parts of the Bank's market areas. In addition to dominating the market for second-hand homes, the company has also a very strong position in the new-build market. This is particularly true in and around the largest towns of Agder County.

Sørlandets Forsikringscenter AS

In 2021, the Bank bought 78 percent of the shares in Sørlandets Forsikringscenter AS, with an option of the remaining 22 percent. The company operates an insurance brokerage and had 14 staff/sales consultants at the end of 2021.

Other subsidiaries and joint ventures

The Bank's other subsidiaries and joint ventures principally manage commercial properties where the Bank operates.

6.3.4 *Associated companies*

Frende Holding AS

Frende Holding AS is the parent company of Frende Skadeforsikring AS and Frende Livsforsikring AS, which offers general and life insurance to private individuals and businesses. Sparebanken Sør is the second largest shareholder with a 19.8 percent ownership. Frende Holding AS was established in 2007 and has its headquarters in Bergen. The company is owned by 14 banks and 3 mutual insurance companies.

Brage Finans AS

Brage Finans AS is a financing company owned by 23 independent banks, in which Sparebanken Sør has a 20.8 percent ownership interest and is the second largest shareholder. The company was established in 2010 and operates from its head office in Bergen. In addition, the company has sales offices in Kristiansand, Porsgrunn, Sandefjord, Stavanger, Haugesund, Ålesund and Trondheim. The company's business includes leasing (leasing financing agreements) and boat and car-financing to both corporate and retail markets. Distribution of the company's products takes place through owner banks, via retailers of capital goods, and through its own sales force.

Norne Securities AS

Norne Securities AS is an investment firm that offers online trading, traditional brokerage services and corporate finance services. Sparebanken Sør has a 14.8 percent ownership interest and is the second largest shareholder of the company.

Norne has further developed its role as Norway's leading advisor and issuer of equity certificates in Norwegian savings banks. The company has further sharpened its business in two distinct market areas: Online Equity and Fund Trading for the retail customer market and Corporate Finance and Investment Advice for the corporate customer market and professional investors.

Balder Betaling AS

Balder Betaling AS is owned by Sparebanken Sør together with 12 other savings banks. The Bank's ownership interest is 24.8 percent. The company has an ownership share of 9.57 percent in Vipps AS and aims to further develop Vipps together with other owners. Sparebanken Sør thus has an indirect ownership interest in Vipps AS of 2.37 per cent.

6.4 OBJECTIVES, VISION AND AMBITIONS

Sparebanken Sør is an independent, listed financial services group engaged in banking and financing activities in Norway, with a focus in the counties of Agder, Vestfold og Telemark and Rogaland. The Bank is headquartered in Kristiansand. Sparebanken Sør provides financial services to both private and corporate customers. With its headquarters located in Kristiansand, Sparebanken Sør has a natural footprint and market area in Southern Norway.

The Bank's mission statement is that "we shall create sustainable growth and development for our region" and the vision statement is "the future bank of relations", and the values are steady, dedicated and future-oriented. The vision underlines that through professional banking operations the Bank will be a driving force in development of the social and commercial life of Southern Norway. As an independent organisation, Sparebanken Sør believes it has an important role to play in enriching society.

To strive towards the vision, the Bank has defined seven strategic ambitions:

- Financially attractive
- Relationship banking Retail and Corporate Market
- Customer first
- Data-driven
- Competent and motivated
- Active society participant

The Bank's financial ambition is to have a return on equity of above 11% at the end of 2025. The Bank aims to achieve this ambition through increasing its profitability through (i) profitable growth and better capital allocation, (ii) strengthening of non interest income, (iii) customer dividends positive for net interest margin, (iv) customer satisfaction and future growth; and (v) improved and more cost effective distribution, reduce tax through an expected positive tax contribution of ~0.4% points from customer dividends and apply for and apply IRB-F and/or Basel IV (revised standard method).

6.5 THE FOUNDATION

Sparebankstiftelsen Sparebanken Sør is organized under the laws of Norway with registration number 999 282 482 with address c/o Rune Røiseland, Østerveien 6, 4631 Kristiansand, Norway. The Foundation was founded with the receipt of 6,000,000 equity capital certificates in Sparebanken Sør, which on 2 January 2014 was exchanged with 3,518,674 equity certificates in Sparebanken Pluss, which at the same time changed its name to Sparebanken Sør due to a merger between Sparebanken Pluss and Sparebanken Sør. On 31 March 2022, the Bank decided to convert primary capital to ECC capital through the issuance of the New ECCs to the Foundation. The Conversion was completed 14 June 2022.

6.6 DESCRIPTION OF THE BANK'S OPERATIONS

Sparebanken Sør is an independent, listed financial services group engaged in banking and financing activities to both private and corporate customers. The story of Sparebanken Sør goes back to 1824 when Christianssands Sparebank was established as one of the first savings banks in Norway. Sparebanken Agder was formed in 1984 as a result of a merger between Christianssands Sparebank and several other local banks. Two other savings banks became part of Sparebanken Agder in 1985 and 1986. The name of the Bank was later changed to Sparebanken Pluss in 1988. Sparebanken Pluss merged with the former Sparebanken Sør with effect from 1 January 2014. Sparebanken Pluss was the surviving entity in the merger, but was renamed Sparebanken Sør, being the same name as the non-surviving entity.

Currently the Bank is headquartered in Kristiansand. At the end of 2021, the bank had 35 branches for banking operations and provides real estate services at 18 locations in the counties of Agder, Rogaland and Vestfold og Telemark.

In addition to offering loans and deposit accounts to both retail and corporate clients, Sparebanken Sør offers products such as savings products, securities trading, insurance, leasing, real estate broking etc. through various

subsidiaries. The real estate business is operated by the subsidiary company Sørmeqleren. Non-life and personal insurance products are delivered via the insurance company Frende, in which the Bank is a part-owner. The Bank is also part-owner in the companies Norne Securities AS and Brage Finans AS, suppliers of securities trading, leasing and sales mortgages, respectively.

Financing

The Bank offers financing products to retail customers, corporate customers and to the public sector. The services also include credit cards. The Bank has established SpareBanken Sør Boligkreditt AS (see description in chapter 6.3.3 "Subsidiaries"). where the parent-bank sell loans secured by collateral in housing with up to 75% loan to value. Leasing products, as well as car loans and consumer loans are sold through Brage Finans AS (see description in chapter 6.3.4 "Associated companies").

Insurance

The Bank offers general and non-life insurance as well as retirement savings to retail and corporate customers from Frende Holding AS. Frende Holding AS, is partly owned by Sparebanken Sør, and produces the insurance products. See description in chapter 6.3.4 "Associated companies".

Real estate brokerage

The real estate business is operated by the subsidiary company Sørmeqleren. Sørmeqleren is offering both retail and commercial real estate brokering. Read more about the Sørmeqleren in chapter 6.3.3 "Subsidiaries".

Saving products and securities trading

The Bank is offering saving products and securities trading through Norne Securities AS, which is partly owned by the bank. The offers include online equity and fund trading for both retail and corporate customers. Read more about the Norne Securities AS in chapter 6.3.4 "Associated companies".

The Bank has cooperation with Norway Christian Purchasing Society (KNIF). This customer segment extends to the whole of Norway. Customers include hospitals and enterprises within the health sector, schools, kindergartens, church organisations and missionary organisations, and children and youth organisations.

Environmental focus:

Sparebanken Sør's mission is to create sustainable growth and development in our region, and sustainability is anchored and integrated in overall strategy. The bank has a long tradition as a responsible social actor and aims to integrate sustainability in its operations in all business areas and contribute to solutions to the sustainability challenges that society is confronting. This means that the Bank support the Paris Agreement and other relevant global and national initiatives.

In 2018, Sparebanken Sør was the first Norwegian bank to be certified in the area of gender equality and diversity. The bank was recertified in November 2021. In January 2019, Sparebanken Sør was one of the first banks in Norway to establish a green framework for issuing green bonds. The Group issued the first green bonds in November the same year. Frameworks for green, social and sustainable products were established in the summer of 2021. The bank updated its bond framework in the first quarter of 2022 to ensure that financing under the framework is channelled to sustainable activities in accordance with the EU taxonomy. In the first quarter of 2022, Sparebanken Sør issued NOK 2 billion in senior debt under the updated bond framework.

The Bank offers green mortgages, and ESG risk is integrated in the Bank's credit processes. By offering sustainable products, digital services, advice and specification of requirements for customers, the Bank contributes positively to social development through reduced greenhouse gas emissions. The bank worked on its first official ESG rating throughout the summer of 2021 and was rated in the third quarter by Sustainalytics as "low risk" with a score of 11.7.

6.7 OPERATIONS, CUSTOMER DISTRIBUTION AND MARKET POSITION

Customer base and market position:

Sparebanken Sør has approximately 181,000 retail customers, and 22,000 corporate customers, primarily located on the Norwegian southern coast. In its home county, Agder, Sparebanken Sør has approximately 30 % market share among retail customers, with around 1% in Rogaland and 4 % in Vestfold og Telemark¹.

Customer dividends:

In 2022, the Bank resolved customer dividends and will thereby share its profits and pay dividends to customers as it does to its owners. The customer dividends can be paid out from the part of the profits belonging to the primary capital alongside ordinary public gifts.

Customers, both retail and corporate, may receive an annual amount based on the Bank's profit and the amount the respective customer had in deposits and loans through the year. Customers can receive dividend on loans up to NOK 2m and on deposits up to NOK 2m

The Bank's Board of Trustees meeting decides on the amount of customer dividends to be distributed each year. The customer dividends for each year will be distributed after the Bank's financial statement is approved by the board of trustees the consecutive year.

The introduction of customer dividends should contribute to increased customer loyalty, further strengthening Sparebanken Sør's market position.

Home market:

Sparebanken Sør's traditional home market on the south coast comprises about 15 % of the Norwegian population², as well as Norway's eighth largest city area, Kristiansand³.

Loans:

Lending is concentrated in Sparebanken Sør's home region with more than 82.0% of gross loans as at year-end 2021. Agder had the largest share of lending, with 65.4% as at year-end 2021. Loans outside the three main counties account for approximately 18.0% of lending.

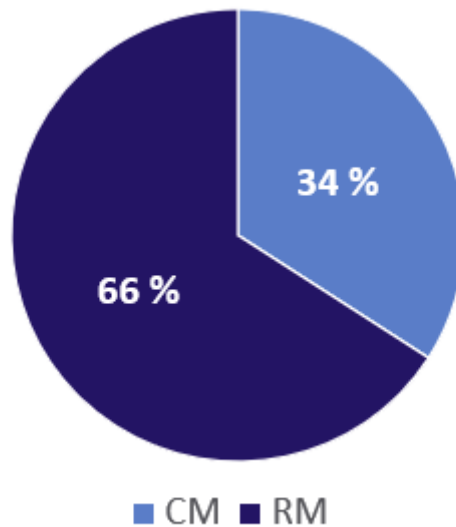
Lending is split between 66.3% to private customers and 33.7% to corporate clients, or NOK 77,549,088 and NOK 39,333,778 respectively (in thousand). Over the last twelve months until the first quarter of 2022, corporate lending grew at 3.4% while retail lending grew at 5.0 %.

¹ Source: Eiendomsverdi AS, a company that develops and supplies information tools and systems to estimate market value (both on an individual unit level and on a portfolio level) for the Norwegian residential real estate market.

² Source: Statistics Norway, 21.04.2022, Agder, Telemark og Vestfold and Jæren (Hå Klepp, Time and Gjesdal municipality) , <https://www.ssb.no/befolkning/folketall/statistikk/befolkning>

³ Source: <https://www.ssb.no/befolkning/folketall/statistikk/befolkning>

Corporate market and retail market distribution at 31.03.2022 (gross loans by segment):



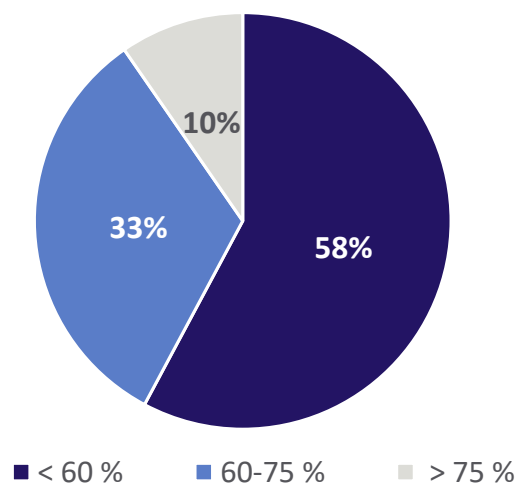
Retail lending

Loans to retail customers amounts to 66 percent of total lending, with Agder being the largest region with 66.1% of retail loans. Loans to retail customers grew by 5.0% over the last twelve months until the first quarter of 2022, while the number of customers grew by 2.4%. By volume, 31.1 % of retail loans are below NOK 2 million, 52.5% in the NOK 2-5 million range, 14.0% in the NOK 5-10 million range, while just 2.4% of loans are larger than NOK 10 million.

The retail lending portfolio consists of 98% residential mortgages, and 90.4 % of lending volume lies below 75 % loan to value. Loan to value ratios are calculated through estimates of asset values from Eiendomsverdi AS, up-to-date assessments from real estate agents or up-to-date valuations.

Mortgages constitute the major part of the retail market portfolio, and the group's mortgage portfolio has the following LTV (Loan to Value) distribution:

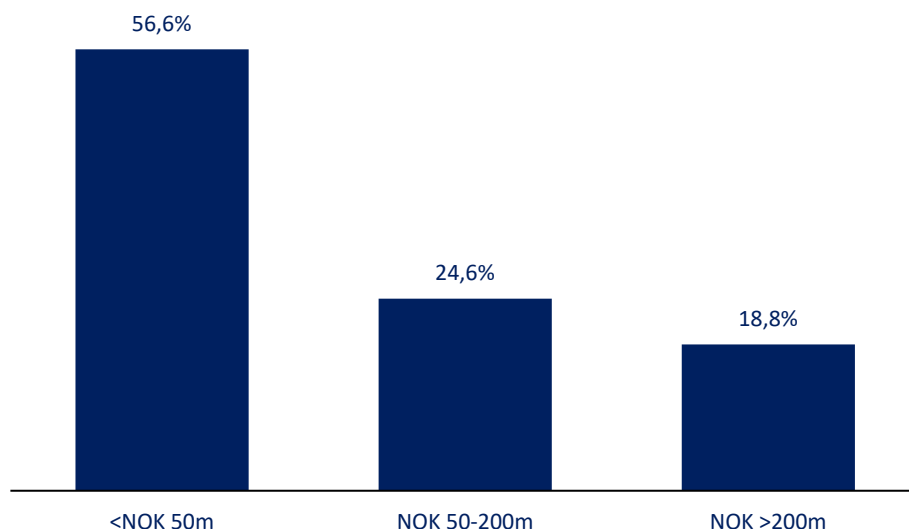
Retail loans by loan to value, Q1 2022



Corporate lending

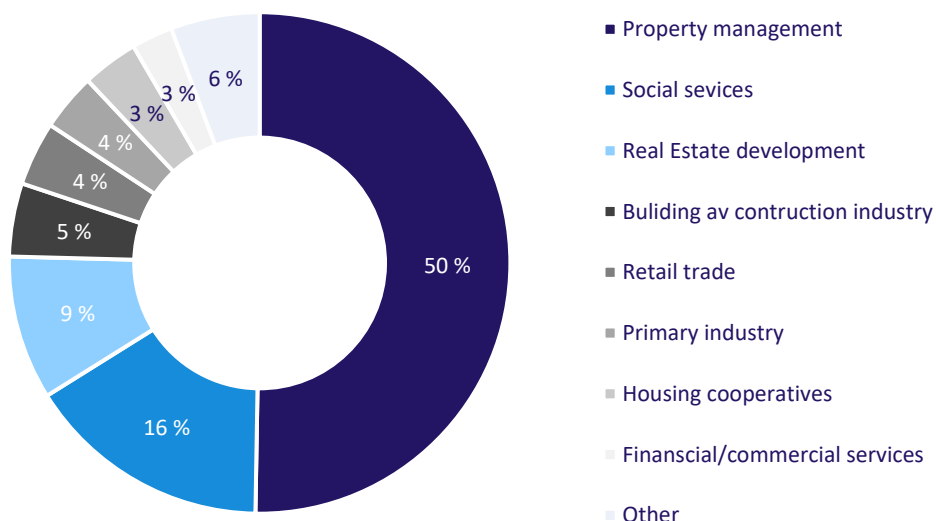
The number of corporate customers has increased from 21,642 at the first quarter of 2021 to 21,936 at the first quarter of 2022. Growth in corporate loans over the last year has been 3.4%, and Sparebanken Sør targets for 3% growth in 2022. By volume, 56.6% of loans to corporate customers are below NOK 50 million in size, 24.6% is in the NOK 50-200 million range, while 18.8% of loans are larger than NOK 200 million.

Corporate lending by size, Q1 2022

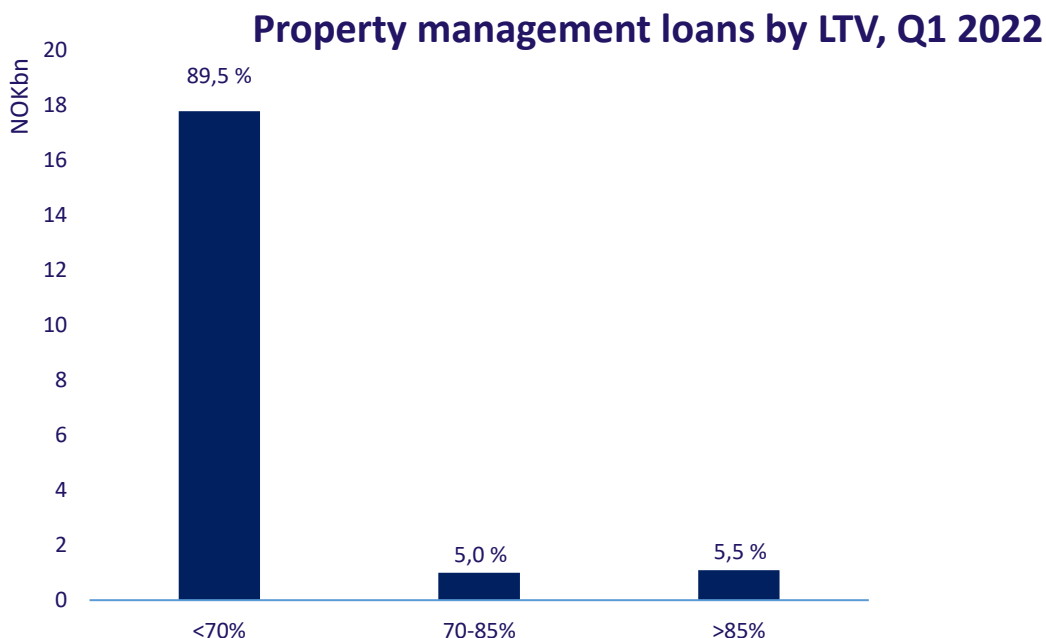


The corporate lending book is diversified across different sectors. Property management is the largest sector at 50.3%, with Social services following at 15.9%, Real estate development at 9.3%, and Building & construction industry at 4.7%. The Social services portfolio consists of 32% loans to organisations and organisational operations, 31% to health services, nursing and care, 19% to education and 18% is other social services.

Sector distribution gross loans, Q1 2022



The property management portfolio is NOK 19 872 million in size, with most individual loans in the 0-40% loan to value interval. On aggregate, 89.5% of lending volume property management lies below 70% loan to value.



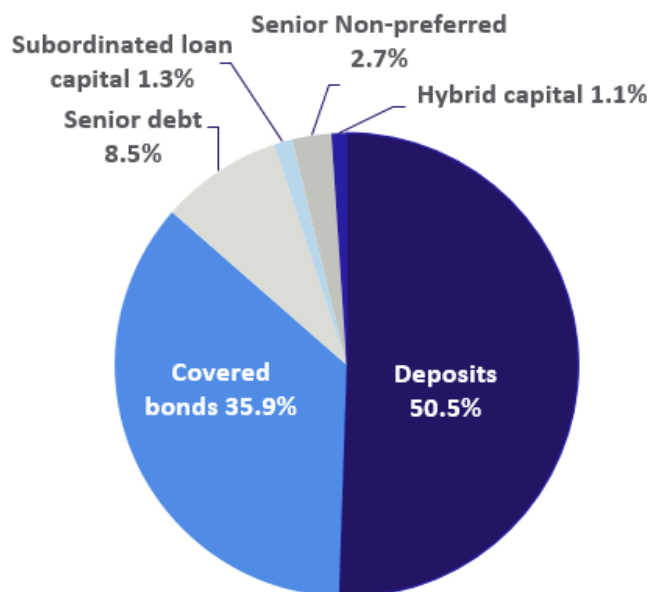
Funding:

Sparebanken Sør has a diversified funding base and solid capital adequacy. While 49% of debt funding is through deposits, Sparebanken Sør also has a significant amount of funding through capital markets. The Bank funds itself in the capital market by issuing interest-bearing securities. The Group's debt from securities totaled NOK 56.9 billion as of 31 March 2022, compared with NOK 55.4 billion as of 31 March 2021. The Group's senior non-preferred debt totaled to NOK 3.5 billion as of 31 March 2022, compared with NOK 3.0 billion as of 31 March 2021. Long-term bond funding has been established as covered bonds, senior debt and senior non-preferred debt. AS of 31 March 2022, covered bonds accounted for a total of NOK 46.0 billion and represent 76 percent of this funding. Long-term funding with a maturity of more than 12 months accounted for 88 percent. The average maturity of long-term funding was 4.3 years and the Group's long-term, funding indicator (NSFR) was 115 percent as of 31 March 2022.

The Group has arranged for long-term funding in the international market by establishing EMTN (Euro Medium-Term Bond Note) programmes for the bank and the mortgage company.

As of 31 March 2022, the Group had diversified funding from international investors for a total of EUR 3.0 billion. Funding in foreign currency is hedged for interest rate and currency risk.

As of 31 March 2022, Sparebanken Sør had issued NOK 3.5 billion as senior non-preferred debt to satisfy the authorities' MREL (Minimum Requirement of own Funds and Eligible Liabilities) requirements.



Covered Bond – Secured bonds issued by Sparebanken Sør Boligkreditt AS secured by a cover pool consisting of Norwegian residential mortgages

Senior debt – Unsecured Bonds issued by Sparebanken Sør

Senior Non-Preferred (SNP) – Unsecured Bonds issued by Sparebanken Sør. Status as senior debt, but in the event of default, priority for repayment is given til senior debt.

