

DNB

11 September 2023



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DNB – A Brief Overview

H1 2023 Highlights¹⁾

- **Resilient and solid earnings**
 - Pre-tax operating profit before impairment NOK 26 680 mill
- **Impairments** NOK - 792 mill
- **Profit for the period** NOK 19 934 mill
 - Solid profitability with **ROE of 16.4%**
- **CET1 Ratio:** **18.9%**²⁾
- **CET1 Capital Expectation:** **~17.1%** (including Pillar 2 Guidance/mgmt buffer)
- **Leverage ratio:** **6.6%** (7.9% excluding central bank deposits)
- **MDA (trigger level):** **~15.6%**

1) Due to the implementation of IFRS 17, some comparative figures for 2022 used throughout this presentation have been restated.

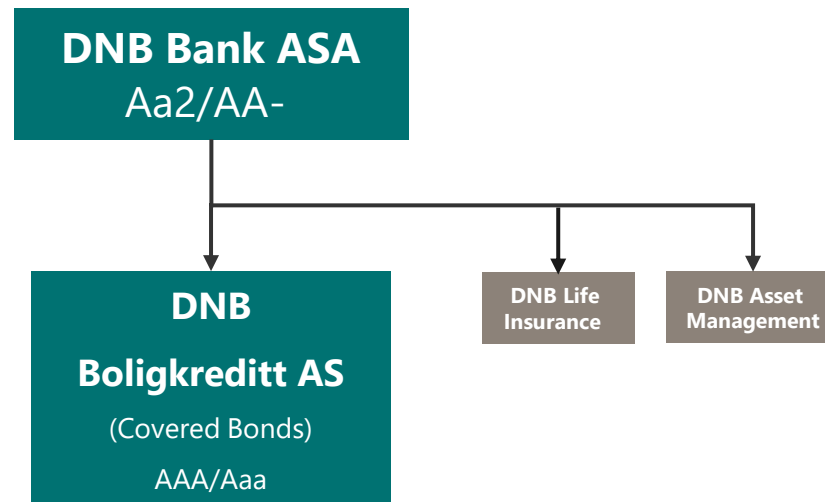
2) On 17 July 2023, DNB announced to initiate a share buy-back programme comprising up to 1.5 percent of the company's own shares, which will reduce the CET 1 ratio with ~0.5%.

DNB – Norway's Leading Financial Services Group

- Approximately 30% market share in Norway
- 34% owned by the Norwegian Government
- Credit Ratings:
 - **Moody's: Aa2** (stable outlook)
 - **S&P: AA-** (stable outlook)
- Sustainability/ESG Ratings:
 - Sustainalytics: 16.8 (Low Risk) Management Score: 62.4 (strong)
 - ISS QualityScore: C (Prime)
 - MSCI ESG Ratings: AAA
 - CDP: A (Leadership)

DNB Group Structure

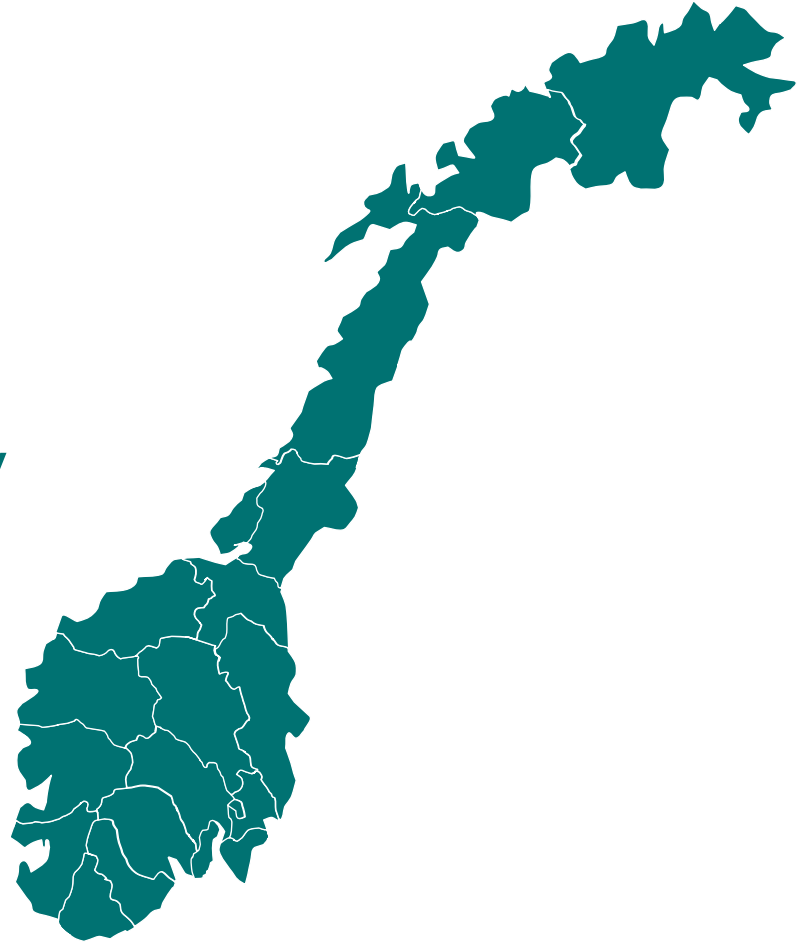
- On 1 July 2021, the merger between DNB (HoldCo) and DNB Bank was completed, with **DNB Bank as the surviving entity. No change for investors**, including investors of covered bonds, senior debt (SP and SNP) and capital instruments.
- The acquisition of **Sbanken** was completed in March 2022 and the merger between DNB Bank ASA and Sbanken ASA was effective 2 May 2023.
- The merger between **Sbanken Boligkreditt AS** and **DNB Boligkreditt AS** was effective 4 September 2023. DNB Boligkreditt has as the surviving entity assumed the position as debtor of Sbanken Boligkreditt's covered bonds. The merger of the two cover pools is expected to take place during 1H 2024.



DNB Boligkreditt

- ✓ 100% owned by DNB Bank and functionally an integrated part of the parent
- ✓ Mortgages originated within DNB Bank's distribution network in accordance with the bank's credit policy

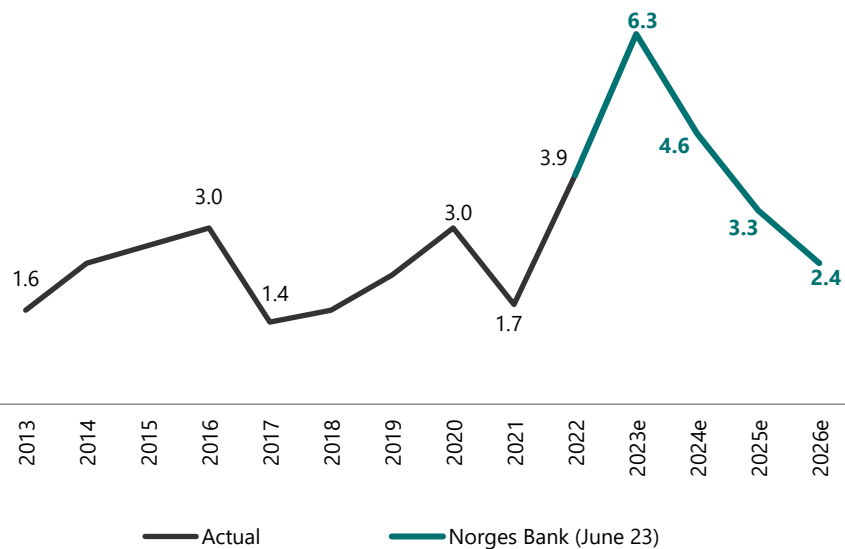
The Norwegian Economy



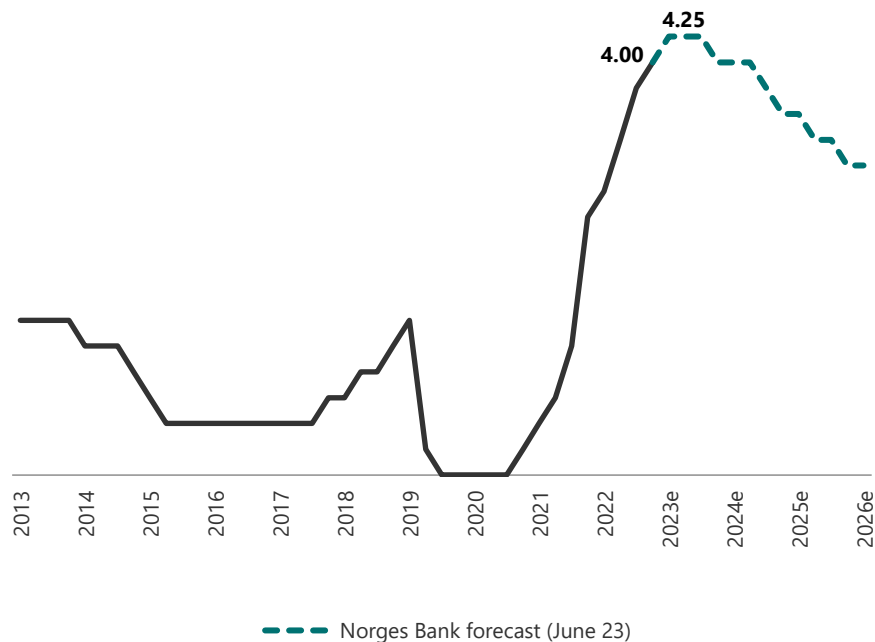
Key policy rate and core inflation

- Core inflation is currently well above Norges Bank's target of 2%
- Year on year core inflation in August was 6.3%, down from 6.4% in July. Expected to peak in 2023 and gradually decline in forecasting period
- Key policy rate now at 4.00%. At the August meeting Norges Bank guided for the policy rate to peak at 4.25% in September

Core inflation
YoY Per cent



Key policy rate
Per cent



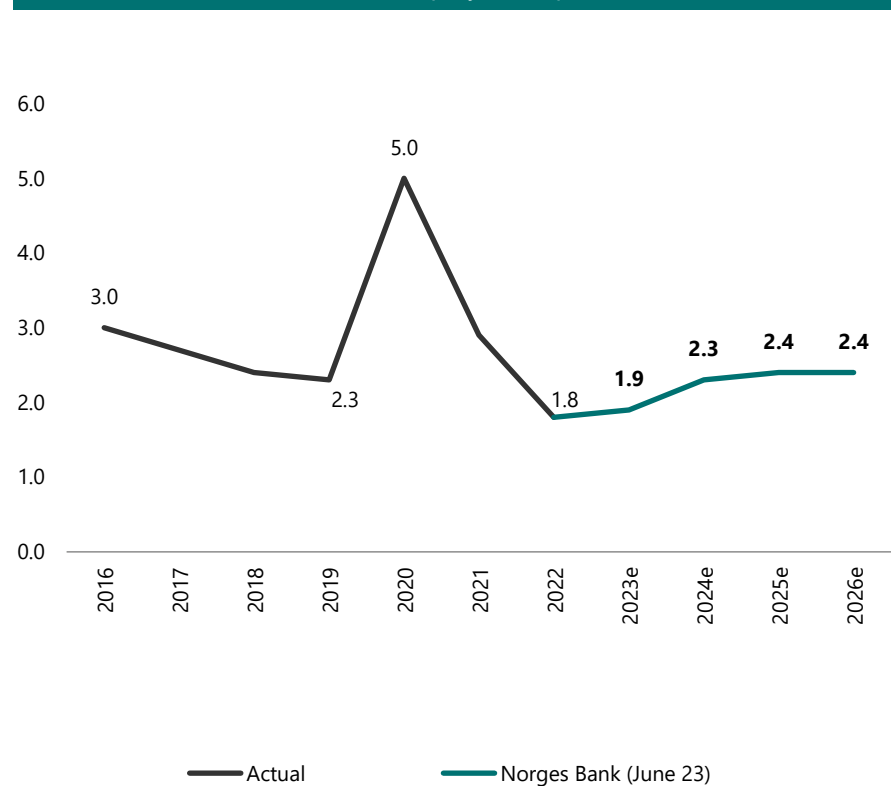
Resilient and robust Norwegian economy

- Healthy activity levels in first half of 2023 – moderate growth in mainland economy anticipated going forward
- Unemployment rates expected to remain low throughout forecasting period

Mainland real GDP growth
YoY, per cent



Registered unemployment
Full-time unemployment, per cent

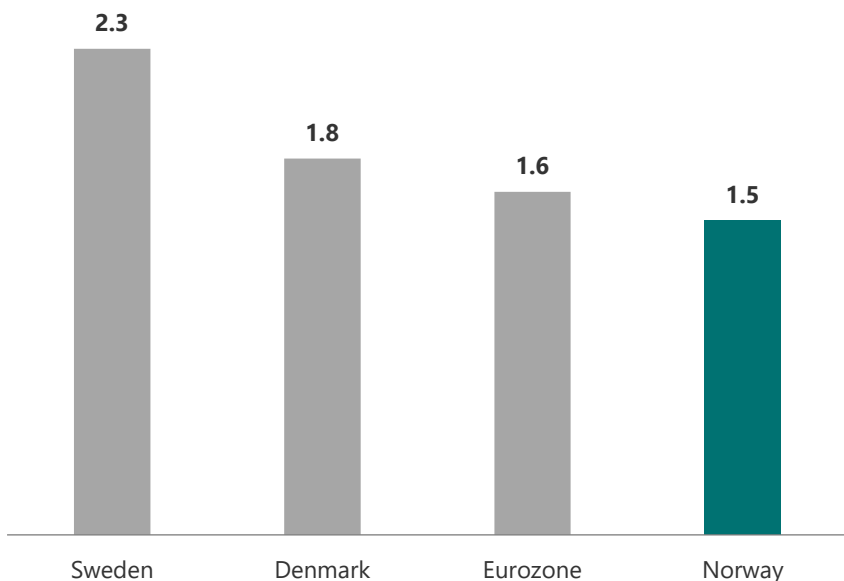


Stable economy supported by a strong fiscal position

- Historical volatility in real GDP for Norway is low and the economy has proven resilient in challenging times
- The Norwegian economy is supported by the sovereign wealth fund allowing for flexibility to smooth out cycles¹⁾
- Sovereign wealth fund close to 3.5x GDP

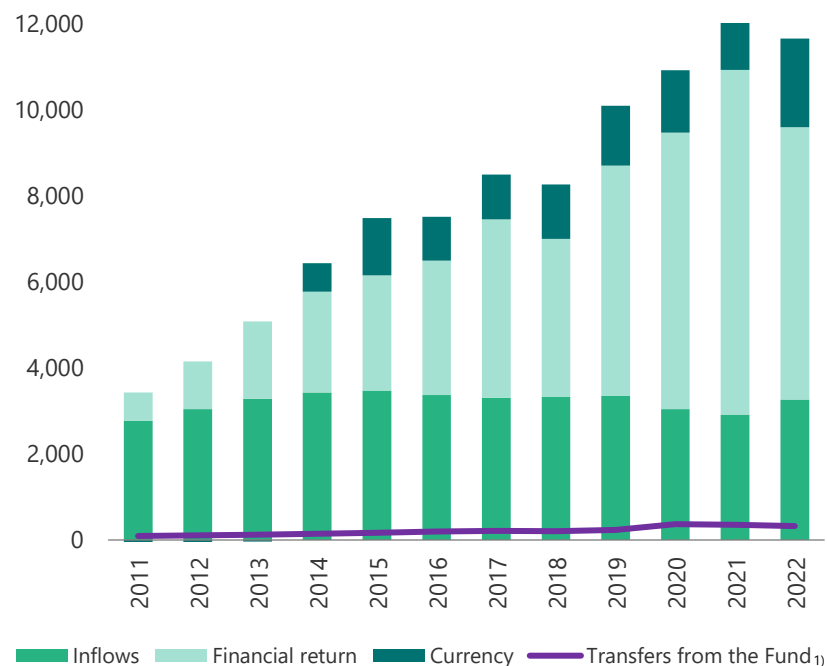
Average real GDP – standard deviation

YoY 1990-2021, per cent



Fiscal position: Sovereign Wealth Fund

NOK billion



1) Fiscal rule: Transfer from the Sovereign Wealth Fund not to exceed estimated real return, estimated to 3% p.a. (reduced from 4% in 2017)

Financial Targets, Performance and Capital

Financial ambitions 2022-2025

Return on equity
> 13%
Overriding target

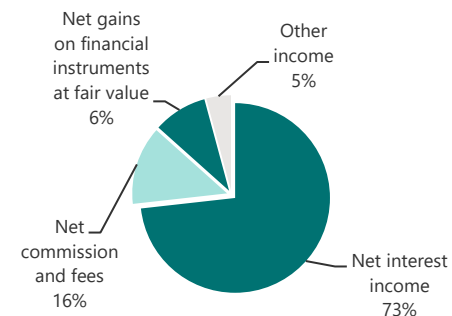
CET1 ratio
> 17.1%¹⁾
Capital level

C/I ratio
< 40%
Key performance indicator

Payout ratio
> 50%
Dividend policy

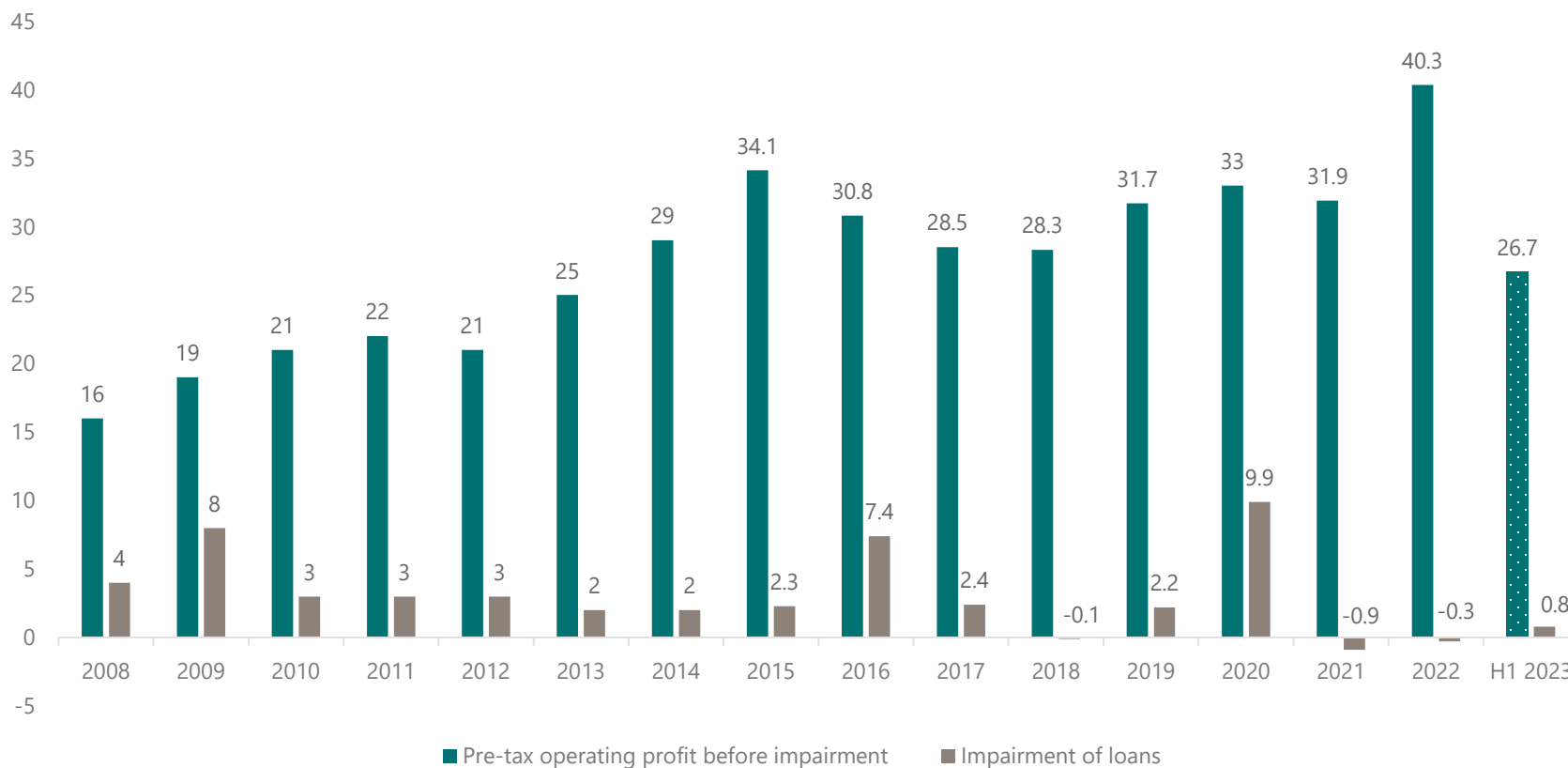
DNB Delivers Resilient and Solid Earnings

