

# Annual report 2025

KLP Boligkreditt AS

# KLP



# Table of Contents

## **KLP Boligkreditt AS**

<b>3</b>	Annual report for 2025	<b>27</b>	Note 12 Fixed-income securities
<b>9</b>	Income statement	<b>28</b>	Note 13 Fair value hierarchy
<b>10</b>	Balance	<b>28</b>	Note 14 Other assets
<b>11</b>	Statement of owners' equity	<b>29</b>	Note 15 Liabilities to credit institutions
<b>12</b>	Statement of cash flows	<b>29</b>	Note 16 Security liabilities- stock exchange listed covered bonds
<b>13</b>	Notes to the accounts	<b>30</b>	Note 17 Other liabilities and provision for accrued costs and liabilities
<b>13</b>	Note 1 General information	<b>30</b>	Note 18 Transactions with related parties
<b>13</b>	Note 2 Material accounting policy information	<b>31</b>	Note 19 Capital adequacy
<b>18</b>	Note 3 Important accounting estimates and valuations	<b>31</b>	Note 20 Financial risk management
<b>19</b>	Note 4 Net interest income	<b>32</b>	Note 21 Credit risk
<b>19</b>	Note 5 Net gain/(loss) on financial instruments	<b>36</b>	Note 22 Market risk
<b>19</b>	Note 6 Auditor's fee	<b>37</b>	Note 23 Liquidity risk
<b>19</b>	Note 7 Loan loss provision	<b>39</b>	Note 24 Over-collateralisation
<b>25</b>	Note 8 Tax	<b>39</b>	Note 25 Salary and obligations to senior management
<b>25</b>	Note 9 Loans and receivables from credit institutions	<b>41</b>	Note 26 Number of FTEs and employees
<b>25</b>	Note 10 Lending and receivables	<b>42</b>	Independent auditor's report
<b>26</b>	Note 11 Categories of financial assets	<b>45</b>	Contact information

# KLP Boligkreditt AS

## Annual repport for 2025

The Company's net lending comes to NOK 16.0 billion. Operating profit before tax increased from NOK 49.1 to 53.7 million.

KLP Boligkreditt AS is a credit institution wholly owned by KLP Banken AS. The purpose of the Company is to finance the KLP Banken Group's home mortgage loans on favourable terms through the issuance of covered bonds (OMF).

KLP Banken AS is a commercial bank wholly owned by Kommunal Landspensjonskasse gjensidig forsikringselskap (KLP). KLP Banken AS also owns all of the shares in its subsidiary KLP Kommunekreditt AS.

Profit (NOK millions)	2025	2024	Change
Operating profit before tax	53.7	49.1	4.5
Net interest income	124.2	111.5	12.6
Operating expenses	-62.5	-61.7	-0.8
Net gain/loss financial instruments	-8.0	-0.7	-7.3
Loan loss provisions	-0.0	-0.0	0.0

Balance sheet (NOK billions)	2025	2024	Change
Property mortgages	16.0	12.7	3.7
Total assets	17.0	13.8	3.2

## INCOME STATEMENT

The change in profit before tax compared to last year is mainly due to increased net interest income and higher losses on financial instruments.

Interest income from loans to customers in 2025 totalled NOK 675.6 (684.6)<sup>1</sup> million. Interest income from bank deposits and securities produced a further NOK 63.5 (58.5) million.

Interest expenses are divided between NOK 541.8 (566.9) million on covered bonds issued and NOK 73.1 (64.7) million on debt to KLP Banken AS.

Net interest income thus increased from NOK 111.5 to 124.2 million.

Lending margins were slightly higher on average than in 2024. This contributed to an increase in net interest income despite falling interest rates through the year. Following the double interest rate cut in September, which took effect for existing customers towards the end of November, margins fell significantly towards the end of the year, but without having any particular impact on the overall result for the year.

<sup>1</sup> Figures in brackets refer to the same period last year.

During the term of its borrowing agreements, the Company makes regular adjustments to reduce its liquidity risk and meet regulatory requirements with respect to liquidity and financing. Refinancing of the borrowing side then results in a need to buy back the Company's own issuance. In 2025, the effect on profits from loan buybacks was NOK -9.9 (-1.5) million.

Changed credit spreads in the securities market have also affected the Company's liquidity portfolio. The overall profit/loss effect of changed market values on the Company's securities investments shows realised and unrealised gains of NOK 1.9 (0.9) million.

The total accounting effect of changes in the value of financial instruments in 2025 was then NOK -8.0 (0.7) million. See Note 5.

The Company's lending is managed by KLP Banken AS, and a large part of the operating expenses are regulated in an agreement with the parent company. Under this agreement, KLP Boligkreditt AS is charged for its share of the parent Company's costs for the management of mortgages, based on volume. Costs are settled monthly. Operating expenses in excess of this are mainly direct costs incurred by the Company in connection with external assistance, such as rating, auditing, etc. In 2025, the Company's operating costs were about 1.3 percent higher than last year.

## LENDING

During 2025, KLP Boligkreditt AS purchased home loans worth NOK 7.3 (4.0) billion from KLP Banken AS. Outstanding mortgages on the Company's balance sheet totalled NOK 16.0 (12.7) billion at 31.12.2025.

The mortgage portfolio is secured with collateral within cautious valuations whereby all borrowers are assessed with respect to solvency and willingness to pay before the loan is approved. The average loan per customer came to NOK 1.9 (1.8) million. All lending is at floating interest rates.

At the end of 2025, the mortgage portfolio in the Company had an average loan-to-value ratio (LTV - debt as a percentage of the estimated value of the home) of 51 (53) percent.

No individual losses on mortgages were recognised in the Company in 2025, and there were no loans more than 90 days past due at the end of the year. Estimated loan loss provisions had a profit/loss effect of NOK -6 (-26) thousand in the financial year. See Note 7.

## LIQUIDITY

The Company's liquidity situation is satisfactory, as its financing more than covers the liquidity requirement from operations.

KLP Boligkreditt AS is subject to strict rules with respect to the assets it may invest in. The portfolio of liquid investments comprises safe securities and deposits in other banks. The securities are certificates and bonds with excellent security, largely covered bonds with an Aaa rating.

Holdings of cash and cash equivalents have been used to purchase loans or for redemptions and buy-backs of borrowings.

As new borrowings occur when the terms for them are considered favourable, a need sometimes arises to invest surplus liquidity. This liquidity contributes to earnings and provides the flexibility needed to meet the demand for new lending.

At the end of the financial year, NOK 0.4 (0.3) billion of the Company's liquidity was invested in bank deposits and NOK 0.6 (0.8) billion in interest-bearing securities. The securities are recognised at market value.

## BORROWING

KLP Boligkreditt AS has established a programme for issuing covered bonds.

At the end of the year, the Company had outstanding covered bond debt of NOK 14.0 (10.5) billion. During the year, new covered bonds in the amount of NOK 9.0 (1.0) billion were issued. The remaining financing comprises equity and loans from the parent company.

The bonds are issued with security in the Company's mortgage portfolio. All issues have achieved Aaa rating.

The Company's debt to credit institutions at the end of the year comprised internal financing from KLP Banken AS in the amount of NOK 1.9 (2.2) billion.

## BALANCE SHEET AND CAPITAL ADEQUACY

Total assets stood at NOK 17.0 (13.8) billion at the end of the year.

The Company's equity and subordinated loan capital, based on the Board of Directors' proposal for the allocation of the year's profit, totalled NOK 1,111 (1,069) million at the end of the year. Core capital is identical with equity and subordinated loan capital. This gives capital adequacy and tier 1 capital ratios of 26.1 (21.6) percent.

The current capital requirement, including capital buffers, is a 14.0 percent tier 1 core capital ratio and 17.5 percent capital adequacy. The unweighted tier 1 capital ratio was 6.5 (7.7) percent, compared to the requirement of 3.0 percent.

The risk-weighted balance came to NOK 4.1 (4.8) billion. Capital adequacy is considered good.

## ALLOCATION OF THE PROFIT FOR THE YEAR

The financial statements for KLP Boligkreditt AS for 2025 show total comprehensive income of NOK 52.4 (42.5) million. The Board proposes that a group contribution with tax effect of NOK 78.4 million be paid to KLP. NOK 61.2 million will be received from KLP as a group contribution without any tax effect. Net profit and group contribution will be transferred to other equity. The group contribution first has an accounting effect at the time of the decision.

## ABOUT THE FINANCIAL STATEMENTS

The Board of Directors believes that the financial statements provide a true and fair view of the Company's assets and liabilities, financial position and profit. The conditions for a going concern are present, and this is assumed in the annual financial statements.

KLP Boligkreditt AS prepares its financial statements in accordance with international accounting standards (IFRS) as approved by the EU, with associated interpretations. See Note 2 for further details.

## RATING

The rating agencies' assessments of the Company have a bearing on its borrowing terms. The Company has engaged Moody's to provide a credit rating of the Company's bonds. All covered bonds issued are rated Aaa.

## RISK MANAGEMENT

KLP Boligkreditt AS is subject to KLP Banken's risk management framework, the purpose of which is to ensure that risks are identified, analysed and managed by means of policies, limits, procedures and instructions.

It has established its own guidelines for the most important individual risks (liquidity, credit, market, operational and compliance risk) and an overall policy for risk management, which covers principles, organization, limits, etc. for the Bank's overall risk. The risk policies are adopted by the Board of Directors and are reviewed at least once a year. The policies are of an overarching nature and are complemented by procedures, rules, and instructions determined at the administrative level.

The Company aims to maintain a low level of operational risk, and to be characterised by a high level of professional competence, good procedures and efficient operations.

The Company is included in the KLP Banken Group's process for assessing and quantifying material risks and calculating its capital and liquidity requirements (ICAAP/ILAAP). The capital requirement assessment is forward-looking and, in addition to calculating needs based on current exposure (and, where appropriate, limits), an assessment is made of needs in light of planned growth, determined strategic changes, etc. The

Company's Board of Directors takes an active part in these assessments and, in addition to the capital requirement assessment, determines a desired level for total capital (capital target).

The boards of KLP Banken AS, KLP Kommunekreditt AS and KLP Boligkreditt AS have appointed a joint risk committee. The risk committee deals with matters specifically related to risk and has an advisory function to the Board of KLP Boligkreditt AS.

## CORPORATE GOVERNANCE

The Company's articles of association and applicable legislation provide guidelines for corporate governance and management, and define a clear division of roles between governing bodies and executive management.

The Board of Directors sets the policies for the Company's activities. The Board held six meetings in 2025. The Board comprised two women and two men at the end of the year.

