



ANNUAL REPORT 2020

BI

Norwegian
Business School



CONTENT

A WORD FROM THE PRESIDENT	3
STRATEGY 2025	5
Strategic priorities	6
INTERNATIONAL	7
Exchange and student mobility	8
Cooperation with China	9
International alumni involvement	9
DIGITAL	10
Covid-19 and digital teaching.....	11
Digital exams.....	11
Major development projects in 2020.....	12
SUSTAINABILITY.....	13
Research on sustainability.....	14
Green conferences	14
Greener campuses and responsible operations	15
BISO Impact.....	15
BOARD OF TRUSTEES' REPORT	16
Goal attainment and results	18
Outlook	22
Board of Trustees 2020	24
ANNUAL ACCOUNTS	27
Notes to the accounts 2020	31
RESEARCH AND ACADEMIC ACTIVITY	48
New department.....	49
Externally funded research	49
Publishing and publication points.....	50
BI's doctoral programme	51
PROGRAMMES AND STUDENTS	52
Learning environment and degree of completion	53
Admissions 2020	54
Innovation in the programme portfolio.....	55
Number of students at BI in 2020	56
ACCREDITATIONS AND RANKINGS	57
PARTNERSHIPS, SOCIETY AND BUSINESS	59
Alumni and events	60
BI Corporate.....	61
Research leading to change.....	62
ORGANISATION AND EMPLOYEES	63
Organisation description.....	64
Employees	65
Organisational development.....	66
Working environment and Covid-19.....	67
AUDITOR'S REPORT (in Norwegian).....	68

A WORD FROM THE PRESIDENT



A WORD FROM THE PRESIDENT

The global corona pandemic made 2020 a demanding and very special year for students and staff at BI Norwegian Business School. The pandemic speeded up a comprehensive and completely necessary digital readjustment. BI also admitted a record number of new students and prepared the school for further growth and development in the time to come.

The past year was marked by uncertainty, challenging decisions and a continuous need to find good solutions to new challenges all the time. In March, BI had to close its campuses to students. Traditional classroom teaching was replaced by lectures via Zoom. Written examinations were replaced by digital home examinations. Travel and exchange were either advised against or cancelled.

Throughout this period, BI's academic staff, supported by competent employees from the whole organization, have worked persistently to create good digital learning experiences. For me as President, it has been demanding to see our students struggle with a learning situation that has constantly been changing in step with the authorities' lock-down of society, and a situation for the students with no opportunities for social integration. Many have had to change, delay or cancel their plans for the future.

In our efforts to secure good learning experiences, student welfare, as well as social and academic integration under particularly challenging framework conditions, BI's close cooperation with the student organization BISO has been invaluable. BI's students are deserving of praise for the way in which they have met the challenges and at the same time been able to ensure progress of study and achieve solid academic results.

BI's own surveys show that the competence of BI's candidates is in high demand among employers. For the sixth year in a row, BI is ranked as Norway's best business school by the Financial Times. Our researchers and alumni contribute to influencing working-life practices both in Norway and internationally. At the same time a new generation of BI students show that they are not prepared to be halted by an emergency from boosting their career opportunities by acquiring updated and relevant knowledge.

As many as 4,133 new bachelor students were admitted to BI in 2020, an increase of 16 % as compared to 2019. At the same time 739 new master's degree students started their studies, which exceeds the record admission in 2018. At one point there were so many applications to BI's full-time programmes that they were closed to further applications. Life-long learning is in demand as never before. Popular online-based courses and programmes contributed to a growth of 9 % in BI's executive education programmes.

In a labour market that is facing great changes, BI is prepared to strengthen its position also in the coming years. In 2021 we shall continue the important work of preparing students and business for an international, digital and sustainable future.

A great thanks to all students, staff, alumni and partners that have contributed to BI's development in the past year. .



Inge Jan Henjesand
Rektor

STRATEGY 2025



STRATEGY 2025

By being a research-based, learning-oriented and connected business school, BI shapes individuals and business for an international, digital and sustainable future

Mission

At BI, students, academics and businesses cooperate to create a more sustainable future. We strive to achieve top academic quality and to make attractive careers and enterprises. We shall reach this goal through recognized international research and top-quality education in close interaction with business and society in general.

Core values

We are committed to helping our students succeed.

Our staff and our activities are focused on our students' learning. We expect dedicated students who produce good results.

We pursue creativity and innovation.

We create values for our students, businesses and society in general.

We act responsibly.

We live by the principles of academic freedom and integrity. We contribute to sustainable development in line with the UN's sustainable development goals through research, learning, operations, and cooperation. We have respect for students and colleagues.

We act in a collegiate spirit.

We contribute to an including workplace where we value curiosity and show interest in each other.

Strategic priorities

Attractive programmes and quality graduates

Sustainability, digitalization, internationalization and practical business understanding shall be integrated in all our programmes of study. We shall enhance the students' learning outcome through active and varied learning activities. Our objective is to develop the students' global mindset. At the same time, we shall work on renewing the bachelor's degree programmes portfolio, expand the master's degree programmes portfolio and strengthen our efforts in the further and continuing education market and our international activities.

Top academic quality

We shall create a world-class academic environment with a considerable impact on international research, the students learning, and on business practices. In the longer term two to three of our academic business disciplines shall be among the best in Europe. We shall improve our teaching and the students' learning outcomes through better insight and systematic pedagogical training and support. In the time to come, we shall give priority to investments in a top international academic staff, excellent research and infrastructure to support this. We shall also prioritize externally funded research to expand our productivity and research capacity.

Operational excellence

We shall further an innovative culture based on diversity, inclusion, cooperation and supportive management. We shall support and develop innovative initiatives by creating links between the academia, students and business. High priority will be given to the development of user-friendly and effective student services. The same applies to the development of a robust digital infrastructure through business insights and analyses. We shall also involve our alumni through partnerships with business and industry and public administration.

►►► <https://www.bi.edu/about-bi/strategy/>

INTERNATIONAL



INTERNATIONAL

The pandemic led to less mobility to and from BI in the past year. BI's ambition, nevertheless, is to take a global approach to teaching, research and business, and we place strong emphasis on providing the students with international perspectives in the classroom.

Our lecturers are supposed to have international experience and to be able to draw on such experience in their own research and teaching. Therefore, high priority is given to an international background and international experience when researchers are recruited.

All master's degree programmes are taught in English and we see an increased interest in these from international students. We are also working to further develop the programmes in order to attract even more international students and students with bachelor's degrees from other institutions than business schools.

A different year for exchange and student mobility

The corona pandemic had great consequences for many students and BI's work to make arrangements for outgoing and incoming students. The majority of Norwegian students abroad interrupted their stay abroad while several international students decided to stay in Norway rather than go home.

A total of 90 students from BI were taking part of their Bachelor's Degree in International Marketing (BIM) at different institutions in seven counties. During the spring, 79 returned to Norway whereas 11 chose to stay.

84 BI students, scattered around the world, were abroad on their exchange semester. 23 of them chose to stay, whereas the rest returned to Norway during the spring.

17 Double Degree students, who spend one year at BI and one year at a partner institution, were studying at institutions in Europe and Canada. Some of them returned to Norway but were able to complete their programmes digitally. Three students were strongly affected and have had to delay their graduation.

8 QTEM students, who take a master's degree with a compulsory stay abroad and an internship, were studying in Europe and Australia. Six of these completed their programmes, whereas two students of foreign origin were hard hit by closed borders, since entry into the country is governed by nationality and not affiliation with a programme of study.

In the spring semester of 2020 BI's Oslo campus had 178 bachelor's degree students and 96 master's degree students from partner institutions. The students were well taken care of and they were all offered digital teaching and examinations. Some chose to return home, while many students thought it was safer to remain in Norway than to return to their home countries during the pandemic.

At the end of April and in May, BI decided to cancel all mobility for the autumn semester (including incoming and outgoing exchange) to and from countries outside Europe and countries inside Europe respectively.

International summer school

BI had more than 50 master's degree students who intended to attend a summer school abroad in the summer of 2020. Many of them cancelled their plans and the rest attended the teaching digitally. This has been recognized as part of their degree. In order to meet the great need for a summer course, we also decided to offer two courses for master's degree students from BI.

70 students took the course Crisis Management – Preparedness and Response, whereas 40 students took the course Cross-Cultural Negotiations: Doing Business Internationally. The students' response was very positive.

BI International Case Competition

In February, before the lock-down, we hosted our international case competition BIICC for the fifth time. Twelve teams from eleven different countries and four continents, consisting of top students from prestigious global schools came to BI to solve real business cases provided by some of BI's business partners. In the main case the winner was Queen's University, Canada.

China cooperation

After more than 20 years of activity, BI has gained broad experience with education in China through our cooperation with School of Management at Fudan University in Shanghai. So far, around 2,600 business leaders have taken the BI-Fudan MBA. Many of these graduates are now employed by the largest Nordic and international enterprises in the region.

In 2017 BI also started cooperation with Tsinghua, a top university in Beijing, to help Chinese technology entrepreneurs and leaders develop global business models. Since the start, several programmes for top executives, with participants from several of the country's biggest technology enterprises, have been conducted. We have also hosted a number of delegations from, among others, Abelia and Equinor who visited our centre for innovation in Beijing. In 2020 it was decided to postpone all planned activities at Tsinghua due to the corona pandemic.

International alumni involvement

BI Alumni BI Alumni is a global community with more 85,000 members in more than 80 countries. Former BI students who live and work outside Norway are BI's most important ambassadors internationally. In 2020, due to the corona pandemic, several planned alumni events abroad were cancelled. Instead, our members were offered a number of webinars in Norwegian and English. We believe that international alumni activities contribute to brand building, which is an important element in our international recruitment strategy.

BI International Advisory Board

BI International Advisory Board is an independent body consisting of business leaders from major international enterprises, academics and alumni. They have an advisory function towards the Management and the Board of Trustees, where the objective is to strengthen BI internationally through an external look at BI's role in society, its strategic priorities and the implementation of these.

DIGITAL



DIGITAL

BI has worked purposefully on digitalisation for several years, both with respect to our work processes and the way teaching is organised. In 2020, both had to become fully digital.

Digital competence is in demand both among employers and students. BI, therefore, is working actively to meet the new competence requirement resulting from the technological development in society. During the corona pandemic BI had to readjust at record speed in 2020 to provide as good digital teaching as possible to students who were at home.

Covid-19 and digital teaching: Full-time programmes

No more than four days after BI locked down its campuses in March, teaching was resumed via Zoom. This was the start of a demanding and still ongoing process where BI's academic staff have been forced to think along new lines as regards teaching. The Library and Learning Centre was involved at an early stage; in the beginning the focus was on training colleagues in the technical use of Zoom, through workshops, guidance and information. Already in May, the academic environments wanted an increased pedagogical focus, which led to the preparation of workshops related to pedagogical use of digital tools.

This was followed up by a row of intensive courses in how to use Zoom pedagogically before the start of the semester and during the autumn. This gradually transformed into arrangements for experience sharing among lecturers. This readjustment, with a focus on quick digitalization and decisions to provide fewer lectures in real time, have been the drivers behind a major innovation process at BI.

Until March 2020, all teaching basically took place physically in the classroom. BI's capacity for streaming was very limited. In the past year a major process, which is still going on, was started to upgrade the audio-visual infrastructure in all classrooms at BI and to procure a new video platform to support streaming. This work will be completed in the winter of 2021.

Covid-19 and digital teaching: Executive programmes

To a large degree the academic outcome of BI's further education programmes depends on the students' own will to actively participate in the teaching. During the corona pandemic, therefore, BI has focused strongly on improving the quality of the digital teaching to give the students a fully adequate learning experience. An important success factor in this context was the support given to the academic staff in connection with their teaching.

Good examples of this in 2020 was the way the EMBA, EMME and BI-Fudan MBA programmes were conducted. Here, the lecturers were supported by a production team including both coordinators and technical support by the learning centre, which ensured that the member of the academic staff only needed to concentrate on the academic aspects, whereas the production team took care of all technical matters. The feedback from the students, who pay several hundred thousand NOK for each programme, has been good.

Digital examinations

In the past year 741 examinations were held at BI. Due to the corona pandemic, 95.4 % of these examinations were taken as digital home examinations. With one exception, the remaining examinations were taken as written examinations before BI locked down all its campuses on 12 March.

Implementation of a new digital examination tool

In 2019 BI decided to change its digital examination tool, from DigiEx to WISEflow, primarily to reduce costs and the risk of technical failure during examinations. The objective is to conduct all digital examinations through the new system in 2021.

During the spring of 2020 BI organized a total of 11 examinations through WISEflow, all given by the Department of Economics. In the autumn of 2020, all the departments joined in the further implementation WISEflow, with a total of 45 examinations taken through this system.

The most important focus of the project is the students' experience. So far, their feedback is positive. With the exception of one examination, the use of WISEflow at BI took place without any major challenges.

Completed degrees and digital diplomas

In 2019 all diplomas and certificates were issued in digital form as standard. Transcripts are no longer produced at BI as students with a Norwegian national identity number will now find these in the Diploma Portal. During the period 1 September 2019 – 31 August 2020, 3,875 degrees were completed at BI.

Digital application process

In 2020 BI decided to place everyone working on admissions in one department. The purpose was to strengthen professional competence, efficiency and robustness. The new department was operational as from 1 January 2020. It has a staff of 15 and is responsible for admissions to full-time programmes, as well as the Executive, Corporate and PhD programmes.

Digital student organization

The work of BISO, the student organization, has been strongly marked by the pandemic. Almost all planned activities were cancelled or changed to digital events, which, among other things, resulted in a strong reduction of the activities during the buddy weeks on the different campuses. BISO, however, organized several digital gatherings and rallies for students who experienced being affected by the cancellations. «The Career Days», which normally bring almost 100 different enterprises to the campus, had to be organized digitally. In spite of very little time for preparation, BISO managed to make the event a big success.

Major development projects in 2020

In 2020, BI invested 121.3 million NOK in development projects. These projects are tools that are intended to help BI realize its strategy. The following are examples of such projects:

Throughout the year, large parts of the organization have been involved in implementation and training related to BI's new quality assurance system. The purpose of the system is to ensure that the organization has adequate tools to document and measure the school's systematic quality work, both at institutional and programme level.

To deal with first-line inquiries from potential students, existing students and past students, BI implemented Salesforce as a tool in 2020. The tool already shows good effects and now forms a central part of the platform BI Customer Experience (BICX), which is primarily linked to making student handling and internal work processes more efficient.

In 2020 BI has also further developed and optimized the new and mobile phone adapted student portal that was introduced shortly before the start of the autumn semester in 2018. During the past year, several BI employees have been involved in the development of a new intranet for BI employees, with an ambition of introducing it early in 2021.

SUSTAINABILITY



SUSTAINABILITY

BI wants to contribute to a more sustainable development and responsible business operations in society and business both in Norway and abroad. Through our own strategy we are committed to emphasizing this social responsibility at three levels: In research, teaching and our own operations.

In 2019, all BI programmes were updated with specific learning outcomes related to social responsibility and sustainability. Our faculty have an obligation to acquaint themselves with the way the sustainability targets will affect theoretical models and research, and make sure that this knowledge is imparted to the students.

BI shall act in accordance with the United Nations' sustainable development goals. We have chosen to focus on the following three goals in particular: No. 4. Good education, no. 5. Gender equality and no. 13. End climate change.