Total income split H1 2023



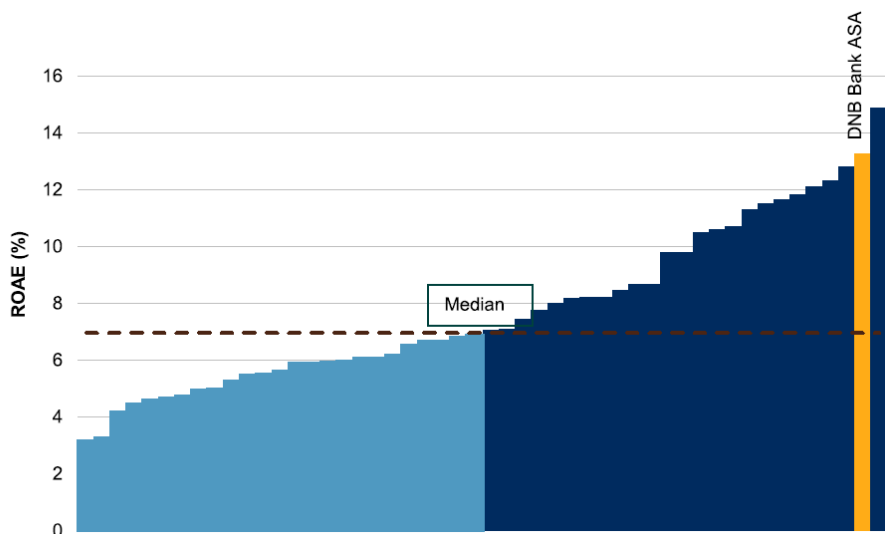
Pre-tax operating profit before impairment

NOK billion



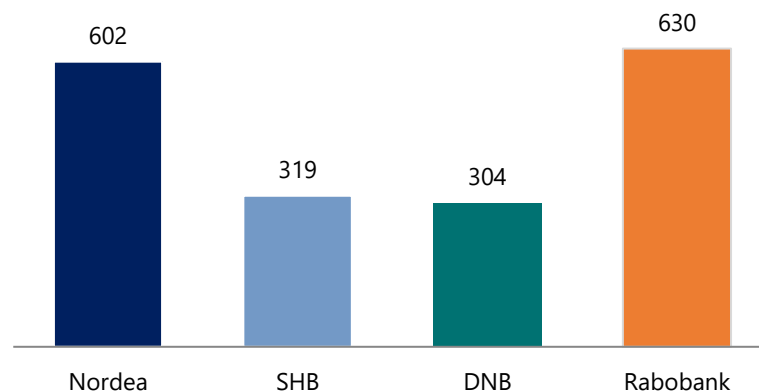
DNB Earnings in the Context of Peers

S&P Global Ratings Forecast 2023: Return on Average Equity European Top 50 Banks

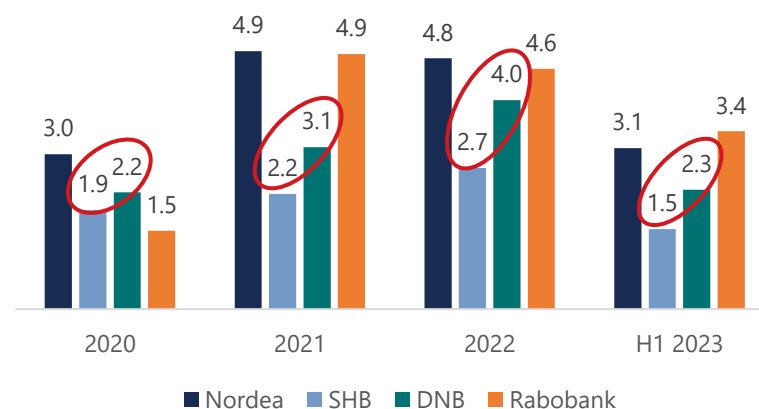


DNB's profitability vs. selected peers

Balance Sheet Size (30 June 2023, EUR bn eqv)



Pre-Tax Operating Profit after Impairments (EUR bn eqv)



Sources: S&P Global Ratings, Company Websites, Factbooks, Annual Reports. End of Period Exchange Rates used for Balance Sheet Size and Average Exchange Rate used for Operating Profit. Source of Exchange Rates: Bloomberg

Impairment of Financial Instruments

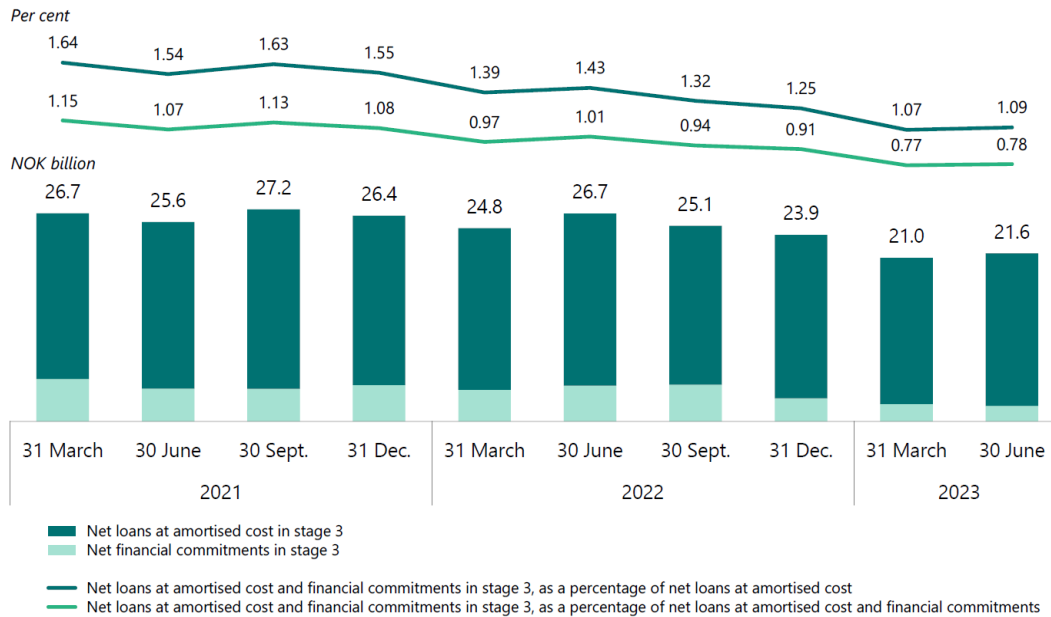
Impairment of financial instruments per segment, NOK million

	H1 2023	2022	2021	2020	2019
Write-down ratio (%)	0.08	(0.01)	(0.05)	0.60	0.14
Personal customers	(73)	(413)	(75)	(65)	(354)
Commercial Real Estate	(21)	(211)	81	(146)	(124)
Residential property	(1)	(155)	(4)	(55)	(28)
Oil, gas and offshore	1 121	1 558	324	(6 845)	(274)
Shipping	(5)	63	402	(351)	105
Power and renewables	(185)	(67)	(234)	(260)	166
Other Industry segments ¹⁾	(1 628)	(503)	374	(2 196)	(1 682)
Total	(792)	272	868	(9 918)	(2 191)

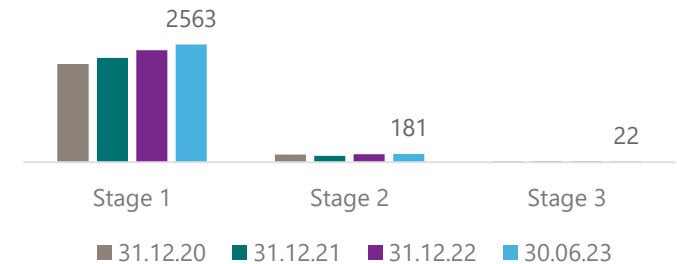
¹⁾ Includes NOK 653m in provisions related to legacy foreign currency portfolio in Poland, which constitutes ~75% of total impairments in Q2 23

Net Loans and Financial Commitments (IFRS)

Stage 3 Net Loans and Financial Commitments (IFRS)

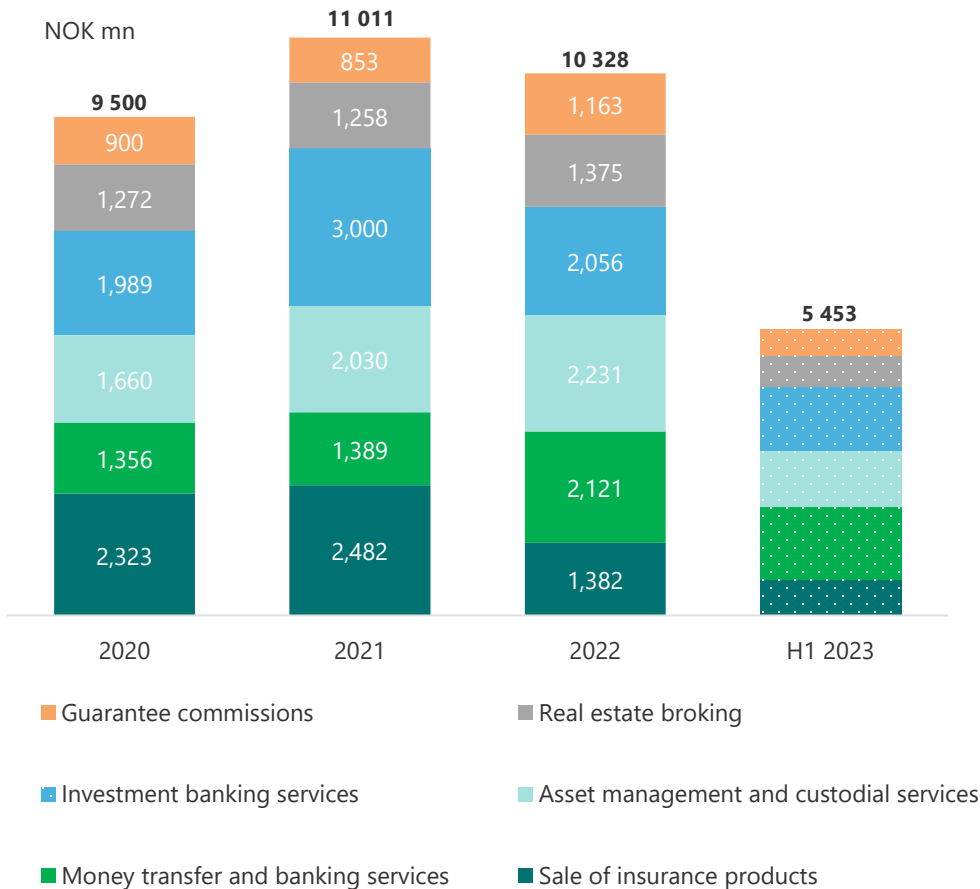


Net Loans and Financial Commitments Stage 1-2-3



Commission and Fees – strong performance

- Ambition: ~4-5% annual growth through the cycles



Well positioned to deliver on the growth ambition

- Increased FICC¹⁾ customer income in Markets driven by higher volumes and competitive pricing
- Broad-based product offering ensuring recurring income from real estate broking, money transfer and banking services, guarantee commissions and sale of insurance products
- Strengthened position across products, industries and geographies within investment banking services
- Well positioned for further growth in savings and pensions through strong footprint in the Norwegian market

1) FICC: Fixed income, currencies and commodities

Key Financial Ratios

	H1 2023	2022	2021	2020	2019	2018
Return on equity (%)	16.4	14.7	10.7	8.4	11.7	11.7
Cost income (%)	34.5	39.0	43.0	41.5	42.2	43.8
Net Interest Margin (%)	1.79	1.54	1.38	1.45	1.57	1.53
Write-down ratio (%) ¹⁾	0.08	(0.01)	(0.05)	0.60	0.14	(0.01)
Common equity tier 1 ratio (%) ²⁾	18.9	18.3	19.4	18.7	18.6	17.2
Total capital ratio (%) ²⁾	23.0	21.8	24.0	22.1	22.9	20.8
Leverage Ratio (%) ³⁾	6.6	6.8	7.3	7.1	7.4	7.5

1) Figures from 1 January 2020 are recognised excluding loans at fair value. Historical figures have been adjusted accordingly.

2) On 31 December 2019, CRR/CRD IV was implemented in Norway, and the so-called Basel I floor was removed. The additional capital requirements due to the transitional rules have been removed from the historical figures. The harmonised rules include the introduction of the SME discount factor.

3) Leverage ratio 30 June 2023 excluding central bank deposits = 7.9%.

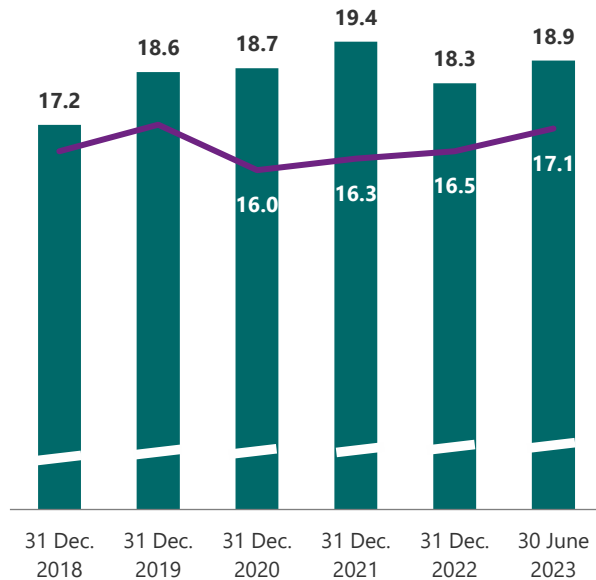
A Very Strong Capital Position

- well above capital requirements

- CET1 capital ratio of 18.9% per 30 June 2023, versus regulatory expectation of 17.1%
- On 17 July 2023 DNB announced to initiate a share buy-back programme comprising up to 1.5 percent of the company's own shares.
 - The share buy-back programme will reduce DNB's CET1 ratio by ~0.5%.

Common Equity Tier 1 (CET1) capital ratio

Per cent

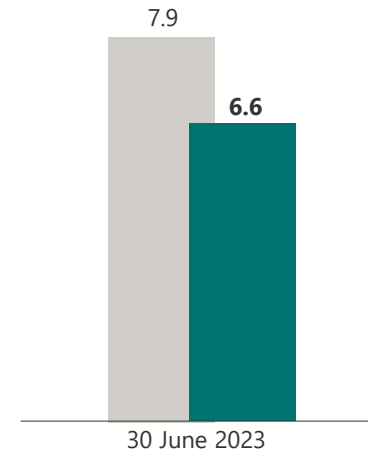


■ CET1 capital ratio

— FSA's expectation

Leverage Ratio

Per cent

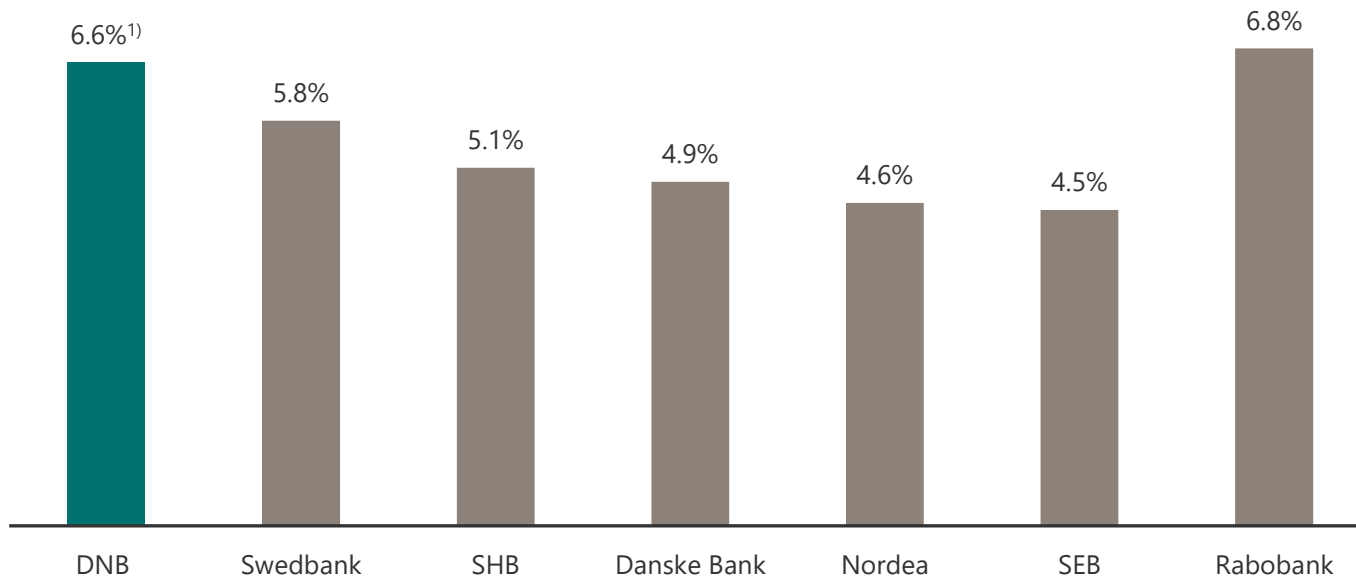


■ Excluding central bank deposits

DNB – A Very Strong Capital Position

- Leverage ratio versus Peers

As per 30 June 2023



1) Leverage ratio 30 June 2023 excluding central bank deposits = 7.9%

A Very Strong Capital Position

The rating agencies' view of DNBs capital

Moody's

Moody's assigns DNB a Capital Score of 'aa1'

As per 31 December 2022

Moody's Capital Score¹⁾ vs Peers

DNB	SHB ²⁾	SEB ²⁾	Swedbank ²⁾	Rabobank	Nordea	Danske Bank ²⁾
aa1	aa3	aa3	aa3	aa3	a1	a1