The Managing Director is in charge of the day-to-day management of the Company in accordance with instructions issued by the Board of Directors.

Board members have taken out directors' liability insurance. This also covers the managing director.

## WORKING ENVIRONMENT AND ORGANISATION

There are no direct employees in KLP Boligkreditt AS. The Company's governance and management are handled by people employed by KLP Banken AS.

A management agreement has been entered into with KLP Banken AS, covering administration, IT support, finance and risk management, as well as borrowing and liquidity management.

As part of the KLP Group, KLP Boligkreditt AS complies with the Group's guidelines on equality and diversity, whose objectives, initiatives and activities take account of the basis for discrimination described in the legislation. A central working group has drawn up internal targets for equality and diversity.

## SUSTAINABILITY

The Norwegian Transparency Act requires companies to carry out due diligence checks and account for these in their public reporting. For 2025, a Group-wide statement will be prepared pursuant to the Transparency Act for KLP. It will be published on klp.no by 30 June 2026, and KLP Banken will be part of it. The statement will be made available here; [Corporate Social Responsibility - About KLP - KLP.no](#).

KLP Banken and its subsidiaries are not subject to the requirements for sustainability reporting under the Accounting Act for the 2025 financial year. However, KLP Banken and its subsidiaries are covered by the Group-wide sustainability report prepared for the KLP Group, which can be found in the Group's annual report published at [Financial information - KLP - English](#).

## OUTLOOK

KLP Boligkreditt AS is part of the financing structure of the KLP Banken Group.

KLP Boligkreditt AS has a licence to operate as a mortgage company and will be further developed through the purchase of loans from KLP Banken AS or KLP. The business will be financed mainly through the issuance of covered bonds secured against mortgages. The Company aims to help reduce the banking group's borrowing costs and so make a major contribution to financing mortgages for KLP's members.

The KLP Banken Group's target group, who are mainly public-sector employees and their households, are more shielded than other groups against risks associated with their employment conditions, as employees in municipalities and health enterprises. The KLP Banken Group therefore assumes that the risk of default and loss will be limited in the future too.

The EU Capital Requirements Regulation CRR3 entered into force in Norway in 2025. The new rules have set lower capital requirements for mortgage loans for banks that use the standard method to calculate the requirements, such as the KLP Banken Group. The changes will contribute to more equal competitive conditions between standard method banks and IRB banks.

The Board believes that the potential for further development of the Company is in place and that a significant proportion of the KLP Banken Group's lending for residential purposes can be financed by KLP Boligkreditt AS, including forms of financing that benefit the environment and sustainability.

**Oslo, 12 March 2026**

The Board of Directors of  
KLP Boligkreditt AS

**AAGE E. SCHAANNING**  
Chair

**JANICKE E. FALKENBERG**

**KRISTIN WANGEN**

**JONAS V. KÅRSTAD**

**CHRISTOPHER A. N. STEEN**  
Managing Director

## Income statement

### KLP Boligkreditt AS

NOTES	NOK MILLION	2025	2024
	Interest income, effective interest method	693	704
	Other interest income	47	39
4	<b>Total interest income</b>	<b>739</b>	<b>743</b>
	Interest expenses, effective interest method	-615	-632
4	<b>Total interest expense</b>	<b>-615</b>	<b>-632</b>
4	<b>Net interest income</b>	<b>124</b>	<b>112</b>
5	Net gain/(loss) on financial instruments	-8	-1
	<b>Total net gain/(loss) on financial instruments</b>	<b>-8</b>	<b>-1</b>
	Other operating expenses	-63	-62
7	Net loan losses	0	0
	<b>Total other operating expenses</b>	<b>-63</b>	<b>-62</b>
	<b>Operating profit/loss before tax</b>	<b>54</b>	<b>49</b>
8	Tax on ordinary income	-1	-7
	<b>Income for the year</b>	<b>52</b>	<b>43</b>
	<b>Total other income and expenses</b>	<b>0</b>	<b>0</b>
	<b>COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>52</b>	<b>43</b>
	Total profit in% of total assets	0.31%	0.31%

## Balance

### KLP Boligkreditt AS

NOTES	NOK MILLION	31.12.2025	31.12.2024
	<b>ASSETS</b>		
9,11	Loans to and receivables on credit institutions	436	331
10,11	Loans to and receivables on customers	15 959	12 670
11,12,13	Fixed-income securities	586	829
14	Other assets	3	3
	<b>TOTAL ASSETS</b>	<b>16 984</b>	<b>13 833</b>
	<b>LIABILITIES AND OWNERS' EQUITY</b>		
	<b>LIABILITIES</b>		
11,15	Liabilities to credit institutions	1 881	2 194
11,16	Liabilities created on issuance of securities	13 975	10 550
17	Other liabilities	1	5
8	Deferred tax	15	14
	<b>TOTAL LIABILITIES</b>	<b>15 872</b>	<b>12 762</b>
	<b>OWNERS' EQUITY</b>		
	Share capital	430	430
	Share premium	530	530
	Other accrued equity	151	110
19	<b>TOTAL OWNERS' EQUITY</b>	<b>1 112</b>	<b>1 070</b>
	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>16 984</b>	<b>13 833</b>

**Oslo, 12 March 2026**

The Board of Directors of  
KLP Boligkreditt AS

**AAGE SCHAANNING**  
Chair

**JANICKE E. FALKENBERG**

**KRISTIN WANGEN**

**JONAS V. KÅRSTAD**

**CHRISTOPHER A. N. STEEN**  
Managing Director

## Statement of owners' equity

### KLP Boligkreditt AS

2025 NOK MILLION	Share capital	Share premium	Other accrued equity	Total owners' equity
Owners' equity 1 January 2025	430	530	110	1 070
Income for the year			52	52
<b>Total comprehensive income</b>			<b>52</b>	<b>52</b>
Group contributions without tax effect received in the period			37	37
Group contributions with tax effect made in the period			-48	-48
<b>Total transactions with the owners</b>			<b>-11</b>	<b>-11</b>
<b>Owners' equity 31 December 2025</b>	<b>430</b>	<b>530</b>	<b>151</b>	<b>1 112</b>

2024 NOK MILLION	Share capital	Share premium	Other accrued equity	Total owners' equity
Owners' equity 1 January 2024	380	480	71	932
Income for the year			43	43
<b>Total comprehensive income</b>			<b>43</b>	<b>43</b>
Group contributions without tax effect received in the period			15	15
Group contributions with tax effect made in the period			-19	-19
Owners' equity received during the period	50	50		100
<b>Total transactions with the owners</b>	<b>50</b>	<b>50</b>	<b>-4</b>	<b>96</b>
<b>Owners' equity 31 December 2024</b>	<b>430</b>	<b>530</b>	<b>110</b>	<b>1 070</b>

NOK MILLION	Number of shares	Par value	Share capital
Equity at 1 January 2025	1 000	430 000	430
<b>Equity at 31 December 2025</b>	<b>1 000</b>	<b>430 000</b>	<b>430</b>

There is one class of shares. All the shares are owned by KLP Banken AS.

## Statement of cash flows

KLP Boligkreditt AS

NOTES	NOK MILLION	2025	2024
	<b>OPERATING ACTIVITIES</b>		
	Payments received from customers - interest	674	685
	Receipts related to repayment and redemption of loans to customers	4 025	4 031
16	Receipts on loans from credit institutions	9 000	1 000
16	Repayments, buybacks and redemption of securities debt	-4 765	-2 500
16	Change in securities debt, own funds	-822	944
16	Net payment of interest on loans	-539	-568
15	Receipts in internal funding	10 081	6 413
15	Repayment in internal funding	-10 393	-5 906
15	Net payment of interest on internal funding	-74	-64
	Payments on purchase of securities	-2 592	-670
	Receipts on sales of securities	2 834	360
	Interest received from securities	49	38
	Disbursements on operations	-67	-61
	Net receipts/disbursements from operating activities	-1	3
	Interest from credit institutions	17	19
	<b>Net cash flow from operating activities</b>	<b>7 427</b>	<b>3 724</b>
	<b>INVESTMENT ACTIVITIES</b>		
	Disbursements on loans customers	-7 312	-3 956
	<b>Net cash flow from investment activities</b>	<b>-7 312</b>	<b>-3 956</b>
	<b>FINANCING ACTIVITIES</b>		
	Change in owners' equity		100
	Group contribution paid	-11	-4
	<b>Net cash flow from financing activities</b>	<b>-11</b>	<b>96</b>
	<b>Net cash flow during the period</b>	<b>104</b>	<b>-136</b>
	Cash and cash equivalents at start of period	320	457
	Cash and cash equivalents at end of period	424	320
	<b>Net receipts/disbursements (-) of cash</b>	<b>104</b>	<b>-136</b>
	<b>Liquidity holdings comprise:</b>		
9	Deposits with and receivables from banks with no agreed term	424	320
	<b>Total liquidity holdings at the end of the reporting period</b>	<b>424</b>	<b>320</b>
	<b>Total interest received</b>	<b>740</b>	<b>743</b>
	<b>Total interest paid</b>	<b>-614</b>	<b>-632</b>

## Notes to the accounts

KLP Boligkreditt AS

### Note 1 **General information**

KLP Boligkreditt AS was founded on 30 October 2013. The company is a housing credit enterprise and finance the activity primary through issuing covered bonds (OMF). The company's functional currency is Norwegian kroner.

KLP Boligkreditt AS is registered and domiciled in Norway. KLP Boligkreditt AS's head office is at Beddingen 8 in Trondheim and the company has a branch office in Dronning Eufemiasgate 10 in Oslo.

The company is a wholly owned subsidiary of KLP Banken AS, which is in turn wholly owned by Kommunal Landspensjonskasse (KLP). KLP is a mutual insurance company.

The company's financial statement for 2025 was approved by the company's board on 12.03.2026. The annual financial statement is available at [www.klp.no](http://www.klp.no).

### Note 2 **Material accounting policy information**

Below is a description of the most important accounting principles used in the preparation of the financial statements for KLP Boligkreditt AS. These principles are applied in the same way in all periods presented unless indicated otherwise.

#### 2.1 FUNDAMENTAL PRINCIPLES

The financial statements for KLP Boligkreditt AS have been prepared in accordance with IFRS Accounting Standards® as adopted by the EU. The Norwegian Accounting Act and the Regulations concerning annual accounts for banks, mortgage firms and finance companies (the Accounting Regulations) contain individual requirements for additional information, which is not required under IFRS Accounting Standards. These supplementary information requirements have been incorporated into the notes to the financial statements.