Through participation in the UN network Principles for Responsible Management Education (PRME), we also act in accordance with the UN's six principles for responsible management education. With more than 800 educational institutions as members, PRME is considered the world's leading network for dialogue, interaction and responsible management education. Every second year, all the members are obliged to prepare a detailed report on the school's work related to sustainability

In 2020, BI submitted its latest PRME report to the UN. The report focused on BI's comprehensive work to map out and measure its own work on sustainability in the past year, as well as a concretization of future objectives. Among other things, the Sustainability and Responsible Management Report 2020 included the following highlights:

A survey of research on sustainability

In 2019 BI for the first time made a survey of the way our research is relevant for reaching the UN's sustainability development goals (SDGs). The work has continued in 2020 and will be carried out on an annual basis. The 2019 report showed that 30 per cent of BI's faculty have published research related to sustainability matters. 20 per cent of scientific publications from BI may be related to the efforts to reach one or more the SDGs. The following were the three most common SDGs: No. 3 – Good health and quality of life, no. 16 – Peace, justice and strong institutions and no. 17 – Cooperation to reach the goals.

A survey of green conferences

In 2020 BI carried out a comprehensive survey of our conferences for the period 2019-2020 in order to identify to what extent our events are in accordance with our strategic focus areas: international, digital and sustainability. In 2019 the survey showed that BI organized 30 green conferences and 26 events with sustainability on the agenda. The preliminary figures for 2020 showed a positive development for both areas. Several events, however, had to be cancelled because of Covid-19.

A survey of presence in the media during the pandemic

Over time, BI's researchers have built up a solid national and partly international presence in the media. In 2020 BI wanted to make a survey of the extent to which this presence was linked to the media coverage of Covid-19. The survey, which was conducted during the period 1 February 16 April, showed that BI was mentioned 468 times, as compared to other schools such as NHH (338) and Kristiania University College (91).

Greener campuses and responsible operations

BI has a clear objective to reduce its environmental footprint in accordance with the UN sustainable development goals. Regular reporting on the climate is one of several measures implemented by BI to reach the ambitious objectives of the school. In 2020, BI's climate report for 2019 showed that we have succeeded in reducing the school's emissions by 21.6 % during the period 2017-2019. In 2019, our carbon footprint amounted to a total of 5,988 tons of CO₂ emissions as compared to 6,312 tons in the previous year.

Introduction of a sustainability app for employees

In order to better acquaint the employees with the school's work on sustainability and strategic goals, a training app for employees was introduced in 2020. The app gave access to interviews with internal and external interested parties, including the student organization BISO. The app was not much used. BI, however, is planning new and improved initiatives to strengthen the involvement of employees in these matters.

BISO Impact

BI's students show great interest in environmental matters. In 2019, the students established BISO Impact, which will ensure that the work of all the units of the student organization is ethically sound. In 2020 BISO Impact was the co-organizer of the conferences Go Explorer Day and Inspire to Impact, which both focused on sustainability and green business. In 2020, BISO Impact were given the opportunity to have BISO conferences certified as green conferences through the Eco-Lighthouse certification arrangement.

►►► Further information on BI's sustainability work is available at [BI's webpages](#) here or see the school's own [Sustainability@BI-strategy](#)

BOARD OF TRUSTEES' REPORT



FINN ØIEN

1912-2006

FOUNDER OF BI
NORWEGIAN BUSINESS
ESTABLISHED IN

BOARD OF TRUSTEES' REPORT

2020 turned out to be the year of the pandemic, lock-down, home office, and digital teaching. In the midst of this, admissions were good, drop-outs were reduced and a comprehensive digital reorganization, where the whole organization had to act quickly to provide education in a completely new way, took place.

The Board of Trustees were in close contact with the management both during the weeks before BI locked down the campuses on 12 March and during the weeks and months that followed. Through weekly reports, the Board was impressed with the robustness of the organization, which was really made subject to a stress test of its ability to provide teaching and conduct research under particularly demanding circumstances. Only four days after BI was locked down, the first fully digital lecture for students via Zoom was given. BI's most important task during the pandemic has been to provide research-based teaching and to enable the students to progress and complete their programmes. BI's academic staff had to acquire new skills at record speed to use digital tools in a pedagogical context. Major investments were made to upgrade technical infrastructure and arrange for good digital teaching. The focus of the whole organization has been on creating even better learning experiences for our students.

In a very challenging situation, BI's employees have shown great enthusiasm for providing good teaching and research. The close interaction between BI's management and the student organization BISO has been crucial to secure a good basis for and understanding of decisions made, frequently on short notice. In spite of great changes in their life as students, they have been patient and determined not to let the pandemic stop them from acquiring knowledge and maintaining the progress in their studies.

Both before and during the crisis, BI has so far reached its strategic goals for the period 2018-2025. The pandemic, naturally, has led to a need for necessary adjustments and priorities to ensure increased flexibility and predictability in the organization related to, among other things, education, examinations and student support. Based on results and ongoing processes, the Board of Trustees is satisfied with the fact that BI has managed to maintain its focus on the strategic development throughout 2020. Some plans have been delayed, whereas others have been moved forward. During the year, the whole organization has been involved in the comprehensive work of development, implementation and training related to BI's new Programme Quality system. Thorough work has been carried out to document processes and establish routines related to the development and revision of the school's educational provision. The Board would like to underline that a unified organization is crucial to ensure a good quality culture, where there is a necessary connection between what we want, what we say and what we do.

In the international arena, the Board is pleased with BI's ranking among the best business schools in Europe, and for the sixth year in a row as the best business school in Norway by the Financial Times. The Board recognizes the good work carried out in the organization in connection with the process for EQUIS reaccreditation.

A final decision by EQUIS is expected early in 2021. Also, in 2020, BI's researchers stand out with publications in the most highly recognized international journals. Many of BI's faculty have distinguished themselves through benchmark contributions to the social debate.

Admissions in 2020 were very high, both with respect to full-time programmes and further and continuing education programmes. At a certain point, new applications to some full-time programmes were not accepted due to strong interest. To some extent the admissions reflect the pandemic. However, the Board would like to point out that long-term innovation efforts related to the programme portfolio are now paying off. This is very important to our graduates who distinguish themselves as attractive candidates in the labour market. In changing times characterized by increased unemployment and lay-offs, the Board follows the development closely.

The Board would like to thank all BI's employees, students, alumni and partners. Faced with a global crisis, BI has succeeded in providing education and research at the highest level and with enthusiastic students in new digital classrooms.

GOAL ATTAINMENT AND RESULTS

In 2020, BI's academic environment has been strengthened through the establishment of a new department and increased international recruiting. Investments in digital solutions have resulted in even more learning-oriented programmes and courses. Employees across the organization have been involved in goal-oriented work on quality. This work is continued with unabated strength in 2021.

Profit for the year and actions of the Board of Trustees

BI is organized as a self-owned foundation whose sole purpose is education and research. All value creation at BI shall be spent on strengthening the operation and the students' learning, which implies that any financial profit is allocated to increased research activities and the development of the school's programmes and courses.

The Foundation BI Norwegian Business School is the parent company in a group structure consisting of the wholly owned subsidiaries BI-bygget D-Blokka AS, Sandakerveien D-Blokka AS, Sandakerveien 116-118 AS, Bedriftsøkonomisk Institutt AS and Studentenes Hus AS. The business address of all the companies is Nydalsveien 37, Oslo. Among the subsidiaries only BI-Bygget D-Blokka AS has had any activities in 2020 through the letting of premises in the D-Blokka (D block). BI-Bygget D-Blokka AS owns 21.7 per cent, whereas the Foundation BI Norwegian Business School owns 78.3 per cent of the property in Oslo. The group's turnover in 2020 totalled NOK 1,716 million and the operating profit amounted to NOK 124.2 million.

In 2020, the financial result for BI Norwegian Business School totalled NOK 139.7 compared to a budget of NOK 30.6 million. The Board is satisfied with BI's financial result.

BI achieved a growth in income of NOK 76.3 million from 2019. The increase represents about 4.7 % and resulted in a total turnover of NOK 1,691.8 of which the government subsidy amounted to NOK 365 million or 21.6 % of the turnover. Revenues from teaching increased by NOK 63.5 million to NOK 1,250 million, which can be ascribed to high admission numbers to the full-time programmes in the autumn of 2020.

The operating profit increased from NOK 103.7 million in 2019 to NOK 106.3 million in 2020. Part of the reason for this good operating profit is a non-recurring impact in connection with the closing of pension schemes that took place at the end of 2020. The non-recurring impact of the closing resulted in a cost reduction of NOK à 32.8 million. Adjusted for this non-recurring impact, the operating profit amounted to NOK 73.5 million. In the operating profit for 2019 a non-recurring impact was also included due to the change in the pension scheme of the Norwegian Public Service Pension Fund.

A large share of the cost base is related to salaries and social costs. If adjustments are made for non-recurring effects related to pensions in 2019 and 2020, salaries and social costs have increased by 4.7 %. This is related to the wage settlement for employees, and a net growth of 49 persons in the number of employees at the end of the year. In 2020 other costs were reduced by NOK 27.4 million.

Due to the ongoing pandemic, considerable movements related to individual items under other costs have to some extent taken place. Like everybody else in Norwegian working life, BI's employees have experienced a new reality with less travel and commuting, as well as a changed meeting structure. Travel and meeting costs were down by NOK 36.9 million as compared to 2019, which represents a reduction of 71.7 %. Digital expenses increased by 19.3 %. In 2020 the Board has reallocated NOK 30 million in cost savings, as a consequence of reduced travel, to increased investments in digital infrastructure in lecture theatres and classrooms. This has been done to maintain the students' learning outcome through high-quality digital teaching. The Board would like to emphasize the importance of the organization learning from the past year, and that it translates this learning into positive changes and new opportunities in the time to come.

The Board of Trustees has a strong focus on social and academic integration among the students. The pandemic has strengthened the need for even more systematic work to take care of the students' mental health, the psychosocial working environment and progress of study. On this background, in addition to increased resources from BI, NOK 10 million were granted to the student organization BISO. These funds are intended to support activities for better inclusion, as well as social and academic integration. Depreciations increased by NOK 25.6 million from 2019. This was due to an extraordinary depreciation of technical installations, as well as an increase due to a high level of investment this year and in the past few years.

Net financial items have been considerably changed as compared to 2019. In 2020 the net income was NOK 33.9 million as against a net cost of NOK 22.4 million in 2019. The reason for this is an equity reduction of NOK 50 million made in the wholly owned subsidiary BI-Bygget D-Blokka AS that has been taken to income as received dividend in the parent company Stiftelsen Handelshøyskolen BI. In addition, sales revenues of NOK 5 million from the sale of a shareholding in the learning platform Insendi were recorded.

In 2020 a total repayment of NOK 38 million as ordinary instalments on the mortgage with DNB was made. On the balance sheet date, the amount of NOK 58.3 million of the drawing right of NOK 200 million was utilized, which is a reduction of NOK 115.3 million as compared to 2019. The Foundation adheres to a financial hedging strategy that implies that a minimum of 33 % of the mortgage loan shall be hedged through fixed-rate agreements. On the balance sheet date, the share of the loan tied up in fixed-rate agreements amounts to NOK 400 million. On the balance sheet date, the degree of hedging is 105.5 %.

The cash flow for the year is positive with a strengthening of NOK 139.7 million. Among other things, this is due to the capital reduction of NOK 50 million from the subsidiary BI-Bygget D-Blokka AS mentioned above, and that the payments to the pension schemes have been reduced by NOK 57 million as compared to 2019. This, together with the good profit for the year, results in positive liquidity for 2020. The cash flow from operations amounts to NOK 229.5 million in 2020, as against NOK 57.2 million in 2019. The Foundation's liquidity is considered to be satisfactory.

BI has no problems in finding neither short-term nor long-term funding. The school currently has an agreement with DNB on drawing rights with a variable scope during the year. During parts of the year there is no need for drawing rights due to surplus liquidity during the periods of large tuition payments at the beginning of semesters.

Since the funding of the school is based on tuition fees, and since the school competes with publicly funded institutions that do not charge any fees, the market risk is substantial. The budget document for 2021, which was adopted by the Board in December, describes how investments and operating priorities in 2020 support strategic priorities and the effects of the pandemic. The Board of Trustees believes that BI's financial position is sound. The application figures to the full-time programmes in the autumn of 2021 seem promising and confirm that the educational provision of the Foundation is attractive. It is expected that admissions to full-time programmes in the autumn of 2021 will be a little lower than in the previous year; this is a good indication of the income flow for the next few years. In the time to come efforts will be made to secure the position in the national market and to strengthen the position internationally.

The Board would like to underline that the school is still dependent on succeeding in recruiting a sufficient number of students in the time to come. In accordance with the strategy, the goal is to stabilize the number of new bachelor's degree students, reduce the drop-out rate, recruit an increased number of students to the master's degree programmes, and to maintain and develop the position within the Executive and Corporate market (life-long learning). These objectives take into account a market where according to projections made by Statistic Norway, the number of youths will decline slightly in the coming year and then again slightly rise. The need for further and continuing education is considered to increase in the time to come. This assumption is supported by the policies of the current government. A working life that is undergoing continuous change will result in an increased need for life-long learning. Although the number of students in further and continuing education is already high, the Board expects that BI will further strengthen its position in this market in the years to come.

The financial risk of the company is monitored and analysed on a continuous basis. Financial risk includes credit risk, liquidity risk and interest rate risk. Credit risk mainly consists of accounts receivable. This risk is considered to be small, since the company has good collection routines. Net losses on claims have been stable for many years and there is no reason to believe that this will change substantially. Liquidity risk is considered to be low, since the liquidity flow to the company is stable and predictable. Interest rate risk is considered to be limited. The company currently has an interest-bearing mortgage loan of NOK 379 million, of which the amount of NOK 400 million is hedged through interest rate swap agreements. In addition to the mortgage loan, comes the utilized share of the drawing rights that will vary considerably during the year. The Foundation's equity decreased to NOK 838.8 million in 2020. An estimated deviation related to the pension scheme contributed to a reduction of NOK 212.5 million. On the balance sheet date, the remaining debt amounts to NOK 437.3 million including NOK 58.3 million of utilized drawing rights. The Foundation has entered into a new five-year loan agreement with DNB. On the balance sheet date, the Foundation meets the lender's requirement for covenant. In accordance with Section 3-3 a of the Norwegian Accounting Act, we confirm that the going concern assumptions have been met.

High quality in education and research

In 2020 the number of departments at BI was increased from eight to nine through the establishment of a new department in the area of computer science and analysis. This took place at the same time as BI established a separate research centre in cooperation with Simula. Knowledge in the field of data science and research methods related to programming, machine learning and data visualization is in high demand among employers and students. The Board is keen to follow this development, since this project will undoubtedly strengthen the school's capacity, competence, and programmes and courses in the fields of data science and business analysis

In accordance with the strategy, BI recruited a number of scientific staff with an international background in the past year. They have all demonstrated great research potential and results. In 2020 the academic staff with an international background amounted to 35 per cent.

The Board is pleased to notice that BI's researchers continue the positive development regarding scientific publications, particularly the number of publications in so-called ABS4* and ABS4 journals. These are the journals with top ranking and the highest recognition in their disciplines. The pandemic resulted in an expected decline in the share of externally funded research projects, for which the total turnover amounted to NOK 31 million in 2020 as against NOK 37.2 million in the previous year. For 2021, the Board expects an increase in externally funded research, due to an increased focus, strengthened research administration support, and substantial activity in the area in 2020.

The Board considers the merger of the library and the LearningLab into the new Library and Learning Centre as successful. The Learning Centre has played a very important part in the work on arranging for digital teaching by offering systematic pedagogical training and practical support to BI's academic staff during a critical phase of the pandemic.

Welfare, value creation and change

BI is responsible for taking care of the students' welfare needs and for securing a good learning environment. In 2020 this work has been demanding. Many students have experienced great challenges related to social isolation and challenging learning conditions. BI has implemented a number of measures to deal with this situation, among other things through increased financial support to the student organization BISO, and by organizing safe meeting places for the students. The Board expects this work to be given high priority in 2021 as well.

