

DNB Bank ASA

Green Finance Framework

October 2023



DNB

DNB in Brief

DNB Bank ASA (with subsidiaries, "DNB") is Norway's largest financial services group and one of the largest in the Nordic region in terms of market capitalisation. DNB offers a full range of financial services, including loans, savings, advisory services, insurance, and pension products for retail and corporate customers.

DNB's branches in Norway, in-store banking outlets, internet banking, mobile services and international offices ensure that we are present where our customers are. We are a major operator in a number of industries, for which we also have a Nordic or international strategy.

DNB's Sustainable Ambitions

DNB will be a driving force for sustainable transition

As Norway's largest financial services group, DNB plays an important role in the sustainable transition in Norway, and internationally in certain sectors. Sustainable value creation and climate transition are at the core of DNB's strategy. One of DNB's key strategic ambitions is to deliver sustainable value creation by creating profitable growth and making choices that will stand the test of time. To deliver on this ambition, we will be a driving force for sustainable transition, and actively help customers take a more sustainable direction. DNB's three sustainable ambitions that were launched in 2021, further elaborate on how we will achieve this (see Figure 1).

One of the sustainable ambitions is to finance the climate transition. We will use our position and expertise to actively help our customers in their transition towards a sustainable,

low-carbon economy, both through advisory services, capital allocation and clear requirements. DNB has an overall goal of achieving net-zero emissions from our lending and investment portfolios, as well as own operations by 2050¹. To achieve this, DNB launched a transition plan in October 2023, building on the sustainable ambitions and related sub-targets. The transition plan sets out our 2030 interim targets, how DNB will drive the transition, the business implications of our net-zero commitment, and the tools we have to engage with our customers and the companies we invest in to reduce their greenhouse gas emissions.

We are also continuing and further developing DNB's strong position in the areas of diversity and inclusion and emphasising the importance of the efforts to combat financial crime and promote a secure digital economy.

Figure 1:

DNB's sustainable ambitions focuses on the three priority areas where we can have the greatest impact.



¹ For a bank, net-zero emissions means that the total calculated greenhouse gas emissions from all direct and indirect activities amount to zero.

DNB finances the climate transition and is a driving force for sustainable value creation

Decarbonisation targets

	Segment	2030 interim targets	Emissions scope	Target setting method
Lending	Home mortgages	-47% kgCO ₂ e/m ² /year	1 and 2	Sectoral decarbonisation approach (SDA)
	Housing cooperatives	-50% kgCO ₂ e/m ² /year	1 and 2	SDA
	Commercial real estate	-29% kgCO ₂ e/m ² /year	1 and 2	SDA
	Shipping	-33% gCO ₂ /tonne/nautical mile	1	SDA
	Motor vehicles	-32% gCO ₂ e/pkm	1 and 2	SDA
	Steel	-30% tonnes CO ₂ e/tonne of steel	1 and 2	SDA
	Oil & gas	-18% in committed lending amounts	1, 2, and 3*	Absolute exposure
	Power generation	n/a	1	Baselined, no target set
Investments	Salmon farming	n/a	1, 2 and 3	Baselined, no target set
	DNB Asset Management: Listed equity & corporate bonds	58% - Share of AUM with science-based targets (SBT)	1, 2, and 3	Portfolio coverage
	DNB Livsforsikring: Listed equity & corporate bonds	-55% portfolio-wide intensity (WACI)	1 and 2	Emissions reduction
	DNB Livsforsikring: Listed equity & corporate bonds	53% - Share of AUM with science-based targets	1, 2, and 3	Portfolio coverage
	DNB Livsforsikring: External asset managers	100% of all asset managers should have net-zero target or SBT and action plan by 2025	1, 2, and 3	Portfolio coverage
Own operations	DNB Næringseiendom	-35% CO ₂ e/m ² /year	1 and 2	SDA
	Own operations, motor vehicles	-25.5% gCO ₂ e/pkm	1 and 2	SDA
	Own operations, commercial real estate	EU: -6% kgCO ₂ e/m ² /year USA: -26% kgCO ₂ e/m ² /year Asia: -36% kgCO ₂ e/m ² /year	1 and 2	SDA

*Reduction of total lending commitments cover our exposure to clients' Scope 1, 2, and 3 emissions

Sustainable financing targets

Finance and facilitate

NOK 1 500 billion

for sustainable activities by 2030*

Net-zero emissions by

2050

Increase the total assets in mutual funds with a sustainability profile to

NOK 200 billion

by 2025

In 2025

50%

of net flows of total assets is to go to mutual funds with a sustainability profile

*These activities are not based on the definition in the Taxonomy Regulation or the classification system.

We believe that we can have the greatest impact through dialogue and engagement. Exiting industries that we already finance is not our primary strategy, but we may choose not to provide financing to companies that are unwilling to participate in the transition.