Subordinated loan capital – Tier 2 capital

Hybrid capital – Additional Tier 1 capital

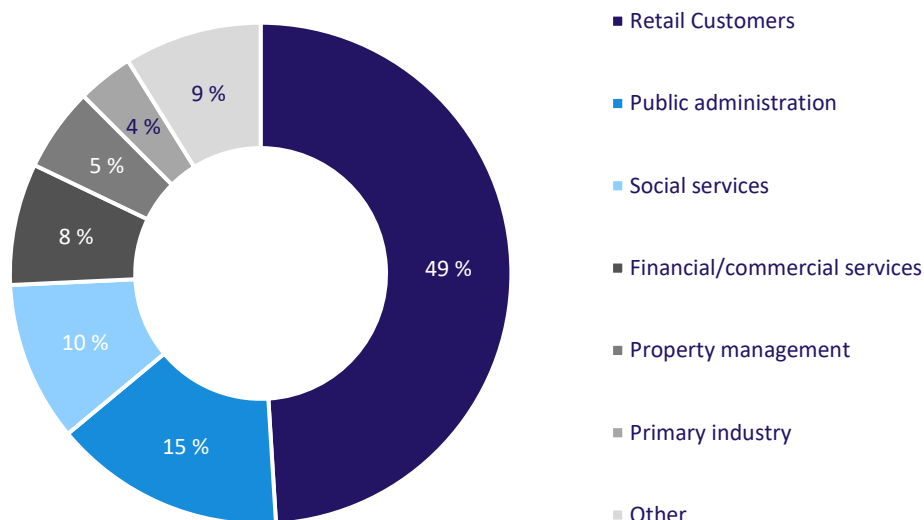
Deposits:

As of 31 March 2022, total deposits were NOK 64.7 billion, compared with NOK 60.8 billion on 31 March 2021. This represented a growth of no less than NOK 3.9 billion, or 6.4 percent.

In the retail market, deposits amounted to NOK 31.7 billion on 31 March 2022, compared with NOK 30.0 billion on 31 March 2021. This represented growth of NOK 1.8 billion, or 5.9 percent. Deposits in the corporate market amounted to NOK 32.9 billion on 31 March 2022, compared with NOK 30.8 billion on 31 March 2021. This represented growth of NOK 2.1 billion, or 7.0 percent.

Growth in deposits has been good since the corona pandemic broke out in 2020 and has contributed to an increase in the bank's deposit coverage from 53.9 percent as of 31 March 2021 to 54.9 percent as of 31 March 2022.

Sector distribution deposits, Q1 2022



6.8 RISK MANAGEMENT

Good risk and capital management is a key strategic instrument in Sparebanken Sør's value creation process. Good risk and capital management contributes to profitability and a satisfactory rating and ensures that the Bank has good access to the capital market. For more detailed information about financial risk and capital management, reference is made to the Bank's 2021 annual report.

Risk is a fundamental feature of banking, and there are various types of risk in all parts of the Bank's operations with differing levels of actual risk exposure. Active risk management means that risk evaluation is an integrated part of the evaluations made in both the first line and the second line. The Bank's risk management and internal control activities have to contribute to a management of risk in a way that supports the Bank's strategic goals and safeguards the bank's long-term value creation.

Management objectives have been set for the Group's overall level of risk, as well as specific concrete management objectives for each individual area of risk. There is an established system and structure for the measuring, management, follow-up and control of risk. The Group's exposure to risk and capital adequacy is followed up by periodic reports.

The overall guidelines for the Bank's risk management and the framework for risk exposure is evaluated and established annually by the Board of Directors in connection with the maintenance of the Bank's internal strategy and management documents. The Board sets frameworks for the appetite for risk, including concrete management objectives and limits to tolerance of risk in different risk categories including credit risk, market risk, liquidity risk and operational risk.

The most significant risk factors can be grouped into financial risk, operational risk (including money laundering risks, ICT risks and cyber risks), compliance risk and strategic and business risk. There is also ESG (Environmental, Social and Governance) risk which is linked to climate and environment, social conditions and business management. This is not an independent risk, but a risk that has to be evaluated in connection with other risks, for example credit risk.

Financial risk includes credit risk, market risk (linked to the Bank's exposure in the interest-, currency- and equity markets) as well as liquidity risk. Operational risk is a risk for losses that result from inadequate or failing internal processes or systems, human error or external events.

Strategic risk is linked to strategies, plans and changes that the bank is doing or plans on doing, while business risk is the risk of unexpected income or expense fluctuations which follow from changes in external conditions like business cycle fluctuations, competition, customer behaviour, lack of business development and public

regulation. Reputational risk is the risk of a decline in earnings or access to capital as a result of declining trust and judgement in the market. Reputational risk is a part of business risk.

The Bank has an ongoing process linked to the monitoring and assessment of the various risk factors. In accordance with relevant regulations, every principal area undergoes internal control processes. The Bank's Group management handles issues linked to risk management on an ongoing basis and provides Board's risk committee regular reports.

The Bank's management and control of risk has to be on a par with comparable banks, and the Bank's aim is to have low risk exposure. Developing and improving the Bank's risk management is a continuous process.

Credit risk

The Board adopts the Bank's credit strategy and credit policy, and credit risk is also managed through operational credit guidelines, credit assessment processes and grant authorizations. The Board has set objectives and directions, as well as quantitative limits that specify limitations and limits for risk tolerance. Compliance with the Bank's credit policy is monitored by the Risk Management division, which is an independent entity.

The Bank's risk classification system is used both in the credit assessment process and for ongoing follow-up of risk at portfolio level. Classification of customers is based on the probability of default during a 12-month period, where the probability is calculated on the basis of various internal and external financial data. Scorecards are used to divide customers into 10 different risk classes as well as a risk class for non-performing commitments. Risk development in the portfolio is mapped and followed up on an ongoing basis.

Market risk

The Board has set guidelines for risk tolerance levels for investment in shares, bonds and for positions in interest rate and currency markets. Compliance with the management objectives is monitored on an ongoing basis and reported to the Board.

The interest rate risk limit is set as an upper limit for how large the loss on uncovered interest rate positions can be in the event of shifts and distortions in the interest rate curve. Interest rate risk arises from the Group's ordinary activities in the form of fixed-rate customer loans, interest rate derivatives against customers, fixed-rate investments, as well as funding at fixed interest rates and in foreign currency are hedged on an ongoing basis.

The Bank is exposed to earnings effects from the fact that the time when interest rates on the Bank's market financing are set, linked to the 3-month NIBOR (the Norwegian Interbank Offered Rate), does not coincide with the time for possible interest change on the Bank's lending to customers.

In addition to the framework for interest rate risk, an upper risk tolerance for credit spread risk has also been set. This is given as an earnings effect calculated against the background of an assumed market change in credit spread, which will lead to changes in the value of the Group's interest-bearing securities portfolio. For the calculation of risk exposure, the Financial Supervisory Authority of Norway's stress test model for credit spread risk is used. The Bank's credit spread exposure is linked to the liquidity portfolio.

The Group is affected by fluctuations in the currency market through its currency activities with customers. To hedge against currency exposure, derivatives (currency futures, swaps and options) are used. The Bank's currency exposure as a result of customer transactions is very low.

When financing in a foreign currency, interest and currency risks arise as a result of the fact that financing is carried out at fixed interest rates in a currency other than NOK. The same thing applies in the purchase of interest-bearing securities in a foreign currency.

The Bank hedges interest rate and currency exposure by entering into derivative contracts with reputable financial counterparties. Hedge accounting is the basis for reporting on changes of value.

Liquidity risk

Liquidity risk is managed through the Group's liquidity strategy, its general guidelines and through the board-approved risk tolerance levels and limits. Key operational management parameters are the requirement for the deposit-to-loan ratio, the long-term funding indicator and the stress indicator for liquidity disposals within 30 days, as well as the guidelines for survivability in situations where there is no access to market funding. Liquidity risk is also managed by ensuring the distribution of funding from the capital market over different maturities, sources of funding and instruments. Liquidity risk is periodically stress tested, and contingency and recovery plans have been established for the Group.

Deposits from customers are the Bank's largest and most stable source of finance. The Board emphasizes that the relationship between deposits from customers and lending to customers must reflect the Group's overall financing situation. At the end of 2021, the Group's deposit-to-loan ratio was 54.0 percent.

Sparebanken Sør Boligkreditt AS represents an important funding instrument for the Group, which secures access to long term financing through the issuance of covered bonds.

Board-approved risk tolerance levels for the Bank's liquidity risk is based on guidelines from the Financial Supervisory Authority of Norway. At the turn of the year, liquidity risk levels were within the board-approved requirements.

The Group has a liquidity reserve in the form of liquid interest-bearing securities which satisfy regulatory and board-approved requirements for LCR-holding and liquidity stress-testing. In addition, the Bank has a buffer of mortgages cleared for transfer to the mortgage company and which can secure financing from the Central Bank of Norway through the issuance of covered bonds. The Bank's interest-bearing liquidity portfolio consists of government securities, other interest-bearing securities with zero capital weight and covered bonds.

The Bank's short term liquidity risk is managed by conforming to the Liquidity Coverage Ratio (LCR).

Counterparty risk

Derivative contracts are entered into to hedge risks which arise when managing the Bank's liquidity risk. Also, there are customer contracts that involve fixed interest rate and currency exposure. The derivative contracts must be established with respectable counterparties with good ratings and regulated by the underlying ISDA agreements. Derivative contracts must be distributed among various counterparties to avoid counterparty concentration.

The Bank follows the regulation for derivatives trading set by EMIR (European Market Infrastructure Regulation) regarding settlement, confirmations, documentation and reporting to authorities.

The Bank's counterparty risk is regulated in the establishment of agreements on furnishing of collateral (Collateral Support Annex) between the parties. Under the CSA settlement, values of derivatives are reconciled with the derivative counterparty and settlement of collateral takes place. By entering into an agreement on collateral settlement for changes in the value of derivatives, the Bank manages to maintain the lowest possible counterparty risk. The Bank has established clearing against the London Clearing House through a clearing agent.

Operational risk

Internal control is an important tool for reducing operational risk, with respect to both its identification and follow-up.

Business risk

It is a prerequisite for Sparebanken Sør that risk must be subject to active and satisfactory management, based on the board's objectives and limits for risk exposure and risk tolerance.

The Bank must have a low business risk that ensures stable and diversified earnings, and the Group shall not be involved in individual incidents or activities that may threaten reputation and strategic goals.

Ownership risk

The management and boards of subsidiaries are dealt with in accordance with the provisions of the Limited Liability Companies Act. Several of the companies use managers and/or employees from the Group on their boards of directors or in other positions.

Compliance risk

The Group focuses on having good processes to ensure compliance with applicable laws and regulations. Work is done continuously to assess best adaptation to new rules and regulations to maintain both compliance and efficiency in the organisation. New rules and regulations are implemented in the Group's policy documents and procedures.

The Group's compliance function is organised independently of the business units.

6.9 INVESTMENTS

Sparebanken Sør has not made any material investments since the date of the last published financial statements (31 March 2022). Nor are there any material investments in progress and/or for which firm commitments have already been made.

6.10 MATERIAL CONTRACTS

Sparebanken Sør's largest and most important suppliers are linked to the Business development division (IT), whereof TietoEvry and Nets are the suppliers who mainly provide business-critical infrastructure to the Bank. The current main agreement with Evry is dated 1 January 2020 and is valid until 1 January 2025 with an option to extend for an additional 2 years. The annual contract value is NOK 148 million (2021). Pricing is based on a fixed cost of access and volume based on usage.

With Nets, the current agreement comprises a framework agreement and annexes for underlying services. The underlying services are dealt with individually and independently of the framework agreement. The annual contract value is NOK 19 million. Pricing is based on a fixed cost of access and volume based on usage.

No suppliers linked to other divisions within the Bank are considered equally important for the Bank's operations.

6.11 DIVIDEND POLICY

On 10 March 2022, The Board updated Sparebanken Sør's dividend policy. Sparebanken Sør's objective is to achieve results that provide a competitive return on the Bank's equity. The profit for the year after tax shall be divided between the equity certificate capital and primary capital in proportion to their relative share of the Bank's equity (the owner fraction). The equity capital certificate holders' share of the profit will be divided between dividend and the equalisation reserve. The dividend funds will consist of a cash dividend for the equity capital certificate holders and funds for the public benefit. Taking into account the Bank's capital adequacy, applicable laws, regulation and NFSA practice, strategy and development, the goal is for 40-50% of the year's profit to be distributed to dividend funds. Furthermore, the Bank current dividend policy aims to have equal pay-out on both capital classes.

The potential for development and growth that creates value for the Bank's owners, the expected profit development in a normalised market situation, external framework conditions and the need for core capital will be taken into account when determining dividend. The Bank's dividend policy will form the basis for the resolutions proposed by the Board at the *general meeting*.

In 2022 and in accordance with the Bank's former dividend policy, Sparebanken Sør distributed a cash dividend of NOK 8.00 per equity capital certificate for the financial year 2021. The distribution percentage was approx. 66% of the Group's result per equity certificate. Further, the Bank decided to set aside NOK 100 million for donations in 2022.

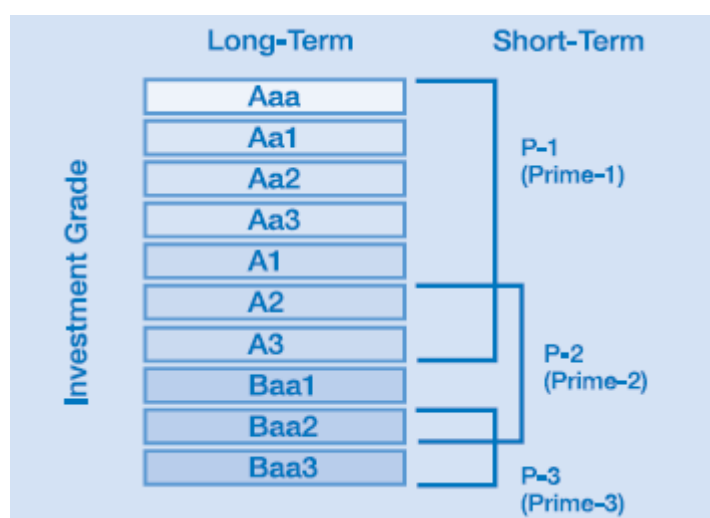
6.12 LEGAL AND ARBITRATION PROCEEDINGS

The Group has not been part of any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had, in the recent past significant effects on the Bank and/or Group's financial position or profitability.

6.13 CREDIT RATING OF THE BANK

A short description of Moody's Rating Scale (Investment Grade) is included below:

The following is a ranking from highest to lowest of Moody's long-term and short-term category.



Source: Moodys.com

Long-Term:

Aaa: Obligations rated Aaa are judged to be out of the highest quality, with minimal risk.

Aa: Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.

A: Obligations rated A are considered upper-medium grade and are subject to low credit risk.

Baa: Obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess speculative characteristics.

Short-Term:

P-1 (Prime-1): Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.

P-2 (Prime-2): Issuers (or supporting institutions) rated Prime-2 have a superior ability to repay short-term debt obligations.

P-3 (Prime-3): Issuers (or supporting institutions) rated Prime-3 have a superior ability to repay short-term debt obligations.

7 THE FOUNDATION

7.1 GENERAL

Sparebankstiftelsen Sparebanken Sør is organized under the laws of Norway with registration number 999 282 482 with address c/o Rune Røiseland, Østerveien 6, 4631 Kristiansand S, Norway.

The Foundation is the largest ECC-holder in the Bank, holding 34,027,792 ECCs after the Conversion.

7.2 PURPOSE, VISION AND VALUES OF THE FOUNDATION

Pursuant to the Financial Institutions Act § 12-25 the articles of association of a savings bank foundation shall state that the foundation will continue the savings bank traditions and to have as its purpose a long-term and stable ownership of the savings bank or the converted bank. The foundation shall have similar purposes in its articles of association in order to comply with the Financial Institutions Acts, but the articles of associations may be customized with respect to geographical presence for the respective savings bank.

The purpose article in the Foundation's articles of association states the following:

"The Foundation's purpose is to manage equity certificates that it was allocated upon formation and later, and to exercise a long-term and stable ownership in Sparebanken Sør in order to contribute to the continuation of savings bank traditions. The Foundation may also invest funds in an appropriate and reassuring manner taking into account security, risk diversification, liquidity and return, as well as with a view to market return on equity. The Foundation may allocate contributions to non-profit causes. In its distributions, the Foundation shall preferably take into account the districts that have contributed to the accumulation of capital of the former Sparebanken Sør and Sparebanken Pluss. The composition of the general meeting at the Foundation's capitalisation in 2022 reflects this build-up of capital. Moreover, the Foundation can exercise other activities that are consistent with specified purposes and those limits stipulated by the regulations for the savings bank foundations"

7.3 OWNERSHIP POLICY

The Foundation shall be a long-term and stable owner in the Bank. According to its articles of association, the Foundation shall hold at least 25% of the ECCs in Sparebanken Sør (recently lowered from 35 %) under normal conditions. The Foundation shall be a strong and accessible capital source and as far as possible, participate in equity capital certificate issuances to ensure compliance with the Foundation's purpose, cf. 7.2.

7.4 CAPITAL AND ASSET MANAGEMENT

The Foundation was founded with 6,000,000 equity capital certificates in Sparebanken Sør, which on 2 January 2014 was exchanged with 3,518,674 equity certificates in Sparebanken Pluss, which at the same time changed its name to Sparebanken Sør due to a merger between Sparebanken Pluss and Sparebanken Sør. On 31 March 2022, the Bank decided to convert primary capital to ECC capital through the issuance of the New ECCs to the Foundation. The conversion of primary capital to ECC capital was approved by the Financial Supervisory Authority of Norway 9 June 2022.

The Foundation is expected to hold significant funds, including a large holding of ECCs. The management of these funds will be conservative. Funds that are not invested as equity in Sparebanken Sør shall be invested in an appropriate manner based on security, risk diversification and liquidity, as well as with a view to a market return on capital. The board of the Foundation is responsible for carrying out the administration within the framework established by the general meeting in a separate administration regulation.

The net profit for the year shall be assigned to the Foundation's equity capital, unless the articles of association provide that net profit shall be distributed as dividend. The articles of association may provide that dividend funds can be utilised as gifts to non-profit causes or to a fund for such gifts or as gifts to a foundation for non-profit causes, cf. the Financial Institutions Act section 12-22 (2), cf. section 10-7. A savings bank foundation that devotes the profit for the year to gifts for the public good shall attach importance to promoting development in

areas where the capital that was supplied to the foundation upon its establishment was raised, or transfer it to a fund with the same purpose (gift fund), cf. the Financial Institutions Act section 12-26 (3).

As stated above, the articles of association of the Foundation provides that it may distribute gifts to non-profit causes. The Board of Directors is responsible for distributing gifts within the limits decided by the Supervisory Board on the application of the net profit of the year

7.5 GOVERNANCE AND MANAGEMENT

According to the Financial Institutions Act section 12-21 (1), savings banks foundations shall have a general meeting whose composition and election shall be as further provided by the articles of association. According to the articles of association of Sparebankstiftelsen Sparebanken Sør, the general meeting is the highest decision-making body of the Foundation, consisting of 22 members and 6 deputy members. The composition of the general meeting should reflect the customer structure of Sparebanken Sør, other interest groups and local community interests. Depositors in Sparebanken Sør shall elect 22 members and 6 deputy members to the general meeting. On behalf of the voting areas Aust-Agder and Vest-Agder, Agder county municipality shall elect 2 members and 2 deputy members. On behalf of the voting area Telemark, Vestfold og Telemark county municipality shall elect 1 member and 1 deputy member. Depositors with home address/business address in the voting area Aust-Agder shall elect 5 members and 1 deputy member, whereby 3 members and 1 deputy member shall have home address/business address in Arendal. Depositors with home address/business address in the voting area Vest-Agder shall elect 13 members and 1 deputy member, whereby 8 members and 1 deputy member shall have home address/business address in Arendal. Depositors with home address/business address in the voting area Telemark shall elect 1 member and 1 deputy member.

Members and deputy members are elected for a period of four years. Members can be re-elected. The members and deputy members of the general meeting cannot hold board positions or be employed in Sparebanken Sør or companies in the Group, nor can they have board positions or employment in companies that compete with Sparebanken Sør.

According to the Financial Institutions Act section 12-21 (3), savings banks foundations shall have a board of directors that has been elected by the general meeting in accordance with the groups represented at the general meeting. The board of directors has the authority and responsibility that follows from existing regulations and from the Foundation's articles of association. According to the articles of association of the Foundation, the board shall consist of eight members and three deputy members. Board members are elected for a period of two years. Deputy members are elected for a period of one year. Board members and deputy members can be re-elected. The board members and deputy members cannot hold board positions or be employed in companies competing with Sparebanken Sør or other companies in the Group. The composition of the board shall reflect the composition of the group's with voting rights in the general meeting

7.6 LEGISLATION, REGISTRATION AND SUPERVISION

Financial foundations, including savings banks foundations, are regulated by the Financial Institutions Act chapter 12, IV and V. Except as otherwise provided by or pursuant to the Financial Institutions Act, the provisions of the Foundations Act concerning business foundations shall apply to financial foundations. The Norwegian FSA shall oversee financial foundations and their activities pursuant to the rules of the Financial Supervision Act. The financial foundations shall be registered in the Norwegian Register of Business Enterprises and in the Norwegian Foundation Register.

7.7 DISSOLUTION

The Financial Institutions Act section 12-23 regulates the winding-up of financial foundations. The general meeting may vote, by the same majority as for an amendment to the articles of association, to wind up the financial foundation. Such resolution requires the approval of the Ministry of Finance. The Ministry may decide that the foundation shall be wound up if the premises for its activities have materially changed.

Upon winding up, the assets shall be distributed as prescribed in the articles of association, except as otherwise provided by the Norwegian Ministry of Finance in the public interest or in the interest of the converted financial institution or its customers. According to the articles of the association of the Foundation, the funds shall be

used to promote savings bank activities pursuant to further decision by the general meeting. The promotion of Sparebanken Sør's activities is considered as promoting savings bank activities in this regard, provided that the Bank is carrying out its activities in the region where Sparebanken Sør carried on its business activities at the time of the establishment of the Foundation.

8 BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

8.1 INTRODUCTION

The board of trustees is the highest decision-making authority of the Bank.

The overall management of the Group is vested in the Board of Directors and the Management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Group's business ensuring proper organisation, preparing plans and budgets for its activities ensuring that the Group's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The Management is responsible for the day-to-day management of the Group's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Group's chief executive officer, or CEO, is responsible for keeping the Group's accounts in accordance with applicable law and for managing the Group's assets in a responsible manner. In addition, the CEO must according to Norwegian law brief the Board of Directors about the Group's activities, financial position and operating results at a minimum of one time per month.

8.2 BOARD OF DIRECTORS

8.2.1 Overview

The Articles of Association provide that the Board of Directors shall consist of 7-8 members and 3 deputy board members.

