



# Capital Markets Day

15 November 2022





# DNB Capital Markets Day 2022

**DNB towards 2025**

Kjerstin Braathen

**Achieving financial ambitions**

Ida Lerner

**Strong foundation for further profitable growth in personal customer segment**

Ingjerd Blekeli Spiten

**Well positioned for continued profitable growth in corporate customer segment**

Harald Serck-Hanssen

**Robust investment banking and capital markets business**

Alexander Opstad

**Q&A**

Kjerstin Braathen and Ida Lerner

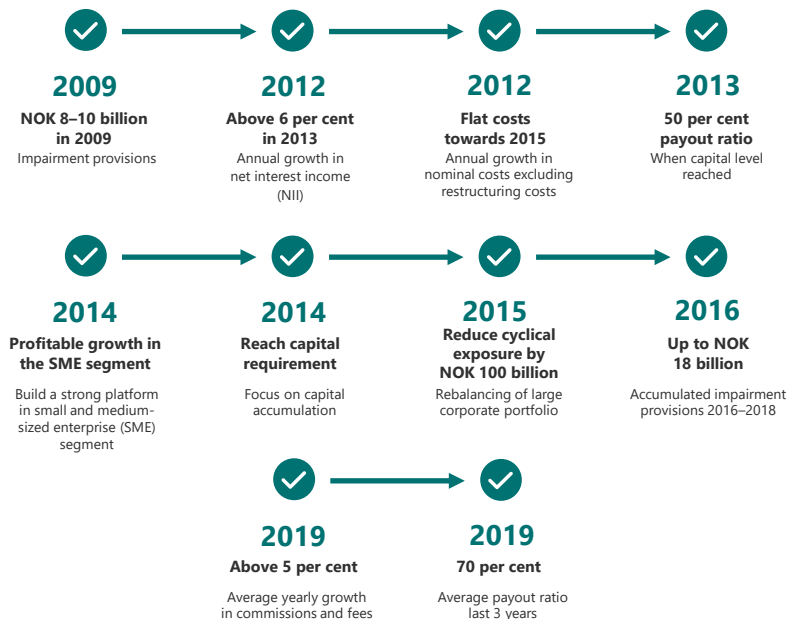
## DNB towards 2025

- Resilience and track record of delivering through cycles
- Robust Norwegian economy
- Solid platform for continued profitable growth



# DNB continues to deliver on targets

## Long track record of delivering in line with targets



## Targets communicated at Capital Markets Day 2019

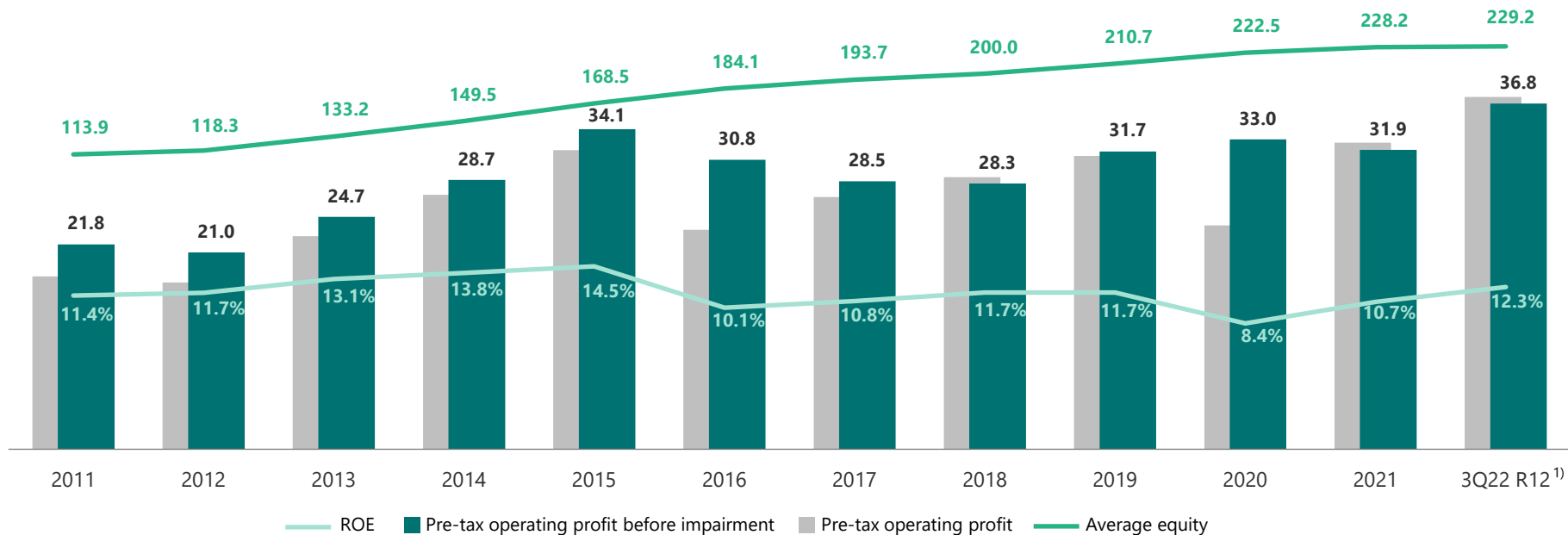
	Financial targets	3Q22 year-to-date (YTD)	
<b>Return on equity (ROE)</b> (Overriding target)	> <b>12.0%</b>	<b>13.0%</b>	✓
<b>Cost/income ratio</b> (Key performance indicator)	< <b>40.0%</b>	<b>39.8%</b>	✓
<b>Common equity Tier 1 (CET1) capital ratio</b> (Capitalisation level)	~ <b>17.7%</b> <sup>1)</sup>	<b>18.1%</b>	✓
<b>Payout ratio, 2021</b> (Dividend policy)	> <b>50.0%</b>	<b>62.0%</b>	✓

1) Previous expectation of Financial Supervisory Authority of Norway (FSA), adjusted for changes in buffer requirements. Expectation included full counter-cyclical buffer (CCyB). (Proposed expectation including management buffer as at 31 December 2019: 17.9 per cent.)

# Strong resilience in earnings and profitability

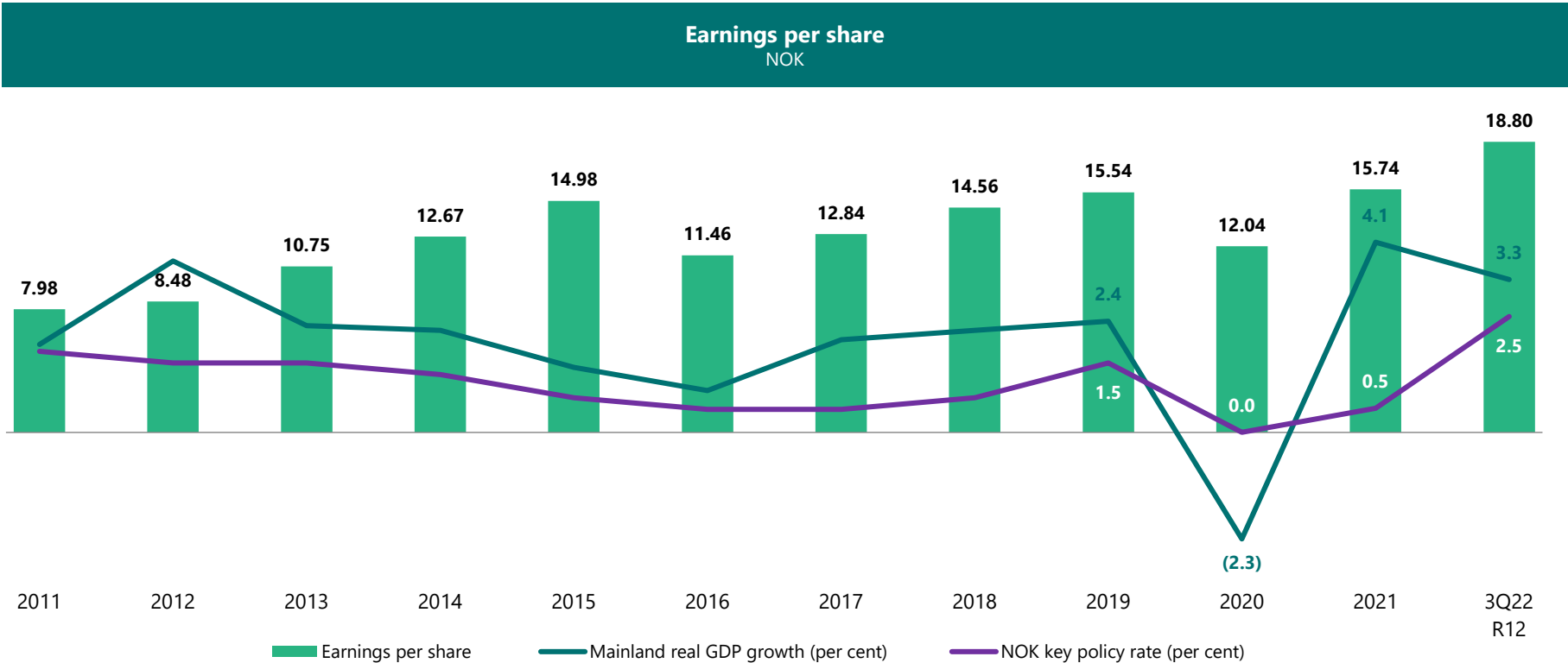
## Return on equity and pre-tax operating profit before impairment

Per cent, NOK billion

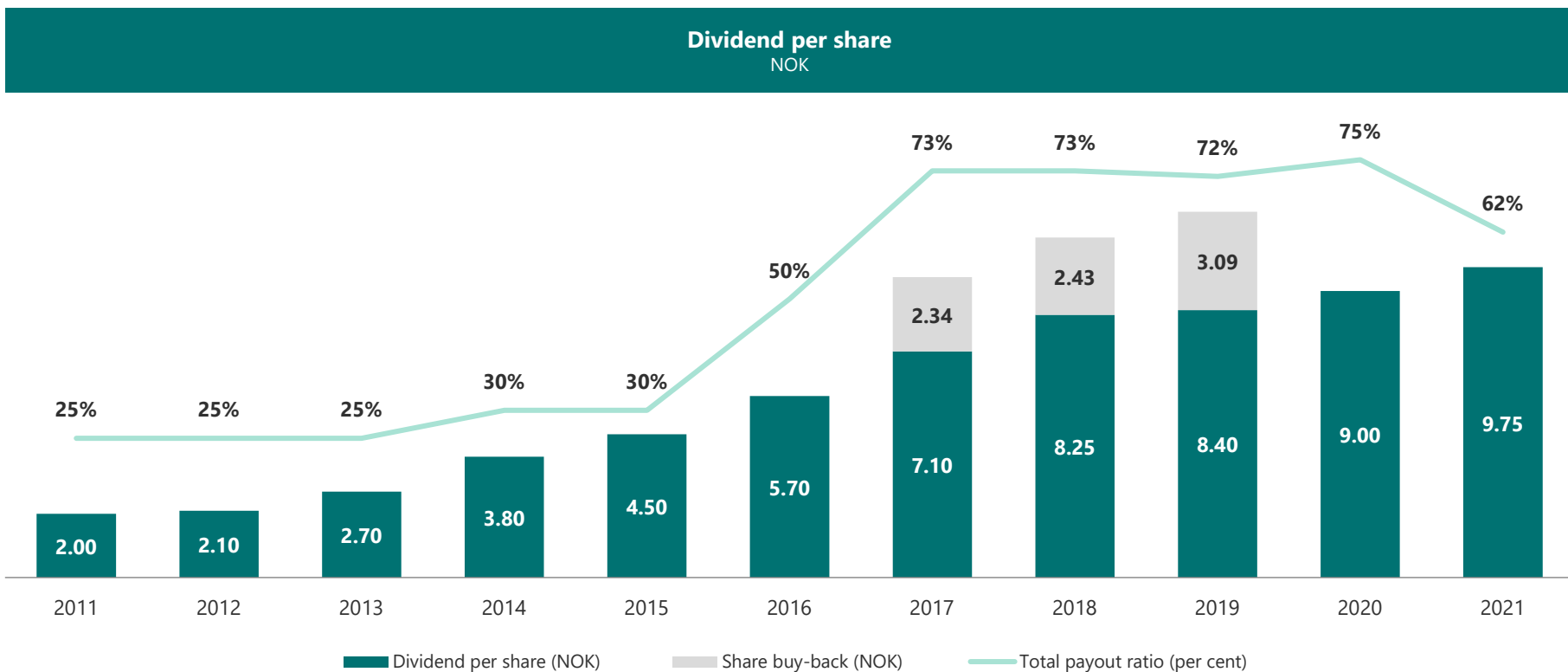


1) Trailing 12-month figures as at 3Q22.

# Proven ability to generate earnings through cycles



# Track record of delivering on dividend policy



Strong platform for continued profitable growth in an open and robust Norwegian economy



# Financial targets 2022–2025



## Key performance indicator

Cost/income ratio

**< 40%**

## Capital level

CET1 capital ratio

**> 17.0%<sup>1)</sup>**

## Dividend policy

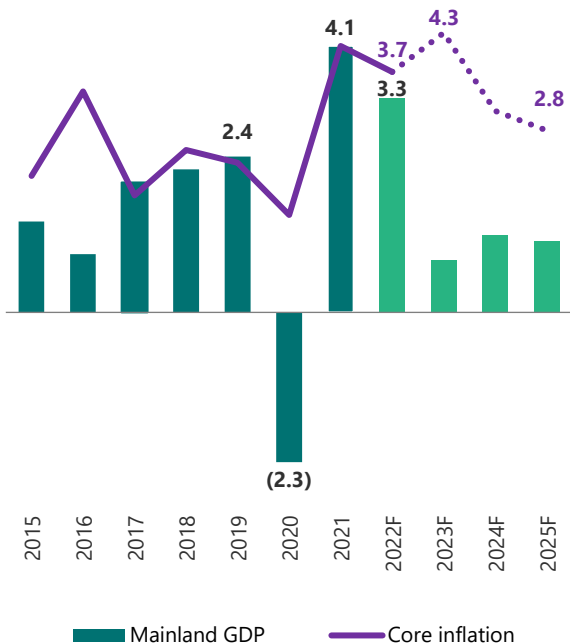
**> 50% payout ratio**

1) The FSA's expectation including pre-pandemic counter-cyclical buffer requirements across geographies (with effect from 1Q23).