We have several available levers to support the achievement of our net-zero ambition:

1. **Customer engagement and assessment:** Further integrating climate transition considerations into our engagements with our customers and the companies we invest in and improving our assessment tools.
2. **Capital allocation and investment processes:** Further integrating decarbonisation considerations into our capital allocation and investment processes.
3. **Climate transition expectations:** Communicating clear expectations for climate change mitigation to our corporate customers and the companies we invest in.
4. **Products and services:** Scaling and expanding our sustainable and transition finance and investment products and services.
5. **Climate expertise:** Continuously strengthening DNB's climate and transition expertise.

DNB is a driving force for diversity and inclusion

- DNB will have a good gender balance (40/60) in management positions at all levels.
- DNB will be diverse and inclusive.
- DNB will help promote gender equality among our customers through products, services and dialogue.
- DNB's largest suppliers within IT services, consulting and legal services must work systematically on equality and diversity within their own organisations.

DNB combats financial crime and contributes to a safe digital economy

- DNB will report all suspicious transactions.
- DNB will be the most trusted player when it comes to delivering banking services in a modern digital economy.
- DNB is committed to processing and using data and AI (artificial intelligence) in a way that ensures a fair, democratic and inclusive society.



Corporate responsibility in DNB's credit activities

DNB has guidelines in place that specify what financing activities the bank can and cannot engage in including clearly defined expectations to our borrowers. Environmental, social and governance factors are assessed in the credit process for all corporate loans above NOK 8 million and we place the following requirements and expectations on our corporate customers:

Compliance with applicable laws DNB's corporate customers shall comply with applicable laws and regulations of their country of origin as well as of the countries where they operate. They are also expected to act in accordance with relevant international conventions and guidelines set by international organisations, such as the United Nations and the Organisation for Economic Co-operation and Development.

Respect human and labour rights DNB expects its corporate customers to support and respect, within their sphere of influence, internationally recognised human rights, and ensure that they are not involved in human rights violations. Further, customers are expected to respect the eight fundamental or core international labour organisation conventions.

Show regard for the environment DNB supports the protection and preservation of the environment and believes that DNB can make an important contribution to the promotion of good environmental practices. Therefore, DNB supports corporate clients with responsible environmental behaviour. For clients that operate in industry sectors with a high environmental footprint, DNB has an interest in seeing that such clients adequately manage their environmental footprint.

Consider climate change risks Climate change has the potential to severely affect nature, human living conditions and the global economy. The economic impacts of climate change on specific markets, industry sectors and regions are complex, varied, and uncertain. Still, DNB expects its corporate customers to seek to:

- Integrate relevant climate change challenges into their investment planning.
- Integrate material climate change risks in their risk management.
- Report material climate change risks and greenhouse gas emissions.
- Be transparent about their interaction with policymakers and regulators and their positions on climate change legislation and regulation.

The ESG credit risk assessment process is described in more detail in DNB's [Sustainability Library](#).

For all corporate customers with a credit commitment of more than NOK 8 million, ESG risk must be assessed and commented on in the credit proposal. For credit commitments above NOK 50 million, an ESG risk classification must be given using a ESG risk assessment tool. In addition to the general criteria above, DNB has also prepared sector guidance documents for lending within key industries, which can also be found in the [Sustainability Library](#). To ensure we finance activities that are in line with DNB's values, we have identified a list of excluded activities where we do not grant credit, and these can be found in our Corporate Responsibility in DNB's credit activities, available in the Sustainability Library.

In alignment with our responsible lending activities and our ambition to mobilise capital for sustainable financing, DNB has prepared a [Sustainable Product Framework](#) that provides guidance with respect to the requirements for corporate credits in DNB to be labelled green or sustainability-linked. DNB may also extend green financing to finance activities not covered by the Sustainable Product Framework or under the EU Taxonomy. For such instances, an independent second party opinion (SPO) must be obtained, and DNB will make an internal assessment of the SPO and other relevant documentation, before concluding whether the facility can be labelled as a green loan.

Climate-related risks and opportunities

To analyse climate risk in the loan and asset management activities, DNB has for several years participated in a number of climate risk pilot projects and working groups, including scenario analyses under the auspices of UNEP FI. DNB reports on the results from our climate related analysis in line with the TCFD (Task Force on Climate Related Financial Disclosure) frameworks in our Annual Reports. In addition, we have put considerable efforts into ensuring that our CDP reporting is in line with the TCFD framework.

Climate considerations are part of the environmental, social and governance (ESG) factors that are embedded in the ESG risk assessment and ESG risk assessment tool for all corporate credit commitments above NOK 8 million and NOK 50 million, respectively. For carbon-intensive sectors, transition risk is specifically considered in the ESG risk assessment tool and central to our decision-making. Factors such as emissions reporting, credible transition strategies and related decarbonisation targets are key elements that are considered in connection with customer selection, capital allocation, and credit decisions.