As at the date of this Prospectus, the Bank's Board of Directors consists of the following members:

Name of director	Position	Director since	Current term expires
Knut Ruhaven Sæthre	Chairperson	Member since December 2020* Chairperson since March 2022	2024
Mette Harv	Deputy chairperson	Member since April 2018 Deputy chairperson since March 2022	2024
Merete Østby	Member	Member since December 2020	2024
Erik Tønnesen	Member	Member since December 2020	2024
Trond Randøy	Member	Member since March 2022**	2024
Eli Giske	Member	Member since March 2022	2024
Jan Erling Tobiassen	Member (employee representative)	Member since April 2016	2024
Gunnhild Tveiten Golid	Member (employee representative)	Member since March 2017	2024

*Deputy member since April 2018

**Deputy member since December 2020

The Board of Directors is in compliance with the independence requirements of the Norwegian Code of Practice for Corporate Governance dated 14 October 2021 (the "**Corporate Governance Code**"), meaning that (i) the majority of the members of the Board of Directors elected by the board of trustees are independent of the Bank's executive management and material business contacts, (ii) at least two of the members of the Board of Directors elected by the board of trustees are independent of the Bank's main ECC holders, and (iii) no members of the Bank's executive management are on the Board of Directors.

All members of the Board of Directors are independent of the Bank's significant business relations. All of the members of the Board of Directors are independent of the Management.

The Bank's registered office, Rådhusgaten 7/9, 4611 Kristiansand S, Norway, serves as the business address for the members of the Board of Directors in relation to their directorships of the Bank.

8.2.2 *Brief biographies of the members of the Board Directors*

Set out below are brief biographies of the members of the ordinary members of the Board of Directors, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Bank and names of companies and partnerships of which a member of the Board of Directors is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and management positions in the Bank or in subsidiaries of the Bank).

In the following, for directorships the denominations "C" and "BM" states the position as chairperson of the Board of Directors ("C") and ordinary board member ("BM"), respectively, and "CEO", "CFO" and "CRO" state the position as Chief Executive Officer, Chief Financial Officer and Chief Risk Officer respectively in the relevant companies.

Knut Ruhaven Sæthre, chairperson

Knut Ruhaven Sæthre (born 1964) has a Master of Business Administration from Fribourg/Switzerland with a master's degree in strategic management from the Norwegian School of Economics. Currently, he is the CFO of BW Energy Limited, and he has previously been the CFO of BW Offshore Limited and CFO of APL ASA.

Current directorships and management positions	
Previous directorships and management positions last five years	BW Offshore Nautipa AS, CEO (July 2017 - September 2019) BW Offshore Norwegian Manning AS, CEO (March 2017 - September 2019) BW Offshore Norway AS, CEO (September 2010 - September 2019)

Mette Harv, deputy chairperson

Mette Harv (born 1968) has a Master of Business Administration from the Norwegian School of Economics. She is the Executive Vice President Renewables and Aquaculture in Nekar ASA. Formerly, she has been Executive Vice President TTS Energy of TTS Group ASA and Vice President Global Supply chain & Logistics of National Oilwell Varco, Rig Systems.

Current directorships and management positions	Intellilift AS, CGCE Node Service AS, BM GCE Node, BM Agder Energi AS, deputy BM
Previous directorships and management positions last five years	Intellilift AS, BM (August 2018 – December 2019) Windpartner AS, BM (May 2017 – August 2019) Næringsforeningen i Kristiansandsregionen – Kristiansand Handelskammer, deputy C (February 2016 – November 2017)

Merete Østby, board member

Merete Østby (born 1980) has a Master of Science from the University of Tromsø. She is currently the Digital Manager of Yara Porsgrunn. Formerly, she has worked as Business Development Manager of Yara Porsgrunn and Section Manager for Financial Services in EVRY.

Current directorships and management positions	Grenland Havn IKS, BM
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Previous directorships and management positions last five years	-
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Erik Tønnesen, board member

Erik Tønnesen (born 1958) has a Master of Business Administration from BI Norwegian Business School. He is Managing Partner in Skagerak Maturo AS. Prior to this he has been the Executive Vice President of the insurance company Gjensidige, Regional Director in Acta Asset Management and Bank Manager of Sparebanken Sør.

Current directorships and management positions	Skandia Greenpower AS, C Effera AS, BM Innoventus Sør AS, BM Kairos Technology AS, deputy BM Tønnesen Sko AS, C
Previous directorships and management positions last five years	Sparebankstiftelsen Sparebanken Sør, BM (September 2014 – July 2021) Effera AS, C (December 2014 – May 2021) Skandia Greenpower AS, BM (June 2017 – October 2019) Penetrace AS, C (March 2017 – September 2018) Zisson AS, C (August 2012 – September 2018)

Trond Randøy, board member

Trond Randøy (born 1962), is a Doctor oeconomiae from the Norwegian School of Economics. He works as a Professor at the University of Agder and as of September 2021 at Copenhagen Business School (CBS). Previously, he has worked as scientist at Agderforskning AS and associate professor at Agder University College.

Current directorships and management positions	MTI Investment SE, C Sørlandsforskning AS, CEO, C Agder Aviation Tech Team AS, C African Construction AS, BM Ecohomoes Ltd., BM African FinTech AB, deputy BM
Previous directorships and management positions last five years	Sportfabrikken AS, BM (December 2018 – August 2020)

Eli Giske, board member

Eli Giske (born 1964) has a Master of Business and Marketing, and is currently selv-employed (Giske Consulting), but her main capacity is dedicated to various board positions. Previously, she has been CFO of Posten Norge and EVRY, as well as chairperson of the board of directors of Espire AS and board member of Ruter AS, Usbl and held several other board positions.

Current directorships and management positions	Spordrift AS, C Sykehusapotekene HF, C Bredvid AS, C Nye Veier AS, deputy C ØB Solutions AS, BM Oslobygg KF, BM Iteam AS, BM Itera AS, Chair of the nomination committee
Previous directorships and management positions last five years	Bring AS, C (March 2017 – November 2018) Posten Eiendom Alnabru Utvikling AS, C (July 2017 – July 2018) Posten Eiendom Bergen AS, C (July 2017 – July 2018) Posten Eiendom Narvik AS, C (July 2017 – July 2018) Posten Eiendom Robsrud AS, C (July 2017 – July 2018) Posten Eiendom Tromsø AS, C (July 2017 – July 2018) Posten Eiendom Vestfold AS, C (July 2017 – July 2018)

	Bring Eiendom Haugesund AS, C (July 2017 – July 2018) Posten Eiendom Bodø AS, C (July 2017 – July 2018) Posten Eiendom Alnabru AS, C (July 2017 – July 2018) Posten Eiendom AS, C (July 2017 – July 2018) Ruter AS, BM (July 2016 – June 2018) Boligbyggelaget USBL, BM (May 2016 – June 2017) Itera ASA, BM (September 2016 – June 2017)
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Jan Erling Tobiassen, board member (employee representative)

Jan Erling Tobiassen (born 1959) is a Certified Internal Auditor from The Institute of Internal Auditors (IIA). He is currently the chief shop steward of in Sparebanken Sør. Previously, he has been a custodian consultant and internal auditor of Sparebanken Sør.

Current directorships and management positions	-
Previous directorships and management positions last five years	-

Gunnhild Tveiten Golid, board member (employee representative)

Gunnhild Tveiten Golid (born 1977) has a Bachelor of Economics from Buskerud University College, department of Kongsberg, as well as a Bachelor of Business Administration/Diploma in Economics and a Bachelor of Real Estate from BI Norwegian Business School. She is currently an authorised financial advisor in Sparebanken Sør. Previously, Golid has worked as an authorised real estate agent in ABCenter Telemark and as a financial advisor in Storebrand Bank, Oslo.

Current directorships and management positions	-
Previous directorships and management positions last five years	-

8.2.3 ECCs and options held by members of the Board of Directors

The table below shows the amount of ECCs and options held by members of the Board of Directors:

Name	Position	Number of ECC	Number of options
Knut Ruhaven Sæthre	Chairperson	0	0
Mette Harv	Deputy chairperson	0	0
Merete Østby	Member	0	0
Erik Tønnesene	Member	0	0
Trond Randøy	Member	0	0
Eli Giske	Member (employee representative)	0	0
Jan Erling Tobiassen	Member (employee representative)	1,228	0
Gunnhild Tveiten Golid	Member (employee representative)	1,228	0

8.3 MANAGEMENT

8.3.1 Overview

The Management of the Bank consists of 9 individuals. The names of the members of the Management as at the date of this Prospectus, and their respective positions, are presented in the table below:

Name	Position	Served since
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Geir Bergskaug	Chief Executive Officer	November 2010
Lasse Kvinlaug	Deputy CEO / Corporate Market	June 2001
Gunnar P. Thomassen	Executive Vice President / Retail Market	April 2006
Gry Moen	Executive Vice President / Business Development	September 2011
Marianne Lofthus	Executive Vice President / Capital Market	January 2014
Bjørn A. Friestad	Executive Vice President / Risk Management	June 2001
Rolf H. Søraker	Executive Vice President / Group Support	April 2006
Steinar Breen	Executive Vice President/ Strategy and Compliance	April 2020
Eva Kvelland	Executive Vice President / Market and Communication	August 2021
Steinar Vigsnes	Executive Vice President / Chief Financial Officer	June 2022

All members of the Management are employed by Sparebanken Sør.

The Bank's registered office, Rådhusgaten 7/9, 4611 Kristiansand S, serves as the business address for the members of management in relation to their positions in the Bank.

8.3.2 Brief biographies of the members of the Management

Set out below are brief biographies of the members of the Management, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Bank and names of companies and partnerships of which a member of the Management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and management positions in subsidiaries of the Bank).

In the following, for directorships the denominations "C" and "BM" states the position as chairperson of the Board of Directors ("C") and ordinary board member ("BM"), respectively, and "CEO", and "CFO" and "CRO" state the position as Chief Executive Officer, and Chief Financial Officer and Chief Risk Officer respectively in the relevant companies.

Geir Bergskaug, Chief Executive Officer

Geir Bergskaug (born 1960) has a Master of Business Administration from the Norwegian School of Economics, as well as a postgraduate degree from Harvard Business School in Boston – GMP and INSEAD Fontainebleau France – MBA. He has previously worked at Gjensidige insurance company as Executive Vice President (1999-2010), and the chairman of the board of Gjensidige Bank (2008-2010). From 1988 to 1999, Bergskaug worked as Vice President/Director of DnB NOR.

Current directorships and management positions	Finans Norge, C Sparebanken Sør Boligkreditt AS, C Balder Betaling AS, BM Vipps AS, BM Sparebankforeningen i Norge, BM Frende Holding AS, BM
Previous directorships and management positions last five years	Balder Betaling AS, C (March 2017 – November 2021)

Lasse Kvinlaug, Deputy CEO

Lasse Kvinlaug (born 1961) has a Master of Business Administration and has previously worked as deputy CEO, CEO and bank manager at Sparebanken Pluss from 1997 to 2013. Further, Kvinlaug has experience from Sparebanken NOR/Sparebanken ABC (1987-1997), as assistant bank manager with responsibility for the corporate market in Kristiansand and as a Financial consultant in Statoil (1984-1987).

Current directorships and management positions	Sørmegleren AS, C Brage Finans AS, BM
Previous directorships and management positions last five years	Sørmegleren AS, BM

Gunnar P. Thomassen, Executive Vice President / Privacy Division

Gunnar P. Thomassen (born 1965) is educated within civil engineering from the Norwegian Institute of Technology, division for industrial economics. He has previously worked at Sparebanken Sør as Director, Regional Director and Bank Manager (1999-2013). Thomassen also has experience from Ernst & Young Management Consulting and Industrifondet/SND.

Current directorships and management positions	Sørmegleren AS, BM Sørlandets Forsikringscenter AS, BM Sparebanken Sør Boligkreditt AS, BM Norne Securities AS, BM
Previous directorships and management positions last five years	-

Gry Moen, Executive Vice President / Business Development

Gry Moen (born 1963) has a Master of Management from Trondheim University College of Economics/École Supérieure de Commerce Grenobles/Nantes/BI Norwegian Business School. She was the General Manager of ABCenter Holding from 2009 to 2010 and marketing director of Sparebanken Sør from 2006 to 2009. Moen previously also has experience from i.a. Statoil, Telenor and LOS/Agder Energi.

Current directorships and management positions	Innoventus Sør AS, BM Bits AS, BM
Previous directorships and management positions last five years	Arendal Røde Kors, BM (May 2020 – April 2022)

Marianne Lofthus, Executive Vice President / Capital Markets

Marianne Lofthus (born 1961) has a Master of Business Administration from the Norwegian School of Economics. She has previously worked as CFO of Sparebanken Pluss (2003-2013) and has many years of experience from financial operations in Sparebanken Pluss, Norsk Hydro and Sparebanken NOR.

Current directorships and management positions	Sparebanken Sør Boligkreditt AS, CEO Kristiansand Kommunes Energiverksstiftelse (Cultiva), BM
Previous directorships and management positions last five years	-

Bjørn A. Friestad, Executive Vice President / Risk Management

Bjørn A. Friestad (born 1959) has a Master of Business and Administration and is educated as an authorised financial analyst (AFA) from the Norwegian School of Economics. He was responsible for credit and business development in Sparebanken Pluss from 2011 to 2013. Friestad also has extensive experience from various business areas in Sparebanken Agder/Sparebanken Pluss since 1986.

Current directorships and management positions	-
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Previous directorships and management positions last five years	-
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Rolf H. Søraker, Executive Vice President / Group Head Office

Rolf H. Søraker (born 1960) has education from the Norwegian Armed Forces, and a Master of Management from Telemark University College and BI Norwegian Business School. He has extensive experience from various roles in Sparebanken Sør from 1986, i.a. as CEO of Sør Boligkreditt from 2008 to 2013.

Current directorships and management positions	AS Eiendomsvekst, CEO, Prosjektutvikling AS, CEO Stiftelsen Sparebanken Sør Instrumentfond, BM Sør Arena Drift AS, BM
Previous directorships and management positions last five years	-

Steinar Breen, Executive Vice President / Strategy and Compliance

Steinar Breen (born 1976) has a Master of Business and Administration, cand. Oecon and is an authorised financial analyst from the Norwegian School of Economics. He has previously been an associate partner in EY's consulting business for banking and finance, and also has experience from Accenture.

Current directorships and management positions	-
Previous directorships and management positions last five years	-

Eva Kvelland, Executive Vice President / Market and Communication

Eva Kvelland (born 1980) has a bachelor's degree in Political Science and a master's degree in Political Science and Management from the University of Agder. She has 20 years' experience from politics and society and was i.a. head of marketing and communication at Stine Sofies Stiftelse, communications advisor at Ordkraft and political advisor to Minister Lars Sponheim.

Current directorships and management positions	
Previous directorships and management positions last five years	-

Steinar Vigsnes, Executive Vice President / Chief Financial Officer

Steinar Vigsnes (born 1980) has a Master of Business and Administration from the University of Agder. Joined the bank in 2009 and previously held the position as Controller (2009-2013) and Head of Finance and Reporting (2014-2022). Vigsnes also has experience as an authorised auditor.

Current directorships and management positions	Sparebanken Sør Boligkreditt AS, BM
Previous directorships and management positions last five years	

8.3.3 ECCs and options held by members of the Management

Geir Bergskaug, Lasse Kvinlaug, Marianne Lofthus, Steinar Vigsnes and Bjørn Friestad are subject to the Bank's routines for personal trading in the Banks' securities and are thereby, with certain exceptions, subject to a 3-month lock-up period from time of the acquisition of the Bank's ECCs.

Name	Position	Number of ECCs	Number of options
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Geir Bergskaug	Chief Executive Officer	75,691	0
Lasse Kvinlaug	Deputy CEO /Corporate Market	3,540	0
Gunnar P. Thomassen	Executive Vice President / Retail Market	3,206	0
Gry Moen	Executive Vice President / Business Development	732	0
Marianne Lofthus	Executive Vice President / Capital Market	1,228	0
Bjørn A. Friestad	Executive Vice President / Risk Management	4,571	0
Rolf H. Søraker	Executive Vice President / Group Support	2,096	0
Steinar Breen	Executive Vice President / Strategy and Compliance	1,066	0
Eva Kvelland	Executive Vice President / Market and Communication	260	0
Steinar Vigsnes	Executive Vice President / Chief Financial Officer	6,206	0

8.4 THE BOARD OF TRUSTEES

As at the date of the Prospectus, the Bank's Board of Trustees consists of the following persons:

Name	Elected by
Gjermund Nesland	Elected by customers
Anne Omholt Hovstad	Elected by customers
Anders Gaudestad	Elected by customers
Merete Fogh Lund	Elected by customers
Birgitte Midgaard	Elected by customers
Hege Nodeland	Elected by customers
Kristi Marie Tveit	Elected by customers
Oddmund Ljosland	Elected by customers
Astri Lunde Wilmann	Elected by customers
Terje Røsnes	Elected by customers
Terje Spilling	Elected by customers
Berit T. Knudsen	Elected by customers
Tore Askildsen	Elected by Agder County Council
Dag Eide	Elected by Agder County Council
Bjørn Rudborg	Elected by Vestfold og Telemark County Council
Nina Berit Gumpen Hansen	Elected by ECC holder
Harald Rune Øyhovden	Elected by ECC holders
Rune Røiseland	Elected by ECC holders
Ole Moe Dy	Elected by ECC holders
Eldbjørg Dahl	Elected by ECC holders
Kari-Anne Nordbø	Elected by ECC holders
Hildegunn Smidsrød	Elected by employees
Vidar Ås	Elected by employees
Britt Ytterbø	Elected by employees
Veronica Hamstad	Elected by employees
Jan-Inge Wågestad	Elected by employees
Tommy Holter Moi	Elected by employees
Hans Arthur Frigstad	Elected by employees

The Bank's registered office, Rådhusgaten 7/9, 4611 Kristiansand S, serves as the business address for the members of the Board of Trustees in relation to their positions in the Bank.

On 31 March 2022, the board of trustees resolved amendments to the Bank's articles of association with respect to the composition of the board of trustees. As from 2023, the board of trustees shall be composed as follows:

- 9 members and 9 deputy members shall be elected by the customers;
- 2 members and 2 deputy members shall be elected by Agder County Council;
- 1 member and 1 deputy member shall be elected by Vestfold og Telemark County Council;
- 9 members and 9 deputy members shall be elected by ECC holders; and
- 7 members and 7 deputy members shall be elected by the employees.

As from 2024, the board of trustees shall be composed as follows:

- 7 members and 7 deputy members shall be elected by the customers;
- 2 members and 2 deputy members shall be elected by Agder County Council;
- 1 member and 1 deputy member shall be elected by Vestfold og Telemark County Council;
- 11 members and 11 deputy members shall be elected by ECC holders; and
- 7 members and 7 deputy members shall be elected by the employees.

8.5 NOMINATION COMMITTEES

8.5.1 *Nomination Committee for the Board of Trustees' election*

The Articles of Association stipulate that the nomination committee for the Board of Trustees (the "**Board of Trustees' Nomination Committee**") elections shall compose of up to eight members and at least four deputy members. The Board of Trustees' Nomination Committee shall include representatives from all four groups represented at the Board of Trustees.

The Board of Trustees' Nomination Committee is responsible for proposing candidates to serve as chair of the Board of Trustees, chair, and deputy chair and other members of the Board of Directors, except for the employee representatives, as well as chair, members and deputy members of the Board of Trustees' Nomination Committee. Only the employee-elected member of the Board of Trustees Nomination Committee may propose candidates to serve as members of the Board of Directors to be elected from and among the Bank's employees.

8.5.2 *Nomination Committee for the depositors*

The Articles of Association stipulate that the nomination committee for the depositors (the "**Depositors' Nomination Committee**") shall compose of four members and two deputy members.

The Depositors' Nomination Committee is responsible for proposing candidates to serve as members and deputy members of the Board of Trustees, as well as members and deputy members of the Depositors' Nomination Committee.

8.5.3 *ECC Holders' Nomination Committee*

The Articles of Association further stipulates that the members of the Board of Trustees elected by the holders of ECCs shall elect a nomination committee comprising of four members and two deputy members (the "**ECC Holders' Nomination Committee**"). The ECC Holders' Nomination Committee shall prepare the elections of representatives among the ECC Holders to the board of trustees, and the elections of their representatives in the nomination committee.

8.6 BOARD COMMITTEES

8.6.1 *Audit committee*

The Board of Directors has elected an audit committee amongst the members of the Board of Directors. The audit committee consists of three members.

Pursuant to section 8-19 of the Norwegian Financial Institutions Act, the audit committee shall:

- prepare the Board of Directors' supervision of the Bank's financial reporting process;
- monitor the systems for internal control and risk management;
- submit a statement about the Bank's election of auditor;
- have continuous contact with the Bank's auditor regarding the audit of the annual accounts; and
- review and monitor the independence of the Bank's auditor, including in particular the extent to which services than auditing provided by the auditor or the audit firm represent a threat to the independence of the auditor.

8.6.2 *Risk committee*

The Board of Directors has elected a risk committee amongst the members of the Board of Directors. The risk committee consists of three members.

The risk committee is a preparatory body for the Board of Directors in its efforts to ensure that the Bank's risk and capital management supports the Bank's strategic development and goal attainment, while ensuring financial stability and acceptable asset management.

8.6.3 *Remuneration committee*

The Bank has established a remuneration committee amongst the members of the Board of Directors. The committee currently consists of three members.

The remuneration committee is a preparatory body for the Board of Directors in its efforts to ensure that the Bank has guidelines and frameworks in place for a remuneration scheme that complies with applicable regulatory framework for financial institutions.

8.6.4 *Technology committee*

The Board of Directors has elected a technology committee amongst the members of the Board of Directors. The technology committee consists of two members.

Future-oriented technology choices will be crucial for the bank's competitiveness in the years ahead, and a prerequisite for achieving our strategic ambitions.

Board Committee Technology has been appointed by the board of Sparebanken Sør to help strengthen the board's insight and participation in the bank's strategic technology choices. The committee shall contribute to ensuring that the bank's roadmap supports the bank's business strategy.

8.7 CONFLICTS OF INTERESTS

There are no family relations between any of the members of the Board of Directors or members of Management.

There are currently no actual or potential conflicts of interest between the private interests or other duties of any of the members of Management and the Board of Directors and their duties towards the Bank, including any family relationships between such persons.

8.8 CONVICTIONS FOR FRAUDULENT OFFENCES, BANKRUPTCY ETC.

None of the members of the Board of Directors or the Management has during the last five years preceding the date of this Prospectus:

- any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his/her capacity as a founder, director or senior manager of a company or partner of a limited partnership.

9 CAPITALISATION AND INDEBTEDNESS

This section provides information about Sparebanken Sør's consolidated and net financial indebtedness on an actual basis as of 31 March 2022. The effect on capitalisation of the conversion of primary equity to equity certificate capital is also provided. The example below shows the effect of the transaction if the transaction were completed with effect as of 31 March 2022 and is included for illustration purposes only.