¹⁾ Tangible Common Equity / Risk-Weighted Assets

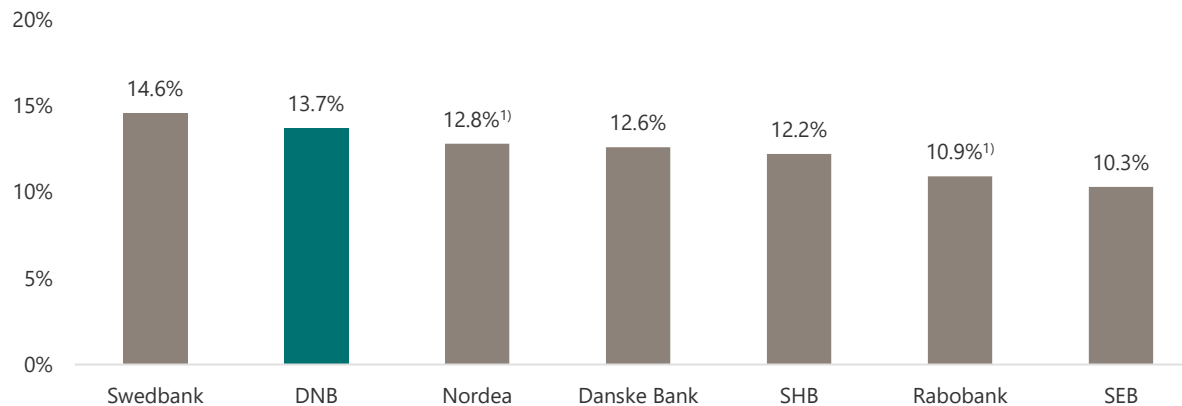
²⁾ As per 31 March 2023

Source: Moody's latest Credit Opinion

S&P

S&P RAC Ratio vs Peers

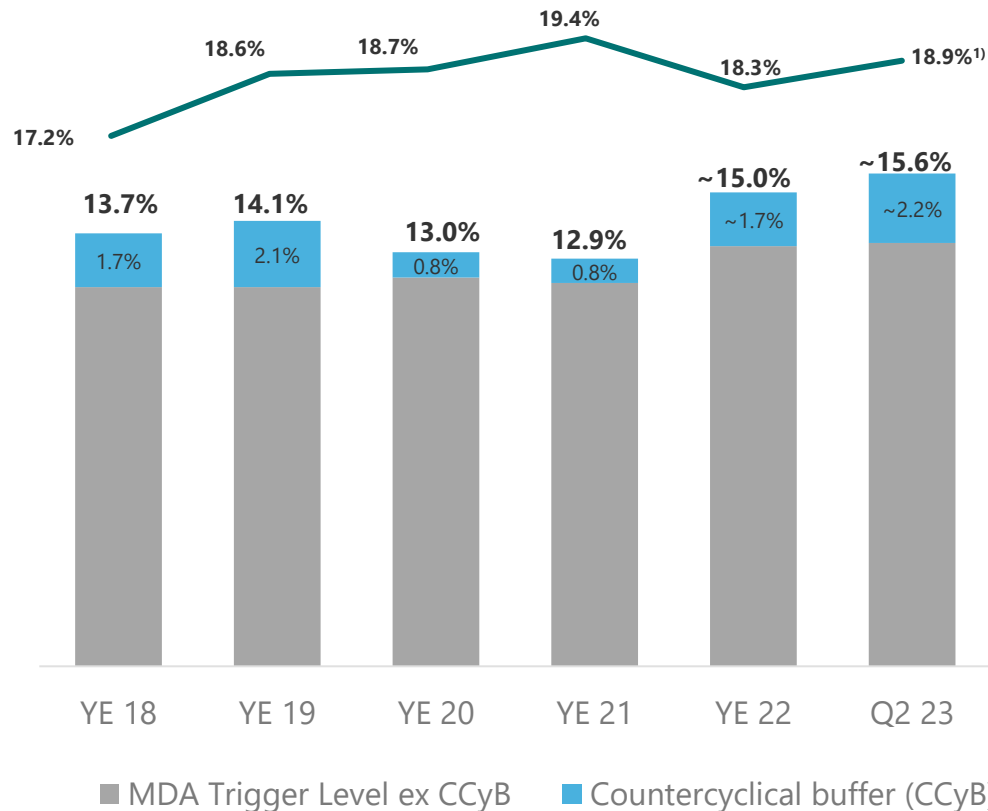
Per Cent, 31 Dec 2022



¹⁾ As per 31 Dec 2021

MDA – DNB well above CET1 MDA Trigger Level

- Pillar 2 Requirement included in the MDA trigger level with effect from Q2 2022
- P2R set to 2.1%, to be fulfilled with ~1.2% CET1 (minimum), ~0.4% AT1 and ~0.5% Tier 2
- Acquisition of Sbanken reduced DNB's CET1 ratio with ~125 bps from Q1 2022



- MDA buffer must be seen in connection with DNB's capital generation
- If DNB should fail to meet the capital requirement, DNB will have to develop a plan to the NFSA, and cannot without the NFSA's consent distribute dividend, pay interest on AT1 etc

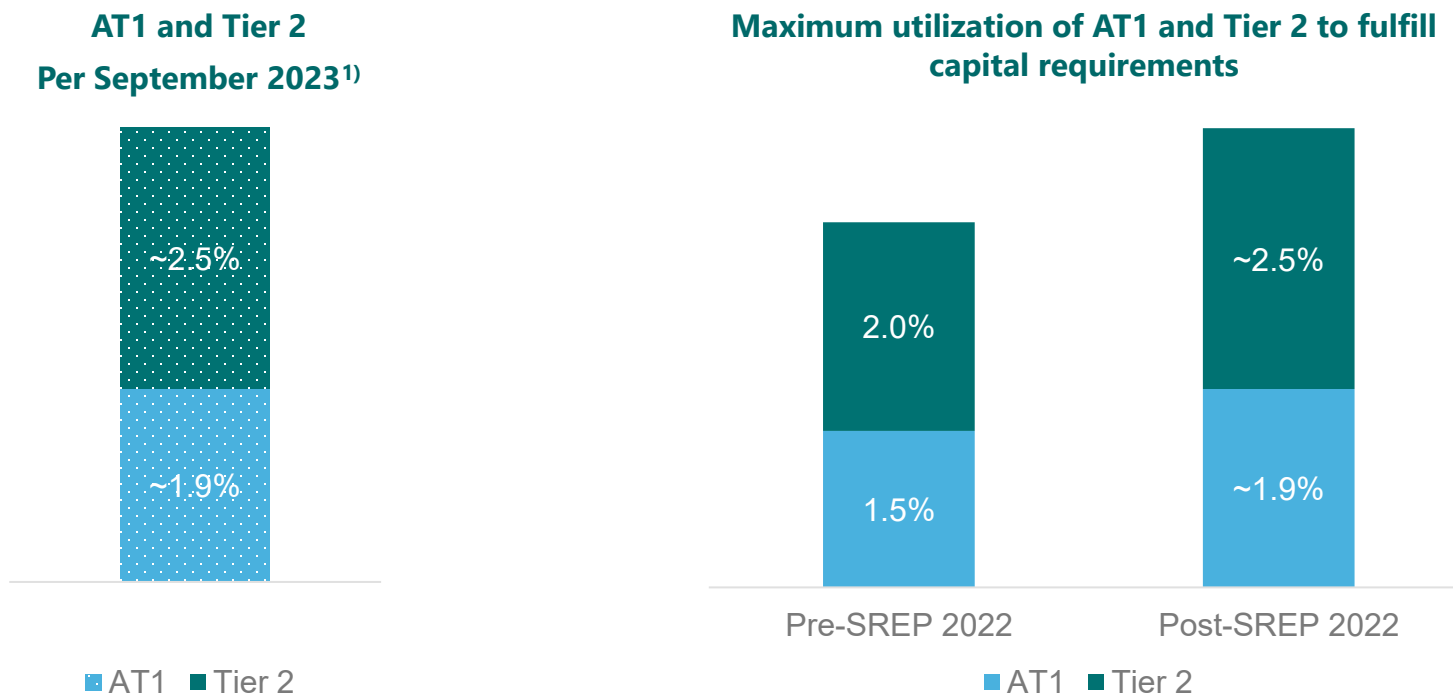
Dividends and share buy-backs		
	Dividend	Share buy-back
2022	182 bps	13 bps ¹⁾
2021	155 bps	
2020	159 bps	
2019	152 bps	56 bps
2018	135 bps	40 bps

1) Deducted from the capital per YE 22, buy-backs effectuated in 2023

1) On 17 July 2023, DNB announced to initiate a share buy-back programme comprising up to 1.5 percent of the company's own shares, which will reduce the CET 1 ratio with ~0.5%.

AT1 and Tier 2 Capital

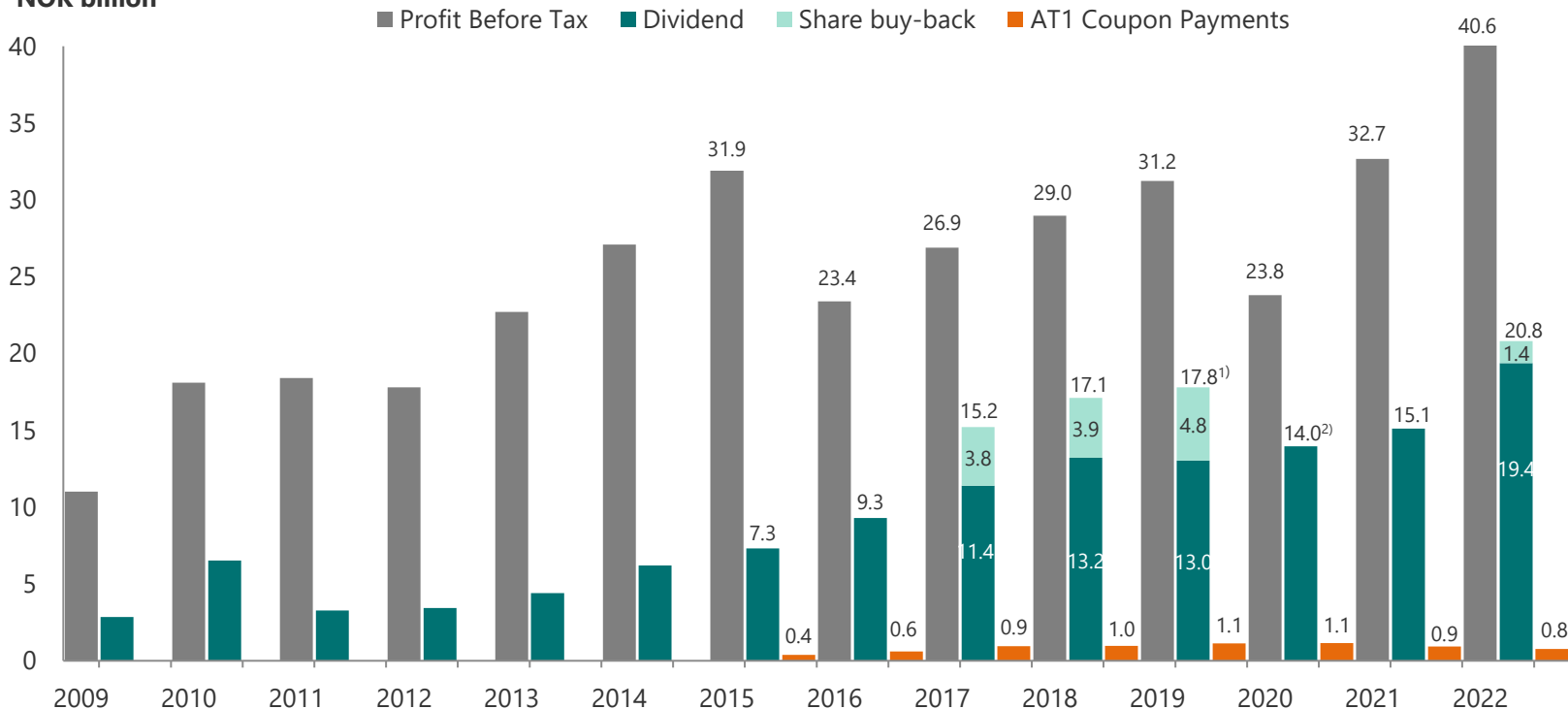
- Following implementation of the banking package in 2022, the DNB's Pillar 2 requirement of 2.1% needs to be fulfilled with ~1.2% CET1 capital (minimum), ~0.4% AT1 capital and ~0.5% Tier 2 capital.
- **Thus, DNB's capital requirements can be met with AT1 capital of ~1.9% and Tier 2 capital of ~2.5%.**



1) Includes new AT1 issuance in September 2023.
Calculations based on REA as of 30 June 2023

DNB's Solid Profitability Should Ensure AT1 Coupon Payments

NOK billion



Dividends and share buy-backs in bps		
	Dividend	Share buy-back
2022	182 bps	13 bps ³⁾
2021	155 bps	
2020	159 bps	
2019	152 bps	56 bps
2018	135 bps	40 bps

DNB will give due consideration to the capital hierarchy and look to preserve the seniority of claims going forward*

1) Dividend for 2019 was paid in March 2021
 2) Dividend for 2020 was paid in November 2021
 3) Deducted from the capital per YE 22, buy-backs effectuated in 2023

* Statement given at the DNB Capital Markets Day 27 November 2014

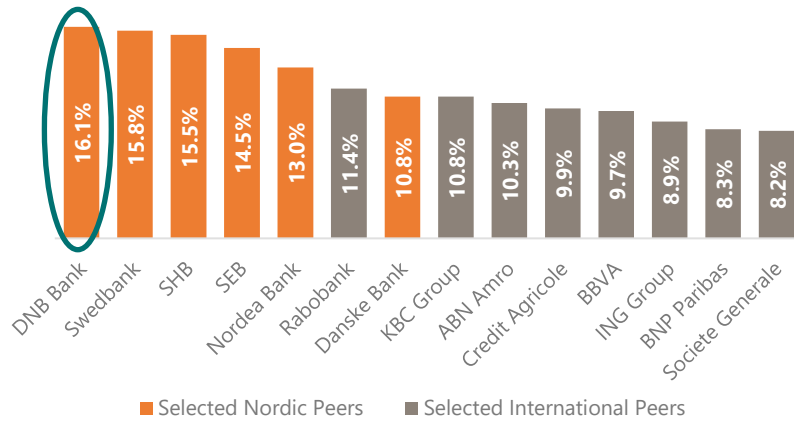
EBA's 2023 EU-wide Stress Test – DNB Performs very well

- DNB amongst best performing banks across Nordic and International peers

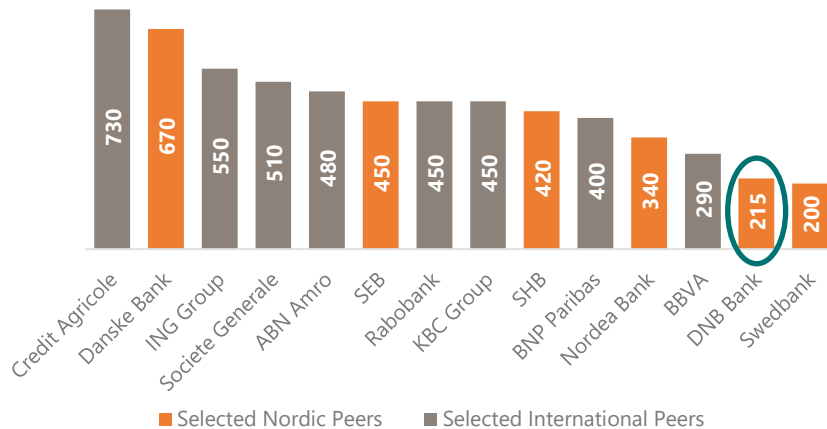
- Under the 2023 EU stress test¹⁾ DNB's CET1 ratio was reduced by 212 bps²⁾ (294 bps in the 2021 EU stress test), which compares to a European average of 459 bps²⁾.

- In the Adverse Scenario, DNB's CET1 ratio is always above the MDA threshold, including the current countercyclical buffer ("CCyB"). The CCyB is likely to be reduced or removed in an Adverse Scenario.
- Stress test includes assumed annual dividends equal to ~70bps on the CET1 ratio for each of 2024 and 2025

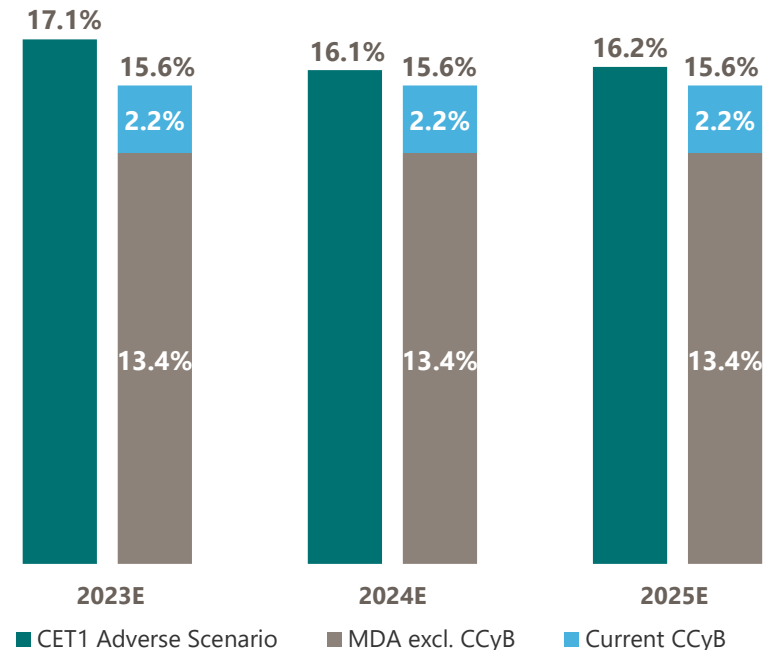
CET1 Ratio Fully Loaded³⁾ – Adverse Scenario (% REA)



Reduction in CET1 Ratio³⁾ – Adverse Scenario (bps)



DNB Performance in Adverse Scenario vs CET1 Thresholds



¹⁾ See [EBA publishes the results of its 2023 EU-wide stress test | European Banking Authority \(europa.eu\)](https://www.eba.europa.eu/en/press/news/2023/07/2023-stress-test-results), ²⁾ Per end 2025, ³⁾ Low point in test period,

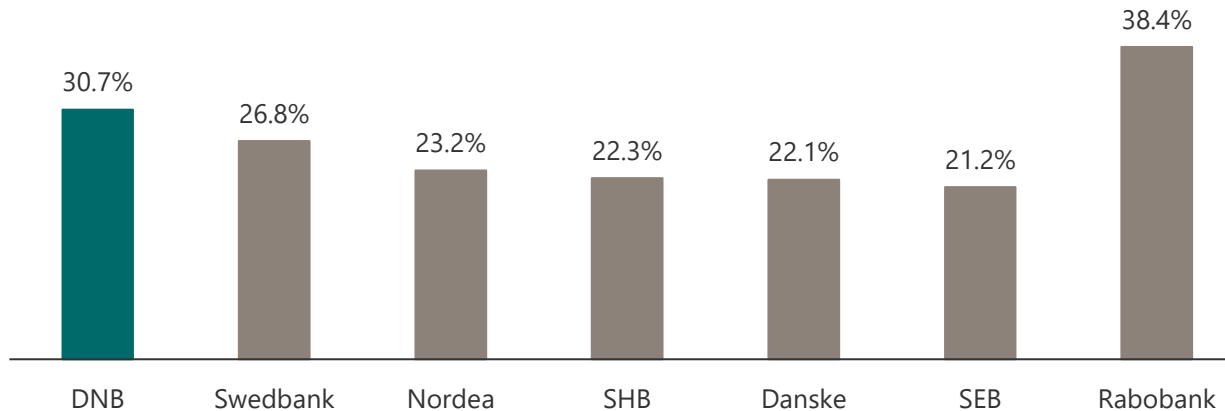
Basel IV | Risk Weighted Density

- DNB is well positioned for future regulatory requirements

- Basel IV
 - DNB is well positioned due to already high risk weights.
 - The implementation of Basel IV is expected to be neutral for DNB.
- Risk Weighted Density

Risk Exposure Amount in % of Total Assets

As per 30 June 2023



MREL Requirement

Subordination Cap is implemented in Norway

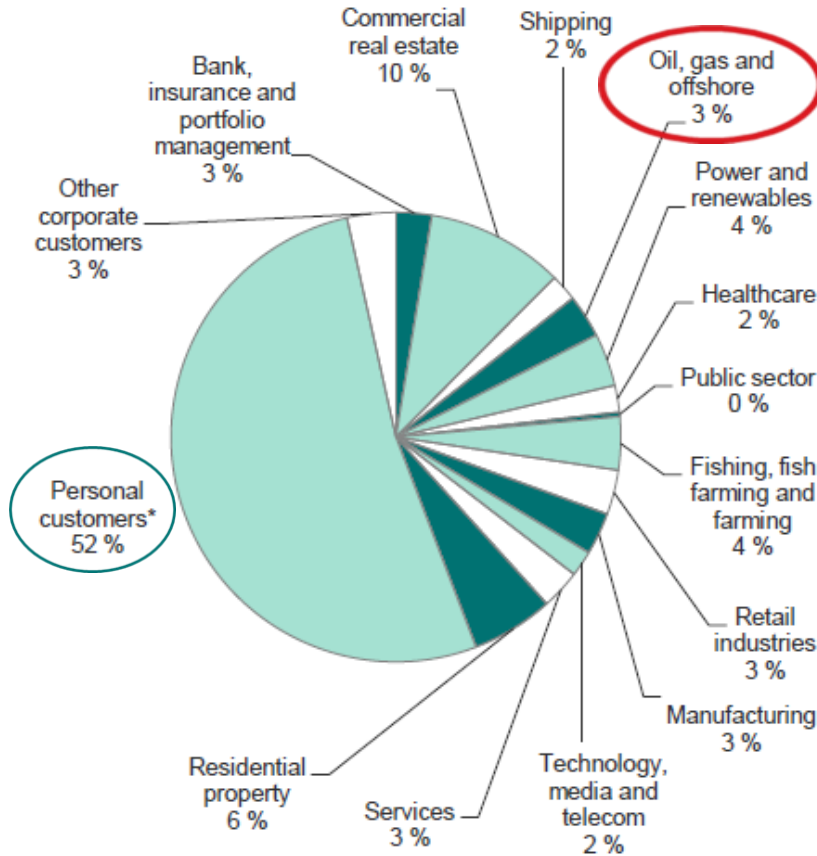
- DNB's **MREL requirement** is ~38% of adjusted REA¹⁾ – leading to an estimated need for MREL eligible debt of total **EUR ~16 bn**.
- In a letter dated 16 September 2021, the NFSA confirmed that CET1 capital used to cover the Combined Buffer Requirements is eligible to cover the subordination requirement (subordination cap).
- This further means that DNB's estimated MREL eligible debt of **EUR ~16 bn** can be covered by **EUR ~9 bn in Senior Non-Preferred and EUR ~7 bn in Senior Bonds**.
- DNB has **so far issued EUR ~8 bn in SNP**. Remaining MREL debt to be built up by **1 January 2024**.
- The MREL requirement will vary over time based on changes in REA and capital requirements. This can also influence the split between SNP and Senior Bonds.