The annual accounts have been prepared on the principle of historic cost, with the following exceptions:

- Financial assets and liabilities (including financial derivatives) are valued at fair value through profit or loss.
- Financial assets and liabilities are valued in accordance with the rules on fair value hedging.

To prepare the accounts in accordance with IFRS Accounting Standards, management must make accounting estimates and approximate valuations. This will affect the value of the company's assets and

liabilities, income and expenses recognised in the financial statements. Actual figures may deviate from estimates used. Areas in which discretionary valuations and estimates of material significance to the company have been used are described in Note 3.

All amounts are presented in NOK millions without decimals unless stated otherwise.

The financial statements have been prepared in accordance with the going concern assumption.

### **2.1.1. Changes in accounting principles and information**

#### **a. New and changed standards adopted by the company in 2025:**

There are no new or amended IFRS Accounting Standards or IFRIC interpretations that have come into effect for the 2025 financial statements that significantly affect the Group's financial statements. The accounting policies applied are consistent with the policies applied in the 2024 annual report.

#### **b. Standards, changes to and interpretations of existing standards that have not come into effect and where the company has not chosen early application.**

A new accounting standard for presentation and disclosure in financial statements, IFRS 18, has been published by the IASB in April 2024. This new standard will replace IAS 1 Presentation of Financial Statements. If approved by the EU, the standard will be effective for annual reporting periods beginning on or after 1 January 2027. KLP Boligkreditt does not plan to implement the standard early.

The standard introduces new requirements for the presentation of and disclosures in general purpose financial statements. It also results in minor amendments to other standards, including IAS 7 *Statement of Cash Flows*. The objective is to improve the quality of financial information and enhance comparability between companies.

In the statement of profit or loss, income and expenses must be classified into five categories: operating, investing, financing, tax, and discontinued operations. The first three categories are new compared with IAS 1. The standard also introduces new requirements for the subtotals operating profit and profit before financing and income tax, in addition to the existing total comprehensive income. Tax expenses are carried forward as before, while other items will be assessed for classification within operating, financing, or investing. The profit and total comprehensive income are not affected by the changes.

There are certain other changes in standards and interpretations that will be effective for annual financial statements beginning on or after 1 January 2026 and that have not been adopted in these financial statements. These are not expected to have a material impact on the financial statements.

## 2.2 FOREIGN CURRENCY

### 2.2.1 Functional currency and presentation currency

The accounts are presented in NOK, which is the functional currency of the parent company and the presentation currency of the company.

## 2.3 FINANCIAL INSTRUMENTS

The most important accounting policies relating to financial instruments are described below.

### 2.3.1 Recognition and derecognition

Financial assets and liabilities are recognised on the balance sheet on the date when the KLP Boligkreditt AS becomes party to the instrument's contractual terms and conditions. Regular purchases and sales of investments are recognised on the date of the agreement. Financial assets are removed from the balance sheet when the rights to receive cash flows from the investment expire or when these rights have been transferred and the KLP Boligkreditt AS has essentially transferred the risk and the potential benefit from ownership. Financial liabilities are derecognised when the rights to the contractual conditions have been fulfilled or cancelled or have expired.

### 2.3.2 Classification and subsequent measurement

#### 2.3.2.1 Financial assets

Financial assets are classified on initial recognition in one of the following categories:

- Amortised cost
- Fair value through profit or loss

A financial asset is measured at amortised cost if both of the following criteria are met and the financial asset has not been reported at fair value through profit or loss (the "fair value option"):

- The financial asset is held in a business model whose purpose is to keep financial assets to receive the contractual cash flows (the 'business model criterion'), and
- At certain times, the contractual terms of the financial asset led to cash flows that only include repayments and interest on the outstanding principal amount (the "cash flow criterion").

All other financial assets are measured at fair value with changes in value through profit/loss, i.e:

- Assets with contractual cash flows that do not meet the cash flow criterion; and/or
- Assets held in a different business model than "held to collect contractual cash flows"; or

- Assets designated at fair value through profit or loss (the ‘fair value option’).

KLP Boligkreditt AS may designate a debt instrument that meets the criteria to be measured at amortised cost to be reported at fair value through profit or loss if this eliminates or significantly reduces inconsistencies in measurement (‘accounting mismatches’).

### **Impairment model**

The impairment model for losses on loans and receivables is based on expected credit losses. The impairment model defines default as *“a payment that is more than 90 days past due, or an account that is continuously overdrawn for a minimum of 90 days (by at least NOK 1.000)”*. Also, a commitment is considered defaulted on if it has been forfeited for various reasons, such as debt negotiations. How the impairment loss is to be measured is determined for each individual stage and the model uses the effective interest rate method. Upon initial recognition, and in cases where the credit risk has not increased significantly after initial recognition, provision must be made for credit losses that are expected to occur over the next 12 months (Stage 1). If the credit risk has increased significantly, the provisions should correspond to the expected credit losses over the expected useful life (Stage 2). If there is a loss event, impairments are raised equal to the expected loss on the commitment throughout its life (Stage 3).

For more information regarding loan loss provisions, please see note 7.

### **2.3.2.2 Financial liabilities**

The company has classified all financial liabilities measured at amortised cost.

### **2.3.3 Netting**

Financial assets and liabilities are presented net in the statement of financial position when there is an unconditional offsetting entitlement that can be legally enforced and the intention is to settle net or realise the asset and liability simultaneously.

### **2.3.4 Modification**

When the contractual cash flows from a financial asset are renegotiated or otherwise amended, and the renegotiation or change does not lead to derecognition of the financial asset, the gross book value of the financial asset is recalculated and a gain or loss is recognised in the income statement. The gross book value of the financial asset is recalculated as the present value of the renegotiated or amended contractual cash flows, discounted at the original effective interest rate for the financial asset. Any costs or fees incurred adjust the book value of the modified financial asset and are amortised over the remaining lifetime of the changed financial asset.

## 2.4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are defined as receivables from credit institutions without termination date. The amount does not include receivables from credit institutions that are linked to purchase and sale of securities in the management of the securities portfolios. The statement of cash flows has been prepared in accordance with the direct method.

## 2.5 FINANCIAL LIABILITIES

The company's financial liabilities comprise liabilities to credit institutions and covered bonds issued.

### 2.5.1 Liabilities to credit institutions

Liabilities to credit institutions are capitalised at market value on take-up. As a rule, on subsequent measurement the liability is recognised at amortised cost. The interest costs are included in the amortisation and are shown in the line "Interest expenses effective interest rate method" in the income statement.

### 2.5.2 Covered bonds issued

In the first instance covered bonds issued are recognised at fair value on take-up adjusted for purchase costs, i.e. nominal adjusted for any premium/discount on issue. On subsequent valuation the bonds are valued at amortised cost. The interest costs are shown in the line "Interest expenses effective interest rate method" in the income statement. Upon repurchase of covered bond issued, any gain or loss is recognised in the line "net gain/loss on financial instruments".

## 2.6 PRESENTATION OF INCOME

### 2.6.1 Interest income/expenses

Interest income and interest expenses associated with all interest-bearing financial instruments valued at amortised cost are taken to income using the effective interest rate method (internal rate of return). This is presented in the financial statement under the line "Interest income/expenses effective interest rate method".

## 2.7 TAX

Tax costs in the income statement comprise tax payable and changes in deferred tax. Tax is recognised in the profit and loss account in the period in which it is incurred. Deferred tax and tax assets are calculated as differences between the accounting and taxation value of assets and liabilities. Deferred tax assets are capitalised to the extent it can be shown probable that the company will have sufficient taxable profit to exploit the tax asset.

The company is a part of a financial services group and a tax group. Except for the limitations pursuant to the Financial Institutions Act, any tax-related surplus may be passed in its entirety to the parent company and subsidiaries as a group contribution with tax effect.

Group contributions that are proposed but not approved by the general meeting are classified as equity. When the group contribution is approved, it is reclassified as a liability. The tax effect of the group contribution is included in the calculation of deferred tax until the date of approval.

The company pays no benefits to employees and is not covered by the rules on financial activity tax. The company's nominal income tax rate in 2025 is 22 percent.

### Note 3 **Important accounting estimates and valuations**

The company prepares accounting estimates and makes judgments based on historical experience, assumptions about the future, and other factors. The accounting estimates are continuously reviewed and may differ from actual results; however, they are based on the best estimates available at the time the financial statements are prepared.

The company's financial position comprises primarily lending secured by housing mortgage, housing title deeds or housing association shares (hypothesised residential loans) or other real estate (hypothesised property loans) and borrowing taken up through issuance of covered bonds. For accounting purposes these items are valued at amortised cost.

The portfolio of loans measured at amortised cost is written down for expected credit losses. The method for measuring impairment for expected loss depends on whether the credit risk has increased significantly since initial recognition. When the credit risk has not increased significantly after initial recognition, provisions are based on 12 months' expected loss (stage 1). If the credit risk has increased significantly since initial recognition, but there is no credit deterioration, write-downs are based on expected loss over the lifetime (stage 2). If the credit risk has increased significantly and there is credit deterioration, a provision should be raised for the expected loss over its lifetime (stage 3).

The assessment of what is considered to be a significant change in credit risk for home mortgage loans is based on a combination of quantitative and qualitative indicators and "backstops". The most important driver for a significant change in credit risk for home mortgage loans in the company is a change in the probability of default (PD) from initial recognition up to the reporting date. A relative change in PD of more than 1.5 is considered to be a significant change in credit risk. The change in PD must also be at least 0.6 percentage points for the change to be considered significant.

For more information about the company's calculation of losses, please refer to Note 7.

## Note 4 **Net interest income**

NOK MILLION	2025	2024
Interest income on loans to customers	676	685
Interest income on loans to credit institutions	17	19
<b>Total interest income, effective interest method</b>	<b>693</b>	<b>704</b>
Interest income on fixed-income securities	47	39
<b>Total other interest income</b>	<b>47</b>	<b>39</b>
<b>Total interest income</b>	<b>739</b>	<b>743</b>
Interest expenses on debt from KLP Banken AS	-73	-65
Interest expenses on issued securities	-542	-567
<b>Total interest expense, effective interest method</b>	<b>-615</b>	<b>-632</b>
<b>Total interest expense</b>	<b>-615</b>	<b>-632</b>
<b>Net interest income</b>	<b>124</b>	<b>112</b>

## Note 5 **Net gain/(loss) on financial instruments**

NOK MILLION	2025	2024
Net gain/(loss) on fixed-income securities	2	1
Net gain/loss on realised repurchase of own debt	-10	-2
<b>Total net gain/(loss) on financial instruments</b>	<b>-8</b>	<b>-1</b>

## Note 6 **Auditor's fee**

NOK THOUSAND	2025	2024
Ordinary audit PwC		114
Ordinary audit EY	250	150
<b>Total auditor's fee</b>	<b>250</b>	<b>264</b>

The company has changed external auditors in 2024. The audit costs for 2024 include costs to both EY and PWC. The amounts above are inclusive of VAT. Audit fees are included in the line "Other operating expenses" in the income statement.