9.1 CAPITALISATION

Capitalisation:

In NOK million

	As of 31 March 2022 as reported (unaudited)	Adjustments ⁷ (unaudited)	As adjusted (unaudited)
Total current debt (including current portion of non-current debt)	83 817		83 817
- Guaranteed	0		0
- Secured ¹	10 017		10 017
- Unguaranteed/unsecured ²	73 799		73 799
Total non-current debt (excluding current portion of non-current debt)	49 093		49 093
- Guaranteed	0		0
- Secured ¹	36 742		36 742
- Unguaranteed/unsecured ³	12 351		12 351
Shareholders' equity	15 163		15 163
a. Share capital ⁴	1 752	2 919	4 671
b. Legal reserve ⁵	10 064	-2 919	7 145
c. Other reserves ⁶	3 347		3 347
Total	148 072		148 072

1) Covered bonds within Sparebanken Sør Boligkreditt AS, secured in mortgages. Split between maturity within and beyond 12 months

2) Current liabilities to credit institutions, deposits from customers, financial derivatives, share of bonds with maturity within the next 12 months, tax liabilities and other short-term liabilities

3) Non-current liabilities to credit institutions, share of bonds with maturity past the next 12 months, subordinated loan capital, pension obligations and other long-term liabilities

4) Total equity certificate capital

5) Total primary capital

6) Hybrid capital and other equity

7) The adjustment is made for the conversion of primary capital to equity capital certificates

More information about the covered bonds and Sparebanken Sør Boligkreditt AS can be found at:

<https://www.sor.no/felles/om-sparebanken-sor/sparebanken-sor-boligkreditt/>

More information about the bond issues for Sparebanken Sør can be found at:

<https://www.sor.no/felles/om-sparebanken-sor/investor/obligasjonslan/>

Net financial indebtedness:

In NOK million	As of 31 March 2022 as reported (unaudited)	Adjustments (unaudited)	As adjusted (unaudited)
(A) Cash 1)	620		620
(B) Cash equivalents	0		0
(C) Other current financial assets 2)	26 775		26 775
(D) Liquidity (A+B+C)	27 395		27 395
(E) Current financial debt (including debt instruments, but excluding current portion of non-current financial debt 3)	68 966		68 966
(F) Current portion of non-current financial debt 4)	14 852		14 852
(G) Current financial indebtedness (E+F)	83 817		83 817
(H) Net current financial indebtedness (G-D)	56 422		56 422
(I) Non-current financial debt (excluding current portion and debt instruments) 5)	875		875
(J) Debt instruments 6)	48 218		48 218
(K) Non-current trade and other payables ⁴	0		0
(L) Non-current financial indebtedness (I)+(J)+(K)	49 093		49 093
(M) Total financial indebtedness (H)+(L)	105 515		105 515

- 1) Cash and receivables with central banks
- 2) Loans to credit institutions, bonds and certificates, as well as shares, and other equity interests.
- 3) Liabilities to credit institutions, deposits from customers and financial derivatives redeemable within the coming 12 months
- 4) Bond issues redeemable within the coming 12 months
- 5) Liabilities to credit institutions, and provisions for commitments with maturity after the next 12 months
- 6) Bond issues with maturity after the next 12 months

9.2 WORKING CAPITAL STATEMENT

The Group is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Prospectus.

10 FINANCIAL INFORMATION

10.1 INTRODUCTION AND BASIS FOR PREPARATION

The following summary of consolidated financial information has been derived from the Bank's consolidated Annual Financial Statements for the year ended 31 December 2021, prepared in accordance with IFRS as adopted by the EU, as well as the unaudited consolidated Interim Financial Statements as of and for the three months periods ended 31 March 2022 and 31 March 2021, prepared in accordance with IAS 34.

The historical results of the Bank are not necessarily indicative of its results for any future period. For a discussion of certain risks that could impair the business, operating results, financial condition, liquidity and prospects of the Bank, see Section 2 "Risk factors". The following summary of consolidated financial data should be read in conjunction with other information contained in this Prospectus, including the Group's Annual Financial Statements and the notes therein and the Group's unaudited Interim Financial Statements.

10.2 SUMMARY OF ACCOUNTING POLICIES AND PRINCIPLES

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and published by the International Accounting Standards Board (IASB), and which have been mandatory from 31 December 2018.

Please refer to note 1 in the Sparebanken Sør's annual report for 2021 for a summary of the company's accounting principles.

10.3 STATEMENT OF COMPREHENSIVE INCOME

The table below sets out selected data from the Group's consolidated income statement and other comprehensive income for the year ended 31 December 2022 and 2021, and its interim income statement and other comprehensive income for the three months ended on 31 March 2022 and 2021.

Consolidated income statement	Unaudited		Audited	
<i>Figures in mNOK</i>	Q1 2022	Q1 2021	2021	2020
Interest income at amortised cost	751	600	2 494	2 833
Interest income at fair value through profit and loss	103	88	326	434
Interest expences	333	238	881	1 354
Net interest income	521	451	1 939	1 914
Commission income	108	103	484	409
Commission expences	19	16	66	62
Net commission income	89	87	419	347
Dividend	-	1	7	25
Net income from other financial instruments	-26	7	-7	15
Net income from financial instruments	-26	8	0	40

Income from associated companies	27	29	174	136
Other operating income	1	0	17	7
Total other income	28	29	191	143
Total net income	612	575	2 549	2 444
Wages and other personnel expenses	146	142	606	552
Depreciation, amortization and impairment of non-current assets	11	11	44	43
Other operating expenses	103	89	368	363
Total operation expenses before losses	259	242	1 018	958
Operating profit before losses	352	334	1 531	1 486
Losses on loans, guarantees and undrawn credit	-2	- 11	- 18	83
Profit before taxes	355	345	1 549	1 403
Tax expenses	79	71	323	307
Profit for the period	276	274	1 226	1 096
Other comprehensive income				
Profit for the period	276	274	1 226	1 096
Items that may be reclassified to profit or loss				-
Change in value, basis swaps	115	-33	14	7
Change in value, customer mortgages				
Tax effect	-29	8	-3	2
Total other comprehensive income	86	-25	10	5
Comprehensive income for the period	362	249	1 237	1 091

10.4 CONDENSED BALANCE SHEET

The table below sets out selected data from the Group's balance sheet as at 31 December 2022 and its interim balance sheet as at 31 March 2021.

Consolidated statement of financial position	Unaudited	Audited
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Figures in mNOK	As of 31.03.2022	As of 31.12.2021
Total assets	148 072	144 182
Cash to and receivables from central banks	620	437
Loans to and receivables from credit institutions	5 328	1 789
Net lendings	117 918	116 653
Shares at fair value through profit or loss	201	193
Bonds and certificates	21 245	22 062
Financial derivatives	856	1 104
Shareholdings in associated companies	1 176	1 201
Deferred tax asset	-	-
Other intangible assets	67	64
Tangible fixed assets	456	463
Other assets	206	218
Total liabilities and equity	148 072	144 182
Total liabilities	132 909	129 242
Liabilities to credit institutions	2 551	2 627
Deposits from customers	64 741	63 146
Securitised debt	56 895	56 605
Financial derivatives	2 424	844
Other provision for commitments	125	135
Tax liabilities	151	338
Senior non-preferred	3 487	3 499
Other liabilities	882	395
Total equity	15 163	14 941
Total equity certificate capital	1 752	1 692
Equity certificates	782	782
Own equity capital certificates	-	-

Premium reserve	451	451
Equalisation reserve	519	459
Total primary capital	10 064	9 108
Primary capital	9 925	9 068
Gift fund	138	41
Compensation fund	-	-
Other equity	2 012	2 806
Hybrid capital	1 335	1 335

10.5 CONDENSED CASH FLOW STATEMENT

The table below sets out selected data from the Group's cash flow statement for the year ended 31 December 2021 and 2020, and its interim cash flow statement for the three months ended on 31 March 2022 and 2021.

Consolidated cash flow statement	Unaudited		Audited	
	1.1-31.03 2022	1.1-31.03 2021	2021	2020
Figures in mNOK				
Net cash flow from operations	695	-1 513	-2 586	- 505
Interest received	918	720	2 841	3 278
Interest paid	- 348	- 247	- 894	-1 345
Other payments received	114	107	439	383
Operating expenditure	- 244	- 252	- 946	- 893
Loan recoveries	2	2	12	12
Tax paid for the period	- 322	- 184	- 346	- 350
Gift expenditure	- 12	- 13	- 30	- 28
Change in customer deposits	1 541	961	3 325	1 893
Change in loans to customers	-1 378	-1 291	-5 190	-5 285
Change in deposits from credit institutions	424	-1 315	-1 798	1 830
Net cash flows from investment activities	-1 046	797	- 805	-3 987
Payments received, securities	7 743	12 146	33 658	37 651
Payments made, securities	-6 973	-11 277	-34 207	-39 295
Payments received, sale of property, plant and equipment	1	10	31	14
Payments made, purchase of property, plant and equipment	- 8	- 23	- 76	- 70
Payments received, subsidiaries and associated companies	52	0	201	0
Investments in subsidiaries and associated companies	0	- 76	- 88	- 29
Change in other assets	-1 861	17	- 324	-2 257
Net cash flow from financing activities	- 534	370	2 680	5 178
Change in loans to credit institutions	-3 538	1 319	671	-2 278
Change in deposits from credit institutions	- 500	-2 503	-2 003	2 374
Payments received, bond debt	3 500	5 180	15 755	5 000

Payments made, bond debt	-1 050	-4 760	-13 460	-3 724
Payments made, dividends and interest on hybrid capital	- 12	- 173	- 265	- 69
Issue of senior non-preferred	0	1 000	1 500	2 000
Issue of subordinated loan capital	0	0	0	350
Buyback of subordinated loan capital	0	0	0	- 666
Change in other assets	2 134	107	222	2 490
Issue of hybrid capital	0	200	450	0
Deduction of hybrid capital	0	0	- 190	- 300
Net cash flow for the period	183	- 346	- 711	686
Net change in cash and cash equivalents	183	- 346	- 711	686
Cash and cash equivalents at beginning of period	437	1 148	1 148	462
Cash and cash equivalents at end of period	620	802	437	1 148

10.6 CONDENSED STATEMENT OF CHANGES IN EQUITY

The table below sets out selected data from the Group's statement of changes in equity for the year ended 31 December 2021 and its interim statement of changes in equity for the three months ended 31 March 2022.

Consolidated changes in equity										
<i>Figures in mNOK</i>	Equity cartifi- cates	Own equity certifi- cates	Prem- ium res- erve	Equal- isation res- erve	Primary capital	Gift fund	Comp. Fund	Other equity	Hybrid capital	Total
Equity at 31 Dec. 2020	783	0	451	459	9 069	80	1 831	4	1 075	13 752
Profit/loss 2021				61	858	100	156	3	46	1 224
Other comprehensive income							10			10
Purchase/sale of own equity capital certificates	- 2				- 1					- 3
Distributed dividend							- 219			- 219
Distributed donations						- 39				- 39
Redemption of hybrid capital									- 190	- 190
Issue of new hybrid capital									450	450
Interest paid on hybrid capital				0					- 46	- 46
Tax on hybrid capital interest, directly against equity										
Other changes							2			2
Equity at 31 Dec. 2021	782	0	451	520	9 925	141	1 781	7	1 335	14 941
Profit/loss for the period							264		12	276
Other comprehensive income							86			86
Purchase/sale of own equity capital certificates										0
Distributed dividend							- 125			- 125
Distributed donations						- 2				- 2

Interest paid on hybrid capital									- 12	- 12
Tax on interest on hybrid capital, directly against equity										0
Other changes				0						0
Equity at 31 March. 2022	782	0	451	519	9 925	138	2 006	7	1 335	15 163

10.7 CONDENSED CAPITAL ADEQUACY

The table below sets out selected data from the Group's statement of capital adequacy as at 31 December 2021 and its interim statement of capital adequacy as at 31 March 2022.

NOK Million	31.03.2022	31.12.2021
	Unaudited	Audited
Total equity	15 163	14.941
Tier 1 capital		
Hybrid capital classified as equity	-1 382	-1.371
Share of profit not eligible as common equity tier 1 capital	- 139	-271
Deductions for intangible assets	- 64	-61
Deductions for additional value adjustments	- 30	-29
Other deductions	- 297	-204
Total common equity tier 1 capital	13 252	13.004
Other tier 1 capital		
Hybrid capital	1 382	1 371
Total tier 1 capital	14 633	14.375
Additional capital supplementary to tier 1 capital		
Subordinated loan capital	1 712	1.699
Deductions from additional capital	0	0
Total additional capital	1 712	1.699
Net subordinated capital	16 346	16.074
Calculation basis according to standard method		
Engagements with local and regional authorities	40	22
Engagements with institutions	314	388
Engagements with enterprises	4 858	4.688
Engagements with mass market	7 951	8.045
Engagements secured in property	55 998	55.290
Engagements which have fallen due	579	632
Engagements which are high risk	1 613	1.823
Engagements in covered bonds	1 384	1.381
Engagements in collective investment funds	1 593	1.680
Engagements, other	614	700
Capital requirements for credit and counterparty risk	74 943	74.649
Capital requirements for position, currency and product risk	0	0
Capital requirements for operational risk	4 638	4.638
CVA addition	7	8

Risk-weighted balance (calculation basis)	79 588	79.295
Common equity tier 1 capital ratio. %	16,7 %	16,4 %
Tier 1 capital ratio. %	18,4 %	18,1 %
Total capital ratio. %	20,5 %	20,3 %
Leverage ratio	9,3 %	9,4 %
NOK million	31.03.2022	31.12.2021
Minimum Tier 1 capital requirements	4,50 %	4,50 %
Conservation buffer	2,50 %	2,50 %
Systemic risk buffer	3,00 %	3,00 %
Counter-cyclical buffer	1,00 %	1,00 %
Pilar 2 requirements	2,00 %	2,00 %
CET1 requirements, incl. Pilar 2	13,00 %	13,00 %
Tier1 Capital requirements, incl. Pilar 2	14,50 %	14,50 %
Total capital requirements, incl. Pilar 2	16,50 %	16,50 %
CET1 requirements, incl. Pilar 2	10 346	10.308
Tier1 Capital requirements, incl. Pilar 2	11 540	11.498
Total capital requirements, incl. Pilar 2	13 132	13.084
Above CET1 requirements, incl. Pilar 2	2 905	2.696
Above Tier1 Capital requirements, incl. Pilar 2	3 093	2.878
Above total capital requirements, incl. Pilar 2	3 214	2.991

10.8 AUDITOR

The Bank's auditor is PricewaterhouseCoopers AS with registration number 987 009 713, and business address at Dronning Eufemias gate 71, Oslo, Norway. The partners of PricewaterhouseCoopers AS are members of Den Norske Revisorforeningen (The Norwegian Institute of Public Accountants).

PricewaterhouseCoopers AS' auditor's report on the Annual Financial Statement for the financial year ended 31 December 2021 are incorporated by reference in the Prospectus (See section 16.3 "Documents incorporated by reference".)

PricewaterhouseCoopers AS has not audited, reviewed or produced any report on any other information provided in this Prospectus.

10.9 TREND INFORMATION

10.9.1 Trends related to the Bank's business and financial performance

Gross lending has increased with 1.1% year-to-date (YTD) to a total of NOK 118.3bn at 31 March 2022. Growth in the corporate lending segment has contributed positively to the growth in lending volumes with 1.7% growth in the period. In the retail segment, growth in lending was 0.7% over the period.

Total customer deposits have increased with 2.5% YTD to a total of NOK 64.7 at 31 March 2022. Deposits to the corporate segment contributed with an increase of 1.8%, while deposits to the retail segment contributed with an increase of 3.1% over the period.

In Q1 2022, the lending margins for the retail and corporate markets measured against the average 3-month Nibor rate were 1.15 (1.63 in Q1 2021) and 2.22 (2.40 in Q1 2021) percentage points, respectively.

In Q1 2022, the deposit margins in the retail and corporate markets measured against the average 3-month Nibor rate were 0.86 (0.10 in Q1 2021) and 0.46 (-0.03 in Q1 2021) percentage points, respectively.

Loan losses have been very low for the last three years. Write-downs on loans and losses on guarantees amounted to net entry of NOK 18 in 2021. YTD at 31 March 2022, write-downs on loans and losses on guarantees amounts to net entry of NOK 2.

At the end of Q1 2022, stage 3 provisions in percentage of NPLs and potential bad debt (Commitments stage 3) were 24.9 %. The corresponding figures end of 2021 were 25.8

At the end of Q1 2022, provisions in percentage of gross loans were 0.88% (1.00% in Q1 2021) for the corporate segment and 0.06% (0.06% in Q1 2021) for the retail segment.

Sparebanken Sør has introduced customer dividend to consolidate the Bank's position in the region. Under the current model, the Bank distributes considerable funds for the public benefit. The Board believes that there is room for some of the funds to be paid out in the form of a customer dividend. The new model is being introduced with effect from, and including, the 2022 financial year, with payments starting in 2023. Customers can receive dividend on loans up to NOK 2m and on deposits up to NOK 2m. The Norwegian Financial Supervisory Authority approved the amendment of the Bank's articles of association relating to the introduction of customer dividend in Sparebanken Sør on 9 June 2022.

There has not been any significant change in the financial performance of the group since 31 March 2022 for which financial information has been published to the date of this prospectus.

There has not been identified any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the prospect for the current financial year.

10.9.2 *Governmental, economic, fiscal, monetary or monetary policy factors*

The Bank is not aware of any changes in governmental, economic, fiscal, monetary or monetary policy factors that have or may have a material impact on the Bank's future operations.

For further details on the framework conditions for savings banks, please see section 13.

10.10 SIGNIFICANT CHANGES IN SPAREBANKEN SØR'S FINANCIAL POSITION

There have been no significant changes in the financial position of the Group since the date of the interim financial statements for the three months ended 31 March 2022.

11 ECC CAPITAL AND HOLDERS OF ECC

The following is a summary of certain corporate information and material information relating to the ECCs and equity share capital of the Bank and certain other matters concerning holders of ECCs, including summaries of certain provisions of the Articles of Association in effect as at the date of this Prospectus. The summary does not purport to be complete and to the extent there are any discrepancies between following text and the attached Articles of Association for the Bank, the Articles of Associations shall prevail.

11.1 CURRENT ECC CAPITAL

The current ECC capital of the Bank is NOK 2,085,152,850 divided on 41,703,057 ECCs fully paid with a par value of NOK 50 each and issued in accordance with Norwegian law. The ECCs are registered in the ESO register with ISIN NO 0006001502.

The ECCs are equal in all respects and there are no different voting rights or classes of ECCs. Each ECC carries one vote at the election meeting for the holders of ECCs. Please refer to Appendix a "*The Articles of Association*" for a further review of certain rights attached to the ECCs.

The ECCs are freely transferable under Norwegian law. Local securities legislation may provide transfer restrictions. The Bank's existing equity capital certificates are, and the New ECCs, will be listed on Oslo Børs under the ticker code "SOR".

The ESO-Registrar for the ECCs is DNB Markets, Registrar Department, with address Dronning Eufemias gate 30, P.O. Box 1600 Sentrum, N-0021 Oslo, Norway.

The table below summarizes the development in the Bank's equity share capital for the period since 31 March 2022 and up to the date of the Prospectus.

Date of registration	Type of change	Change in issued equity share capital (NOK)	Subscription price per ECC (NOK)	Par value per ECC (NOK)	No. of issued ECCs after change	Total issued equity share capital after change (NOK)
31 March 2022				50	15,663,944	783,197,200
14 June 2022	Conversion of primary capital	1,301,955,650	112.100589279	50	41,703,057	2,085,152,850

11.2 ECC HOLDERS

As of 31 May 2022, the Bank has the following ECC holders, holding in aggregate 100% of the issued and outstanding ECCs:

ECC Holders	Number of ECCs	Percentage
Sparebankstiftelsen Sparebanken Sør	7988679*	51.00
VPF Eika Egenkapitalbevis	730097	4.66
Pareto Invest AS	417309	2.66
Drangslund Kapital AS	302107	1.93
Glastad Capital AS	200000	1.28
Wenaasgruppen AS	186000	1.19
Hamjern Invest AS	180099	1.15
Gumpen Bileiendom AS	174209	1.11
Kommunal Landspensjonskasse	163300	1.04
Allumgården AS	151092	0.96
Ottersland AS	100000	0.64
DNB Luxembourg S.A.	100000	0.64

Lombard int Assurance S.A.	82800	0.53
Geir Bergskaug	75691	0.48
Alf Albert	73740	0.47
Gunnar Hillestad	73396	0.47
Catilina Anvest AS	73237	0.47
Apriori Holding AS	72575	0.46
Varodd AS	70520	0.45
K.T. Brøvig Invest AS	68000	0.43
Others	4,381,093	27.97
Sum	15,663,944*	100.0%

* The table is updated as at 31 May 2022 and does not include the 26,039,113 New ECCs which were issued to the Foundation after 31 May 2022. As at the date of the Prospectus, the Foundation holds 34,027,792 ECCs and the total number of issued ECCs is 41,703,057

There are no differences in voting rights between the Holders of ECCs. Each of the ECCs carries one vote at the ECC holders' meeting, however no ECC holder may vote for more than 50% of the total amount of votes represented at the ECC Holders' election meeting.

Holders of ECCs owning 5% or more of the ECCs have an interest in the Bank's ECC capital which is notifiable pursuant to the Norwegian Securities Trading Act. The table above shows the ownership percentage held by such notifiable holders of ECCs. See Section 14.7 "Disclosure obligations" for a description of the disclosure obligations under the Norwegian Securities Trading Act.

The Bank is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Bank. The Bank has not been subject to any public takeover bids during the current financial year.

The Articles of Association do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Bank. The Bank has not been subject to any public takeover bids during the current or last financial year.

11.3 BOARD AUTHORISATIONS

On the 31 March 2022, the Board of Trustees resolved to authorise the Bank's Board of Directors to purchase and take as collateral, the bank's own equity certificates for ECCs with a total nominal value of up to MNOK 30.

11.4 TREASURY ECCS

The Bank holds 32,272 ECCs as of the date of this Prospectus.

At the meeting of the Board of Trustees in the Bank held 31 March 2022, the Board of Directors was granted an authorisation to acquire and take a mortgage on the Bank's own ECCs in one or more rounds with up to a total nominal value of NOK 30 million. The Bank has applied for and been granted approval from the NFSA to repurchase ECCs for a total value of NOK 60 million. As of the date of this Prospectus, the Board of Directors has not used the any amount under the authorisation.

11.5 OTHER RIGHTS TO HAVE ISSUED ECCS

As at the date of the Prospectus, neither the Bank nor any of its subsidiaries has issued any options, warrants, convertible securities or other instruments that would entitle a holder of any such instrument to subscribe for any ECCs in the Bank or its subsidiaries.

12 REGULATORY DISCLOSURE

Companies listed on Oslo Børs are subject to disclosure requirements under the Norwegian Securities Trading Act. Below is a summary of certain disclosures made by the Bank under its ticker code "SOR" on www.newsweb.no in the preceding 12 months prior to the date of this Prospectus. For a complete overview of all the notices published by the Bank in the 12 preceding months prior to the Prospectus, reference is made to www.newsweb.no.