1) *Adjusted for DNB Boligkreditt*

Loan Book and Asset Quality

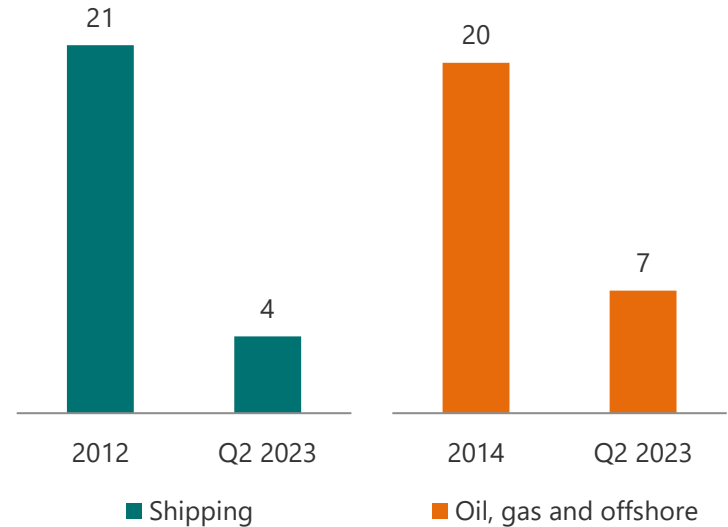
Loan Book

EAD by Segments as of 30 June 2023



Reducing Exposure in Cyclical Industries

USD billion



Including net non-performing and net doubtful loans and guarantees. Exposures at default are based on full implementation of IRB.

*) Of which mortgages 47% of total exposure at default.

Mortgage Lending in DNB is Based on Cash Flow

1.

Willingness to repay the loan

Credit history

2.

Capability of repaying the loan

All new mortgages are stress tested for increased interest rates:

- Until 2023: 5% stress test
- From 2023: 3% stress test, with a stress test floor of 7%

Amortisation requirement above 60% LTV

Total debt max 5x gross income

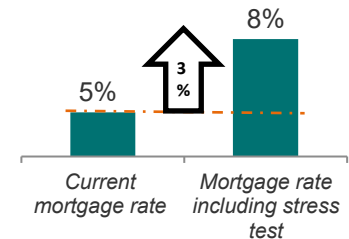
3.

Collateral

LTV max 85%

4.

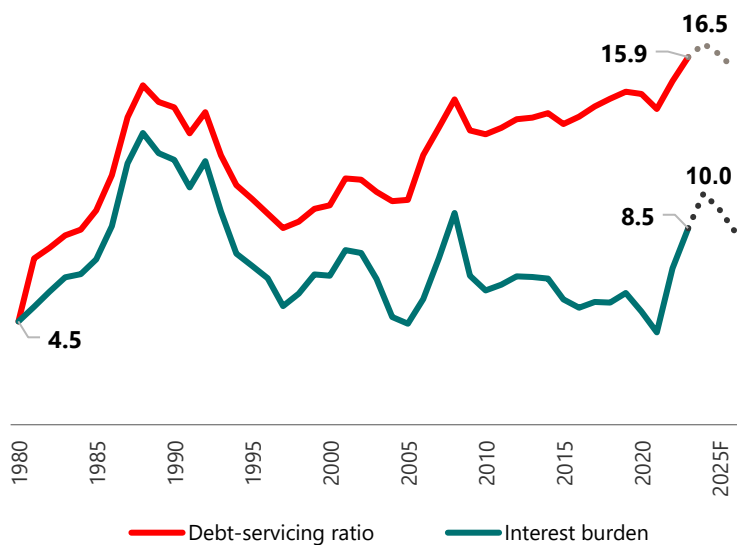
Monthly behavior scoring of borrowers



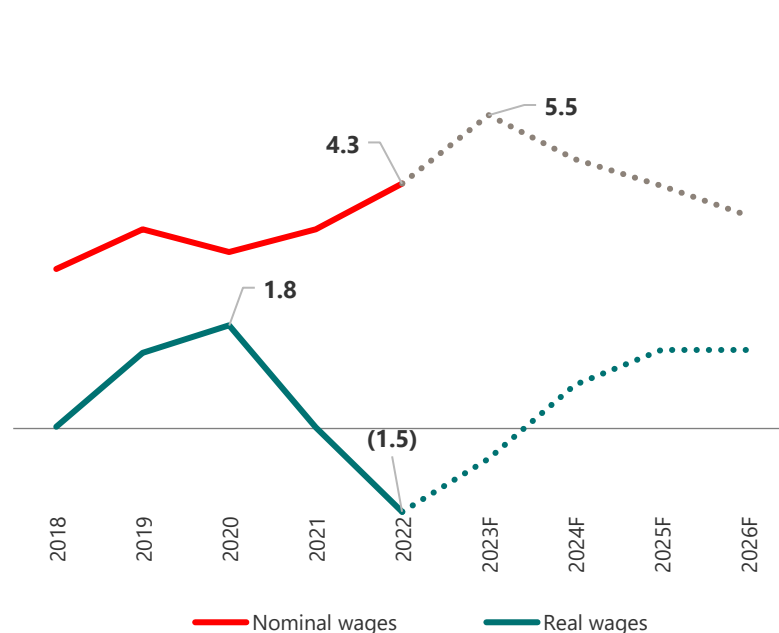
Resilient Norwegian households

- Debt-servicing ratio edging higher, but Norwegian households generally robust
- Annual wage growth expected to come in at 5.5% for 2023, with return to real wage growth in 2024
- Negative real wage development of 1.5 % expected for 2023 – with return to positive growth in 2024

Debt-servicing ratio of Norwegian households
Per cent of disposable income



Real wage development
Actual and Norges Bank forecast, Per cent



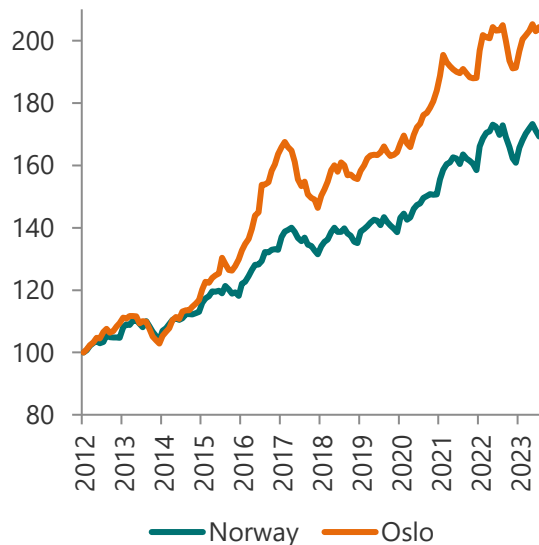
Sources: Statistics Norway, DNB Markets, Norges Bank (Norwegian central bank)

House Prices in Norway

- House prices increased by 0.4% in August, and are up by 5.7% from December 2022
- Development in house prices last 12 months are negative with 1.6%
- Projections for full year 2023 are close to flat, implying a decline of ~5% for the remainder of 2023

House Price Growth

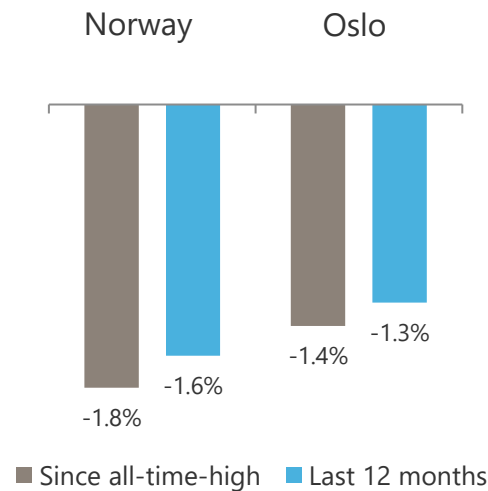
1 Jan 2012 = Index 100



House Price Growth

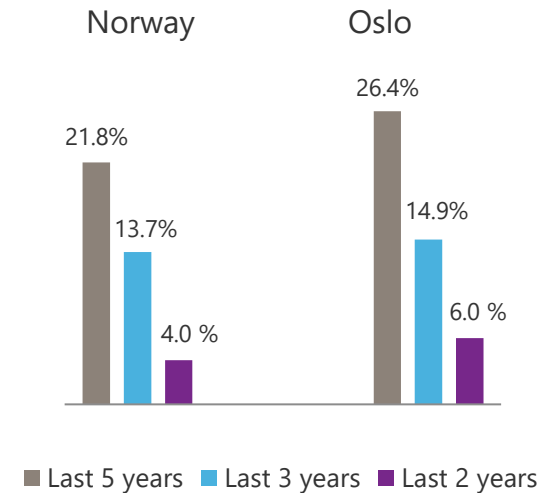
As of August 2023

All-time High = May 2023 for Norway
May 2023 for Oslo



House Price Growth

As of August 2023



Source: Eiendomsverdi AS
(member of the European AVM Alliance)

Norwegian Lending Regulation

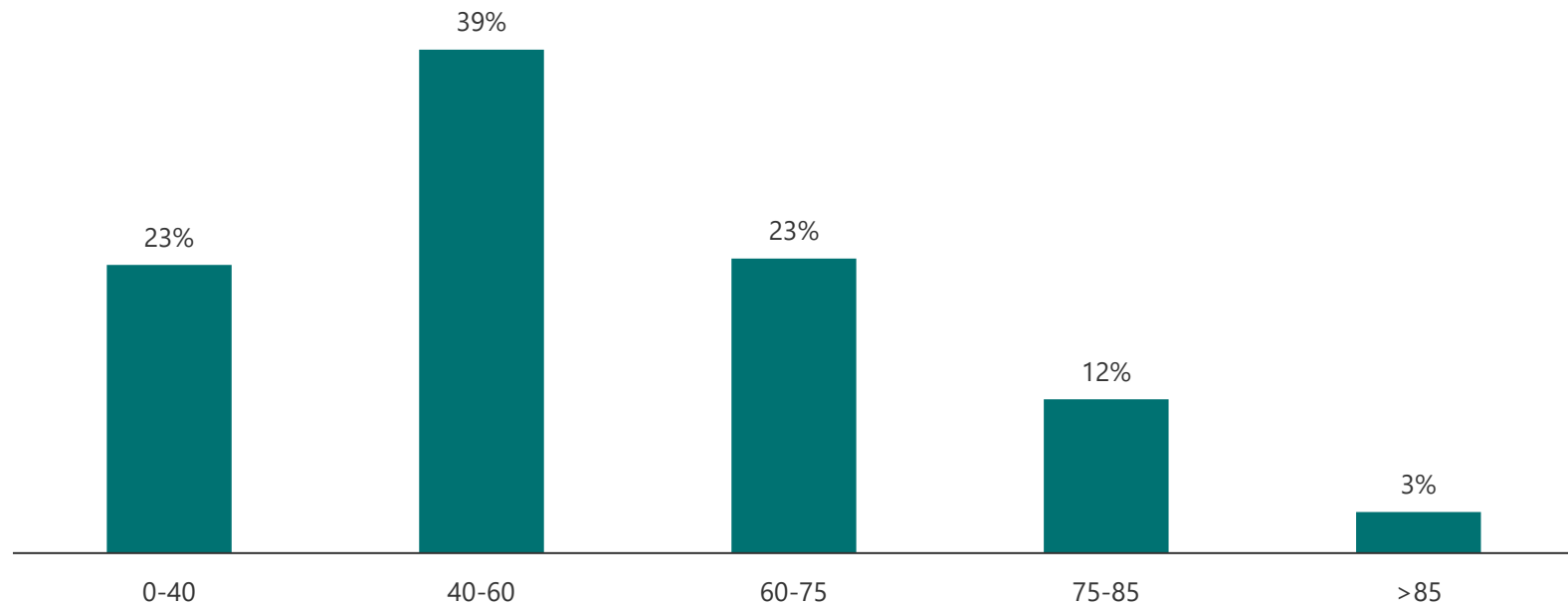
Regulation applicable from 1 January 2023

- Total debt max 5x gross income
- Max 85% LTV
- Debt servicing capacity
 - 3% interest rate increase (stress test floor of 7%)
- Amortisation requirement above 60% LTV
 - 2.5% of approved loan or principal payment as for 30 years annuity
- Banks have some flexibility
 - Banks can deviate in 10% of mortgage applications each quarter
 - In Oslo this flexibility is limited to 8%

A Very Robust Residential Loan Portfolio

Loan-to-Value (LTV)

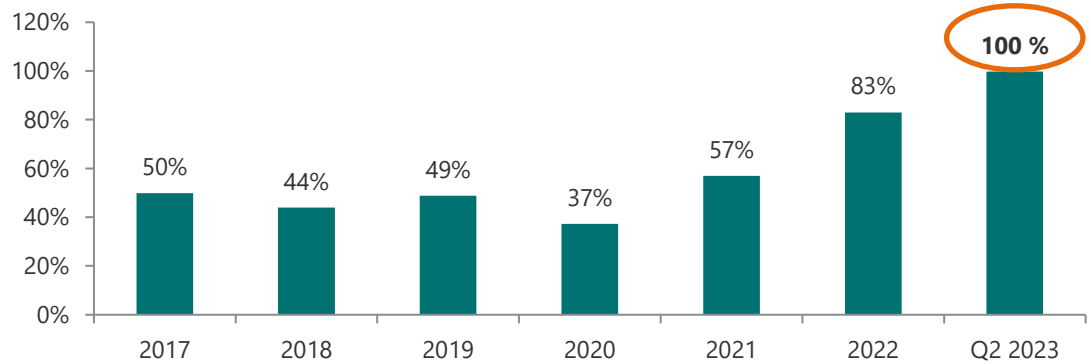
Per Cent of Residential Mortgage Book, 30 June 2023



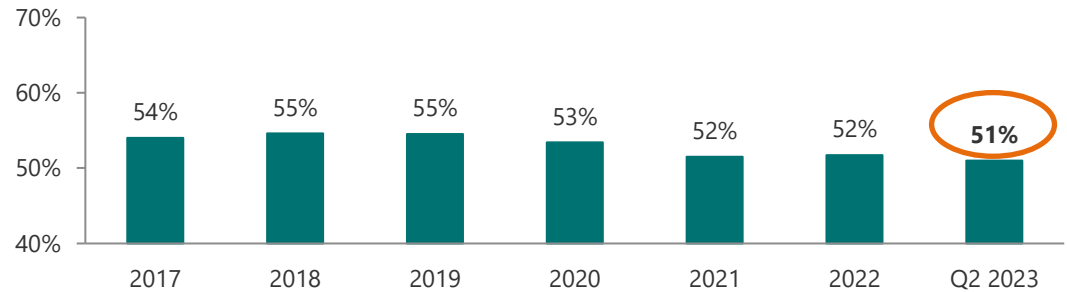
Includes mortgages in DNB Bank and DNB Boligkreditt

A Robust Cover Pool

High OC



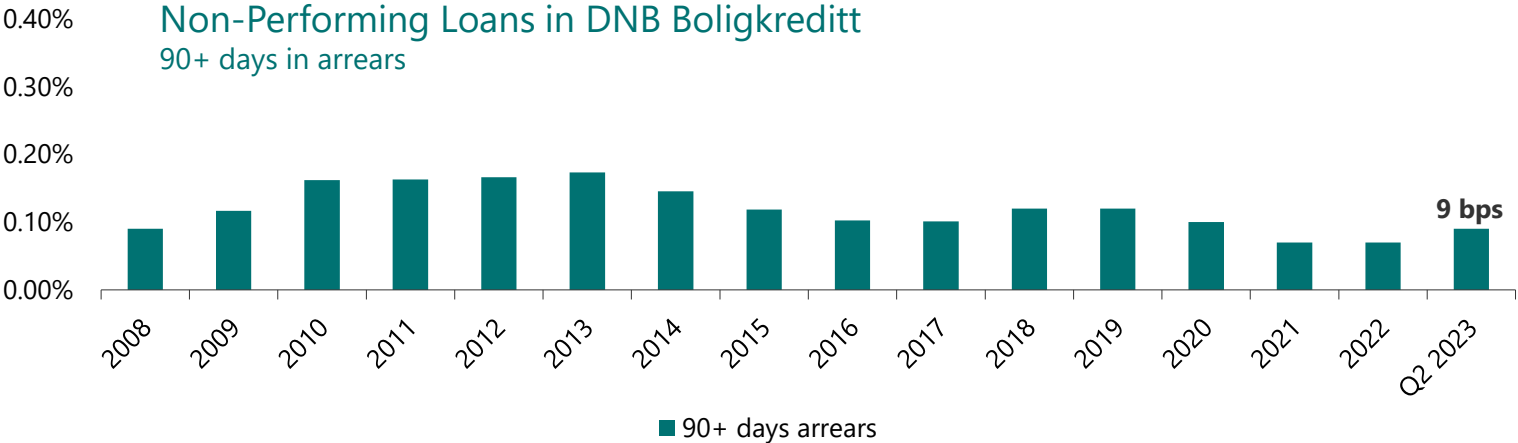
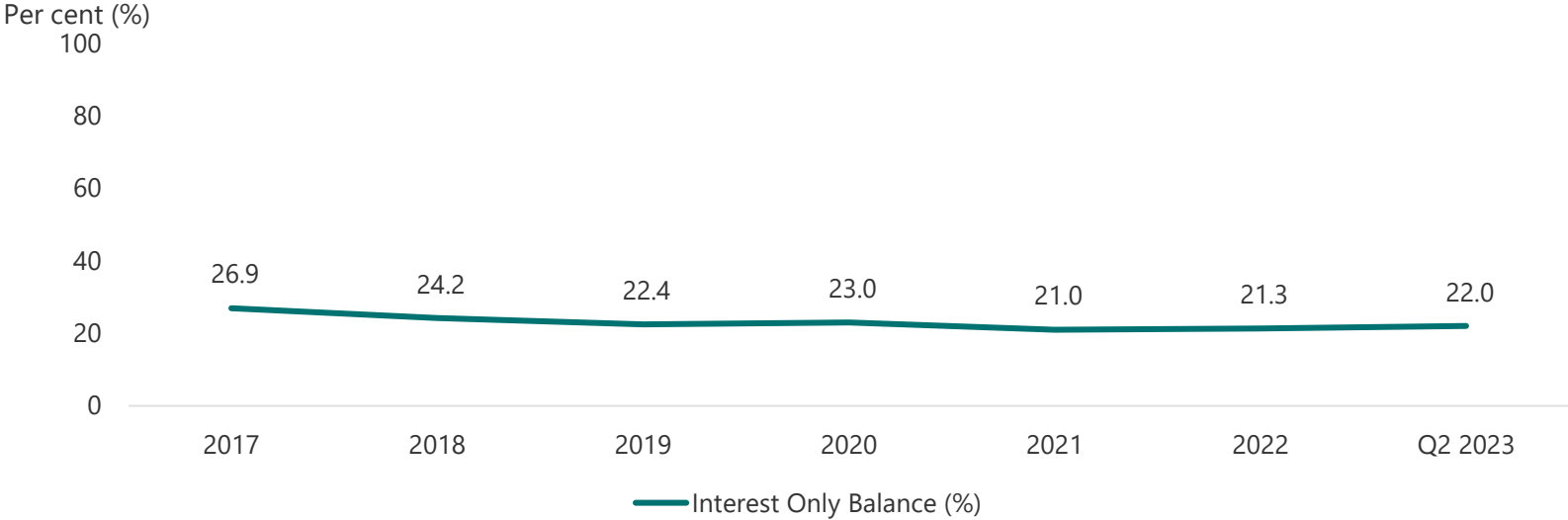
**LTV below 55%
(Weighted average)**