# Corporate investments expected to fuel growth and activity

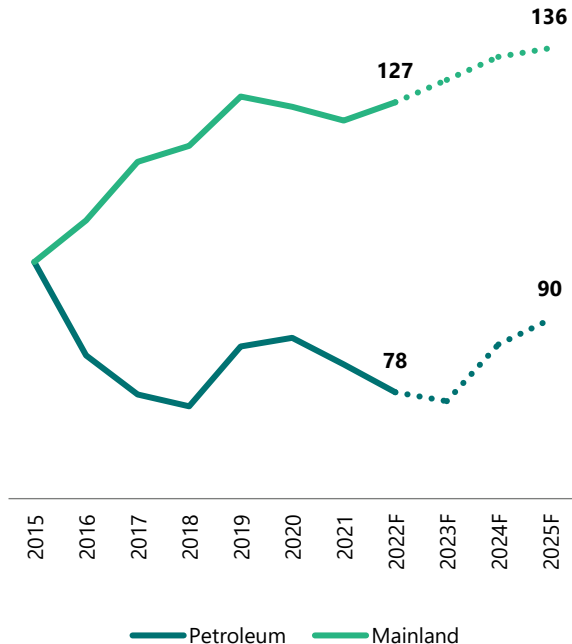
## Gross domestic product (GDP) and inflation

Actual and DNB Markets forecast  
Year-on-year growth (YOY), per cent



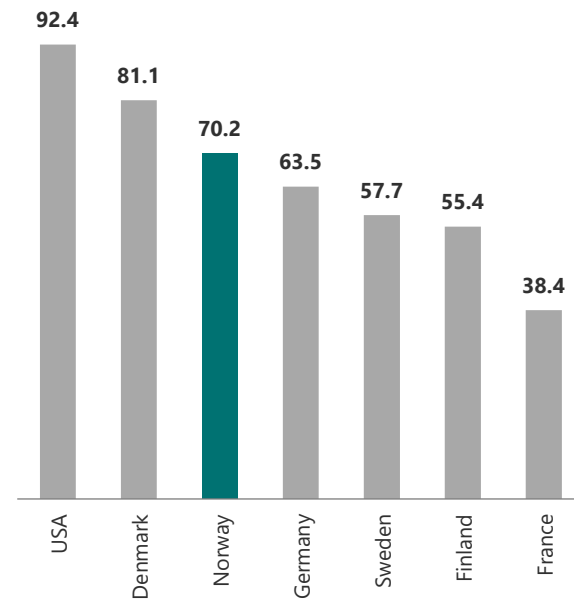
## Corporate investments

Index, 2015=100



## Employment flexibility

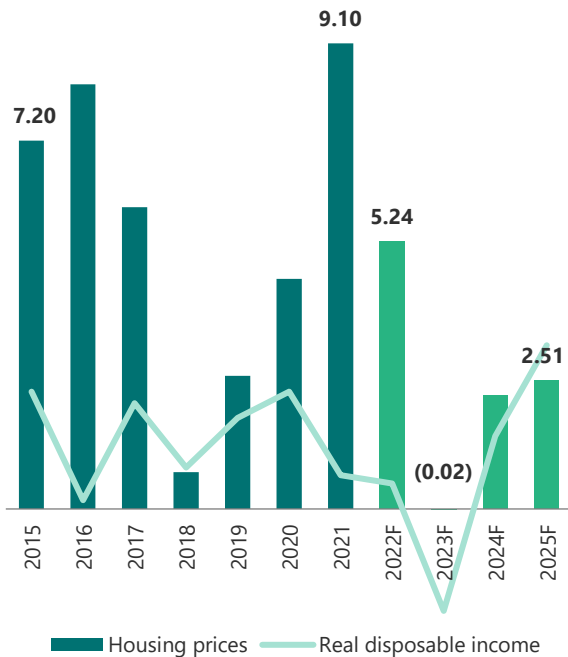
Higher score reflects more flexible labour regulations  
Score 0–100



# Robust Norwegian households

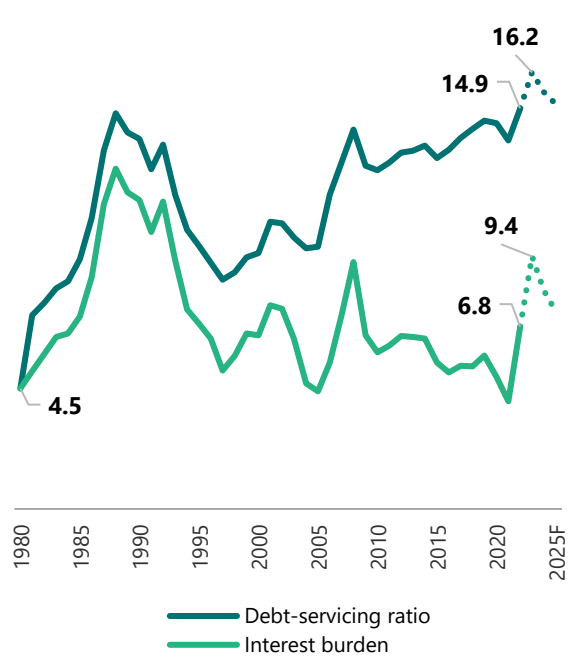
## Housing prices and disposable income

Actual and DNB Markets forecast  
Per cent growth



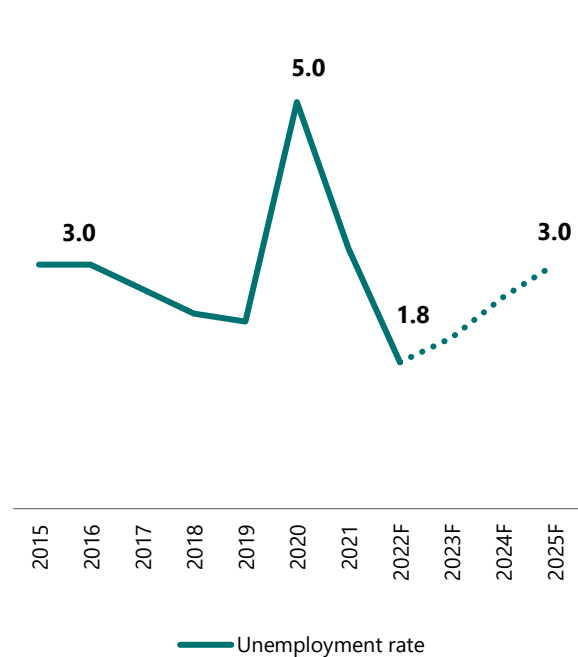
## Debt-servicing ratio of Norwegian households

Per cent of disposable income



## Unemployment

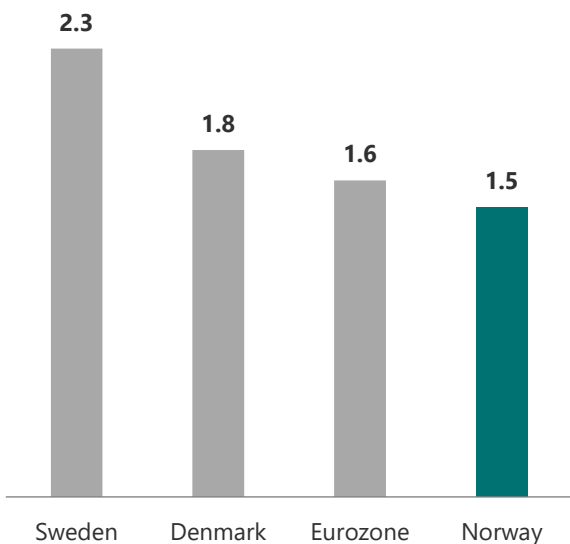
Actual and DNB Markets forecast  
Per cent



# Proven stability and resilience in the economy over time

## Average real GDP – standard deviation

YOY, 1990–2021, per cent



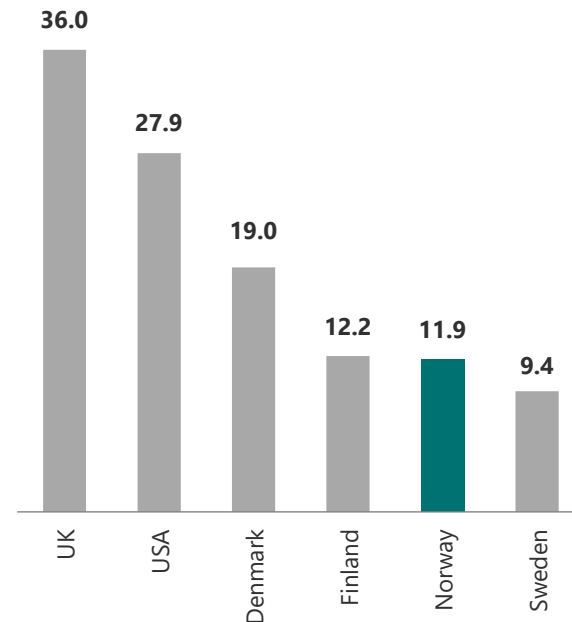
## GDP development during pandemic

Growth from previous quarter, per cent



## Use of fiscal measures<sup>1)</sup> during pandemic

Per cent of GDP



1) Includes fiscal spending, foregone revenue, equity, loans and guarantees.

Sources: Databank (World Bank), Statistics Norway, IMF.

# Three stabilisers in Norwegian economy

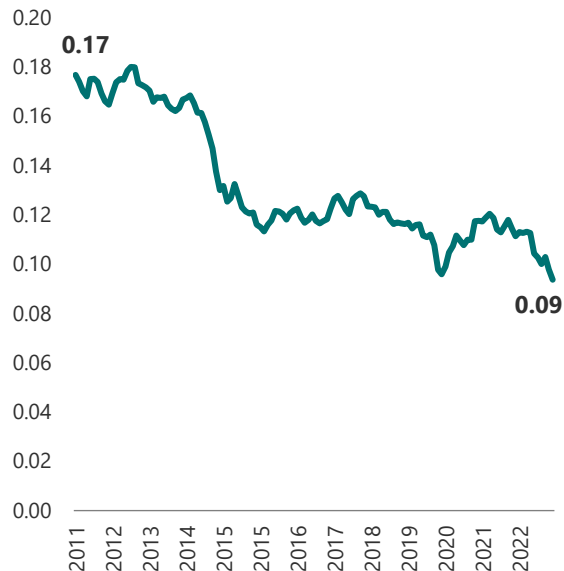
## Monetary policy

Key policy rate, actual and DNB Markets forecast  
Per cent



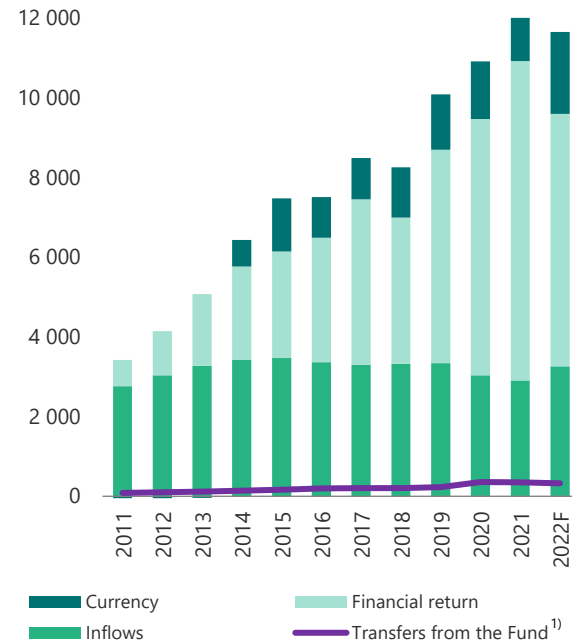
## Floating currency

USD/NOK



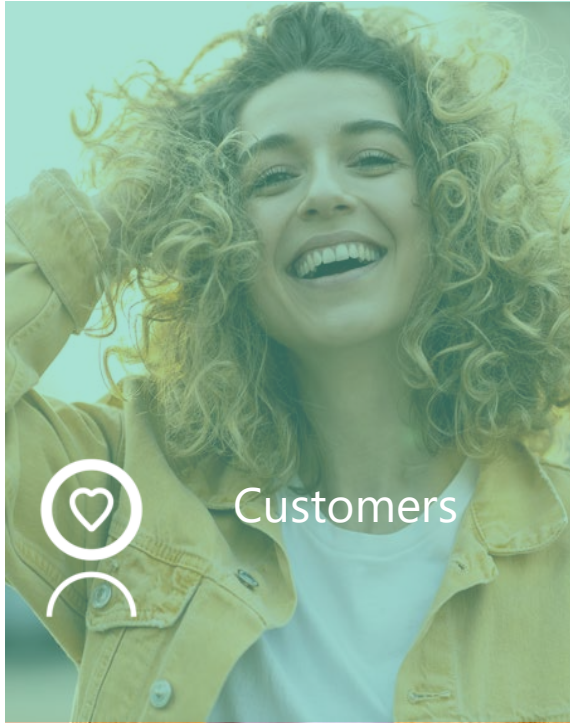
## Fiscal position: Government Pension Fund Global

NOK billion



1) Fiscal rule: Transfers from Government Pension Fund Global should not be higher than expected real return, estimated at 3 per cent p.a. (reduced from 4 per cent in 2017).

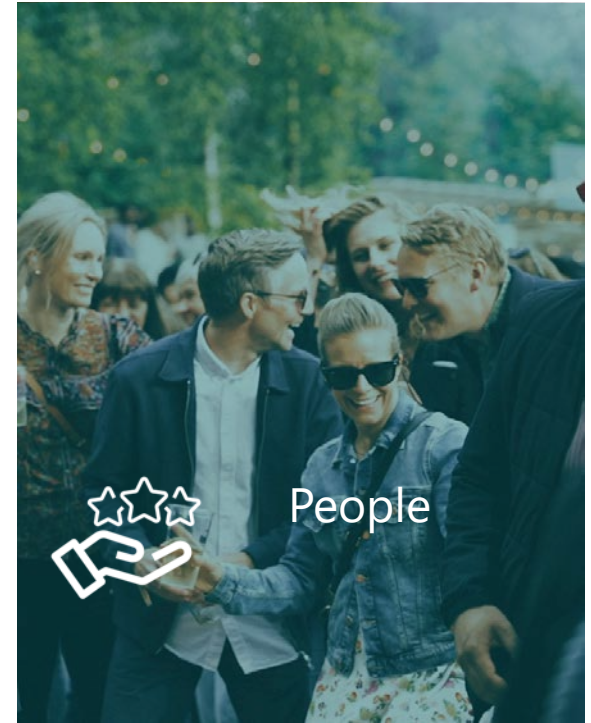
Sources: Norges Bank (Norwegian central bank), DNB Markets forecast, NBIM (Norges Bank Investment Management), proposed national budget for 2023 (Norwegian Government).



Customers



Profitability

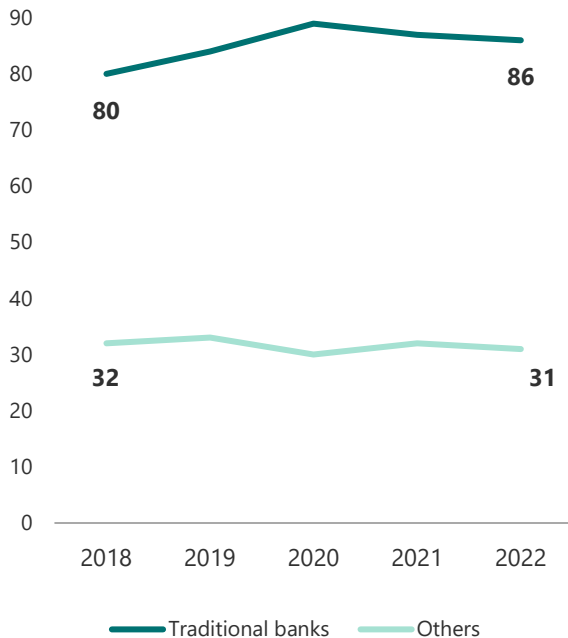


People

# Creating attractiveness for customers

## Traditional banks' strengthened position as preferred provider of financial services<sup>1)</sup>

Share of respondents, per cent



## Leading strategic positions



The most attractive bank in the young segment<sup>2)</sup>



Norway's leading startup bank



No. 1 savings position in Norway



No. 1 adviser across corporate segments<sup>3)</sup>

## Monetising on a strong savings position



159 per cent growth in number of users of savings app Spare (3Q19–3Q22)



22 per cent growth in annual savings volume through mutual funds savings schemes (CAGR 2019–2022)



20 per cent growth in number of mutual fund savings schemes (CAGR 2019–2022)



90 per cent of mutual funds purchased through digital channels



~30 per cent market share defined-contribution pensions in Norway

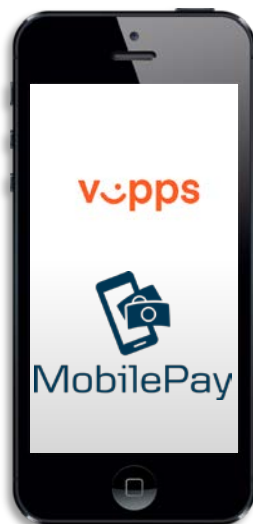
1) Survey by Ipsos for DNB, interviewing a representative group of Norway's population, multiple choices available.

2) Survey by Kantar in 3Q22, interviewing Norwegians between 18 and 33 years of age.

3) Prospera 2022.