Inside Information		
Date	Title	Description
10.03.2022	Sparebanken Sør proposing customer dividends	Announcement that the board of directors in Sparebanken Sør is proposing to introduce customer dividends by distributing part of the primary capital's dividend to the bank's customers.
10.03.2022	Sparebanken Sør: New equity strategy, significantly increased ECC ownership ratio and increased return on equity target	Sparebanken Sør announces that the bank's board of directors wants to increase the listed share of the bank's equity in order to better reflect the size of the bank and to have an ECC ownership ratio in line with comparable banks
Mandatory notification of trade		
Date	Title	Description
19.08.2021	Mandatory notification of trade	Announcement that Sparebanken Sør has purchased 50,000 equity capital certificates in Sparebanken Sør at a price of NOK 136 per equity capital certificates in connection with Sparebanken Sør's share saving program for employees.
09.11.2021	Mandatory notification of trade: sale of own ECCs in relations to the bank's savings program for employees	Announcement that Sparebanken Sør has sold 117,728 own equity capital certificates to the participating employees in the bank's savings program.
Additional disclosed information		
Date	Title	Description
30.06.2021	The Financial Supervisory Authority of Norway has set aside their decision to reject Sparebanken Sør's application to make dispositions from the equalisation fund with the purpose of paying dividends	The Financial Supervisory Authority of Norway (the "FSA") has by a decision dated as of 29 June 2021 set aside their rejection dated 5 March 2021 of Sparebanken Sør's application to make dispositions from the 66qualization fund.
18.08.2021	Sparebanken Sør to explore the opportunity to acquire equity capital certificates	Sparebanken Sør announced that it has engaged Norne Securities AS to explore the opportunity to acquire up to 50,000 equity capital certificates ("ECCs") in the Company. The ECCs will be used in future share saving program for employees in the Company and will be distributed to the employees in the Company.
09.09.2021	Successful issuance of Senior Non-Preferred Bond	Sparebanken Sør announced that it has issued a Senior Non-Preferred bond of NOK 500 mio with a tenor of 4 years The issue has a 1,80% annual fixed coupon and settlement date 17.09.2021.
27.09.2021	Increasing home mortgage interests	Sparebanken Sør announces that it has decided to increase home mortgage interests by 0.25 percentage points.

29.10.2021	Sparebanken Sør continues savings program for employees	Sparebanken Sør announced that it has decided to continue the savings program for full-time employees in the bank.
29.10.2021	Meeting of the Board of Trustees has been held	Announcement that a meeting of the Board of Trustees of Sparebanken Sør has been held, and minutes form meeting attached to the stock exchange announcement.
03.11.2021	Sparebanken Sør: Successful issuance of new Additional Tier 1 bond	Announcement that Sparebanken Sør has issued a new Additional Tier 1 bond of NOK 250 million with floating rate, with a coupon equal to 3 months Nibor + 2.50 percentage points.
11.11.2021	New Mandate – Sparebanken Sør – sale of retained bonds in SORB31 (NO0011002529)	Announcement that Sparebanken Sør has successfully sold NOK 1.5 bn in Covered Bond with ISIN NO0011002529 (SORB31).
20.12.2021	Sparebanken Sør has decided to increase mortgage interests	Sparebanken Sør announces that it has decided to adjust interest rates on mortgage and savings by up to 0.25 percentage points.
20.12.2021	Sparebanken Sør has received its Minimum Requirement for Own Funds and Eligible Liabilities (MREL)	Announcement that Sparebanken Sør has received its Minimum Requirement for Own Funds and Eligible Liabilities (MREL) from the Norwegian Financial Supervisory Authority. Sparebanken Sør shall, at all times, hold total MREL capital equal to 32 per cent of adjusted Risk Weighted Assets. The binding requirement, as of 31 December 2020 was NOK 20 160 million. The bank must hold, from 1 January 2022 a minimum of 20,0 per cent of eligible liabilities. This is considered as the starting point for a linear implementation to the requirement of 26,5 per cent of eligible liabilities at 1 January 2024.
11.02.2022	Key information relating to the cash dividend	Key information relating to the proposed cash dividend based on the financial year 2021.
15.02.2022	Sparebanken SØR – Successful placement of New Green Senior Preferred bonds	Announcement that Sparebanken Sør has successfully completed placement of their Inaugural Green Senior Preferred bonds with a total amount of NOK 2,000,000,000.
16.02.2022	Election meeting for equity certificate holders has been held	Announcement that an election meeting for equity certificate holders of Sparebanken Sør has been held, and minutes form meeting attached to the stock exchange announcement.
28.03.2022	Sparebanken Sør has decided to increase mortgage interests	Sparebanken Sør announces that it has decided to adjust interest rates on mortgage and savings by up to 0.25 percentage points.
04.04.2022	The general meeting of Sparebankstiftelsen Sparebanken Sør has resolved the amendment of its articles of association in connection with the new equity strategy in Sparebanken Sør	Sparebanken Sør announces that Sparebankstiftelsen Sparebanken Sør has held an extraordinary general meeting and resolved the necessary amendments of the articles of association in connection with the new equity strategy in Sparebanken Sør.
27.04.2022	Decision by the Norwegian FSA of pillar 2 requirement for Sparebanken Sør and	Sparebanken Sør announced the decision by the Financial Supervisory Authority of Norway's decision on Pillar2 requirement and Pillar 2 guidance.

	capital targets expectations	
24.05.2022	Steinar Heggland Vigsnes appointed as CFO in Sparebanken Sør	Sparebanken Sør announced the appointment of Steinar Vigsnes as CFO.
10.06.2022	The Norwegian FSA has granted permission to convert primary capital into ECC capital and implementation of customer dividends in Sparebanken Sør, as well as approved amended articles of association for Sparebankstiftelsen Sparebanken Sør	Sparebanken Sør announced that the Financial Supervisory Authority of Norway had approved the Bank's and the Foundation's applications in relation to the conversion of primary capital and the Offering.
10.06.2022	Sparebanken Sør has resolved to convert primary capital to equity certificate capital	Sparebanken Sør announced that the Bank's board of directors had resolved to carry out the conversion of primary capital to equity certificate capital.
14.06.2022	Capital increase by conversion of primary capital and amendments of the articles of association of Sparebankstiftelsen Sparebanken Sør are registered in the Norwegian Register of Business Enterprises	Sparebanken Sør announced that the capital increase by conversion of primary capital and amendments of the articles of association of Sparebankstiftelsen Sparebanken Sør are registered in the Norwegian Register of Business Enterprises.
19.06.2022	Regarding planned sale of equity certificates	Sparebanken Sør announced that the Foundation has informed the Bank that it has decided to not carry out the planned secondary sale at this stage. The Foundation will follow the market development closely going forward to make a new assessment when market conditions prove right for a transaction.

Financial Information		
Date	Title	Description
13.08.2021	Results for the second quarter of 2021	Publication of Q2 2021 financial report
28.10.2021	Solid result and good growth	Publication of Q3 2021 financial report
11.02.2022	Results for the 4 quarter 2021	Publication of Q4 2021 financial report
01.04.2022	Sparebanken Sør – Annual report 2021	Publication of annual report for 2021
06.05.2022	Q1 2022: Good growth and net entry on losses for Sparebanken Sør	Publication of Q1 2022 financial report

13 REGULATORY ENVIRONMENT

13.1 DESCRIPTION OF EQUITY CAPITAL CERTIFICATES (ECCS)

13.1.1 Introduction

Norwegian savings banks have traditionally been organized as ownerless institutions, where the equity capital mainly has existed of retained earnings, added to the primary capital. The savings banks act was however amended in 1987, so that savings banks could raise equity capital by issuing equity capital certificates. Equity certificates was until the amendment of the financial institution's act in 2009 named "primary capital certificates". The term "equity share capital", replacing the term "primary certificate capital", was at the same time introduced. This was part of a comprehensive revision of the legal framework related to the savings banks' capital, implementation of various corporate and structural changes, as well as a revised regulatory framework for the financial and savings bank foundations. The equity that the savings banks collect when issuing ECCs counts as core capital in relation to the provisions on capital adequacy. The first primary capital certificates were introduced in the stock market in the fall of 1989.

The arrangement with equity capital certificates was established to make it possible for savings banks to raise capital in the investor market and accordingly prevent distortion of competition between savings banks and commercial banks as a consequence of savings bank's lack of possibility to raise equity capital.

Equity capital certificates issued by savings banks have several similarities to ordinary shares, for instance are both financial instruments fiscally treated approximately equally. The equity share capital shall be included in a savings banks' risk capital and may be exposed to loss in case of financial difficulties in the bank. The Financial Institutions Act's provisions on ownership control regarding shares apply correspondingly on ECCs. The main difference between shares and equity capital certificates is that the holders of equity capital certificates do not have a right of disposal to the whole equity capital – only the equity share capital stipulated in the articles of association, the equity premium reserve and the dividend equalization fund. The remaining capital in a savings bank is the primary capital which consists of paid up capital which is not equity share capital, the gift fund and the compensation fund. The profit for the year shall be divided between the two capital classes according to their relative size.

Equity share capital as stipulated in the articles of association and the equity premium reserve has priority before a savings banks remaining capital in cases of deficits. Equity share capital which exceeds equity share capital as stipulated in the articles of association, including the dividend equalization fund, has the same priority as the primary capital and the gift fund. Consequently, equity capital certificates may be less risky than shares. Another important difference between equity capital certificates and shares is related to the owners' representation in the governing bodies of a bank.

The general meeting (which may also be known as the "*board of trustees*") is the highest authority in a savings bank. The summary below gives an overview of the hierarchic structure in savings banks according to applicable legislation:

Body	Description
The general meeting (or Supervisory Board)	<ul style="list-style-type: none">• Highest authority in a savings bank• Shall have as many members as the articles of association stipulates• Shall ensure that the purpose of the savings bank is fulfilled in accordance with the law, its articles of association and the resolutions of the general meeting/Supervisory Board• Elects the board of directors and auditor• Holders of equity capital certificates elect at least one-fifth and not more than two-fifths of the members of the general meeting/Supervisory Board, whilst the depositors elect minimum one quarter of the members of the general meeting/Supervisory Board. The employees shall elect one-quarter of the members of the general meeting/Supervisory Board.

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|-----------------------|---|
| Board of directors | <ul style="list-style-type: none">• Shall according to the Financial Institutions Act consist of at least 5 members• The board of directors conducts the activities of the savings bank in accordance with the law, the articles of association and further regulations laid down by the general meeting/Supervisory Board |
| General manager (CEO) | <ul style="list-style-type: none">• Responsible for the daily management of the savings bank |

The composition of the general meeting/Supervisory Board shall be regulated in a savings bank's articles of association. According to the Financial Institutions Act, the general meeting/Supervisory Board shall consist of members who together reflect the savings banks' customer profile, other interest groups and the community function.

In savings banks which have issued equity capital certificates, the holders of equity capital certificates elect at least one-fifth and not more than two-fifths of the members of the general meeting/Supervisory Board.

According to the Financial Institutions Regulation section 8-1 first paragraph, which entered into force on 1 January 2017, at least one quarter of the members and the alternates of the general meeting/Supervisory Board shall be elected among and by the depositors. Only depositors who for the last six months have had a deposit of at least NOK 2,500 in the bank are eligible and entitled to vote, cf. section 8-2 second paragraph.

Further, the Financial Institutions Regulation section 8-1 third paragraph requires that the employees in the savings bank elect one quarter of the members and the alternates to the general meeting/Supervisory Board. If the number of members of the general meeting/Supervisory Board is not divisible by four, at least one quarter of the members and of the alternates shall be elected by the employees. However, this must not result in more than one-quarter of the employees becoming members of the general meeting/Supervisory Board.

Amendments to the articles of association comprised by the Financial Institutions Act section 7-10 cf. the Financial Institutions Regulation section 7-2, requires approval from the Norwegian FSA before they may enter into force.

Profit on equity share capital consists of the sum of dividends and equity capital certificates price fluctuations. The general meeting/Supervisory Board annually determines how large of a portion of the total profit for the year which shall be distributed as dividend, based on a proposal from the board of directors. Dividend assigned to the equity share capital shall be paid as dividend to the holders of the equity capital certificates. The general meeting/Supervisory Board may also set aside parts of the retained profit to a dividend equalisation fund. The sum of dividends and allocations to the dividend equalisation fund for each year shall not exceed the equity capital certificates holders' proportional share of (adjusted) profits for the year. The dividend equalisation fund is assigned to the equity capital certificates holders and may be used to maintain dividends in years with poor operating results. A savings bank may only make payments from the dividend equalisation fund when it is prudent in relation to the institution's equity capital situation.

When a savings bank is wound up, the part of the equity share capital and equity premium reserve that remains after all creditors have been paid in full, shall be allocated proportionally among the holders of equity capital certificates. The dividend equalisation fund has the same priority as the primary capital and the gift fund.

13.1.2 *Laws and regulations regarding equity capital certificates*

Savings banks' access to issue tradable equity capital certificates with representation right in the general meeting/Supervisory Board is regulated by the Financial Institutions Act chapter 10. In addition, central parts of the Public Limited Liability Companies Act are applicable to the equity share capital through references in the Financial Institutions Act, for instance provisions on capital increase, issuance of financial instruments (loans with rights to require issuance of shares and independent subscription rights) and reduction of share capital. The Ministry of Finance has further adopted the Financial Institutions Regulation of 9 December 2016 no 1502 replacing the former Equity Certificate Holders Regulation.

13.1.3 *Resolution to issue equity capital certificates*

A resolution to issue equity capital certificates shall be made by the general meeting/Supervisory Board and requires amendments of the articles of association. However, the general meeting/Supervisory Board may, with the majority required for amending the articles of association (cfr. below), authorise the board of directors to increase the share capital by subscription of new equity capital certificates. No resolution to issue equity capital certificates may be implemented until it is approved by the Norwegian FSA. In special circumstances, the Norwegian FSA may refuse to approve such resolutions if the equity capital certificates are issued to a subscription rate that deviates from actual value.

When the equity capital is increased by subscription of ECCs against payment in cash, the holders of ECCs have a preferential right to the new ECCs in proportion to the number of ECCs they already own, cf. the Financial Institutions Act section 10-10. If such equity certificate holder cannot receive, trade or exercise such preferential rights in a rights issue at the Bank, they risk losing the financial advantage such rights represent and their proportionate ownership interest in the Bank may be diluted.

Public offering of ECCs is subject to the Securities Trading Act and regulations. The Public Limited Liability Companies Act section 10-1 to 10-3 and 10-6 to 10-13 applies correspondingly.

13.1.4 *Equity capital*

Paid-up equity capital is part of a savings bank's Common Equity Tier 1 capital, cf. section 5 no 2 of Regulation of 22 August 2014 no 1097 on capital requirements and national adjustment to CRR/CRD IV (CRR/CRD IV Regulations). Equity share capital may however be decreased in order to make distributions to the equity capital certificates holders according to the Financial Institutions Act section 10-21. When a savings bank is wound up, the equity share capital and equity premium reserve that remains after all creditors have been paid in full, shall be allocated proportionally among the holders of equity capital certificates.

Own funds in savings banks have the following ranking of priority cf. the Financial Institutions Act section 10-19:

- Subordinated loan capital
- Additional Hybrid capital
- Equity share capital stipulated in the articles of association
- The equity premium reserve and the compensation fund
- Primary capital, including the gift fund, and equity share capital in excess of the equity share capital stipulated in the articles of association, including the dividend equalisation fund

The dividend equalisation fund consists of funds that can be used to maintain dividends on the equity share capital. The primary capital is an amount which has to be paid up when establishing a savings bank, cf. the Financial Institutions Act section 7-7, cf. section 3-4. The gift fund is funds allocated for the public good, cf. the Financial Institutions Act section 10-17 fourth paragraph.

13.1.5 *Distribution of premium on subscription between the equity premium reserve and the compensation fund*

According to the Financial Institutions Act section 10-14 premium on subscription of equity capital certificates shall after deduction of the costs of the subscription process be distributed between the equity premium reserve and the compensation fund. Except as otherwise provided in the resolution concerning the issue of new equity capital certificates, the portion of the premium on such instruments that is to be added to the premium reserve shall be computed with a basis in the ratio of booked equity share capital after new subscriptions to the sum of the booked primary capital and equity share capital after new subscriptions. The equity premium reserve belongs to the equity share capital, whilst the compensation fund belongs to the primary capital.

13.1.6 *Dividends and transfers to the dividend equalisation fund*

The profit for the year – after adjustments have been made for transfers to or from the fund for valuation differences, for allocations to the fund for unrealised gains and for transfers from the fund for unrealised gains that were previously recognised in the income statement – shall be assigned to the holders of equity capital

certificates and the savings bank based on the ratio of the owners' capital plus the equity premium reserve to the primary capital plus the compensation fund. In case of changes to the equity share capital during the fiscal year, the new equity share capital shall, in the calculation described above, be weighted based on the remaining part of the fiscal year calculated from the time of the payment of the new equity share capital.

Annual dividends may only be distributed from the profit for the year pursuant to the approved accounts for the last fiscal year. It is the general meeting/Supervisory Board which shall determine, after the board of directors has presented its proposal for application of the net profit for the year, how large a portion of the overall net profit for the year shall be distributed as dividend for the year. Dividends shall not be higher than what is appropriate and commensurate with prudent, sound business practices, due consideration being given to losses that may have arisen after the end of the financial year, or which must be expected to arise. The profit for the year shall be assigned to the holders of equity capital certificates and the savings bank based on the ratio of the equity share capital plus the premium reserve to the primary capital plus the compensation fund. The dividend for the year shall be distributed between the equity share capital and the savings bank based on the same ratio. The remainder of the profit for the year assigned to equity share capital shall be added to the dividend equalisation fund or constitute other equity share capital. That part of the profit for the year which is assigned to the savings bank shall be added to the primary capital.

The articles of association may nonetheless provide that dividends may be used as dividends on contributed primary capital, as gifts to non-profit causes or transferred to a fund for such gifts (donations fund), transferred to a foundation for non-profit causes or used as dividends to customers. When disposing of dividends, a savings bank should consider it important to avoid any significant change in the balance between the primary capital and the equity share capital. The background for this is to reduce the so-called equity dilution effect.

The Norwegian FSA may, when necessitated by a savings bank's financial position, order the savings bank not to pay out dividend or to pay less dividend than that proposed by the board of directors or adopted by the general meeting/Supervisory Board. If the board of directors decides to present a proposal for a pay-out that entails that the overall dividend in a single year will exceed one half of the profits pursuant to the approved accounts for the latest financial year, the board of directors shall notify the Norwegian FSA.

The dividend equalisation fund may be used to maintain dividends on the equity share capital, cf. the Financial Institutions Act section 10-18. Distribution of dividends from the dividend equalisation fund may only be undertaken when justified by the savings bank's equity capital situation. The dividend equalisation fund may also be used for bonus issues. The remainder of the profits for the year which is assigned to the equity share capital, and which is not paid as dividend to the holders of equity capital certificates, shall be added to the dividend equalisation fund or constitute other equity share capital. The dividend equalisation fund counts as Common Equity Tier 1 capital in relation to the provisions on minimum capital adequacy.

Neither the Financial Institutions Act nor the Bank's articles of association contains any deadline on when a right to dividends may lapse. However, according to the act relating to the limitation period for claims, a general limitation period of 3 years applies.

Any future payments of dividends on the ECCs will be denominated in NOK, and will be paid to the ECC holders through ESO.

13.1.7 Ownership restrictions for equity capital certificates

Acquisition of qualifying holdings in a savings bank requires an approval from the Norwegian FSA, cf. the Financial Institutions Act chapter 6. The same applies to acquisitions whereby a qualifying holding will reach or exceed 20%, 30% or 50%, respectively, of the capital or voting rights of a financial institution, or whereby a holding confers controlling influence as mentioned in section 1-3 of the Public Limited Liability Companies Act. A qualifying holding is deemed to be a holding that represents 10% or more of the capital or voting rights of a savings bank, or which otherwise makes it possible to exercise significant influence over the management of the savings bank and its business. In the calculation of a qualifying holding in savings bank that has issued equity capital certificates, such holding is calculated as a proportion of the sum of primary capital and equity share capital or of the voting rights at the general meeting/Supervisory Board.

In the decision of whether or not a licence to acquire a qualifying holding shall be issued, the Norwegian FSA shall, with due regard for the need to assure proper and adequate management of the savings bank and its activities and in consideration of the level of influence the acquirer will as owner be able to exercise in the institution after the acquisition, assess the acquirer's fitness and propriety as owner of his overall holding after the acquisition, and whether the acquisition of the holding is financially sound. Additional assessment criteria are included in the Financial Institutions Act section 6-3. Conditions may be attached to an authorisation.

An application for a licence shall be decided on within a period of 60 working days reckoned from the date the Norwegian FSA has confirmed receipt of the notification. If the Norwegian FSA has made a request in writing for further information before 50 working days have elapsed, the deadline may be suspended until the requested information is received, but not for more than 20 working days if the acquirer is subject to supervision in or is domiciled in an EEA member state, or for more than 30 working days for other acquirers. Any person proposing to dispose of a qualifying holding or to reduce such a holding so that it falls below one of the percentage thresholds as mentioned above, shall notify the Norwegian FSA accordingly.

13.1.8 *Negotiability of ECCs*

Equity capital certificates are transferable securities according to the Securities Trading Act. Acquisition and sales, pledging etc. of equity capital certificates are mainly regulated by the same civil codes as shares. The articles of association may provide that the acquisition of equity capital certificates is subject to approval from the board of directors, cf. the Public Limited Companies Liability Act section 4-15 second paragraph.

13.2 REGULATION OF SAVINGS BANKS

13.2.1 *General*

Savings banks are mainly regulated by the Financial Institutions Act and the Public Limited Liability Companies Act with accompanying regulations. Further, the Norwegian FSA is authorised to supervise savings banks and their operations according to the Financial Supervision Act. Pursuant to those Acts, a number of regulations applicable to savings banks have been issued, including the Financial Institutions Regulation.

The former direct control of the credit market has been replaced with indirect control through liquidity and monetary policies. Since 1994, several of the laws and regulations applicable to financial undertakings in Norway have been adapted to EU directives and regulations, which to a great extent has harmonized the Norwegian financial regulations with EU law.

13.2.2 *Financial statements*

Financial statements are regulated by the Accounting Act of 17 July 1998 no 56 and the Annual Account Regulation for banks, financial enterprises and holding companies of financial groups of 16 December 1998 no 1240, which contains requirements for the board of directors of savings banks to draw up annual accounts no later than 3 months after the end of the fiscal year and provisions regarding the content of such annual accounts.

13.2.3 *Risk management and internal control system*

Requirements to savings banks' risk management and internal control system are regulated by the CRR/CRD IV Regulations part VIII adopted by the Ministry of Finance.