**Stress test
-house price decline**

House Price Decline	Current	10%	20%	30%
WA Indexed LTV	51.0%	56.6%	63.6%	72.7%
Eligible OC	99.2%	96.8%	91.2%	81.5%

Interest Only and Non-Performing Loans in the Cover Pool



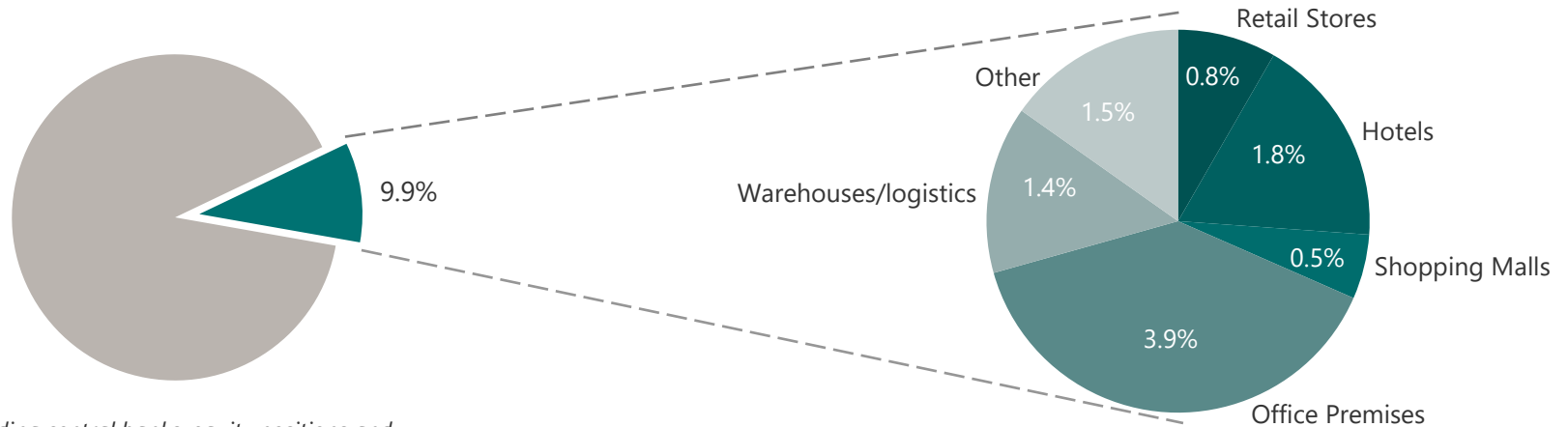
Commercial Real Estate (CRE) – 9.9% of Total Customer EaD

Total loan portfolio¹⁾ – EaD NOK 2,420 billion

Per cent, as at 30 June 2023

CRE portfolio – EaD NOK 239 billion

Per cent of DNB's total EAD, as at 30 June 2023



1) Excluding central banks, equity positions and exposure in associated companies

Key message

Robust CRE portfolio

- Credit strategy focusing on cash flow, industrial ownership and residual value
- 75% of exposure to low-risk customers
- 93% of exposure in Norway with a portfolio LTV of 48% (per Q1 23)

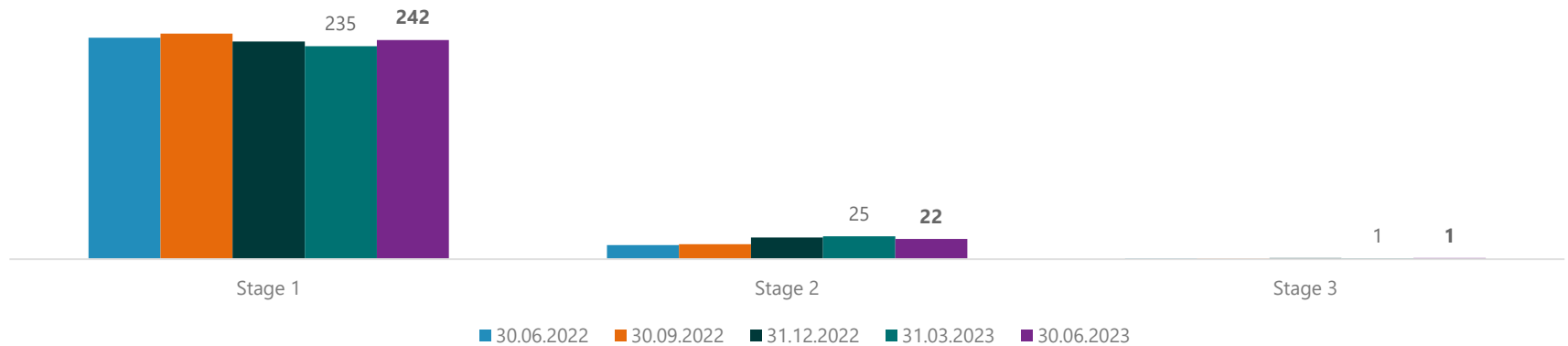
Risk-mitigating market conditions

- Increasing rental prices, low vacancy rates and limited new-build activity
- Extensive use of interest rate hedging
- 80% of Norwegian CRE bank-financed – low dependency on bond market

Commercial Real Estate portfolio – Risk distribution

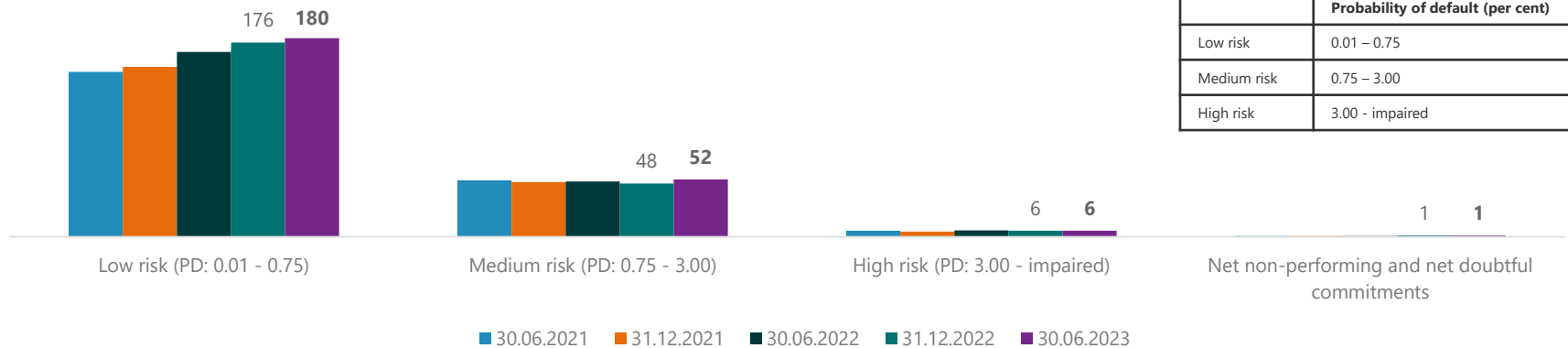
Net Loans and Financial Commitments Stage 1-2-3

NOK billion, net of accumulated impairment provisions



EaD distribution by probability of default (PD)

NOK billion

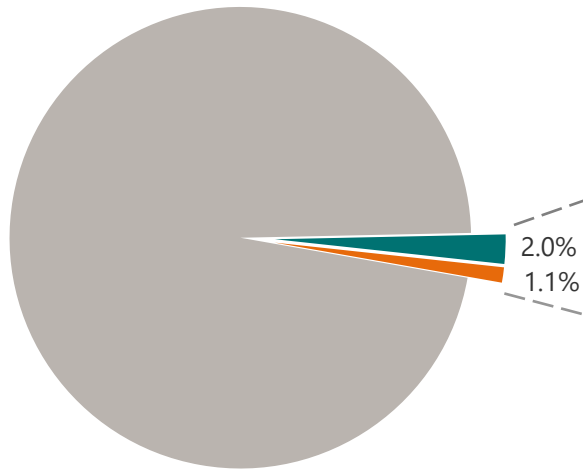


	Probability of default (per cent)
Low risk	0.01 – 0.75
Medium risk	0.75 – 3.00
High risk	3.00 - impaired

Oil-Related Portfolio – 3.1% of total customer EAD

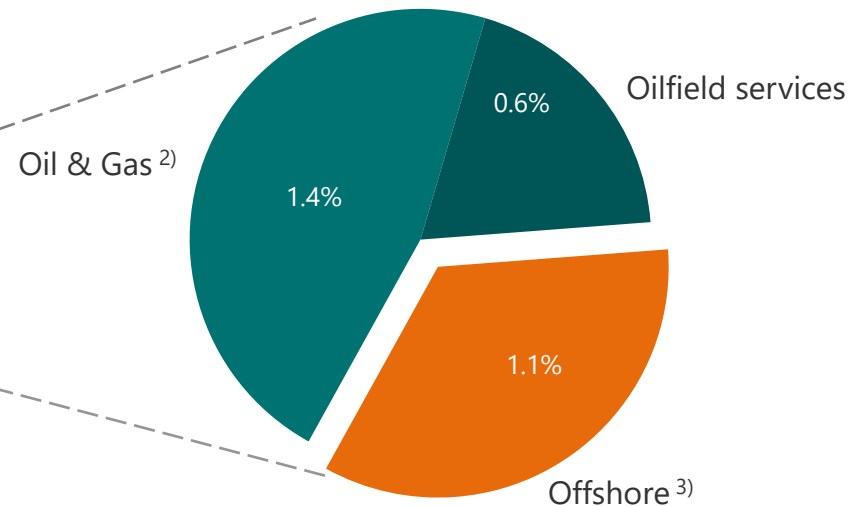
Total loan portfolio¹⁾ – EAD NOK 2,420 billion

Per cent, as of 30 June 2023



Oil-related portfolio – EAD NOK 75 billion

Per cent of DNB's total EAD as of 30 June 2023



Offshore – EAD NOK 25.8 billion

1) Excluding central banks, equity positions and exposure in associated companies

2) Oil & Gas: Reserve-based lending, Midstream, Exploration/Production, Downstream/Petrochemical

3) Offshore: OSV, Rig, Other offshore

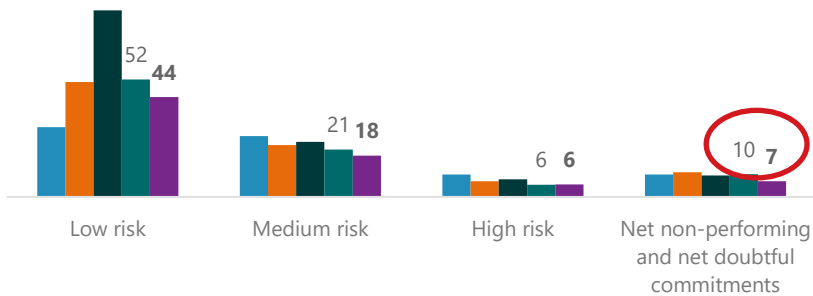
Oil-Related Portfolio

Offshore the Most Challenging Sector

DNB's oil-related portfolio split by sub-segment in terms of exposure (EAD) and by risk grade

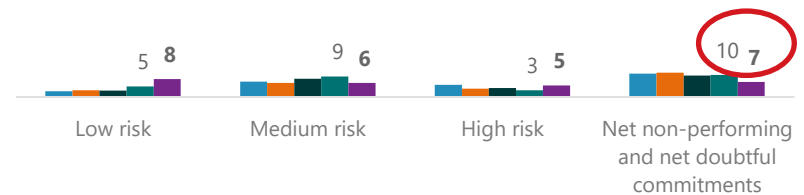
Total Oil related segments

EAD in NOK billion



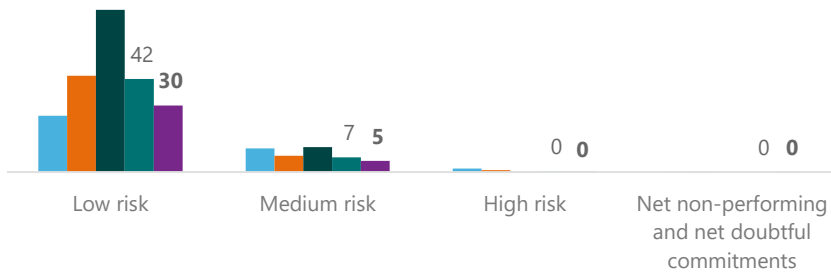
Offshore

EAD in NOK billion



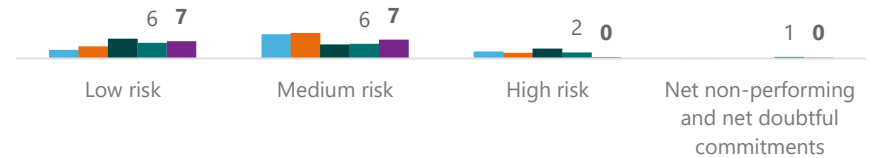
Oil and Gas

EAD in NOK billion



Oilfield Services

EAD in NOK billion



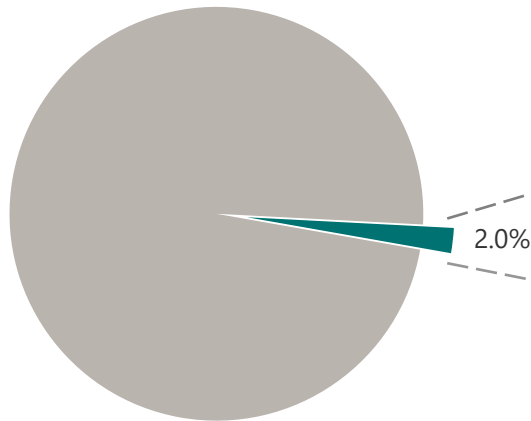
30.06.2021 31.12.2021 30.06.2022 31.12.2022 30.06.2023

	Probability of default (per cent)
Low risk	0.01 – 0.75
Medium risk	0.75 – 3.00
High risk	3.00 - impaired

Shipping Portfolio – 2.0% of total customer EAD

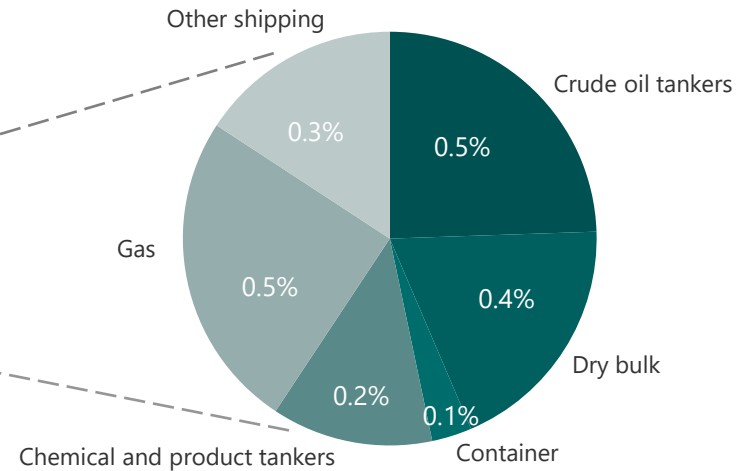
Total loan portfolio¹⁾ – EAD NOK 2,420 billion

Per cent, as of 30 June 2023



Shipping portfolio²⁾ – EAD NOK 47.3 billion

Per cent of DNB's total EAD, as of 30 June 2023

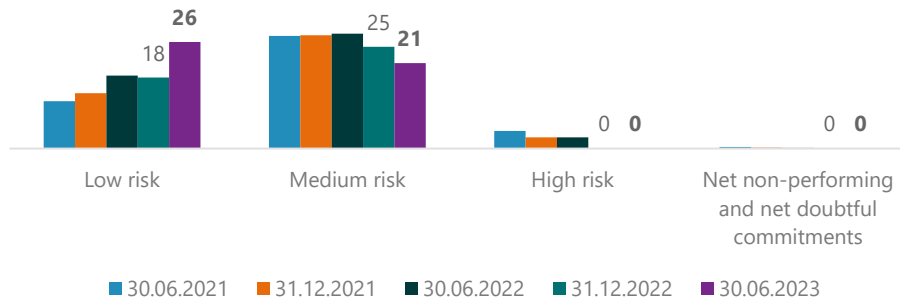


1) Excluding central banks, equity positions and exposure in associated companies

2) Excluding offshore, which is included in oil-related portfolio

Shipping – EAD distribution by PD bracket

NOK billion



	Probability of default (per cent)
Low risk	0.01 – 0.75
Medium risk	0.75 – 3.00
High risk	3.00 - impaired

ESG and Sustainability

DNB will be a Driving Force for Sustainable Transition

- **Net zero emissions in 2050** across our financing and investment activities and own operations¹⁾
 - DNB aims to publish a transition plan during 2023, which will clarify the steps to achieve DNB's net-zero ambition and be science-based and aligned with the Paris agreement.
- **Reduce the emissions intensity of our portfolio by 2030²⁾:**
 - **Oil & Gas:** Reduce the emissions intensity by **25%**
 - **Shipping:** Reduce the emissions intensity by **one third**
 - **Commercial property:** Reduce the emissions intensity by **25-35%**
- **Reduce the emissions intensity of DNB Liv's portfolio by 55% by 2030**
- DNB will primarily use **positive influence** to actively help our customers to move in a more sustainable direction

1) 2030 targets cover customers' Scope 1 and Scope 2 emissions for Commercial Real Estate and Oil & Gas (where applicable and data is available), and Scope 1 emissions for Shipping