# Increasing share of customer value chain through partnerships and investments

## Exploring new opportunities with Vipps and MobilePay merger approval



## Utilising business partners to expand product offering



### Digital accounting

New feature in the accounting solution DNB Regnskap allows customers to integrate carbon accounting directly into the solution



### Payment infrastructure

BankID/BankAxept acquires Kundesjekk.no to build stronger position and expand its KYC offerings



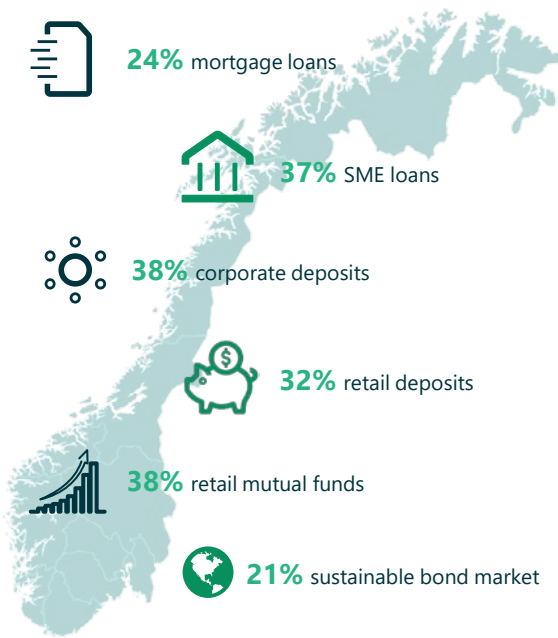
### Embedded finance

Car financing from DNB integrated into customer journeys and offered directly to customers for premium cars in the Nordics

# Strong platform for profitable growth

## Full-service financial institution

Market shares



## International presence within selected growth industries

### Energy transition supporting growth



Healthcare



Seafood



Power and Renewables



Infrastructure

### Energy transition supporting activity



Shipping

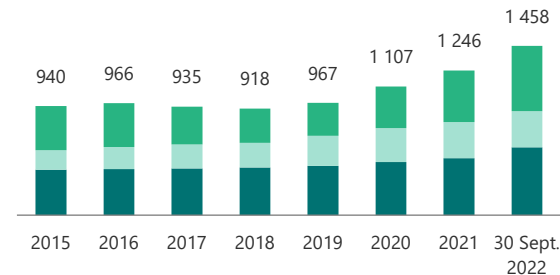


Oil and gas

## Growth across customer segments

NOK billion

### Deposits from customers



### Net loans to customers



# Sustainability – an integral part of business operations

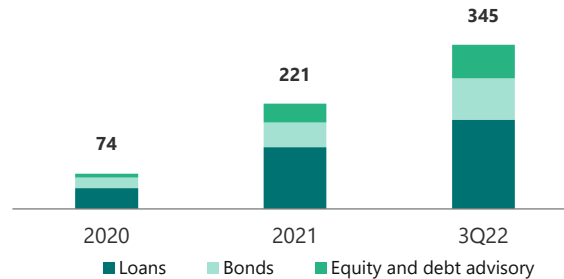
## Nordic countries at the forefront of the green shift



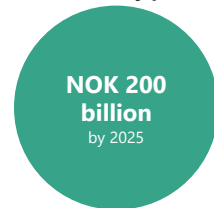
A boom of renewable-powered industries has found a home in northern Sweden, fueling the country's ambitions of a fossil-free economy

## DNB plays an important role in financing the transition

Finance and facilitate sustainable activities worth NOK 1 500 billion by 2030  
NOK billion, accumulated



Increase total assets in mutual funds with a sustainability profile



Reduce emissions intensity in lending portfolio by 2030



## Driving force for sustainable value creation



Developing products to promote sustainable activities

- Piloting new use of proceed products, transition loans and green guarantees



Scaling team and building competence across the organisation



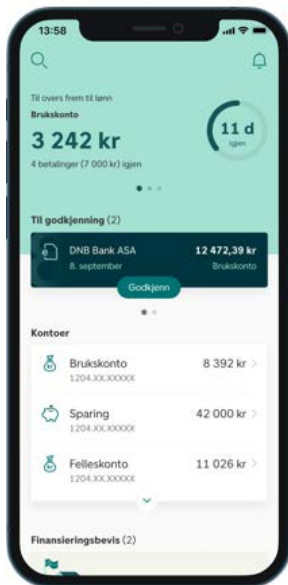
Continuously developing framework to adapt to market trends

- Developing science-based targets
- Enhancing reporting in 2023

# Digitally advanced and efficient

## Norway – front runner in digitalisation

~30 per cent of Norwegians use DNB's mobile banking platform

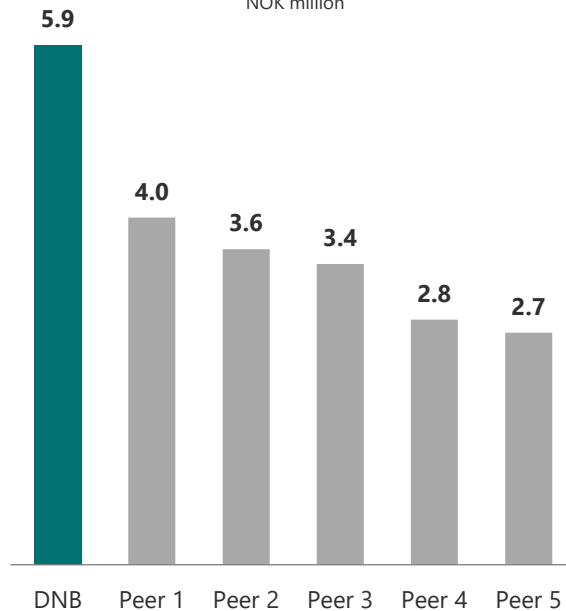


## Efficient use of resources

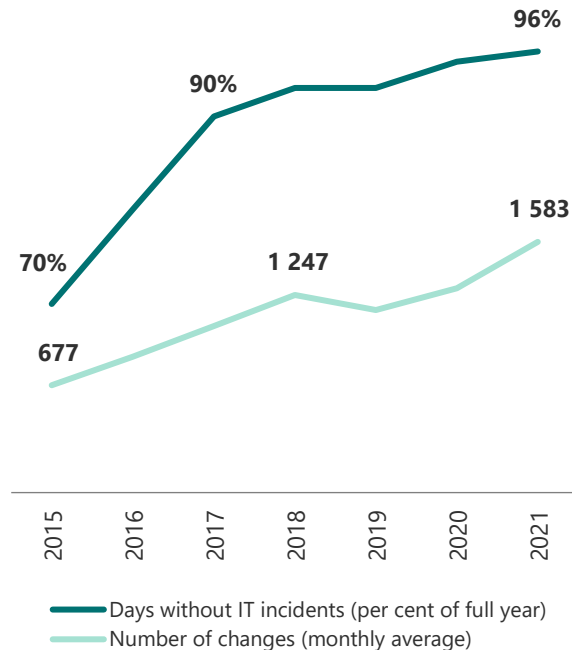
DNB versus Nordic peers, 2021

### Income per full-time equivalent (FTE)

NOK million



## Increased productivity and stability across technical platforms



# Strengthening position in the race for competence and talent

## **No. 1 attractive employer**

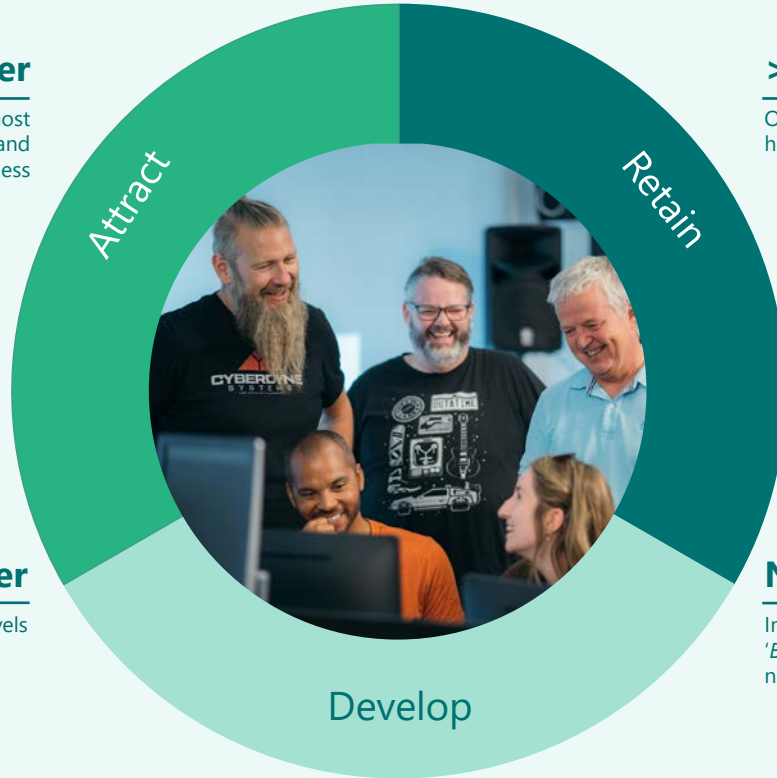
In Universum's surveys that rank the most attractive employers for students and professionals within business

**86 points**

Average rating of DNB employees' "willingness to recommend own employer externally".  
Scandinavian benchmark = 77.5, score 0-100

**5.9 per cent turnover**

Lower than pre-pandemic levels



**>50 per cent**

Of new hires in Graduate programme have technology background

**5.5 out of 6<sup>1)</sup>**

Employees' score on the use of digital tools to enhance hybrid work and working from home

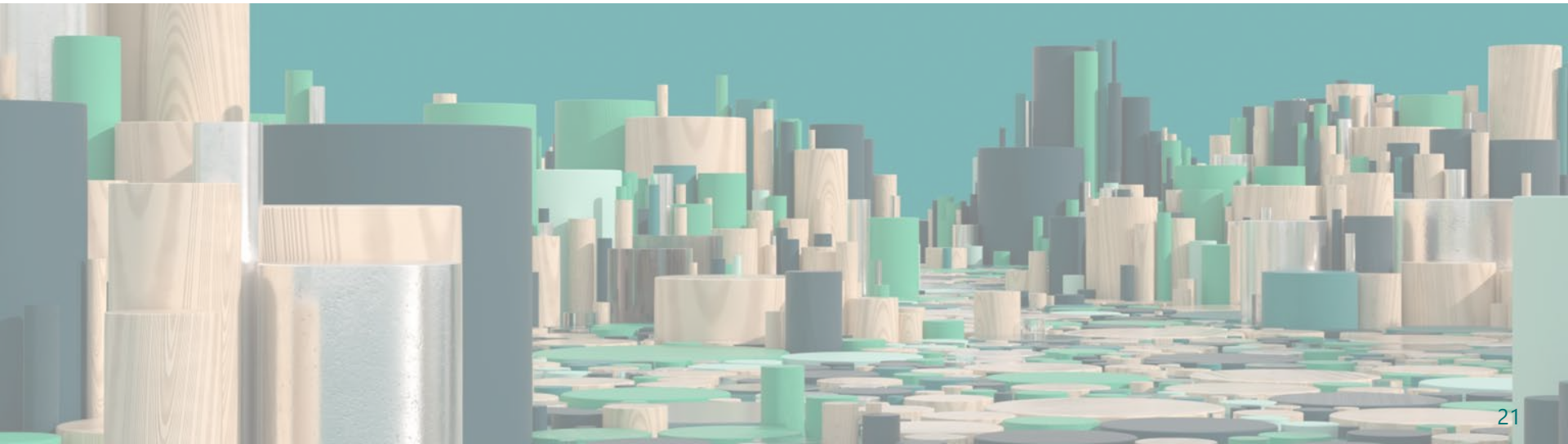
**No. 1 on diversity**

In Financial Times' ranking of diversity within 'Banking & Financial Services' in Europe, no. 7 overall

1) DNB employee survey 3Q22.

# DNB towards 2025

- Resilience and track record of delivering through cycles
- Robust Norwegian economy
- Solid platform for continued profitable growth



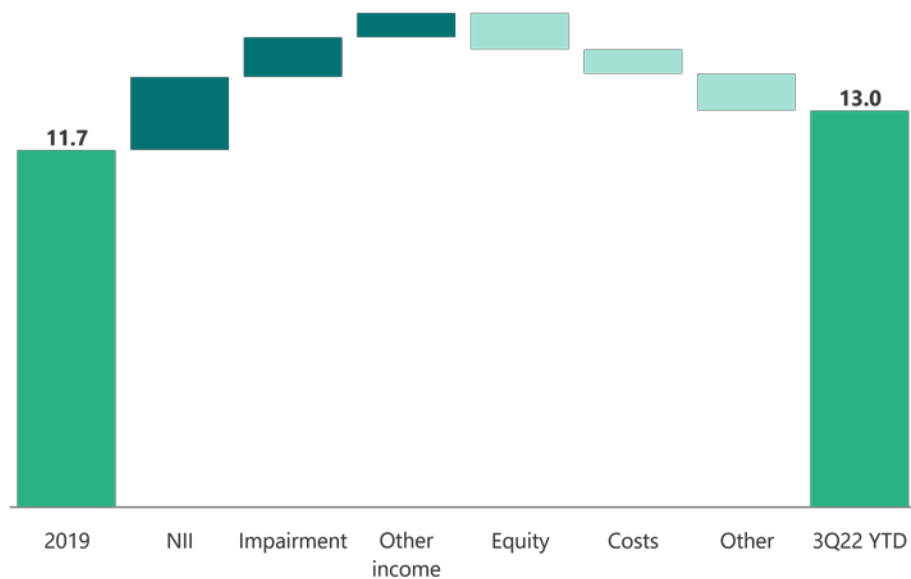
## Achieving financial ambitions

- Strong profitability and proven ability to deliver results
- Well diversified offering provides solid foundation for further income growth
- Delivering on cost efficiency and continued strong focus on cost control
- Solid capital position supporting dividend policy



# ROE > 13 per cent – an ambitious financial target

## Return on equity (ROE) development Per cent



- 1 Continued income growth
- 2 Cost efficiency
- 3 Solid and diversified portfolio
- 4 Optimal use of capital

Return on equity  
**> 13%**  
Overriding target

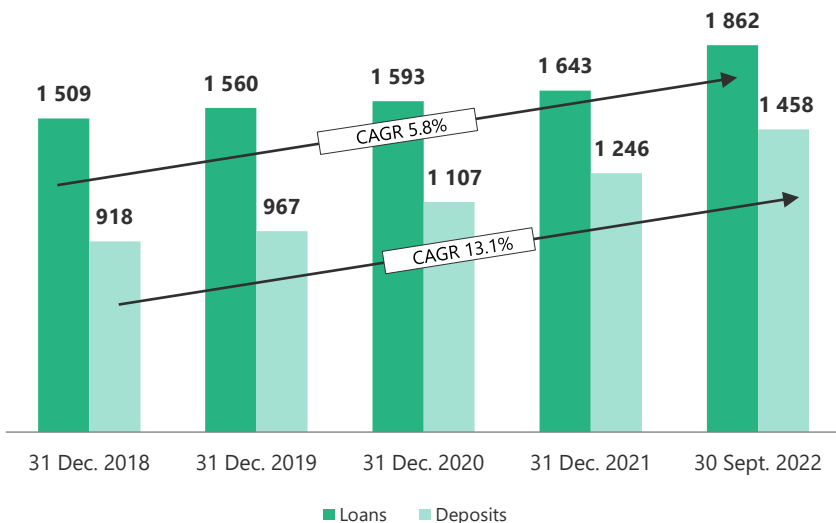
2022–2025

# NII increase supported by profitable growth and customer repricing

- Loan and deposit growth combined with repricing generated strong result in competitive market
- Well positioned to capture future growth within personal customers through DNB and Sbanken combined, and within corporate customers through strong position in SME segment and industries with growth potential
- Maintaining long-term ambition of annual loan growth of 3–4 per cent