Building a system to map and monitor DNB's climate risk, ensuring strategic target attainment and meeting reporting requirements is important for DNB's risk management. Progress relating to this work is regularly reported to Group Management and the Board of Directors for endorsement. Climate risk is thus becoming increasingly integrated into our financial planning. ESG risk in the credit portfolio is included in the bank's risk reporting to the Board of Directors and management.

DNB's work with the UN Sustainable Development Goals

The UN Sustainable Development Agenda was adopted in 2015, as a global plan of action to end poverty, combat inequality and limit climate change by 2030. The Agenda consists of 17 Sustainable Development Goals (SDGs), and each SDG has a number of targets focusing on the main areas that must be addressed effectively in order to achieve the overall goals. The SDGs provide the framework for our sustainability work, and guide our dialogue with customers.

DNB supports all 17 SDGs, while also identifying specific goals of particular relevance to our operations. The three SDGs of highest priority are:

- **SDG 5** Achieve gender equality and empower all women and girls in society.
- **SDG 8** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- **SDG 13** Take urgent action to combat climate change and its impacts.

Other SDGs we are focusing on, and that are in line with our materiality analysis, are SDGs 7, 9, 10, 12, 14, 15 and 16. Through our roles as employer, investor, lender, and facilitator and supplier of financial infrastructure, we seek to contribute positively to fulfilling these SDGs and reduce our negative impact in these areas. You can read more about how we work with the SDGs in the Sustainability Factbook (at the end of the report) and on our website www.dnb.no/om-oss/barekraft.

The UN Sustainable Development Goals

DNB's top priority SDGs



Other prioritised SDGs



DNB and Green Finance

Considerable investments are required to enable the climate transition. DNB will help our customers' transition by offering financial products that promote sustainable activities, solution and investments. By issuing Green Finance Instruments, we will provide additional transparency around funded projects and assets that carry environmental benefits.

In alignment with DNB's sustainable ambitions, we have established a Green Finance Framework (hereinafter referred to as the "**Framework**") to be able to issue Green Finance Instruments (such as green covered bonds issued by DNB's covered bond entity DNB Boligkreditt AS, green senior bonds (preferred and non-preferred) and green commercial papers) to finance and refinance assets and projects that contribute to the transition to a low carbon economy (such instruments hereinafter referred to as "**Green Finance Instruments**"). We hereby hope to promote further investments into assets that will assist in reaching the targets set forth by the Paris Climate Agreement, the EU Environmental Objectives and the UN SDGs.

DNB Green Finance Framework

The ICMA Green Bond Principles of June 2021 (with June 2022 Appendix 1)² (the "**Green Bond Principles**") is a set of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of the green bond market by clarifying the approach for issuing a green bond. As per the Green Bond Principles, the Framework is presented through the following key pillars:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

This Green Finance Framework covers the issuance of Green Finance Instruments. For each Green Finance Instrument issued, DNB asserts that it will adopt (1) Use of Proceeds, (2) Process for Project Evaluation and Selection, (3) Management of Proceeds and (4) Reporting, as set out in this Framework. The Framework also follows the recommendations of the Green Bond Principles regarding External Review.

The Framework defines the loans, credits, and investments (hereinafter defined as the "**Eligible Green Loan Portfolio**") eligible to be funded by the proceeds of Green Finance Instruments issued by DNB. The documentation for any Green Finance Instrument issued shall provide a reference to this Framework under the use of proceeds section. The terms and conditions contained in the underlying documentation for each issued Green Finance Instrument will specify the actual terms of the instruments.

This Framework may, from time to time, be updated, for instance to reflect evolving market standards (e.g. the Green Bond Principles), regulations and/or DNB's strategy. It is DNB's ambition that any future version of this Framework will include transparency and reporting disclosures that will be aligned with best market practice. For the avoidance of doubt, any future changes to the Eligibility Criteria may not apply to Green Finance Instruments issued under previous versions of the framework.

² ICMA Green Bond Principles (June 2021), <https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Green-Bond-Principles-June-2022-060623.pdf>

Use of Proceeds

An amount equal to the net proceeds from Green Finance Instruments issued by DNB will be used to finance and/or refinance a portfolio of “**Eligible Green Loans**” as defined by the eligibility criteria set out on pages [8-10] below (the “**Eligibility Criteria**”). The Eligibility Criteria is based on the DNB Sustainable Product Framework and has been developed in cooperation with the business units responsible for lending in each respective sector. The DNB Sustainable Product Framework has identified a broad list of categories eligible for green financing in DNB. In this Framework, we have chosen to focus on a selection from this list of categories, namely Green Buildings, Renewable Energy and Clean Transportation as further described below.

The DNB Sustainable Product Framework applies to certain of DNB’s sustainable lending activities and has been structured to identify investments that increase positive and reduce negative environmental impact and that help businesses and societies mitigate the effects of climate change. To ensure the robustness of the DNB Sustainable Product Framework, Sustainalytics has been involved in the process of identifying eligible activities.