Over several years, surveys have shown that the employment rate among BI graduates is high, particularly for graduates at master's degree level. In 2020 about 95 % of the graduates had secured a job within six months of the completion of their degree. The Board is pleased to see a

steady, positive development over time. It is considered likely, however, that the pandemic may affect results negatively in 2021. For BI it will be important to continue the systematic work to increase the relevance of its programmes of study, in close dialogue with employers from the private and public sectors.

The Board is satisfied with the fact that in a demanding year, BI was able to procure contribution and commissioned projects (BOA) worth NOK 92.9 million. Both the Board and BI's management have given priority to this work over time. It is particularly important in the Executive education market, and a steady growth in income is expected in the time to come.

Other important priorities in 2020

BI is making considerable efforts to build an even stronger quality culture based on a new quality assurance system. In the opinion of The Board, this is very important to enable the school to reach its strategic goals. The work will continue with unabated strength in 2021.

The Board is impressed with the work carried out on sustainability in 2020. This is to some extent visualized in the report Sustainability research at BI Norwegian Business School, which gives a survey of BI's research related to the UN sustainability development goals. The commitment to the UN principles for responsible management education (PRME) implies that every second year BI prepares a report describing the scope of the school's work on sustainability. In December the PRME report BI Sustainability and Responsible Management Report was submitted to the UN.

A reduction in the drop-out rate and a higher completion rate have been a high priority of the Board over time. Therefore, it is good to notice that the new BI Customer Experience platform and the digitalization of drop-out data is used already in 2020 to implement precise and preventive measures towards students whose progress of study is not sufficient and who therefore risk dropping out. The Board is very pleased with the increase in the completion rate within nominal length of study in 2020, reaching 45 % for bachelor's programmes and 87 % for master's programmes master. The latter is record high for BI and far above the average for this sector in Norway. An increased focus on admission quality and good follow-up of the PhD students give results. In 2020 the completion rate on the PhD programme after 6 years was 66.7 %.

The change to the new examination tool WISEflow has had a positive impact during the past year. The Board believes that BI is well on its way to reach the goal of organizing all digital examinations through the new system during the year to come.

The introduction of InfoHub, which is BI's new first line tool for all incoming enquiries, has been successful beyond expectations. The Board is impressed with the fact that already in 2020 InfoHub deals successfully with more than 80 % of the enquiries received in the first line. Already, the school is seeing very good effects of the Salesforce tool, both with respect to student handling and increased internal efficiency in the organization. The BI Strategi 2025 emphasizes the importance of the school's affiliation with the private and public sectors. The Executive in Residence arrangement established in 2019 builds bridges to business and industry by linking individuals with relevant experience more closely to BI's academic environments and students. In 2020 the arrangement has been extended through three new appointments.

In 2020 BI strengthened its position as an important academic partner for business and industry through its co-ownership in Kongsberg Innovasjon. This is intended to increase the interaction between Norwegian industry and innovation clusters in Norway and internationally. The Board wants BI to play a central part in the important work of creating new green jobs and export-oriented enterprises in Norway.

OUTLOOK

During the past year BI's ability to provide excellent teaching and research under very demanding circumstances has really been tested. The Board believes that BI is coping well with the pandemic and thus has created a strong fundament for the years to come.

Since 1943 BI has developed from a modest evening school that offered courses in business economics into a central international provider of life-long learning. Determination and goal-oriented work have placed BI in a position to become one of the leading business school in Europe.

BI's Strategy 2025 specifies long-term goals. These are to be reached through areas of priority such as the development of attractive programmes of study and graduates, the development of a first-class academic environment, as well as sound operations. The Board emphasizes internationalization, digitalization and sustainability within all these areas, and believes that in 2020 BI has seen good progress in this work.

BI operates in several markets characterized by fierce competition, both in Norway and internationally. This implies that the school has to ensure continuous innovation of the programme portfolio, and all the time explore new delivery models, formats and course combinations to secure that programmes and courses are as relevant and attractive as possible

Since BI is competing with public institution with no tuition fees, BI is dependent on attracting a sufficient number of students, particularly at bachelor's level. The Board believes that the organization is well prepared to deal with future fluctuations. In order to secure BI's competitiveness in the years to come, the Board will continue to focus on the development of the bachelor's programmes, with an even increased focus on internationalization through student exchange and practical experience through internships. The Board would like to underline that good progress in this work in the time to come is important. Through several decades BI has provided students with an opportunity of taking an education irrespective of their background. Our philosophy is that BI cares about where the students are going, not where they come from.

The Board considers BI well prepared for increased competition from international educational institutions and from companies such as Google and Microsoft. The market for digital learning is growing. In the time to come it will be important for BI secure its position as a central provider of web-based and flexible teaching. The introduction this year of so-called Short Learning Modules in the further and continuing education market is an example of measures BI has to further develop and explore.

The Government's competence reform «Learn throughout life» ("Lære hele livet") contributes to increased competition for BI in the national market for further and continuing education. Through long-term cooperation with private and public enterprises, and through a strong involvement in defining the future competence needs, BI has a strong brand in the market in this area.

In the opinion of the Board, the pace of innovation and international competition will increase. At the same time, the Board feels safe that BI, as one of Europe's leading business schools, is well prepared to meet the competition. 2020 has shown that BI is a good employer with a good financial position. The pandemic has not led to any layoffs.

Organizational changes

BI Norwegian Business School has not made and is not planning to make any organizational changes that will affect the legal and financial position of the foundation.

Temporary employees

In addition to the qualifying fixed-term positions, there are 13 persons in temporary positions on the faculty and 5 short-term appointments on contract. One person is temporarily appointed in an externally funded position as researcher.

On the administrative staff BI had a total of 18 temporary positions on contract at the end of 2020, as well as 11 temporary substitutes for staff on leave of absence. Temporary positions on contract in the administration are mainly due to a short-term increased need for capacity in connection with projects related to the development and implementation of new digital systems and work processes.

Equal opportunities, discrimination and availability

BI's plan for diversity and equality affirms that all employees shall have the same rights, duties and opportunities irrespective of gender, age, ethnicity, national origin, functional ability, philosophy of life or sexual tendency. BI aims at a gender distribution within the 60-40 interval, and systematic wage differentials shall be neutralized. BI's work on equality is regularly reported to The Board and is an area followed closely by the Board.

In 2020 a new action plan for equality was prepared. The main goal is to increase the number women on the faculty through goal-oriented recruiting, particularly within finance and economics. At the same time, the share of men in administrative positions shall be increased, including leadership positions. On the basis of the national survey on bullying and harassment in the higher education sector in 2019, BI has chosen to focus particularly on how to prevent sexual harassment. BI has started and strengthened the work to prevent sexual harassment at work, including measures to detect and address unconscious attitudes of gender discrimination in the working environment.

On an annual basis, BI conduct surveys of the gender balance in different positions and bodies in organizations. At the end of 2020 BI had 29 female professors, of which 24 held full permanent positions.

The women's share among professors was 24 %. The total share of women in academic positions is stable at 34 %, with great variations across position categories and departments. The share of men in administrative positions is 33 %. The share of men in administrative leadership positions has declined from 22 % to 17 %. Analyses of pay and gender show, among other things, that on average female professors earn less than their male colleagues. This can be ascribed to the fact that the time of service for female professors is shorter than that of their male colleagues, and also that women are strongly underrepresented in disciplines with the highest pay (finance, economics and accounting). The share of women on BI's Board of Trustees amounts to 50 %. In the Senate the share of women is 36 % and in the top management team the share of women is 40 %, whereas 50 % of the heads of department and 25 % of the deans are women.

The BI 2020 working environment survey showed that most employees experience equal opportunities and rights across gender, age, nationality and functional ability. Major reasons for reported bullying and harassment were related to disagreement on academic matters and personal chemistry.

In 2020, 49 nationalities were represented among BI's employees. In an effort to include everybody with an international background in the working environment, BI's Board of Trustees has adopted a new language policy in 2020, stating that English is the main language for internal communication and when the whole organization is gathered. At the end of 2020, 18.5 per cent of all BI's employees were foreign citizens. The share of international staff amounted to 6 per cent for administrative employees and 35 per cent for all persons in academic positions. The Board notes that the number of international staff in academic positions is constantly increasing as compared to administrative positions.

The average age for resignation with a pension is 68.4 years for all BI employees. Senior staff in academic position on average work until they reach 68.9 years of age, which is at the same level as in 2019. Senior administrative staff on average work until they reach 67.1 years of age, up 0.7 years on 2019.

BI's campuses have been developed pursuant to the laws and regulations in force when they were built. A survey has been made of areas where the buildings diverge from the present rules and regulations. Continuous work is carried out to repair any defects through rebuilding and adaptations of the buildings

Civil protection and preparedness

A central element in BI's HSE activities is to secure the life and health of individuals. BI conducts annual risk analyses and implements measures on the basis of these. BI works actively to prevent serious incidents and plans for how to deal with such incidents in a way that will restrict harmful effects should they occur.

Dealing with the Covid-19 pandemic has been the first priority in BI's work on security and preparedness in 2020. A number of measures for infection prevention among students and staff have been implemented, evaluated and followed up. Risk assessments, such as decision support prior to important changes, have been made on a regular basis. BI has endeavoured to keep the measures proportionate and in accordance with recommendations and advice given by the authorities. The handling of cases of infection among students and staff have functioned well and has been carried out in close cooperation with local health authorities. In general, the number of infected has been low at BI in 2020, 43 in Oslo, 69 in Bergen, 5 in Trondheim and 1 in Stavanger respectively. The total number of infected employees was 7. The handling of the pandemic has led to closer cooperation on security and preparedness with other study centres. BI is planning to carry out an evaluation of the way the pandemic was dealt with, where preparedness and infection protection will also be included.

Otherwise, no serious threats or incidents related to security and preparedness have been reported in 2020.

Statement on commercial terms

The Board confirms that all transactions between BI Norwegian Business School and closely related entities, as well as group transactions, have been priced and conducted pursuant to commercial conditions.

THE BOARD OF TRUSTEES IN 2020

The Board of Trustees consists of 10 members of which four are external members and two are observers.

The four internal members of the Board count two representatives elected by and among BI's faculty, one representative and one observer elected by and among BI's administrative staff, and one student representative and one student observer elected by the student organization BISO.

Chair of the Board of Trustees

BI's Board of Trustees has elected Åse Aulie Michelet as new Chair of the Board for a term of three years as from 1 August 2018. Åse Aulie Michelet has held a number of leadership positions in Norwegian and international business and has comprehensive board work experience.

Members of the Board of Trustees as of 31 December 2020

ÅSE AULIE MICHELET Chair of the Board

PER HOVE External member of the Board

BJØRN JØRGENSEN External member of the Board

BENTE SVENSSON External member of the Board

PÅL LAURITZEN Representative for the academic staff

SIV JØNLAND STAUBO Representative for the academic staff

DONATELLA DE PAOLI Deputy representative for the academic staff

ANDERS DYSVIK representative for the academic staff

KJERSTI Ø. GUMMERSON Representative for the administrative staff

TRULS BIRGER BRÆNDEN Observer from the administrative staff

MINDA SOFIE HÅAN AAKRE (Deputy representative for the administrative staff)

OLE ANDREAS LØSETH (Deputy representative for the administrative staff)

MARTIN HORGEN Student representative elected by BISO

EIRIK SKORSTAD Student observer elected by BISO

The Board of Trustees proposes the following allocation of the profit for the year:

This year's allocation/(use) to/(of) the research and development fund	-0,5 MNOK
Transfer to other equity	140,2 MNOK
Total allocations	139,7 MNOK

As at 31 December 2020 the Foundation's equity consists of the following

Formation capital	1,3 MNOK
Research Development Fund	23,4 MNOK
Other equity	814,1 MNOK
Total equity	838,8 MNOK

Oslo, 11 March 2021



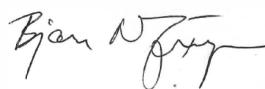
Åse Aulie Michelet
Total equity



Bente Svensson
Deputy Chair of the Board



Per Hove



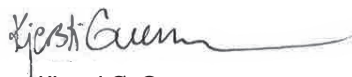
Bjørn Jørgensen



Siv Jønland Staubo



Anders Dysvik



Kjersti Ø. Gummerson



Eirik Skorstad
Studentrepresentant



Inge Jan Henjesand
President

ANNUAL ACCOUNTS



ANNUAL ACCOUNTS

Parent company: Profit and loss 1.1.-31.12.

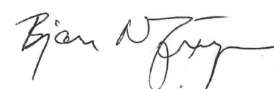
2020	2019	Note	NOK 1.000	2020	2019
			Operating income		
1 249 945	1 186 401		Tuition fees	1 249 945	1 186 401
30 693	37 701		Income from commissioned research	30 693	37 701
365 027	347 771	1	Government subsidies	365 027	347 771
46 122	43 573	2,9	Other operating income	70 326	67 088
1 691 787	1 615 446		Total operating income	1 715 991	1 638 961
			Operating expenses		
986 885	926 400	3,7	Salaries and other personnel costs	987 083	926 682
121 816	96 242	5	Ordinary depreciation	135 099	106 623
2 213	1 654	11	Loss on receivables	2 213	1 654
474 583	487 491	4,9	Other operating expenses	467 400	481 776
1 585 496	1 511 787		Total operating expenses	1 591 795	1 516 735
106 290	103 659		Operating profit	124 196	122 226
			Financial income and expenses		
57 783	1 009	9	Financial income	8 036	1 630
-23 876	-23 418	6,9	Financial expenses	-26 848	-27 456
33 907	-22 409		Net financial items	-18 812	-25 827
140 198	81 250		Profit before tax	105 384	96 399
-515	-1 668	21	Tax on taxable activities	-4 003	-5 146
139 682	79 582		Profit for the year	101 381	91 253
			Transfers and allocations of the profit for the year		
-474	623		Net to/(from) The Research Development Fund	-474	-623
140 157	80 205		Transferred to other equity	101 856	91 876
139 682	79 582		Total allocated	101 381	91 153

Parent company:		Balance sheet as at 31 December		Group:	
2020	2019	Note	NOK 1.000	2020	2019
			ASSETS		
			Fixed assets		
77 876	82 634	5	Intangible assets	77 967	82 746
1 405 127	1 439 650	5	Buildings, technical installations, land	1 807 344	1 848 848
123 017	98 480	5	Machinery, furniture and fixtures, vehicles	139 189	118 214
99	577	8	Long-term receivables and investments	99	577
280 296	280 296	10	Shares in subsidiaries	0	0
1 886 415	1 901 637		Total fixed assets	2 024 599	2 050 385
			Current assets		
117 791	125 940	9,11	Trade receivables and other short-term receivables	116 375	126 904
71 629	47 183	12	Cash and bank deposits	86 026	95 077
189 420	173 124		Total current assets	202 402	221 981
2 075 835	2 074 761		Total assets	2 227 001	2 272 366
			EQUITY AND LIABILITIES		
			Paid-in equity		
1 300	1 300	13	Formation capital	1 300	1 300
			Retained earnings		
23 397	23 872	13	Funds	23 397	23 872
814 123	886 417	13	Other equity	824 413	935 008
837 520	910 288		Total retained earnings	847 811	958 880
838 820	911 588		Total equity	849 111	960 180
5 300	3 479	14	Restricted funds	5 300	3 479

Parent company:		Balance sheet as at 31 December		Group:	
2020	2019	Note	NOK 1.000	2020	2019
			Provisions for obligations		
1 558	1 066	21	Deferred tax	17 562	17 322
364 986	204 337	7	Pension liabilities	364 986	204 337
11 294	13 103	17	Other provisions for obligations	11 294	13 103
377 838	218 507		Total provisions for obligations	393 841	234 763
			Long-term debt		
341 000	379 000	15	Mortgage loan	451 000	499 000
341 000	379 000		Total long-term debt	451 000	499 000
			Short-term debt		
62 923	44 056	9	Trade payables	63 372	46 061
84 209	70 939		Public duties payable	84 102	70 856
0	0	21	Tax payable	3 769	29
58 316	173 579	16	Utilized overdraft facility	58 316	173 579
307 430	273 612	9,20	Other short-term debt	318 189	284 420
512 877	562 187		Total short-term debt	527 749	574 945
2 075 835	2 074 761		Total equity and liabilities	2 277 001	2 272 366
379 000	417 000	18	Secured debt	499 000	547 000
966 584	1 010 410	19	Rent commitments	966 584	1 010 410