13.2.4 *Implementation of CRD IV*

In June 2013, EU adopted a revised capital requirement directive, CRD IV, covering prudential rules for credit institutions and investment firms. At the same time, more detailed provisions were adapted in a regulation, the CRR. Compared with former solidity regulations, CRR/CRD IV draws up stricter requirements on the quality of capital instruments, new capital buffer requirements, stricter capital requirements for counterparty credit risk as well as extended requirements on supervisors' assessment of financial institutions' risk and capital need, so-called pillar 2-assessments. Minimum requirements for liquidity coverage ratio (LCR) were implemented from 31

December 2015, and net stable funding ratio (NSFR) requirements was implemented in Norway from 2021. In addition, requirements have been introduced for the calculation of leverage ratio.

CRR/CRD IV was incorporated into the EEA Agreement on March 29 2019 and has been implemented in Norwegian law in 2019.

Several adjustments have already been made in the Norwegian regulations as a result of CRR/CRD IV. The overall capital and buffer requirements in CRR/CRD IV were incorporated into Norwegian law through the Financing Activities Act in June 2013 and are continued in the Financial Institutions Act. In August 2013, regulation of 14 December 2006 No. 1506 on capital requirements for banks etc. (Capital Requirements Regulations) were amended, as well as the remuneration regulation which implements the more detailed provisions of CRR. The amendments of the Capital Requirements Regulations entered into force on 30 September 2014, whilst the amendments of the remuneration regulation came into force on 1 January 2015, and is now implemented in chapter 15 of the Financial Institutions Regulation.

Further information regarding the introduction of CRR/CRD IV in the EU and Norway can be found on the Finanstilsynet's website, www.finanstilsynet.no.

13.2.5 Capital requirements

According to the Financial Institutions Act section 14-1, a bank shall at all times maintain a Common Equity Tier 1 capital level corresponding to at least 4.5% of risk weighted assets calculated in accordance with section 14-2 and the CRR. Furthermore, the tier 1 capital and the own funds of the bank shall at all times constitute at least respectively 6% and 8% of the same risk weighted assets.

Own funds consist of tier 1 capital and supplementary capital. Tier 1 capital consists of equity capital and other approved tier 1 capital. The own funds are calculated in accordance with the CRR/CRD IV Regulations part II and the CRR.

Through amendments to the CRR/CRD IV Regulations, a minimum requirement for leverage ratio of 3% has been set for banks. In addition, all banks must have a leverage ratio buffer of at least 2%.

The CRR contain rules on these standardised approaches and Internal Ratings Based Approaches (IRB) for the calculation of the own funds requirement. Other methods than the Standardised Approach requires consent from The Norwegian FSA.

In addition to the minimum requirements to own funds, there are also several capital buffer requirements applicable based on CRD/CRR:

Capital conservation buffer

A financial institution shall maintain a capital conservation buffer consisting of Common equity Tier 1 capital equal to 2,5 percentage points in addition to the minimum capital requirement, cf. the Financial Institutions Act section 14-3 (1).

Systemic risk buffer

A financial institution shall maintain a systemic risk buffer consisting of Common equity Tier 1 capital equal to 3 percentage points in addition to the minimum capital requirement and the capital conservation buffer, cf. the Financial Institutions Act section 14-3 (2). The Ministry of Finance may by regulations provide that the requirement shall be higher or lower than 3 percentage points. According to an amendment to the CRR/CRD IV Regulations on 8 December 2020, the systemic risk buffer is 4.5 percentage points for Norwegian exposures with effect from 31 December 2020. Institutions that do not apply advanced IRB method to calculate the capital requirement for credit risk and that are not considered systemically important, shall for all exposures apply a systemic buffer rate of 3 percentage points until 31 December 2022.

Systemically important institutions

A financial institution which is systemically important shall maintain a capital buffer consisting of Common Equity Tier 1 capital equal to 2 percentage points in addition to the minimum capital requirement, the capital conservation buffer and the systemic risk buffer, cf. the Financial Institutions Act section 14-3 (3). The Ministry of Finance has laid down regulations on the procedure and criteria to identify and decide which institutions are to be deemed systemically important in Norway and establish special business rules and prudential requirements for such institutions and determine that the requirement shall be higher or lower than 2 percentage points. The Ministry of Finance has at present decided that DNB ASA, Nordea Eiendoms kreditt AS and Kommunalbanken AS are deemed systemically important in Norway.

Countercyclical buffer

A financial institution shall maintain a countercyclical capital buffer consisting of Common Equity Tier 1 capital which shall amount to between 0 and 2,5 percentage points in addition to the minimum capital requirement, the capital conservation buffer, the systemic risk buffer and the capital buffer for systemically important institutions, cf. the Financial Institutions Act section 14-3 (4). The Norwegian Central Bank shall set the requirement for the countercyclical buffer, which will increase from 1.0 percentage points to 1.5 percentage points as of 30 June 2022. Additionally, the countercyclical buffer requirement will increase to 2.0 percentage points as of 31 December 2022 and to 2.5 percentage points as of 31 March 2023. The requirement may in special cases be set higher than 2.5 percentage points.

All capital buffers must consist of Common Equity Tier 1 capital. If an institution does not comply with the above mentioned capital buffers, the institution shall draw up a plan to amend the its capital adequacy, and it may not, distribute dividends to the holders of equity capital certificate or bonuses to employees or interest on additional Tier 1 capital without consent from the Norwegian FSA.

Pillar 2

In addition to the above mentioned capital requirements (Pillar 1 requirements), the Norwegian FSA may impose Pillar 2 capital requirements to individual banks.

The background for the Pillar 2 system is the EU Capital Requirements Directive and Regulation (CRR/CRD IV), which allows national supervisory authorities to require institutions to hold own funds in excess of the standardised Pillar 1 requirements (minimum requirements to own funds, composition of own funds and capital buffers as mentioned above).

The Pillar 2 process is a substantial part of the Norwegian FSA's supervision of the institutions, and forms part of the supervisory review and evaluation process (SREP) performed by the Norwegian FSA.

The Pillar 2 requirements laid down by the supervisory authority are relevant in cases where an institution or a group of institutions, is exposed to or expose the market to higher or more particular risks than the Pillar 1 requirements relies on. The Pillar 2 requirement entails risks not covered by Pillar 1 or only partially covered by Pillar 1. The additional risks may vary from institution to institution and may for example be concentration risk, variations of market risk (including interest rate risk), liquidity risk, funding risk, weaknesses in the governance and control systems, model risk, systemic risk and risk of excessive leverage.

Total capital needs of Sparebanken Sør under Pillar 2 is equivalent to 1.7 per cent of risk weighted assets under Pillar 1. In comparison, the previous Pillar 2 requirement was 2.0 per cent. The Pillar 2 requirement must be met with common equity tier 1 (CET 1) capital.

In addition, the Norwegian FSA expects Sparebanken Sør to hold a margin of CET 1 capital above combined requirements for CET 1 capital, Tier 1 capital, and total capital of at least 1.0 per cent of risk-weighted assets (Pillar 2 guidance).

13.2.6 *The calculation basis for the capital requirements*

The Financial Institutions Act section 14-2 contains rules on the calculation basis for the own funds requirements. The calculation basis for the own funds requirement shall be equal to the total of the calculation basis for credit risk, market risk and operational risk.

The calculation basis for credit risk shall be determined with a basis in risk weighted assets under a Standardised Approach or on the basis of an Internal Ratings Based Approach (IRB).

The calculation basis for market risk shall be determined with a basis in rules under the standardised approach set out in regulations or using an IRB approach.

The calculation basis for operational risk shall be determined as: a share over average income (basic indicator approach), a share of the income of various business lines multiplied by an indicator of loss experience set out in regulations (standardised approach) or using an advanced IRB approach for operational risk.

The IRB approaches for credit risk and market risk, and the advanced approach for operational risk, may only be used to calculate own funds requirement pursuant to an authorisation granted by the Norwegian FSA.

13.2.7 *Changes in CRR/CRD IV*

The international and European regulatory framework for banks is evolving. The Basel Committee's revised regulations, Basel IV, will involve changes in risk weights for credit risk in the standard method, new methods for operational risk, floor rules, reduced risk weights for loans to small and medium-sized enterprises, and restrictions on the use of internal methods.

In November 2016, the European Commission published proposals for partially revised capital adequacy regulations. The changes are referred to as the "bank package" or CRR2/CRD5, and were adopted in May 2019. The package includes a requirement for leverage ratio requirement, requirements for stable financing, a narrowing of the supervisory authority's ability to provide additional capital (pillar 2) requirements for systemic risk, greater flexibility for national authorities to take action against various forms of systemic risk, and extended SME discounts and a new capital requirement discount for loans for infrastructure projects. The EU implemented the changes in full at the beginning of 2020 as part of the EU's banking package (in connection with the corona crisis). The changes are EEA-relevant and were largely implemented into Norwegian legislation by Act of 18 June 2021 No. 100. However, the act has not yet entered into force, together with associated regulations. On 30 March 2022, the Ministry of Finance announced that the aim is to have the law and associated regulations related to the banking package in force as of 1 June 2022. By way of regulation 6 May 2022 No. 807 the Ministry of Finance has confirmed that the above-mentioned act will take effect as of 1 June 2022. It is still expected that the associated regulations will enter into force at the same time.

13.2.8 *Recovery and Resolutions of Banks*

The EU Banking Recovery and Resolutions Directive (BRRD) requires banks to prepare recovery plans to overcome financial distress. It also grants national authorities powers to ensure an orderly resolution of failing banks with minimal costs for taxpayers. The EU's bank resolution rules ensure that a banks' shareholders and creditors pay their share of the costs through a "bail-in" mechanism. If that is still not sufficient, the national resolution funds set up under the BRRD can provide the resources needed to ensure that a bank can continue operating while it is being restructured.

In Norway, BRRD is implemented through the Financial Institutions Act. The Norwegian FSA as crisis management authority may require banks to hold a specific amount of own funds and bail in-able debt, including senior non-preferred debt in the case the resolution plan drawn up by the crisis management authority (Finanstilsynet) identifies the bail-in tool to be applicable to the bank in case of a crisis (cf. section 20-9). The Financial Supervisory Authority of Norway has prepared resolution plans and MREL-requirements for seven Norwegian banks, including Sparebanken Sør, in 2019.

Common rules on debt settlement proceedings and bankruptcy are not applicable to banks, but the Ministry of Finance may order banks that are unable to meet its commitments to be placed under public administration or

crisis management in accordance with the Financial Institutions Act chapter 20. The equity certificate capital may in such cases be lost in total.

13.2.9 *Other regulations*

There are also other applicable rules and requirements on the business of banks, including prohibition against engaging in other business, restrictions on outsourcing of core tasks, prudent operation and good business practice, rules on exposures related to foreign currencies, large exposures, asset management, ownership of holding companies and ownership interests in other companies. Additionally, there are rules regarding anti money laundering requirements as well as liquidity requirements, liquidation and public administration of banks in financial difficulties etc.

13.2.10 *Structural changes in the savings bank sector*

Merger and demerger

The Financial Institutions Act section 12-1 to 12-7 contains provisions regarding structural changes to financial institutions, pursuant to which several models for mergers and demergers may be carried out. Inter alia, structural changes may take place according to the following models:

- "Hallingdal-modellen": Savings banks with only primary capital (traditional savings banks) may convert parts of the primary capital into equity share capital. The equity capital certificates are transferred free of charge to a savings banks foundation. Two or several savings banks may merge by using the same model.
- "Terra/Eika-modellen": Several traditional savings banks are merged without issue of equity capital certificates and without establishment of a foundation. Instead, the articles of association may provide for a specific allocation or either the dividend or the primary capital proportional to the savings banks' capital at the time of the merger.
- "Tingvoll-modellen": A savings bank's total business is transferred to another savings bank against consideration consisting of equity capital certificates issued to a savings banks foundation established by the acquired savings bank.
- "Telemark-modellen": Two or more savings banks are converted into limited liability companies, which are merged into one limited liability company. The conversion is implemented by transfer of the shares to savings banks foundations establish be the involved banks.

According to the Financial Institutions Act section 12-1, merger and demerger of banks may only be carried out pursuant to an authorisation from the Ministry of Finance. Resolutions of merger or demerger shall be adopted by the same majority of the general meeting/Supervisory Board as needed to adopt an amendment to the articles of association. The articles of association may also provide that such resolutions shall require a majority of the general meeting/Supervisory Board that includes at least two thirds of the votes cast by, or by members elected by, the holders of equity certificate instruments.

Winding up

The Financial Institutions Act section 12-8 to 12-12 regulates winding up of savings banks. A resolution to wind up a financial institution shall be adopted by the same majority of the general meeting/Supervisory Board as needed to adopt an amendment to the articles of association. The board of directors shall present a winding up plan to the general meeting/Supervisory Board. The resolution may only be implemented under authorisation by the Ministry of Finance. Residual assets shall be split pro rata between the equity capital certificate holders and one or more savings bank foundations.

Conversion into a limited liability company

The Financial Institutions Act section 12-13 to 12-18 regulates the conversion of a savings bank into a private or public limited liability company. A resolution to convert a savings bank shall be adopted by the same majority of the general meeting/Supervisory Board as needed to adopt an amendment to the articles of association. The articles of association may also provide that such resolutions shall require a majority of the general

meeting/Supervisory Board that includes at least two thirds of the votes cast by, or by members elected by, the holders of equity certificate instruments. A savings bank may convert to a private or public limited liability company pursuant to a financial foundation model and requires an authorisation from the Ministry of Finance. The most important aspects of a conversion can be summarised as follows:

- The shares for the part corresponding to the primary capital shall be transferred to a savings bank foundation
- The foundation shall be independent from the bank
- The foundation shall have a long-term and stable purpose with its ownership
- Sale of the foundation's shares in the bank requires 2/3 majority by the general meeting of the foundation
- The foundation may distribute parts of the yearly profit as gifts to non-profit causes

Provided that the ownership of the foundation exceeds 10%, the limited liability company may use the term "savings bank" in its corporate name.

The possibility to convert a savings bank to a private or public limited liability company will in practice be limited, because the assessment of whether to grant the authorisation shall inter alia be attached to the general rule requiring savings banks to be organised as ordinary savings banks or as savings banks with equity share capital. Importance shall also be attached to the activities the savings bank has pursued in the municipality concerned and in the event to whether, or how, those activities will be continued.

Conversion of primary capital to equity share capital

According to the Financial Institutions Act section 10-9, a savings bank may convert primary capital into equity share capital. The equity capital certificates shall be transferred free of charge to a savings bank foundation established in connection with the conversion. The savings bank foundation shall own equity capital certificates and continue savings banks traditions.

13.2.11 Financial foundations and savings banks foundations

The Financial Institutions Act section 12-19 to 12-26 contains provisions on financial foundations and savings bank foundations applicable to foundations established in connection with structural changes of financial institutions not organised as private or public limited companies. The activities of the foundation shall mainly consist of managing equity capital certificates or shares that were supplied to the foundation upon its establishment and funds that are received as dividend on equity capital certificates or shares, including holdings acquired through the exchange of such holdings. A foundation may with the consent from the Norwegian FSA, issue equity capital certificates.

13.2.12 Supervision, solvency and liquidity protection for Norwegian banks

There are several public authorities which are responsible for the supervision of the financial markets and the legislation applicable to financial institutions (banks, insurance undertakings, financing companies etc.).

Ministry of Finance

One of the main tasks of the Ministry of Finance is regulation of the financial markets. The Ministry of Finance has the authority to adopt regulations and administrative decisions pursuant to the Financial Institutions Act and other acts regarding financial undertakings.

The Financial Institutions Act regulates important aspects of the operation of savings banks, inter alia capital requirements. The Ministry of Finance has the authority to revoke the license to engage in banking activities in case of severe violations on laws and regulations. A consent from the Ministry of Finance (may be delegated to the Norwegian FSA) is required in order for a bank to carry out resolutions of certain significance, such as issue of equity capital certificates, reduction of the primary capital or the equity share capital, transfer of business to another institution, winding-up of business, conversion into a limited liability company or acquisition of another bank.

The main purposes of the regulation of the financial institution are to contribute to financial stability and to ensure that financial institutions operate in an appropriate and satisfactory manner.

The Norwegian FSA

The Norwegian FSA grants licenses to operate as a bank and has the main responsibility to monitor and supervise banks, insurance undertakings, financing companies, investment firms, management companies for securities funds, real estate agents, debt collection agencies, auditors, external accountants, insurance brokers and holding companies of financial groups.

The main task of the Norwegian FSA is to ensure that the institutions it supervises operates in a sound and prudent manner in accordance with the applicable legislation. Through its supervision of institutions and markets, the Norwegian FSA strives to promote financial stability and orderly market conditions. In addition to its preventative work, the Norwegian FSA maintains preparedness for dealing with concrete problems that may arise.

The supervision includes assessment of the governance and control functions established by the institutions, review of financial statements and other documentation, based on on-site inspections or review of documentation reported by the supervised institutions.

The decisions made by the Norwegian FSA may be appealed to the Ministry of Finance. When the Ministry of Finance is handling cases concerning the financial market, its decisions is usually based on a prior statement from the Norwegian FSA before the decision is made. The Norwegian FSA submits an annual report about its activities to the Ministry of Finance each year. The report is presented to the Parliament together with the annual financial markets report.

Norges Bank

Norges Bank is the Norwegian central bank and shall be an executive and advisory body for monetary, credit and foreign exchange policy. The Bank shall issue banknotes and coins, promote an efficient payment system domestically as well as vis-à-vis other countries, and monitor developments in the money, credit and foreign exchange markets. The central bank is therefore responsible for important tasks in relation to the banking system and shall contribute to stable and efficient financial markets and payment systems. Norges Bank may grant liquidity loans to banks, make deposits in banks and grant other credits to the banks. In special cases, the central bank may also grant credit to other institutions on certain conditions. Norges Bank also performs market operations in the monetary market.

The Norwegian Banks' Guarantee Fund

According to the Financial Institutions Act chapter 19, banks having their head office in Norway shall be members of the Norwegian Banks' Guarantee Fund (No: Bankenes sikringsfond). The Norwegian Banks' Guarantee Fund is regulated through the Financial Institutions Act. The purpose of the Norwegian Banks' Guarantee Fund is to secure the deposit liabilities of its members through the deposit guarantee scheme. The fund may also provide

support under certain conditions. The fund is intended to cover any loss incurred by a depositor on deposits with a member institution pursuant to the rules in the Financial Institutions Act.

Amendments implementing the EU Deposit Guarantee Directive 2014/49 / EU and the Crisis Management Directive 2014/59 /EU (BRRD) have been incorporated into the Financial Undertakings Act chapters 19 and 20 and entered into force on 1 January 2019. This has resulted in changes in the organization of the deposit guarantee scheme and crisis management of financial institutions in Norway.

14 SECURITIES TRADING IN NORWAY

This Section 14 includes certain aspects of rules pertaining to securities trading in Norway in a Norwegian incorporated savings bank pursuant to Norwegian legislation, but is however not a full or complete description of the matters described herein. The following summary does not purport to be a comprehensive description of all the legal considerations that may be relevant to a decision to purchase, own or dispose of ECCs. Investors are advised to consult their own legal advisors concerning the overall legal consequences of their ownership of ECCs. The Bank's ECC is listed on Oslo Børs.

14.1 INTRODUCTION

Oslo Børs was established in 1819 and is the principal market in which equity capital certificates, shares, bonds and other financial instruments are traded in Norway. Oslo Børs is operated by Oslo Børs ASA, which also operates the regulated marketplace Euronext Expand and the multilateral trading facility Euronext Growth Oslo. Oslo Børs was acquired by the Euronext Group in 2019.

14.2 TRADING AND SETTLEMENT

Official trading on Oslo Børs takes place between 09:00 hours (CET) and 16:20 hours (CET) each trading day, with pre-trade period between 08:15 hours (CET) and 09:00 hours (CET), closing auction from 16:20 hours (CET) to 16:25 hours (CET) and a post-trade period from 16:25 hours (CET) to 17:30 hours (CET). Reporting of after exchange trades can be done until 17:30 hours (CET).

The settlement period for trading on the Oslo Stock Exchange is two trading days (T+2). This means that securities will be settled on the investor's account in ESO two days after the transaction, and that the seller will receive payment after two days.

Investment services in Norway may only be provided by Norwegian investment firms holding a licence under the Norwegian Securities Trading Act, branches of investment firms from an EEA member state or investment firms from outside the EEA that have been licenced to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway

It is possible for investment firms to undertake market-making activities in equity capital certificates listed in Norway if they have a licenced to this effect under the Norwegian Securities Trading Act and accompanying regulations, or in the case of investment firms in an EEA member state, a licenced to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, such market-making activities do not as such require notification to the Norwegian FSA or the Oslo Stock Exchange except for the general obligation of investment firms that are members of the Oslo Stock Exchange to report all trades in stock exchange listed securities.

14.3 INFORMATION, CONTROL AND SURVEILLANCE

Under Norwegian law, Oslo Børs is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of Oslo Børs monitors market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in certain instances in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, a savings bank that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the savings bank (i.e. precise information about financial instruments, the issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and which are not publicly available or commonly known in the market). A savings bank may, however, delay the release of such

information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. Oslo Børs may levy fines on companies violating these requirements.

14.4 ESO (FORMERLY "VPS") AND TRANSFER OF ECCS

The Bank's principal equity capital certificates register is operated through ESO (formerly "VPS"). ESO is the Norwegian paperless centralised securities register. It is a computerised book-keeping system in which the ownership of, and all transactions relating to, Norwegian listed equity capital certificates must be recorded. ESO and the Oslo Stock Exchange are both wholly-owned by the Euronext Group.

All transactions relating to securities registered with ESO are made through computerised book entries. No physical equity capital certificates are, or may be, issued. ESO confirms each entry by sending a transcript to the registered equity capital certificate holder irrespective of any beneficial ownership. To give effect to such entries, the individual equity capital certificate holder must establish an equity capital certificate account with a Norwegian account agent. Norwegian banks, Norges Bank (being, Norway's central bank), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in ESO is prima facie evidence in determining the legal rights of parties as against the issuing savings bank or any third party claiming an interest in the given security. A transferee or assignee of equity capital certificate may not exercise the rights equity capital certificate holder with respect to such equity capital certificate unless such transferee or assignee has registered such holding of equity capital certificates or has reported and shown evidence of such acquisition, and the acquisition is not prevented by law, the relevant bank's articles of association or otherwise.

ESO is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside ESO's control which the ESO could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the ESO may, however, be reduced in the event of contributory negligence by the aggrieved party.

ESO must provide information to the Norwegian FSA on an ongoing basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the ESO regarding any individual's holdings of securities, including information about dividends and interest payments.

14.5 HOLDERS OF EQUITY CAPITAL CERTIFICATES REGISTER

Under Norwegian law, equity capital certificates are registered in the name of the beneficial owner of the equity capital certificate. As a general rule, there are no arrangements for nominee registration, and Norwegian equity capital certificate holders are not allowed to register their equity capital certificates in ESO through a nominee. However, foreign equity capital certificate holders may register their equity capital certificates in ESO in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial equity capital certificate holder to the issuer and to the Norwegian authorities. In case of registration by nominees, the registration in ESO must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions, but cannot vote on the equity capital certificate at the meeting of the equity capital certificates holders on behalf of the beneficial owners.