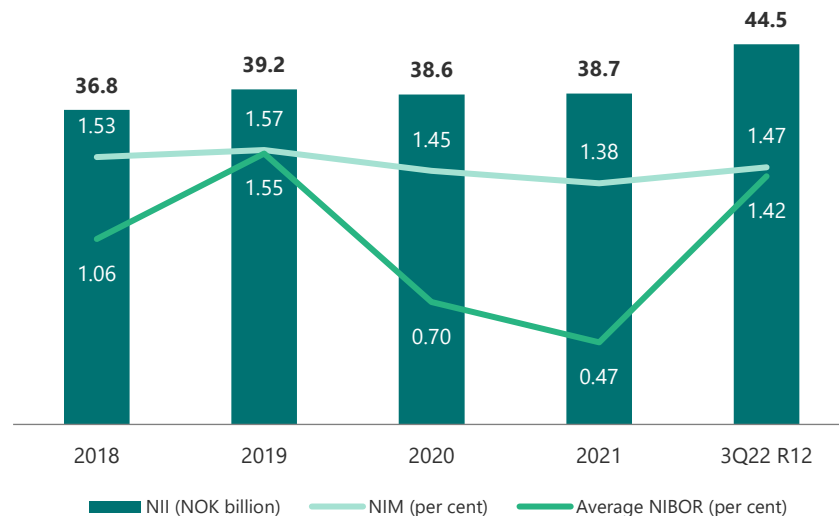
## Volume growth in customer segments

NOK billion



## Development in NII and NIM<sup>1)</sup>

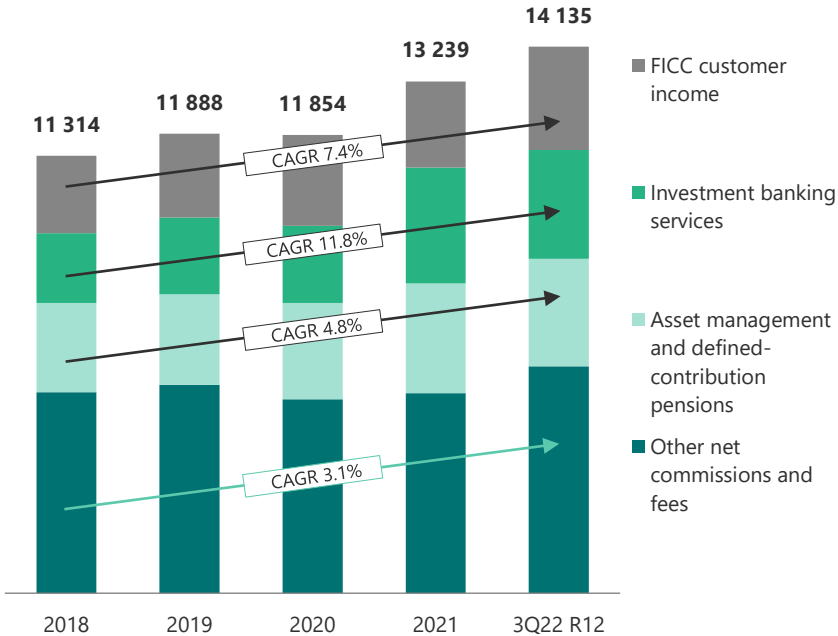
NOK billion, per cent



1) NIM: Net interest margin. NIBOR: Norwegian interbank offered rate.  
CAGR: Compound annual growth rate

# Strengthened and diversified product offering provides solid foundation for income growth

## Other operating income from customers NOK million



## Well positioned to deliver on ambition of 4–5 per cent through the cycle growth

- Increased FICC<sup>1)</sup> 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 Norwegian market

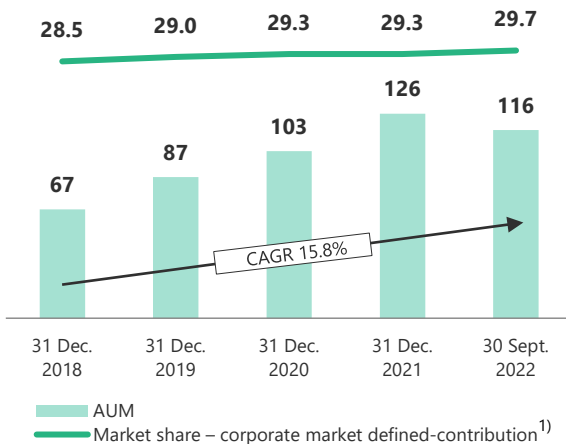
1) FICC: Fixed income, currencies and commodities.

# DNB's position combined with structural market changes provide opportunities

- Growth in defined-contribution pensions and recurring savings schemes expected to increase assets under management (AUM)
- Savings app Spare important part of strategy to further strengthen position in Norwegian market

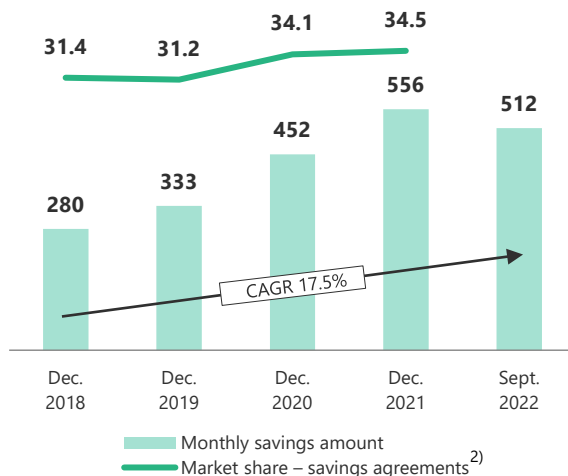
## Strong position within defined-contribution pensions

NOK million, per cent



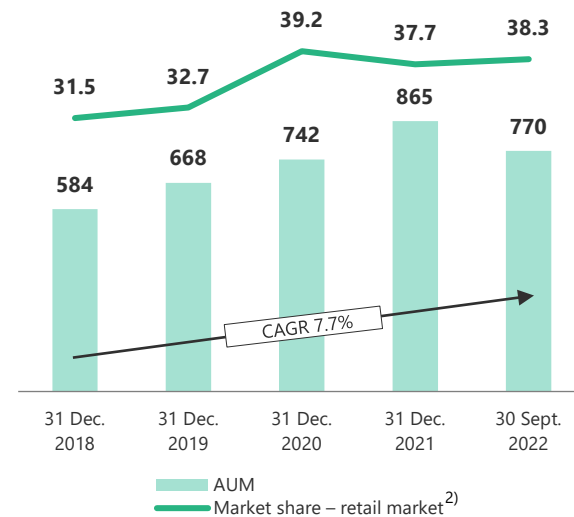
## Savings amount in mutual funds

NOK million, per cent



## Assets under management

NOK million, per cent

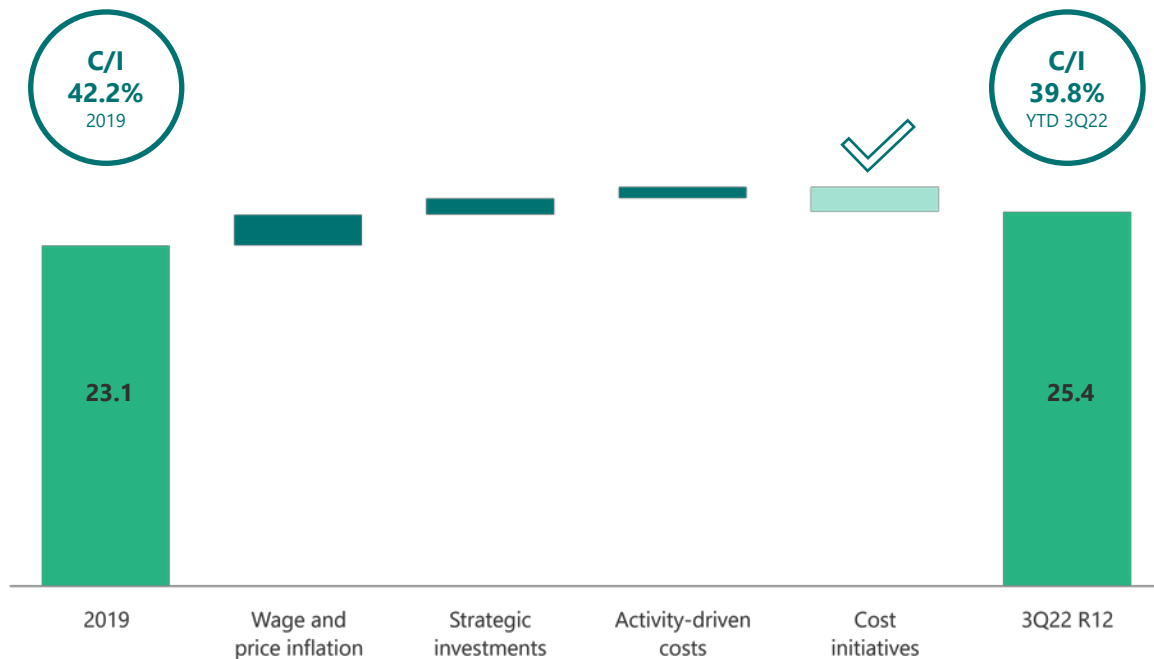


1) Source: Finance Norway.

2) Source: Norwegian Fund and Asset Management Association (VFF). Market share of savings agreements: yearly reporting, figures for 2022 not yet available.

# Delivered on gross cost reduction of NOK 1.7 billion from CMD 2019

## Cost development NOK billion



## Main initiatives

- Discontinued distribution agreement with Norwegian postal service
- Automated and digitalised credit processes
- Operational efficiency
- New IT operating model reducing complexity

# Continued focus on cost efficiency partly curtailing inflationary pressure and enabling strategic investments

## + Strategic investments and inflationary pressure



- Technology, infrastructure and digitalisation
- Competence within strategic areas

## - Gross cost reduction towards 2025: NOK 1.5–2.0 billion



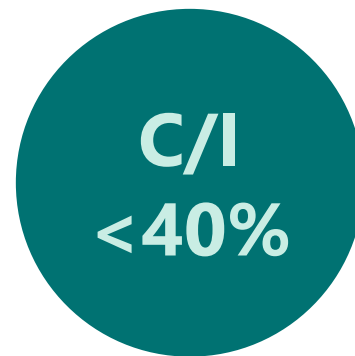
### Automation and operational efficiency: NOK 1 000–1 400 million

- Integration of Sbanken (NOK 300 million)
- Further automation of the credit process, manual processes and reporting



### Supplier cost: NOK 500–600 million

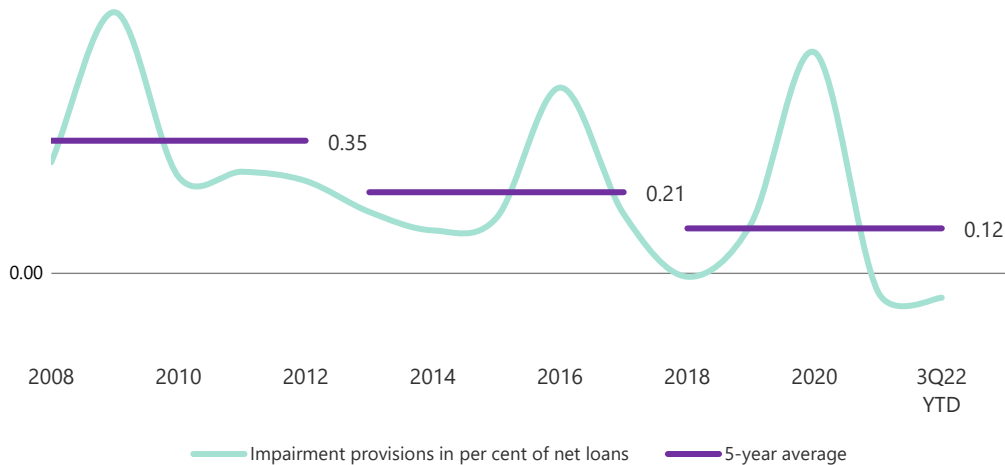
- Optimisation and automation
- Reduce use of external consultants



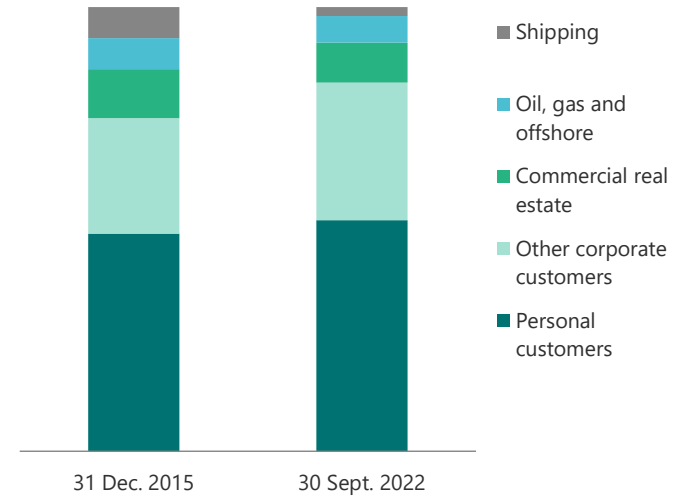
# Cost of risk reduced through rebalancing of credit portfolio

- Solid and well-diversified portfolio with proven resilience through cycles
- Rebalancing of credit portfolio with reduced exposure towards more cyclical industries and larger proportion of personal customers

**Impairment provisions 2008–2022**  
Per cent



**Share of net exposure at default (EAD) by industry segment**

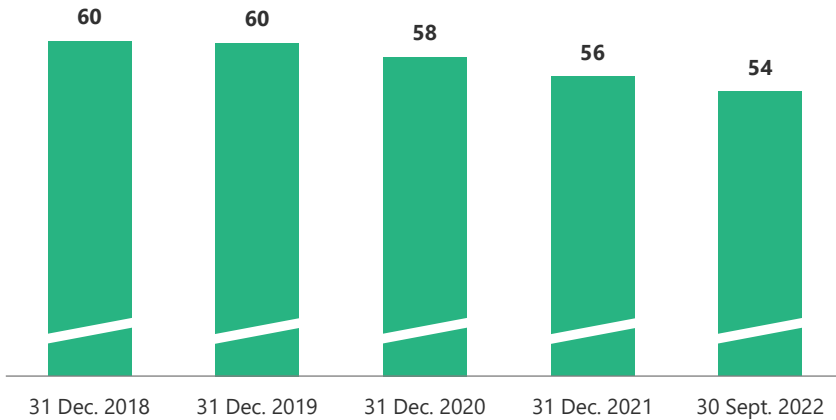


# Solid personal customer portfolio

- Norwegian lending regulations require debt-servicing ability after an immediate 5 percentage point rate increase, minimum 15 per cent equity and maximum 5 times debt-to-income ratio
- Robust mortgage portfolio with 94 per cent of exposures below 60 per cent marginal LTV ratio
- Mortgage customers have saved more during COVID-19 pandemic than non-mortgage customers, on average

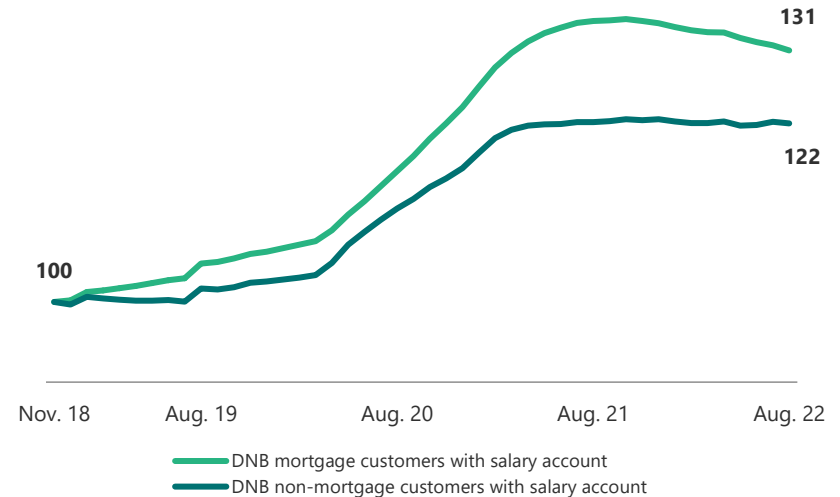
## Loan-to-value ratio (LTV)