Oslo, 11 March 2021


Åse Aulie Michelet
Chair of the Board

Bente Svensson
Board Member

Bjørn Jørgensen
Board Member

Per Hove
Board Member

Siv Jønland Staubo
Board Member

Anders Dysvik
Deputy Board Member

Kjersti Ø. Gummerson
Board Member

Eirik Skorstad
Board Member

Parent company:			Cash flow statement 1 January – 31 December.	Group:	
2020	2019		NOK 1.000	2020	2019
			Cash flow from operating activities		
140 198	81 250		Profit before tax	105 384	96 399
121 816	96 242	+/-	Ordinary depreciation	135 099	106 623
-24	-602	+/-	Tax paid for the period	-24	-602
-5 041	-112	+/-	Loss/(profit) on sale of fixed assets	-5 041	-112
-50 000	0	+/-	Received dividend	0	0
27 016	-5 133	+/-	Changes in inventories, trade receivables and payables	27 938	-4 832
-4 506	-114 410	+/-	Changes in other accruals	-4 675	-113 287
229 458	57 236	= (A)	Net cash flow from operating activities	258 682	84 189
			Cash flow from investment activities		
-107 091	-76 023	-	Investments in tangible fixed assets	-109 811	-77 013
0	362	+	Disposal of tangible fixed assets (sales amount)	0	362
0	0	+	Payments/disbursements on long-term loan claims	0	0
5 342	0	+	Proceeds from sale/liquidation of shares	5 342	0
50 000	0	+	Received dividend	0	0
0	0	-	Purchase of shares	0	0
0	0	+/-	Changes in other investments	0	0
-51 749	-75 662	= (B)	Net cash flow from investment activities	-104 469	-76 651
			Cash flow from financing activities		
0	0	+	New debt (short-term and long-term)	0	0
-38 000	-38 000	-	Payment of debt	-48 000	-48 000
-115 263	53 419	-	Net change in overdraft facility	-115 263	-53 419
-153 263	15 419	= (C)	Net cash flow from financing activities	-163 263	5 419
24 446	-3 006	A+B+C	Net change in liquidity during the year	-9 051	12 959
47 183	50 189	+	Cash and bank deposits as at 1 January	95 076	82 117
71 629	47 183	=	Cash and bank deposits as at 31 December	86 026	95 076

NOTES TO THE 2020 ACCOUNTS

(All amounts in the following notes are in 1 000 NOK unless otherwise stated.)

Accounting principles

The annual accounts have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The most significant accounting principles are described below.

The consolidated accounts comprise the parent company Stiftelsen Handelshøyskolen BI and the subsidiaries BI-bygget D-Blokka AS, Bedriftsøkonomisk Institutt AS, Studentenes Hus Nydalen AS, Sandakerveien 116-118 AS and Sandakerveien D-Blokka AS.

Of these, neither Bedriftsøkonomisk Institutt AS, Sandakerveien D-Blokka AS, Studentenes Hus AS nor Sandakerveien 116-118 AS had any activities in 2020. Reference is also made to Note 10.

a) Consolidation principles

The consolidated accounts have been prepared as if the Group were one financial unit. The accounts include the Foundation BI Norwegian Business School and companies in which the Foundation has a controlling interest. A controlling interest is normally obtained when the Group owns more than 50% of the shares in the company and can exercise actual control of the company.

Transactions and balances between the group companies have been eliminated. The consolidated financial statements have been prepared in accordance with the same accounting principles for both the parent company and the subsidiaries.

The cost of shares in subsidiaries has been eliminated against equity in the subsidiary at the time of the acquisition.

The note tables have been prepared for the Group and the parent company for the last two years.

b) Principles of revenue recognition

Tuition fees are recognized in the income statement in accordance with the level of completion of the nominal length of study for the relevant programme of study. Income from commissioned research and other operating income are recognized concurrently with the provision of the service. BI receives public contributions to research projects. The contributions are recognized in the income statement concurrently with the progress of the projects. Rent is recognized pursuant to the rent period, and overhead costs are recorded in the income statement with an on-account amount. Overhead costs are settled at the end of the year.

c) Classification and valuation of assets and liabilities

Current assets and short-term debt comprise items due within one year after the acquisition date, as well as items related to the inventory cycle. Other items are classified as fixed assets and long-term debt, respectively.

d) Receivables

Receivables are stated in the balance sheet at their nominal value less a provision for expected losses. The provision for losses is, when possible, made on the basis of an individual assessment of each receivable. For the remaining receivables, a general provision is made to cover expected losses. Receivables in foreign currency are valued at the exchange rates as at 31 December.

e) Shares and bonds

Shares and bonds for permanent ownership or use are classified as non-current assets in the balance sheet, valued at cost unless circumstances not considered to be temporary have required a lower value.

Short-term investments of surplus liquidity (liquid shares and bonds classified as current assets) are valued at fair value on the balance sheet date. Dividend and other contributions received from the companies are recognised as other financial income.

f) Tangible fixed assets

Tangible fixed assets are capitalised and depreciated when their life is more than 3 years, and the cost exceeds NOK 100,000. Direct maintenance of fixed assets is expensed as operating costs when incurred, whereas improvements are added to the acquisition cost and depreciated with the related assets. Replacements of entire assets are recognised in the balance sheet. In the tax accounts, the valuation principles of the tax legislation concerning capitalisation are adhered to, and tangible fixed assets considered to have a useful life of more than 3 years and a cost price exceeding NOK 15,000 are capitalised.

g) Pensions and pension liabilities

BI's occupational pension scheme meets the legal requirements for occupational pensions. BI's employees are partly included in the Norwegian Public Service Pension Fund (Statens Pensjonskasse - "SPK") and partly in private schemes through Storebrand. BI applies IAS 19 according to the Norwegian Accounting Standard (NRS) 6A.

The pension scheme with SPK is based on insurance principles. The scheme is, however, not based on funds, but the payments of pensions are guaranteed by the State pursuant to the Pension Act Section 1. The determination of the premium and calculation of pension obligations are made in accordance with actuarial principles. Calculated pension funds give a yield equivalent to the government bond interest. According to NRS, the scheme is a defined benefit scheme.

Pension costs and pension obligations are calculated on the basis of straight-line earnings based on assumptions on discount interest rates, future salary regulations, changes in pensions and benefits and return on pension funds, in addition to actuarial assumptions on mortality, voluntary retirements etc.

Changes in the obligation due to changes in pension plans are amortized over the assumed average remaining contribution period. Changes in the obligation and pension funds due to amendments of and deviations from the assumptions for the calculations (estimate changes) are recognised against equity.

Pension costs are included in salaries and other personnel costs.

h) Research term

Full-time employees in scientific positions at BI are entitled to a research term every sixth year. This implies one year with an obligation to do research, exempt from teaching. An application for a research term shall be approved by the Provost and shall comply with the budget process and the various activity plans. The salary during an employee's research term is considered to be costs for necessary competence building and is expensed as an ordinary operating cost.

i) Loss contracts

A contract is classified as a loss contract if BI has a binding agreement with an estimated negative net present value. A loss contract is stated as an obligation at best estimate.

j) Tax

The Foundation BI is not liable to pay taxes, but the rent of premises is taxable. The tax in the income statement comprises both the period's tax payable and the change in deferred tax. Deferred tax is calculated at 22 % on the basis of the temporary differences existing between accounting and tax values, in addition to the tax losses that may be brought forward at the end of the accounting year. Tax increasing and tax reducing temporary differences that reverse or can reverse in the same period are netted. Net deferred tax advantages are carried in the balance sheet when it is more probable than not that the tax assets can be utilized. All the subsidiaries are liable to pay taxes.

k) Interest swap agreements

BI applies interest swap agreements to secure future interest payments on long-term loans, accounted for as hedges. The cash flows from the interest swap agreements are matched with the interest payments related to long-term loans. The interest swap agreements are not stated in the balance sheet. With respect to interest swap agreements for which the conditions for hedging accounting do no longer exist, the accounting is made according to the principle of premium/discount.

l) Cash flow statement/cash and cash equivalents

The cashflow statement has been prepared using the indirect method. This means that the statement is based on the Foundation's profit for the year in order to present cash flow from ordinary operations, investment activities and financing activities respectively. Cash and cash equivalents include cash and short-term bank deposits.

m) Currency

Foreign currency items are valued on the basis of the exchange rate at the end of the accounting year.

Note 1 Government subsidy

The Government subsidy is determined in connection with the annual budget debate in the Norwegian Parliament (Stortinget) and the grant is given through Chapter 260.

2020	2019	
173 401	153 489	Basis
168 964	170 585	Result-based grant open frame
22 662	23 697	Result-based grant closed frame
365 027	347 771	Total Government subsidy

Note 2 Operating income

Operating income exclusive of Government subsidy for each campus.

Parent company			Group	
2020	2019		2020	2019
172 937	154 153	Campus Bergen	172 937	154 153
987 993	961 253	Campus Oslo	1 012 197	984 768
55 780	50 946	Campus Stavanger	55 780	50 946
110 049	101 323	Campus Trondheim	110 049	101 323
1 326 759	1 267 675	Total operating income exclusive of Government subsidy	1 350 964	1 291 190

Other operating income mainly include the sale of compendiums and books, rent income, gifts and royalty income.

Parent company			Group	
2020	2019		2020	2019
41	123	Printworks and publishing income	41	123
23 258	24 837	Rent income	49 005	49 579
9 772	8 410	Public and private contributions and gifts	9 772	8 410
13 050	10 204	Other income	11 508	8 977
46 122	43 573	Total other operating income	70 326	67 088

In the autumn of 2012, BI decided to terminate the activity in Studentenes Hus Nydalen. This implied that the rent agreement related to Studentenes Hus was transported back to BI, and BI started the work to lease the premises to other businesses. At the end of 2020 the building had 187m² of vacant premises. There have been no changes in the rental areas in the A, B and C-Blokka during 2016. The areas which are subject to lease are 3,339 square metres. In the subsidiary BI-Bygget D-Blokka there were no vacant premises at year end 2020.

Note 3 Salaries and other personnel costs

In 2020 the remuneration to the CEO (President) amounted to NOK 2,611,475. Other taxable benefits totalled NOK 9,345. The President is a member of BI's ordinary pension scheme in the Norwegian Public Service Pension Fund. Net estimated pension cost, including the employer's national insurance contribution, for 2020 was NOK 208,155. After the conclusion of his term as President, the President is entitled to a research term of two years with the salary of President for one year and the ordinary salary as Associate Professor for one year. The CEO has no bonus agreement.

BI has no pension obligations to the members of the Board of Trustees other than employees' representatives who are part of BI's ordinary pension schemes. The Trustees' remuneration for 2020 has been paid as follows:

	Navn	Oppnevnt av	Valgperiode	Styrehonorar
Chair of the Board	Åse Aulie Michelet	The Board	01.08.18-31.07.21	187 000
Vice-chair of the Board	Bente Svensson	The Board	01.08.17-31.07.20	66 500
Vice-chair of the Board	Bente Svensson	The Board	01.08.20-31.07.23	66 500
Board Member	Bjørn Jørgensen	The Board	01.08.18-31.07.21	107 000
Board Member	Per Kristian Hove	The Board	01.08.19-31.07.22	107 000
Board Member	Pål Lauritzen	The faculty	01.08.19-31.07.21	107 000
Board Member	Caroline Ditlev-Simonsen	The faculty	01.08.18-31.07.20	53 500
Board Member	Siv Jønland Staubo	The faculty	01.08.20-31.07.22	53 500
Faculty Deputy Board Member	Anders Dysvik	The faculty	01.08.19-31.07.21	3 750
Faculty Deputy Board Member	Donatella De Paoli	The faculty	01.08.20-31.07.22	
Faculty Deputy Board Member	Siv Jønland Staubo	The faculty	01.08.18-31.07.20	
Board Member	Kjersti Gummerson	Adm. staff	01.08.19-31.07.21	107 000
Administrative Deputy Board Member	Ole Andreas Løseth	Adm. staff	01.08.19-31.07.21	3 750
Administrative Deputy Board Member	Minda Sofie Haan Aakre	Adm. staff	01.08.19-31.07.21	
Observer	Truls Birger Brænden	Adm. staff	01.08.19-31.07.21	22 500
Board Member	Sunniva Sandjord	The students	01.01.20-31.07.20	53 500
Board Member	Martin Horgen	The students	01.08.20-31.12.20	53 500
Observer	Martin Horgen	The students	01.01.20-31.07.20	15 000
Observer	Eirik Skorstad	The students	01.08.20-31.12.21	11 250
Total				1 018 250

No loans and/or guarantees have been given to the CEO or the Chair of the Board.

Parent company			Group	
2020	2019		2020	2019
827 501	773 798	Labour costs	827 698	774 079
101 479	103 845	Employer's national insurance contribution	101 479	103 845
28 609	19 218	Pension costs including employer's national insurance contribution	28 609	19 218
29 296	29 540	Other contributions	29 296	29 540
986 885	926 400	Total	987 083	926 682
923	874	Number of employees as at 31 December	923	874
841	795	Converted into full-time equivalents	841	795

The auditors fee for 2020 is as follows:

	Parent company		Group
Lovpålagt revisjon	NOK	380 156	486 121
Andre attestasjonstjenester	NOK	143 438	143 438
Skatterådgivning	NOK	30 438	54 952
Annen bistand	NOK	752 080	748 258
Sum	NOK	1 306 112	1 432 770

All amounts are in NOK and inclusive of VAT.

Note 4 Other operating expenses

Parent company			Group	
2020	2019		2020	2019
142 731	154 212	Rent and administration costs 1)	134 829	147 351
109 291	90 226	IT costs	109 291	90 226
22 500	21 435	Books, journals and misc. subscriptions	22 500	21 435
57 687	45 817	Marketing	57 699	45 840
14 595	51 511	Travel and meeting costs	14 595	51 511
9 359	11 585	Copying and printing	9 359	11 585
5 920	6 419	Telephone, postage and freight costs	5 925	6 420
40 527	48 062	Costs concerning collaborating schools	40 527	48 062
71 974	58 225	Sundries 72 675	59 346	
474 583	487 491	Total	467 400	481 776

1) See also note 18.

Note 5 Tangible fixed assets

The assets are depreciated over their assumed life according to the straight-line method and at the following rates:

Intangible assets	15-25 %
Vehicles	20 %
Machinery, furniture	10-20 %
Data equipment	25 %
Buildings	1,5-7 %

Personal data equipment used in teaching, administrative work or research is entered in the profit and loss accounts, since due to wear and tear and the rapid technical development it is not expected to have a life in excess of three years.

