

# ARTICLES OF ASSOCIATION, SPAREBANKEN SØR BOLIGKREDITT AS

Adopted by the General Meeting on 9 March 2022

## Chapter I Company name. Object. Office municipality.

### § 1

The Company's name is Sparebanken Sør Boligkreditt AS (the Company).

The Company's object is:

- a) To extend and procure loans secured against mortgages on residential property, title documents for residential property or joint financing of housing cooperatives (*bolighypoteklån*), loans secured against mortgages on other property (*eiendomshypoteklån*), loans secured against mortgages on other registered assets, or loans to or guaranteed by the state, municipalities or other public bodies (*offentlige lån*), and
- b) To finance lending activities, primarily through the issuance of covered bonds. Funds to be used for lending purposes are procured as determined in § 9.

The Company's registered business office is in the municipality of Kristiansand.

## Chapter II Subordinated capital

### § 2

The Company has a share capital of NOK 2,075,000,000, allocated between 100,000 shares, each with a nominal value of NOK 20,750 fully paid up.

Decisions concerning or the authority to issue subordinated capital in the form of subordinated loan capital or subordinated bonds are adopted by a majority of the General Meeting, in the same way as for amendments to the Articles of Association. Decisions concerning or authorisations to raise other loan capital are approved by the Board or in accordance with delegation decisions taken by the Board.

## **Chapter III Board of Directors**

### **§ 3**

The Company's Board of Directors comprises four members and is elected by the General Meeting for a term of two years. Two substitute members are also elected to the Board.

Members and substitute members of the Board can be re-elected.  
The Chair and Deputy Chair of the Board are elected by the General Meeting.

### **§ 4**

The Board Chair shall ensure, unless otherwise established in the rules of procedure for the Board, that the Board holds a meeting at least every quarter, or as often as expedient in accordance with the Company's activities or at the request of a Board member.

### **§ 5**

The Board of Directors manages the Company's business.

The Board's duties include:

1. Taking decisions on the assumption of loans and entering into hedging transactions
2. Issuing credits and pledging guarantees, and establishing the terms for these
3. Determining how the Company's funds that have not been used for lending shall be invested.

The Board Chair, the Managing Director or two Board members jointly may sign for the Company.

## **Chapter IV Auditor and Audit Committee**

### **§ 6**

The Company shall appoint a state-authorized public accountant who is elected by the General Meeting, see section 8-17 of the Norwegian Financial Institutions Act, who shall also be the auditor of Sparebanken Sør.

### **§ 7**

The Board of Directors of the Company shall collectively function as the Company's Audit Committee, see section 8-4 of the Norwegian Financial Institutions Regulation, see section 8-18(2)(b) of the Norwegian Financial Institutions Act.

## **Chapter V The Company's business**

### **§ 8**

The Company shall at all times maintain adequate capital adequacy that satisfies the minimum requirements with regard to capital adequacy pursuant to legislation or to regulations issued by the King.

### **§ 9**

The Company procures borrowing funds from:

1. Regulated finance institutions
2. Other Norwegian and foreign lenders

Borrowings are normally raised through the issuance of covered bonds against the Company's collateral or through other ordinary financing methods.

### **§ 10**

Loans are assumed or extended by the Company in accordance with an overall assessment of the collateral that has been pledged, and the borrower's ability to pay and credit rating. The Board of Directors sets the Company's interest rate and lending terms. All lending must be secured in accordance with laws and regulations that apply to this type of enterprise.

The Board shall adopt adequate risk strategies and establish guidelines for the use of hedging instruments.

## **Chapter VI Age limit**

### **§ 11**

The upper age limit for permanent employees in the Company is 70.