Per cent



## Saving by mortgage customers vs. non-mortgage customers

Index

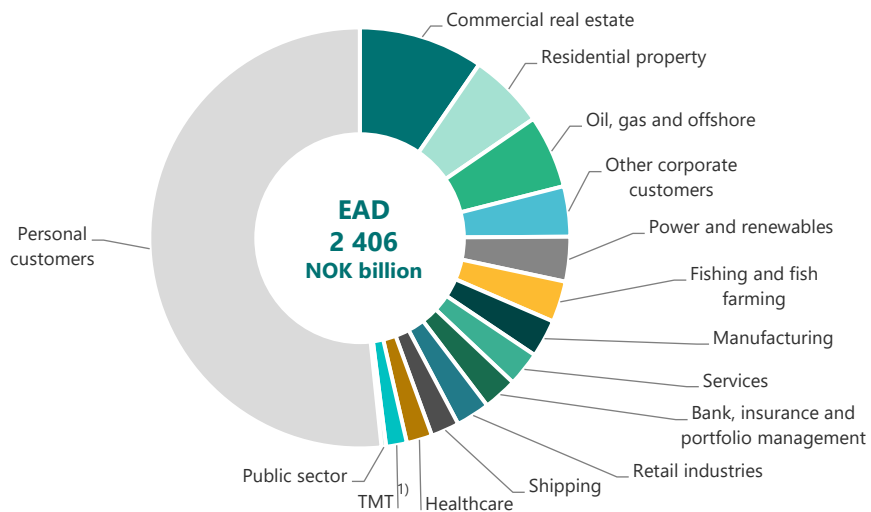


# Diversified and high-quality corporate customer portfolio

- Corporate customers constitute 48 per cent of total portfolio
  - Solid portfolio with 93.6 per cent in low and medium risk categories
  - Well diversified across industries
  - 26 per cent within SME segment

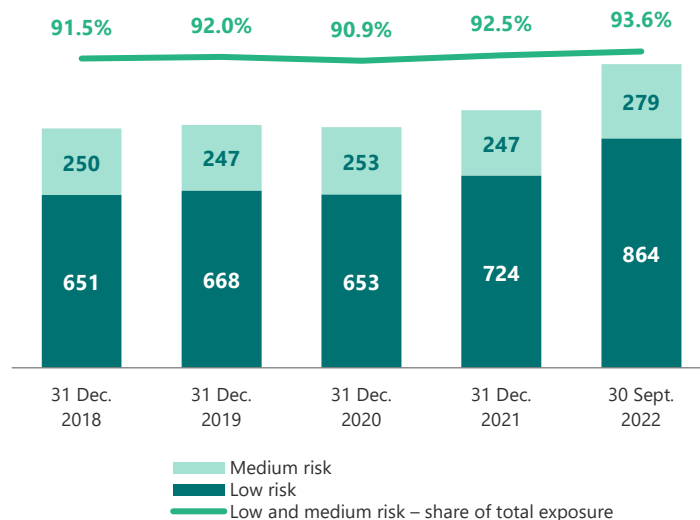
## Net exposure at default by industry segment

As at 30 September 2022



## Risk classification of corporate customer portfolio

NOK billion, per cent

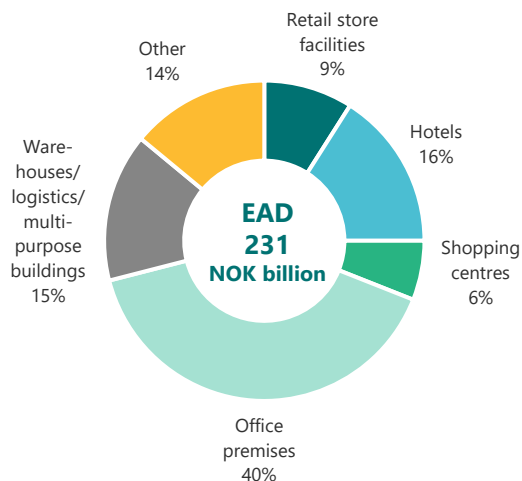


1) TMT: Technology, media and telecom.

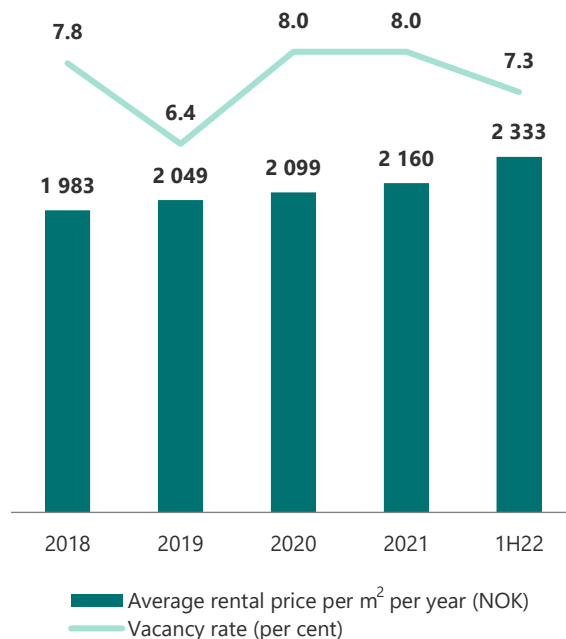
# Diversified and high-quality commercial real estate (CRE) portfolio

## Segment distribution CRE

As at 30 September 2022



## Rental prices and vacancy rates office buildings<sup>1)</sup>



## Key message

### Robust CRE portfolio

- Credit strategy focusing on:
  - cash flow
  - industrial ownership
  - residual value
- Diversified portfolio with 75 per cent of exposure towards low-risk customers
- 94 per cent of exposure in Norway

### Risk-alleviating market conditions

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

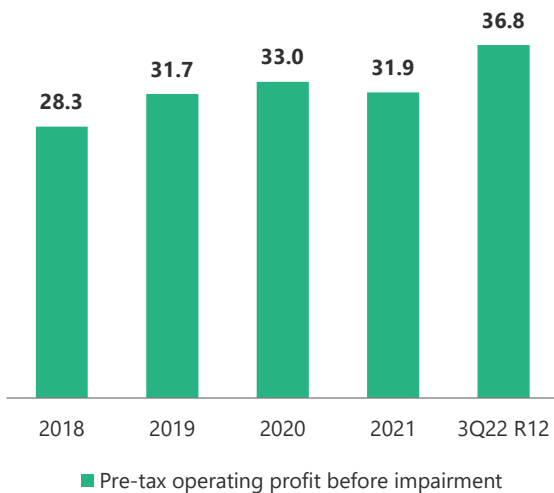
1) Source: Arealstatistikk AS and DNB Næringsmegling's Investor survey – based on a weighted average of the four largest cities in Norway.

# Robust and resilient capital position

- Strong profitability provides recurring through-the-cycle capital generation
- High leverage ratio compared to peers
- Profit generation and conservative internal ratings-based (IRB) models result in limited downside in the European Banking Authority (EBA) stress test

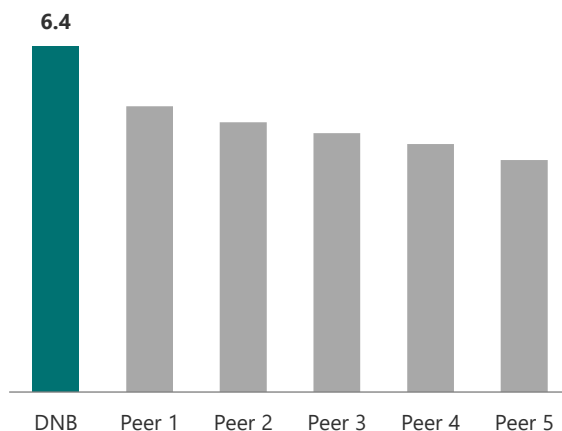
## Profitability supporting capital stability

NOK billion



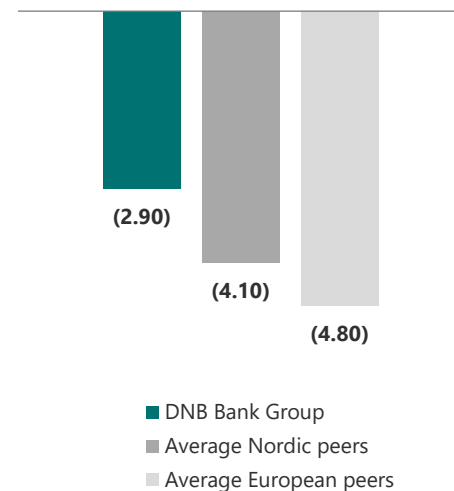
## Leverage ratio vs. Nordic peers

As at 30 September 2022, per cent



## EBA stress test 2021

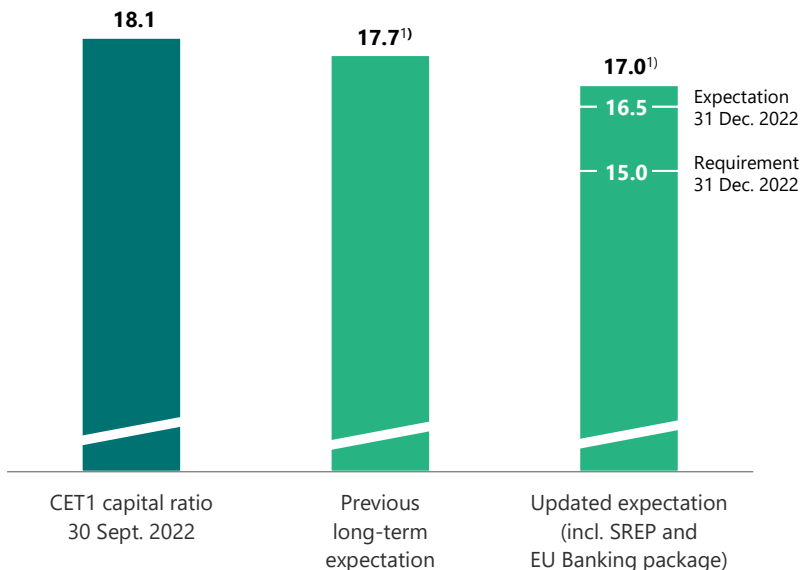
Reduction in CET1 capital ratio, per cent



# Solid capital position enables delivery on our dividend policy

## CET1 capital ratio – status and expectations

Per cent



1) Expectation including full counter-cyclical buffer across geographies.

## SREP 2022 and updated capital guidance

- Supervisory Review and Evaluation Process (SREP)
  - Pillar 2 requirement: 2.1 per cent (up 20 bps)
  - Pillar 2 CET1 requirement: 1.2 per cent (down 70 bps due to implementation of EU Banking Package)
  - Pillar 2 guidance (P2G): 1.5 per cent (unchanged)
- CET1 capital ratio long-term expectation: 17.0 per cent from 31 March 2023
- Sbanken portfolio expected to be included in IRB models in 2024
  - Estimated CET1 capital ratio increase of ~25 basis points
- Dividend policy stands
  - Payout ratio >50 per cent of net profits in cash dividends
  - Ambition of annual increase in nominal dividend per share
  - Share buy-backs used to optimise capital position

# Financial targets 2022–2025



## Key performance indicator

Cost/income ratio

**< 40%**

## Capital level

CET1 capital ratio

**> 17.0%<sup>1)</sup>**

## Dividend policy

**> 50% payout ratio**

1) The FSA's expectation including pre-pandemic counter-cyclical buffer requirement across geographies (with effects from 1Q23).

# Achieving financial ambitions

- Strong profitability and proven ability to deliver results
- Well diversified offering provides solid foundation for further income growth
- Delivering on cost efficiency and continued strong focus on cost control
- Solid capital position supporting dividend policy



## Strong foundation for further profitable growth

- Strengthened market position with a solid portfolio
- Market-leading digital platform
- Well positioned for future growth with two strong and complementary brands



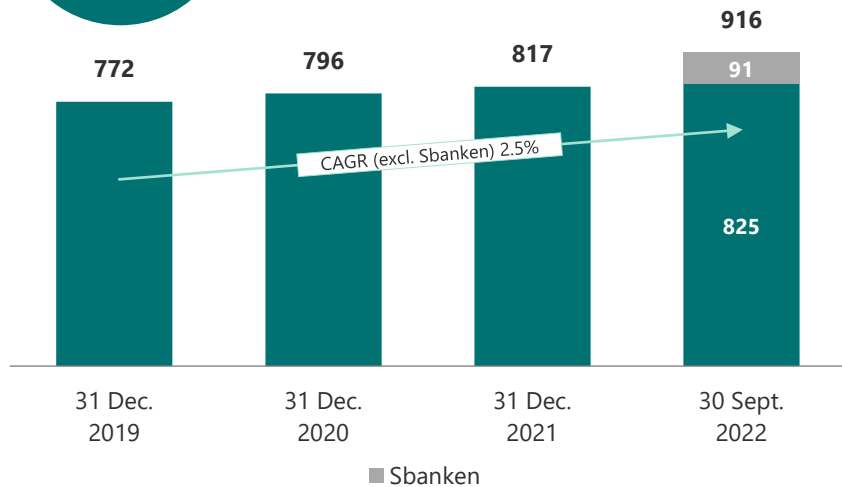
# Strengthened market position through organic growth and Sbanken acquisition

## Mortgages

NOK billion

>2.5x

larger than  
closest peer

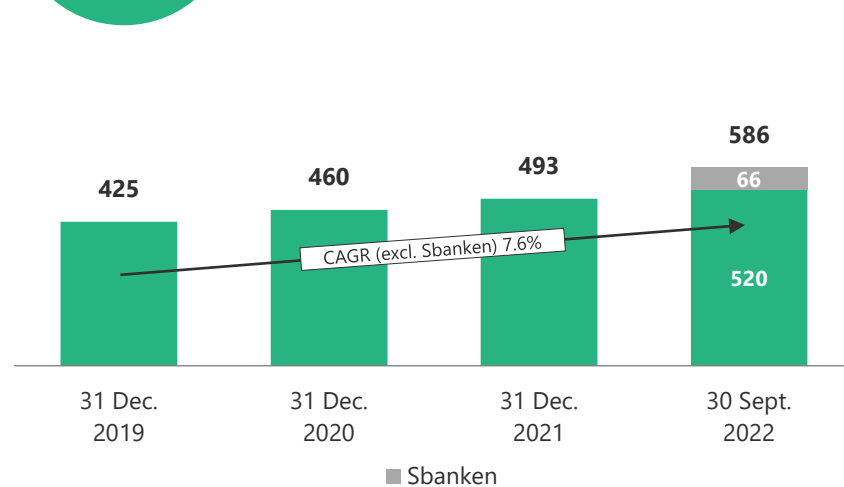


## Deposits

NOK billion

>5x

larger than  
closest peer

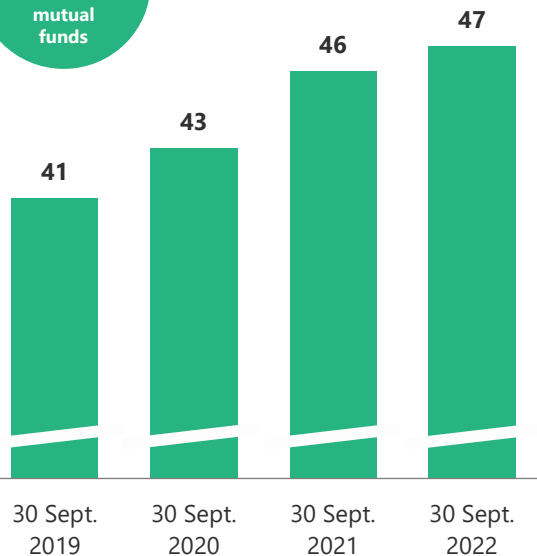


# Strong growth momentum and substantial potential within savings

## Share of mutual fund customers with savings schemes

Per cent

**38.3%**  
market share<sup>1)</sup>  
mutual funds



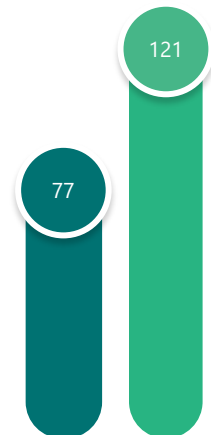
## Savings<sup>2)</sup> boosted by #girlsinvest

Mutual fund customers with saving schemes, thousands

MALE  
**+35%**

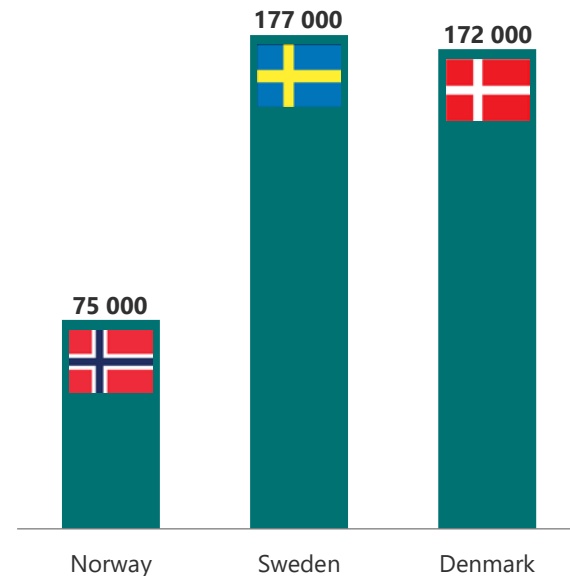


FEMALE  
**+58%**



## Swedes and Danes save >2 times more in mutual funds than Norwegians<sup>3)</sup>

Mutual fund savings per inhabitant, NOK



1) VFF, DNB personal customers, Sept. 2022.