In addition to [DNB’s group-wide exclusions](#) for all extensions of credit, Green Finance Instruments will not be used to finance loans linked to fossil energy generation, nuclear energy generation, weapons and defence, mining, gambling, or tobacco.

Contribution to the EU Environmental Objectives, the EU Taxonomy Regulation, and the EU Taxonomy Climate Delegated Act

The Eligibility Criteria will ensure that the Eligible Green Loans funded under this Framework make a substantial contribution to the achievement of the EU Environmental Objectives³. The definition of the Eligibility Criteria below takes into account the EU Taxonomy Regulation⁴ and the EU Taxonomy Climate Delegated Act⁵ substantial contribution criteria (“**EU Taxonomy Criteria**”). Due to a combination of factors, including but not limited to the uncertainty in the market surrounding how to implement the do no significant harm criteria and the minimum safeguards criteria and the lack of availability of certain data relating to the Eligible Green Loans, DNB does not consider “do no significant harm” in its application of the Eligibility Criteria.

The EU Taxonomy establishes a system to classify environmentally sustainable economic activities by setting out metrics and thresholds. DNB is closely monitoring the developments of the EU Taxonomy. When deemed necessary by DNB, the criteria in the DNB Sustainable Product Framework may be changed to further harmonise with the metrics and thresholds of the EU Taxonomy. If such changes are made, related to criteria in this Green Finance Framework, this Green Finance Framework may also be updated.

Contribution to the UN SDGs

In alignment with DNB’s sustainable ambitions and support of the UN SDG 2030 agenda, the Eligibility Criteria in this Framework contribute to the achievement of specific UN SDGs and related sub-targets⁶.

³ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending regulation (EU) 2019/2088, see [here](#)

⁴ *ibid.*

⁵ https://ec.europa.eu/info/law/sustainable-finance-taxonomy-regulation-eu-2020-852/amending-and-supplementary-acts/implementing-and-delegated-acts_en

⁶ Mapping between ICMA Eligible Categories and UN SDGs based on ICMA High Level Mapping to the Sustainable Development Goals: <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2019/Mapping-SDGs-to-Green-Social-and-Sustainability-Bonds06-2019-100619.pdf>

Green Residential Buildings

Loans, credits, and investments to finance and refinance new or existing residential buildings in Norway. Eligible Green Buildings must meet one or more of the following eligibility criteria:

Buildings built $\geq$ 2021

Buildings complying with the relevant NZEB-10% threshold.^{7 8}

Buildings built < 2021

Buildings within the top 15% energy efficient buildings in Norway: Buildings complying with TEK10 & TEK17 building codes (built $\geq$ 2012).⁹



⁷ In accordance with the EU Taxonomy Climate Delegated Act, buildings built from 1 January 2021 onwards should meet the 'NZEB -10%' criterion. [In Norway, NZEB definitions were announced on 31 January 2023](#) (Norwegian only).

⁸ Compliant buildings are assessed against the respective NZEB threshold published by the Norwegian Ministry, expressed as specific energy demand in kWh/m². At the time of writing all Norwegian buildings with EPC labels of A and some EPC B labels are compliant. The full methodology and selection approach used for NZEB-10% compliant buildings will be published in a technical report from a specialised external consultant.

⁹ Qualifying building codes will be determined with the support of a specialised external consultant. A two-year lag between implementation of a new building code and the building built under that code must be taken into account.