## Note 7 **Loan loss provision**

### **Framework for loan loss provisions**

The measurement of the provision for expected credit losses on financial assets according to IFRS 9 depends on whether the credit risk has increased significantly since initial recognition. At initial recognition and if the credit risk has not increased significantly, the provision should equal 12-month expected credit losses (stage 1). If the credit risk has increased significantly from the initial recognition (stage 2) or if the asset is classified as impaired (stage 3), the provision should equal lifetime expected credit losses.

### **Calculation of expected credit loss**

Expected credit loss (ECL) is calculated as the exposure at default (EAD) multiplied by the probability of default (PD) multiplied by the loss given default (LGD).

Probability of Default (PD) is a calculated probability based on statistical models to estimate the probability of an exposure going into default during the following 12-month period (12-month PD). In addition to calculating 12 months PD, the bank has developed PD graphs used for calculating marginal PD for the exposure's remaining lifetime (Lifetime PD).

Loss given default (LGD) is what the bank expects to lose given that an exposure goes into default. The calculation is based on how probable it is that a defaulted exposure is cured and expected credit loss if the exposure is not cured.

Exposure at default (EAD) is expected exposure at the moment of a future default.

In KLP Boligkreditt AS, the assessment of what is considered to be a significant change in credit risk for retail mortgage loans is based on a combination of quantitative and qualitative indicators and 'backstops'. The most important driver for a significant change in credit risk for retail mortgage loan is a change in the probability of default (PD) from the initial recognition up to the reporting date. A relative change in 12 month PD of more than 1.5 is considered a significant change in credit risk. In addition, the change in 12 month PD must also be at least 0.6 percentage points for the change to be considered significant. Exposures that are more than 30 days past due will automatically be placed in Stage 2, and exposures more than 90 days past due will be placed in Stage 3. The loans go back to Stage 2 and Stage 1 when the criteria for significant change in credit risk and default are no longer fulfilled. A loan in stage 3 will be three months in quarantine before it will be moved back to stage 2 or 1. Based on this a loan will remain in stage three for three months after the loan is reported "healthy".

### **Definition of default**

Default is defined as a claim that is over 90 days past due, or an account that has been continuously overdrawn for a minimum of 90 days (minimum amount NOK 1,000). Furthermore, a commitment is considered as default if for various reasons it has been written off, e.g. through debt negotiations, established debt settlement and/or bankruptcy.

### **Follow-up of defaulted and doubtful commitments**

Mortgages in arrears are handled by a special commitments department in the bank, Banken Group currently uses its own collection process up to and including legally enforced recovery and execution of sale/foreclosure. If a repayment agreement is not reached, any residual debt after realisation of the collateral is transferred to a collection agency for further follow-up.

### **Individual loss provisions**

Mortgages over 90 days past due are reviewed and followed up regularly. In addition, exposures are also reviewed when the bank receives information about debt negotiations or other conditions that would indicate increased risk. A loss assessment is carried out for all such exposures. The collateral is assessed on the basis of previously determined value, in addition to new information about the bank's collateral in the case, for example from a broker if a sale/foreclosure has already been initiated. If the realisable value is expected to be lower than the outstanding balance of the exposure, a loss provision is recognised.

Exposures with individual loss provisions are followed up with a view to the realisation of the collateral. This can be undertaken by agreement on an ordinary sale or legally by means of foreclosure. In some cases, a payment agreement to repay the full amount of residual debt is reached. In these cases, the loss provisions will be maintained for a minimum of 1 year after the loan has been satisfactorily served, before the commitment is considered cured.

### **Determination of loss**

For mortgages, the determination of loss will only occur after the security has been realised and further legal proceedings have not succeeded, that is after an application for distraint has not yielded a result. The case is then monitored by a debt collection agency and followed up on a regular basis.

### **Description of inputs, assumptions and estimation techniques in the model for expected losses (ECL model)**

KLP Banken has developed PD and LGD models for the bank's/group's mortgage loan portfolio. A PD model has been developed for new mortgage customers and a PD model for existing mortgage customers. The first model uses data that is available at the time of application and is valid for three months after the mortgage is granted. The second model begins after three months, and also include data that depends on the customer's behaviour (for example the number of days in arrears). Explanatory variables are age, income, number of reminders sent in the last 12 months, total number of days in arrears in the last 12 months, loan-to-value ratio, co-borrower, defaults in the last 12 months and product type.

The most important measure for a PD model is the model's ability to discriminate, i.e. the ability to distinguish between high- and low risk customers. The ability to discriminate is measured using ROC (Receiver Operating Characteristic), which provides some information about the proportion of predictions that are correct.

*The lifetime probability of default (Lifetime PD)* is used for all retail mortgage loans in KLP Banken Groups excluding senior loans where a simplified model for expected loss is used. The lifetime probability of default (LTPD) of an exposure is calculated based on aggregated figures for historically observed default rates for each year of all exposures and each exposure's probability of default 12 months after start. The results from model development show that the default rate increases slightly in year 2 before then decreasing, so that the PD in year 2 is higher than in year 1. This is in line with the expected result, since it is expected that it will take some time before a newly granted mortgage loan experiences problems. A customer will typically seek to avoid default on the mortgage loan, and will typically default on other debts before he goes into

default on the mortgage loan. The reduction in PD after year 2 can be explained by a “survivorship effect”, i.e. the contracts that have not defaulted in the first 2 years are typically of better credit quality, and as the loans are repaid the risk becomes lower. Experience from the industry is that contracts that have existed for a certain period of time converge towards a stable observed default rate. For KLP Banken/Group’s mortgage loan portfolio, 3 years has been set as the parameter for when the default level converges towards a long-term PD level. The long-term PD level is set at 0.3 percent, which corresponds to the average PD for the best contracts in the portfolio.

*Exposure at default (EAD)* is used for all mortgages in KLP Banken/Group excluding senior loans where a simplified model for expected loss is used. The EAD model has the same data sample as the LTPD model. If an exposure is at default, the exposure's balance at the time will be the bank's/group's exposure at default. EAD can be expressed for an exposure as a function of the likelihood that the contract will not be repaid within the time  $t$ . For repayment loans, EAD at time  $t$  is estimated as the exposure's balance at the time pursuant to the repayment schedule multiplied by the likelihood of the contract not being repaid within time  $t$ . The probability of a contract being terminated early within the year  $t$  is calculated as a percentage for each year in the future from 1 to 7 years.

*Loss given default (LGD)* When estimating future credit loss it is important to look at the proportion of customers in default whose accounts become cured. The bank/group has examined all historical defaults over 90 days and analysed the outcomes of these defaults. The results of the analysis show a very high level of defaults becoming cured. KLP Banken/Group has, since its inception, handled defaults and debt collection internally within the bank/group, and has one dedicated employee who handles exposures in default. The cases are followed closely, and there has been a limited number of defaults since the bank's inception. The analysis shows that the bank has had minimal losses, and most defaults have been reported as cured.

Cured default is defined as the account returning to ongoing status (no longer 90 days past due/90 days in arrears over the bank's significant amount), or that the account is terminated without loss (typically through voluntary sale of collateral or refinancing in another bank). Non-cured default is defined as where the recovery process has resulted in the account having an established loss, or that an application for distraint has been made against the customer (foreclosure of the property or recovery of guarantee). Customers with status "nothing for distraint" also belong in this category). If the customer has entered into debt negotiations, this is also defined as non-cured default. One last possibility is that we do not know the final outcome of the default due to a short time horizon between the default date and modelling date. The figure below illustrates the various outcomes for a default.



The observed cure rate is calculated and validated at least yearly in the same way as it during model development. If the observed cure rate deviates by more than 10 percentage points from the estimate used in the IFRS 9 model, an assessment shall be made of whether measures are needed, e.g. a re-estimation of the model.

### ***Forward-looking information***

A part of the assessment of future losses is the assessment of how the future will look regarding to the macroeconomic conditions that affect the bank's credit losses, e.g. interest rates, housing prices, unemployment rates etc. To calculate the expected credit loss (ECL), the bank has assumed three different scenarios, which are weighted for probability based on an assessment of the probability of each of the three outlined scenarios occurring. The scenarios used by the bank are one basis scenario, one pessimistic scenario and one optimistic scenario for expected credit loss, where the three scenarios have a factor for outcome and a probability that the scenario occurs. The sum of the weighted scenarios constitutes the expected credit loss, and the probability that each scenario will occur will thus affect the expected credit loss. In the basis scenario we assume unchanged house prices and stabile PD. In the negative scenario, a house price fall of 15 percent and a doubling of the average PD are assumed, while the number of cured defaults decrease with 5 percent. This scenario is given a 20 percent weight. In the positive scenario it is assumed that house prices increase with 5 percent and that the PD is halved. The positive scenario is given a 20 percent weight. The basis scenario is thereby given a 60 percent weight. It is assumed that a loan will have the same staging in all the scenarios.

KLP Banken's risk forum assesses these scenarios and their weighting on a quarterly basis, based on changes in macroeconomic factors or other factors that may affect expected credit loss in the bank.