14.6 FOREIGN INVESTMENT IN NORWEGIAN EQUITY CAPITAL CERTIFICATES

Foreign investors may trade equity capital certificates listed on Oslo Børs through any broker that is a member of Oslo Børs, whether Norwegian or foreign.

14.7 DISCLOSURE OBLIGATIONS

If a person's, entity's or consolidated group's proportion of the total issued equity capital certificates and/or rights to equity capital certificates in an issuer with its equity capital certificates listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Bank) reaches, exceeds or falls below the

respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the equity capital certificate capital or the voting rights of that issuer, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify Oslo Børs and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the Bank's ECC capital.

14.8 INSIDER TRADING

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in section 3-1 of the Norwegian Securities Trading Act cf. article 7 of Regulation (EU) No 596/2014 on market abuse. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

14.9 FOREIGN EXCHANGE CONTROLS

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to equity capital certificate holders outside Norway, and there are currently no restrictions that would affect the right of equity capital certificate holder of a savings bank that has its equity capital certificates registered with ESO who are not residents in Norway to dispose of their equity capital certificates and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

15 TAXATION

15.1 INTRODUCTION

Set out below is a summary of certain Norwegian tax matters related to an investment in the Group. The summary regarding Norwegian taxation is based on the laws in force in Norway as of the date of this Prospectus, which may be subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis.

The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the equity capital certificates in the Bank. Equity capital certificates holders who wish to clarify their own tax situation should consult with and rely upon their own tax advisers. Equity capital certificates holders resident in jurisdictions other than Norway and equity capital certificates holders who cease to be resident in Norway for tax purposes (due to domestic tax law or tax treaty) should specifically consult with and rely upon their own tax advisers with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway for tax purposes. Tax legislation in prospective investor's country of residence and Norwegian legislation may have an impact on the income received from the ECCs.

Please note that for the purpose of the summary below, a reference to a Norwegian or non-Norwegian Equity capital certificates holder refers to the tax residency rather than the nationality of the equity capital certificates holder.

15.2 TAXATION OF DIVIDEND

Norwegian Personal Equity Capital Certificates Holders

Dividends received by equity capital certificates holders who are individuals resident in Norway for tax purposes ("**Norwegian Personal Equity Capital Certificates Holders**") are taxable as ordinary income in Norway at an effective rate of currently 35.2% to the extent the dividend exceeds a tax-free allowance; i.e. dividends received, less the tax-free allowance, shall be multiplied by 1.6 and the product is included as ordinary income taxable at a flat rate of 22%. This implies that the effective tax rate on dividends received by Norwegian Personal Equity Capital Certificates Holders is 35.2%.

The tax-free allowance is calculated annually on an equity capital certificate-by-equity capital certificate basis and pertains to the owner of the equity capital certificate at the expiration of the relevant calendar year. The allowance for each equity capital certificate is equal to the cost price of the equity capital certificate multiplied by a risk free interest rate based on the effective rate of interest on treasury bills (*Nw.: statskasseveksler*) with three months maturity plus 0.5 percentage point, after tax.

Norwegian Personal Equity Capital Certificate Holders who transfer equity capital certificates will thus not be entitled to deduct any calculated tax-free allowance related to the year of transfer.

Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the equity capital certificates ("excess allowance") may be carried forward and set off against future dividends received on, or gains upon realisation of, the same equity capital certificates, and will be added to the basis for calculating the tax-free allowance.

Personal Owners who own equity capital certificates through a Norwegian Share Savings Account are not taxed on a continuous basis for the dividends received on the Equity Capital Certificates. Income from dividends from the equity capital certificates is first taxed up on withdrawals from the Share Savings Account to the Personal Owner, and only to the extent that withdrawals exceed the Personal Owner's total contributed capital in the Share Savings Account.

When withdrawals from a Share Savings Account exceeds the contributed capital and excess allowance, Personal Owners will be taxed at the same tax rate as Personal Owners without a Share Savings Account with a tax rate

of 35.2%. Excess tax-free allowance is calculated based on the lowest amount deposited in the share savings account during the year and not for the individual Equity Capital Certificate.

Norwegian Corporate Equity Capital Certificate Holders

Dividends distributed from the Group to equity capital certificate holders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Equity Capital Certificate Holders**"), are effectively taxed at a rate of 0.66% (3% of dividend income from such equity capital certificates is included in the calculation of ordinary income for Norwegian Corporate Equity Capital Certificate Holders and ordinary income is subject to tax at a flat rate of 22%).

Non-Norwegian Personal Equity Capital Certificate Holders

Please be warned that both the tax legislation of the investor's member state and Norway may have an impact on the income received from the securities.

Dividends distributed to equity capital certificate holders who are individuals not resident in Norway for tax purposes ("**Non-Norwegian Personal Equity Capital Certificate Holders**"), are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the equity capital certificate holder is resident. The withholding obligation lies with the savings bank distributing the dividends and the Group assumes this obligation.

Non-Norwegian Personal Equity Capital Certificate Holders resident within the EEA for tax purposes may apply individually to Norwegian tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual equity capital certificate (please see Section 15.2 "*Taxation of dividends—Norwegian Personal Equity Capital Certificate Holders*" above). However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

If a Non-Norwegian Personal Equity Capital Certificate Holder is carrying on business activities in Norway and the equity capital certificates are effectively connected with such activities, the equity capital certificate holder will generally be subject to the same taxation of dividends as a Norwegian Personal Equity Capital Certificate Holder, as described above.

Non-Norwegian Personal Equity Capital Certificate Holders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted.

Non-Norwegian Corporate Equity Capital Certificate Holders

Dividends distributed to equity capital certificate holders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes ("**Non-Norwegian Corporate Equity Capital Certificate Holders**"), are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the equity capital certificate holder is resident, provided that the equity capital certificate holder is the beneficial owner of the equity capital certificates.

Dividends distributed to Non-Norwegian Corporate Equity Capital Certificate Holders resident within the EEA for tax purposes are exempt from Norwegian withholding tax provided that the equity capital certificate holder is genuinely established and performs genuine economic business activities within the relevant EEA jurisdiction.

If a Non-Norwegian Corporate Equity Capital Certificate Holder is carrying on business activities in Norway and the equity capital certificates are effectively connected with such activities, the equity capital certificate holder will generally be subject to the same taxation of dividends as a Norwegian Corporate Equity Capital Certificate Holder, as described above.

Non-Norwegian Corporate Equity Capital Certificate Holders who are exempt from withholding tax or have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted.

Nominee registered equity capital certificates will be subject to withholding tax at a rate of 25% unless the nominee has obtained approval from the Norwegian tax authorities for the dividend to be subject to a lower withholding tax rate. To obtain such approval the nominee is required to file a summary to the tax authorities including all beneficial owners that are subject to withholding tax at a reduced rate.

The withholding obligation in respect of dividends distributed to Non-Norwegian Corporate Equity Capital Certificate Holders and on nominee registered equity capital certificates lies with the savings bank distributing the dividends and the Group assumes this obligation.

15.3 TAXATION OF CAPITAL GAINS ON REALISATION OF EQUITY CAPITAL CERTIFICATES

Norwegian Personal Equity Capital Certificate Holders

Sale, redemption or other disposal of equity capital certificates is considered a realisation for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Equity Capital Certificate Holders through a disposal of equity capital certificates is taxable or tax deductible in Norway. The effective tax rate on gain or loss related to shares realised by Norwegian Personal Equity Capital Certificate Holders is currently 35.2%; i.e. capital gains (less the tax free allowance) and losses shall be multiplied by 1.6 which are then included in or deducted from the Norwegian Personal Equity Capital Certificate Holder's ordinary income in the year of disposal. Ordinary income is taxable at a rate of 22%. The factor increase of 1.6 therefore increase the effective tax rate on gains/losses realised by Norwegian Personal Equity Capital Certificate Holders to 35.2%.

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the Norwegian Personal Equity Capital Certificate Holder's percentage interest in the Group prior to the disposal.

The taxable gain/deductible loss is calculated per equity capital certificate as the difference between the consideration for the equity capital certificate and the Norwegian Personal Equity Capital Certificate Holder's cost price of the equity capital certificate, including costs incurred in relation to the acquisition or realisation of the equity capital certificate. From this capital gain, Norwegian Personal Equity Capital Certificate Holders are entitled to deduct a calculated tax-free allowance provided that such tax-free allowance has not already been used to reduce taxable dividend income. Please refer to Section 15.2 "*Taxation of dividends—Norwegian Personal Equity Capital Certificate Holders*" above for a description of the calculation of the allowance. The tax-free allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realisation of an equity capital certificate will be annulled.

If the Norwegian Personal Equity Capital Certificate Holder owns equity capital certificates acquired at different points in time, the equity capital certificates that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

Personal Owners who own Equity Capital Certificates through a Norwegian Share Savings Account are not taxed on a continuous basis for gain on the realization of the Equity Capital Certificates. The gains can be reinvested without taxation in shares, equity capital certificates and funds that qualify for the Share Savings Account scheme. Income from gains upon realization of Equity Capital Certificates is first taxed up on withdrawals from the Share Savings Account to the Personal Owner, and only to the extent that withdrawals exceed the Personal Owner's total contributed capital in the Share Savings Account. When withdrawing from a share savings account in excess of contributed capital and excess tax-free allowance, Personal Owners will be taxed at the same tax rate as Personal Owners without share savings account, with a tax rate of 31.68%. The excess allowance on the Share Savings Account is calculated based on the amount deposited in the share savings account and not for the individual Equity Capital Certificate. The tax-free allowance may only be deducted in order to reduce a taxable gain on the Share Savings Account, and cannot increase or produce a deductible loss, i.e. any unused Tax-free allowance exceeding the capital gain upon the realisation of a Share Savings Account will be annulled.

Norwegian Corporate Equity Capital Certificate Holders

Norwegian Corporate Equity Capital Certificate Holders are exempt from tax on capital gains derived from the realisation of equity capital certificates qualifying for participation exemption, including equity capital certificates in the Group. Losses upon the realisation and costs incurred in connection with the purchase and realisation of such equity capital certificates are not deductible for tax purposes.

Non-Norwegian Personal Equity Capital Certificate Holders

Gains from the sale or other disposal of equity capital certificates by a Non-Norwegian Personal Equity Capital Certificate Holders will not be subject to taxation in Norway unless the Non-Norwegian Personal Equity Capital Certificate Holders holds the equity capital certificates in connection with business activities carried out or managed from Norway or, on specific conditions, when the equity capital certificates are held by a Non-Norwegian Personal Equity Capital Certificate Holder who has been a resident of Norway for tax purposes with unsettled/postponed exit tax calculated on the equity capital certificates at the time of cessation as Norwegian tax resident.

Non-Norwegian Corporate Equity Capital Certificate Holders

Capital gains derived by the sale or other realisation of equity capital certificates by Non-Norwegian Corporate Equity Capital Certificate Holders are not subject to taxation in Norway unless the Non-Norwegian Corporate Equity Capital Certificate Holder holds the equity capital certificates in connection with business activities carried out or managed from Norway

15.4 NET WEALTH TAX

The value of equity capital certificates is included in the basis for the computation of net wealth tax imposed on Norwegian Personal Equity Capital Certificate Holders. The marginal net wealth tax rate is currently 0.95% of the value assessed. The value for assessment purposes for listed equity capital certificates is equal to 75% of the listed value as of 1 January in the year of assessment (i.e. the year following the relevant fiscal year). The value of debt allocated to the equity capital certificates for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 75%).

Norwegian Corporate Equity Capital Certificate Holders are not subject to net wealth tax.

Equity capital certificate holders not resident in Norway for tax purposes are not subject to Norwegian net wealth tax. Non-Norwegian Personal Equity Capital Certificate Holders can, however, be taxable if the holding of equity capital certificates is effectively connected to the conduct of trade or business in Norway.

15.5 VAT AND TRANSFER TAXES

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of equity capital certificates.

15.6 INHERITANCE TAX

A transfer of equity capital certificates through inheritance or as a gift does not give rise to inheritance or gift tax in Norway. However, the heir acquires the donor's tax input value based on principles of continuity. Thus, the heir will be taxable for any increase in value during the donor's ownership period, at the time of the heir's realization of the equity capital certificate.

16 ADDITIONAL INFORMATION

16.1 THE BANK'S AUDITOR AND ADVISORS

The Bank's auditor is PricewaterhouseCoopers AS with registration number 987 009 713, and business address at Dronning Eufemias gate 71, 0194 Oslo, Norway. The partners of PricewaterhouseCoopers AS are members of Den Norske Revisorforeningen (The Norwegian Institute of Public Accountants).

Pareto Securities AS (Dronning Mauds gate 3, 0260 Oslo), Swedbank AB (publ.) (Ruseløkkveien 36, 0251 Oslo) and Norne Securities AS (Jonsvollsgaten 2 Bergen, Norway) are engaged as managers for the Conversion transactions.

Advokatfirmaet Selmer AS (Tjuvholmen allé 1, N-0112 Oslo, Norway) is acting as Norwegian legal counsel to the Bank.

Advokatfirmaet Thommessen AS, (Ruseløkkveien 38, 0251 Oslo), is acting as Norwegian legal counsel to the Managers

16.2 DOCUMENTS ON DISPLAY

Copies of the following documents will be available for inspection at the Bank's offices at Rådhusgaten 7/9, 4611 Kristiansand S, Norway, during normal business hours from Monday to Friday each week (except public holidays) and on the Bank's website <https://www.sor.no/> for a period of twelve months from the date of this Prospectus.

- The Articles of Association.
- The Group's audited consolidated Annual Financial Statements for the year ended 31 December 2021.
- The Group's unaudited consolidated Interim Financial Statements for the three months periods ended 31 March 2022.
- This Prospectus.

16.3 DOCUMENTS INCORPORATED BY REFERENCE

Section in Prospectus	Disclosure requirements of the Prospectus	Reference document and link	Page (P) in reference document
Section 7	Audited historical financial information	Interim financial Statement for the three months periods ended 31 March 2022 https://newsweb.oslobors.no/obsvc/attachment.obsvc?messageId=561347&attachmentId=238617&obsvc.item=1	p. 14-34
Section 7	Auditor's report	The Annual Accounts for the year ended 31 December 2021: https://newsweb.oslobors.no/obsvc/attachment.obsvc?messageId=556331&attachmentId=234321&obsvc.item=1	p.24-96
Section 7	Auditor's report	Auditor's report for the year ended 31 December 2021: https://newsweb.oslobors.no/obsvc/attachment.obsvc?messageId=556331&attachmentId=234321&obsvc.item=1	p.116 - 121

17 DEFINITIONS AND GLOSSARY

The following definitions and glossary apply in this Prospectus unless otherwise dictated by the context, including the foregoing pages of this Prospectus.

Articles of Association	The articles of association of the Bank.
APM	Alternative Performance Measure as defined in ESMA Guidelines on Alternative Performance Measures dated 5 October 2015.
Bank	Sparebanken Sør.
Board of Directors or Board	The board of directors of the Bank.
BRRD	The EU Banking Recovery and Resolutions Directive.
Corporate Governance Code	The Norwegian Code of Practice for Corporate Governance dated 14 October 2021.
DGSD	The EU Directive 2014/49/EC on deposit guarantee schemes.
ECC	Equity capital certificates in the Bank, each with a par value of NOK 50 or any one of them.
ESO	The Norwegian Central Securities Depository, "Euronext Securities Oslo (formerly VPS (Nw: Verdipapirsentralen)).
Financial Institutions Act	The Norwegian Act No. 17 of 10 April 2015 on Financial Institutions and Financial Groups.
Financial Institutions Regulations	The Norwegian Regulations No. 1502 of 9 December 2016 on Financial Institutions and Financial Groups.
Forward-looking statements	Statements made that are not historic and thereby predictive as defined in Section 4.4.
Foundation	Sparebankstiftelsen Sparebanken Sør.
FTE	Full-time equivalents.
General Meeting	The Bank's general meeting.
Group	The Bank and its subsidiaries.
IAS	International Accounting Standard.
IFRS	International Financial Reporting Standards as adopted by the EU.
ISIN	Securities number in the Norwegian Registry of Securities (ESO).
LEI	The legal entity identifier.
Listing	The listing of the New ECCs on Oslo Børs.
Managers	Norne Securities AS, Pareto Securities AS and Swedbank Norge, a branch of Swedbank AB (publ).

Moody's	Moody's Investor Service Ltd.
New ECCs	The ECCs issued following the conversion of the Bank's primary capital to equity share capital by establishing Sparebankstiftelsen Sparebanken Sør.
NIBOR	Norwegian Interbank Offer Rate.
NOK	Norwegian Kroner, the lawful currency of Norway.
Non-Norwegian Corporate Equity Capital Certificate Holders	Equity capital certificate holders who are not resident in Norway for tax purposes.
Non-Norwegian Personal Equity Capital Certificate Holders	Equity capital certificate holders who are individuals not resident in Norway for tax purposes.
Norwegian FSA	The Financial Supervisory Authority of Norway (<i>Nw.: Finanstilsynet</i>).
Norwegian Public Companies Act	The Norwegian Public Limited Companies Act of 13 June 1997 no. 45 (<i>Nw.: allmennaksjeloven</i>).
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75 (<i>Nw: verdipapirhandelloven</i>).
Norwegian Corporate Equity Capital Certificate Holders	Equity capital certificate holders who are limited liability companies and certain similar corporate entities resident in Norway for tax purposes.
Norwegian Personal Equity Capital Certificate Holders	Equity capital certificate holders resident in Norway for tax purposes.
Oslo Børs	Oslo Børs ASA or, as the context may require, Oslo Børs, a Norwegian regulated stock exchange operated by Oslo Børs ASA.
Prospectus	This Prospectus dated 29 June 2022, prepared in connection with the Listing.
PSD2	The Revised Payment Systems Directive, 2015/2366/EU.
QIBs	Qualified institutional buyers, as defined in Rule 144A under the U.S. Securities Act.
SIX	The SIX Swiss Exchange.
U.S. Exchange Act	The U.S. Securities Exchange Act of 1934.
U.S. Securities Act	The United States Securities Act of 1933, as amended.

VEDTEKTER

for

SPAREBANKEN SØR

Vedtatt på forstanderskapsmøte 31.03.2022

KAP. 1 FIRMA. KONTORKOMMUNE. FORMÅL.

§ 1-1 *Foretaksnavn. Kontorkommune. Formål*

Sparebanken Sør er dannet ved sammenslutning av Sparebanken Pluss og Sparebanken Sør den 1. januar 2014. Disse sparebankene er dannet ved sammenslåing av en rekke sparebanker som fremkommer av vedlegg til vedtektene.

Sparebanken har sitt sete i Kristiansand kommune.

Sparebanken har til formål å fremme sparing ved å ta imot innskudd fra en ubestemt krets av innskytere og på en trygg måte forvalte de midler den rår over i samsvar med de lovregler som til enhver tid gjelder for sparebanker.

Sparebanken kan utføre alle vanlige bankforretninger og banktjenester, samt tilby investeringstjenester i samsvar med de til enhver tid gjeldende regler og konsesjoner.

KAP. 2 SPAREBANKENS EGENKAPITAL

§ 2-1 *Grunnfondet*

Oversikt over de opprinnelige grunnfond i de sammenslåtte sparebankene, herunder hvorvidt grunnfondet er eller pliktes tilbakebetalt, fremkommer av vedlegg til disse vedtektene.

Stiftere eller andre har ikke rett til utbytte av virksomheten, utover utbytte på sparebankens eierandelskapital.

Med Kongens/Finansdepartementets samtykke kan forstanderskapet vedta å utstede omsettelige og utbytteberettigede egenkapitalbevis med representasjonsrett i forstanderskapet.

§ 2-2 Egenkapitalbevis

Sparebankens utstedte eierandelskapital utgjør kr 2 085 152 850 fordelt på 41 703 057 egenkapitalbevis á kr 50 fullt innbetalt.

Sparebankens egenkapitalbevis skal være registrert i Verdipapirsentralen. Erverver av egenkapitalbevis har stemmerett når ervervet er registrert i Verdipapirsentralen.

KAP. 3 FORSTANDERSKAP

§ 3-1 Forstanderskapets sammensetning

Sparebanken skal ha et forstanderskap som skal se til at banken virker etter sitt formål i samsvar med lov, vedtekter og forstanderskapets vedtak. Forstanderskapet er sparebankens øverste myndighet.

Forstanderskapet skal ha 28 medlemmer og 28 varamedlemmer.

Før 2023 skal 12 medlemmer og 12 varamedlemmer velges av kundene, jf. § 3-2. Ved valget i 2023 skal 9 medlemmer og 9 varamedlemmer velges av kundene. Fra og med valget i 2024 skal 7 medlemmer og 7 varamedlemmer velges av kundene.

2 medlemmer og 2 varamedlemmer velges av fylkestinget i Agder, og 1 medlem og 1 varamedlem velges av fylkestinget i Vestfold og Telemark, jf. § 3-3.

Før 2023 skal 6 medlemmer og 6 varamedlemmer velges av eierne av egenkapitalbevis, jf. § 3-4. Ved valget i 2023 skal 9 medlemmer og 9 varamedlemmer velges av eierne av egenkapitalbevis. Fra og med valget i 2024 skal 11 medlemmer og 11 varamedlemmer velges av eierne av egenkapitalbevis.

7 medlemmer og 7 varamedlemmer velges av og blant de ansatte, jf. § 3-5.

Medlemmene og varamedlemmene av forstanderskapet velges for 4 år. Minst tre fjerdedeler av forstanderskapsmedlemmene skal være personer som ikke er ansatt i banken.

Dersom et kundevalgt medlem eller varamedlem ikke gjenvelges, skal medlemmet eller varamedlemmet erstattes av en person fra samme valgkrets, se § 3-2.

Forstanderskapet fastsetter nærmere instruksjer om valgene.

§ 3-2 Kundenes valg til forstanderskapet

De kundene (personlig kunde og representant for juridisk person) som har og i de siste seks måneder har hatt et innskudd i banken på minst 2.500 kroner er valgbare og kan stemme ved valg av kundenes representanter til forstanderskapet. Bare myndig person kan som personlig kunde eller som representant for annen kunde stemme ved valget. Ingen kan avgi mer enn to stemmer, én på grunnlag av eget kundeforhold og én som representant for annen kunde.