Clean Transportation

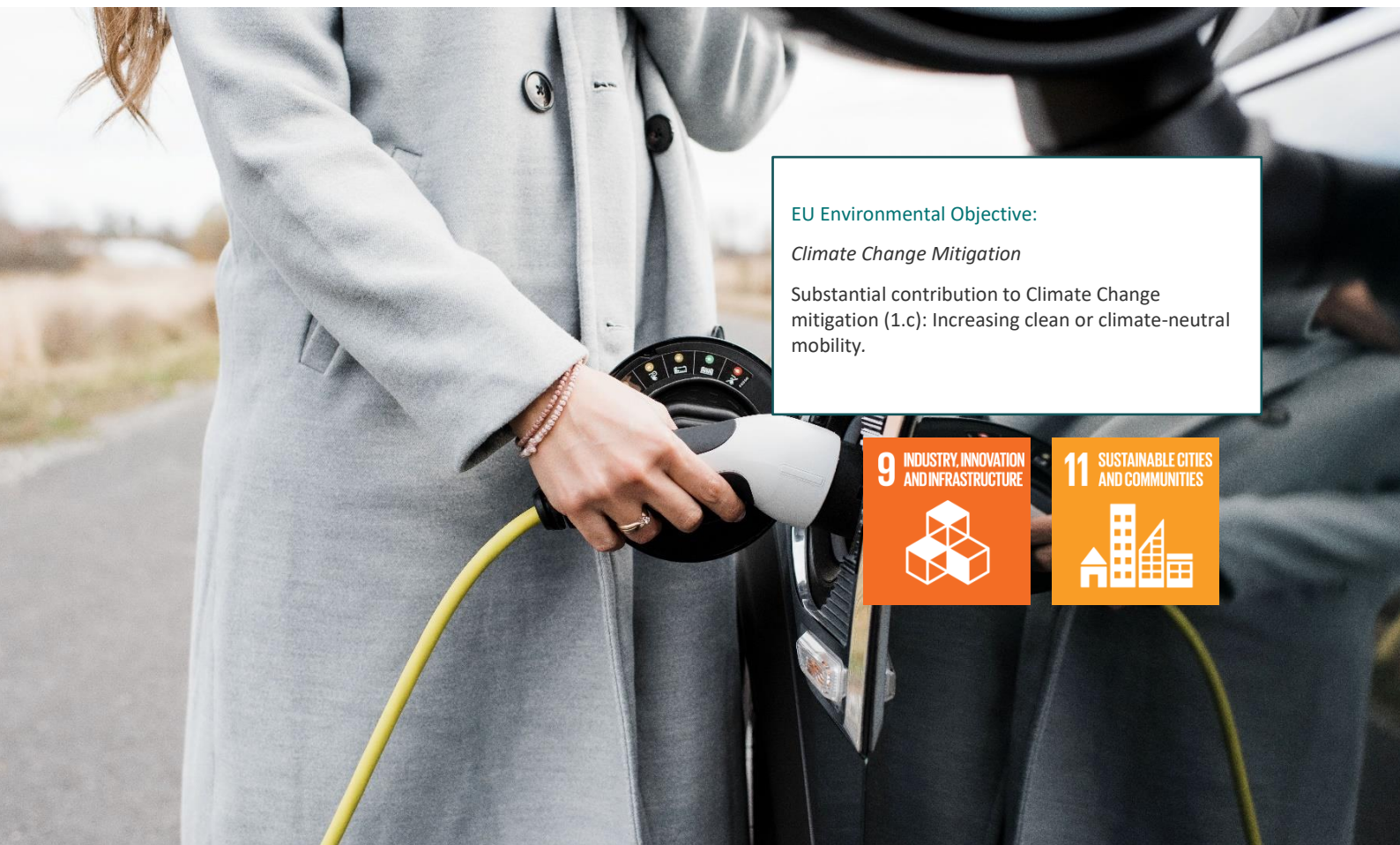
Loans, credits and investments to finance and refinance the development, manufacture, retrofit and purchase of zero direct (tailpipe) CO₂ emissions vehicles, public and mass transportation as well as related components and infrastructure.

Zero carbon vehicles

Fully electric, hydrogen or otherwise zero direct (tailpipe) CO₂ emissions vehicles for the transportation of passengers or freight.

Zero carbon transportation infrastructure

Infrastructure related to zero direct (tailpipe) CO₂ emissions vehicles including, but not limited to, EV charging stations and hydrogen fuelling stations.



Renewable Energy

Loans, credits, and investments to finance and refinance the operation, construction, installation, maintenance or repair of renewable energy power plants of renewable energy power plants and generation and transmission of energy from such renewable sources. Loans may be for specific assets and projects or to 'pure play' financing, defined as general corporate purpose financing where not less than 90% of the actual and expected activities of relevant company fall within criteria referred to below¹⁰. For such enterprises, the entire loan principle is eligible for funding from Green Finance Instruments, otherwise not at all.

Wind power

Onshore and offshore wind energy projects.