Parent company:

	Intangible assets	Machinery, equipment, vehicles	Building Nydalen, Oslo	Land Nydalen, Oslo	Total
Cost as at 1 January	328 531	370 409	1 685 743	105 300	2 489 983
Additions	44 440	56 069	6 582	0	107 091
Disposals at cost	0	-50 684	-18 341	0	-69 024
Cost as at 31 December	372 971	375 794	1 673 984	105 300	2 528 050
Acc. depreciation/write-downs as at 1 January	245 897	271 930	351 393	0	869 219
Depreciation/write-down on disposals	0	-50 665	-18 341	0	-69 005
Ordinary depreciation and write-downs for the year	49 198	31 512	41 105	0	121 816
Acc. Depreciation as at 31 December	295 095	252 777	374 157	0	922 030
Balance sheet value as at 31 December	77 876	123 017	1 299 827	105 300	1 606 020

Group:

	Intangible assets	Machinery, equipment, vehicles	Building Nydalen, Oslo	Land Nydalen, Oslo	Total
Cost as at 1 January	328 671	412 657	2 139 526	165 300	3 046 153
Additions	44 440	56 069	9 302	0	109 811
Disposals at cost	0	-50 684	-21 886	0	-72 570
Cost as at 31 December	373 111	418 042	2 126 941	165 300	3 083 395
Acc depreciation/write-downs as at 1 January	245 925	294 443	455 978	0	996 345
Depreciation/write-downs on disposals	0	-50 665	-21 886	0	-72 551
Ordinary depreciation and write-downs for the year	49 219	35 074	50 806	0	135 099
Acc. depreciation as at 31 December	295 144	278 853	484 897	0	1 058 894
Balance sheet value as at 31 December	77 967	139 189	1 642 044	165 300	2 024 501

IT systems and in-house developed IT solutions are included in intangible assets.

Note 6 Financial expenses

Parent company			Group	
2020	2019		2020	2019
23 437	25 364	Interest on mortgage loan	26 406	29 258
0	0	Buyout interest rate swap	0	0
-375	-3 167	Ineffective interest rate swap	-375	-3 167
814	1 221	Other interest and expenses	817	1 365
23 876	23 418	Total financial expenses	26 848	27 456

Note 7 Pensjoner

The scheme with the Norwegian Public Service Pension Fund (SPK) comprises 317 working persons and 116 pensioners as at 31 December 2020 (385 working persons and 109 pensioners as at 31 December 2019).

The scheme with Storebrand comprises 627 working persons and 150 pensioners as at 31 December 2020 (733 working persons and 155 pensioners as at 31 December 2019).

The calculations are based on the following assumptions (see also Note h under Accounting principles):

	2020	2019
Discount interest rate	1,70 %	2,30 %
Annual salary regulation	2,25 %	2,25 %
Annual G regulation	2,00 %	2,00 %
Annual pension regulation	1,25 %	1,25 %
Return on pension funds	1,70 %	2,30 %

The basis for the calculation from SPK is voluntary retirement varying from approximately 19.0 per cent for the youngest to approximately 4.0 per cent for the oldest members of the scheme. For the calculations from Storebrand, the basis is voluntary annual retirement varying from 95 per cent for the youngest to 0 per cent for the oldest members of the scheme. Many members included in the calculations from Storebrand are students employed only during their period of study. Consequently, voluntary retirement is high for the youngest members of the scheme. The assumptions for both schemes correspond with those applied in 2019. From 1 January 2021, the defined-benefit scheme with Storebrand and the pension scheme with SPK were closed, with voluntary transition for all employees. From the same date, a new joint defined-contribution scheme was established for all new employees. The voluntary transition resulted in 163 employees changing to the new defined-contribution scheme.

BI is a member of the early retirement pension scheme (AFP), which is a collective pension scheme for the private sector in Norway and comprises all employees working in businesses with a wage agreement including AFP. The AFP scheme is based on a tripartite cooperation between the employers' organizations, the labour organizations and the State. The State covers 1/3 of the pension costs for AFP, and associated enterprises cover 2/3. All BI's employees included in the pension scheme with Storebrand are members of the AFP scheme.

The right to early retirement pension (AFP) requires that the member must meet several conditions, such as being employed at the time when the pension is paid and actually working in a business that is a member of the scheme. The employee must have been consecutively employed for the last three years and in a company that has applied the scheme for 7 of the last 9 years. An annual pension will be calculated on the basis of 0.314 per cent of the pensionable annual income up to 7.1 G from 13 years of age up to and including 61 years of age. The scheme is administered by a joint administration ("Fellesordningen for AFP"), which also determines and collects the premium. The premium shall be adequate to cover day-to-day costs and also constitute the basis for accumulating a pension fund. Next year's premium rate is 2.5 per cent of salaries between 1 and 7.1 G (as at 31 December 2020, 1 G corresponds to NOK 101,351)

This joint administration does not publish estimates on future premium rates but assumes that the premium for the new AFP must increase over time in order to meet expectations for higher payments with adequate buffer capital. Enterprises participating in AFP schemes are jointly and severally liable for two thirds of the pension to be paid to the employees who satisfy the conditions at all times. This liability concerns both missing payments and if the premium rate turns out to be inadequate.

For accounting purposes, the scheme is considered to be a defined benefit multi-company scheme. BI is not able to identify its share of the scheme's underlying financial position and result with a sufficient degree of reliability, and for this reason, the scheme is accounted for as a defined contribution scheme. This implies that the AFP scheme is not included in the balance sheet. Premiums to the scheme are expensed when incurred. Contributions to the AFP scheme are included in salaries and other personnel costs in the income statement and amounted to MNOK 7.2 in 2020 (2.5 per cent of salaries between 1 and 7.1 G).

	2020				2019			
Pension costs for the period	SPK	Storebr secured schemes	Storebr unsecured schemes	Total	SPK	Storebr secured schemes	Storebr unsecured schemes	Total
Present value of the year's pensions earned including employer's national insurance contribution	21 593	47 377	0	68 970	23 597	46 133	0	69 730
+ Interest expense on accrued pension obligations	15 006	17 259	0	32 265	17 284	19 193	0	36 477
- Estimated return on pension funds	-14 541	-14 129	0	-28 670	-15 291	-14 128	0	-29 419
+/- Administration costs	882	0	0	882	978	0	0	978
Net pension costs	22 940	50 507	0	73 448	26 567	51 199	0	77 766
+/- Plan changes including employer's national insurance contribution entered in the profit and loss accounts	0	0	0	0	-47 277	0	0	-47 277
+/- Reduction/settlement entered in the profit and loss accounts	-15 032	-17 781	0	-32 813	0	0	0	0
Pension costs including employer's national insurance contribution	7 908	32 726	0	40 634	-20 710	51 199	0	30 489
- The employees' share (deducted from salaries)	-5 413	-6 613	0	-12 026	-5 119	-6 153	0	-11 272
Pension costs for the year including employer's national insurance contribution	2 496	26 113	0	28 609	-25 829	45 046	0	19 218

	31 Dec. 2020				31 Dec. 2019			
Pension funds and pension obligations	SPK	Storebr secured schemes	Storebr unsecured schemes	Total	SPK	Storebr secured schemes	Storebr unsecured schemes	Total
Estimated gross pension obligations including employer's national insurance contribution	-725 722	-798 817	0	-1 524 540	-690 810	-674 934	0	-1 365 745
Estimated value of pension funds including employer's national insurance contribution	601 759	557 794	0	1 159 554	623 218	538 189	0	1 161 407
Net pension obligations including employer's national insurance contribution	-123 963	-241 023	0	-364 986	-67 592	-136 745	0	-204 337
Plan changes including employer's national insurance contribution not entered in the profit and loss accounts	0	0	0	0	0	0	0	0
Net pension funds/(obligations) including employer's national insurance contribution	-123 963	-241 023	0	-364 986	-67 592	-136 745	0	-204 337

BI records estimate deviations directly against equity and in 2019 and 2020 the following has been recorded against equity:

	31 Dec. 2020				31 Dec. 2019			
Pension funds and pension obligations	SPK	Storebr secured schemes	Storebr unsecured schemes	Total	SPK	Storebr secured schemes	Storebr unsecured schemes	Total
Estimate deviation against equity as at 31 December	-86 638	-125 813	0	-212 450	-24 962	39 469	0	14 508

Note 8 Long-term receivables and investments

BI has the following shareholdings:

Description	Company/fund	Number	Nominal value	Stake and voting right	Balance sheet value
Shares	Oslotech as (previously Forskningsparken AS), B shares	55	55	1,20 %	0
Shares	Kongsberg Innovation AS	1 501	1 000	12,50 %	1
Total					1

BI has the following long-term receivable:

Description	Company/fund	Principal	Balance Sheet value*
Receivable	Studentsamskipnaden BI Oslo (SBIO)	592	296
Total			296

* Next year's instalment of NOK 197.3 million is classified as a short-term receivable since it falls due within 12 months; it is, however, included in the above table.

Note 9 Intercompany balances etc.

Balances 2020:

	Accounts receivable		Other receivables	
	2020	2019	2020	2019
Group companies	4	115	1 086	312
Affiliated companies	0	0	0	0
Joint ventures	0	0	0	0
Total	4	115	1 086	312

	Other short-term debt		Trade payables	
	2020	2019	2020	2019
Group companies	0	0	40	54
Affiliated companies	0	0	0	0
Joint ventures	0	0	0	0
Total	0	0	40	54

Significant transactions in 2020:

	Sales income		Operating expenses	
	2020	2019	2020	2019
Group companies	3 121	3 041	19 872	19 779
Affiliated companies	0	0	0	0
Joint ventures	0	0	0	0
Total	3 121	3 041	19 872	19 779

1) The transactions between group companies concern rent for premises rented by the parent company from the subsidiary BI-Bygget D-Blokka as. In addition, the parent company sells operating and management services to the subsidiary BI-Bygget D-Blokka as.

A capital reduction in the wholly owned subsidiary BI-Bygget D-Blokka AS equivalent to NOK 50.0 million has been made. This has been posted as financial income – profit in the parent company.

Note 10 Shares in subsidiaries

Company	Number	Nominal value	Stake and voting share	Balance sheet value
Bedriftsøkonomisk Institutt AS	100	1	100,00 %	100
BI-Bygget D-Blokka AS	179 100	1	100,00 %	280 055
Sandakerveien D-Blokka AS	300	1	100,00 %	45
Studentenes Hus Nydalen AS	100	2	100,00 %	0
Sandakerveien 116-118 AS	100	1	100,00 %	96
Total				280 296

The business address of all the subsidiaries is Nydalsveien 37, Oslo.

Note 11 Other short-term receivables

2020	2019	
1 600	1 700	Provision for potential losses as at 31 December
2 313	1 654	Actual losses
-100	0	Change in provision
2 213	1 654	Loss on receivables for the year

Receivables falling due in more than one year:

6 690	8 403	Loans to employees
-------	-------	--------------------

Note 12 Restricted funds for tax deduction

2020	2019	
58 537	46 328	Deposited in the account for tax deductions

Note 13 Equity

Parent company:

The parent company has utilized MNOK 0.5 net of the Research Development Fund in 2020. The profit for the year of MNOK 123.6 has been allocated to other equity.

	Equity as at January 1 2020	The year's effect of estimate deviations for pensions	The year's additions to funds	The year's expenditure of funds	Profit for the year	Equity as at January 31 Dec. 2020
Formation capital	1 300					1 300
Research Development Fund	23 872		-474			23 397
Other equity	886 417	-212 450	474		139 682	814 123
Total equity	911 589	-212 450	0	0	139 682	838 820

Konsern:

	Equity as at January 1 2020	The year's effect of estimate deviations for pensions	The year's additions to funds	The year's expenditure of funds	Profit for the year	Equity as at January 31 Dec. 2020
Formation capital	1 300					1 300
Funds	23 872		-474			23 397
Other equity	935 008	-212 450	474		101 381	824 413
Total equity	960 180	-212 450	0	0	101 381	849 111

Note 14 Restricted funds

The Foundation has the following restricted funds:

2020	2019	
1 849	1 844	Welfare fund – employees
3 384	1 569	Erasmus Scholarships
67	67	Other funds
5 300	3 479	Total restricted funds

The Welfare Fund for employees, established in 2005, originates from the gain of the sale of an enterprise bungalow on Lanzarote. There have been no grants or payments from the fund in 2020. The fund was credited 1.0 per cent interest 2019.

Each year, BI applies for Erasmus Scholarship funds. The application is sent to the Norwegian Centre for International Cooperation in Education (SIU) for allocating EU funds to exchange students. Allocations to each student are subject to specific guidelines.

There are no conditions with accounting effects related to other funds.

Note 15 Long-term debt

The entire long-term loan is with DNB and secured by mortgage in the parent company's and BI-Bygget D-Blokka AS's assets. See also Note 18.

In 2020 ordinary instalments of MNOK 38.0 were paid on the loan by the parent company. A new loan agreement has been entered into with DNB, which secures the loan portfolio from the due date until 17 January 2024.

The balance of the long-term loan structure with DNB is shown in the table below

Parent company:

Lender mortgage	Interest period	Interest rate	Remaining debt as at 31 Dec 2019	Borrowing 2020	Repaid 2020	Remaining debt as at 31 Dec 2020
DNB	Floating rate of interest	1)	17 000		-17 000	0
DNB	Fixed rate of interest until 04.04.2022	5,46 %	100 000		-21 000	79 000
DNB	Fixed rate of interest until 02.10.2023	5,48 %	150 000			150 000
DNB	Fixed rate of interest until 02.01.2026	6,04 %	100 000			100 000
DNB	Fixed rate of interest until 03.04.2028	6,70 %	50 000			50 000
Total mortgage			417 000		-38 000	379 000

1) The average rate of interest for 2020 was 5.89 % p.a.

Next year's instalments of MNOK 38.0 are classified as short-term debt but are included in the table above under remaining mortgage loan debt as at 31 Dec 2020.

Included in the stated interest rates is the agreed interest to DNB of NIBOR + 1.35 % p.a. The margin can be renegotiated on an annual basis.

The interest rate sensitivity of the company is adjusted by means of interest swap agreements. The group has an interest-bearing loan portfolio as at 31 December 2020 of MNOK 499. As regards the parent company, MNOK 400 were secured through fixed-rate agreements with different maturity. For accounting purposes, the interest swap agreements are treated as hedging provided that the conditions for hedge accounting are met. With respect to interest swap agreements that have been entered into, and where the conditions for hedge accounting no longer exist, the principle of premium/discount is applied for accounting purposes.

At the end 2020 a provision of MNOK 4.7 has been made to cover premiums on interest hedging. The amount provided has been calculated at present value. Premium/discount is calculated by discounting down the interest rate difference between the contract and the actual rate of interest as at 31 December 2020 for the remaining maturity period.

In 2020 an amount of MNOK 0.4 related to a change in balance sheet premium/discount on interest swap agreements have been taken to income.

The total market value of interest swap agreements as at 31 December 2020 is calculated to be MNOK -53.6 (obligation BI). The market value as at 31 December 2019 was calculated to be MNOK -46.9 (obligation BI).

Group:

Lender mortgage	Interest period	Interest rate	Remaining debt as at 31 Dec 2019	Borrowing 2020	Repaid 2020	Remaining debt as at 31 Dec 2020
DNB	Floating rate of interest	1)	17 000		-17 000	0
DNB	Floating rate of interest	1)	130 000		-10 000	120 000
DNB	Fixed rate of interest until 04.04.2022	5,46 %	100 000		-21 000	79 000
DNB	Fixed rate of interest until 02.10.2023	5,48 %	150 000			150 000
DNB	Fixed rate of interest until 02.01.2026	6,04 %	100 000			100 000
DNB	Fixed rate of interest until 03.04.2028	6,70 %	50 000			50 000
Total mortgage loan			547 000		-48 000	499 000

In the loan agreement between the parent company and DNB, the following requirements concerning financial covenant for the group for 31 December 2020 have been set. The target figures are as follows:

LTV	< 50 %	
Interest cover	>2,0	

LTV (Loan-to-value) < 50 % calculated of the total repayment credit and overdraft facility frame for Stiftelsen Handelshøyskolen BI (the Foundation BI Norwegian Business School) and repayment credit for BI-Bygget D-Blokka AS in relation to the total value of the property at Nydalen. The current appraisal is based on an appraisal of NOK 2,644,000.000 made by DNB Næringsmegling in 2016.

The interest cover is defined as:

$$\text{Interest cover} = \frac{\text{Profit} - \text{financial expenses}}{\text{financial expenses}}$$

For 2020 the key figures for the parent company were:

	2020	
LTV	26 %	
Interest cover	4,8	

The company has no guarantee obligations that have not been stated in the balance sheet.