## EXPECTED CREDIT LOSS (ECL) - LOANS TO CUSTOMERS - MORTGAGE

NOK THOUSAND	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	31.12.2025	31.12.2024
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3
Opening balance ECL 01.01.	46	41		88	63
Transfer to Stage 1	6	-6		0	0
Transfer to Stage 2	-1	1		0	0
Transfer to Stage 3					
Net changes	-27	26		-2	36
New losses	35	1		36	15
Write-offs	-10	-19		-30	-10
Change in risk model					-16
<b>Closing balance ECL</b>	<b>50</b>	<b>44</b>		<b>93</b>	<b>88</b>
Changes in the period 01.01-31.12	3	3		6	26

## BOOK VALUE OF LOANS TO AND RECEIVABLES FROM CUSTOMERS - MORTGAGE

NOK THOUSAND	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	31.12.2025	31.12.2024
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3
Lending 01.01.	12 318 131	351 502		12 669 633	12 745 511
Transfer to Stage 1	120 993	-120 993		0	0
Transfer to Stage 2	-114 269	114 269		0	0
Transfer to Stage 3					
Net change	-373 836	-6 837		-380 675	-435 831
New lending	6 607 883	22 231		6 630 114	3 328 891
Write-offs	-2 881 690	-77 966		-2 959 657	-2 968 937
<b>Lending</b>	<b>15 677 212</b>	<b>282 205</b>		<b>15 959 415</b>	<b>12 669 633</b>
Recognised loan loss provisions	-50	-44		-93	-88
<b>Book value of loans to mortgages</b>	<b>15 677 162</b>	<b>282 161</b>		<b>15 959 323</b>	<b>12 669 545</b>

## Note 8 Tax

NOK MILLION	2025	2024
Accounting income before taxes	54	49
Permanent differences		
Reversal of value increase financial assets	-1	1
Change in differences between book and taxable income	26	-2
<b>Taxable income</b>	<b>78</b>	<b>48</b>
Group contribution made with tax effect	78	48
<b>DEFERRED TAX ASSETS LINKED TO</b>		
Amortisation of premium fund, borrowing	-2	0
<b>Total tax-reducing temporary differences</b>	<b>-2</b>	<b>0</b>
<b>DEFERRED TAX LINKED TO</b>		
Amortisation of premium fund, borrowing	0	4
Tax effect of group distribution	17	11
<b>Total tax-increasing temporary differences</b>	<b>17</b>	<b>14</b>
<b>Net deferred tax(+)/tax assets(-)</b>	<b>15</b>	<b>14</b>
<b>SUMMARY OF TAX EXPENSES OF THE YEAR</b>		
Change in deferred tax taken to income excl. effect of group distribution	-5	0
Capitalised tax from Group contribution	17	11
Reallocated tax from paid out Group contribution	-11	-4
<b>Total tax costs</b>	<b>1</b>	<b>7</b>
Effective tax rate	2 %	13 %
<b>RECONCILIATION OF TAX RATE</b>		
Accounting income before taxes	54	49
Income tax expense, nominal tax rate	12	11
Income tax expense, effective tax rate	1	7
<b>Difference between effective and nominal tax</b>	<b>11</b>	<b>4</b>
Effect of reallocated tax from paid out Group contribution	11	4
<b>Total</b>	<b>11</b>	<b>4</b>

## Note 9 Loans and receivables from credit institutions

NOK MILLION	31.12.2025	31.12.2024
Bank deposits operations	424	320
Bank accounts to be used for the purchase and sale of securities	12	11
<b>Loans and receivables from credit institutions</b>	<b>436</b>	<b>331</b>

## Note 10 Lending and receivables

NOK MILLION	31.12.2025	31.12.2024
<b>LOANS TO AND RECEIVABLES FROM CUSTOMERS</b>		
Principal on loans to customers	15 930	12 642
Write-downs	0	0
Accrued interest	29	27
<b>Loans to and receivables from customers</b>	<b>15 959</b>	<b>12 670</b>

## Note 11 Categories of financial assets

NOK MILLION	31.12.2025		31.12.2024	
	Book value	Fair value	Book value	Fair value
<b>FINANCIAL ASSETS AT FAIR VALUE</b>				
Fixed-income securities	586	586	829	829
<b>Total financial assets at fair value</b>	<b>586</b>	<b>586</b>	<b>829</b>	<b>829</b>
<b>FINANCIAL ASSETS AT AMORTISED COST</b>				
Loans to and receivables from credit institutions	436	436	331	331
Lending to the retail market	15 959	15 959	12 670	12 670
<b>Total financial assets at amortised cost</b>	<b>16 395</b>	<b>16 395</b>	<b>13 001</b>	<b>13 001</b>
<b>Total financial assets</b>	<b>16 981</b>	<b>16 981</b>	<b>13 829</b>	<b>13 829</b>
<b>FINANCIAL LIABILITIES AT AMORTISED COST</b>				
Liabilities to credit institutions	1 881	1 881	2 194	2 194
Covered bonds issued	13 975	14 021	10 550	10 569
<b>Total financial liabilities at amortised cost</b>	<b>15 856</b>	<b>15 903</b>	<b>12 744</b>	<b>12 763</b>
<b>Total financial liabilities</b>	<b>15 856</b>	<b>15 903</b>	<b>12 744</b>	<b>12 763</b>

Fair value shall be a representative price based on what a corresponding asset or liability would have been traded for on the balance sheet date.

A financial instrument is considered as listed in an active market if listed prices are easily and regularly available from a stock market, dealer, broker, industry group, price-setting service or regulatory authority, and these prices represent actual and regularly occurring transactions at arm's length. If the market for the security is not active, or the security is not listed on a stock market or similar, the Group uses valuation techniques to set fair value. These are based for example on information on recently completed transactions carried out on business terms and conditions, reference to trading in similar instruments and pricing using externally collected yield curves and yield spread curves. As far as possible the estimates are based on externally observable market data and to the least extent possible on company-specific information.

### The different financial instruments are thus priced in the following way:

#### Fixed-income securities - government

Nordic Bond Pricing is used as a source for pricing Norwegian government bonds.

#### Fixed-income securities - other than government

Norwegian fixed-income securities are generally priced based on rates from Nordic Bond Pricing. Securities not covered by Nordic Bond Pricing are priced theoretically. The theoretical price should be based on the discounted value of the security's future cash flows. Discounting is done using a swap curve adjusted for credit spread and liquidity spread. The credit spread should, to the extent possible, be based on a comparable bond from the same issuer. Liquidity spread is determined at the discretion of the evaluator.

### Fair value of loans to retail customers

Fair value of lending without fixed interest rates is considered virtually the same as book value since the contract terms are continuously changed in step with market interest rates. Fair value of fixed rate loans is calculated by discounting contractual cash flows by the marked rate including a relevant risk margin on the reporting date. This is measured at Level 2 in accordance with the fair value hierarchy, cf. Note 13.

### Fair value of loans to and receivables from credit institutions

All receivables from credit institutions (bank deposits) are at variable interest rates. Fair value of these is considered virtually the same as book value since the contract terms are continuously changed in step with change in market interest rates. This is measured at Level 2 in accordance with the fair value hierarchy, cf. Note 13.

### Fair value of liabilities to credit institutions

These transactions are valued using a valuation model, including relevant credit spread adjustments obtained from the market. This is measured at Level 2 in accordance with the fair value hierarchy, cf. Note 13.

### Liabilities created on issuance of covered bonds

Fair value in this category is determined on the basis of internal valuation models based on external observable data. This is measured at Level 2 in accordance with the fair value hierarchy, cf. Note 13.

## Note 12 Fixed-income securities

NOK MILLION				31.12.2025
Debtor categories	Acquisition cost	Unreal. gain/loss	Accr. int. not due	Fair value
Government/social security administration	30	0		30
Credit enterprises	553	0	3	556
<b>Total fixed-income securities</b>	<b>583</b>	<b>0</b>	<b>3</b>	<b>586</b>

Effective interest rate: 4.51%

NOK MILLION				31.12.2024
Debtor categories	Acquisition cost	Unreal. gain/loss	Accr. int. not due	Fair value
Government/social security administration	30	0		30
Credit enterprises	795	-1	5	799
<b>Total fixed-income securities</b>	<b>825</b>	<b>-1</b>	<b>5</b>	<b>829</b>

Effective interest rate: 5.20%

Effective interest is calculated as a yield-to-maturity, i.e. it is the constant interest rate level at which one may discount all the future cash flows from the securities to obtain the securities' total market value.

## Note 13 Fair value hierarchy

31.12.2025 NOK MILLION	Level 1	Level 2	Level 3	Total
<b>ASSETS BOOKED AT FAIR VALUE</b>				
Fixed-income securities	30	556		586
<b>Total assets at fair value</b>	<b>30</b>	<b>556</b>		<b>586</b>

31.12.2024 NOK MILLION	Level 1	Level 2	Level 3	Total
<b>ASSETS BOOKED AT FAIR VALUE</b>				
Fixed-income securities	30	799		829
<b>Total assets at fair value</b>	<b>30</b>	<b>799</b>		<b>829</b>

**Level 1:** Instruments at this level obtain fair value from listed prices in an active market for identical assets or liabilities to which the entity has access at the reporting date. Examples of instruments in Level 1 are stock market listed securities.

**Level 2:** Instruments at this level obtain fair value from observable market data. This includes prices based on identical instruments, but where the instrument does not maintain a high enough trading frequency and is not therefore considered to be traded in an active market, as well as prices based on corresponding assets and price-leading indicators that can be confirmed from market information. Example instruments at Level 2 are fixed-income securities priced on the basis of interest rate paths.

**Level 3:** Instruments at Level 3 contain non-observable market data or are traded in markets considered to be inactive. The price is based generally on discrete calculations where the actual fair value may deviate if the instrument were to be traded.

Note 11 discloses the fair value of financial assets and financial liabilities that are recognised at amortised cost.

There have been no transfers between Level 1 and Level 2.

## Note 14 Other assets

NOK MILLION	31.12.2025	31.12.2024
Receivables between Group companies	3	3
<b>Total other assets</b>	<b>3</b>	<b>3</b>

## Note 15 Liabilities to credit institutions

31.12.2025 NOK MILLION	Currency	Interest	Due date	Nominal	Accrued interest	Book value
Debt from KLP Banken AS	NOK	Floating	15.12.2027	800	1	801
Debt from KLP Banken AS	NOK	Floating	15.12.2027	100	0	100
Debt from KLP Banken AS	NOK	Floating	15.12.2027	365	1	365
Debt from KLP Banken AS	NOK	Floating	15.12.2027	351	0	352
Debt from KLP Banken AS	NOK	Floating	15.12.2027	263	0	263
<b>Total liabilities to credit institutions</b>				<b>1 879</b>	<b>3</b>	<b>1 881</b>
<b>Interest rate on debt to credit institutions at the reporting date</b>						<b>3.66%</b>

The interest rate is calculated as a weighted average of the act/360 basis.