Solar power

Photovoltaics (PV) and concentrated solar power (CSP).¹¹

Hydropower

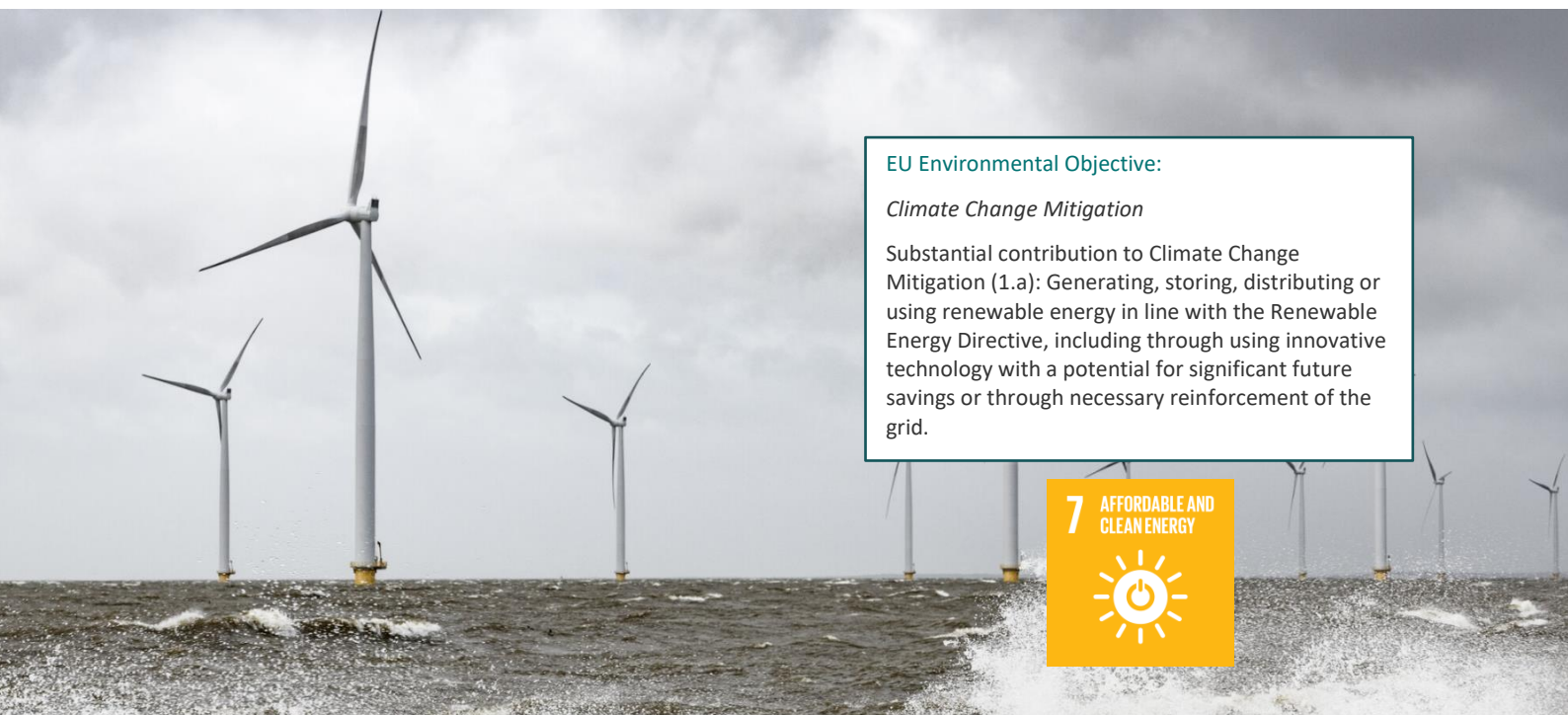
One of the following requirements are met:

- 1) the electricity generation facility is a run of river plant and does not have an artificial reservoir, or
- 2) the power density of the electricity generation facility is above 5W/m², or
- 3) the lifecycle emissions from the generation of the electricity from hydropower are lower than 100g CO₂e/kWh.

Electricity transmission and storage

Construction, operation and maintenance of transmission, distribution and storage systems (or other infrastructure, including storage) to facilitate the integration of electricity from renewable energy sources into the grid:

- 1) Transmission and distribution infrastructure in an electricity system that complies with at least one of the following criteria:
 - The system is the interconnected European system, and its subordinate systems, or
 - more than 67% of newly enabled generation assets are less than the 100gCO₂e/kWh life cycle threshold (over a rolling 5-year period), or
 - the grid's average emissions factor is less than 100gCO₂e/kWh (over a rolling 5-year period)
- 2) Direct connections, or expansion of existing direct connections of renewable energy sources.
- 3) Construction and operation of facilities that store electricity and return it at a later time in the form of electricity (including pumped hydropower storage).



¹⁰ Compliance with this requirement may be measured on the basis of revenues, overall expenditures and/or other indicators as determined by DNB, and must be documented and confirmed annually, both forward looking and backward looking.

¹¹ Minimum 85% of electricity derived from solar energy.

Process for Project Evaluation and Selection

For Green Buildings, DNB will select and track the Eligible Green Loans based on information from the official Land Register. The information is received from third-party Eiendomsverdi¹², which is an entity that supports the reporting of mortgage data for a large number of Norwegian bond issuers.

Information from the Land Register regarding building year and EPC label for all residential properties are used to determine the Eligible Green Residential Buildings. Loans secured by mortgages on Eligible Green Residential Buildings are selected as Eligible Green Loans.

DNB will identify and keep records of new and existing mortgages that meet the Eligibility Criteria. A green mortgage register of Eligible Green Loans will be kept by DNB, and DNB will select from the register the Eligible Green Loans available for green bond funding.

For Renewable Energy and Clean Transportation, the relevant business units within DNB will identify potential Eligible Green Loans.

General

Eligible Green Loans financed and/or refinanced by Green Finance Instruments proceeds are evaluated and selected based on compliance with the Eligibility Criteria. A dedicated Green Finance Committee has been established to confirm and monitor the Eligible Green Loan Portfolio and will meet at least semi-annually to do so. The committee consists of members from a group of departments with relevant stakes in DNB's Green Finance Instruments, namely, Group Treasury, Personal Banking/DNB Boligkreditt, Corporate Banking, the Sustainability & Public Affairs Department and Group Credit Risk Management.