Note 16 Unutilized share of overdraft facility

As at 31 December BI has an overdraft facility of MNOK 200.0. As at 31 December the utilized share of the overdraft facility totalled MNOK 58.3, and the unutilized share of the overdraft facility amounted to MNOK 141.7.

Note 17 Other provisions for obligations

In 2012, it was decided to close down Studentenes Hus in Nydalsveien 15-17. The lease agreement for this building was transported back to BI on 15 November 2012. The rent in the original contract with Avantor is higher than what is possible to obtain in today's market. Accordingly, a provision has been made for estimated losses until the lease contract expires in 2025. The share of the provision concerning 2021 is classified as short-term debt. The provision has been increased in 2020 due to reduced future rent compared to previous estimates.

Description	Provision 31 Dec.2019	Utilized	Provision 31 Dec. 2020
Obligation Studentenes Hus	10 278	55	10 333

Note 18 Assets pledged as security

Parent company			Group	
2020	2019		2020	2019
379 000	417 000	Debt secured by mortgage	499 000	547 000
58 316	173 579	Utilized overdraft facility as at 31 Dec.	58 316	173 579
437 316	590 579	Total secured debt	557 316	720 579
2020	2019		2020	2019
1 299 827	1 334 350	Buildings	1 642 044	1 683 548
105 300	105 300	Lands	165 300	165 300
200 893	181 114	Operating equipment	217 156	200 960
31 161	40 812	Accounts receivable	29 745	41 223
1 637 181	1 661 577	Total balance sheet value	2 054 246	2 091 031

Note 19 Rent commitments

The parent company has current rent agreements for premises with annual amounts as stated below:

	Commitments	
2021	85 267	
2022	81 527	
2023	76 496	
2024	75 320	
2025 and later years in total	647 975	
Total commitments	966 584	

Rent commitments expire in 1.5 to 17.5 years.

Note 20 Other short-term debt

The following items are stated under other short-term debt:

Parent company			Group	
2020	2019		2020	2019
97 969	90 713	Holiday pay including employer's national insurance contribution	97 969	90 713
5 634	7 699	Accrued salaries and personnel	5 634	7 699
5 281	4 150	Severance pay and gift pensions	5 281	4 150
50 688	34 814	Accrued income from commissioned research	50 688	34 814
3 755	772	Prepaid for endowed chairs	3 755	772
14 469	14 149	Not settled for grading	14 469	14 149
18 585	15 556	Prepaid tuition fees	18 585	15 556
5 935	5 935	Accrued interest	6 418	6 743
38 000	38 000	Next year's instalments on mortgage loan	48 000	48 000
3 093	2 222	Liquidation costs for schools/premises	3 093	2 222
64 020	59 602	Sundry accrued expenses	64 298	59 602
307 430	273 612	Total other short-term debt	318 189	284 420

Note 21 Taxable activity (lease of premises)

BI is not a taxable foundation, but the lease of premises is liable to tax. All subsidiaries are liable to pay tax.

The tax in the income statement comprises both the tax payable for the period and the change in deferred tax. Deferred tax is calculated on the basis of the temporary differences between the accounting and taxable values in addition to any taxable losses that may be brought forward at the end of the accounting year. Tax increasing and tax reducing temporary differences that reverse or may reverse in the same period, are equalized. Recording of deferred tax assets on net tax reducing differences not equalized, and losses that may be brought forward are justified with assumed future earnings. Deferred tax and tax assets that may be recorded in the balance sheet are recorded net in the balance sheet. Deferred tax is recorded at nominal amounts in both the parent company's accounts and the consolidated financial statements

Morselskap			Konsern	
2020	2019		2020	2019
		The tax for the year includes:		
0	0	Tax payable	3 741	29
492	1 328	Change in deferred tax	239	4 777
24	602	Too little tax for previous years	24	602
0	-262	Deferred tax advantage not recorded in the balance sheet	0	-262
515	1 668	Total tax	4 003	5 147

		Calculation of the tax basis for the year:		
2 235	6 036	Profit before tax on taxable activity	18 093	21 857
0	0	Permanent differences	-69	-71
1 098	-3 150	Change in temporary differences	3 380	-4 141
-3 333	-2 886	Change in loss that may be brought forward	-3 267	-17 512
0	0	Applied balancing income	0	0
0	0	Applied interest difference that may be brought forward	-1 134	0
0	0	Tax basis for the year	17 002	132
0	0	Tax payable (22 %) of the tax basis for the year	3 740	29

		Specification of temporary differences:		
45 348	45 791	Fixed assets	118 092	120 817
0	0	Interest costs that may be brought forward	0	0
-13 155	-12 500	Provisions pursuant to generally accepted accounting principles	-13 155	-12 500
-25 112	-28 444	Accumulated loss that may be brought forward	-30 297	-33 561
0	0	Balancing income	0	0
7 082	4 847	Total	74 640	73 621
1 558	1 066	22 % deferred tax/(tax advantage)	16 421	16 197
0	0	Including deferred tax advantage not recorded in the balance sheet	-1 141	-1 126
1 558	1 066	Deferred tax recorded in the balance sheet/(tax advantage)	17 562	17 322

		Explanation of why the tax for the year does not amount to 22 % of the profit before tax:		
492	1 328	22 % tax on the profit before tax	3 980	4 808
0	0	Effect of changed tax rate on deferred tax advantage	0	0
24	602	Too little tax in previous years	24	602
0	-262	Deferred tax advantage not recorded in the balance sheet	14	-248
0	0	22 % on change in temporary differences due to change in share of premises leased *	0	0
0	0	Permanent differences (22 %)	-15	-16
515	1 668	Calculated tax	4 003	5 146

23,1 %

27,6%

Actual tax rate

22,1%

23,5%

* The share of the building leased at the beginning of 2020 corresponded to 11,34 %.

Note 22 Events during the year and after the balance sheet date

The global outbreak of the COVID19 virus affects industry and trade. BI Norwegian Business School is also affected by this, and to a large extent teaching has had to be conducted digitally. The pandemic has not led to a reduced interest in our programmes of study, including full-time, part-time and further and continuing education programmes. BI Norwegian Business School has implemented preventive measures to protect its students and staff, and an assessment of any needs for operational adjustments is made on a continuous basis.

RESEARCH AND ACADEMIC ACTIVITY



RESEARCH AND ACADEMIC ACTIVITY

BI has a strategic goal of creating a world-class academic environment with a substantial impact on international research through publishing in recognized journals. Our research shall form the basis for our students' learning and have an impact on business practices and practices in public administration.

One of BI's goals is to have several disciplines ranked among the best in Europe. This is important in order to strengthen our international reputation, our academic impact and, and the recruitment of faculty. Lately, BI has given priority to recruiting more scientific staff through tenure tracks in order to increase our capacity for excellent research and teaching. High priority has also been given to increasing the share of scientific staff with an international background, who both have a great research potential and are able to demonstrate strong results.

In 2020 BI has continued its work on further developing our eight research centres, the BI Research Centres, which all represent spearheads in research. These centres shall provide high-quality research, publish in journals that we consider to be the most prestigious in their disciplines, and attract a steady and high degree of externally funded research activity, and maintain a high capacity for research. The centres shall have both a national and an international focus in cooperation with academic partners, business and society.

In the past year we have also focused further on research quality through recruiting, publishing in top journals (ABS4*), externally funded research, administrative infrastructure and incentive schemes relate to research. Moreover, BI wants to make a survey of how our research impacts the world around us. In 2020 we have, among other things, regularly updated a survey on BI's web pages concerning our faculty's contributions related to the handling of the Covid-19 pandemic and made a survey of BI's research related the UN Sustainability Development Goals in the report Sustainability Research at BI Norwegian Business School.

Our academic activity is organized through nine departments (read more at bi.no/forskning). A list of all registered research projects of which BI is either the institutional owner or participating partner is available at the national research database Cristin.

New department

In the course of 2020 BI established a new department, the Department of Data Science and Analysis, which is an academic environment that will work on applied and theoretical data science and statistics. At the same time, BI has entered into an agreement on research collaboration with Simula Research Laboratory in order to strengthen the expertise on data science through research collaboration. In connection with this, BI and Simula have also established the new research centre Simula@BI.

In general, the cooperation with other excellent research environments will be strengthened in the time to come, and particularly in this field. It will add further quality and dept to the research portfolio and strengthen our capacity for programme development and teaching. In the longer term, BI will consider establishing a special degree in data science.

Externally funded research

In the past year the value of BI's externally funded research totalled a little less than NOK 31 million as compared to NOK.37,2 million in 2019. The decline was expected as a consequence of the corona pandemic, which delayed of many research activities. In 2020, however, BI has had considerable activities related to, and an increased focus on, applications for externally funded research, particularly related to the research programmes of the Research Council of Norway.

The number of applications have been at the same high level as in the year before, and for a larger share of the applications BI has acted as project owner (63 % as against 50 % in 2019). It is important for BI to show how our research may contribute to solving relevant challenges in

society and business, and the interest in participating in a greater scope of central and prestigious research projects, nationally and internationally, has increased. In connection with Covid-19 and the extraordinary announcement of research projects by the Research Council of Norway, BI succeeded in procuring two major projects: COVID-19 Supply Chain Research Group – MIA Task Force, and Media Innovation Through the Corona Crisis (MICC) – how news media can build and implement innovation ability.

In December BI obtained another two major research projects with a total value of NOK 24 million, the co-risk project MACROCAMP: The Corona-crisis, structural change, and macroeconomic policy, and the Fripro project The dynamics of political selection. Both projects involve cooperation with national and international academic networks. BI has also invested in administrative infrastructure by strengthening the administrative unit for research (FA) both through increased resources and competence. FA is BI's central administration for research support. It has the following three main fields of responsibility: externally funded research support, research data management and BI's doctoral degree programme.

Publications and publication points

BI considers the preliminary results related to our faculty's scientific output in 2019 as good. Our goal has been to increase both international scientific publications and the number of articles in top-ranked scientific journals.

In 2020, too, the share of publication points for articles published in scientific journals is increasing. The share of publication points for publications in quality level 2 journals also shows a satisfactory development. The number of top publications (ABS4* and ABS4) remains at about the same high level as in 2019. The share of scientific output resulting from international cooperation remains at the same level as in the previous year.

All publication figures for 2020 are preliminary figures (February). The final figures will be published in April.

Awards and distinctions for academic achievements

At BI's annual meeting in February, we recognize our employees' achievements through the award of both prizes and money awards. The awards stimulate hard work, support strategic efforts and offer recognition and inspiration to the award winners and their academic environments.

Professor BÅRD KUVAAS was awarded the prize for Research Dissemination and Societal Impact. As one of Norway's leading experts on leadership, he has also become a central disseminator of knowledge to the people through both traditional and social media.

Associate Professor RAGNALD SANNES was given the award for Pedagogical Innovation for his work on the development of technologies and tools to increase and strengthen the students' learning in and outside the classroom.

Professor JOHAN FROM and TEAM EDUCATION, who are responsible for BI's master's programme in education management, were awarded the Connected prize for the way for more than two decades they have contributed to great change and innovation in the kindergarten sector and in teacher training.

Professor EIVIND ERIKSEN was named winner of the prestigious Best Teacher award by the student organization BISO. Among other things the jury said that «Eivind is a teacher who makes the students look forward to class».

Honorary doctors BI had 15 honorary doctors in 2019. This is a recognition given to persons whose work in life has been of great importance. Read more about our honorary doctors at bi.no/forskning/aresdoktorer

Executive in Residence

In 2019 BI appointed its first Executive in Residence, an arrangement to connect persons with relevant experience from working life more closely with academic environments and students at BI. In 2020 the following persons are included:

BERIT SVENDSEN, head of Vipps Internasjonal – Department of Strategy and Entrepreneurship

JOSTEIN TVEDT, chief strategic officer of Danske Bank – Department of Strategy and Entrepreneurship

TOR REMLOV, former opera director and theatre manager – Department of Leadership and Organizational Behaviour (from 2021)

SINDRE STØER, head of Norwegian Securities Dealers Association – Department of Law and Governance (from 2021)

Endowed chairs

BI receives financial support from companies and other donors through the financing of endowed chairs. In 2020 the endowed chair financed by Skipsreder Tom Wilhelmsens Stiftelse started. This endowed chair is held by Professor RANDI LUNNAN.

In addition to this, BI has two other endowed chairs: Professor RAGNHILD KVÅLSHAUGEN, financed by the Norwegian BAE industry (Bygg-, Anlegg og Eiendomsnæringen) and Professor PER INGVAR OLSEN, financed by Tine and Nortura.

BI's doctoral programme

BI's doctoral programme shall be driving a force for the development of our faculty. Continuous efforts are being made to increase the throughput in the doctoral programme. There has also been an increased focus on admission quality and follow-up of doctoral students during the programme over the last few years. Like the year before, a total of seven disputations took place in 2020. The lower number of disputations the last two years is due to natural fluctuations.

We assume that the quality of the PhD programme is reflected in the quality of the institutions at which the candidates secure jobs. A good example of this is FLLADINA ZILA, who in 2020 was recruited to Copenhagen Business School.

Disputations on BI's doctoral programme in 2020:

RASMUS BØGH HOLMEN - Productivity and Mobility (Series of dissertations 7/2020)

ARNE FREDRIK LYSHOL - Essays in labor and housing search (Series of dissertations 6/2020)

IRENA KUSTEC - Three essays on family firms (Series of dissertations 5/2020)

KATERYNA MALTSEVA - Digital Self-Tracking. Psychological and Behavioral Implications (Series of dissertation 4/2020)

FLLADINA ZILJA - The role of CEOs in international strategies (Series of dissertation 3/2020)

VEDRANA JEZ - Managerial attention and cognitive flexibility in strategic decision making (Series of dissertation 2/2020)

LING TAK DOUGLAS CHUNG - Three Essays on Retail Trading (Series of dissertation 1/2020)

PROGRAMMES AND STUDENTS



PROGRAMMES AND STUDENTS

Our students deserve excellent teaching. BI emphasizes this through a continuous focus on increased student involvement and insight, innovation of the programme portfolio and systematic pedagogical training and support.

Including learning environment

BI aims to have a good and including learning environment at all campuses, where diversity among students is appreciated. Close cooperation between the students and employees is a key to success in this respect. In practice, this cooperation takes place at multiple levels – during regular dialogue meetings between the student organisation BISO and BI's management, as well as in the studies at the campuses, and in the Learning Environment Committee (LMU). The Learning Environment Committee is the formal body overseeing BI's learning environment, with an advisory function towards the Board of Trustees. It has an equal number of student and administrative members. Based on feedback from the students, it is now possible that a student may be the formal head of the LMU every year instead of every second year.

Degree of completion

During the last three years BI has introduced a number of measures to make the start of studies better, and to improve social and academic integration and individual follow-up. In 2020 more than 100 students helped support the academic development of fellow students through our guidance scheme with learning students. We also make determined efforts to reduce the number of dropouts and increase the degree of completion. In 2020 the degree of completion within the nominal length of study increased to 45 % for bachelor's programmes and to 87 % on master's programmes. The latter is record high at BI and far above the sector average.

In 2020 we have also been working on implementing data on drop-out students digitally, to begin with for first-year bachelor students. The purpose is to be able to detect patterns more easily and plan preventive measures. Based on this insight, among other things, vulnerable students have been called. By means of BICX, BI's new CRM platform, we have also sent mass SMSs and e-mails to students as a drop-out preventive measure.

Involvement and insight

The corona pandemic has resulted in delays or changes concerning certain measures of student involvement. Nevertheless, in the spring of 2020, we had suggestions from five sparring partners concerning the change to digital teaching as a result of the covid 19 pandemic. Relevant topics included Zoom, the new teaching model and digital examinations. The suggestions have been used to further develop our supervision activities and the training of our academic staff in digital teaching.