NOK MILLION	Book value 31.12.2024	Receipts internal funding	Disbursements internal funding	Changes accrued interest	Book value 31.12.2025	Interest paid in 2025
Debt from KLP Banken AS	2 194	10 081	-10 393	-1	1 881	-74
<b>Debt from KLP Banken AS</b>	<b>2 194</b>	<b>10 081</b>	<b>-10 393</b>	<b>-1</b>	<b>1 881</b>	<b>-74</b>

31.12.2024 NOK MILLION	Currency	Interest	Due date	Nominal	Accrued interest	Book value
Debt from KLP Banken AS	NOK	Floating	15.12.2026	2 050	4	2 054
Debt from KLP Banken AS	NOK	Floating	15.12.2026	140	0	140
<b>Total liabilities to credit institutions</b>				<b>2 190</b>	<b>4</b>	<b>2 194</b>
<b>Interest rate on debt to credit institutions at the reporting date</b>						<b>4.05%</b>

The interest rate is calculated as a weighted average of the act/360 basis.

NOK MILLION	Book value 31.12.2023	Receipts internal funding	Disbursements internal funding	Changes accrued interest	Book value 31.12.2024	Interest paid in 2024
Debt from KLP Banken AS	1 686	6 413	-5 906	1	2 194	-64
<b>Debt from KLP Banken AS</b>	<b>1 686</b>	<b>6 413</b>	<b>-5 906</b>	<b>1</b>	<b>2 194</b>	<b>-64</b>

## Note 16 Security liabilities- stock exchange listed covered bonds

NOK MILLION	31.12.2025	31.12.2024
Bonds, nominal value	10 500	10 500
Revaluations	-2	-5
Accrued interest	59	55
<b>Total liabilities created on issuance of securities</b>	<b>10 558</b>	<b>10 550</b>
<b>Interest rate on borrowings through the issuance of securities at the reporting date.</b>		<b>5.05%</b>

The interest rate is calculated as a weighted average of the act/360 basis. It includes interest rate effects and amortisation costs.

NOK MILLION	Balance sheet 31.12.2024	Issued	Matured/ redeemed	Other adjustments	Balance sheet 31.12.2025	Interest paid in 2025
<b>Change in liabilities created on issuance of securities</b>						
Bonds, nominal value	10 500	0	0		10 500	
Revaluations	-5			3	-2	
Accrued interest	55			5	59	-539
<b>Total liabilities created on issuance of securities</b>	<b>10 550</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>10 558</b>	<b>-539</b>

NOK MILLION	Balance sheet 31.12.2023	Issued	Matured/ redeemed	Other adjustments	Balance sheet 31.12.2024	Interest paid in 2024
<b>Change in liabilities created on issuance of securities</b>						
Bonds, nominal value	11 054	1 000	-1554		10 500	
Revaluations	-3			-2	-5	
Accrued interest	54			0	55	-568
<b>Total liabilities created on issuance of securities</b>	<b>11 105</b>	<b>1 000</b>	<b>-1554</b>	<b>-1</b>	<b>10 550</b>	<b>-568</b>

## Note 17 Other liabilities and provision for accrued costs and liabilities

NOK MILLION	31.12.2025	31.12.2024
Receivables between companies in the same Group	1	5
Creditors	0	0
<b>Total other liabilities</b>	<b>1</b>	<b>5</b>
Value-added tax	0	
<b>Total accrued costs and liabilities</b>	<b>0</b>	

## Note 18 Transactions with related parties

NOK MILLION	2025	
	KLP Banken AS	Other group companies
Interest incomes	10	6
Interest expenses	-73	
Purchase of services	-56	0
Other receivables	2	2
Bank deposits	235	
Borrowing	-1881	
Other debt	-1	0
Purchase of loans from KLP Banken AS	7 312	

NOK MILLION	2024	
	KLP Banken AS	Other group companies
Interest incomes	11	6
Interest expenses	-65	
Purchase of services	-56	0
Other receivables	2	1
Bank deposits	224	
Borrowing	-2 194	
Other debt	-5	0
Purchase of loans from KLP Banken AS	3 956	

There are no direct salary costs in KLP Boligkreditt AS. Personnel costs (administrative services) are allocated from KLP Banken AS.

Transactions with related parties are carried out on general market terms, with the exception of the Company's share of common functions, which is allocated at cost. Allocation is based on actual use. All internal receivables are settled as they arise.

## Note 19 Capital adequacy

NOK MILLION	31.12.2025	31.12.2024
Share capital and share premium	960	960
Other owners' equity	151	110
<b>Total owners' equity</b>	<b>1112</b>	<b>1070</b>
Adjustments due to requirements for proper valuation	-1	-1
<b>Core capital/Tier 1 capital</b>	<b>1111</b>	<b>1069</b>
<b>Supplementary capital/Tier 2 capital</b>	<b>0</b>	<b>0</b>
Total own funds (eligible Tier 1 and Tier 2 capital)	1111	1069
Capital requirement	341	395
<b>Surplus of own funds (eligible Tier 1 and Tier 2 capital)</b>	<b>771</b>	<b>674</b>
<b>CALCULATION BASIS CREDIT RISK</b>		
Institutions	88	67
Retail	943	380
Mortgage security in real estate	3 006	4 257
Covered bonds	56	80
Other holdings	1	0
<b>Calculation basis credit risk</b>	<b>4 093</b>	<b>4 784</b>
Credit risk	327	383
Operational risk	13	13
<b>Total capital requirement assets</b>	<b>341</b>	<b>395</b>
Core capital adequacy ratio	26.1%	21.6%
Supplementary capital ratio	0.0%	0.0%
<b>Capital adequacy ratio</b>	<b>26.1%</b>	<b>21.6%</b>
<b>Leverage ratio</b>	<b>6.5%</b>	<b>7.7%</b>

The Board of Directors proposes that a Group contribution, with tax effect, of NOK 78.4 (48.0) million be paid to KLP. NOK 61.2 (37.5) million will be received from KLP in return as a Group contribution without any tax effect. The Group contribution paid has not been deducted from capital adequacy because it is conditional on the receipt of a Group contribution.

Capital requirement per 31.12.2025	Core capital/ Tier 1 capital	Supplementary capital/Tier 2 capital	Own funds
Minimum requirement without buffers	4.5%	3.5%	8.0%
Protective buffers	2.5%	0.0%	2.5%
System risk buffers	4.5%	0.0%	4.5%
Counter-cyclical buffers	2.5%	0.0%	2.5%
<b>Applicable capital requirement incl. buffers</b>	<b>14.0%</b>	<b>3.5%</b>	<b>17.5%</b>
<b>Capital requirement leverage ratio</b>	<b>3.0%</b>	<b>0.0%</b>	<b>3.0%</b>

## Note 20 Financial risk management

### Organisation of risk management

KLP Boligkreditt AS is a wholly owned subsidiary of KLP Banken AS. The Board of Directors of the Bank has established a risk management framework aimed at ensuring that risks are identified, analysed and managed based on policies, limits, procedures and instructions. The Board has adopted risk policies covering the key individual risks as well as an overarching risk policy that covers principles, organisation,

limits etc. for the Bank's total risk. The risk policies are of an overarching nature and are complemented by procedures, guidelines and instructions laid down at the senior management level. The policies state which departments are responsible for handling the various risks and cover the establishment of a separate risk control function. One purpose of the risk control function is to check that the risk policies and other guidelines for risk management are being followed. This function is carried out by the head of the Risk Analysis and Control Department, which is responsible for preparing periodic risk reports to senior management and the Board, as well as reporting on any breaches of policies or guidelines. The Department, which has an independent role in relation to other departments, also has other tasks associated with the Bank's risk management. The responsibility for the operational direction of the Bank's liquidity risk and interest rate risk lies with the Finance Department.

## Note 21 **Credit risk**

Credit risk is defined as the risk of loss associated with loan customers, derivative counterparties, issuers of securities and other counterparties being unable or unwilling to settle at the agreed time and in accordance with written contracts, where the collateral established does not cover the outstanding claim.

KLP Boligkreditt AS provides property mortgage loans to retail customers. The principal customer group is made up of members of KLP, who represent about 77 percent of the lending volume.

### 21.1 CONTROL AND LIMITATION OF CREDIT RISK

The Board has adopted a policy for credit risk which contains overarching guidelines, requirements and limits associated with credit risk. The policy states that KLP Boligkreditt AS should have a low credit risk profile and includes limits on types of lending and principles for the organisation and operation of the Bank's lending activity. The policy also includes an overarching mandate structure for lending and other counterparty exposure.

Credit risk associated with issuers of securities, derivative counterparties and other counterparties in the financial area is also limited by Board-determined limits on individual counterparties. These limits are based on the counterparty's solvency and other assessments of counterparties' creditworthiness.

KLP Boligkreditt only provides loans mortgaged in residential property. In processing loan applications the borrower's servicing ability and the value of the mortgage object is assessed and loans are provided only within set limits and authorisations.

The market value of the mortgage assets is updated quarterly against the market value of housing in Norway provided by Eiendomsverdi AS.

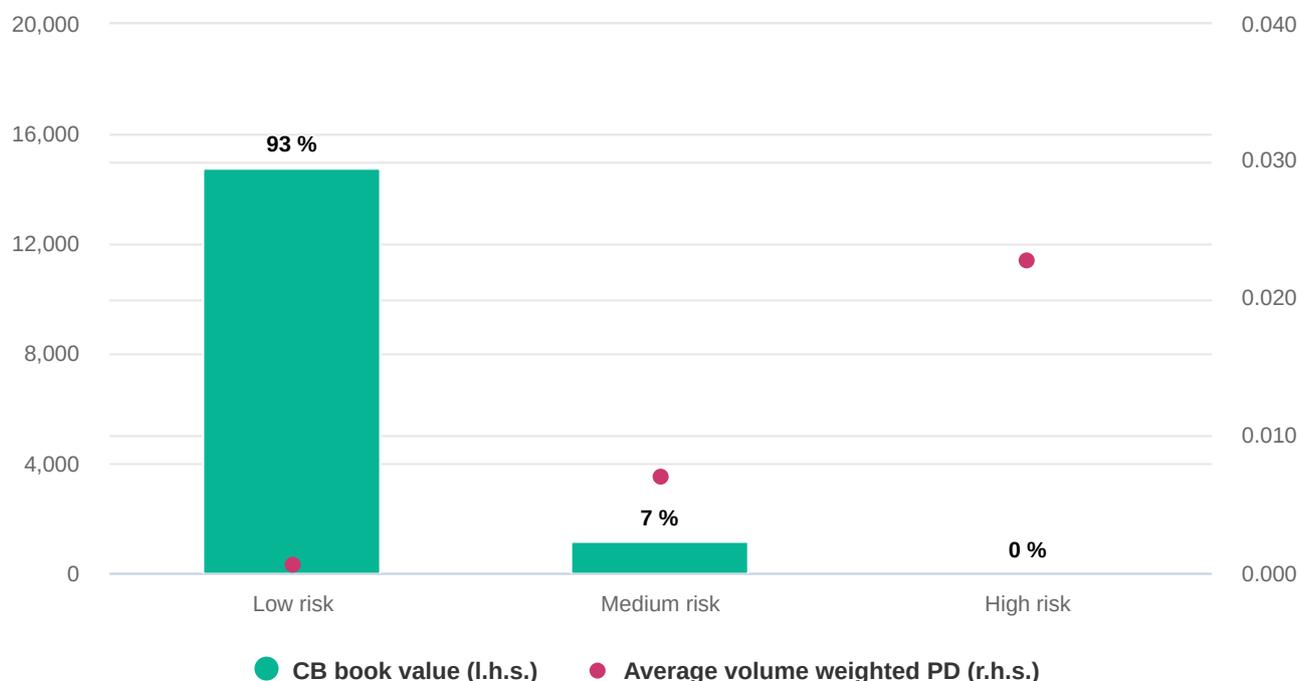
## 21.2 LOANS ACCORDING TO TYPE OF SECURITY/EXPOSURE (PRINCIPAL)