The committee is also responsible for:

- Overseeing the content of DNB's Green Finance Framework and updating it to reflect changes in corporate strategy, technology, market, or regulatory developments on a best effort basis;
- Overseeing the Eligible Green Loans Portfolio, excluding projects that no longer comply with the Eligibility Criteria or have been disposed of and replacing them on a best effort basis;
- Overseeing the allocation and impact reporting, including related external reporting and/or assurance (DNB relies on external consultants and their data sources, in addition to its own assessment).

It is part of the general credit approval process within the corporate banking segment for DNB to ensure, on a reasonable effort basis, that relevant activities comply with internal environmental and social standards as well as applicable external frameworks such as the Equator Principles.¹³ These ESG minimum requirements are reflected within DNB internal policies, whose implementation helps to mitigate the environmental and social risks associated with the Eligible Green Loans. DNB's group guidelines, policies, guidance documents and expectations as they relate to sustainability can be found online in our [Sustainability Library](#).

Management of Proceeds

The proceeds from the Green Finance Instruments will be managed by DNB in a portfolio approach.

DNB intends to allocate these proceeds to an Eligible Green Loan Portfolio, selected in accordance with the Eligibility Criteria and evaluation and selection process presented above.

DNB will strive, over time, to achieve a level of allocation for the Eligible Green Loan Portfolio that matches or exceeds the balance of net proceeds from its outstanding Green Finance Instruments. DNB will identify, track and keep a register of new and existing Eligible Green Loans. Eligible Green Loans will be added to or removed from DNB's Eligible Green Loan Portfolio to the extent required. Unallocated net proceeds from Green Finance Instruments will be held in DNB's treasury liquidity portfolio, in cash or other short term liquid instruments, at DNB's own discretion. In the rare case where net proceeds are unallocated, DNB intends to assign a portion of such unallocated net proceeds to ESG orientated assets (e.g. green, sustainable or social bonds) within DNB's treasury liquidity portfolio.

¹² For more information, please see: <https://eiendomsverdi.no/>

Reporting

On a reasonable effort basis, DNB will align the reporting with the portfolio approach described in "Green Bonds - working towards a Harmonized Framework for Impact Reporting (June 2022)" ¹⁴. In addition, DNB may map (voluntary) reporting disclosures with the EU Green Bond Standard reporting templates¹⁵.

The reporting is based on the Eligible Green Loan Portfolio and numbers will be aggregated for all Green Finance Instruments outstanding. DNB intends to report to investors annually for as long as there are green bonds outstanding.

Allocation Reporting

The allocation report will provide information, on an aggregated basis, on indicators such as:

- The size of the identified Eligible Green Loan Portfolio, per investment category.
- The total amount of proceeds allocated to the Eligible Green Loan Portfolio, per Green Eligible Category.
- The balance (if any) of unallocated proceeds.
- The amount or the percentage of new financing and refinancing.¹⁶

Impact Reporting

Where feasible, DNB intends to report on the environmental impact of the Eligible Green Loans financed by Green Finance Instruments. For each Green Eligible Category, the impact report may provide:

- A description of relevant green projects.
- The breakdown of green projects by nature of what is being financed (financial assets).
- Metrics regarding projects' environmental impact as described below.

Category	Output indicators	Impact indicators ¹⁷
Green buildings	• Volume of Eligible Green Loans qualifying in accordance with the Eligibility Criteria	• Estimated annual GHG emissions compared to baseline (tCO2e) and Estimated ex-ante annual energy consumption in KWh/m2 • Estimated reduced energy (in GWh/year)
Renewable energy	• Renewable energy capacity installed in GW or MW	• Estimated annual GHG emissions compared to baseline (tCO2e)
Clean transportation	• Zero carbon vehicles: Number of vehicles (units per year) • Low carbon transportation infrastructure: Number of units installed (if applicable)	• Estimated annual (direct & indirect) GHG emissions compared to baseline (tCO2e)