2) Excluding Sbanken.

3) Source: Household composition statistics, Eurostat 2021.

# Market-leading digital platform

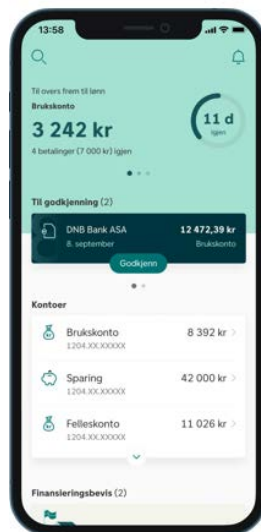
## World-class engagement and ranking



Best customer ranking<sup>1)</sup> among closest peers

Norwegians using the DNB mobile bank

~30%



65%

Share of transactions via mobile devices

50%

Share of active users also using DNB's PFM<sup>2)</sup> tool

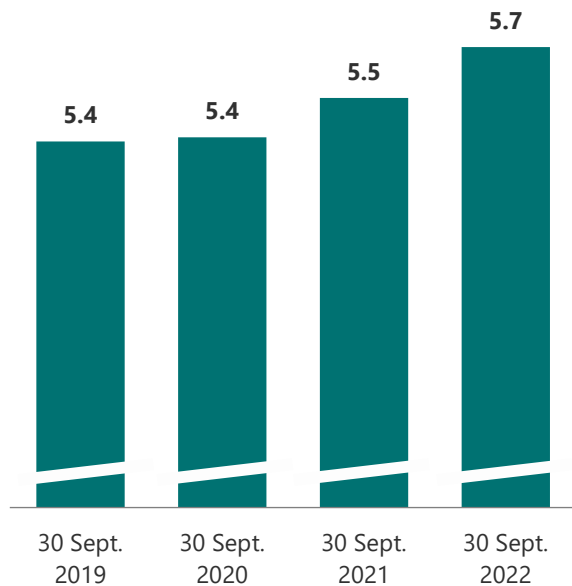
1) Among iOS users.

2) Personal Finance Management.

# Increased customer loyalty and digital sales

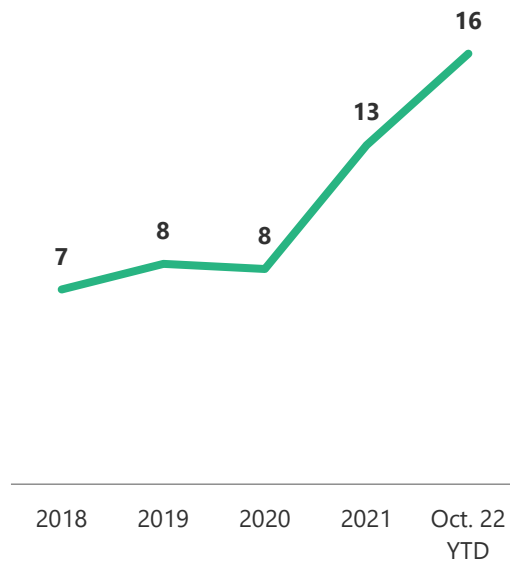
## Products per mortgage customer<sup>1)</sup>

Number



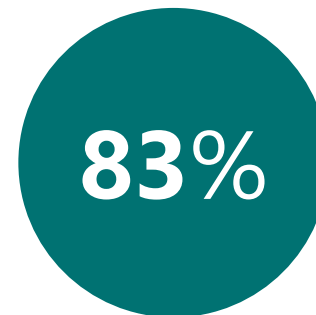
## Digital sales share of non-life insurance<sup>1)</sup>

Per cent

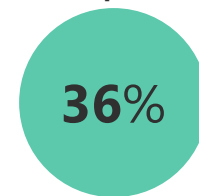


## Strong trust in traditional banks for banking services<sup>2)</sup>

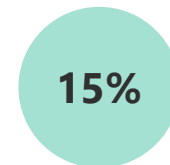
Traditional banks



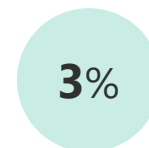
Global payment companies



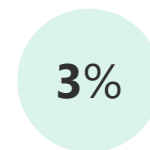
Big tech companies



Foreign startup companies



Social media



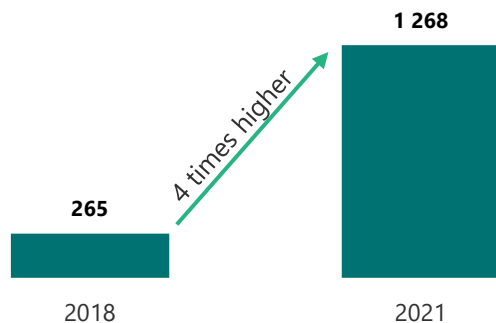
1) Excluding Sbanken.

2) Survey carried out by Ipsos for DNB, asking a representative group of Norway's population – week 2–3 of 2022.

# Continuously transforming to increase business efficiency

## Increased automation leads to FTE efficiency

Number of customer enquiries handled automatically, in thousands<sup>1)</sup>



~9%  
reduction of  
FTEs in  
customer  
service centre

## Saving costs



1) Chatbot conversations and phone calls to the customer service centre.

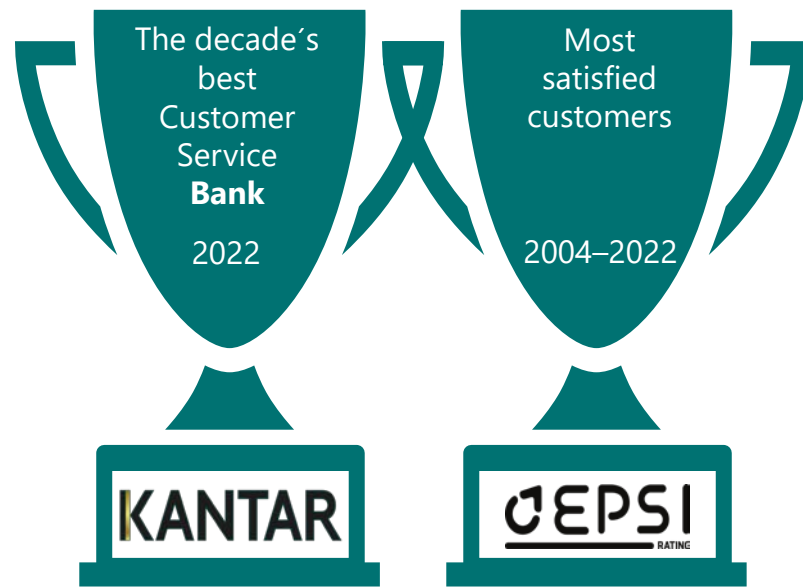
# Sbanken demonstrating strong growth after DNB's acquisition

## 12-month growth in mortgage volumes

Per cent



## Award-winning customer culture



## Well positioned in strategic segments

MASS AFFLUENT

DNB

Individual pricing, personal adviser, premium services

S

Fixed-price plans, self service, basic products and services

YOUNG

DNB

Rated the best bank for the young segment<sup>1)</sup>

1) Survey by Kantar in 3Q22, interviewing Norwegians between 18 and 33 years.

# Strong foundation for further profitable growth

- Strengthened market position with a solid portfolio
- Market-leading digital platform
- Well positioned for future growth with two strong and complementary brands



## Well positioned for continued profitable growth

- Build further on market-leading position in SME segment
- Leverage product offering, industry competence and market position for further growth
- Continue to develop profitable positions relating to green transition



# Leading corporate bank in Norway with a selective international scope



1 in 3 businesses in Norway choose DNB



2 600 employees



44 locations in Norway



16 locations internationally



Broad product and service offering



Best business bank in Norway<sup>1)</sup>

## By merging the SME and large corporates segments...



From the adventurous entrepreneurs ...

... to SMEs with growth ambitions ...



... to the industrial locomotives of the Norwegian and international economy



## ... we have achieved

- Better risk pricing
- Stronger cross-selling
- Cost synergies
- More knowledge sharing

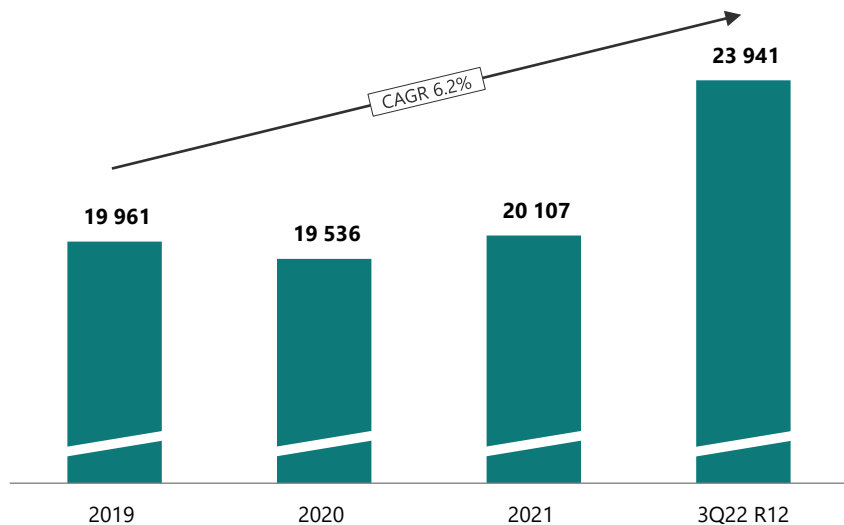
1) Highest ranking among banks in Norwegian business leader survey, Bedriftslederundersøkelsen (2Q22).

# Profitable growth despite challenging market gives solid platform for the future

- Strong post-pandemic profit growth, driven by increase in volumes, deposit margins and other income combined with efficient cost control
- Solid growth in return on allocated capital (ROAC) through capital optimisation and growth in non-lending income

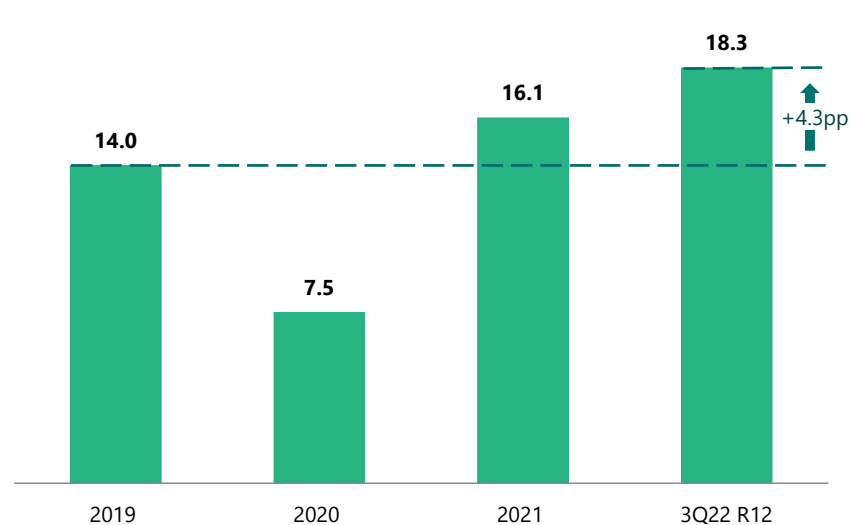
## Pre-tax operating profit before impairments

NOK million



## Return on allocated capital

Per cent

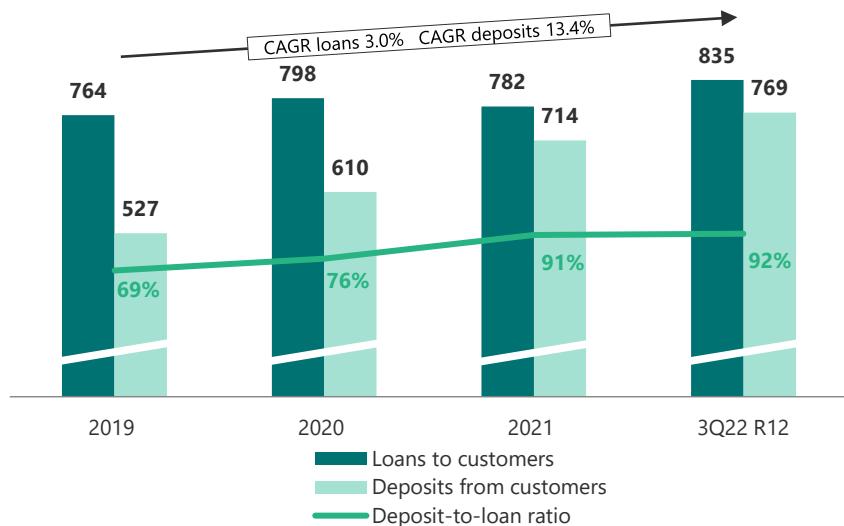


# Broad product platform enables increased income over and above lending growth

- Continued leverage of industry competence in close cooperation with Markets enables strong platform for further growth
- Strong market position and distribution platform, in combination with regulatory changes, provide growth opportunities in pensions and asset management

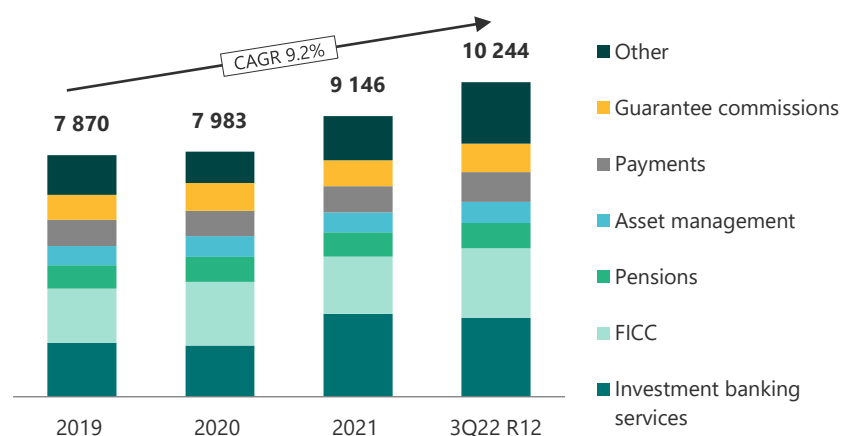
## Loans and deposits

Average volumes, NOK billion



## Net other operating income

NOK million



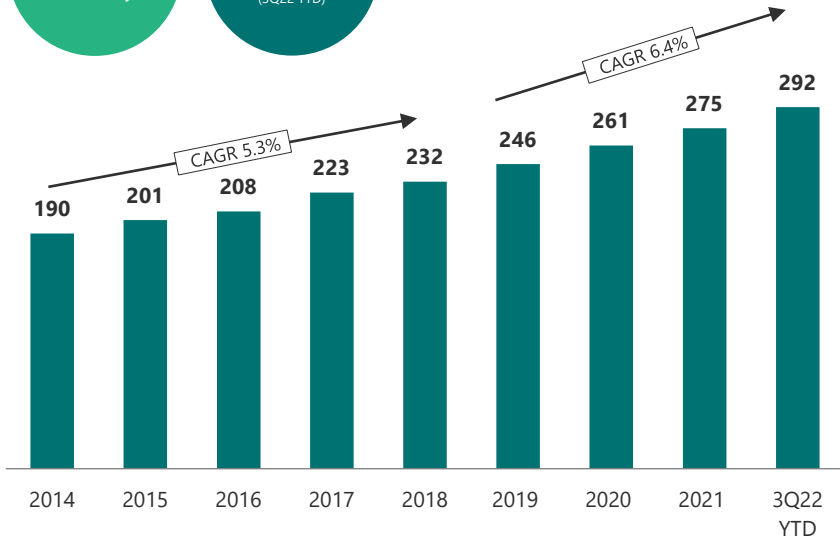
# Unique position in Norwegian SME segment – a key driver for further profitable growth

## High volume growth and profitability<sup>1)</sup>

Average lending volumes, NOK billion

~35%<sup>2)</sup>  
Market share  
in Norway

19.5%  
ROAC  
(3Q22 YTD)



## Key drivers for further profitable growth



Continue to offer digital solutions that drive engagement and improve efficiency

- 59 per cent YTD growth in users of corporate mobile banking services



Use market position and digital platforms to further enhance cross-selling of capital-light products



Capitalise further on regions in Norway with historically lower market share



Reinforce and retain position as the Norwegian startup bank

1) Excluding DNB Finans.