Valget gjennomføres i valgkretser slik angitt nedenfor:

Valgkrets (kommuner)(-2023)	Medlemmer	Varamedlemmer
Kristiansand, Vennesla	3	3
Bryne, Farsund, Flekkefjord, Sirdal, Kvinesdal	1	1
Lyngdal, Åseral, Hægebostad	1	1
Lindesnes	1	1
Grimstad, Arendal, Froland	2	2
Birkenes, Lillesand, Iveland, Evje, Bygland, Valle, Bykle	1	1
Tvedestrand, Vegårshei, Åmli, Risør, Gjerstad	1	1
Totalt for Agder (inkl. Rogaland)	10	10
Sandefjord, Kragerø, Drangedal, Siljan, Skien, Bamble, Porsgrunn	1	1
Kviteseid, Hjartdal, Nome, Fyresdal, Nissedal, Midt-Telemark, Notodden, Seljord, Tinn, Tokke og Vinje	1	1
Totalt for Vestfold og Telemark	2	2

Valgkrets (kommuner)(2023)	Medlemmer	Varamedlemmer
Kristiansand, Vennesla, Lindesnes, Farsund, Flekkefjord, Sirdal, Kvinesdal, Lyngdal, Åseral, Hægebostad, Bryne	5	5
Arendal, Grimstad, Froland, Birkenes, Lillesand, Iveland, Evje, Bygland, Valle, Bykle, Tvedestrand, Vegårshei, Åmli, Risør, Gjerstad	3	3
Totalt for Agder (inkl. Rogaland)	8	8
Vestfold og Telemark	1	1

Valgkrets (kommuner)(2024-)	Medlemmer	Varamedlemmer
Kristiansand, Vennesla, Lindesnes, Farsund, Flekkefjord, Sirdal, Kvinesdal, Lyngdal, Åseral, Hægebostad, Bryne	4	4
Arendal, Grimstad, Froland, Birkenes, Lillesand, Iveland, Evje, Bygland, Valle, Bykle, Tvedestrand, Vegårshei, Åmli, Risør, Gjerstad	2	2
Totalt for Agder (inkl. Rogaland)	6	6
Vestfold og Telemark	1	1

Kundenes valg av forstanderskapsmedlemmer skal skje på valgdager i samsvar med de til enhver tid gjeldende regler og bankens valginstruks.

§ 3-3 Fylkestingets valg til forstanderskapet

Fylkestinget i Agder velger 2 medlemmer og 2 varamedlemmer, og fylkestinget i Vestfold og Telemark velger 1 medlem og 1 varamedlem.

§ 3-4 Egenkapitalbeveiseiernes valg til forstanderskapet

Egenkapitalbeveiseiernes valg til forstanderskapet gjennomføres i samsvar med de til enhver tid gjeldende rammebetingelser.

Ingen egenkapitalbeveiseier kan stemme for mer enn 50 prosent av de stemmer som er representert på valgmøtet.

§ 3-5 Ansattes valg til forstanderskapet

De ansatte i sparebanken er stemmeberettiget ved valg av de ansattes medlemmer og varamedlemmer til forstanderskapet. Ansattes valg til forstanderskapet gjennomføres i samsvar med de til enhver tid gjeldende regler og instruks for ansattes valg i Sparebanken Sør.

Valget gjennomføres i valgkretser som angitt nedenfor slik at de ansatte har en balansert representasjon i forhold til bankens geografiske virkeområde:

Valgkrets	Medlemmer	Varamedlemmer
Kristiansand, Vennesla	3	3
Arendal, Froland, Grimstad	1	1
Øvrige avdelinger i Agder, inkludert Rogaland	2	2
Alle avdelinger i Vestfold og Telemark	1	1

§ 3-6 Innkalling til forstanderskapsmøte

Ordinært forstanderskapsmøte skal avholdes innen utgangen av mars måned hvert år.

Når dokumentene som gjelder saker som behandles av forstanderskapet er gjort elektronisk tilgjengelig for medlemmene, gjelder ikke lovens krav om at dokumentene skal sendes til medlemmene av forstanderskapet. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallingen. Et medlem av forstanderskapet kan likevel kreve å få tilsendt dokumenter som gjelder saker som skal behandles av forstanderskapet.

Medlemmer som ikke kan delta på forstanderskapets møte, skal meddele dette til sparebanken snarest og senest fem dager før møtet. Varamedlemmer innkalles ved ordinære medlemmers forfall.

§ 3-7 Møter og vedtak i forstanderskapet

Forstanderskapets medlemmer og varamedlemmer møter personlig. Det er ikke anledning til å møte ved fullmektig eller med rådgiver.

Møter i forstanderskapet åpnes og ledes av forstanderskapets leder.

Hvert medlem av forstanderskapet har én stemme. En beslutning krever flertall av de avgitte stemmer med mindre annet følger av de til enhver tid gjeldende regler og disse vedtekter. Står stemmetallet likt, gjelder de som møtelederen slutter seg til.

§ 3-8 Forstanderskapets oppgaver

På det ordinære forstanderskapsmøte skal følgende saker behandles og avgjøres:

- valg av leder og nestleder for forstanderskapet
- valg av styrets leder, nestleder og øvrige styremedlemmer og varamedlemmer, med unntak for medlemmer og varamedlemmer som velges av de ansatte
- godkjenning av årsregnskapet og årsberetningen, herunder disponering av overskudd og utdeling av utbytte
- behandling av redegjørelse om foretaksstyring
- behandling av styrets erklæring om fastsettelse av lønn og annen godtgjørelse til ledende ansatte
- avholdelse av rådgivende avstemming over styrets retningslinjer for lederlønnfastsettelsen
- godkjenning av retningslinjer om tildeling av egenkapitalbevis, tegningsretter, opsjoner og andre former for godtgjørelse som er knyttet til egenkapitalbevis i sparebanken, til ledende ansatte
- valg av medlemmer til valgkomiteen for forstanderskapets valg
- valg av revisor
- fastsettelse av godtgjørelse til tillitsvalgte og revisor

- andre saker som etter lov eller vedtekter hører under forstanderskapet

Forstanderskapets leder er omfattet av reglene om kreditt til ansatte og tillitsvalgte.

Vedtak om eller fullmakt til å oppta ansvarlig lån eller fondsobligasjoner treffes av forstanderskapet med flertall som for vedtektsendring. Vedtak om eller fullmakt til å oppta annen fremmedkapital treffes av styret eller i henhold til delegasjonsvedtak fra styret.

KAP. 4 STYRET

§ 4-1 Styrets sammensetning

Styret skal bestå av 7-8 medlemmer og 3 varamedlemmer, hvorav minst fire fra Agder og minst ett medlem fra Vestfold og Telemark. Av disse velges 2 medlemmer og 2 personlige varamedlemmer blant de ansatte. For de øvrige styremedlemmene velges ett fast møtende varamedlem med uttalerett. Medlemmene, medregnet fast møtende varamedlem, skal ha geografisk spredning som best mulig dekker de fylker banken er representert i. Bare medlemmer av forstanderskapet som er valgt av de ansatte har forslagsrett ved valg av de ansattes representanter.

Leder og nestleder velges av forstanderskapet ved særskilte valg.

Samtlige medlemmer og varamedlemmer velges for to år. Uttredende medlemmer og varamedlemmer kan gjenvelges, jf. likevel kapittel 9.

§ 4-2 Styret. Innkalling. Vedtak. Protokoll.

Lederen kaller styret sammen til møte så ofte sparebankens virksomhet tilsier det, eller når et styremedlem krever det.

Styret er vedtaksført når minst halvparten av medlemmene er til stede. For at et vedtak skal være gyldig kreves at minst 3 medlemmer har stemt for det. Vedtak treffes ved alminnelig flertallsbeslutning. Ved stemmelikhet gjør styrelederens eller møtelederens stemme utslaget.

Styrets forhandlingsprotokoll skal underskrives av de tilstedeværende, som står til felles ansvar med mindre noen av dem har latt sin protest protokollere. Fraværende styremedlemmer skal gjøre seg kjent med vedtak som er truffet i deres fravær.

§ 4-3 Styrets ansvar og plikter

Styret leder sparebankens virksomhet. Styret er ansvarlig for at de midler sparebanken rår over, forvaltes på en trygg og hensiktsmessig måte, og skal sørge for en tilfredsstillende organisering av bankens virksomhet. Styret skal holde seg orientert om sparebankens

økonomiske stilling og plikter, og påse at dens virksomhet, regnskapsføring og formuesforvaltning er gjenstand for betryggende kontroll.

Styret skal føre tilsyn med den daglige ledelse og sparebankens virksomhet for øvrig. Styret fastsetter instruks for administrerende direktør med særlig vekt på oppgaver og ansvar, og skal sørge for at administrerende direktør regelmessig gir styret underretning om bankens virksomhet, stilling og resultatutvikling.

Styret skal påse at banken har gode styrings- og kontrollsystemer for oppfyllelse av de bestemmelser som gjelder for virksomheten, herunder bankens verdigrunnlag og etiske retningslinjer.

Styret fastsetter de nødvendige fullmakter for bankens virksomhet.

Bankens administrerende direktør, styrets leder eller to av styrets andre medlemmer i fellesskap representerer sparebanken og forplikter med sin underskrift. Styret kan gi prokura og spesialfullmakter.

§ 4-4 Administrerende direktørs ansvar og plikter

Administrerende direktør har den daglige ledelse av sparebanken og skal følge den instruks og de pålegg styret har gitt.

Den daglige ledelsen omfatter ikke avgjørelser i saker som etter bankens forhold er av uvanlig art eller stor betydning.

Administrerende direktør skal sørge for at bankens regnskapsføring er i samsvar med lov og forskrifter og at forvaltningen av aktiva og risikostyring er ordnet på en betryggende måte.

KAP. 5 VALGKOMITEER

§ 5-1 Valgkomité for forstanderskapets valg

Forstanderskapet skal velge en valgkomité blant forstanderskapets medlemmer bestående av inntil 8 medlemmer og minimum 4 varamedlemmer og som skal ha representanter fra alle fire kategorier som er representert i forstanderskapet. Valget gjelder for to år om gangen.

Valgkomiteen skal forberede valg av leder og nestleder i forstanderskapet, leder, nestleder og øvrige medlemmer og varamedlemmer av styret unntatt ansattes representanter, og leder, medlemmer og varamedlemmer av valgkomiteen. For styremedlem med varamedlem som velges blant de ansatte, avgir bare representanten for de ansatte i valgkomiteen innstilling.

Valgkomiteens innstilling skal begrunnes.

Dersom et medlem eller varamedlem av valgkomiteen grunnet sykdom eller andre grunner må fratre, skal et nytt medlem/varamedlem så langt mulig velges fra samme kategori i forstanderskapet. Ved utløpet av valgperioden skal valgkomiteen forberede valg til bankens forstanderskap, slik det skal settes sammen i samsvar med § 3-1.

§ 5-2 *Valgkomité for kundenes valg*

De kundevalgte medlemmer av forstanderskapet velger en valgkomité. Valgkomiteen skal ha 4 medlemmer og 2 varamedlemmer. Bestemmelsen i § 5-1 om valgperiode og funksjonstid gjelder tilsvarende.

Valgkomiteen skal forberede kundenes valg av forstanderskapsmedlemmer med varamedlemmer, og valg av medlemmer og varamedlemmer til valgkomiteen for kundenes valg.

Valgkomiteens innstilling skal begrunnes.

§ 5-3 *Valgkomité for valg av eiere av egenkapitalbevis*

De egenkapitalbeveiseiervalgte medlemmer av forstanderskapet velger en valgkomité. Valgkomiteen skal ha 4 medlemmer og 2 varamedlemmer.

Bestemmelsen i § 5-2 om valgperiode og funksjonstid gjelder tilsvarende.

Valgkomiteen skal forberede egenkapitalbeveiseiernes valg av forstanderskapsmedlemmer med varamedlemmer, samt valg av medlemmer og varamedlemmer til valgkomiteen for egenkapitalbeveiseiernes valg.

Valgkomiteens innstilling skal begrunnes.

KAP. 6 ÅRSOPPGJØRET

§ 6-1 *Årsoppgjøret. Beretninger. Tidsfrister.*

Styret skal sørge for at årsoppgjøret (årsregnskapet og årsberetning) legges fram for revisor. Årsoppgjøret skal så vidt mulig være avsluttet og ferdig til revisjon innen utgangen av januar.

Når revisor har lagt fram sin beretning, jf. revisorloven § 5-6, skal styret sende årsoppgjøret og revisjonsberetningen til samtlige representanter innen 21 dager før det forstanderskapsmøte som behandler årsregnskapet.

Forstanderskapet trer sammen hvert år for å behandle styrets årsberetning og revisjonsberetning og fastsette bankens regnskap og det årlige utbytte på egenkapitalbevis.

KAP. 7 REVISJON

§ 7-1 Revisorvalg. Godtgjørelse. Ansvar.

Forstanderskapet velger revisor for banken og fastsetter godtgjørelsen. Revisjonsutvalgets uttalelse om forslaget til revisor forelegges forstanderskapet før valget.

KAP. 8 OVERSKUDD OG UNDERSKUDD

§ 8-1 Overskudd – gaver

Overskuddet av bankens virksomhet tilordnes eiere av egenkapitalbevis og sparebanken etter forholdet mellom eierandelskapitalen med tillegg av overkursfondet og grunnfondskapitalen med tillegg av kompensasjonsfondet og for øvrig i samsvar med de til enhver tid gjeldende regler.

Overskudd som tilordnes sparebanken kan tillegges grunnfondskapitalen, benyttes til gaver til allmennyttige formål, overføres til gavefond, overføres til stiftelse med allmennyttig formål eller benyttes til utbytte til kunder. Utbytte til kunder baseres på gjennomsnittlig utlån og gjennomsnittlig innskudd gjennom regnskapsåret fordelt på antall måneder gjennom året som kunden har hatt innskudd og/eller lån. Innskudd og/eller lån per person / juridisk enhet opp til maksimum kr. 2.000.000 for privat – og bedriftskunder gir rett til utbytte på like vilkår. Det utbetales ikke kundeutbytte under kr. 100.

§ 8-2 Underskudd

Underskudd etter resultatregnskapet for siste regnskapsår skal først søkes dekket ved forholdsmessig overføring fra grunnfondskapitalen, herunder gavefondet, og den eierandelskapitalen som overstiger vedtektsfestet eierandelskapital, herunder utjevningfondet. Underskudd som ikke dekkes slik, dekkes ved forholdsmessig overføring fra overkursfondet og kompensasjonsfondet. Ytterligere underskudd dekkes ved nedsettelse av vedtektsfestet eierandelskapital og eventuelt nedsettelse av annen kapital.

KAP. 9 TJENESTETID. ALDERSGRENSE

§ 9-1 Tjenestetid for tillitsvalgte

Et valgt medlem eller leder av forstanderskapet eller styret kan ikke ha dette tillitsverv i et sammenhengende tidsrom lenger enn 8 år eller ha disse tillitsverv i mer enn 12 år sammenlagt. En person kan ikke velges eller gjenvelges til noen av disse verv dersom

vedkommende på grunn av bestemmelsen i foregående punktum ikke kan sitte valgperioden ut.

§ 9-2 Høyeste aldersgrense for ansatte

Høyeste aldersgrense for daglig leder og andre fast ansatte er 70 år.

KAP. 10 ØVRIGE BESTEMMELSER

§ 10-1 Beslutning om avvikling

Forstanderskapet tar stilling til styrets forslag om avvikling av sparebanken. Vedtak om avvikling fattes med samme flertall som for vedtektsendringer.

§ 10-2 Frigjøring av sparebankens fond ved strukturtiltak

Ved sammenslutning med annen bank, omdanning til aksjesparebank, avvikling eller annen begivenhet, som etter særskilt vedtak i forstanderskapet leder til hel eller delvis frigjøring av sparebankens grunnfondskapital, skal frigjorte midler innenfor rammen av den lovgivning som gjelder på gjennomføringstidspunktet og myndighetenes samtykke overføres til Sparebankstiftelsen Sparebanken Sør under forutsetning av at den har et vedtektsfestet formål om å stå for et langsiktig og stabilt eierskap i Sparebanken Sør, samt ved sine disposisjoner først og fremst ta hensyn til det distriktet som har bygget opp kapitalen til tidligere Sparebanken Sør og Sparebanken Pluss.

KAP. 11 VEDTEKTSENDRINGER

§ 11-1 Vedtektsendringer

Endring av disse vedtektene kan vedtas av forstanderskapet når minst to tredeler av de avgitte stemmene har gitt sin tilslutning.

VEDLEGG 1: HISTORIKK

Sparebanken Sør ble dannet den 1. januar 2014 ved en sammenslutning av Sparebanken Pluss og Sparebanken Sør, og Sparebanken Pluss endret navn til Sparebanken Sør.

*

Sparebanken Sør ble dannet den 1. mai 1984 ved en sammenslutning av 30 sparebanker i Aust-Agder, Vest-Agder og Telemark.

*

SPAREBANKEN PLUSS ble opprettet 1. oktober 1984 under navnet Sparebanken Agder. Pr.

1. juli 1997 er Sparebanken Pluss en sammenslutning av følgende sparebanker:

Christianssands Sparebank, opprettet 9. oktober 1824

Finsland Sparebank, opprettet 16. september 1907 Halse og Harkmark Sparebank, opprettet 4. juli 1928 Høvaag Sparebank, opprettet 6. juni 1863

Iveland Sparebank, opprettet 18. april 1867

Oddernes Sparebank, opprettet 7. desember 1877

Sør-Audnedal Sparebank, opprettet 12. april 1866

Vennesla Sparebank, opprettet 7. april 1850

Øverbø og Hægeland Sparebank, opprettet 12. juni 1858 Sparebanken NOR's distriktsavdeling i Kristiansand

*

Etableringen av Sparebanken Agder pr. 1. oktober 1984 skjedde ved en sammenslutning av:
Christianssands Sparebank

Halse og Harkmark Sparebank

Iveland Sparebank Oddernes Sparebank Vennesla Sparebank

Øvrebø og Hægeland Sparebank

1. oktober 1985 ble Høvaag Sparebank tilsluttet Sparebanken Agder.

1. desember 1986 ble Finsland Sparebank tilsuttet Sparebanken Agder.

1. november 1987 ble følgende sparebanker sammensluttet med Sparebanken Agder:
Heddal Sparebank, opprettet 16. juli 1886

Saude og Nes Sparebank, opprettet 1867

Skien Sparebank, opprettet 28. mars 1933

Tokke-Vinje Sparebank, opprettet 1. januar 1970

Ved sammenslutningen endret banken navn til Sparebanken Agder og Telemark.

1. juli 1988 ble Sør-Audnedal Sparebank tilsuttet Sparebanken Agder og Telemark.

Pr. 1. oktober 1988 endret Sparebanken Agder og Telemark navn til Sparebanken Pluss.

I begynnelsen av 1997 inngikk Sparebanken Pluss og Sparebanken NOR en avtale om makeskifte. Pr. 1. juli 1997 ble bankens fire avdelinger i Telemark overtatt av Sparebanken NOR mens Sparebanken NOR's distriktsavdeling i Kristiansand ble sammensluttet med Sparebanken Pluss.

*

Christianssands Sparebank og Oddernes Sparebank ble per 1.10.86 sammensluttet til en enhet under navnet Sparebanken Agder, Kristiansand.

Vennesla Sparebank og Øvrebø og Hægeland Sparebank ble per 1.4.92 sammensluttet til en enhet under navnet Sparebanken Pluss – Vennesla.

Fra 25.2.1993 skiftet Sparebanken Pluss – Finland navn til Sparebanken Pluss – Songdalen.

Fra 1.5.1994 skiftet Sparebanken Pluss – Halse og Harkmark Sparebank navn til Sparebanken Pluss – Mandal.

Fra 1.5.1994 skiftet Sparebanken Pluss – Sør-Audnedal Sparebank navn til Sparebanken Pluss – Lindesnes.

Sparebanken Pluss, Iveland og Sparebanken Pluss, Vennesla er per 1.11.98 sammensluttet til en enhet under navnet Sparebanken Pluss, Vennesla.

Lokalstyrene i Sparebanken Pluss, Høvåg, Sparebanken Pluss, Lindesnes, Sparebanken Pluss, Mandal og Sparebanken Pluss, Songdalen ble lagt ned med virkning fra 01.05.00.

Lokalstyret i Sparebanken Pluss, Vennesla ble lagt ned med virkning fra 31.12.00.

VEDLEGG 2: OPPRINNELIG GRUNNFOND

1. Oversikt over de sparebanker som utgjorde Sparebanken Pluss og deres opprinnelige grunnfond.

Oversikt over de sparebanker som utgjør Sparebanken Pluss inklusive oversikt over sammenslutninger som hadde funnet sted før 1.10.84.

Christianssands Sparebank, opprettet 9. oktober 1824

Finsland Sparebank, opprettet 16. september 1907 Halse og Harkmark Sparebank, opprettet 4. juli 1928

Holum Sparebank, opprettet 1928, og sammensluttet med Halse og Harkmark Sparebank 1. november 1965.

Høvaag Sparebank, opprettet 6. juni 1863

Iveland Sparebank, opprettet 18. april 1867

Oddernes Sparebank, opprettet 7. desember 1877

Randesund Sparebank, opprettet 22. mai 1908 og sammen med Tveit Sparebank, opprettet 17. juli 1874 sammensluttet med Oddernes Sparebank 13. august 1964.

Vennesla Sparebank, opprettet 7. april 1850

Øverbø og Hægeland Sparebank, opprettet 12. juni 1858

2. Oversikt over de opprinnelige grunnfond i de sparebanker som utgjorde Sparebanken Pluss

Christianssands Sparebank, speciedaler 1 181, gitt av private bidragsytere. Finsland Sparebank, kr 2 000,-, gitt av Finsland kommune og private bidragsytere.

Halse og Harkmark Sparebank, kr 25 300,-, gitt av Halse og Harkmark kommune og private bidragsytere er tilbakebetalt.

Kr 10 000,- i Holum Sparebank, gitt av Holum kommune og private bidragsytere er tilbakebetalt.

Høvaag Sparebank, speciedaler 369, gitt av private bidragsytere. Grunnfondet er tilbakebetalt..

Iveland Sparebank, speciedaler 294, gitt av interesserte bygdefolk. Grunnfondet er tilbakebetalt.

Oddernes Sparebank, kr 1 600,-, ytt av Oddernes kommune er tilbakebetalt. Randesund Sparebank, kr 2 570,-, ytt av private bidragsyttere er tilbakebetalt.

Tveit Sparebank, speciedaler 566, ytt av 112 bidragsyttere er tilbakebetalt.

Grunnfondet i Vennesla Sparebank var ytt av private, og er tilbakebetalt.

Øvrebø og Hægeland Sparebank, speciedaler 328 var ytt av bønder i Øvrebø og Hægeland kommune ved gjennom flere år å høyne matrikkelskatten.

Sør-Audnedal Sparebank, 62 speciedaler, 12 ort og 5 ½ sk. ytt av private bidragsyttere.

De opprinnelige grunnfond for Christianssands Sparebank, Sør-Audnedal Sparebank og Øvrebø og Hægeland Sparebank pliktes ikke tilbakebetalt.

3. Opprinnelig grunnfond i Sparebanken Sør

Sparebankens opprinnelige grunnfond utgjorde til sammen 4 825,60 speciedaler og kr

175 934,34 bestående av de sammensluttede sparebankers fond. Herav er tilbakebetalt 518 speciedaler og kr 68 000.



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