BI conducts dialogue meetings between class representatives and lecturers at all the campuses. The lecturers publish a summary with action points for the whole class. A programme evaluation meeting is held every semester between the Associate Dean (the academic head of each programme), student representatives and the academic administration. The number of student representatives on the Programme Committee for the executive and PhD programmes was also increased to strengthen student involvement in these programmes.

In 2020 three student surveys were conducted concerning digital teaching (60 respondents), digital examinations (193 respondents) and courses taught in accordance with the new teaching model (893 respondents). The results have been used as a basis for pedagogical workshops with the departments, and as information to meetings of the management and further strategic work.

Good learning experiences

In 2019 the new department Library and Learning Centre was established in order to strengthen capacity, strategy development and operative user support in research, teaching and learning. The mission of the Learning Centre, based on BI's Strategy 2025, is to contribute to increased pedagogical quality and the further development of teaching and learning. Its field of responsibility is related to learning design, learning technology, content production and pedagogical competence development.

ADMISSIONS 2020

The full-time market

In 2020 admissions were so high that BI at a certain point had to stop new applications, both due to lack of capacity on certain programmes and physical limitations on campus. On the bachelor's programmes admissions were up 16 % on the previous year (4,133 new students as against 3,560 in 2019). With 739 new students in 2020 as compared to 559 the year before on the master's programmes, the previous record from 2018 was crushed.

Including one-year programmes a total of 5,353 new full-time students stated their studies at BI in the autumn of 2020, as compared to 4,647 new students in 2019.

We expected a large number of applicants but consider the pandemic the main single reason why a record number of students applied for a place at BI. For young people, travel and work became less relevant in 2020 and an increased number applied for a place in higher education. The same trend was also seen in the rest of the sector.

For BI this was particularly seen at master's degree level where foreign institutions are usually strong competitors. The pandemic made a higher number of students choose to stay in Norway, and a larger number of BI's international bachelor students chose to continue their education here.

A great highlight was an increase in the finance discipline. A total of 472 students started on a programme of study in finance in 2020, as against 276 in 2019. Our bachelor's degree programme in International Management has undergone a successful repositioning and change of name, and the number of students increases to 329 in 2020 (up 70 %), as against 194 in 2019. Bachelor in Business Administration, BI's largest programme of study by number of students, increased from 862 students to 1026 students in 2020 (19 % increase).

Executive education

Thanks to the introduction of the Short Learning Modules concept and a strong growth in online-based courses and programmes, the turnover for the Executive programmes division in 2020 was 9 % higher than the previous year. The Short Learning Modules concept was introduced in the spring of 2020, with the Government's emergency packages aimed at unemployed people, lay-offs and hard-hit industries as background. By participating in the courses these groups were able to build up relevant competence and return stronger to working life. In partnerships with enterprises and clusters, as well as several employee and employer organizations, BI had more than 3,000 participants on such courses. BI has managed very well compared to some foreign players in the market for international leadership programmes. True, our BI-Fudan MBA is somewhat down compared to last year, with 44 and 41 new students in 2020 (spring and autumn admissions) respectively as against 54 and 61 the previous year. We had a very satisfactory number of applicants to our Executive MBA programme; the pandemic, however, led to a number of withdrawals just before start-up. We finally ended up with a class of 33 students as against 39 students in 2019. With 35 new students, the Executive Master of Management in Energy had particularly good admission figures in 2020 compared to 23 students the year before.

INNOVATION IN THE PROGRAMME PORTFOLIO

In 2020 BI has been working actively on three new potential bachelor's degree programmes for the full-time market. Web-based short courses caught the interest of BI's Executive programme customers. At the same time the work on marking out a course for future bachelor's degree programmes at BI continues.

The new potential bachelor's programmes are focused on digital business, service management and public management. The first one is most complete, and approval will probably be given in the autumn of 2021, with start of the programme in 2022.

Since the introduction in the spring of 2020, more than 3,000 participants have taken so-called Short Learning Modules (SLM) at BI, financed either by the participants themselves, by employers or through public funds. The purpose of these modules is to increase the quality and scope of digital learning products and meet market needs for shorter and more flexible learning opportunities.

Throughout 2020, authorized by the President, a project group at BI has been working on developing a proposal for a new bachelor's programmes model. The overall objective is to increase the degree of internationalization through increased exchange of bachelor students, among other things. In June the group concluded that it would not be possible to reach the goals for the project without developing a new architecture and structure for the bachelor's programmes, including changes in the composition of basic courses, programme courses and elective courses. In the autumn of 2020, the group was supplemented with an academic and an administrative working party that were both assigned the task of developing specific proposals for new models, and to consider administrative consequences.

In November 2020 the project group submitted specific model proposals that were discussed by BI's management team. The proposals are still being discussed and further progress for the project in 2021 has not been determined.

Full-time programmes with first-time start in 2020:

- BI-Luiss Joint MSc in Marketing (one year at BI in Oslo, one year at Luiss in Rome)
- Master of Science in Finance, QTEM

Executive courses and programmes with first-time start in 2020:

- Short Learning Modules (several courses within a number of disciplines, see BI's websites for more information)
- Sustainable Business (Executive MBA specialization)

Pilot of full-time master's degree programmes at campus Bergen

For a long time, BI has wanted to offer full-time master's degree programmes outside Oslo. The piloting of this at our Bergen campus, which was started in 2019 and was continued in 2020 is considered to have been successful. The first two groups have been small. The group of students, however, is functioning well and good cooperation has been established with business clusters in the region. This has resulted in close relations between the students and business. In 2020 BI decided to extend the programme with yet another specialization, Major in Finance, from the autumn of 2021.

Scholarships

BI needs both an excellent staff and excellent students. In 2019 the school received many strong applications for scholarships both at bachelor's and master's level

47 talented students, 21 women and 26 men, representing 15 nationalities and 4 continents, received scholarships from BI in 2020. Our scholarships include BI Presidential Scholarship, MSc International Scholarship, BI Norwegian Business School/QS Scholarship and the A. Wilhelmsen Foundation Scholarship. BI is the sponsor of the first three of these, whereas the last one is sponsored by the A. Wilhelmsen Foundation.

Internships

BI has had a strong focus on the internship scheme over time, including the year 2020 partly by making internship courses available for students on three new master's degree programmes. We believe that practical experience and contact with business through credit-giving internships constitute an important element in the course of education for our students. For 175 bachelor students and 256 master's degree students internships formed part of their timetable in the past year, as compared to 186 and 199 respectively in 2019. In 2020 34 bachelor students had internships in their own enterprises compared to 26 in 2019.

Number of students at BI in 2020*

Number of students at BI in 2020

	2018	2019	2020
Bachelor's programmes	11695	11600	12294
Master of Science	1476	1578	1579
PhD programmes	56	63	62

Further and continuing education

	2018			2019			2020		
	Spring	Autum	Total	Spring	Autum	Total	Spring	Autum	Total
Web-based programmes	1733	1736	2792	1686	1635	2709	1544	1972	2944
Executive Bachelor's programmes	1787	1755	3015	1625	1524	2702	1470	1358	2397
Executive Master's programmes	1277	1273	2108	1265	1329	2106	1356	1270	2117
Executive MBA	69	65	69	69	69	70	68	29	68
Executive Master of Management in Energy	37	36	37	40	25	40	53	31	53
BI-Fudan MBA	334	347	415	353	358	436	328	338	398
Short Learning Modules	-	-	-	-	-	-	428	1625	1713

Corporate	1728	1321	1233
	2018	2019	2020
Total number of students	20211	19455	20168

*All numbers are taken from BI's own Discover-dashboard Student Insight, with the exception of Short Learning Modules which have been taken from Discover Datawarehouse. The figures do not include students on a leave of absence, or with prolonged periods of study without active examination or course registration. Admission to BI's full-time programmes takes place only in the autumn, whereas a number of further and continuing education programmes and courses are both started and concluded in the spring and the autumn. The table for the latter group, therefore, shows the number of students who completed a course or programme within each programme area each semester, as well as the total number of unique students within each programme area that year. The same student may participate in courses and programmes within several programme areas during a year and in such cases be counted both places. The total number of students shows the number of unique students who take a course or programme in the relevant year. This figure does not include PhD students, since these are considered to be employed by BI, or SLM students, since as at 1 March 2021 it is not possible to take figures for these student from BI's Student Insight-dashboard.

ACCREDITATIONS AND RANKINGS



AACSB
ACCREDITED



**ASSOCIATION
OF AMBA**
ACCREDITED

ACCREDITATIONS AND RANKINGS

BI is again ranked as the best business school in Norway, but the brand is not equally strong internationally. Covid-19 also made 2020 a challenging year for rankings. Our accreditations and rankings are still an important stamp of quality and show that our programmes are at the level of the best in the world.

Accreditations

Both in Norway and abroad, BI's accreditations, in the same way as rankings, are of great importance for our reputation. They increase the value of a diploma from BI and are a valuable factor in the competition for recruiting international faculty and students.

BI Norwegian Business School was in 2020 still the only business school in Norway with the top three international accreditations: EQUIS (European Quality Improvement Systems), AACSB (The Association to Advance Collegiate Schools of Business) and AMBA (The Association of MBAs). Schools with all three accreditations are called Triple Crown schools. On a global basis, less than one per cent of all business schools have been able to achieve triple accreditation.

The three accreditations are awarded for five years at a time and then have to be defended through a reaccreditation process. During the period 2018-2020, BI has completed such a process with all three. BI succeeded with AMBA reaccreditation in 2018 and AACSB in 2019 and was awarded reaccreditation until 2023 and 2024 respectively. A digital visit by EQUIS took place in November and the decision is expected in February 2021.

The accreditation by NOKUT is the backbone for a private specialized university institution like BI. After the introduction of the new supervision model, which was tested at BI among others in 2018, the school uses the experiences from this in an intensive work on improvement areas, and the further development of the Programme Quality System, as well as the systematic work on quality at the institution. This work has made BI well prepared for a new inspection by NOKUT in March 2021.

Rankings

Covid-19 made 2020 a challenging year for performing rankings. One of the most important groups of respondents is our alumni, and in 2020 many of these experienced social isolation, had to work from home offices and were sometimes laid-off. For many, this removed the focus from answering questionnaires. For the Financial Times ranking of the master's programmes in finance (MSc in Finance), the number of respondents was too low for BI to be ranked. In the ranking by the same newspaper of the Masters in Management programmes (MSc in Business) BI chose to opt out due to feedback from alumni who did not want to participate.

Nevertheless, BI participated in the Financial Times Executive Education ranking (Customized programmes and open enrolment programmes), where we were ranked no. 80 of 85 and no. 65 of 75 respectively. BI also participated with two programmes (BI EMBA and BI-Fudan MBA) in the Executive MBA ranking by the same newspaper. Here the results were no. 76 of 100 and no. 28 of 100.

In the Financial Times overall school ranking, The European School Ranking, BI was ranked the best business school in Norway and no. 49 of 90 in Europe.

Besides, BI participated in the QS Masters ranking with our MSc in Business (no. 27 of 148), MSc in Strategic Marketing Management (no. 24 of 93) and MSc in Finance (no. 44 of 166).

PARTNERSHIPS, SOCIETY AND BUSINESS



PARTNERSHIPS, SOCIETY AND BUSINESS

BI is focused on strengthening, professionalising and digitalising our interaction with business, public administration and our alumni. We believe that the values we create for enterprises are a benefit to both present and former students.

This important work is headed by Outreach and Corporate. The former has been charged with the task of coordinating and strengthening BI's external relations across the organization and contribute to increasing the school's activity revenues through, among other things, a special Corporate Partner programme established in 2019. The objective is to build mutually enriching partnerships with business, the public sector and NGOs.

The Master Merit Society is an example of this. Here, BI's most excellent master's degree students are connected with selected business partners who are given the opportunity to establish contacts with the leaders of the future. In 2020 Gjensidige and Deloitte have participated in this cooperation.

BI's Strategi 2025 emphasizes the links with business and industry as one of three main pillars. At the same time Norway is facing a major reorganization phase where green jobs are intended to create a future after oil. In order to maintain our welfare, this implies that we have to develop new industries, commercialize new technology and scale companies.

During the past years, therefore, the Corporate department has been working actively to help BI position itself for this important work. One of the measures is the education programme 100 Scaleups, through which participating businesses are helped to develop and implement growth strategies.

We have also established a number of cooperation projects with national and international enterprises, clusters and organizations, as well as highly recognized institutions such as MIT and Berkeley in the USA, and Tsinghua in China. In order to further strengthen our position, BI in 2020 took an ownership share in Kongsberg Innovasjon (KI). A cooperation agreement was also entered into, according to which KI is responsible for the process-oriented industrial work with the companies, whilst BI as the academic partner shall deliver research-based lectures. The result of this is that BI has asserted itself as the most important academic partner for business and industry in the process of scaling Norwegian companies and creating new green jobs.

Alumni and events

Former BI students are an important resource for BI. In 2019 BI's alumni have, among other things, acted as guest lecturers, mentors, ambassadors, participated in recruitment processes and as members on various councils and committees. In 2020 the pandemic created a need for quick readjustments, since several physical events had to be cancelled. During the past year, therefore, 33 different webinars and seminars aimed at alumni and business that reached a total of around 20,000 viewers were held, including topics such as the workplace of the future and digital management.

Through a very popular series of seminars, The Manager's Toolbox, which is organized every Friday at the end of each month, enthusiastic BI faculty present new research and professional updates to alumni and businesses. Through these meetings, although digital in 2020, BI's former students are updated on the latest developments within research.

In the past year, a digitalization of BI's alumni activities has been in progress. The goal is to increase the involvement among former students, particularly the younger target group, by using insight and data to provide a more personalized and relevant offer.

Dialogue meetings and advisory boards

The annual dialogue meeting with business and industry, where the purpose is to obtain an insight into the need for competence in different industries, did not take place in 2020 due to the Covid-19-pandemic. However, BI staged around 20 smaller meetings with various businesses and trade organizations such as Virke, NHO, Norsk Industri, as well as businesses in the finance and banking sector.

BI has also continued the work related to the industry councils for 15 bachelor's and master's programmes that were established in 2019. In 2020 it has been discussed how BI to a larger extent may involve and cooperate with business and industry across courses. Other advisory boards include, among others, the International Advisory Board, the Alumni Advisory Board, the Advisory Board for Banking and Insurance Programmes and the Business Analytics Advisory Board.

Partnerforum

Partnerforum is a collaboration between BI Norwegian Business School, the University of Oslo and 22 partners from public agencies. Competence development and networking across disciplines and sectors are important elements in the cooperation. Through this network, BI shares knowledge within topics that are relevant for public administration. In the course of 2020, Partnerforum organized 15 joint events, a few less than previous years due to the corona pandemic, with around 50 introductory speakers and more than 3,100 participants on relevant topics such as administration of government enterprises, strategic analysis and the use of research in public administration.

BI Corporate

BI Corporate offers value-driven programmes to the public and private sectors. In 2020, BI Corporate delivered 56 projects worth around NOK 105 million, as compared to about NOK 112 million the year before.

In recent years the demand for traditional courses and programmes has declined. Clients want long-term partners for change, innovation, value creation and process-based practical problem-solving. Today, the department has secured national positions for BI within management of the school and day-care sector, the primary health service, tax law and security.

During the pandemic the department has readjusted quickly and delivered hybrid and wholly digital modules in most programmes. Feedback has partly been very good, and participants have reported strong learning outcomes in spite of not being able to meet fellow students physically.

In the school and day-care sector BI is involved in national programmes with obligations and opportunities until 2025. Moreover, in 2020, BI has started a national programme for educational supervisors in day-care centres, and also developed four new national programmes for school and day-care centre managers that will start in 2021, all assigned by the Norwegian Directorate of Education and Training.