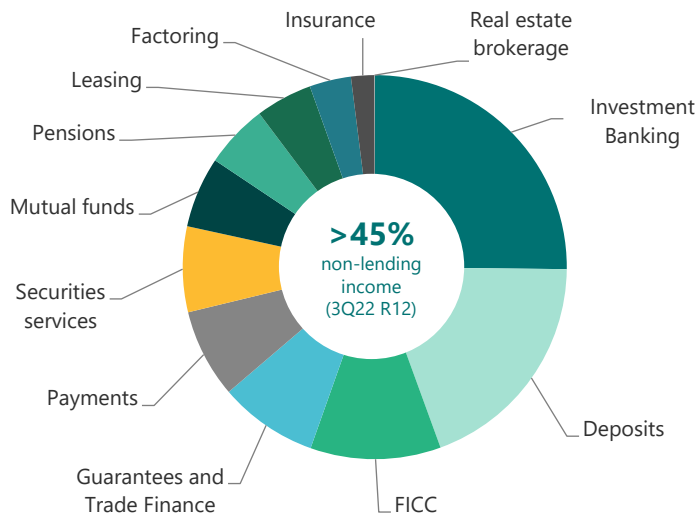
2) Share of active customers in DNB compared with total number of companies in Norway as at September 2022. Source: The Brønnøysund Register Centre.

# Unique position in Norwegian large corporates segment

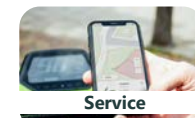
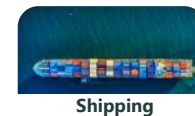
- In-depth industry knowledge and full range of banking products and services
- Strategic advisers to owners and top management as well as provider of daily banking services
- Combining strong cross-selling capabilities with an originate-and-distribute model to continue to deliver return on capital

## Offering a broad and extensive product portfolio...

Non-lending income, large corporates in Norway



## ...to a wide range of industries

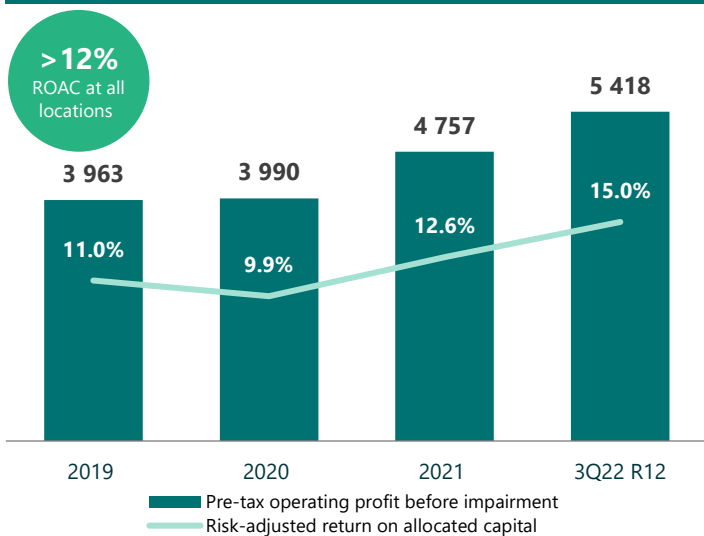


# International presence provides diversification and flexibility

- Enables risk diversification, flexibility in growth strategy, and access to capital markets, world-class industry competence and talent
- Profitable operations in all locations, due to continuous efficiency and a selective business strategy

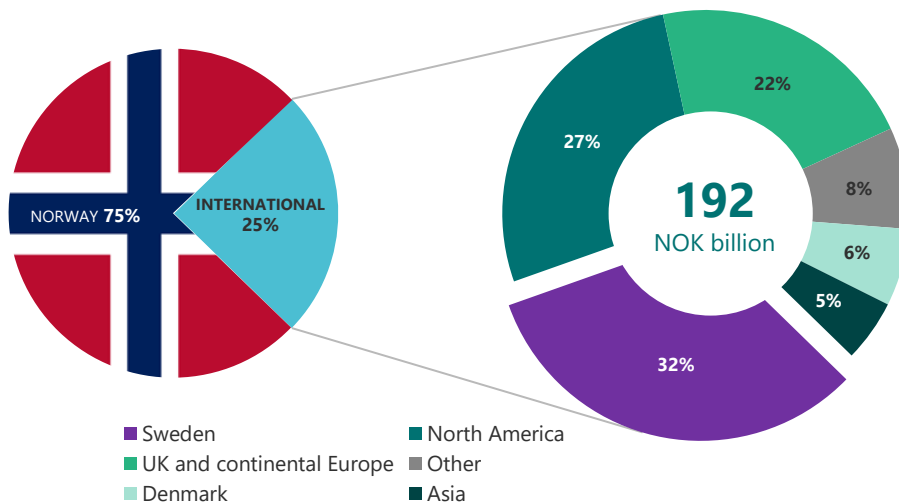
## Profitable growth internationally<sup>1)</sup>

NOK million



## Balanced and selective international presence

Total lending by geography

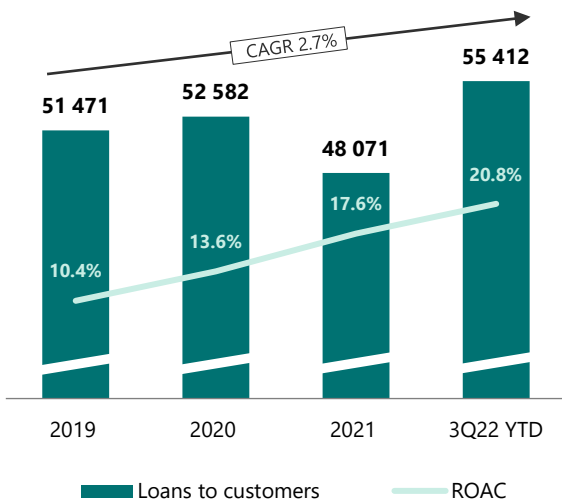


1) Excluding DNB Finans.

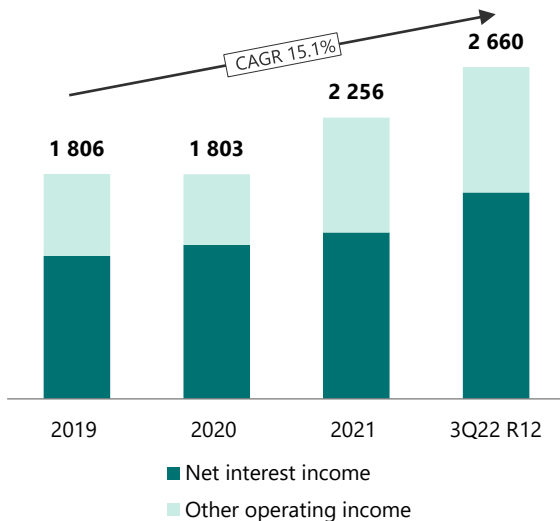
# Solid profitability growth in Swedish large corporates segment driven by non-lending income

- Non-lending income has grown five times faster than loan book
- Comprehensive product range enables solid customer base
- Continuing to develop growth opportunities in close collaboration with Markets

**Average loans to customers**  
NOK million, per cent



**Income growth**  
NOK million



**Selected deals in 2022**

**Renewables & Infrastructure**

**EUR 50 million**  
Green Bond  
+ Green Guarantee SEK 205.8m  
+ M&A of wind farm

*Sustainable and Financial advisor and bookrunner*

**Healthcare**

**GBP 140 million**  
add on to Term, Revolving and Bridge facilities

*MLA and joint Bookrunner*

**Retail**

**SEK 4.5 billion**  
Term Loan + RCF

*Mandated Lead Arranger and Lender*

**Healthcare**

**EUR 135 million**  
add on Financing Term Loan and revolving credit facility

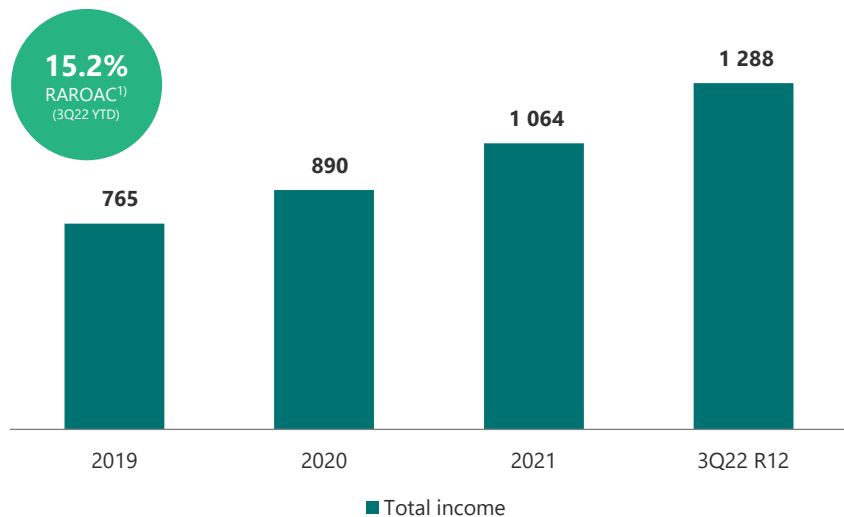
*Mandated Lead Arranger + IPO and IPO-financing*

# Exploring new and existing profitable positions relating to the green transition

- Continuing to build a profitable renewables position and diversify energy mix to include sustainable sources with proven technologies
- Leveraging competence in traditional industries to develop unique and valuable positions relating to the green transition – e.g. offshore wind vessels, offshore wind turbines and electrification of Norwegian ferry sector
- Aiming to play a key role for emerging green industries such as hydrogen production, carbon capture and battery production and storage

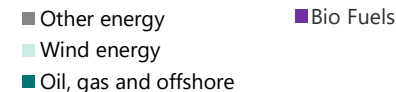
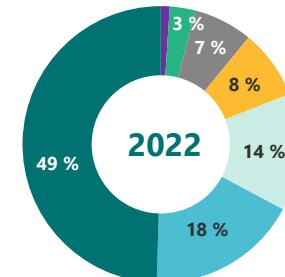
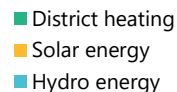
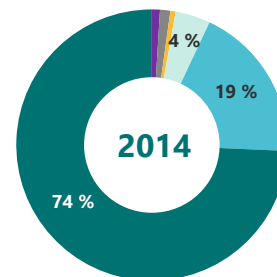
## Renewable energy and infrastructure portfolio

NOK million



## Actively capitalising on the green transition

Energy mix of portfolio, per cent of lending



1) RAROAC: Risk-adjusted return on allocated capital.

# Well positioned for continued profitable growth

- Build further on market-leading position in SME segment
- Leverage product offering, industry competence and market position for further growth
- Continue to develop profitable positions relating to green transition



## Robust investment banking and capital markets business

- Regional champion, benefiting from local currencies and knowledge in capital markets
- Well diversified across products, geographies and industry expertise
- Strong track record of organic growth with ample future growth opportunities



# Operating at regional scale with well-diversified product mix

## Key figures DNB Markets



815

### Number of FTEs

8 per cent of total FTEs in DNB Group  
as at 30 Sept. 2022



7 512<sup>1)</sup>

(NOK million)

### Total income

+ 29 per cent since 2018



33.0<sup>1)</sup>

(Per cent)

### Return on allocated capital

+ 12.5 percentage points since 2018



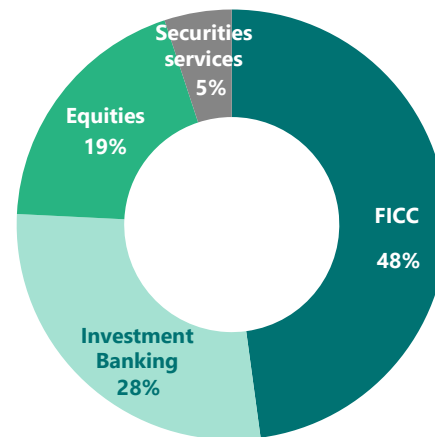
3 906<sup>1)</sup>

(NOK million)

### Pre-tax operating profit

+ 38 per cent since 2018

## Share of income across product divisions<sup>1)</sup>



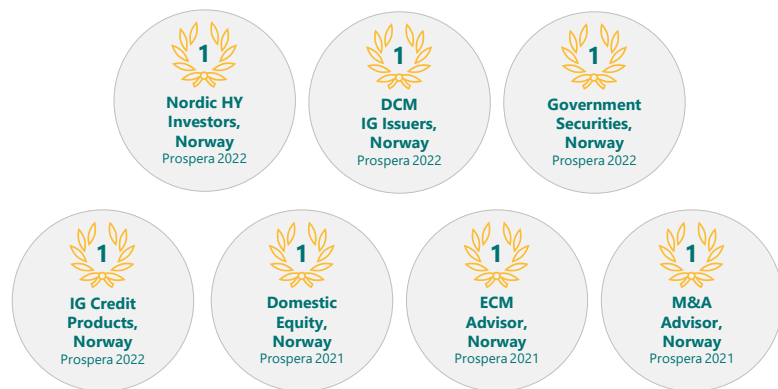
FX and rates Fixed Income	Risk Advisory Commodities	DCM ECM	M&A Loans
Equities S&T Securities Finance	Equities Research Corporate Access	Registrar services Depository services	Custody

1) Trailing 12-month figures as at 3Q22.