Targets related to Sustainable Financing

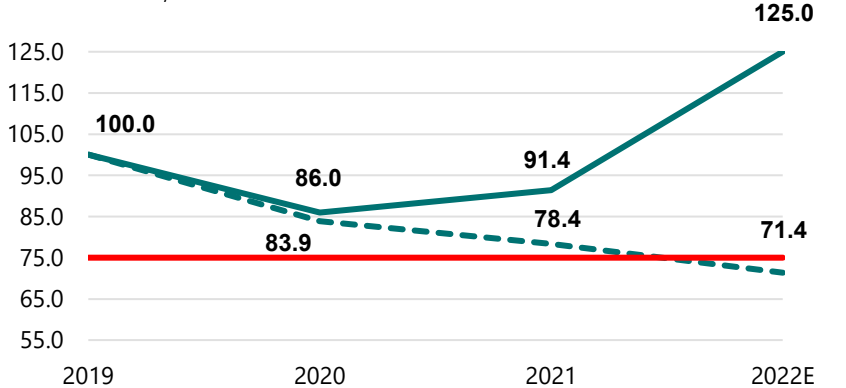
- **Finance and facilitate NOK 1,500 bn for sustainable activities¹⁾ by 2030**
 - Builds on existing targets (from 2018) to contribute NOK 450 bn and NOK 130 bn **within 2025** to the financing of green property and renewable energy/infrastructure, respectively
- **Increase assets under management in sustainability themed funds to NOK 200 bn by 2025**
- **In 2025, 50% of net flows will go to mutual funds with a sustainability profile**

1) Includes DNB Markets' participation share in bonds transactions and advisory services for sustainable activities

Attainment emissions targets – status as per year-end 2022

Emissions intensity target, oil and gas¹⁾

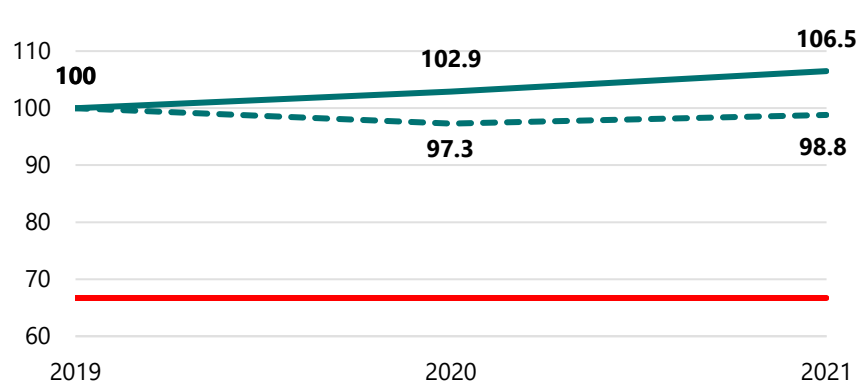
Per cent. Index, 2019 = 100



Oil and gas Adjusted for commodity hedges²⁾ Target 2030

Emissions intensity target, shipping³⁾

Per cent. Index, 2019 = 100

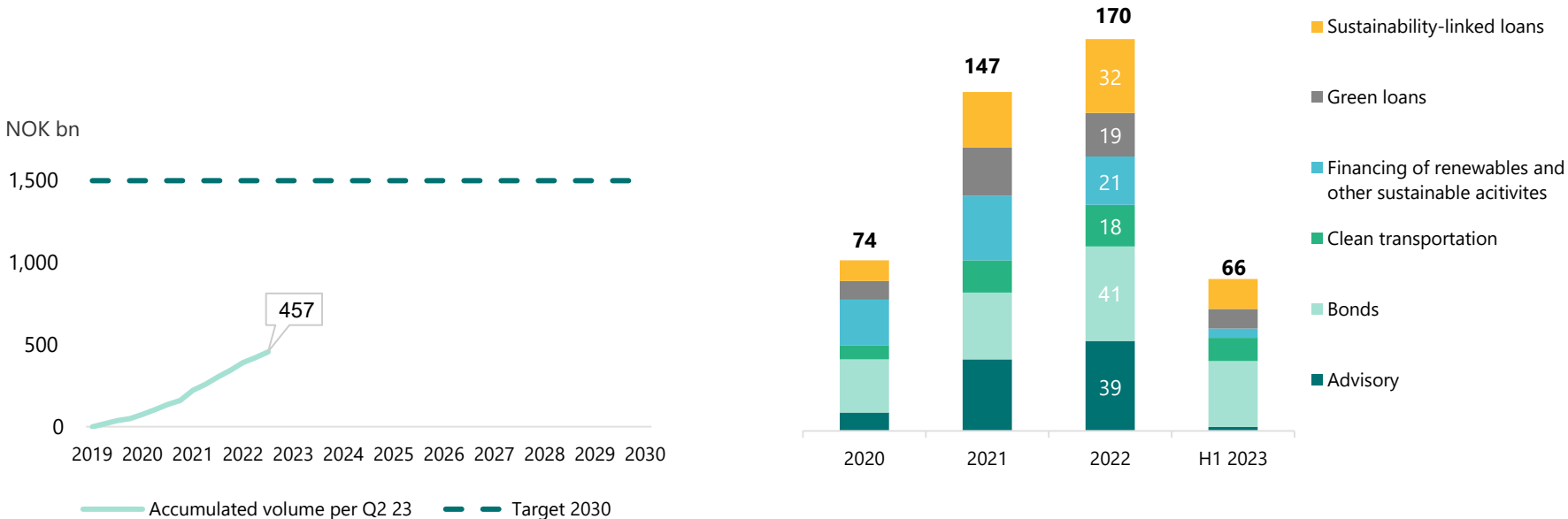


Shipping Shipping ex. Cruise⁴⁾ Target 2030

1) Calculated as EAD x (DNB EAD weighted upstream CO2 intensity / Global average upstream CO2 intensity)
 2) Normalising fluctuations in EAD resulting from customers' mark-to-market on commodity derivatives entered into for hedging purposes
 3) Calculated as CO2 emitted per tonne nautical mile travelled. 2022 numbers for shipping will be reported in 2023 annual report
 4) Majority of cruise vessels in warm lay-up during Covid pandemic resulting in artificial high emission factor per tonne mile

Attainment financing target and Taxonomy Reporting

Finance and facilitate NOK 1,500 bn for sustainable activities by 2030



EU Taxonomy Reporting year-end 2022 (preliminary reporting)¹⁾

- Taxonomy eligible share of portfolio: 37%
- Taxonomy aligned share of portfolio: 6-7% (Green asset ratio)

1) See DNB's 2022 Annual Report (page 118-121) for details: <https://www.ir.dnb.no/sites/default/files/pr/202303097878-2.pdf?ts=1678345330>

ESG in the Credit Process

- ESG is **part of the risk assessment** for all corporate loans:
 - EAD > NOK 50 million: Sector-specific ESG risk assessment models for material sectors, including SMEs
 - EAD between NOK 50 and 8 million: Comments on ESG risk factors must be included in all credit proposals.
 - EAD < NOK 8 million: Comments on ESG issues for clients with observed negative deviations must be included in credit proposals
- All new and refinanced shipping loans include a **clause on responsible ship recycling**
- Green loans receive a certain discount

ESG Ratings



- 'Strong corporate governance and business ethics framework'
- 'DNB leads most global peers on governance'
- 'The company falls into the highest scoring range relative to global peers, reflecting governance practices that appear to be generally well aligned with investor interests'
- 'The environmental intensity of the bank's commercial loans (FY 2022: ~ 43% of total lending) is low, as per our model'
- 'DNB Bank leads peers in integrating ESG factors into lending and underwriting activities'



- 'The company's overall management of material ESG issues is strong'
- 'The company has a very strong ESG reporting, and a management committee has responsibility for ESG issues.'
- 'The company is noted for showing particular strength in its board structure, its audit and financial performance systems and its stakeholder governance'
- 'The company has above average preparedness measures to address Data Privacy and Security issues.'



- 'For its investment and assets management activities, DNB has established ethical investment guidelines and exclusion criteria'
- 'DNB has developed CSR/ESG risk assessment tools on five themes: environment, climate change, human and labour rights, corruption, governance and transparency'
- 'DNB offers its client socially responsible and green mutual funds as well as mandates based on tailor-made ethical investment criteria'



- 'DNB received an A in the 2022 score report which is in the Leadership band. This is higher than the Europe regional average of B, Financial services sector average of B-, and the Global average score of C.'
- 'DNB improved its CDP score from A- in the 2021 report and is one out of nine participating companies in Norway on the 'A-list' for climate change.'

Diversity and Inclusion

- Established internal goal in 2015 of **40% female representation on management levels 1-4**
 - Q2 2023: 39.7% share of women at management levels 1-4
- Using **purchase power to promote diversity and equal opportunities** – law firms, IT and consultancy services
- Increased focus on equal financial opportunities** through #girlsinvest campaign launched Sept. 2019
 - 160% increase in female fund owners from 2019 to 2021
 - More woman save more, and more frequently in funds (75% increase in customers with regular savings in funds)

- BCG Gender Equality Study December 2022: DNB the top rated European Financial Institution

BCG Gender Equality Index 2022 | Top 10

Ranking		Score <small>out of 100</small>	2021	Company Name
1	90	1	83	DNB
2	89	4	78	AIB Group
3	86	30	57	UniCredit New
4	83	3	80	ABN AMRO
5	81	2	81	Bankinter
6	75	5	74	Commerzbank
7	74	8	72	Nordea Bank
8	73	15	67	Banca Monte dei Paschi di Siena New
9	72	41	39	ING Groep New
10	72	18	66	Deutsche Bank New

1) https://equileap.com/wp-content/uploads/2022/03/Equileap_Global_Report_2022.pdf

DNB Sustainability – Online Resources

- [DNB and Society](#)
- [DNB's Sustainability library](#)
- [DNB Group - Sustainability Factbook 2022](#)

Sustainability Factbook 2022



DNB

Sustainability library [Go to Corporate social responsibility](#)

In our library you can find our reports, fact books, guidelines and other documents concerning DNB's work with sustainability and corporate responsibility.

Reporting 2022

- ↗ DNB Annual report 2022
- ↗ Sustainability Factbook 2022
- ↗ Corporate Governance 2022
- ↗ Key figures 2022
- ↗ Stakeholder dialogue 2022
- ↗ DNB's activity duty and duty to issue a statement 2022
- ↗ Support to global initiatives 2022
- ↗ GRI Index 2022
- ↗ Carbon accounting report 2022
- ↗ DNB's tax contribution 2022
- ↗ Annual Report Responsible Investment in DNB Asset Management 2022 (to be published later)

Contact us

samfunnsansvar@dnb.no

Group Guidelines and Policies

- ↗ Group Policy Sustainability
- ↗ DNB's governance principles
- ↗ DNB's Code of Conduct
- ↗ Security policy
- ↗ Mandate Responsible investment committee
- ↗ Group policy financial management model
- ↗ Group instructions for sponsorships
- ↗ DNBs Code of Conduct for Business Partners
- ↗ Anti-corruption guide
- ↗ Group instructions for anti-money laundering and counter-terrorist financing
- ↗ Tax Code
- ↗ Tax strategy

Credit/Lending

- ↗ Group instructions for corporate Responsibility in DNB ASA's credit activities
- ↗ CSR-ESG risk assessment tool
- ↗ CSR ESG sector guidance note metals and mining
- ↗ CSR ESG sector guidance note seafood
- ↗ CSR ESG sector guidance note forestry
- ↗ CSR ESG sector guidance note arms and defence
- ↗ CSR ESG sector guidance note plastic packaging
- ↗ Sustainable Product Framework

Asset Management

- » Exclusions
- ↗ Group instructions responsible investments
- ↗ Criteria and expectations Human Rights
- ↗ Criteria and expectations Climate change
- ↗ Criteria and expectations Biodiversity
- ↗ Criteria and expectations Anti-corruption
- ↗ Criteria and expectations Tax
- ↗ Criteria and expectations Serious environmental harm
- ↗ Criteria and Expectations Gender Equality and Diversity
- ↗ Voting guidelines - Norway
- ↗ Voting guidelines – globally
- ↗ Criteria and expectations

Other Documents

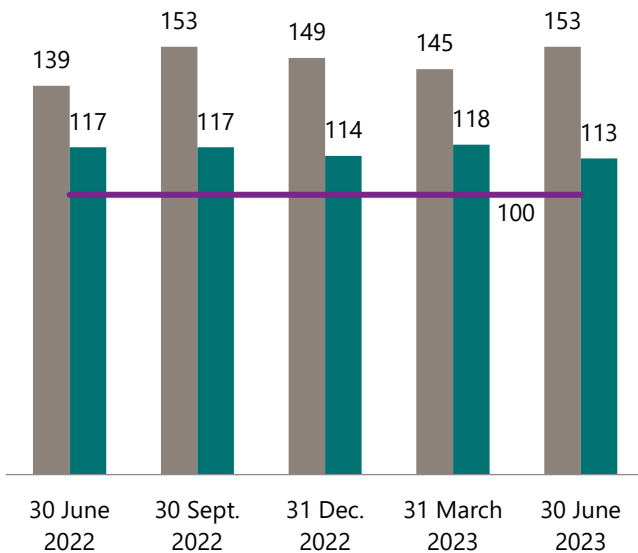
- ↗ DNB sustainable strategy
- ↗ DNB climate target explanations
- ↗ DNB sustainable strategy ambitions
- ↗ Support to global initiatives
- ↗ Customer advice from DNB on reducing fraud risk
- ↗ Materiality analysis 2018
- ↗ DNB supports UN alliance on TFC implementation
- ↗ ISO 14001 certificate DNB ASA
- ↗ Continued support for the UN Global Compact
- ↗ Guidelines for Transition-Linked Financing Shipping

Funding

DNB Funding Structure

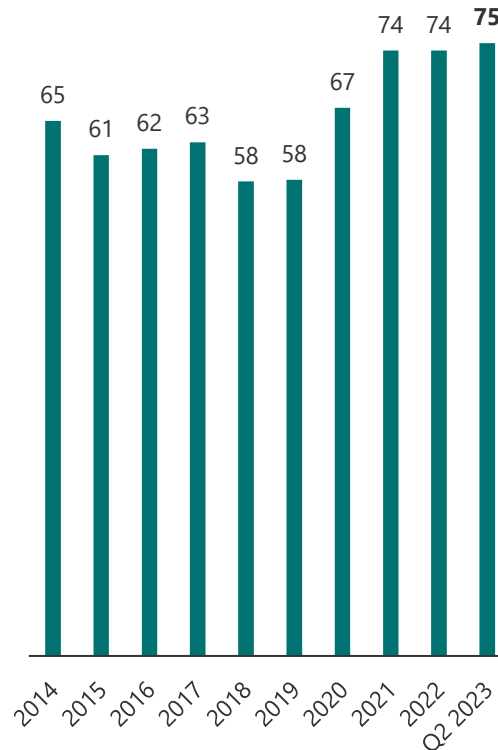
- Well diversified deposit base - No outflow following market turmoil in March
- ~2/3 of deposits in NOK
- Solid headroom to LCR/NSFR requirements

Net Stable Funding Ratio and Liquidity Coverage Ratio

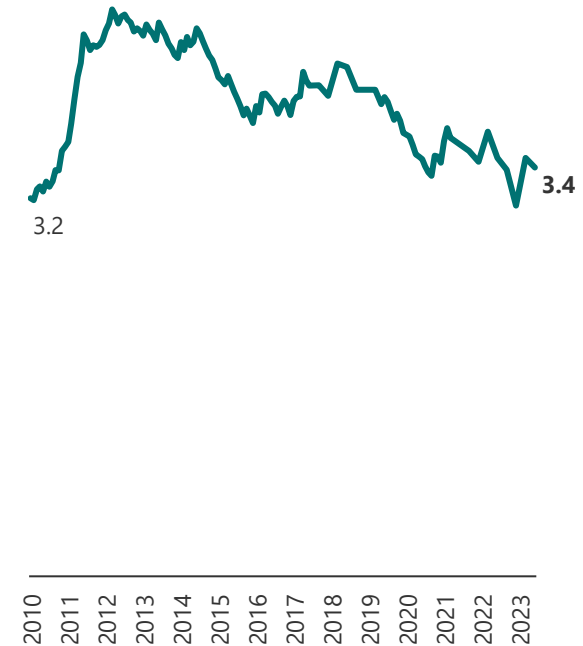


Liquidity Coverage Ratio (LCR)
 Net Stable Funding Ratio (NSFR)
 Requirement

Ratio of Deposits to Net Loans
Per Cent



Average Life of Long-Term Funding
Senior debt and covered bonds, years



Issuance of Long-Term Debt

2023	EURO bill	Tenor
Covered Bonds	1.1	3.0
Senior Bonds*	1.0	5.0
Senior Non-Preferred Bonds*	2.3	3.6
Sum	4.4	3.7

Tier 2	1.0
AT1	0.5
Total	5.9

*Maturity as per first call option

2022	EURO bill	Tenor
Covered Bonds	0.0	0.0
Senior Bonds*	5.8	3.4
Senior Non-Preferred Bonds*	2.0	3.9
Sum	7.8	3.5

Tier 2	1.1
AT1	0.5
Total	9.3

*Maturity as per first call option

2021	EURO bill	Tenor
Covered Bonds	2.6	8.9
Senior Bonds*	1.7	3.0
Senior Non-Preferred Bonds*	3.0	5.9
Sum	7.3	6.3

Tier 2	0.5
AT1	0.0
Total	7.8

*Maturity as per first call option

A Well Established International Covered Bond Issuer

Volume	Tenor	Maturity
EUR 1 750 mn	5 years	2023 – Nov
EUR 1 500 mn	7 years	2024 – Nov
EUR 1 500 mn (Green)	7 years	2025 – Jun
EUR 1 500 mn	7 years	2026 – Jan
EUR 1 500 mn	10 years	2026 – Sep
EUR 1 500 mn	7 years	2027 – Oct
EUR 1 000 mn	7 years	2028 – May
EUR 1 500 mn (Green)	10 years	2031 – Jan

DNB Senior Preferred Benchmark Bonds

Volume	Tenor	Call Date	Maturity
EUR 750 mn	5 years		2023 – Sep
EUR 2 000 mn	4 years		2023 – Nov
EUR 750 mn	5 years		2024 – Apr
EUR 750 mn	4NC3	2025 – May	2026 – May
EUR 1 250 mn (Green)	5NC4	2026 – Sep	2027 – Sep
EUR 1 000 mn (Green)	6NC5	2027 – Jan	2028 – Jan
EUR 1 000 mn (Green)	6NC5	2028 – Mar	2029 – Mar
GBP 500 mn	4NC3	2024 – Dec	2025 – Dec
GBP 750 mn	4NC3	2025 – Jun	2026 – Jun
USD 650 mn	3NC2	2024 – Mar	2025 – Mar
USD 1 250 mn	4NC3	2024 – Sep	2025 – Sep
USD 600 mn (FRN - SOFR)	3NC2	2024 – Mar	2025 – Mar

DNB Senior Non-Preferred Benchmark Bonds

Volume	Tenor	Call Date	Maturity
USD 1 000 mn	6NC5	2025 – Sep	2026 – Sep
USD 900 mn	4NC3	2025 – Oct	2026 – Oct
USD 1 000 mn	6NC5	2026 – May	2027 – May
USD 750 mn	6.5NC5.5	2027 – Mar	2028 – Mar
EUR 1 000 mn (Green)	4NC3	2026 – Feb	2027 – Feb
EUR 1 000 mn (Green)	5NC4	2027 – Jul	2028 – Jul
EUR 1 000 mn	8NC7	2028 – Feb	2029 – Feb
GBP 750 mn	5NC4	2026 – Aug	2027 – Aug
JPY 10 000 mn	4NC3	2026 – Jan	2027 – Jan
JPY 28 000 mn	6NC5	2026 – Jun	2027 – Jun
JPY 6 000 mn	5NC4	2027 - Jun	2028 - Jun
JPY 9 700 mn	6NC5	2028 – Sep	2029 - Sep
NOK 2 100 mn (FRN + FXD)	8NC7	2028 – Jun	2029 – Jun
SEK 3 000 mn (Green) (FRN + FXD)	4NC3	2025 – Sep	2026 – Sep
CHF 140 mn (Green)	5NC4	2027 – Jun	2028 - Jun