NOK MILLION	31.12.2025	31.12.2024
<b>LOANS ACCORDING TO TYPE OF SECURITY/EXPOSURE (PRINCIPAL)</b>		
Retail mortgage loans	15 930	12 642
<b>Total</b>	<b>15 930</b>	<b>12 642</b>
Amounts due more than 12 months after the end of the reporting period	15 517	12 279

NOK MILLION	31.12.2025	31.12.2024
<b>ALLOCATION OF LOAN TO VALUE (PRINCIPAL) FOR RETAIL MORTGAGE LOANS</b>		
Loan to value ratio up to 50 percent	6 196	4 527
Loan to value ratio from 51 to 60 percent	3 770	2 960
Loan to value ratio from 61 to 75 percent	5 536	4 492
Loan to value ratio above 75 percent	428	664
<b>Total</b>	<b>15 930</b>	<b>12 642</b>
Average loan-to-value ratio (volume weighted)	52.87%	54.68%

KLP Boligkreditt uses a risk classification system to classify retail customers with loans or credits. Customers are classified from A to K, where A indicates very low risk while K is for customers on which the bank has incurred ascertained losses. Below is a distribution table with the volume of loans divided into low, medium and high risk, where low risk is defined as lending to customers in class A or B, medium risk is defined as lending to customers in class C or D, and high risk is defined as lending to customers in classes E to K.

### Mortgage loans in KLP Boligkreditt AS



The table below shows the total book value of the various risk classes and per stage in the impairment model. Stage 1 is all healthy loans, which must be written down by the expected losses for 12 months. Stage 2 indicates that the exposure has a substantially increased credit risk since its initial recognition on the balance sheet, and means that the loan must be written down by the estimated losses throughout the entire term. Stage 3 is all loans in default (over 90 days past due) or with individual loss write-downs, which must be written down by the estimated losses throughout the entire term.

2025				
LOANS BY RISK CLASS AND STAGE IN IFRS9	Stage 1	Stage 2	Stage 3	Total CB book value
Low risk - risk class A	8 458	41		8 499
Low risk - risk class B	6 259	33		6 293
Medium risk - risk class C	885	74		959
Medium risk - risk class D	76	128		204
High risk - risk class E		5		5
High risk - risk class F				
High risk - risk class K				
Engagements without risk class (new customers)				
<b>Total CB book value</b>	<b>15 677</b>	<b>282</b>		<b>15 959</b>

2024				
LOANS BY RISK CLASS AND STAGE IN IFRS9	Stage 1	Stage 2	Stage 3	Total CB book value
Low risk - risk class A	6 410	60		6 470
Low risk - risk class B	5 497	52		5 548
Medium risk - risk class C	346	87		433
Medium risk - risk class D	64	145		209
High risk - risk class E	2	9		10
High risk - risk class F				
High risk - risk class K				
Engagements without risk class (new customers)				
<b>Total CB book value</b>	<b>12 318</b>	<b>352</b>		<b>12 670</b>

The Company also invests in securities issued by municipalities and county administrations and will in addition have credit risk exposure in the form of “additional collateral”. The additional collateral can amount up to 20 percent of the cover. In accordance with the Company’s internal guidelines the additional collateral may be in the form of deposits in banks satisfying minimum rating requirements as well as covered bonds issued by Norwegian credit enterprises.

## CREDIT QUALITY SECURITIES, BANK DEPOSITS AND DERIVATIVES

NOK MILLION	31.12.2025	31.12.2024
<b>SECURITIES WITH EXTERNAL CREDIT RATING (MOODY'S)</b>		
<b>CREDIT QUALITY OF SECURITIES, BANK DEPOSITS AND DERIVATIVES</b>		
Aaa	586	829
<b>Total</b>	<b>586</b>	<b>829</b>

NOK MILLION	31.12.2025	31.12.2024
<b>DEPOSITS IN BANKS GROUPED BY EXTERNAL CREDIT ASSESSMENT (MOODY'S)</b>		
Aa1-Aa3	200	105
A1-A3	236	226
<b>Total</b>	<b>436</b>	<b>331</b>

The Company may also be exposed to credit risk as a result of derivative agreements struck. The purpose of such agreements is to reduce risks arising as a result of the Company's borrowing and lending activities. The Company's internal guidelines specify creditworthiness requirements for derivative counterparties. As of 31 December 2025, KLP Boligkreditt AS had no derivative agreements with any counterparties.

### 21.3 MAXIMUM EXPOSURE TO CREDIT RISK

KLP Boligkreditt AS measures maximum exposure as principal and accrued interest. No collateral in cash or securities is exchanged, nor are other credit improvements carried out. The table below shows the maximum exposure for KLP Boligkreditt AS.

NOK MILLION	31.12.2025	31.12.2024
<b>MAXIMUM EXPOSURE TO CREDIT RISK</b>		
Loans to and receivables from credit institutions	436	331
Loans to and receivables from customers	15 959	12 670
Fixed-income securities	586	829
Loss write-downs stage 1 and 2	0	0
<b>Total</b>	<b>16 981</b>	<b>13 830</b>

### 21.4 LOANS FALLEN DUE

The Company has not incurred losses on lending. The company considers all receivables to be satisfactorily secured. The loans are secured with mortgages, and losses will only arise when the value of the mortgaged object falls below the residual amount of the loan.

NOK MILLION	31.12.2025	31.12.2024
<b>LOANS FALLEN DUE</b>		
Principal on loans with payments overdue by 7-30 days	63	83
Principal on loans with payments overdue by 31-90 days	5	14
Principal on non-performing loans		
<b>Total loans fallen due</b>	<b>68</b>	<b>98</b>
Relevant security or guarantees	68	98

### 21.5 CONCENTRATION OF CREDIT RISK

The Company's lending is in its entirety linked to financing of real estate where the loans are mainly secured with mortgages within 75 percent of the market value. All borrowers are Norwegian and the collateral is in Norwegian real estate. The company has a risk concentration where it is exposed to a general impairment in the Norwegian housing market.

The concentration against individual borrowers is limited by individual Board-set limits. KLP Boligkreditt AS's largest exposure as at 31 December 2025 was about 0.1 percent of the Company's total lending.

## Note 22 **Market risk**

Market risk is understood here as the risk of reduced fair value of the Company's owners' equity as a result of fluctuations in market prices for the Company's assets and liabilities. Changes in credit margins are however excluded since this comes under the term credit risk.

KLP Boligkreditt AS is exposed to market risk as a result of the Company's borrowing and lending activity and management of the Company's liquidity. The exposure is however limited to interest rate risk and exchange rate risk. Interest rate risk arises as a result of differences in timing of interest rate adjustment for the Company's assets and liabilities. The risk associated with such imbalances is reduced by using derivative contracts. All borrowing is in Norwegian kroner. The whole of the lending portfolio comprises loans in NOK.

### 22.1 MEASUREMENT OF MARKET RISK

Interest rate risk is measured as change in value on a one percentage point change in all interest rates.

### 22.2 INTEREST RATE RISK

The market risk policy is the Company's overarching guidelines, requirements and limits associated with market risk. The policy dictates that the market risk should be minimized so that the total market risk is low. It further states that the Company should not actively take positions that expose the Company to market risk. The policy also sets limits for interest rate risk both for the total interest rate risk for the infinite future and for rolling 12-month periods. The risk limits are set to ensure that the low market risk profile policy is complied with. The operational responsibility for managing the Company's market risk lies with the Finance Department in KLP Banken. The Risk Analysis and Control Department reports the Company's actual exposure in relation to limits in accordance with guidelines set by the Board.

Interest rate risk arises because the fixed interest periods for the bank's assets and liabilities are not the same. The table below shows repricing dates for the Company's interest-bearing assets and liabilities, and the gap shows the difference between assets and liabilities that can be interest-adjusted within the given time intervals. Lending at variable rates, and cash and receivables with credit institutions, are assumed to be able to be repriced within a 0-3 month horizon. The debt falls into the time interval for which interest adjustment has been agreed.

The Company's interest rate sensitivity as at 31 December 2025 (2024), measured as value change in the event of one percentage point change in all interest rates, was NOK 0.2 million (-5.7 million).

## INTEREST-RATE RISK KLP BOLIGKREDITT AS

### Repricing dates for interest-bearing assets and liabilities as at 31 December 2025

NOK MILLION	Total Principal	Up to 1 mth	From 1 mths to 3 mths	From 3 mths to 12 mths	From 1 year to 5 years	Over 5 years
Loans to and receivables from credit institutions	435	435				
Loans to and receivables from customers	15 930	19	15 912			
Fixed-income securities	586		586			
<b>Total</b>	<b>16 951</b>	<b>454</b>	<b>16 498</b>			
Liabilities to credit institutions	1 881	1 881				
Liabilities created on issuance of securities	13 915	1 180	12 735			
<b>Total</b>	<b>15 796</b>	<b>3 061</b>	<b>12 735</b>			
<b>Net gap</b>	<b>1 155</b>	<b>-2 607</b>	<b>3 763</b>			

### Repricing dates for interest-bearing assets and liabilities as at 31 December 2024

NOK MILLION	Total Principal	Up to 1 mth	From 1 mths to 3 mths	From 3 mths to 12 mths	From 1 year to 5 years	Over 5 years
Loans to and receivables from credit institutions	331	331				
Loans to and receivables from customers	12 642		12 642			
Fixed-income securities	820	250	570			
<b>Total</b>	<b>13 793</b>	<b>581</b>	<b>13 212</b>			
Liabilities to credit institutions	2 194	2 194				
Liabilities created on issuance of securities	10 496	2 496	8 000			
<b>Total</b>	<b>12 690</b>	<b>4 690</b>	<b>8 000</b>			
<b>Net gap</b>	<b>1 103</b>	<b>-4 109</b>	<b>5 212</b>			

## Note 23 Liquidity risk

Liquidity risk means the risk that the Company does not manage to meet its obligations and/or finance increases in its assets without substantial additional costs arising in the form of price falls in assets that must be realised, or in the form of more costly financing.