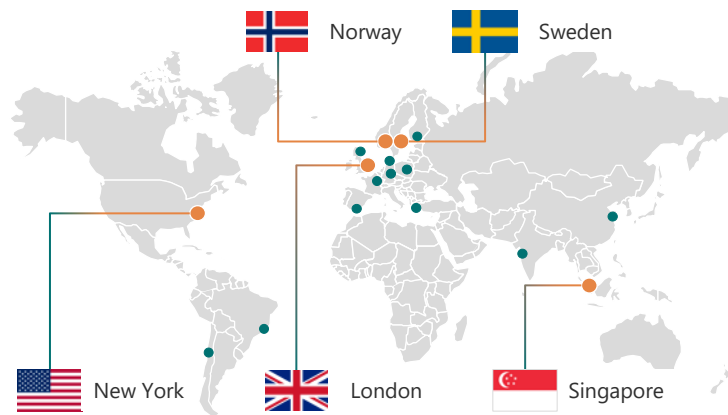
# Leading investment bank in Norway with broad international presence

## Unrivalled market position in the Norwegian market

- Unique market position in Norway across investment banking and capital markets products, corresponding to more than a third of total income pool<sup>1)</sup>
- Ranked number one across most advisory and securities categories in third-party customer surveys by Prospera
- Leading bank globally in NOK foreign exchange (FX) and rates



## Diversified customer and income base through broad international presence



● DNB Markets presence  
● DNB Group offices

### Share of income by geography, 3Q22 R12

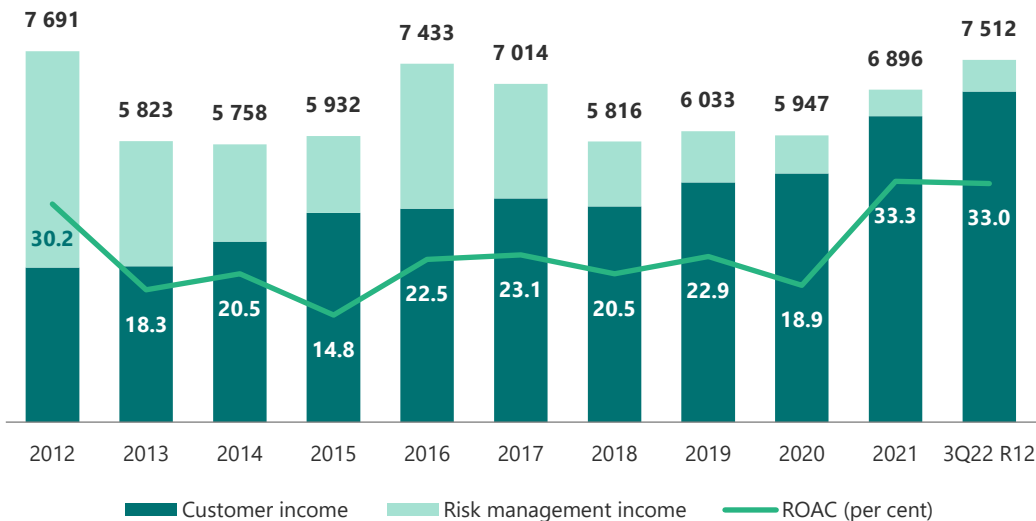


1) Financial Supervisory Authority of Norway (FSA), annual statistics for investment firms, 1H22.

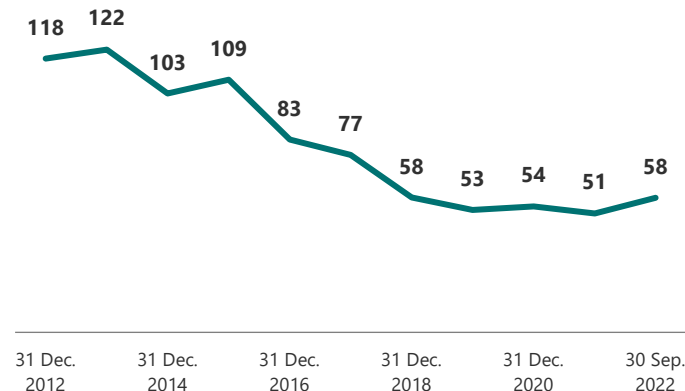
# A structural shift in business mix with growing customer income

- A shift in business mix from reliance on risk management (trading) income to advisory-focused commission and fee income
- Risk exposure amount (REA) reduced by 51 per cent from 2012 to 3Q22
- Customer income more than doubled in last ten years, yielding a healthy return on allocated capital (ROAC) above 30 per cent last two years

**Income and ROAC development**  
NOK million, per cent



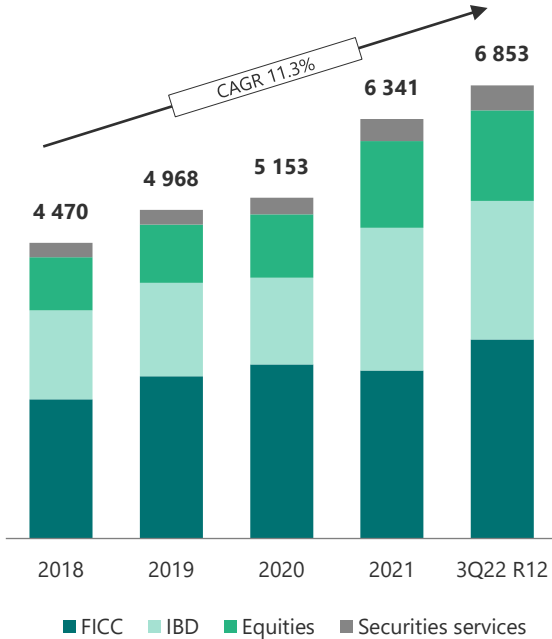
**REA development<sup>1)</sup>**  
NOK billion



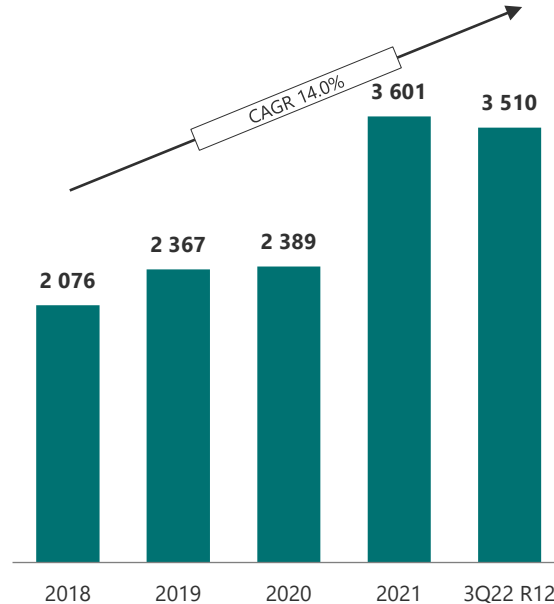
1) Basel II model is used for 2012 and 2013 figures.

# Growth in capital-light customer income set to continue

## Customer income NOK million per division



## Net commissions and fees NOK million



## Key drivers for further growth



Strengthening business across existing products, industries and geographies



Expanding position further in Swedish market

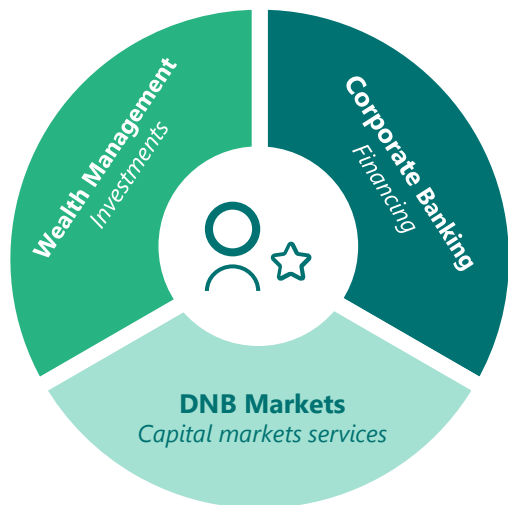


Being a driving force in the sustainable transition

# Business areas combined provide a holistic set of solutions for customers

## Alignment across business areas increases share of wallet

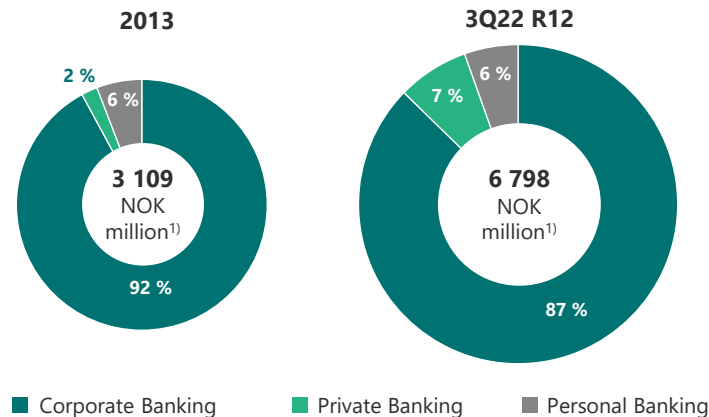
- Corporate Banking, Wealth Management and DNB Markets provide a complete set of products and services for customers
- Create greater value for customers and increase profitability by using strengths and expertise across DNB



## Markets income generated for customer segments

NOK million

- Markets income generated for customer segments has increased by 119 per cent since 2013
- Continued growth supported by improving alignment across business areas

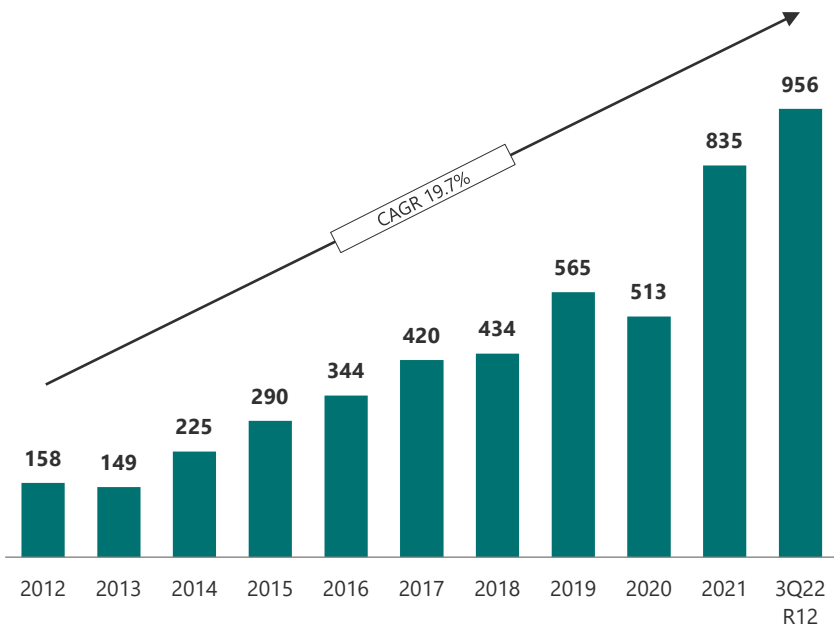


1) Excluding interest on allocated capital.

# DNB Markets and Corporate Banking will continue to grow footprint in Sweden

## Income growth in Sweden

NOK million



## Key drivers for continued profitable growth in Sweden



Exporting Norwegian scale to other Nordic markets with a focus on Sweden



Building on the organic growth achieved and the strong foundation established since 2007



Continuing close cooperation and strategic alignment with Corporate Banking – key to success



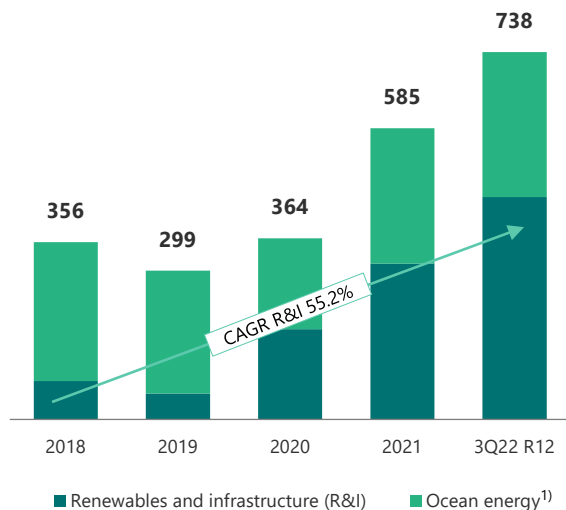
Making use of strong market position, which indicates considerable further room for growth across products

# A driving force in mobilising capital for the sustainable transition

- Energy transition and ongoing energy crisis triggering increased investments in both fossil and renewable energy
- Nordic market is a leading geographical market with regard to sustainable bonds
- Will continue to combine strong industry expertise with global capital market presence to mobilise capital for DNB's core industries

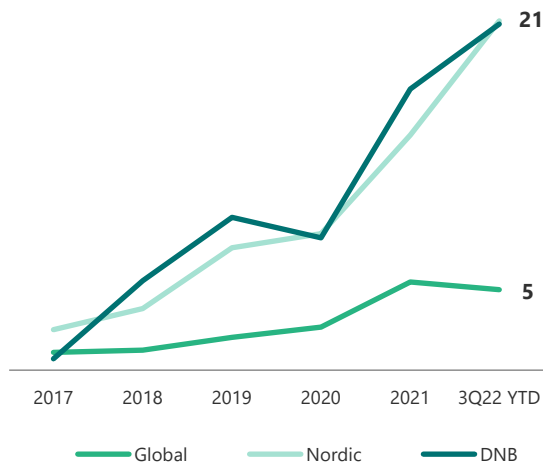
## Investment banking income development within the energy sector

NOK million



## Share of sustainable bonds issued in bond markets

Per cent



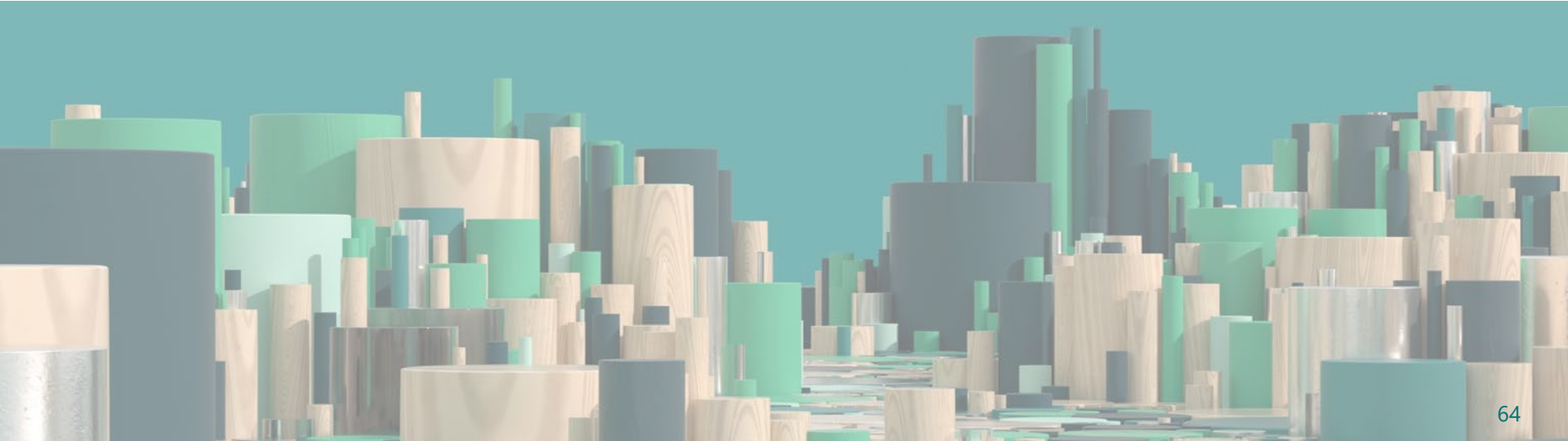
## Transactions in 2022 across products, industries and geographies



1) Ocean energy includes oilfield services, oil & gas and global offshore.

# Robust investment banking and capital markets business

- Regional champion, benefiting from local currencies and knowledge in capital markets
- Well diversified across products, geographies and industry expertise
- Strong track record of organic growth with ample future growth opportunities



# DISCLAIMER

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The statements contained in this presentation may include forward-looking statements, such as statements of future expectations. These statements are based on the management's current views and assumptions and involve both known and unknown risks and uncertainties.

Although DNB believes that the expectations implied in any such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct.

Actual results, performance or events may differ materially from those set out or implied in the forward-looking statements. Important factors that may cause such a difference include, but are not limited to: (i) general economic conditions, (ii) performance of financial markets, including market volatility and liquidity, (iii) the extent of credit defaults, (iv) interest rate levels, (v) currency exchange rates, (vi) changes in the competitive climate, (vii) changes in laws and regulations, (viii) changes in the policies of central banks and/or foreign governments, or supranational entities.

DNB assumes no obligation to update any forward-looking statement.

This presentation contains alternative performance measures, or non-IFRS financial measures. Definitions and calculations are presented on [ir.dnb.no](http://ir.dnb.no).

DNB