During the past year BI entered into new agreements with the Norwegian Association of Local and Regional Authorities (KS) for fully digital and ordinary further education programmes for teachers and team leaders in schools. The work on the intervention project that was started in 2018 is now at its final stage. In this project leadership teams from schools in Copenhagen and Ålborg have been given tailor-made and research-based teaching.

In the autumn of 2020, the agreement with the Directorate of Health for delivery of the national leadership education programme for the primary health service was renewed. On this programme the University of Oslo is a sub-supplier for certain parts of the teaching. With more than 400 applicants for 216 places the demand was very high in 2020. The new contract has a term of up to nine years.

BI also won another tender from the Directorate of Health, for the delivery of a completely new programme aimed at the general health and practice service. To begin with, the term of the contract is five years. The goal is that at least one physician from each of the around 1200 general practice services in Norway will take the programme in the course of the next five years. With this, BI has positioned itself with programmes addressing needs across the entire health sector.

With the Tax Administration as a partner and client, BI has strengthened its national position through our master's degree in tax law. Our master's degree in security management is also having a steady increase in the number of students. In 2020 BI and NTNU signed a letter of intent for education of Norwegian managers in cyber security.

Research leading to change

In 2019 several of BI's researchers were appointed members of public expert committees. Many had an impact on business practices and participated in the public debate, both at home and abroad. This is a recognition of the expertise of BI's faculty within areas of great importance for the development of society. The following are some examples from 2020:

Associate Professor JØRGEN JUEL ANDERSEN attracted global attention for a World Bank report where he and two colleagues presented figures indicating that transfers to tax havens increase when poor countries receive development aid. This research was mentioned by, among others, The Economist and The Financial Times.

Professor and Provost HILDE C. BJØRNLAND will participate in a team of experts appointed by the Government to assess the economic consequences of infection protection measures during the pandemic, as well as incentives for growth and change.

In 2020 **Associate Professor ALEXANDER S. SKJØNBERG** was appointed a member of a committee, appointed by the Ministry of Labour and Social Affairs, to report on the administrative structure of the Industrial Disputes Court.

In 2020 **Professor MARIANNE JAHRE** will be the head of an international research projects, including experts from the Norwegian Institute of Public Health (FHI), to recommend improvements in the supply security for medical products.

In 2020 **Professor GISLE JAMES NATVIK**, **Associate professor ESPEN HENRIKSEN** og **Research Professor ESPEN R. MOEN** gave a number of important contributions to the debate on the Government's emergency packages to business and industry, with frequent appearances on TV, radio and through articles in the newspapers, including the Dagens Næringsliv.

Professor ANNE-BRITT GRAN in 2020 attracted national media attention in connection with the presentation of a report prepared by BI Centre for Creative Industries. The report dealt with the way the corona pandemic has affected the Norwegian music industry.

Professor ERIK WILBERG also attracted a great deal of attention in 2020 for a report showing how the pandemic has led to a sharp decline in the advertising revenues for the media industry in Norway.

Professor ESPEN R. MOEN is the head of a research team that in 2020 received funds from the Norwegian Competition Authority to carry out research on price discrimination in the grocery chains and the coordination of recommended prices.

ORGANISATION AND EMPLOYEES



ORGANISATION AND EMPLOYEES

Organisation description

THE BOARD OF TRUSTEES

BI Norwegian Business School is a self-owned foundation, which is led by a board of ten trustees.

The Board has ultimate responsibility for supervising BI's operations, and for adopting a general set of rules. It appoints the President and considers strategic plans, adopts budgets and financial statements, and is the ultimate decision-making body in all important issues. See Report of the Board of Trustees for a list of its members.

THE SUPERVISORY COMMITTEE

The Supervisory Committee reviews the income statement and balance sheet, elects the auditor and ensures that the Board's management complies with statutory provisions and the bylaws. The Supervisory Committee consists of three members, all from outside BI.

THE SUPERVISORY COMMITTEE 2020:

ANNE HELSINGENG, Chair

CHRISTIAN WINTHER, Pangea Property Partners

OLVE GRAVRÅK, Valogiant

The President and the Chief Financial Officer attend on behalf of BI.

The committee meets twice a year, once during the spring semester and once during the autumn semester, usually in May and November.

THE SENATE

The Senate is BI's top academic body, and its authority is derived from the powers conferred upon it by the Board. The Senate determines the content of BI's education programmes, admission rules, exemptions, examinations, admission requirements, examination assessments and the expertise profile for the faculty. The Senate proposes faculty appointments to the President, who has the final appointment authority.

THE SENATE 2020 (as at 31 December 2020):

INGE JAN HENJESAND, President, Permanent member

HILDE BJØRNLAND, Provost, Permanent member

BENDIK SAMUELSEN, Provost, Permanent member

AMIR SASSON, Provost, Observer

LARS OLSEN, Dean Bachelor's Programmes, Observer

JANICKE RASMUSSEN, Dean Master's Programmes, Observer

JAN KETIL ARNULF, Dean Executive Programmes, Permanent member

ØYVIND NORLI, Dean Doctoral programmes, Permanent member

IRINA EIDSVOLD-TØIEN, Faculty representative, 01.08.2019 – 31.07.2021

EIVIND FURUSETH, Faculty representative, 01.08.2019 – 31.07.2021

PAUL EHLING, Faculty representative, 01.08.2020 – 31.07.2022

KIM VAN OORSCHOT, Faculty representative, 01.08.2020 – 31.07.2022

RICHARD PRIESTLEY, Representative for the heads of department, 01.08.2019 – 31.07.2021

BIRTE MARIE HORN-HANSEN, Administrative representative, 01.08.2020 – 31.07.2022

FRIDTJOF SCHEIE, Administrative representative, 01.08.2020 – 31.07.2022

HANS OLE GISKE, Student representative BISO, 01.01.2020 – 31.12.20

SIRI ANDRINE BAKKEN, Student representative BISO, 01.08.2020 – 31.07.2021

LARS HUEMER, Faculty deputy representative, 01.08.2020 – 31.07.2022

KAI RUNE MATHISEN, Administrative deputy representative, 01.08.2020 – 31.07.2022

Leaders who report to the President may attend meetings of the Senate.

BI's MANAGEMENT TEAM

BI's management team 2020 as at 31 December 2020:

President **INGE JAN HENJESAND**

Provost **HILDE C. BJØRNLAND**

Provost **BENDIK M. SAMUELSEN**

Provost **AMIR SASSON**

Executive Vice President Full-time **MARIUS ERIKSEN**

Executive Vice President BI Executive **LISE HAMMERGREN**

Chief Financial Officer **THOMAS HVAMSTAD**

Executive Vice President Communication **YNGVE KVEINE**

Chief Digital Officer **ELIN BORREBÆK**

Executive Vice President Organization **WENCHE HELENE NILSEN**

THE PRESIDENT

BI Norwegian Business School's President is its Chief Executive Officer and has power of procurement. The President is the general manager of the foundation's activities and must comply with the guidelines and orders provided by the Board. The President provides recommendations in academic and administrative matters. The President has the final say in appointments to faculty positions and is the chair of the Senate. The President must ensure that the foundation's financial statements comply with statutes and regulations.

THE PROVOSTS

The Provosts function as the President's deputies as needed. The three Provosts head the Programmes and Study unit, the unit for Research and Academic Resources, and the unit for Innovation and Outreach, respectively.

EDUCATION AFFAIRS COMMITTEE – UUV

BI Norwegian Business School has an Education Affairs Committee for each programme area: Bachelor, Master, Executive and Doctorates.

The Education Affairs Committees are advisory bodies for the dean in the academic issues he/she is in charge of. The Committee deals with academic issues such as treatment of study plans, review of course descriptions (objectives, topics, literature, pedagogical models and forms of assessment), assessment of the areas and levels of expertise of lecturers, counsellors and external examiners, study progress requirements, admission rules, assessment of partners and approval of in-house courses, studies and programmes to be approved with credits.

APPEALS BOARD

The Appeals Board deals with appeals and complaints on specific decisions and may on mandate from the Board process other complaints put forward by candidates. The Appeals Board has five members with personal deputies. The chair and deputy chair shall satisfy the statutory requirements for Appeals Court judges. The chair and deputy chair shall not be employed by the institution. Two of the members must be students.

BAMU

BAMU is BI's working environment committee. BAMU shall work for the implementation of a fully satisfactory working environment in all our activities. The committee is to participate in the planning of safety and environmental work and must carefully monitor developments in matters that affect the safety, health and welfare of the employees. BAMU shall ensure that BI's safety and working environment efforts, as well as HSE measures, are properly handled.

Employees

At the end of 2020, BI had a total of 923 employees. The total figures include 483 administrative staff and 440 faculty members.

This corresponds to an increase of 50 persons as compared to 2019. The number of administrative employees increased by 38 persons, whereas the number of faculty members went up by 12 persons. Some of this increase may be ascribed to an increase in the number of qualifying fixed-term employees on the faculty. On the administrative side, the increase is largely due to the need for increased capacity in the development and implementation of new digital work processes, an increase in the number of admissions and Covid-19, as well as increased requirements concerning documentation of quality and corporate governance..

The figures correspond to 841 full-time equivalents, an increase of 47 full-time equivalents from 2019. The increase is due to a small increase in the number full-time equivalents on the faculty (about 8 full-time equivalents) and an increase of a little less than 40 full-time equivalents among administrative employees. At the end of the year the total number of faculty full-time equivalents was 365, an increase from 357 in the previous year. The number of professors at BI totals 122; of these, 34 held positions as Adjunct Professor. The number of faculty members with an international background corresponds to a little more than 35 per cent. In addition to BI's faculty, 285 lecturers were associated with the school in 2020*.

** figures for employees may deviate from the statistics in DBH. This is because the reporting to DBH is current as of 1 October, while the figures in BI's annual report are current as of 31 December. Adjustments have also been made to harmonize the figures stated in the annual report with the DHB figures and Discover/Faculty Insight as regards the selection of groups and counting methods, as for instance the fact that PhD candidates are included in the total figures for international faculty. Gender ratio has also been taken into account.*

Organisational development

In BI's strategy 2025 operating excellence is emphasized as one of three strategic priorities. Several of BI's big digitalisation initiatives, such as BICX, Discover and Wiseflow have a great impact on work processes and organisational structures.

In 2020 this led to a merger, among other things, of the admission functions of the three business divisions Full-time programmes, Executive and Corporate into one joint admissions office. Digitalization also requires new knowledge and new skills among BI's employees, and in 2020 the school continued the development of more systematic internal training and competence development programmes, partly as e-learning programmes.

«Help», a common physical and digital help service, was established to make it easier for employees to understand where they might get help concerning different types of technical problems and learning-related problems. Digital projects, and the KS project in particular, have resulted in a need to develop uniform work processes and to document roles and responsibilities. This work has shown the need for better documentation of BI's governance structure as a basis for building a common organizational understanding across BI.

It has been decided to establish a new unit for Governance, Risk and Compliance in order to pool resources and work in a coordinated and systematic way in this area. In the same way, the OU (Organization Development) and HR Department was reorganized to strengthen management and project support.

In 2020 BI's Board of Trustees adopted a new language policy stating that BI will use both Norwegian and English. Separate rules have been specified for usage in research, teaching and administration. The language policy reflects and supports BI's international ambitions, at the same time as it recognizes our social responsibility concerning preservation and further development of Norwegian as a specialist language both in research and practice within BI's subject areas. BI's main form of Norwegian is bokmål. Students, however, may submit answer papers both in Norwegian bokmål and Norwegian nynorsk.

Working environment, Covid-19 and absence due to illness

BI aims to facilitate an inspiring working environment that promotes individual wellbeing, health, learning and development. The environment should be characterized by diversity, equality, care and respectful and open communication. BI has zero tolerance for any form of misuse of authority.

The Covid-19 pandemic led to a change to digital teaching and extensive use of home offices, as well as strict infection protection measures. This affected both the psychosocial and physical working environment for all employees. BI has focused on introducing appropriate digital support tools both for teaching purposes and interaction, and to ensure good experiences and mastering for users through training and user support. Employees have also been given access to necessary equipment for their home offices. Various measures, including digital training opportunities, have been implemented to prevent negative effects of long days of sedentary work in front of a screen. Managers have had a special focus on the psychosocial situation of their staff, and BI has offered psychosocial counselling for those in need of this.

In December, an extraordinary working environment survey during the pandemic showed that most employees found their working conditions to be satisfactory but missed social contact with their colleagues. Some other challenges concerned the ability to distinguish between work and leisure, as well as workload and motivation. A number of employees have said that their concentration improved, that meetings were more efficient, and that stress was reduced because of greater flexibility. Overtime work has increased during the pandemic, whereas absence due to illness has gone down during the year and is lower than in 2019.

The working environment survey of the year took place as the pandemic broke out in March. The results, however, were largely concurrent with previous years. The survey had a number of questions related to bullying and harassment added to it. The results showed that most employees find that they have equal opportunities and rights at BI across gender, age, nationality and functional ability. The most important cause of bullying and harassment was disagreement on academic issues and/or personal chemistry. Verbal harassment was the most common form of harassment. Causes of bullying and harassment are now less related to classical discrimination themes such as gender, age, nationality etc.

BI has a focus on constructive dialogue and respectful communication at work. Besides, special behavioural guidelines to prevent sexual harassment have been developed.

BI's primary occupational health hazard consist of factors related to stress and interaction, as well as musculoskeletal ailments, which have been much focused on in connection with the use of home office due to the pandemic. A psychosocial counselling service for all employees has contributed to preventing sick leave and conflicts, improved conflict management and led to better stress mastering. The psychosocial counselling, combined with good cooperation with the occupational health service, has contributed to employees returning to work more quickly after illness. The total sick leave at BI declined from 2.8 per cent in 2019 to 2.6 per cent in 2020.

AUDITORS REPORT





Til styret i Stiftelsen Handelshøyskolen BI

Uavhengig revisors beretning

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert Stiftelsen Handelshøyskolen BIs årsregnskap som består av:

- selskapsregnskapet, som består av balanse per 31. desember 2020, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter, herunder et sammendrag av viktige regnskapsprinsipper, og
- konsernregnskapet, som består av balanse per 31. desember 2020, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening:

- er årsregnskapet avgitt i samsvar med lov og forskrifter.
- gir det medfølgende selskapsregnskapet et rettviseende bilde av den finansielle stillingen til Stiftelsen Handelshøyskolen BI per 31. desember 2020 og av selskapets resultater og kontantstrømmer for regnskapsåret som ble avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.
- gir det medfølgende konsernregnskapet et rettviseende bilde av den finansielle stillingen til konsernet Stiftelsen Handelshøyskolen BI per 31. desember 2020 og av konsernets resultater og kontantstrømmer for regnskapsåret som ble avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlaget for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av stiftelsen slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske plikter i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Ledelsen er ansvarlig for øvrig informasjon. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen.

Vår uttalelse om revisjonen av årsregnskapet dekker ikke øvrig informasjon, og vi attesterer ikke den øvrige informasjonen.



I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese øvrig informasjon med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom øvrig informasjon og årsregnskapet, kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon. Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

Styrets og rektors ansvar for årsregnskapet

Styret og rektor (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til stiftelsens evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til <https://revisorforeningen.no/revisjonsberetninger>.

Uttalelse om andre lovmessige krav

Konklusjon om årsberetningen

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til resultatdisponering er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag ISAE 3000 *Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon*, mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av stiftelsens regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.



Uavhengig revisors beretning - Stiftelsen Handelshøyskolen BI

Konklusjon om forvaltning

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendige i henhold til internasjonal standard for attestasjonsoppdrag ISAE 3000, *Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon*, mener vi stiftelsen er forvaltet i samsvar med lov, stiftelsens formål og vedtektene for øvrig.

Oslo, 11. mars 2021

PricewaterhouseCoopers AS

Hans-Christian Berger
Statsautorisert revisor