### 23.1 MANAGEMENT OF LIQUIDITY RISK

The management of KLP Boligkreditt's liquidity risk must be viewed in the context of the management of the liquidity risk in the KLP Banken Group. A liquidity policy is established for the Group containing principles, guidelines, requirements and limits that apply to the management of the liquidity risk. The policy states that the Group is to have a moderate liquidity risk profile and various requirements and limits have been set to achieve this, including targets for deposit cover, limits for refinancing requirements for various time periods and requirements for liquidity buffers. The Board has further adopted an emergency plan for liquidity crises as part of the liquidity policy. In addition to the requirements at Group level, separate specific requirements have been established for KLP Boligkreditt, including requirements for continually positive cash flows, limits for refinancing requirements and requirements for liquidity reserves and drawing rights. The operational responsibility for managing the Company's liquidity risk lies with the Finance Department. The Risk Management and Compliance Department reports the Company's actual exposure in relation to limits in accordance with guidelines set by the Board.

The bank holds deposits and a well-diversified securities portfolio to manage liquidity risk. The securities portfolio consists of securities issued by the government, municipalities, and other LCR-approved 0 percent risk-weighted assets, as well as covered bonds issued by Norwegian credit institutions. The securities are spread across several counterparties, and the bank also has established credit lines that set limits on large exposures. The bank's securities portfolio is intended to have low credit risk and will consist exclusively of securities rated AA or AAA.

## 23.2 MATURITY ANALYSIS

The tables below show the maturity analysis of the Company's assets and liabilities including stipulated interest rates.

### LIQUIDITY RISK KLP BOLIGKREDITT AS

#### Maturity analysis for assets and liabilities as at 31 December 2025

NOK MILLION	Total	Undefined	Up to 1 mth	From 1 mths to 3 mths	From 3 mths to 12 mths	From 1 year to 5 years	Over 5 years
Loans to and receivables from customers	19 731		81	162	737	3 907	14 844
Fixed-income securities	646			36	19	590	
Loans to and receivables from credit institutions	436		201	235			
<b>Total</b>	<b>20 813</b>		<b>282</b>	<b>434</b>	<b>756</b>	<b>4 497</b>	<b>14 844</b>
Liabilities created on issuance of securities	15 909		34	345	1 644	12 852	1 034
Liabilities to credit institutions	1 922		5	12	56	1 848	
<b>Total</b>	<b>17 831</b>		<b>40</b>	<b>357</b>	<b>1 700</b>	<b>14 700</b>	<b>1 034</b>
<b>NET CASH FLOW</b>	<b>2 982</b>		<b>243</b>	<b>76</b>	<b>-944</b>	<b>-10 203</b>	<b>13 810</b>

#### Maturity analysis for assets and liabilities as at 31 December 2024

NOK MILLION	Total	Undefined	Up to 1 mth	From 1 mths to 3 mths	From 3 mths to 12 mths	From 1 year to 5 years	Over 5 years
Loans to and receivables from customers	22 026		86	173	785	4 180	16 802
Fixed-income securities	922		3	57	109	752	
Loans to and receivables from credit institutions	331		107	224			
<b>Total</b>	<b>23 279</b>		<b>197</b>	<b>454</b>	<b>894</b>	<b>4 933</b>	<b>16 802</b>
Liabilities created on issuance of securities	13 308		31	104	2 677	10 496	
Liabilities to credit institutions	2 306		7	5	36	2 258	
<b>Total</b>	<b>15 614</b>		<b>38</b>	<b>109</b>	<b>2 713</b>	<b>12 754</b>	
<b>NET CASH FLOW</b>	<b>7 664</b>		<b>158</b>	<b>345</b>	<b>-1 819</b>	<b>-7 821</b>	<b>16 802</b>

A 24-month internal loan of NOK 1 879 millions has been provided from KLP Banken AS to KLP Boligkreditt AS, which is defined as Liabilities to credit institutions. This loan is rolled over currently every third month and the interest rate is set each month.

## Note 24 Over-collateralisation

NOK MILLION	Fair value	
	31.12.2025	31.12.2024
SECURITY POOL		
Loans to customers 1)	15 971	12 671
Additional collateral 2)	1 590	903
<b>Total security pool</b>	<b>17 561</b>	<b>13 574</b>
Outstanding covered bonds incl. own funds and premium/discount	14 847	10 569
<b>Coverage of the security pool</b>	<b>118.3%</b>	<b>128.4%</b>

1) Excluding mortgage loans that do not qualify for security pool.

2) Additional collateral includes loans to and receivables from credit institutions, bonds and certificates. Liquid assets used in the LCR liquidity reserve are not included in additional collateral.

Section 11-7 of the Regulations on Financial Institutions lays down a requirement for over-collateralisation by at least 5 percent of the value of the outstanding covered bonds.

## Note 25 Salary and obligations to senior management

2025 NOK THOUSAND				
	Salaries, fees etc.	Other benefits	Annual pension accumulation	Loans in KLP Group <sup>1)</sup>
<b>SENIOR EMPLOYEES</b>				
Christopher A. Steen, Managing Director	1 717	57	210	5 867
<b>BOARD OF DIRECTORS</b>				
Aage Schaanning, <i>Chair</i>	4 483	170	1 303	7 636
Lill Stabell (left the Board in March 2025)	47			
Kristin Gjersvoll Wangen (from May 2025)	49			
Janicke Elisabeth S. Falkenberg				
Jonas Vincent Kårstad, <i>Chosen by and among the employees in the KLP Bank</i>	136			
<b>EMPLOYEES</b>				
Total loans for employees of KLP Boligkreditt AS				5 867

<sup>1)</sup>Loans up to NOK 6 million follow ordinary employee terms, while the amount exceeding this follows standard market conditions. The loan is repaid according to a repayment schedule that follows ordinary market terms for secured loans.

2024 NOK THOUSAND	Salaries, fees etc.	Other benefits	Annual pension accumulation	Loans in KLP Group <sup>1)</sup>
<b>SENIOR EMPLOYEES</b>				
Christopher A. Steen, Managing Director	1 657	31	276	8 701
<b>BOARD OF DIRECTORS</b>				
Aage Schaanning, <i>Chair</i>	4 306	160	1 279	7 326
Lill Stabell	92			
Janicke Elisabeth S. Falkenberg				
Jonas Vincent Kårstad, <i>Chosen by and among the employees in the KLP Bank</i>	126			
<b>EMPLOYEES</b>				
Total loans for employees of KLP Boligkreditt AS				8 701

<sup>1)</sup>Loans up to NOK 6 million follow ordinary employee terms, while the amount exceeding this follows standard market conditions. The loan is repaid according to a repayment schedule that follows ordinary market terms for secured loans.

The KLP Board of Directors has laid down principles and guidelines for remuneration that apply for the entire Group and set up a remuneration committee as a subcommittee of the Board. The committee reports on and carries out checks that the remuneration schemes in the Group are in line with the Board's principles and guidelines.

The Managing Director receives no remuneration or pension accumulation from KLP Boligkreditt AS. The incumbent receives all benefits from the parent company, KLP Banken AS, where he holds the position of Head of Finance. KLP Boligkreditt refunds the portion of the benefits that can be linked to the role as Managing Director. There is no agreement on performance pay or special consideration on termination or change in employment contract. The pensionable age is 70 years.

Directors' fees are set by the General Assembly. Board members employed in the KLP Group, not having been elected by and from the employees, do not receive a fee for the Board appointment. Benefits in addition to Directors' fees for Board members employed in the KLP Group are stated only if they are included in the senior management group employed in the KLP Group. This also applies to any loans they may have with the Group. Of the board members, Aage E. Schaanning, Janicke Elisabeth S. Falkenberg and Jonas Vincent Kårstad are employed in the KLP Group.

The KLP Group offers loans for various purposes. There are separate loan terms for employees, and no senior employees have loan terms that deviate from these. Loans to external directors are only granted under ordinary loan terms. The interest rebate that accrues to employees is refunded to the lending company.

All benefits are shown without the addition of social security costs.

Attention is drawn otherwise to the description of the main principles on determination of remuneration in the KLP Group that may be found at [klp.no](http://klp.no).

## Note 26 **Number of FTEs and employees**

KLP Boligkreditt AS has no employees of its own receiving salary or any form of remuneration from the Company. Two employees of KLP Banken AS perform management functions for the Company. KLP Boligkreditt AS purchases services from other companies in the KLP Group.



Shape the future  
with confidence

Statsautoriserte revisorer  
Ernst & Young AS

Stortorvet 7, 0155 Oslo  
Postboks 1156 Sentrum, 0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA  
Tlf: +47 24 00 24 00

www.ey.no  
Medlemmer av Den norske Revisorforening

To the General Meeting in KLP Boligkreditt AS

## INDEPENDENT AUDITOR'S REPORT

### Opinion

---

We have audited the financial statements of KLP Boligkreditt AS (the Company), which comprise the balance sheet as at 31 December 2025, the income statement, statement of owners' equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

### Basis for opinion

---

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code) as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 2 years from the election by the general meeting of the shareholders on 15 May 2024 for the accounting year 2024.

### Key audit matters

---

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2025. We have determined that there are no key audit matters to communicate in our report.

### Other information

---

The Board of Directors and Managing Director (management) are responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report otherwise appears to be materially

misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

## **Responsibilities of management for the financial statements**

---

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

---

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



**Shape the future  
with confidence**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Oslo, 12 March 2026  
ERNST & YOUNG AS

Johan-Herman Stene  
State Authorised Public Accountant (Norway)

(This translation from Norwegian has been prepared for information purposes only.)

## Contact information

KLP BOLIGKREDITT AS  
Beddingen 8  
7042 Trondheim

Organisation number: 912 719 634

Visitors address, Trondheim  
Beddingen 8

Visitors address, Oslo  
Dronning Eufemias gate 10

[www.klp.no/bank-og-lan](http://www.klp.no/bank-og-lan)

Phone: +47 55 54 85 00

klpboligkreditt@klp.no