DNB Green Bond Framework

- Structured in line with the Green Bond Principles and ~82% aligned with the EU Taxonomy
- Can be used for issuing Green Senior Bonds and Green Covered Bonds
- Second Party Opinion and EU Taxonomy Assessment provided by Sustainalytics
- Impact Assessments from Multiconsult and Guidehouse

Green Eligible Categories:

- Green Residential Buildings: Top 15% most energy efficient buildings in Norway
 - Renewable Energy: Wind Power, Solar Power, Hydropower and Electricity transmission & storage systems
 - Clean Transportation: Zero Carbon Vehicles, Zero Carbon Transportation Infrastructure
-
- Green Portfolio as per 31 December 2022: EUR ~16.4 billion
 - Green Bonds as per 12 July 2023: EUR ~10.1 billion
 - Green Bond Framework and additional documentation available at <https://www.ir.dnb.no/funding-and-rating/green-bonds>



DNB Green Bonds

Type	Volume	Tenor	Call date	Maturity	
Covered	SEK 10 000 mn	5 years		2024 - Jan	
Covered	EUR 1 500 mn	7 years		2025 – Jun	
Covered	EUR 1 500 mn	10 years		2031 – Jan	
Senior Preferred	SEK 4 700 mn	3NC2	2024 – Mar	2025 – Mar	FXD and FRN
Senior Preferred	EUR 1 250 mn	5NC4	2026 – Sep	2027 – Sep	
Senior Preferred	EUR 1 000 mn	6NC5	2027 – Jan	2028 – Jan	
Senior Preferred	SEK 1 200 mn	6NC5	2027 – Jan	2028 – Jan	
Senior Preferred	EUR 1 000 mn	6NC5	2028 – Mar	2029 – Mar	
Senior Non-Preferred	SEK 3 000 mn	4NC3	2025 – Sep	2026 – Sep	FXD and FRN
Senior Non-Preferred	EUR 1 000 mn	4NC3	2026 – Feb	2027 – Feb	
Senior Non-Preferred	CHF 140 mn	5NC4	2027 - Jun	2028 - Jun	
Senior Non-Preferred	EUR 1 000 mn	5NC4	2027 – Jul	2028 – Jul	

Funding Contacts

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sdanna@bloomberg.net

Online Resources:

[Funding and Rating](#)

[DNB Group Factbook Q2 2023](#)

[Pillar 3 Report 2022](#)

Appendix

Appendix A: Green Bond Framework

Summary

DNB's Green Finance Framework –
Issuance of green covered and senior bonds

Proceeds will be used to finance green residential buildings, renewable energy and clean transportation

Structured in line with the ICMA Green Bond Principles and partially aligned with the EU Taxonomy

Second Party Opinion (including EU Taxonomy assessment) from Sustainalytics

Impact Reports from Multiconsult and Guidehouse



Use of Proceeds - overview

DNB Boligkreditt AS

Green Residential Buildings



New or existing residential buildings **within the top 15% low carbon buildings in Norway**

DNB Bank ASA

Green Residential Buildings



New or existing residential buildings **within the top 15% low carbon buildings in Norway**

Renewable Energy



- **Solar** power projects
- **Wind** power projects (onshore/offshore)
- **Hydro** power projects
- **Transmission and storage systems**

Clean Transportation



- **Zero Carbon Vehicles**
- *Zero Carbon Transportation Infrastructure*

Green Residential Buildings

~NOK 109 bn eligible green assets

- Identification of the most energy efficient (low carbon) buildings:
 - Residential buildings completed in 2012 or later*
 - (derived from the implementation of the TEK10 and TEK17 building codes)*
- Methodology developed by Multiconsult as EPC labels are not fully available.
- Within the top 15% “best in class”-approach, demonstrated by way of proxies based on statistical analysis carried out by Multiconsult.
- Considered by Sustainalytics to be a robust method to identify the most energy efficient residential buildings.
- Fulfil the EU Taxonomy Substantial Contribution criteria for buildings built up until 31 December 2020¹⁾

The Eligible Portfolio has an estimated average energy consumption of less than 50% of the average Norwegian consumption

1) 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. Currently, a practical method to select compliant NZEB -10% buildings is not available, where detailed scrutiny is needed to ensure a robust selection approach. Going forward, green buildings consultant Multiconsult will investigate if a suitable selection approach is possible. If feasible, DNB expects to implement this new selection approach as part of an updated Green Finance Framework, which is expected to be concluded late 2023/early 2024.

Renewable Energy

~NOK 26 bn eligible green assets

- Solar power

~NOK 6 bn

- Photovoltaic energy projects

- Wind power

~NOK 8 bn

- Onshore and offshore wind energy projects

- Hydro power

~NOK 10 bn

One of the following requirements are met:

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

- Electricity transmission and storage systems

~NOK 2 bn

- Transmissions systems (or other infrastructure) to facilitate the integration of electricity from renewable energy sources into the grid
- Energy storage systems, including rechargeable batteries, battery packs and accumulators

Clean Transportation

~NOK 37 bn eligible green assets

- Zero carbon vehicles
 - **Fully electric, hydrogen or otherwise zero emissions vehicles** for the transportation of passengers or freight
- Zero carbon transportation infrastructure
 - Infrastructure related to zero emissions vehicles including, but not limited to, EV charging stations and hydrogen fueling stations
- Fulfil the EU Taxonomy Substantial Contribution criteria
 - All vehicles must have zero direct (tailpipe) CO2 emissions
 - Infrastructures include EVs charging stations
 - The infrastructure is dedicated to the operation of vehicles with zero tailpipe CO2 emissions that do not transport or storage fossil fuels

Second Party Opinion



- *“Sustainalytics is confident that **DNB Bank ASA is well-positioned to issue green finance instruments and that the DNB Green Finance Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2021**”*
- *“Sustainalytics considers that investments in the eligible categories will **lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 7, 9 and 11**”*
- *“Sustainalytics is of the opinion that **of the eight EU activities, seven align, and one partially aligns with the applicable Technical Screening Criteria (“TSC”) in the EU Taxonomy and three align and five partially align with the Do No Significant Harm (“DNSH”) Criteria. No categories were determined to be not aligned**”*



1:
Use of proceeds



2:
Process for Project Selection and Evaluation



3:
Management of Proceeds



4:
Reporting

Alignment with
The Green Bond Principles



EU Taxonomy Assessment

Performed by  SUSTAINALYTICS

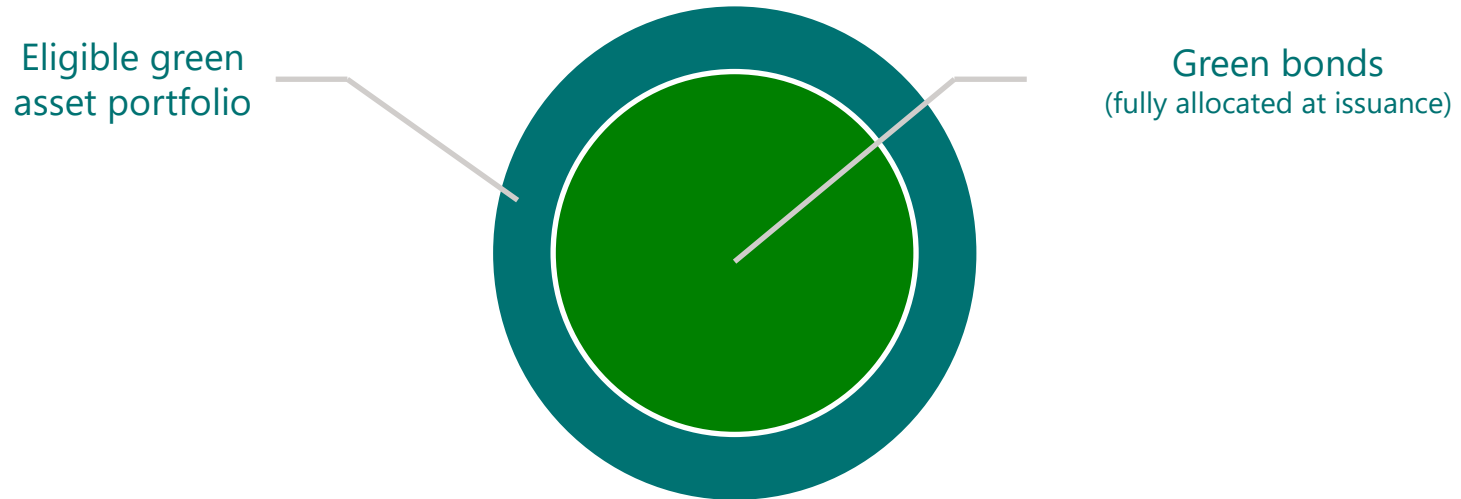
Alignment %	~82% aligned (NOK 141bn / 172bn total portfolio)
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Eligible Green Asset Category	Green Residential Buildings	Renewable Energy (Wind, Solar & Hydropower)		Clean Transportation
Geography	Norway	EEA + UK 44% of Renewables	Rest of World 56% of Renewables	Norway, Sweden, Denmark, Finland
Technical Screening Criteria	Partially Aligned¹⁾ <ul style="list-style-type: none"> • 85% built <2021 (Aligned) • 15% built ≥2021 (Partially aligned) 	Aligned		Aligned
Do No Significant Harm	Aligned	Aligned	Partially Aligned²⁾	Aligned
Minimum Social Safeguards	Aligned	Aligned		Aligned

1) 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. Currently, a practical method to select compliant NZEB -10% buildings is not available, where detailed scrutiny is needed to ensure a robust selection approach. Going forward, green buildings consultant Multiconsult will investigate if a suitable selection approach is possible. If feasible, DNB expects to implement this new selection approach as part of an updated Green Finance Framework, which is expected to be concluded late 2023/early 2024.

2) For assets outside the European Economic Area (EEA) + UK region, DNB is not able to provide specific documentation to substantiate full alignment with all the respective applicable DNSH criteria, which often relate to specific EU Directives. This is largely due to the misalignment with national regulations and the Equator Principles requirements with specific EU Directives & EU Taxonomy requirements. **DNB requires all project finance to be in compliance with the Equator Principles**, where an Environmental and Social Impact Assessment (ESIA) is an integral part. **In addition, ESG factors are built into DNB's risk assessment process.** Sustainalytics has therefore concluded 'partial alignment' on DNSH for Renewables outside the EEA and the UK.

Management of Proceeds



- The proceeds of the green finance instruments issued will be managed in a **portfolio approach**
- DNB will strive, over time, to achieve a **level of allocation for the Eligible Green Loan Portfolio which matches or exceeds the balance of net proceeds from its outstanding green finance instruments**
- **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

Allocation

Portfolio date: 31 December 2022

Green Loan Portfolio:

Green Buildings	NOK ~109 bn
Renewable Energy ¹⁾	NOK ~26 bn
Clean Transportation	NOK ~37 bn

Total eligible green loan portfolio **NOK ~172 bn**

Total outstanding Green Bonds **NOK ~106 bn**

Percentage of Eligible Green Loan Portfolio allocated (usage) **~61.5%**

1) Of which ~NOK 18 bn operational facilities and NOK ~9 bn facilities under construction

Impact – Avoided CO2 emissions

Portfolio date: 31 December 2022

Eligible Project Category	Eligible portfolio (approx. NOK m)	Total annual avoided emissions in tons of CO2 /year
Green Buildings	109 360	62 047
Renewable Energy	26 311	2 480 000 ¹⁾
Clean Transportation	36 771	56 295
Total	172 442	2 598 342

<u>Green Senior Bonds²⁾:</u> Total annual avoided emissions per NOKm invested	19.59 tCO2e/year
<u>Green Covered Bonds²⁾:</u> Total annual avoided emissions per NOKm invested	0.57 tCO2e/year

1) Impact is calculated based on operational (1.44 Mt CO2) and under construction facilities (1.04 Mt CO2)

2) Based on loan portfolio and bonds issued per 31 December 2022

Reporting – Allocation

Eligible Green Loan Portfolio (portfolio date 31 December 2022)

	Amount (approx. NOKm)
Green Buildings	109 360
Renewable Energy	26 311
Clean Transportation	36 771
Total	172 442

Outstanding Green Bonds per asset class (as of 12 July 2023)¹⁾

Instrument	Amount (approx. NOKm)
Covered Bonds	41 007
Senior Preferred	39 760
Senior Non-Preferred	25 366
Total	106 133

Percentage of Eligible Green Loan Portfolio allocated (usage)

61.5%

Percentage of Eligible Green Loan Portfolio allocated for Green Covered Bonds²⁾

37.5%

Percentage of Eligible Green Loan Portfolio allocated for Green Senior Bonds²⁾

49.6%

New loans added to the portfolio since January 2022 (approx. NOKm eq.)

59 646

% Aligned

82%

EU Taxonomy Climate Delegated Act Alignment³⁾

1) See slide below and [Funding programmes | DNB](#) for further details on DNB's outstanding green bonds.

2) Green Covered Bonds are allocated solely to green residential buildings situated within DNB Boligkreditt and Green Senior Bonds are allocated to all Use of Proceeds categories (minus any green residential buildings already allocated to green covered bonds). DNB ensures on a best effort basis that Green Covered Bonds will be allocated to assets within the covered bond cover pool. For Green Senior Bonds, DNB may allocate towards Eligible Green Loans situated within DNB Boligkreditt, as per the [guidance laid out in the Green Bond Principles 2021 regarding pledged assets](#).

3) Based on [assessment and analysis by Sustainalytics](#)

Reporting – Impact

Portfolio date: 31 December 2022

Eligible Project Category	Eligible portfolio (NOK m)	Eligible Green Covered Portfolio (NOK m)	Eligible Green Senior Portfolio (NOK m)	Share of Total Green Covered Bond Financing ¹	Share of Total Green Senior Bond Financing ¹	Eligibility for Green Covered Bonds	Eligibility for Green Senior Bonds	Estimated reduced energy (in GWh/year)	Direct emissions avoided vs baseline in tons of CO ₂ /year (Scope 1)	Indirect emissions avoided vs baseline in tons of CO ₂ /year (Scope 2)	Total installed capacity of renewable energy (in MW)	Total annual avoided emissions in tons of CO ₂ /year
Green Buildings	109 360	109 360	68 353	100%	52%	100%	52%	625	N/A	N/A	N/A	62 047
Renewable Energy	26 311	-	26 311	0%	20%	0%	100%	N/A	N/A	N/A	1 966	2 480 000 ²⁾
Clean Transportation	36 771	-	36 771	0%	28%	0%	100%	N/A	92 719	-36 424	N/A	56 295
Total	172 442	109 360	131 435	100%	100%	N/A	N/A	625	92 719	-36 424	1 966	2 598 342

Total annual avoided emissions per NOKm invested in Green Covered Bonds	0.57 tCO₂e/year
Total annual avoided emissions per NOKm invested in Green Senior Bonds	19.59 tCO₂e/year

1) Green Covered Bonds are allocated solely to green residential buildings situated within DNB Boligkreditt and Green Senior Bonds are allocated to all Use of Proceeds categories (minus any green residential buildings already allocated to green covered bonds). DNB ensures on a best effort basis that Green Covered Bonds will be allocated to assets within the covered bond cover pool. For Green Senior Bonds, DNB may allocate towards Eligible Green Loans situated within DNB Boligkreditt, as per the guidance laid out in the Green Bond Principles 2021 regarding pledged assets (<https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/The-GBP-Guidance-Handbook-June-2021-140621.pdf>).

2) Impact is calculated based on operational (1.44 Mt CO₂) and under construction facilities (1.04 Mt CO₂)

Appendix B: Cover Pool Portfolio Information, LCR and ECB eligibility

DNB's Covered Bond Programme

- DNB's Covered Bond Programme is now a **European Covered Bond (Premium) Programme** in accordance with the Covered Bond Directive
- DNB has implemented the common **Harmonised Transparency Template** of the European Covered Bond Council which is available on the DNB website and meets the requirements set out in Article 14 (2) of Directive (EU) 2019/2162 (the "**Covered Bond Directive**").
 - *Portfolio information is updated when DNB's quarterly results are released*



- Information about the cover pool of DNB Boligkreditt may be accessed via DNB's web page: <https://www.ir.dnb.no/funding-and-rating/cover-pool-data>

Contacts DNB Boligkreditt AS:

Sindre Espenes, CEO: sindre.espenes@dnb.no +47 41 23 60 45

DNB Boligkreditt Covered Bonds – Cover Pool Data



Cover Pool Data

Rating (Moody's/S&P)	Aaa/AAA
Cover Pool Size (NOK million)	680,283
Outstanding Covered Bonds, NOK million	340,509
No. of Mortgages in the Cover Pool	352,908
Average Loan Balance (NOK thousands)	1,928
Regulatory Overcollateralisation Requirement	5.0%
Overcollateralisation	99.8%
Weighted Average LTV (Indexed)	51.0%

Pool statistics as of 30 June 2023. Cover pool reporting coincides with DNB's quarterly financial reporting.

Stresstest

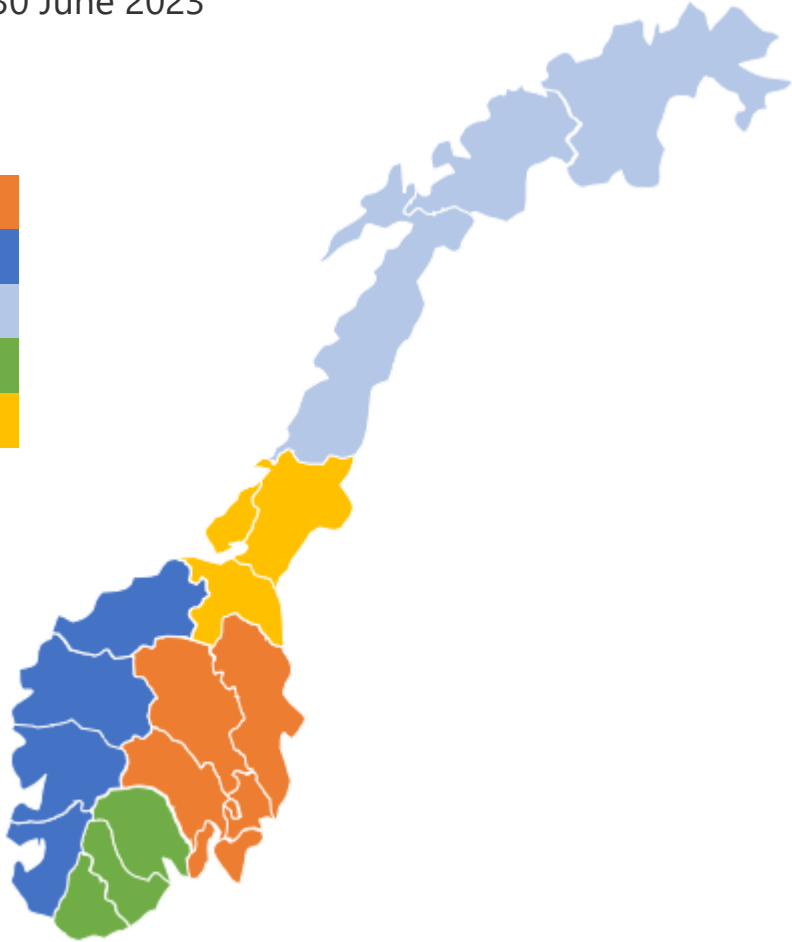
Cover Pool Sensitivity Analysis

House Price Decline	Current	10%	20%	30%
WA Indexed LTV	51.0 %	56.6 %	63.6 %	72.7 %
Eligible OC	99.2 %	96.8 %	91.2 %	81.5 %

Well diversified residential mortgage book within Norway

DNB Boligkreditt cover pool as of 30 June 2023

Eastern Norway:	69%
Western Norway:	14%
Northern Norway:	9%
Southern Norway:	3%
Mid-Norway:	5%



Portfolio Characteristics

Report date: 30.06.2023

Report currency: NOK

Key Characteristics	
Total cover pool, nominal balance* (mill.)	680 283
Number of mortgages	352 908
Number of borrowers	306 413
Average loan balance (thousands)	1 928
Outstanding covered bonds, nominal balance (mill.)	340 509
Substitute assets (% of total cover pool)	0
WA indexed LTV (%)	51,0
WAL of cover pool (contractual maturity in years)	14,3
WAL of outstanding covered bonds (extended maturity in years)	3,6

* All cover pool assets are denominated in NOK.