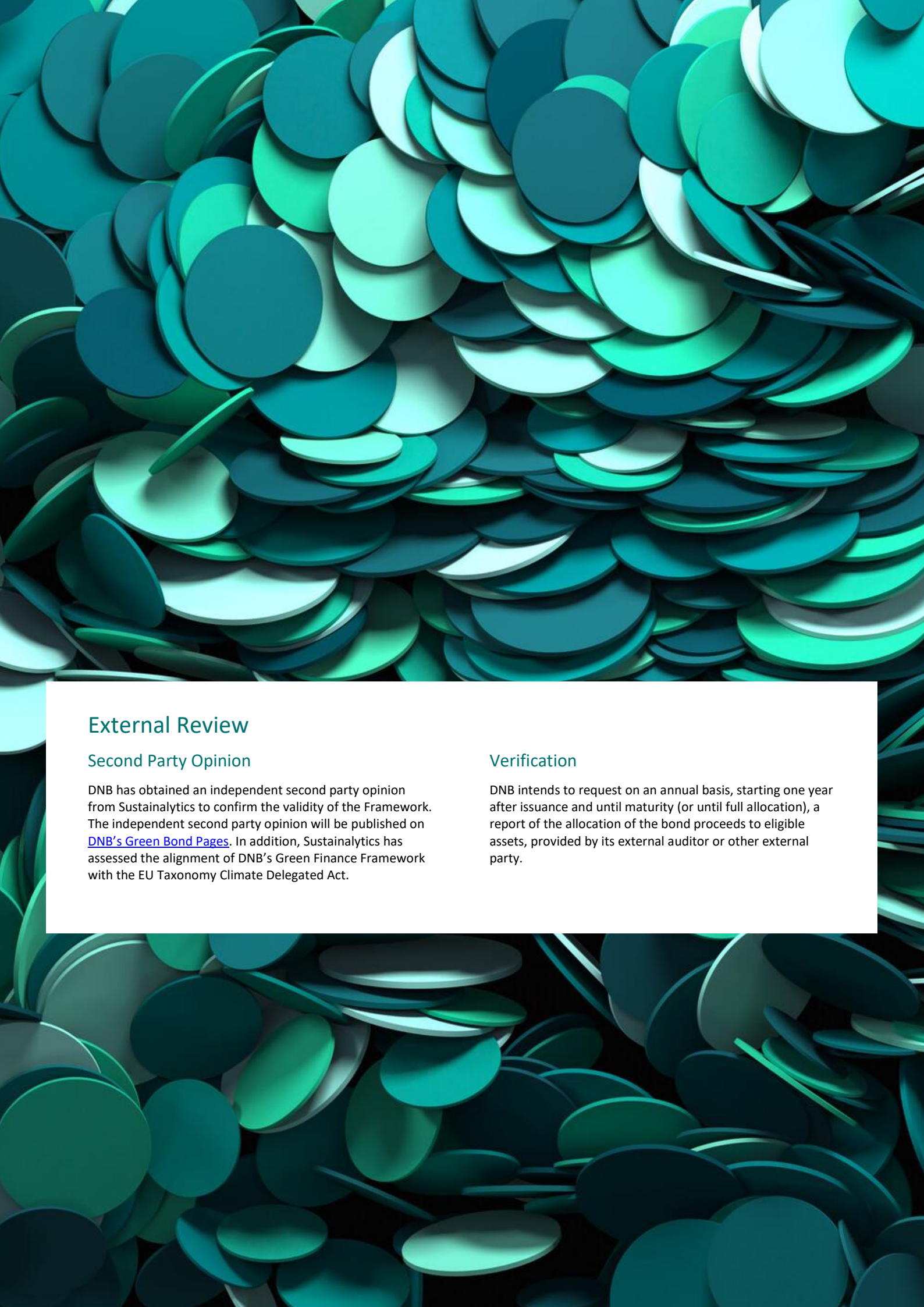
Depending on availability and subject to confidentiality agreements, DNB might seek to complement above indicators with relevant case studies. Both the allocation report(s) and the impact report(s) will be made available on [DNB's Green Bond Pages](#).

¹⁴ ICMA Harmonised Framework for Impact Reporting (June 2022), https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Harmonised-Framework-for-Impact-Reporting-Green-Bonds_June-2022-280622.pdf

¹⁵ https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/european-green-bond-standard_en

¹⁶ At issuance, Green Finance instruments are expected to be fully allocated to 'refinancing' of Eligible Green Loans as of the date of issuance, as DNB will strive, over time, to achieve a level of allocation for the Eligible Green Loan Portfolio that matches or exceeds the balance of net proceeds from its outstanding Green Finance Instruments. Given the utilisation of the portfolio approach, the Eligible Green Loan Portfolio is dynamic, as new loans Eligible Green loans enter and other Eligible Green Loans leave the portfolio (e.g. matured loans). DNB will indicate the amount of newly originated green assets in the Portfolio for recent years, to give an indication of the vintage of the green assets.

¹⁷ DNB has appointed specialized consultants to perform the climate impact calculations.



External Review

Second Party Opinion

DNB has obtained an independent second party opinion from Sustainalytics to confirm the validity of the Framework. The independent second party opinion will be published on [DNB's Green Bond Pages](#). In addition, Sustainalytics has assessed the alignment of DNB's Green Finance Framework with the EU Taxonomy Climate Delegated Act.

Verification

DNB intends to request on an annual basis, starting one year after issuance and until maturity (or until full allocation), a report of the allocation of the bond proceeds to eligible assets, provided by its external auditor or other external party.

Disclaimer

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