Maturity Structure Cover Pool		
Contractual maturity (years)	Loan balance (mill.)	%
≥ 0 ≤ 1	17 394	2,6 %
1 ≤ 2	19 131	2,8 %
2 ≤ 3	20 639	3,0 %
3 ≤ 5	45 940	6,8 %
5 ≤ 10	118 471	17,4 %
> 10	458 708	67,4 %
Total	680 283	100,0 %

Overcollateralisation	
Cover pool size:	
Residential mortgages, loan balance (mill.)	680 283
Covered bonds outstanding (mill.)	340 509
Overcollateralisation	99,8 %

Maturity Structure Covered Bonds		
Extended maturity (years)	Loan balance (mill.)	%
≥ 0 ≤ 1	8 204	2,4 %
1 ≤ 2	85 451	25,1 %
2 ≤ 3	56 406	16,6 %
3 ≤ 5	106 474	31,3 %
5 ≤ 10	53 311	15,7 %
> 10	30 664	9,0 %
Total	340 509	100,0 %

Expected maturity (years)		
Expected maturity (years)	Loan balance (mill.)	%
≥ 0 ≤ 1	89 592	26,3 %
1 ≤ 2	44 352	13,0 %
2 ≤ 3	101 226	29,7 %
3 ≤ 5	48 304	14,2 %
5 ≤ 10	28 593	8,4 %
> 10	28 442	8,4 %
Total	340 509	100,0 %

Portfolio Characteristics cont.

Loan Size		
Private individuals	Loan balance (mill.)	Number of loans
≤ 1,000,000	57 774	125 204
> 1,000,000 ≤ 2,000,000	141 583	94 622
> 2,000,000 ≤ 3,000,000	158 866	64 622
> 3,000,000 ≤ 4,000,000	112 871	32 715
> 4,000,000 ≤ 5,000,000	70 718	15 884
> 5,000,000	120 813	17 540
Total	662 626	350 587

Housing Cooperatives		
	Loan balance (mill.)	Number of loans
≤ 5,000,000	2 517	1 447
> 5,000,000 ≤ 10,000,000	2 708	380
> 10,000,000 ≤ 20,000,000	3 787	275
> 20,000,000 ≤ 50,000,000	5 803	187
> 50,000,000 ≤ 100,000,000	1 689	24
> 100,000,000	1 154	8
Total	17 658	2 321

LTV buckets		
Indexed LTV	Loan balance (mill.)	%
≥ 0 ≤ 40	165 221	24,3 %
40 ≤ 50	121 536	17,9 %
50 ≤ 60	177 857	26,1 %
60 ≤ 70	125 129	18,4 %
70 ≤ 80	86 243	12,7 %
80 ≤ 90	2 715	0,4 %
90 ≤ 100	625	0,1 %
> 100	958	0,1 %
Total	680 283	100,0 %

Concentration Risk	
	%
10 largest exposures	0,2 %
10 largest exposures excl. housing cooperatives	0,1 %

Property Types		
	Loan balance (mill.)	%
Residential	680 283	100,0 %
Commercial	0	0,0 %
Other	0	0,0 %
Total	680 283	100,0 %
<i>o/w Housing Cooperatives / Multi-family as</i>	<i>17 658</i>	<i>2,6 %</i>
<i>o/w Forest & Agriculture</i>	<i>0</i>	<i>0,0 %</i>

Occupancy Type	
	%
Owner occupied	69,6%
Second homes / Holiday houses	0,1%
Buy to let / Non owner occupied houses	0,1%
Other	30,2%
Total	100,0%

Repayment Type	
	%
Amortization	78,0 %
Interest only*	22,0 %
Total	100,0 %

Portfolio Characteristics cont.

Seasoning	
	%
Up to 12months	16,0 %
≥ 12 - ≤ 24 months	13,7 %
≥ 24 - ≤ 36 months	13,3 %
≥ 36 - ≤ 60 months	17,5 %
≥ 60 months	39,5 %
Total	100,0 %

* Seasoning indicates the number of months since collateral for the loan was established.

Interest Rate Type	
Fixed Rate	5,2 %
Floating Rate	94,8 %

Geographical Distribution		
	Loan balance (mill.)	%
VIKEN	215 670	31,7 %
OSLO	167 786	24,7 %
INNLANDET	28 286	4,2 %
VESTFOLD OG TELEMARK	56 731	8,3 %
AGDER	18 385	2,7 %
ROGALAND	37 752	5,5 %
VESTLAND	50 827	7,5 %
MØRE OG ROMSDAL	10 068	1,5 %
TRØNDELAG	36 581	5,4 %
NORDLAND	28 052	4,1 %
TROMS OG FINNMARK	30 134	4,4 %
SVALBARD	12	0,0 %
Total	680 283	100 %

Non Performing	
Non performing loans	0,09 %

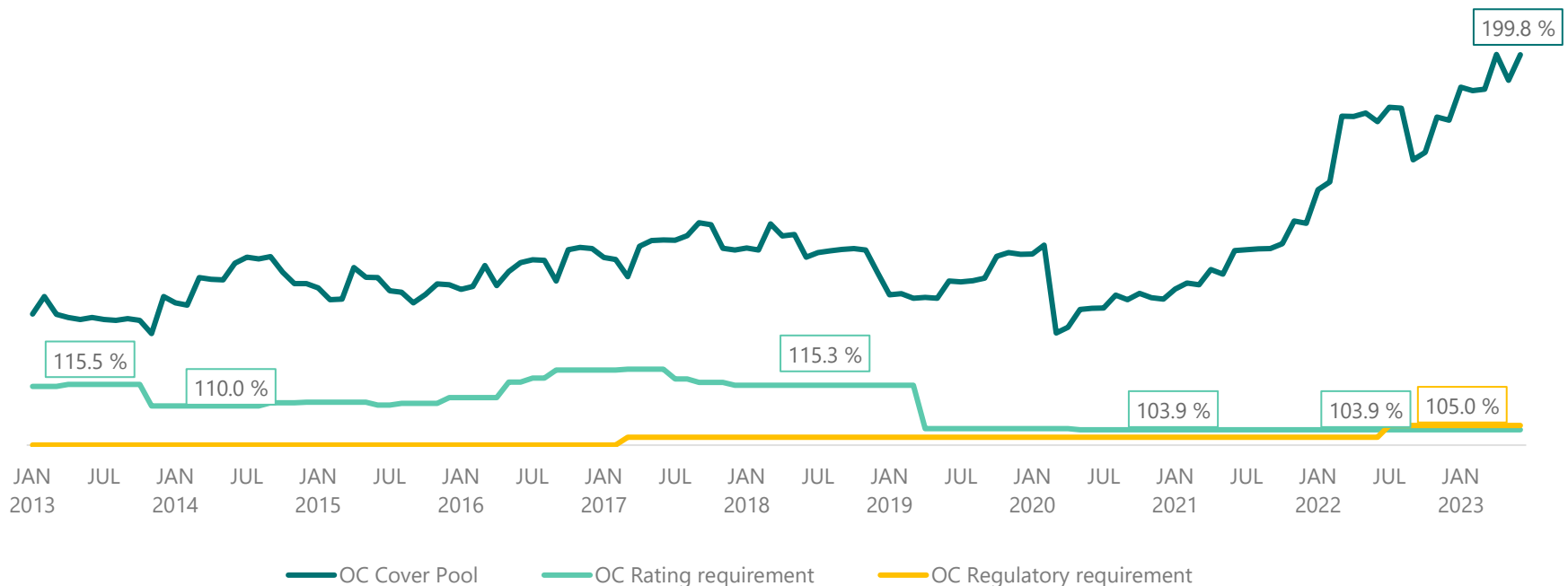
Arrears	
≥ 30 - < 60 days	0,14 %
≥ 60 - < 90 days	0,03 %
≥ 90 - < 180 days	0,03 %
≥ 180 days	0,06 %

Eastern Norway:	69 %
Western Norway:	15 %
Northern Norway:	9 %
Southern Norway:	3 %
Mid-Norway:	5 %

Cover Pool Sensitivity Analysis and Overcollateralisation History

Stresstest - House price decline				
House price decline	Current	10 %	20 %	30 %
Total cover pool balance (nominal, NOK mill.)	680 283	680 283	680 283	680 283
WA indexed LTV (%)	51,0	56,6	63,6	72,7
Eligible cover pool balance (nominal, NOK mill.)	678 330	670 104	651 193	618 017
Total outstanding covered bonds (nominal, NOK mill.)	340 509	340 509	340 509	340 509
Eligible overcollateralization	99,2 %	96,8 %	91,2 %	81,5 %

Cover Pool Overcollateralisation History



Covered Bonds Issued by DNB Boligkreditt AS Qualify for Level 1-Assets Pursuant to LCR Regulation (Slide 1 of 2)

Covered bonds issued by DNB Boligkreditt AS fulfil the requirements to qualify as Level 1-assets pursuant to Commission Delegated Regulation (EU) 2015/61 regarding liquidity coverage requirement for credit institutions (“LCR Regulation”).



With reference to Article 10(1)(f) of the LCR Regulation, DNB Boligkreditt AS confirms:

- Covered Bonds issued by DNB Boligkreditt AS are covered bonds as referred to in Article 3(1) of Covered Bond or are issued before 8 July 2022, and meet the requirements set out in Article 52(4) of Directive 2009/65/EC (cf. the European Commission’s website: http://ec.europa.eu/finance/investment/legal_texts/index_en.htm).
- The exposures to institutions in the cover pool meet the conditions laid down in Article 129(1)(c) and in Article 129(1a) of Regulation (EU) No 575/2013 (the “**CRR**”).



Covered Bonds Issued by DNB Boligkreditt AS Qualifies as Level 1-Assets Pursuant to LCR-regulation (Slide 2 of 2)

With reference to Article 10(1)(f) of the LCR-regulation, DNB Boligkreditt AS confirms the following (cont.):

- Covered bonds issued by DNB Boligkreditt AS are assigned a credit assessment by a nominated ECAI which is at least credit quality step 1 in accordance with Article 129(4) of CRR, and the equivalent credit quality step in the event of short-term credit assessment 
- The cover pool does at all times meet an asset coverage requirement of at least 2% in excess of the amount required to meet the claims attaching to the covered bonds issued by DNB Boligkreditt AS 

ECB Eligibility and CRR Compliance of Covered Bonds Issued by DNB Boligkreditt AS

- All covered bonds issued by DNB Boligkreditt AS are premium covered bonds and fulfil the eligibility criteria for marketable assets set by the Eurosystem and are thus eligible for Eurosystem monetary policy operations.
- DNB Boligkreditt AS confirms that the covered bonds it issues meet the requirements set out in CRR Articles 129(3), 129(3a) and 129(3b) and are collateralised by assets listed in Article 129(1) of the CRR – therefore, a 10% risk weight applies to the instrument

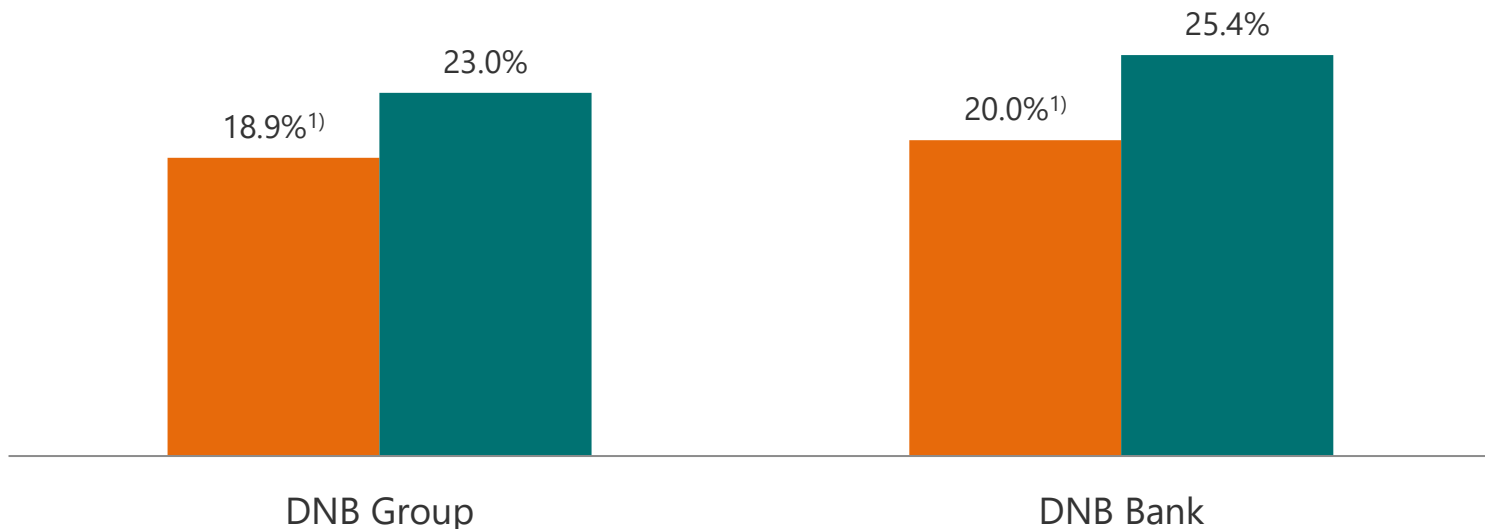
Appendix

Appendix C: Capital and Tier 1

DNB – Capital Ratios

- DNB has to meet all capital requirements on DNB Bank Group level (“DNB Group”) and DNB Bank ASA solo level (“DNB Bank”)
- DNB’s total capital consists of CET1 capital, AT1 capital and Tier 2 capital. As per the 2022 SREP, DNB Group’s total capital requirement was ~21.5% per 30 June 2023

CET1 and Total Capital Ratios as per 30 June 2023



1) On 17 July 2023, DNB announced to initiate a share buy-back programme comprising up to 1.5 percent of the company’s own shares, which will reduce the CET 1 ratio with ~0.5%.

Further details on DNB's Capital Requirements

Counter-Cyclical Buffer (CCyB)

- CCyB in Norway increased to 2% with effect from 31 December 2022 and increased further to 2.5% with effect from 31 March 2023.
- Taking into account countercyclical buffers in other countries, **DNB's effective CCyB was ~2.2% as per 30 June 2023.**

Systemic Risk Buffer

- The systemic risk buffer increased from 3.0% to 4.5% for Norwegian exposures from 31 December 2020. Taking into account systemic risk buffers in other countries, **DNB's effective systemic risk buffer was ~3.2% as per 30 June 2023.**

ADI – Available Distributable Items

- Items available for distribution is defined in the Norwegian Public Limited Liability Companies Act¹⁾:

Following this definition, the ADI level is calculated as follows:

ADI = total equity – share capital – fund for unrealised gains

- From 1 January 2019, DNB decided also to deduct additional tier 1 capital from the ADI

DNB Bank ASA (31 December 2022):

ADI = NOK ~214bn – ~19bn – ~2bn – ~15bn (AT1) = NOK ~177bn

⇒ Due to the significant amount available for distribution, we do not consider the ADI as a potential restriction for coupon payments.

1) The Norwegian CRD IV Regulation does not include any definition of ADI

Regulatory Framework - EU law in Norway and future changes

Implementation of EU Directives/Regulations in Norwegian Law:

- EU Directives and Regulations do not have direct effect in Norway
- First step: Implementation in the EEC agreement
- Second step: Relevant rules to be implemented in Norwegian law
- Time lag might vary from months to years
- The Norwegian law amendments related to the banking package (CRDV/CRR2/BRRD2) entered into force 1 June 2022.

2025+

Basel 4/CRD6/CRR3

- New Standard methods
- New output floor for IRB models
- New considerations: Climate Risk (CRDV)

Appendix

Appendix D: Other information

DNB is a Digital Front Runner

- leading the development of digital distribution channels

Leading position on digital customer channels in the Norwegian market

Mobile bank



- **~30% of Norwegians uses personal customer app**
 - 65% of transactions via mobile devices
 - Best customer (iOS) ranking among closest peers
- **~65,000 users of corporate app per YE 2022** (77% YoY growth)

Savings app



- **No. 1 savings platform** in Norway
- **159% growth** in users (Q3 19 – Q3 22)

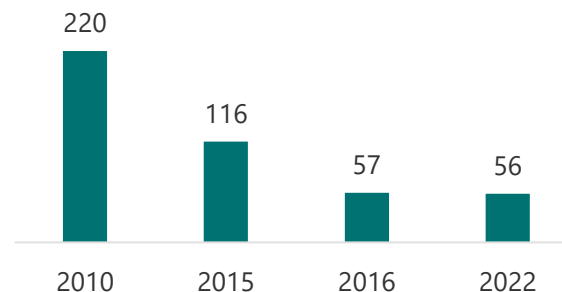
Mobile Wallet Vipps



- **75% of Norwegians** use Vipps
- **Merged with MobilePay in 2022**
 - Combined users: 11 mill consumers and 400k shops and e-commerce
 - 33.8% owned by DNB post merger

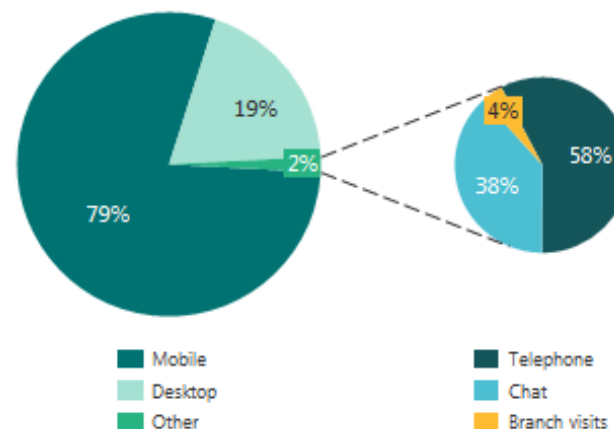
Transforming our branch network

Number of branch offices



Less than 1% of customer interactions being physical

Personal customer interactions by channel, per cent



Administrative fine from the Norwegian FSA (Finanstilsynet) following supervisory inspection

- DNB has not been complicit in money laundering

- **On 3 May 2021, the NFSA imposed an administrative fine on DNB of NOK 400 million, due to inadequate compliance with the Norwegian Anti-Money Laundering Act.**
- DNB has not been under suspicion of money laundering or complicity in money laundering. The NFSA is critical of DNB's compliance with the AML regulations. Meeting the authorities' expectations in the area of anti-money laundering to help combat financial crime is an important part of DNB's corporate responsibility. **DNB acknowledged that the anti-money laundering efforts had not given sufficient results at the time of the inspection, and therefore accepted the NFSA's fine.**
- As part of its follow-up after the inspection, the NFSA ordered on 19 April 2022 the bank to collect and store legal identification for remaining customers by 1 August 2022. On 1 September 2022, the NFSA imposed compulsory fines on the bank of NOK 50,000 per day for failing to comply with the NFSA's order. A coercive fine is not considered a penalty, but a forward-looking measure to incentivise an increased effort to comply with a decision. **On 29 June 2023 the NFSA stated that it was satisfied with DNB's customer identity verification status, and the compulsory fines of NOK 50,000 per day ceased effective from 24 April 2023.**
- In the past few years, DNB has implemented several measures to strengthen its anti-money laundering efforts. Organisation, risk assessment, risk classification and electronic monitoring are areas that have been significantly strengthened. The Board and Group Management regularly follow up this important work.

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